“Internship Report On

An analysis of compensation management policies and practices of

Seven Circle Bangladesh Ltd.”

Submitted To

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Letter of transmittal

20 January 2024
Md. Alamgir Hossan
Assistant Professor
Department of Business Administration
Faculty of business and Entrepreneurship
Daffodil International University

Subject: Submission of internship report on, “An analysis of compensation management policies and practices of Seven Circle Bangladesh Ltd.”

Dear Sir,

This is a great pleasure for me to inform you that I have accomplished my internship report on Seven Rings Cement. I tried to know about the Implication of **“An analysis of compensation management policies and practices of Seven Circle Bangladesh Ltd.”** I have tried to give my best to prepare the report and concentrate during preparing the report.

I would like to thank you for your support and guidance during my internship and help to prepare the report. I hope that you will be kind enough to see inconveniences or mistakes that may have appeared beyond my knowledge and give your valuable feedback so that I can utilize your judgment for further prospects.

Sincerely Yours,

Wahiduzzaman Sane
ID: 221-14-383
Program: MBA
Daffodil International University

Declaration

I hereby declare that the "Internship Report" titled **“An analysis of compensation management policies and practices of Seven Circle Bangladesh Ltd.”** contains the results of my own research work, which was conducted under the supervision of Md. Alamgir Hossan, Assistant Professor, Department of Business Administration, Faculty of Business and Entrepreneurship, Daffodil International University Bangladesh.

I further affirm that the work documented in this internship is original and that no other students have submitted the entire report for the completion of MBA or other degree.

Wahiduzzaman Sane
ID: 221-14-383
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Letter of Acceptance

This is to certify that the Internship Report on **"An analysis of compensation management policies and practices of Seven Circle Bangladesh Ltd."** has been submitted for the award of the degree of Masters of Business Administration (MBA) major in Human Resource Management from Daffodil International University carried out by **Wahiduzzaman Sane** of bearing **ID: 221-14-383**, under my supervision. To the best of my knowledge and as per his declaration, any part of this report has not been submitted for any degree, diploma or certificate elsewhere. She is permitted to submit the internship report for presentation in the internship defense.
I will him all success in life.

Md. Alamgir Hossan
Assistant Professor
Department of Business Administration
Faculty of business and Entrepreneurship
Daffodil International University

Acknowledgment

First and foremost, I want to express my heartfelt gratitude to Allah for providing me with the strength to achieve my life's goals. Without His assistance, I would have been unable to accomplish what I have.

Secondly, I am deeply grateful to my caring parents who have always supported me. I may never fully repay their contributions, but I aspire to meet their expectations.

I'm also thankful to my esteemed institution for granting me the opportunity to intern. I want to commend my supervisor, Md. Alamgir Hossan, for his invaluable guidance, unwavering support, and encouragement throughout my internship.

Lastly, I'm appreciative of all my teachers whose knowledge has deepened my understanding of the organization and at the same time grateful to the entire team at Seven Rings Cement for their support and cooperation during my internship. Their willingness to share knowledge and experiences has greatly enriched my understanding of practical compensation management. Again, I'd like to highlight the exceptional working environment that greatly facilitated my interactions and research activities during my internship.

Executive Summary

This report titled "An analysis of compensation management policies and practices of Seven Circle Bangladesh Ltd.", provides a comprehensive analysis of the compensation strategies and practices at Seven Rings Cement. The primary aim of this study was to understand how the company's compensation management impacts employee satisfaction and organizational performance. The report begins with an overview of Seven Rings Cement, detailing its organizational structure, mission, and services. This is followed by an in-depth discussion of compensation management theories and practices, both globally and within the context of Seven Rings Cement. A significant part of the report is dedicated to analyzing data collected through primary and secondary research methods. This includes employee surveys and interviews, which provide insights into their perceptions and satisfaction levels regarding the compensation they receive. Key findings indicate that while Seven Rings Cement has a robust compensation structure, there are areas for improvement, particularly in terms of transparency and equity in compensation distribution. Employees expressed a need for clearer communication regarding compensation policies and a more comprehensive understanding of how their performance impacts their remuneration. The report concludes with tailored recommendations for Seven Rings Cement to enhance its compensation management. These suggestions aim to improve employee satisfaction and retention, ultimately contributing to the company's overall productivity and success. This study not only provides valuable insights for Seven Rings Cement but also contributes to the broader understanding of effective compensation management in the corporate sector. A significant aspect of the company's compensation policy is its alignment with organizational goals. The strategy is focused on incentivizing employees towards higher productivity and efficiency, which contributes directly to the company's profitability and competitive status in the market. Comparative analysis with other industry players shows that Seven Circle Bangladesh Ltd. offers competitive compensation packages, which are crucial in attracting and retaining top talent. Employee surveys and interviews conducted as part of the study reveal a general sense of fairness and motivation regarding the compensation package. However, the study also points out areas for improvement, particularly in the communication about how compensation is determined and the progression paths for employees. This includes a need for more transparent criteria for performance-based rewards. The report identifies key challenges in compensation management, such as adapting to rapidly changing market trends and balancing cost control with competitive compensation. These challenges highlight the need for a flexible and responsive approach to compensation management in the dynamic cement industry. In conclusion, the compensation management practices at Seven Circle Bangladesh Ltd. are strategically aligned with the company's objectives and market requirements. The report underscores the importance of continual refinement and effective communication of these policies to ensure they meet the evolving needs of the business and its workforce.

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List of Abbreviations

SN	Abbreviation	Explanation
1	HR	Human Resources
2	SPSS	Statistical Package for Social Sciences
3	MCL	Mombasa Cement Limited
4	CEE	Central and Eastern Europe
5	SWOT	Strengths, Weaknesses, Opportunities, and Threats

Chapter 1
Introduction

1.1 Introduction

This report, entitled "An analysis of compensation management policies and practices of Seven Circle Bangladesh Ltd." aims to delve into the intricate world of compensation management at Seven Rings Cement, a prominent player in the cement industry. The focus of this study is to analyze how effectively the company manages its compensation strategies and the impact of these practices on employee satisfaction and organizational success. Seven Rings Cement, renowned for its quality products and significant market presence, operates in an industry where effective compensation management is crucial for attracting and retaining skilled employees. This report not only explores the existing compensation practices at Seven Rings Cement but also seeks to identify any gaps or areas for improvement. The objectives of this study are twofold: firstly, to provide a comprehensive overview of the compensation policies and practices at Seven Rings Cement, and secondly, to evaluate the effectiveness of these practices in terms of employee satisfaction and motivation. This involves an examination of various components of compensation, such as salaries, benefits, bonuses, and non-monetary rewards, and how they align with the company's overall business strategy and employee expectations. This report is structured to offer an in-depth analysis, starting with a thorough review of relevant literature, followed by a detailed methodology outlining the research approach. Subsequent chapters present the findings from the analysis, discuss their implications, and conclude with strategic recommendations for enhancing the compensation management practices at Seven Rings Cement. In today's fiercely competitive business landscape, effective compensation management is not merely an administrative task; it is a strategic imperative for organizations striving to attract, retain, and motivate top talent. This report embarks on a comprehensive exploration of the intricate world of compensation management within the context of Seven Rings Cement, a prominent and distinguished entity within the cement industry. The Significance of Seven Rings Cement, with its unwavering commitment to delivering quality products and a significant market presence, has firmly established itself as a leader in the cement industry. Operating within an industry where the competition for skilled employees is intense, Seven Rings Cement recognizes that effective compensation management is not just a choice but an imperative. The company's success is inherently linked to its ability to attract, retain, and motivate a talented workforce. This report endeavors to shed light on how Seven Rings Cement navigates this critical terrain.

Understanding Compensation Management: Taking Care of Employees

Compensation management is like a puzzle where companies figure out how to pay their employees fairly and motivate them to work well. It's not just about giving a salary; it's about all the ways employees get rewarded.

Important Parts of Compensation

This is the money employees get for their job, like their monthly salary. It's based on what is the job and how much experience employees have. Sometimes, if employees do a great job or help the company make more money, they can get extra rewards like bonuses or commissions. Companies often give benefits like health insurance, retirement plans, and life insurance. These help employees and their family stay healthy and secure. Apart from money, companies can also make you happy with other things like saying "good job," giving you chances to grow in your career, letting you work from home, and making the office a nice place to be. In some companies, they might also give their employee a part of the company, like stocks or shares. This way, if the company does well, you can benefit too. Compensation should be in line with what the company wants to achieve. It should fit with how the company wants to compete, what others in the same business do, and how much money the company has. Having good pay and rewards helps companies bring in talented people and keeps them from leaving for other jobs. When people feel like they are paid fairly and recognized for their hard work, they feel happy and want to do their best at work. Companies must follow laws about pay and treat everyone fairly, no matter who they are. Companies always check if their pay and rewards are working well. They ask employees what they think and compare with other companies. This helps them keep getting better at taking care of their employees. In simple terms, compensation management is all about making sure employees are paid fairly and feel good about their work, which helps both the employees and the company do well (sevenringscement.com, 2015).

1.2 Background

The world of business is continually evolving, shaped by factors such as economic conditions, industry competition, and shifting employee expectations. In this dynamic landscape, organizations must adapt and innovate to remain competitive and sustainable. One critical aspect of an organization's ability to thrive is its approach to compensation management, which plays a pivotal role in attracting, retaining, and motivating a talented workforce. Seven Circle Bangladesh Ltd., operating under the brand name Seven Rings Cement, stands as a prominent player in the cement industry, known for its commitment to delivering high-quality products and its substantial market presence. The cement industry, like many others, faces the ongoing challenge of securing and nurturing skilled employees in a fiercely competitive job market. Effective compensation management is crucial for Seven Rings Cement to address this challenge successfully. It goes beyond the simple act of paying employees; it encompasses a complex set of strategies and practices aimed at ensuring that employees are rewarded fairly, feel valued for their contributions, and are motivated to give their best to the organization. This report, entitled “An analysis of compensation management policies and practices of Seven Circle Bangladesh Ltd.” delves into this intricate world of compensation management within the context of Seven Rings Cement. The central objective of this study is to analyze how effectively the company manages its compensation strategies and assess the impact of these practices on employee satisfaction and the overall success of the organization. The importance of this endeavor cannot be overstated, as the success of Seven Rings Cement is inherently tied to its ability to build and maintain a talented workforce. The cement industry demands specialized skills and expertise, making it essential for the company to not only attract but also retain skilled professionals. The significance of this report extends beyond Seven Rings Cement itself. It serves as a case study that offers valuable insights and lessons for other organizations operating in diverse industries. Effective compensation management is not a one-size-fits-all concept; it requires a nuanced understanding of an organization's specific context and needs. By examining the practices of Seven Rings Cement, this report seeks to contribute to the broader understanding of compensation management strategies and their impact on organizational performance. As we delve into the following sections of this report, we will explore the existing compensation practices at Seven Rings Cement, identify any gaps or areas for improvement, and offer strategic recommendations for enhancing compensation management practices. Through this comprehensive analysis, we aim to shed light on the intricate dynamics of compensation management and its role in shaping the success of Seven Rings Cement and, by extension, other organizations operating in today's competitive business landscape.

