“Analysis of Performance Appraisal System” of Investment Corporation of Bangladesh (ICB)

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Letter of Transmittal

20.01.2019

To
Gouranga Chandra Debnath
Assistant Professor & Head
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Daffodil International University

Subject: Submission of the internship report on 'Evaluation of Performance Appraisal System at Investment Corporation of Bangladesh (ICB)'.

Dear Sir;
I am truly pleased to submit my internship report on "Evaluation of Performance Appraisal System at Investment Corporation of Bangladesh". This report gave me much knowledge about the performance appraisal process of Investment Corporation of Bangladesh. It is a great achievement for me to work under your guidance, active supervisionanddirection.

I tried my best to show all the information in this report that I have collected during the internship period. I tried to explain the performance appraisal system practiced by this organization. I must mention here that, I am really glad to you for your continuous attention, valuable supervision and tireless effort in preparing this report.

I hope that you will be satisfied with this report. If you have any inquiry, I will be pleased to answer that. I hope and pray that you would be gracious enough to accord approval to this report.

With best regards sincerely

Yours Sincerely,

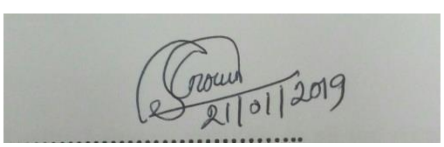
____

Dipta Chakraborty

ID: 143-11-4222

<u>Certificate of Approval</u>

I am pleased to certify that the Internship report on **Analysis of Performance Appraisal System** of **Investment Corporation of Bangladesh (ICB)** conducted by Dipta Chakraborty, bearing ID No: 143-11-4222of BBA Program, Department of Business Administration has been approved for presentation and defense. Dipta Chakraborty worked with **Investment Corporation of Bangladesh (ICB), Head office**, Dhaka from 09-10-2018 to 13-01-2019as an intern under my supervision.



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Signature of the Supervisor

Gouranga Chandra Debnath

Assistant Professor & Head

Department of Business Administration
Faculty of Business & Economics
Daffodil International University

ACKNOWLEDGEMENT

A large number of people are entitled to my heartfelt gratitude and acknowledgement in preparing this report. Without their constant support and encouragement, such a thorough analysis would be a difficult challenge to override.

Firstly, I want to express my gratitude to Almighty God for giving me the strength and the composure to finish the task within the scheduled time and I also would like to extend my sincere appreciation and gratitude towards my faculty advisor Gouranga Chandra Debnath (Assistant Professor& Head, Daffodil International University)for his incessant guidance and support throughout the internship period. His insights and constant supervision helped me to get a better understanding of my report.

Secondly, I must acknowledge Ruksana Yasmin, (Assistant General Manager Human Recourse division, Head office) for his continual motivation towards learning. Also, helps me to learn new things. And I am thankful that he let me into his team, offering so much to learn.

Lastly, I sincere gratitude to all the wonderful people of Daffodil International University (my teacher, my classmates and others) for supports and understanding. It would be impossible without their help.

Executive summary

In this report I am going to describe the Performance Appraisal Process of Investment Corporation of Bangladesh (ICB). The report titled as **Analysis of Performance Appraisal Process at Investment Corporation of Bangladesh (ICB).**

I have prepared this report on the basis of what I learnt during my internship program with my best effort. I have tried my best level to collect necessary data and information reloaded to my study topic and has prepared this report within very short time.This report is divided into six chapters. Introduction includes Background of the Study, Rationale of the Study, Statement of the problem, Objectives of the Study, Methodology of the study, Scope of the report, Limitations of the study.

Background of the ICB includes Overview of the Organization, Mission, Vision, Strategy Statement, Objectives, Business Policy, Functions, Ownership Structure, Capital and Reserves, Milestones in the Development of the Organization, Management of ICB, Risk Management, HRD,

ICB activities includes Activities in The First is concerned with the recruitment, selection, placement, compensation and appraisal of the human resources (personnel functions), more commonly termed as Human Resource Utilization (HRU). Functions are directed towards working with the existing human resources in order to improve their efficiency and effectiveness, enabling them to assume new roles and functions.