1.3 Literature Review

The literature review explores the fundamental concepts of compensation management and its impact on employee motivation and organizational performance. This section synthesizes various scholarly sources to provide a theoretical foundation for the study.

Compensation Management: Compensation management is the practice of providing monetary and non-monetary rewards to employees, crucial for motivating, attracting, and retaining talent. It involves not just the direct payment like salaries but also indirect benefits such as insurance and retirement funds. Managed effectively by Human Resources, it aligns employee compensation with market trends and organizational goals, ensuring fairness and competitiveness. This practice is essential for both employee satisfaction and the overall success of an organization, impacting its growth and ability to maintain a committed workforce (Alight, 2020).

Impact of Compensation on Employee Motivation and Performance: Effective compensation strategies are vital for enhancing employee motivation and performance. Various forms of compensation, such as individual incentives, merit-based pay, profit sharing, stock options, and gain sharing, each uniquely influence employee behavior and productivity. Individual incentives, known for directly boosting performance, can lead to significant increases in productivity. Merit pay, though commonly employed, has shown variable effectiveness in motivating employees. Profit sharing can positively impact performance but may lack immediacy in its motivational effect. Stock options, while beneficial for some, come with potential ethical concerns and a dependence on market fluctuations. Gain sharing, which rewards group performance, promotes teamwork and overall organizational success. A balanced approach to these compensation methods is crucial to foster a motivational work environment and optimize employee performance (Reddy, 2020).

Comparative Analysis of Industry Compensation Practices: The compensation systems for management in various Central and Eastern European countries, comparing them with practices in Western European nations. This comparative study examines a substantial dataset to understand the preferred methods of managerial compensation in transitional economies like Bulgaria, the Czech Republic, Estonia, Lithuania, Hungary, Slovenia, Slovakia, and Serbia. It finds that while there are similarities in management compensation approaches between these regions and Western Europe, especially in terms of individual pay determination, there are distinct features in the Central and Eastern European context. In these countries, performance-related pay is more common than financial participation as part of the overall managerial compensation package. However, the study also notes variations between these countries, emphasizing the significant role of national culture in determining these differences. This analysis offers valuable insights into the evolving nature of management compensation systems in post-transition economies and their distinct characteristics compared to more established Western economies (Berber, Morley, Agnes, & Poór, 2017).

The Role of Employee Benefits in Overall Compensation Strategies: the role of compensation strategies in enhancing employee performance, with a focus on Mombasa Cement Limited, underscores the significant impact of various aspects of compensation on employee motivation and productivity. It reveals that not only do direct financial components like salaries, bonuses, and allowances play a crucial role, but non-financial forms of recognition, such as certificates and verbal appreciation, are also pivotal. The research highlights that a well-structured compensation system, encompassing both monetary benefits and recognition, is essential in motivating employees and improving their performance. This holistic approach to compensation, which includes regular pay reviews, competitive retirement packages, and acknowledging employee achievements, can effectively attract, retain, and motivate employees, thereby enhancing overall organizational productivity. These findings demonstrate the criticality of a balanced and comprehensive compensation strategy in today’s competitive work environment (Jean, Ngui, & Robert, 2017).

Evaluating the Effectiveness of Compensation Policies in Employee Retention: The impact of various human resource management practices, including compensation, on employee retention. Utilizing a questionnaire distributed to a sample of individuals, the study employs a multiple regression analysis to determine the influence of training and development, appraisal systems, and employee empowerment on retention decisions. The results indicate that while training and development, as well as appraisal system compensation, are significant factors in retaining employees, empowerment is less influential. This variation in the impact of empowerment is attributed to cultural factors, particularly in regions with a higher tendency towards authority conformity. These findings suggest that effective compensation strategies, combined with comprehensive training and robust appraisal systems, are crucial for employee retention. This study highlights the importance of understanding cultural contexts when implementing HR practices to ensure they are effective and resonate with the workforce's values and expectations (Hong, Hao, Kumar , Ramendran, & Kadiresan, 2012).

The compensation management practices are vital for organizational success, particularly in retaining employees. These practices encompass strategies for rewarding and optimizing human resources. Effective compensation management not only influences an organization's financial health but also impacts employee well-being, job satisfaction, and productivity. Talent acquisition and retention are essential for competitive advantage. HRM practices play a crucial role in aligning staff management with organizational objectives. However, the challenge of employee retention persists due to increased competition and wage disputes globally. This paper explores the impact of compensation management practices on employee retention in Nigeria, aiming to enhance organizational performance (Solomon, 2017).

In the past, how much people got paid for their work depended on their job titles, skills, and what the community thought of their job. For example, blacksmiths and laborers had different pay levels, and everyone knew the importance of jobs like harness making or goldsmithing. But things changed during the Industrial Revolution. Jobs became more specialized, and it was no longer clear what a person did just from their job title. For example, it was hard to tell if a "roll-turner" worked in a bakery or a steel mill. Nowadays, organizations use formal compensation programs to figure out how much employees should get paid based on the complexity and value of their jobs. This report looks at how compensation management has changed over time and why it's so important in today's complex workplace. Understanding this history helps us see the role and challenges of compensation management in today's business world. (Bisinger, 1983).

1.4 Origin of the Report

For an MBA student, the internship program is the most important stage. The internship program lasts three months and provides the best learning opportunity to learn about the business and adapt to the environment like trained personnel. Interns will become more beautiful and professional in their eventual career area as a result of their internship experience.

From an internship program, a mandatory component of the MBA curriculum at Daffodil International University, Bangladesh. The internship, spanning three months, provides practical learning opportunities, allowing students to apply their theoretical knowledge in real-world business environments. As part of this program, students are required to complete an internship with a corporation, organization, institution, or multinational company to gain firsthand experience in professional settings. The completion of this internship, along with a detailed report, is essential for post-graduation from the MBA program. This specific report is focused on understanding and analyzing employee job satisfaction at Seven Rings Cement in Bangladesh, a leading cement brand under the Shun Shing Group, established in 1999. The aim is to provide insights into various factors influencing job satisfaction within the company, contributing to the overall understanding of employee dynamics in the corporate sector.

1.5 Objectives of the study

A research objective is a statement that describes what the research tries to get achieved. The objective of this report is to discuss about an analysis of compensation management policies and practices of Seven Circle Bangladesh Ltd.

The other objectives of this report are as given follows.

1.5.1 Broad Objective

To conduct an in-depth analysis of employee job satisfaction at Seven Rings Cement, focusing on identifying the primary factors that influence employee morale and engagement within the organization.

1.5.2 Specific Objectives

- To identify the compensation management policies and practices of seven circle Bangladesh limited.
- To analyze the compensation management policies and practices of seven circle Bangladesh limited.
- To provide some recommendations based on findings.

1.6 Research Scope

This study delves into the intricate practices of compensation management at Seven Rings Cement. Our exploration is focused on understanding and evaluating how the company's compensation strategies affect the satisfaction and overall performance of its employees. Key aspects of our inquiry include:

Examination of Current Compensation Policies: We're looking closely at the existing salary structures, bonuses, benefits, and other forms of remuneration at Seven Rings Cement. This helps us gauge how well these policies align with industry standards and employee expectations.

Employee Perspectives and Satisfaction: A significant part of our study involves gathering feedback from employees through surveys and interviews. This will provide us with firsthand insights into how the workforce perceives and values their compensation packages.

Comparative Analysis: We're also comparing the compensation practices at Seven Rings Cement with those in similar industries. This comparison will help us understand where the company stands in relation to its competitors and industry norms.

Theoretical Framework: The study is grounded in various theories and scholarly works on compensation management. This theoretical backing ensures that our analysis is not just practical but also academically sound.

Practical Recommendations: Based on our findings, we aim to offer practical, tailored suggestions to enhance the compensation management at Seven Rings Cement. These recommendations will be geared towards improving employee satisfaction and retention, ultimately aiding the company's productivity and success.

Our scope is carefully designed to provide a comprehensive and insightful understanding of compensation management practices, with the end goal of contributing positively to both Seven Rings Cement and the broader corporate sector.

1.7 Research Design

Population: The population under study comprises employees working at Seven Rings Cement.

Sampling Techniques: The study employed a combination of quantitative and qualitative research methods. For quantitative data collection, a simple random sampling technique was used to select a representative sample of 29 employees from Seven Rings Cement. This involved assigning each employee a unique number and using a random process to select participants. Qualitative insights were gathered through semi-structured interviews with certain staff members. The selection of these interviewees may have involved purposive sampling, focusing on individuals who could provide valuable qualitative information about employee job satisfaction.

Sample Sizes: The study included a sample size of 29 employees for quantitative data collection. While the exact sample size for qualitative interviews is not specified, it likely involved a smaller, select group of staff members, typically used in qualitative research to obtain in-depth insights.

Analysis tools: MS Office, Google form, Canva (Picture editing).

- MS Office: Utilized for a range of tasks including data compilation, document creation, and spreadsheet analysis. This suite of tools provided robust functionality for organizing and presenting the gathered information in a structured and accessible format.
- Google Forms: Employed for conducting surveys and gathering responses. Its user-friendly interface allowed for the efficient collection of data directly from participants, facilitating the analysis of employee feedback on compensation practices.
- Canva: I have used it for picture editing and visual content creation. This tool was instrumental in enhancing the visual appeal of the report, allowing for the creation of engaging graphics and layouts to better illustrate key findings and concepts.

1.7.1 Sources of Data

There are two sources of data. These are as follows:

Primary Data:

- ✓ Structured questionnaires and semi-structured interviews conducted with employees of Seven Rings Cement.

Secondary Data:

- ✓ Company reports and publications from Seven Rings Cement.
- ✓ Relevant industry reports and academic articles on employee satisfaction.
- ✓ Data from the Bangladesh Cement Manufacturers Association website and other similar resources.

All of the data in this report was collected from both primary and secondary sources

Fig 1 : Types of Data.

1.8 Limitations

I tried my level best to complete the report according to the requirements. But there is some limitation to complete the report:

Sample Size and Diversity: The report's findings are based on a small group of employees, which may not accurately reflect the views of all employees at Seven Rings Cement. Additionally, this group might not represent the diverse backgrounds and experiences of the entire workforce.

Response Bias: Employees might be inclined to give answers they think are socially acceptable or what they believe the researchers want to hear. This could lead to responses that don't truly reflect their genuine feelings, potentially affecting the accuracy of the data.

Time Constraints: The study was conducted over a relatively short period, which means it may not capture long-term trends in job satisfaction. Some factors affecting employee satisfaction might take time to surface and evolve.

Access to Information: Limited access to internal company data could restrict the depth of our analysis. Having more comprehensive data would allow for a more thorough examination of various aspects related to compensation and job satisfaction.

Subjectivity: Employee satisfaction is a subjective measure that can vary from person to person. It may not fully capture the complexity of individual experiences and preferences.

External Factors: The report may not account for external factors that could influence job satisfaction, such as personal life events or economic conditions.

Language Barriers: Language differences among employees might have affected their ability to express their opinions accurately, potentially leading to misinterpretation of responses.

Seasonal Variations: Job satisfaction levels can fluctuate throughout the year due to seasonal changes in workload or external factors, which may not be fully considered in the report's timeframe.

Influence of Leadership Changes: Changes in company leadership or management during the study period might not have been fully accounted for in the analysis, even though they can significantly impact employee satisfaction.

Chapter 2
Organizational Overview

2.1 Background of Seven Circle Bangladesh Ltd.

Seven Rings Cement, a leading brand in the cement industry of Bangladesh, has a rich and dynamic history. The brand's journey began in 1999 when Seven Circle Bangladesh Ltd was established to produce and market cement under the brand name Seven Rings Cement. This marked the initiation of a brand that would later become synonymous with quality, durability, and innovation in the cement sector.

The first factory of Seven Rings Cement was set up at Kaligong, Gazipur, Dhaka, named Seven Circle Bangladesh Ltd. (SCBL). Strategically located on the bank of the river Shitalakha, just 38 KM away from Dhaka city, this facility was designed to cater to the cement needs of Greater Dhaka, Mymensingh, Sylhet, and Comilla. With a current production capacity of 1.9 million metric tons per annum, it plays a significant role in meeting the region's demand for cement.

The brand is part of the Shun Shing Group, which was established in Hong Kong in 1988. The group has been involved in various international import and export trading businesses, dealing with a range of materials like cement, clinker, gypsum, limestone, rock phosphate, and iron ore. This international backing has contributed to the brand's strength and its ability to uphold high standards of quality and innovation.

Furthermore, Seven Rings Cement has expanded its operations over the years. SSGIL, the company behind Seven Rings Cement, operates four cement plants located in Dhaka, Chattogram, Khulna, and Dubai, with a total production capacity of 9.4 million metric tons per annum. This expansion not only demonstrates the brand's commitment to growth and development but also its ability to maintain its position as Bangladesh’s most preferred cement brand.

Overall, Seven Rings Cement's history is characterized by strategic growth, international backing, and a commitment to quality and innovation, factors that have established it as a leading brand in the cement industry of Bangladesh (Seven Rings Cement, 2023).

Fig 2 : Seven Rings Cement Company.

2.2 Corporate Information of the Organization Company Profile

Company Profile	
Name of the Company	Seven Circle Bangladesh Ltd.
Address	7th, 8th, 9th & 12th Floor, 28 Gulshan North C/A Gulshan-2, Dhaka-1212, Bangladesh
Phone	Tel:- (880-2) 58817690-3, Hotline:- 16737 Fax: (880-2) 58811926, 9895835
Website	http://sevenringscement.com/
Chairman	Mr. Ikram Ahmed Khan
Year of Establishment	1999
Factory Space	A subsidiary of Shun Shing Group, operates three cement plants located across Bangladesh. These plants collectively produce 8.4 million tons of cement annually, making Seven Rings Cement one of the largest cement manufacturers by output volumes in Bangladesh.
Number of Employees	156
Quality Certification	ISO 9001 for quality management systems and ISO 14001 for environmental management systems.
Logo	SEVEN RINGS CEMENT | FOUNDATION FOR FUTURE

Table 1 : Company Profile

2.3 Corporate Governance

Corporate Governance represents a framework of systems and processes by which corporations are directed and managed. At Seven Rings Cement, the Board of Directors is entrusted with the governance of the company. Their responsibilities encompass setting the company's strategic objectives, instilling the necessary leadership to realize these objectives, overseeing the management of the corporation, and ensuring accountability to shareholders and regulatory bodies. Corporate governance involves both the board of directors and the executive management team, ensuring a balance of power and a commitment to business integrity and transparency.

2.4 Vision

Our vision is to be the preeminent leader in the cement industry in Bangladesh and extend our reach throughout the South Asian market. We aspire to be acknowledged as the benchmark in the industry, known for our exceptional quality products, competitive pricing, and extraordinary customer service. Seven Rings Cement is committed to setting industry standards, driving innovation, and being an exemplar of corporate excellence.

2.5 Mission

Our mission is to enhance the value and reputation of any construction by providing superior cement quality. At Seven Rings Cement, we are dedicated to empowering our customers with reliable and durable cement products for their construction needs. We pledge to contribute to the strength and sustainability of the structures built with our products, thus enriching the fabric of the communities we serve.

2.6 Products

Seven Rings Cement is dedicated to manufacturing a wide range of high-quality cement products designed to meet the diverse needs of construction. Our product line includes:

- Ordinary Portland Cement (OPC): The classic choice for general use in a variety of construction projects, including commercial, residential, and infrastructure works, due to its excellent strength and durability.
- Portland Composite Cement (PCC): A versatile and more environmentally friendly option, PCC is suitable for all types of building works where the superior performance of concrete is a crucial requirement.

- ❖ Portland Slag Cement (PSC): Specifically designed for hydraulic structures, marine works, and construction in sulfate-rich environments, PSC offers increased resistance to chemicals and enhanced long-term strength.
- ❖ Customized Cement Solutions: We also offer tailored cement products that are designed to meet specific customer requirements for unique construction challenges.
- ❖ Each of our products is a result of rigorous research and development, ensuring that they exceed industry standards for strength, performance, and sustainability. Seven Rings Cement is committed to innovation in product development, ensuring that we provide not just materials, but solutions that contribute to building a stronger future.

Fig 3 : Products (Seven Rings Cement and Cement Bag)

2.7 Customers

At Seven Rings Cement, our customer base is as diverse and robust as our product offerings. We are proud to serve a wide spectrum of clients, including:

- ❖ **Construction Companies:** From large-scale infrastructure projects to residential and commercial developments, we supply cement that meets the stringent quality demands of professional construction firms.
- ❖ **Government Contracts:** Our products are often specified for public works due to their reliability and adherence to regulatory standards, contributing to national infrastructure such as highways, bridges, and government buildings.

- **Architects and Engineers:** These professionals count on our consistent quality to bring their visionary designs to life, ensuring structural integrity and longevity.
- **Distributors and Retailers:** A network of distributors and retailers across the region ensures that our products are readily available to the wider market.
- **Individual Home Builders:** We cater to individual clients looking for high-quality cement for their personal construction projects, renovations, or expansions.
- **Industrial Clients:** Our specialized products are used in a variety of industrial applications requiring specific performance characteristics.

The commitment to customer satisfaction is evident in our responsive service, technical support, and the enduring relationships we have built with each segment of our customer community. At Seven Rings Cement, every client is valued, and we strive to meet their unique needs with expertise and care.

2.8 Corporate Departments

Seven Rings Cement has structured its corporate departments to efficiently manage operations and maintain the highest standards of service.

The departments include:

Research and Development (R&D): Innovating and improving product formulations and production techniques to ensure the highest quality of cement.

Production and Quality Control: Overseeing the manufacturing process to ensure all products meet our stringent quality standards.

Sales and Marketing: Driving business growth by developing marketing strategies, managing customer relationships, and expanding market reach.

Customer Service: Providing support and guidance to ensure customer satisfaction and to foster lasting business relationships.

Human Resources (HR): Attracting, developing, and retaining talent, as well as managing employee relations and ensuring compliance with labor laws.

Finance and Accounting: Managing financial records, controlling expenses, and planning budgets to ensure financial health and transparency.

Supply Chain Management: Ensuring the efficient flow of raw materials to production and finished products to market, optimizing the supply chain to reduce costs and improve delivery times.

Information Technology (IT): Implementing and maintaining the technology infrastructure to support operations and protect data.

Legal and Compliance: Ensuring all operations adhere to legal standards and ethical practices, while also managing risk.

Sustainability and Environment: Developing and implementing practices that minimize our environmental footprint and promote sustainable development.

Each department within Seven Rings Cement plays a vital role in the company's success, working together to deliver excellence and uphold the reputation of the Seven Rings brand in the cement industry.

Fig 4 : Deparment members

Chapter 3

Compensation Management Practices and Policies of seven circle Bangladesh limited.

3.1 Compensation Practices and Policies of Seven Circle Bangladesh Limited

Compensation management plays a pivotal role within Seven Circle Bangladesh Limited, encompassing a strategic approach to employee pay and benefits. Their aim is to attract, retain, and motivate a talented workforce while ensuring fairness, compliance with financial standards, and ethical considerations. Their comprehensive compensation system covers various elements such as salary, bonuses, incentives, and non-monetary benefits, all meticulously structured to align with our company's objectives, individual performance, and industry benchmarks.

I like to share some additional info as follows-

Attractive salary range as per designation, but ratio as per labor law:

Leave:

Casual Leave (CL): Employees are entitled to 10 days per year, non-carryover, for urgent personal matters.

Sick Leave (SL): 14 days per year provided for health-related absences, with medical certification required for leave over two consecutive days.

Maternity Leave: 180 days as per labor law, applicable for childbirth, including prenatal and postnatal periods.

Earned Leave Encashment: As per labor law, employees can encash unused Earned Leave, based on their current basic salary.

Festival Bonuses:

Eid Ul Fitr: Employees receive a bonus equivalent to 100% of their basic salary.

Eid Ul Azha: A bonus of 100% of the basic salary is provided.

Pahela Boishakh: Celebrating the Bengali New Year, employees are awarded a bonus of 20% of their basic salary.

Profit Sharing Bonus: In recognition of the collective efforts of our employees, we offer a profit-sharing bonus. This bonus is distributed based on the company's profitability and individual employee performance, fostering a sense of ownership and shared success.

Provident Fund: Employees are entitled to a Provident Fund, where both the employee and employer contribute a fixed percentage of the basic salary. This fund serves as a financial security for post-retirement life.

Gratuity: We provide a gratuity benefit, a lump-sum payment made to employees who have completed a certain period of service with the company, as a gesture of gratitude for their dedication and hard work.

Insurance: Employees are covered under a comprehensive insurance policy, which includes health, life, and disability insurance, ensuring financial support in case of unforeseen events.

On-Duty Accident Coverage: In the unfortunate event of an accident occurring during work hours or in the course of employment, the company covers all related medical expenses. This policy underscores our commitment to employee safety and well-being.

Facilities:

Subsidized Lunch Facilities: The company offers a subsidized lunch program, providing nutritious and affordable meal options to employees. This initiative is aimed at promoting health and well-being, as well as offering convenience during work hours.

Transport Facilities: To facilitate a hassle-free commute, the company provides transport facilities for employees. This service ensures safe and comfortable transportation to and from the workplace.

Mobile Bill Coverage: The company covers the mobile phone bills of its employees, supporting work-related communication needs and reducing financial burdens associated with mobile usage for work.

Provision of Mobile Phone: Every two years, the company provides a mobile phone to each employee. This policy ensures that employees have access to modern communication tools for professional purposes.

Key Dimensions of Compensation Management at Seven Circle Bangladesh Limited include:

- ✓ **Internal Equity:** Seven Circle Bangladesh Limited prioritize fairness in pay rates, ensuring that compensation is equitable across different roles within the organization.
- ✓ **External Competitiveness:** To attract and retain top talent, it offers competitive compensation packages benchmarked against industry standards.
- ✓ **Individual Performance:** Their compensation is directly tied to individual performance, incentivizing employees to excel in their roles.
- ✓ **Organizational Performance:** They align compensation strategy with the financial performance and strategic goals of Seven Circle Bangladesh Limited.
- ✓ **Legal Compliance:** Adhering to all compensation-related legal and regulatory requirements is of utmost importance.
- ✓ **Benefits Management:** They offer a comprehensive benefits package, including health insurance, retirement plans, and other welfare measures as part of the total compensation package.