Analysis of Performance appraisal processes are Rating, Job knowledge and skills, Basis of Reward Allocation, Motivation.

Findings of the study include observation ofNo discrimination, appraisers do not maintain, appraisers do not maintain and appraisers do not maintained.

Finally, I have mentioned Conclusions and recommendations. Since the ICB maintain the financial performance is very successfully

TABLE OF CONTENTS

Chapter # 1

Introduction

1.1 Introduction

The Investment Corporation of Bangladesh (ICB) was established on 1 October 1976. The establishment of ICB was a major works for undertaken by the government to accelerate the power of industrialization and to developing a well-organized and pace accelerate of capital market, also the securities market in Bangladesh.

ICB provides institutional support to meet the equity gap of the companies. In view of the national policy of accelerating the rate of savings and investment to foster self-reliant economy, ICB assumes an indispensable and pivotal role. Through the enactment of the Investment Corporation of Bangladesh (Amendment) Act, 2000 (No. 24 of 2000), reforms in operational strategies and business policies have been implemented by establishing and operating subsidiary companies under ICB. At present the Corporation is being operated under the "Investment Corporation of Bangladesh Act, 2014".

1.2 Background of the Study

This report has been prepared as a requirement of the internship program. I am very glad for getting the opportunity to accomplish my practical training in the Investment Corporation of Bangladesh (ICB)at the HR department, head office in 8 Rajuk Avenue, Motijheel, Dhaka. My internship commenced from October 09, 2018 to January 13, 2019. This report is a partial requirement of BBA Internship Program of Daffodil International University, Dhaka and has been prepared after three month of the organizational attachment in Investment Corporation of Bangladesh (ICB). My organization supervisor was Ruksana Yasmin, Head of HR department of Investment Corporation of Bangladesh (ICB) and my institution supervisor is Gouranga Chandra Debnath,Assistant Professor & Head, Department of Business Administration, Daffodil International University. My institute supervisor duly approved the topic which was decided for doing the report. The report will definitely increase the knowledge to know the investment sectors of Bangladesh.

1.3OBJECTIVES OF THE STUDY

Main Objective

The leading objective of this study is to scrutinize the employee of performance appraisal system of Investment Corporation of Bangladesh (ICB).

Specific Objectives

1. To identify the inclusive performance appraisal methods followed by Investment Corporation of Bangladesh (ICB)
2. To examine on how Employees' Performance Appraisal system is accomplished in Investment Corporation of Bangladesh (ICB)
3. To recognize the main problems that is disturbing performance appraisal system in Investment Corporation of Bangladesh (ICB)
4. To propose some recommendations that can help authority to apply best practices of performance appraisal methods in banking system.

1.4Methodology of the Study

I make the designed this overall report in an exploratory in which I described overall performance appraisal process of Investment Corporation of Bangladesh. During my internship period I use my personal observation in order to get a specific idea and I read all of their information that they published in their own website at the same time I gathered lots of appraisal knowledge about their present method of conversation with officers.

The organizational part is very helpful for the proper understanding of the previous practices of performance appraisal system at Investment Corporation of Bangladesh (ICB).

1.5 Limitations of The Study :

Any research work needs high degree of involvement regarding collection of information, creation of data base, literature review and analysis of data. While doing so, many limitations arise even though we always put our best effort to avoid them. In conducting the present study, the following limitation has been faced.

The main constrain of the study was insufficiency of information, which was required for the study.

- The time is short for prepare the report.
- At the time of face to face discussion with officers, there were no sufficient chairs and tables
- Learning all the functions within just twelve weeks really tough.
- In cases, up-to-date might not be available.
- This methods depends on official report & annual report.