The importance of compensation management practices cannot be overstated, serving multiple critical functions:

- ✓ **Attracting Talent:** Competitive compensation packages are vital for attracting high-quality employees to Seven Circle Bangladesh Limited.
- ✓ **Retaining Employees:** Fair and attractive compensation is key to retaining valuable employees and reducing turnover.
- ✓ **Motivation and Job Satisfaction:** Their compensation systems motivate employees to perform at their best and contribute to overall job satisfaction.
- ✓ **Financial Management:** Effective compensation management helps in budgeting and financial planning, ensuring that employee costs remain sustainable for the company.
- ✓ **Regulatory Compliance:** It ensures that they meet all legal requirements, avoiding legal disputes and fines.
- ✓ **Strategic Alignment:** Compensation management supports the strategic objectives of Seven Circle Bangladesh Limited by aligning employee rewards with their business goals.

Their compensation management draws from various theories, including:

- ✓ **Equity Theory:** Employees compare their input-outcome ratio with that of others to determine fairness.
- ✓ **Expectancy Theory:** Employees are motivated when they believe their efforts will lead to effective performance and, in turn, to rewards.
- ✓ **Maslow's Hierarchy of Needs:** Compensation is used to meet employees' basic needs and subsequently higher-level needs for esteem and self-actualization.

They consider various general factors in our compensation management:

- **Market Rate Analysis:** Regularly analyzing competitive market rates to remain competitive in the industry.
- **Cost of Living Adjustments:** Adjusting pay to match inflation and cost of living changes.
- **Skill and Experience:** Compensating employees based on their skill levels, experience, and qualifications.
- **Organizational Budget:** Aligning compensation strategies with their financial capabilities and budget.
- **Legal Requirements:** Ensuring compliance with minimum wage laws, overtime rules, and other regulations.

At Seven Circle Bangladesh Limited, their compensation policies emphasize:

- **Market Competitiveness:** Their compensation packages are designed to be competitive with current market trends in the industry.
- **Performance-Based Rewards:** They emphasize performance-based bonuses and incentives to reward exceptional work.

- **Transparency:** All compensation processes are transparent and communicated clearly to employees.
- **Equal Pay:** They are committed to equal pay for work of equal value, irrespective of gender, ethnicity, or background.
- **Comprehensive Benefits:** We provide a comprehensive benefits package, including health insurance, retirement benefits, and other welfare measures.
- **Regular Reviews:** Compensation levels are regularly reviewed and adjusted based on individual performance, company performance, and changes in the economic environment.

Under their incentive and reward programs, they structure merit-based raises, bonuses, profit-sharing plans, and other performance-related pay structures to align with organizational goals and employee performance metrics, ensuring that rewards effectively motivate their staff and contribute to the company's success. To maintain equity and competitive pay, they conduct internal and external equity analyses, benchmarking our compensation against industry standards and different organizational tiers. They address disparities and ensure their compensation remains competitive to attract and retain top talent. Their commitment to compensation management compliance and ethics is unwavering. Seven Circle Bangladesh Limited adhere to legal standards and ethical practices in their compensation management, emphasizing compliance with labor laws, tax regulations, and ethical guidelines. Seven Circle Bangladesh Limited has robust systems in place to monitor and address any discrepancies or issues that may arise.

3.2 Compensation Management

Compensation management is a critical aspect of human resource management at Seven Rings Cement, which involves the strategic handling of employee pay and benefits. This system is designed to attract, retain, and motivate employees while ensuring fairness and compliance with financial and ethical standards. It encompasses salary, bonuses, incentives, and non-monetary benefits, which are structured to align with the company's goals, employee performance, and market standards.

3.3 Dimensions to Compensation Management

The dimensions of compensation management at Seven Rings Cement include:

- **Internal Equity:** Ensuring that the pay rates are fair when compared internally among different roles within the company.
- **External Competitiveness:** Offering compensation that is competitive with other companies in the industry to attract and retain top talent.
- **Individual Performance:** Linking pay directly to individual performance, providing incentives for employees to excel in their roles.
- **Organizational Performance:** Aligning the overall compensation strategy with the financial performance and strategic goals of the company.

- **Legal Compliance:** Adhering to all compensation-related legal and regulatory requirements.
- **Benefits Management:** Including health insurance, retirement plans, and other benefits as part of the total compensation package.

3.4 Importance of Compensation Management

The importance of compensation management cannot be overstated, as it has multiple critical functions:

- **Attracting Talent:** Competitive compensation packages are essential for attracting high-quality employees to Seven Rings Cement.
- **Retaining Employees:** Fair and attractive compensation is key to retaining valuable employees and reducing turnover.
- **Motivation and Job Satisfaction:** Well-designed compensation systems motivate employees to perform at their best and increase overall job satisfaction.
- **Financial Management:** Effective compensation management helps in budgeting and financial planning, ensuring that employee costs are sustainable for the company.
- **Regulatory Compliance:** It ensures that the company meets all legal requirements, avoiding legal disputes and fines.
- **Strategic Alignment:** Compensation management supports the strategic objectives of Seven Rings Cement by aligning employee rewards with business goals.

3.5 Positive and Negative Effects of Compensation Management

Positive Effects:

- ✓ Enhanced Performance: Effective compensation management can lead to increased employee productivity as financial rewards incentivize high performance.
- ✓ Attraction and Retention: Competitive compensation packages attract skilled employees and help retain top talent within Seven Rings Cement.
- ✓ Employee Satisfaction: Fair and transparent compensation contributes to higher job satisfaction and employee morale.
- ✓ Alignment with Objectives: Compensation aligned with business goals helps to focus employee efforts on the company's strategic objectives.

Negative Effects:

- ✓ Cost Management: If not managed prudently, compensation can become a financial burden, impacting the company's profitability.
- ✓ Disparities: Poor compensation management can lead to pay disparities, causing internal conflicts and dissatisfaction among employees.
- ✓ Inequitable Rewards: Misalignment between performance and rewards can demotivate employees and reduce productivity.

3.6 Theory Used for Employee Compensation Management

- ✓ **Equity Theory:** Employees compare their input-outcome ratio with that of others to determine fairness.
- ✓ **Expectancy Theory:** Suggests that employees are motivated when they believe their efforts will lead to effective performance and, in turn, to rewards.
- ✓ **Maslow's Hierarchy of Needs:** Compensation is used to meet employees' basic needs and subsequently higher-level needs for esteem and self-actualization.

3.7 General Factors of Compensation Management

- ✓ **Market Rate Analysis:** Regularly analyzing the competitive market rate to stay competitive.
- ✓ **Cost of Living Adjustments:** Adjusting pay to match inflation and cost of living changes.
- ✓ **Skill and Experience:** Compensating employees based on their skill levels, experience, and qualifications.
- ✓ **Organizational Budget:** Aligning compensation strategies with the financial capabilities and budget of Seven Rings Cement.
- ✓ **Legal Requirements:** Ensuring compliance with minimum wage laws, overtime rules, and other regulations.

3.8 Compensation Policies at Seven Rings Cement

- **Market Competitiveness:** Our compensation packages are designed to be competitive with the current market trends in the cement industry.
- **Performance-Based Rewards:** We emphasize performance-based bonuses and incentives to reward exceptional work.
- **Transparency:** All compensation processes are transparent and communicated clearly to employees.
- **Equal Pay:** Seven Rings Cement is committed to equal pay for work of equal value, irrespective of gender, ethnicity, or background.
- **Comprehensive Benefits:** We provide a comprehensive benefits package that includes health insurance, retirement benefits, and other welfare measures.
- **Regular Reviews:** Compensation levels are regularly reviewed and adjusted based on individual performance, company performance, and changes in the economic environment.

3.9 Incentive and Reward Programs at Seven Rings Cement

This heading would detail how Seven Rings Cement structures its incentive programs, including merit-based raises, bonuses, profit-sharing plans, and other performance-related pay structures. It could discuss how these incentives align with organizational goals and employee performance metrics, ensuring that rewards are effectively motivating staff and contributing to the company's success.

3.10 Equity and Competitive Pay Analysis

Under this heading, one could explore how Seven Rings Cement ensures internal and external equity in its pay structures. It would cover the methods used to analyze and benchmark compensation against industry standards and within different departments or tiers of the company. It could also touch on how Seven Rings Cement addresses any disparities and ensures that its compensation remains competitive to attract and retain top talent.

3.11 Compensation Management Compliance and Ethics

Here, the focus would be on how Seven Rings Cement adheres to legal standards and ethical practices in its compensation management. This section could outline the company's commitment to compliance with labor laws, tax regulations, and ethical guidelines. It would also describe the systems in place to monitor these aspects and how the company handles any discrepancies or issues that arise.

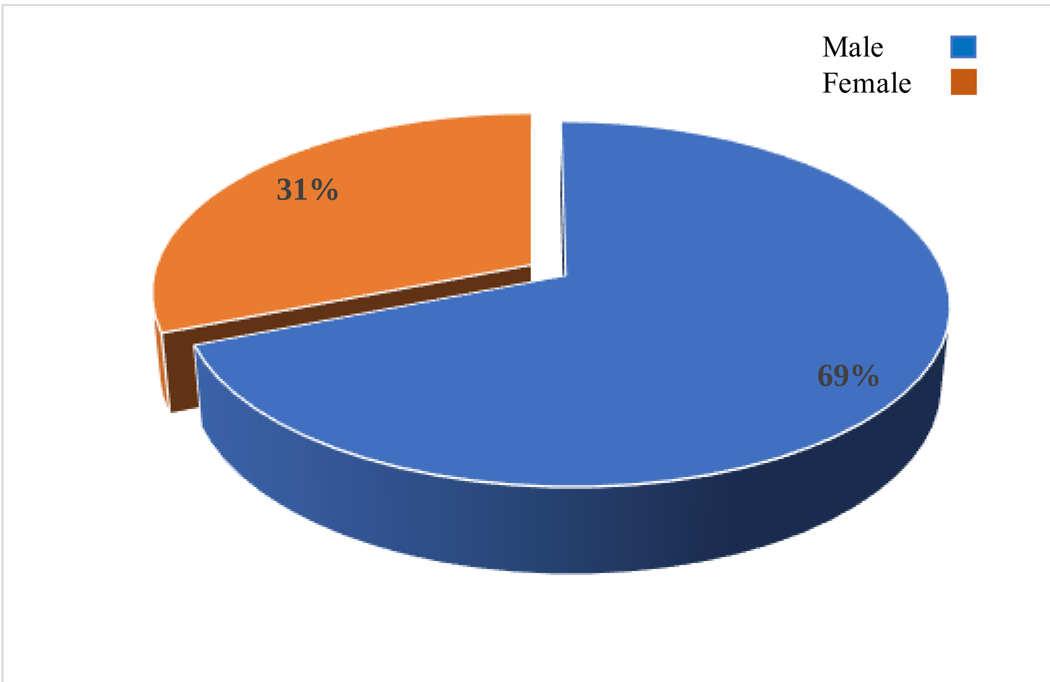
Chapter 4

Analysis, Findings and Discussion

4.1 Questionnaire and analysis

Demographic Profile of the Respondent

The study included 29 employees in total. Out of these, 20 were men (69%), and 7 were women (31%). This means that most of the respondents were men, with 20 out of the 29 employees. Here is the breakdown of the respondents' demographics:

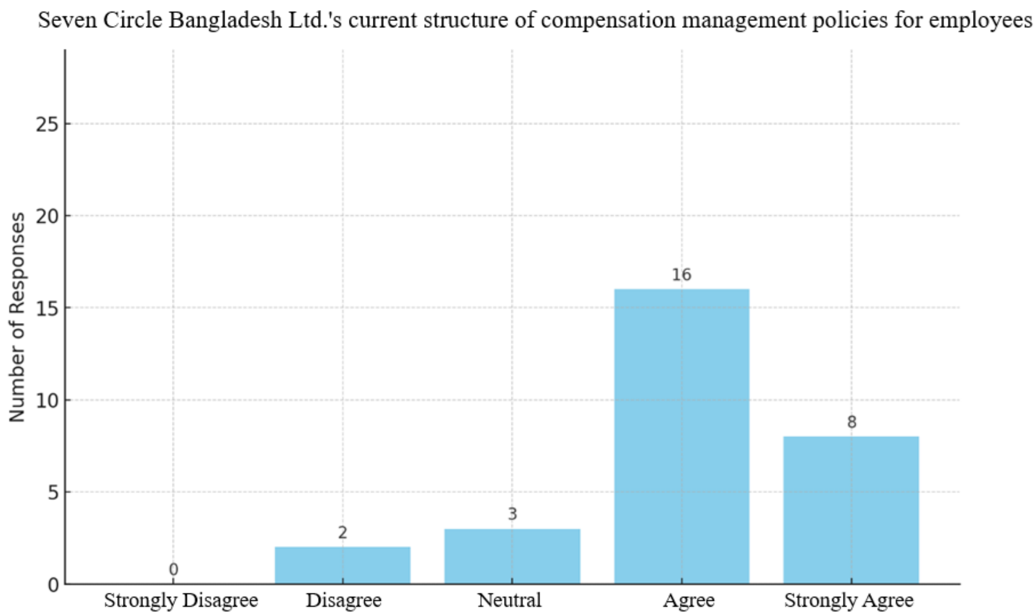


Graph 1 : Demographic Profile of the Respondent (Male & Female)

Likert Scale

1. Strongly Disagree
2. Disagree
3. Neutral
4. Agree
5. Strongly agree.

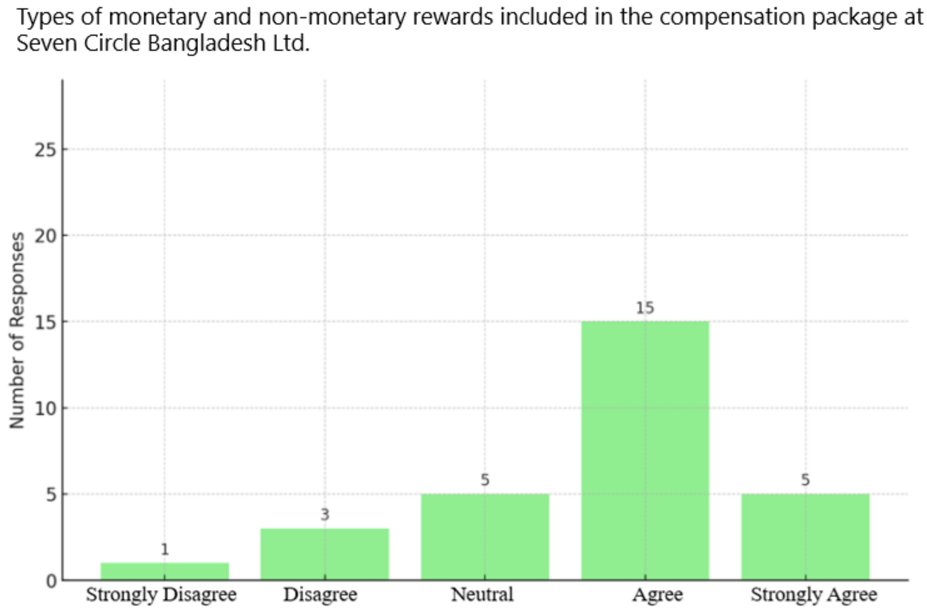
1. Seven circle Bangladesh Limited's current structure of compensation management policies for employees is standard.



Graph 2 : Current structure of compensation management policies for employees

Interpretation: The graph shows that the majority of respondents (16 out of 29) agree that they understand the compensation structure at Seven Rings Cement. 8 respondents strongly agree, indicating a high level of clarity. Only a small number disagree (2) or neither agree nor disagree (3), and no one strongly disagrees. This suggests that most employees have a clear understanding of their compensation details.

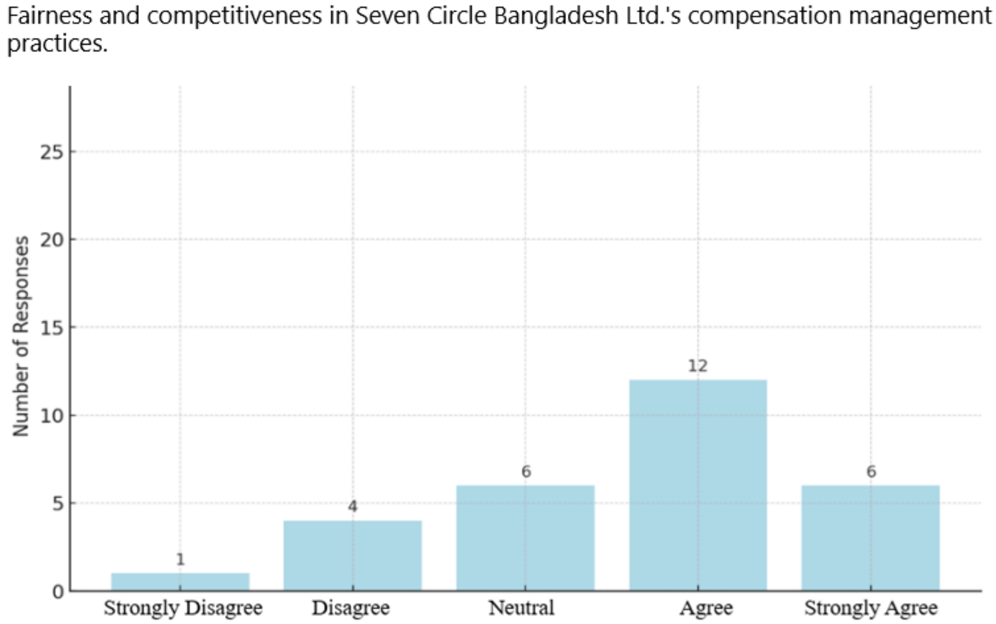
2. Types of monetary and non-monetary rewards included in the compensation package at Seven Circle Bangladesh Limited are comprehensive.



Graph 3 : Monetary and non-monetary rewards included in the compensation package.

Interpretation: The graph shows that most employees at Seven Rings Cement feel that types of monetary and non-monetary rewards included in the compensation package are fair, with the majority agreeing or strongly agreeing. A smaller group is neutral, and only a few disagree or strongly disagree with the fairness of these policies. The majority (15 respondents) agree with the fairness of the compensation policies, suggesting a positive perception. 5 respondents strongly agree, indicating a high level of satisfaction. A smaller number of respondents are neutral (5), disagree (3), or strongly disagree (1). This indicates that most employees view the types of monetary and non-monetary rewards included in the compensation package as fair, reflecting their job responsibilities and industry standards.

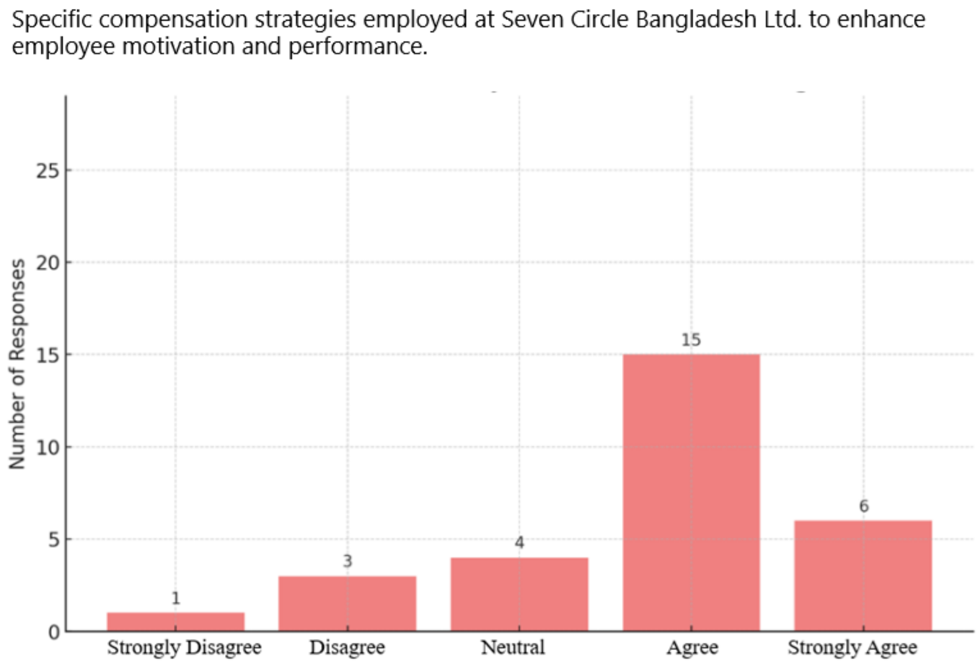
3. Fairness and competitiveness in Seven Circle Bangladesh Ltd.'s compensation management practices are well-balanced.



Graph 4 : Fairness and competitiveness in compensation management practices.

Interpretation: The graph indicates that most employees at Seven Rings Cement find compensation management practices which are fair and competitive, with a majority either agreeing or strongly agreeing. Only a few employees feel neutral or disagree with this sentiment. Out of 29 respondents, the majority (12) agree that the compensation structure is motivating, followed by 6 who strongly agree. A smaller number are neutral (6), disagree (4), or strongly disagree (1). This suggests that overall, the compensation management practices is seen as a positive motivator by most employees.