Chapter # 2

Overview of the company

2.1Introduction

Investment Corporation of Bangladesh (ICB) is a statutory corporation. It is mainly an investment bank. As an investment bank is a financial institution, which mobilized fund from the surplus economic units by savings securities and developed funds to the deficit economic unit also by buying/underwriting securities. After Liberation in view of social economic changes, the scope for private sector investment in the economy was kept limited by allowing investment in projects up to taka 25 lacks. The new investment policy, which was announced in July, 1972 provides for an expanded role of private sector by allowing investment in a project up to taka 3 crores. The ceiling has further being raised to taka 10 crores in spite of the adequate facilities and incentives provided to the private sectors encouraging response was not for the coming. One of the reasons among other was the lack of institutional facilities, which provides underwriting support (Lick former ICB) to industrial enterprise that was required to raise much need equity fund. Thus, the need for reactivation for capital market, stock market was keenly felt.

2.2 Objectives:

- To encourage all of the organizations and made the broad of investment
- To developing the securities and capital market in Bangladesh
- To mobilize customer capital savings
- To provide for all organization matters ancillary thereto in Bangladesh

2.2.1 Mission:

- Our mission is to transformed our Corporation into a corporate responsible institution, all financial architect and an innovative capital solution provider and perform as a leader.
- Asocial responsible institution createdby law and order, we will act in accordance withof our ordinance for rapid growth of our Bangladesheconomy.
- Being an innovative solution provider,we put emphasis on formulating totalsolutions to foster mobilization of alldomestic and NRB savings intopotential investments.
- We operate in theinterest of customers, that case theycan depend ours and have the trust on us

2.2.2 Vision:

We will continue to be the all leading,social responsible and green environment friendly financial institution operating in sucha that our competitors andthe society watch what we did, acknowledge,admire and emulate us as a successfuland model organization in the different sectors.

2.3 Basic Functions of ICB:

- To developed and encouragingin our entrepreneurs.
- To diversify all in investments in different sectors.
- To introduce both small and medium savers for investment in securities.
- To create employment opportunities and reduce our unemployment problems.
- To encourage that can Investment in IT sector and develop this.
- To encourage Investment in new strategy of joint venture capital/project.

Business Strategy:

- Established a new business model with the Government's economic purposing of capital market development.
- Recover all outstanding loans, margin loans & other loan of advantages and thus increased the existing liquidity position of those investment.
- Established the Subsidiary company for boost up more activity and investment.
- Encourage and motivate the entrepreneurs that Equity and Entrepreneurship Fund Project to make EEF Project a successful venture by generating profit.