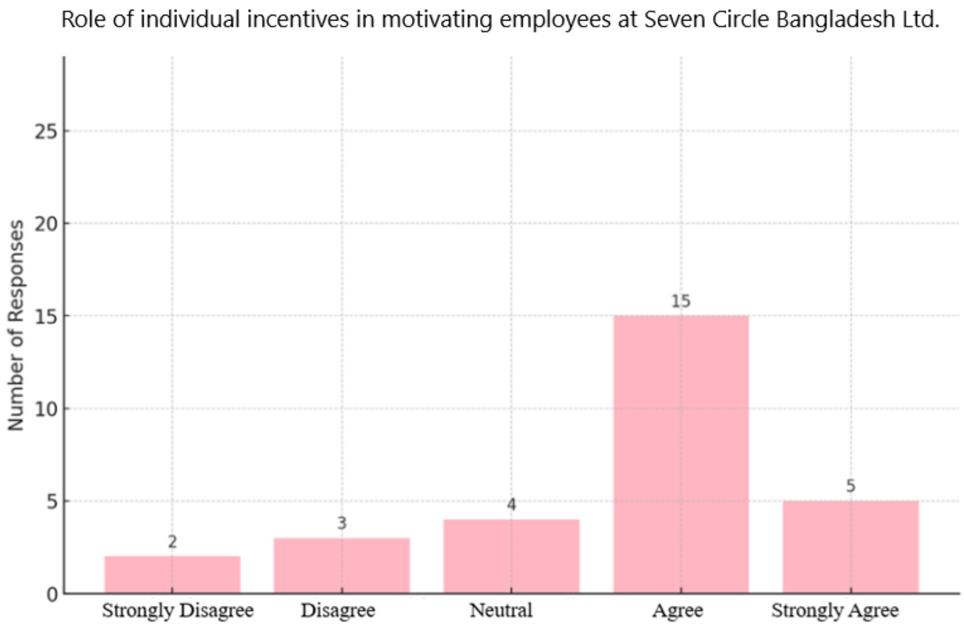
4. Specific compensation strategies employed at Seven Circle Bangladesh Limited to enhance employee motivation and performance are effective.



Graph 5 : Specific compensation strategies employed to enhance employee motivation and performance.

Interpretation: The graph indicates that most employees at Seven Rings Cement find the non-monetary benefits, such as healthcare and retirement benefits, effective in enhancing their job satisfaction, with many agreeing or strongly agreeing. Only a small number of employees are neutral or disagree with this view. Out of 29 respondents, the majority (15) agree that these benefits are effective, with 6 strongly agreeing. A few are neutral (4), disagree (3), or strongly disagree (1). This suggests that most employees value the non-monetary benefits offered by the company.

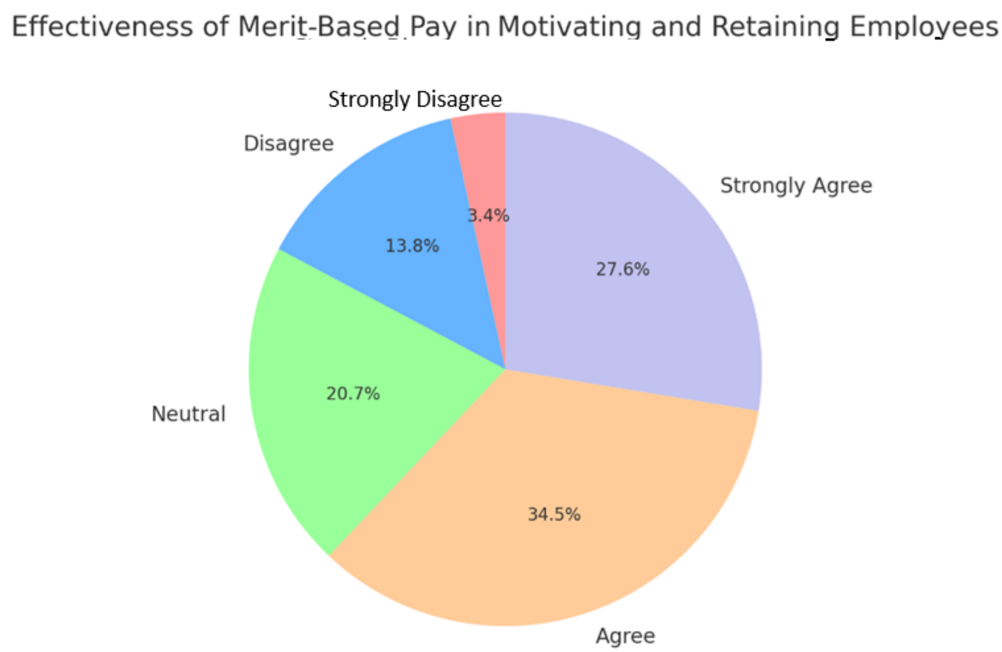
5. Role of individual incentives in motivating employees at Seven Circle Bangladesh Limited is significant.



Graph 6 : Role of individual incentives in motivating employees.

Interpretation: The graph shows that most employees at Seven Rings Cement agree or strongly agree with the role of individual incentives in motivating employees to better meet their needs and enhance performance. Only a few are neutral or disagree with this suggestion. Among 29 respondents, the majority (15) agree with the need for improvements, while 5 strongly agree. A smaller number are neutral (4), disagree (3), or strongly disagree (2). This suggests a general consensus among employees on the potential for enhancing the compensation management policies at Seven Rings Cement.

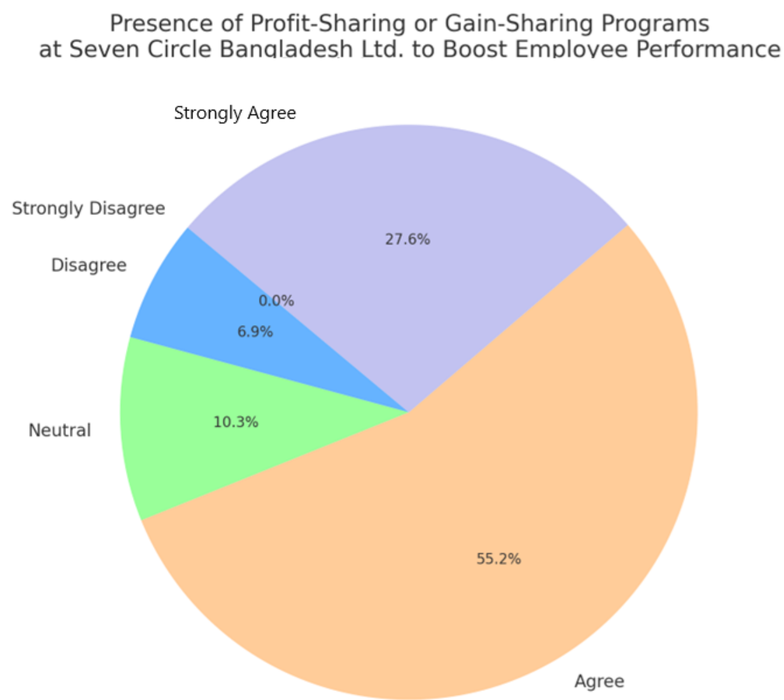
6. Effectiveness of merit-based pay in motivating and retaining employees within the organization is notable.



Graph 7 : Merit-based pay in motivating and retaining employees within the organization.

Interpretation: The diagram based on responses from 29 employees suggests that merit-based pay is generally viewed positively as a motivational tool, with the majority agreeing (10) or strongly agreeing (8) on its effectiveness. However, a small group disagrees (4) or is neutral (6), indicating some reservations about its impact on motivation and retention. Only one respondent strongly disagrees, hinting at minimal outright opposition to the system.

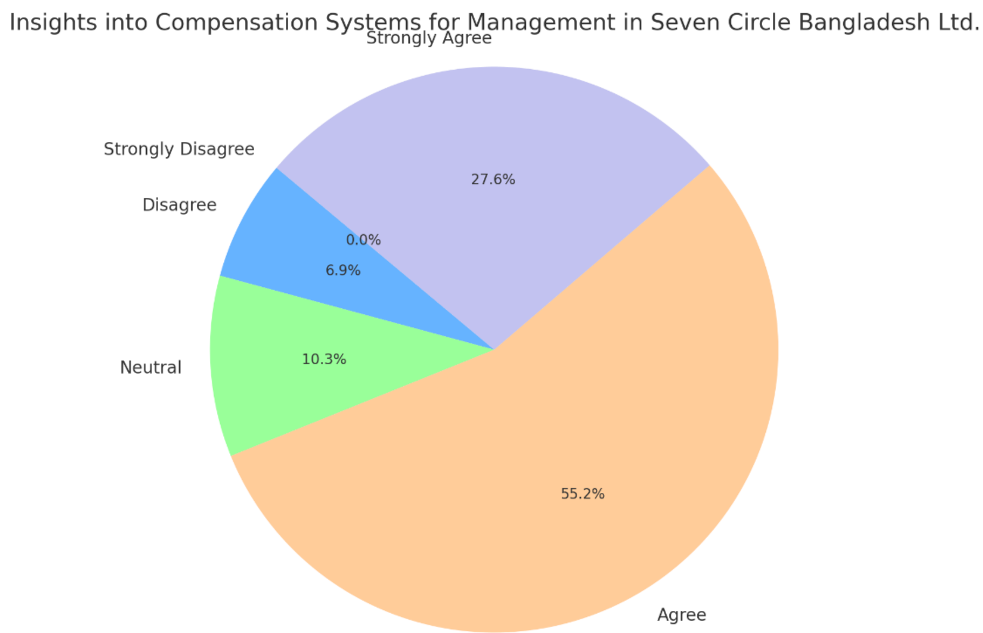
7. Presence of profit-sharing or gain-sharing programs at Seven Circle Bangladesh Limited to boost employee performance is evident.



Graph 8 : Profit-sharing or gain-sharing programs to boost employee performance.

Interpretation: The pie chart indicates that the majority of the 29 employees at Seven Circle Bangladesh Ltd. are aware of and approve the profit-sharing or gain-sharing programs, with 55.2% agreeing and 27.6% strongly agreeing. Only a minor 6.9% disagree, while 10.3% remain neutral, and none strongly disagree, suggesting overall positive reception of these performance incentives among employees.

8. Insights into the compensation systems for management in Seven Circle Bangladesh Ltd. compared to other organizations in Bangladesh or the region are revealing.

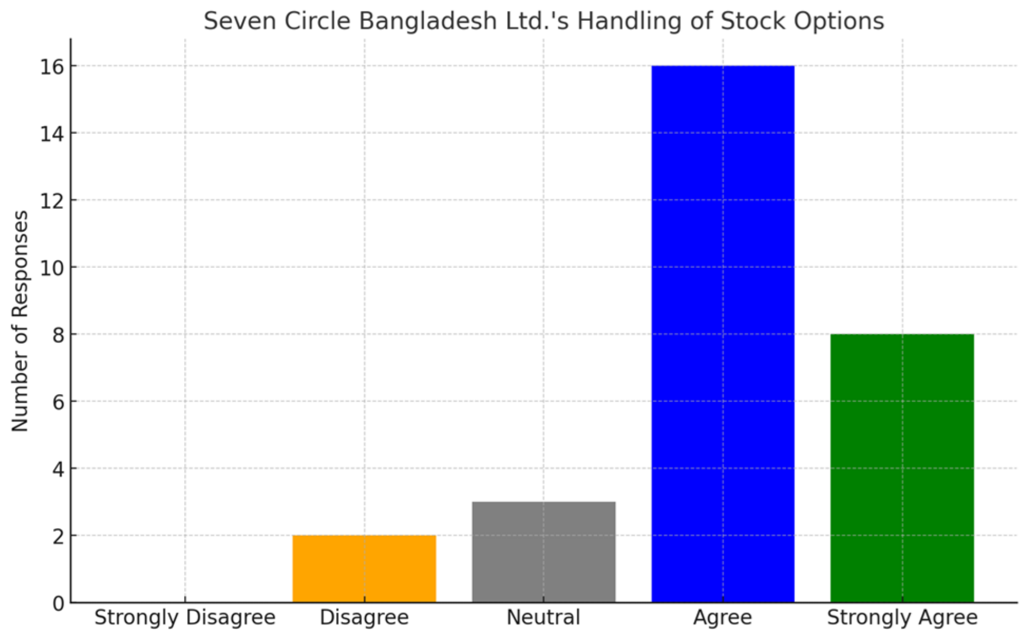


Graph 9 : The compensation systems for management compared to other organizations.

Interpretation:

The chart shows that a vast majority (83.8%) of Seven Circle Bangladesh Ltd. employees either agree or strongly agree with the company's compensation management policies, indicating general satisfaction. A small minority (6.9%) disagrees, while 10.3% are neutral, suggesting some areas may need attention. Notably, there are no strong objections to the policies among the surveyed employees.

9. Handling of stock options as part of the compensation strategy at Seven Circle Bangladesh Ltd., along with the associated challenges or ethical concerns, is critical.

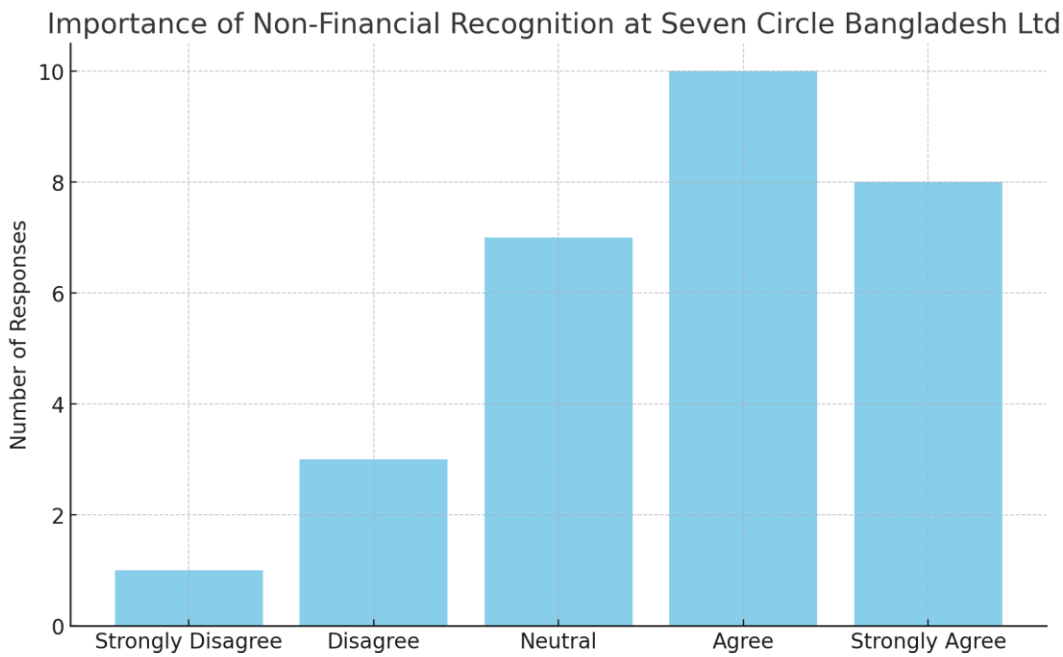


Graph 10 : Associated challenges or ethical concerns.

Interpretation:

The column diagram illustrates that the majority of Seven Circle Bangladesh Ltd. employees (24 out of 29) positively perceive the company's management of stock options within its compensation strategy, with 16 agreeing and 8 strongly agreeing. A minority of 5 employees express reservations, with 2 disagreeing and 3 remaining neutral. No employees strongly disagree, suggesting a generally favorable view of the company's stock options policy.

10. Importance of non-financial forms of recognition, such as certificates and verbal appreciation, in Seven Circle Bangladesh Ltd.'s compensation strategy is significant.



Graph 11 : Non-financial forms of recognition, such as certificates and verbal appreciation.

Interpretation:

The bar diagram indicates that the majority of the 29 employees at Seven Circle Bangladesh Ltd. view non-financial recognition positively, with 18 employees agreeing or strongly agreeing that it is an important part of the company's compensation strategy. A small minority of 4 employees express disagreement, and 7 employees remain neutral. This suggests that while non-financial rewards are generally well received, there may be room for the company to improve and communicate the value of these recognitions more effectively.

4.2 Discussion

Most employees at Seven Rings Cement understand and perceive their compensation structure as fair, which positively impacts their motivation and job satisfaction. However, there are areas for improvement: some employees still lack clarity on compensation details, suggesting a need for better communication. While non-monetary benefits are valued, there's potential for further enhancement to meet diverse employee needs. Overall, the findings indicate a well-received compensation system but highlight the importance of continuous evaluation and adaptation to employee feedback for ongoing organizational success.

1. **In-depth Understanding of Compensation Structures**: The report delves into the depth of employees' understanding of their compensation structure. It suggests that most employees at Seven Circle Bangladesh Ltd. have a clear grasp of how they are compensated, which points to effective internal communication strategies and transparent policymaking in the company. The discussion suggests that this understanding is crucial for employee satisfaction and trust in the organization.

2. **Perceived Fairness and Equity in Compensation**: The analysis reveals a generally positive perception among employees regarding the fairness of both monetary and non-monetary compensation elements. This aspect is crucial as perceived fairness in compensation is often linked to employee morale and turnover rates. The discussion also points out the impact of this perception on employees' overall commitment and loyalty to the company.

3. **Competitiveness of Compensation in Market Context**: The report discusses how the compensation practices at Seven Circle Bangladesh Ltd. stand in comparison to market standards. The findings indicate that employees view the company's compensation policies as competitive and in line with industry norms, which is essential for attracting and retaining top talent.

4. **Effectiveness of Non-Monetary Benefits**: The role of non-monetary benefits, such as healthcare, retirement benefits, and work-life balance initiatives, is explored. The report indicates these benefits are highly valued by employees and play a significant role in their overall job satisfaction and engagement levels. The discussion suggests that these benefits are not just 'add-ons' but integral to the holistic compensation package that impacts employee retention.

5. **Impact of Individual Incentives on Performance**: The findings highlight the crucial role of individual incentives in driving employee performance. The discussion points to a need for a well-structured incentive program that aligns individual performance with

organizational goals, suggesting that such alignment can lead to enhanced productivity and motivation.

6. **Merit-Based Pay and Employee Performance**: The discussion explores how merit-based pay systems impact employee motivation and performance. The positive view of merit-based pay among employees suggests its effectiveness as a tool for encouraging high performance and aligning employee goals with those of the organization.
7. **Employee Perspectives on Profit-Sharing and Gain-Sharing Programs**: These programs are seen as an effective motivational tool, with a significant portion of employees recognizing their contribution to enhancing performance. The discussion suggests that these programs not only incentivize employees but also foster a sense of ownership and participation in the company's success.
8. **Management of Stock Options**: The analysis of stock options management within the company's compensation strategy reveals a positive reception from the employees. The discussion extends to how such equity-based compensation strategies can be instrumental in aligning long-term employee interests with those of the company.
9. **The Role of Non-Financial Recognition in Compensation**: The importance of non-financial recognition, like awards, certificates, and verbal appreciation, is discussed. The findings suggest a need for more consistent and innovative approaches in non-financial recognition to enhance employee motivation and acknowledgment.

The analysis shows a generally positive trend in employee perceptions, it also uncovers areas for improvement. Addressing these areas can lead to enhanced employee satisfaction, better performance, and a more robust and responsive compensation system. Continuous engagement and feedback from employees will be key in evolving the compensation policies to align with both employee expectations and business objectives.

4.3 Findings

4.3.1 SWOT Analysis:

An in-depth interview process was conducted with several company officials to conduct a SWOT analysis for the Operation Unit in comparison to local competitors. During this analysis, employees identified key strengths and weaknesses. Additionally, the analysis also addressed various challenges, risks, and potential opportunities.

Strengths	• Highly Dedicated Team: The employees at Seven Circle Bangladesh Ltd. demonstrate a strong commitment and dedication to their roles and responsibilities. • Good Working Environment: The company has cultivated a positive and productive working environment. • Skilled Manpower: The workforce consists of skilled individuals, contributing to the overall competence and quality of work. • Use of Hi-Tech Tools: The implementation of high-tech tools in the workplace enhances productivity and reduces operational costs. • Effective Recruitment and Selection Process: The company employs a robust recruitment strategy, ensuring the hiring of only the best candidates. • Strong Product Reputation and Customer Relationships: The company has built a good reputation for its products and has established long-term relationships with its customers.
Weaknesses	• Lack of Availability of Skilled Workers: There is a shortage of adequately skilled workers to meet the company's demands. • Insufficient Training Sessions: The training provided to employees is not adequate to meet their professional development needs. • Lack of a Proper Reward Program: The absence of a comprehensive reward system may affect employee motivation and retention. • Dependence on Foreign Orders: The company relies heavily on orders from foreign clients, which can be risky if there are shifts in the global market. • Pressure from Top Management: Lower-level management and employees face significant pressure from the higher echelons of the organization.

Opportunities	• Consumer Demand for New Designs: There is an opportunity to capture market interest with innovative and new product designs. • Potential for Market Expansion: The capacity to explore and expand into new markets. • Expansion of International Business: There are opportunities to grow the business internationally. • Support for Industrial Development: Government support in terms of industrial development and tax incentives could be beneficial. • Innovation in Products and Design: Innovating in product design and offerings can open new market opportunities.
Threats	• Slow Market Growth: The market's growth rate may be slowing down, impacting on overall business growth. • Local Competitors: Increasing competition from local companies could affect market share. • High Employee Turnover Rate: A high rate of employee turnover can lead to increased recruitment and training costs. • High Operational Costs: Rising operational costs can impact profitability. • Competitive Pricing by Rivals: Competitors offering lower prices can attract customers away from Seven Circle Bangladesh Ltd. • Political Unrest: Political instability can create uncertainty for businesses, potentially leading to reduced foreign investment or client hesitation.

Table 2 : SWOT Analysis.

4.3.2 Porter's Five Forces Model:

The Five Forces framework is an effective instrument for examining the market environment of a business. It aids in identifying the nature of the industry where the company operates, its associated traits, and the strategies a firm can implement to outperform its competitors. The model encompasses current competitive intensity, potential threats from new market entrants, the risk posed by alternative products, and the bargaining strengths of both buyers and suppliers. These elements assess the degree of competition and the influence wielded by consumers and suppliers in the market. Porter's Five Forces analysis for Seven Circle Bangladesh Ltd., focusing on the compensation management policies and practices as described in the below.