2.4 PRODUCTS OF ICB:

Private Placements

Trustee, Custodian and Issue Manager

Lease Financing

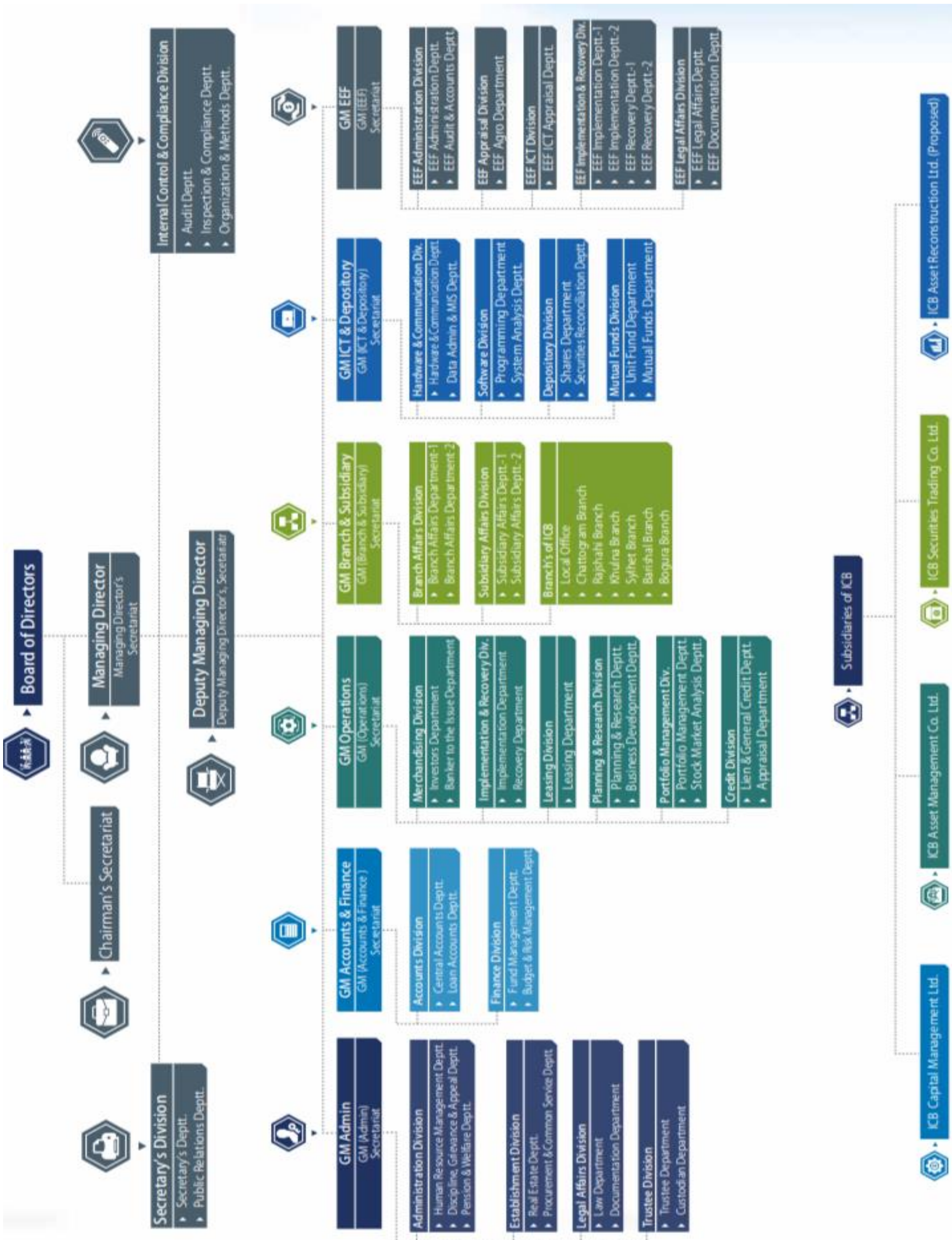
Advances against ICB Mutual Fund Certificates Scheme

Advances against Unit Certificates Scheme

Consumer Credit Scheme

Venture Capital Financing

2.5 Ownership Structure:



Board of Directors
Managing Director
Managing Director's Secretariat
Chairman's Secretariat
Deputy Managing Director
Deputy Managing Director's Secretariat
Secretary's Division
Secretary's Deptt.
Public Relations Deptt.
Internal Control & Compliance Division
Audit Deptt.
Inspection & Compliance Deptt.
Organization & Methods Deptt.
GM Admin
GM (Admin) Secretariat
Administration Division
Human Resource Management Deptt.
Discipline, Grievance & Appeal Deptt.
Pension & Welfare Deptt.
Establishment Division
Real Estate Deptt.
Procurement & Common Service Deptt.
Legal Affairs Division
Law Department
Documentation Department
Trustee Division
Trustee Department
Custodian Department
GM Accounts & Finance
GM (Accounts & Finance) Secretariat
Accounts Division
Central Accounts Deptt.
Loan Accounts Deptt.
Finance Division
Fund Management Deptt.
Budget & Risk Management Deptt.
GM Operations
GM (Operations) Secretariat
Merchandising Division
Investors Department
Banker to the Issue Department
Implementation & Recovery Div.
Implementation Department
Recovery Department
Leasing Division
Leasing Department
Planning & Research Division
Planning & Research Deptt.
Business Development Deptt.
Portfolio Management Div.
Portfolio Management Deptt.
Stock Market Analysis Deptt.
Credit Division
Lien & General Credit Deptt.
Appraisal Department
GM Branch & Subsidiary
GM (Branch & Subsidiary) Secretariat
Branch Affairs Division
Branch Affairs Department-1
Branch Affairs Department-2
Subsidiary Affairs Division
Subsidiary Affairs Deptt.-1
Subsidiary Affairs Deptt.-2
Branch's of ICB
Local Office
Chattogram Branch
Rajshahi Branch
Khulna Branch
Sylhet Branch
Barishal Branch
Bogura Branch
GM ICT & Depository
GM (ICT & Depository) Secretariat
Hardware & Communication Div.
Hardware & Communication Deptt.
Data Admin & MIS Deptt.
Software Division
Programming Department
System Analysis Deptt.
Depository Division
Shares Department
Securities Reconciliation Deptt.
Mutual Funds Division
Unit Fund Department
Mutual Funds Department
GM EEF
GM (EEF) Secretariat
EEF Administration Division
EEF Administration Deptt.
EEF Audit & Accounts Deptt.
EEF Appraisal Division
EEF Agro Department
EEF ICT Division
EEF ICT Appraisal Deptt.
EEF Implementation & Recovery Div.
EEF Implementation Deptt.-1
EEF Implementation Deptt.-2
EEF Recovery Deptt.-1
EEF Recovery Deptt.-2
EEF Legal Affairs Division
EEF Legal Affairs Deptt.
EEF Documentation Deptt.
Subsidiaries of ICB
ICB Capital Management Ltd.
ICB Asset Management Co. Ltd.
ICB Securities Trading Co. Ltd.
ICB Asset Reconstruction Ltd. (Proposed)

Chapter #3

Introduction of performance appraisal

3.1 Performance Appraisal:

Performance appraisal is a process which is used by a manager in order to examining and evaluating an employee who work or comparison result, provide feedback to show the needs of improvement. Performance appraisal are terminated what types of training, development and retained, demoted, promoted or analyzing their performance. Different organization follows different types of performance appraisal process. Basically manager and hr. head participates in appraising employees but sometimes employee can also participates in performance appraisal process. Performance appraisal process has thousands benefits this is the reason now a days it becomes a crucial part for every types of organization. Most of the organization perform performance appraisal process yearly or quarterly in order to evaluate their employee's performance. As performance appraisal process helps to increase the productivity of the organization so every organization needs to arrange proper training to their management and the appraiser who participate in the process of performance appraisal.

3.2 Who should do the appraising?

Appraisals process has come from the top level of the organization. Performance appraisal process has been done by the supervisor. On the other hand if supervisor wants than other people can participated in the appraisal process. One of the major rule performed by the human resource manager of the organization .Now a days a large number of companies invite employees to review their supervisors in order to increase the accuracy of the appraisal results. For that reason uses of 360-degree feedback is increasing day by day. Experts suggest that appraisal process should have done after six months, by using annual reports and from the date of hire of an employee. Some of the companies that experiencing rapid growth most of the times want to use quarterly reviews, in order to keep employees balanced with the companies goals. But more frequent report is not that much helpful as it doesn't reflects the employee's performance accurately. Performance appraisal process must be performed with extra caution as most of the important decision like employees promotion demotion increase of salary and reputation are related with this results for that reason hr. manager budget extra time effort so that not even a single mistakes occurs in that process.so it's better to performed appraisal process professionally as its results may affect overall organization's goals. Other parties involve are:

- ***Rating committee***
- ***Subordinates***
- ***Self-ratings.***

3.3 Objectives of performance appraisal:

Every organization perform performance appraisal in order to appraise their employers performance .For performing performance appraisal certain things has to keep in mind those are given in below:

- Determined all compensation packages, wage structure, salaries boost up.
- For identifying the strengths and weaknesses of genders similarity.
- For maintaining and assess the potential person for future growth and all developments.
- In order to serve as a basis for motivatingall working habits of the officer.
- For reviewing and retaining the promotional and other training programs.

3.4 Method of performance appraisal at Investment Corporation of Bangladesh (ICB) :

Ranking Method:

Performance appraisal in that process employee is compared with appraising their worth correctly. Employees are rank systemthat the worst and from the highest to lowest. In this method appraiser identify the lowest performed employee at the same time indicated the best performed employee. Thus, if there are ten employees to be appraised, there will be ten ranks from 1 to 10.

However, the greatest limitations of this appraisal method are that:

(i) It doesn't clearly tell whose performance is best and whose is worst.

(ii) Because of large number it became more difficult to categorize accordingly.

(iii) Difficulty occurs for comparing one individual with others. As every individual have different behavioral traits. So paired comparison is the best methods.

Paired Comparison:

This methodperformed that employee is examined to many employees on an individual basis which based a single trait. The appraiser has a form, each pair of pressing names, and the qualifier marks the best two belongs. Every times this employee compares better with others that determines their final categories.

Therefore, the pairs which determined provide the maximum possible of recordings and combinations. Those scores are helped to determine for each worker and classified according to their score. A demerit of this method is that this method can be very difficult to handle at the time of comparing a large number of employees.

Forced-Choice Method:

This method is established by J. P. Guilford. Two statements contain in these both are positive and negative.

Examples of positive statements are:

1. Good and clear instructions for the subordinates.
2. Depended upon to complete any job assigned.

A pair of negative statements may be as follows:

1. Some promises that makes beyond its limit.
2. Sometimes gives extra favor to employees.

Critical Incidents Method:

The basic idea behind this appraisal process is to appraise the employees who can perform their jobs effectively in critical situations. As most of the people can work effectively in a normal situation so by using this method organization tries to identify the employees who can walk in a normal situation at the same time can also walks in a critical situation with same effectiveness One of the strength of this method is that it focuses on behaviors and, which judge's performance more than personalities.

Drawbacks arise like it's time-consuming and burdensome for appraisers like managers.

Graphic Rating Scale Method:

This method is most known and simple processes for appraising the performance. In this the printed appraisal form is used by the appraiser for appraising each employee.

This form lists consists both quality and reliability and a range of job performance characteristics. Usually follows five points scale.

The appraiser appraise each appraises by checking the best score of the employee performance.

Essay Method:

One of the trouble method that is the reason why it names easy method .in this method the appraiser makes a detail list of the appraises weakness, strength, and their past record of performance by the use of the list of description it's became easy to categorize the employees overall performance for the year.

Confidential Report:

This process is used in Government Departments. Evaluation has been done by the boss or supervisor for giving employees promotion or transfer. A fixed method is used to collect information on employee's attendance, character, strength, intelligence, weakness, attitude, discipline character,etc.

3.5 Modern Methods of Appraisal :

Management by Objectives (MBO):

This process is designed to improve the performance of the organizations employees by identifying objectives by taking consent from both management and employees. According to theory when management allows their employee to participate in goal setting and others managerial decision that time employees feel more active and provide their efforts more. This idea first came up by the help of "Peter Drucker" in his 1954 book, "*The Practice of Management*"

In this method appraiser identify the employee's areas of responsibility and then classify their performance which they perform already.

Behaviorally Anchored Rating Scales (BARS):

"Behaviorally Anchored Rating Scales (BARS)" around established 1960s. BARS are consists with various types of behavior descriptions that helps the appraisers to appraise the appraises and their performance. This scale rate the employee on the basis of activates or responsibility that the rating scale consists.

3.6 Appraising performance: Problem and Solutions:

Problems in Performance Appraisal: Since is humanbeingsconducted byperformance appraisal, it is subjected to a number of pitfalls, weakness, biases and errors.

Some of are given below.

The halo effect:

In that an individual is judged on the basis of their one single trait for that reason the real appraisal is interrupted as one single trait can never reflect an appraises real performance .

Recency of events:

As most of the appraiser gives much more rate to the recent activates of the employee than the past behaviour.fo that reason bias occurred as it only gives consideration to the recent behavior than the past.

The central tendency:

This error occurred most than others in this raters has tendency to give average ratings to all or the center of the scale. This may be occurred because of a very high rating or a very low ratings that effects the overall appraisal process.

Other miscellaneous biases:

In this biases usually it notices that the rater has some previously built in biased in their mind on the bases of that they rate the employees .for that reason sometimes they rate higher to the employee who is good in term with them and on the other hand they gave low rate to them who is not so good relationship