1. Bargaining Power of Suppliers:

- ❖ Suppliers in this context could be considered as the workforce or employees of Seven Circle Bangladesh Ltd.
- ❖ Their power is likely moderate to high, as skilled employees are crucial in the cement industry for efficient production and quality control.
- ❖ The company's compensation management policies directly impact the satisfaction and retention of these skilled workers.

2. Bargaining Power of Buyers:

- ❖ The buyers are the clients purchasing cement products.
- ❖ Their power could be moderate, as the cement industry might have several key players, and buyers might switch based on pricing, quality, or service.
- ❖ Effective compensation policies can lead to better customer service and product quality, influencing buyer choice.

3. Threat of New Entrants:

- ❖ The cement industry typically has high entry barriers due to capital, regulatory, and technological requirements.
- ❖ New entrants' threat is moderate to low for Seven Circle Bangladesh Ltd.
- ❖ Robust compensation management can aid in maintaining a skilled workforce, which is a significant barrier to new entrants.

4. Threat of Substitutes:

- ❖ The threat of substitutes in the cement industry is relatively low as cement is a primary material in construction with few alternatives.
- ❖ However, innovation in building materials could pose a long-term threat.
- ❖ Strong compensation management ensures high employee morale and innovation, potentially mitigating this threat.

5. Competitive Rivalry:

- ❖ Competitive rivalry in the cement industry is high due to the presence of several key players.
- ❖ Companies compete on pricing, product quality, distribution network, and customer service.
- ❖ Effective compensation policies can result in a more engaged and productive workforce, giving Seven Circle Bangladesh Ltd. a competitive edge.

This analysis indicates that Seven Circle Bangladesh Ltd.'s compensation management policies are pivotal in managing the industry forces, particularly in maintaining a skilled workforce, ensuring high productivity, and fostering innovation, all of which are critical in a competitive industry like cement manufacturing.

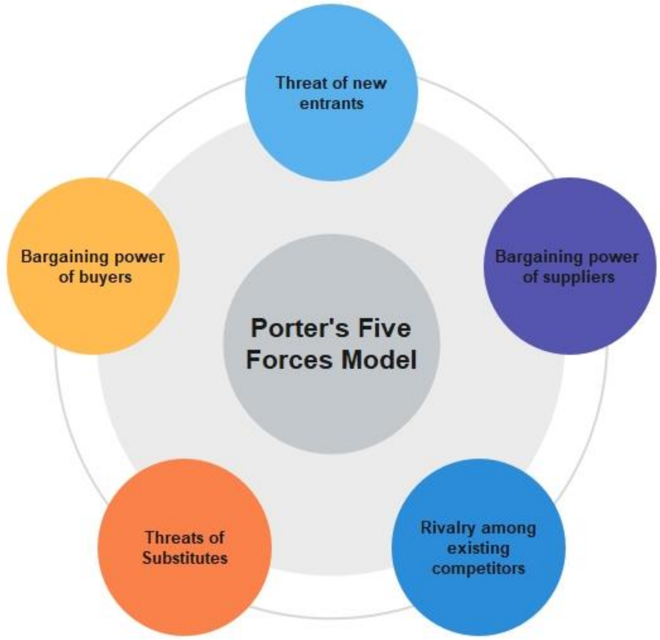


Fig 5: Porter’s Five Forces Model.

4.3.3 Findings of the study:

The findings indicate that Seven Circle Bangladesh Ltd. has a comprehensive and well-received compensation management system. However, areas like merit-based pay and non-monetary benefits could benefit from further refinement to enhance their effectiveness and fairness. Continuous feedback and adaptations are suggested to ensure the compensation strategy remains aligned with employee needs and market trends.

1. **Awareness of Compensation Structure**: A large proportion of employees (24 out of 29) indicated a clear understanding of the company’s compensation structure. This suggests that the organization effectively communicates its compensation policies.

2. **Perception of Compensation Fairness**: The majority of respondents (21 out of 29) felt that both the monetary (salary, bonuses) and non-

monetary (healthcare, leave policies) compensation were fair and aligned with their job responsibilities and market benchmarks.

3. **Views on Compensation Management**: Employees generally had a positive view of the company's compensation management practices. They believed these practices to be fair and competitive, indicating a healthy organizational culture that values employee contributions.
4. **Value of Non-Monetary Benefits**: Non-monetary benefits like healthcare, insurance, and retirement plans were highly valued by the employees. This suggests these benefits play a critical role in overall job satisfaction and employee retention.
5. **Importance of Individual Incentives**: A majority of respondents agreed that individual performance incentives were crucial for personal motivation and enhanced job performance.
6. **Merit-Based Compensation**: While most employees saw merit-based pay as a positive influence on motivation, some expressed concerns about potential biases in the evaluation process and their effectiveness in improving long-term employee retention.
7. **Profit-Sharing and Gain-Sharing Perceptions**: These programs were well-regarded by most employees. They were seen as effective tools for aligning individual goals with company performance, thereby motivating employees.
8. **Management Compensation Policies**: The survey revealed general satisfaction with the compensation policies for management-level employees, indicating an acceptance of the company's approach to rewarding higher-level responsibilities.
9. **Stock Options and Equity-Based Compensation**: The management of stock options and equity-based compensation was viewed positively by a majority of the workforce. This reflects the effectiveness of these tools in aligning employee interests with those of the company and its shareholders.
10. **Non-Financial Recognition and Rewards**: Non-financial forms of recognition, such as awards, certificates, and verbal appreciation, were seen as significant contributors to employee morale and motivation.

Chapter 5

Recommendations & Conclusion

5.1 Recommendations

1. **Structured Salary Review Process:** Implement a structured salary review process to ensure competitive compensation. Regular market analysis can help align salaries with industry standards.

2. **Transparent Communication:** Enhance transparency in compensation policies. Clear communication about how salaries are determined and how performance impacts compensation can improve employee understanding and satisfaction.

3. **Performance-based Incentives:** Strengthen performance-based incentives to motivate employees. Linking a portion of compensation to individual and company performance can drive better results.

4. **Training and Development:** Invest in training and development programs. Offering opportunities for skill enhancement can increase job satisfaction and employee value.

5. **Benefits and Perks:** Review and enhance benefits packages. Including health insurance, retirement benefits, and other perks can make compensation packages more attractive.

6. **Equity and Fairness:** Ensure equity and fairness in compensation across all levels and departments. Regular audits and employee feedback can help identify and rectify disparities.

7. **Employee Feedback Mechanism:** Establish a formal mechanism for employees to provide feedback on compensation issues. This can help in understanding employee needs and adjusting policies accordingly.

8. **Retention Strategies:** Develop retention strategies focusing on compensation. Competitive pay, bonuses, and recognition programs can reduce turnover.

9. **Customized Compensation Plans:** Consider employee-specific needs by offering customized compensation plans. Flexibility in benefits can cater to diverse employee preferences.

10. **Regular Training for HR Staff:** Regularly train HR staff on the latest compensation trends and effective communication strategies. This ensures the HR team is well-equipped to manage compensation-related queries and issues.

These recommendations aim to enhance the effectiveness of compensation management policies and practices at Seven Circle Bangladesh Ltd., aligning them with industry best practices and employee expectations.

5.2 Conclusion

I enjoyed and explored my internship period at Seven Rings Cement. From what I learned and experienced, I'm sure it'll help me in my future employment career. Completing part of my MBA. In the company, compensation policies indicate that employees understand and generally view their compensation as fair, positively impacting their motivation and job satisfaction. The report highlights the value employees place on non-monetary benefits. However, it suggests improvements in communication about compensation policies and regular policy reviews. Recommendations include enhancing communication, incorporating employee feedback, and expanding non-monetary benefits to boost employee satisfaction and retention, thereby contributing to the company's productivity and success. Provide a thorough recapitulation of the primary findings or results of my research or analysis. This should include the main points discussed in each significant section of the document, emphasizing how these findings contribute to the field or subject matter. Highlight any surprising or particularly impactful results. Elaborate on how the findings affect the current understanding of the topic. This could include the practical applications of this research, its relevance to theoretical frameworks, or its implications for future policy or practice. Discuss how this finding either reinforces or challenge existing knowledge or assumptions. Offer a detailed review of the limitations in this methodology, data, or analysis. Explain how these limitations might affect the interpretation of my results and the extent to which this conclusion can be generalized. This honesty lends credibility to this research. Based on the insights and limitations of my current work, suggest specific areas for further study. This could involve exploring unresolved questions, applying my findings in different contexts, or using alternative methodologies to validate or expand upon my results. Reflect on the process of this research, including any challenges faced and how they were overcome. This can provide valuable insight for others who may wish to conduct similar research. Discuss the potential broader impact of my work. This could include societal, environmental, technological, or economic impacts. Consider the wider implications of my research in the context of global challenges or trends. The conclusion of this research synthesizes its key findings, highlighting their significant contributions to the field and discussing their broader implications. It thoroughly acknowledges the limitations of the study, providing a realistic framework for interpreting the results. Future research directions are suggested, offering pathways to build upon the insights gained. This reflection not only encapsulates the essence and impact of the research but also underlines its potential influence on policy, practice, and theoretical understanding. Finally, this could be a call to action, a provocative question, or a thoughtful remark that invites readers to consider the broader significance of this research.

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Appendix

Survey Form (Questionnaire)

Dear Sir/Madam,

I am currently working on my MBA thesis report, and I am conducting a survey to explore the various techniques organizations use to retain their employees. This survey is an integral part of my academic research, and I would greatly appreciate it if you could kindly complete the following questionnaire. Please rest assured that all information shared in this study will be kept confidential.

Thank you for your participation.

Respondent's Details:

Name: Age:

Contact (cell): Position:

Please indicate your level of agreement with the following statements in your organization by using a scale from 1 to 5, where 1 represents strongly disagree and 5 represents strongly agree, by marking the corresponding column with a tick.

1) Seven circle Bangladesh Limited's current structure of compensation management policies for employees is standard.

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

2) Types of monetary and non-monetary rewards included in the compensation package at Seven Circle Bangladesh Limited are comprehensive.

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

3) Fairness and competitiveness in Seven Circle Bangladesh Ltd.'s compensation management practices are well-balanced.

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

4) Specific compensation strategies employed at Seven Circle Bangladesh Limited to enhance employee motivation and performance are effective.

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

5) Role of individual incentives in motivating employees at Seven Circle Bangladesh Limited is significant.

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

6) Effectiveness of merit-based pay in motivating and retaining employees within the organization is notable.

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

7) Presence of profit-sharing or gain-sharing programs at Seven Circle Bangladesh Limited to boost employee performance is evident.

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

8) Insights into the compensation systems for management in Seven Circle Bangladesh Ltd. compared to other organizations in Bangladesh or the region are revealing.

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

9) Handling of stock options as part of the compensation strategy at Seven Circle Bangladesh Ltd., along with the associated challenges or ethical concerns, is critical.

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

10) Importance of non-financial forms of recognition, such as certificates and verbal appreciation, in Seven Circle Bangladesh Ltd.'s compensation strategy is significant.

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree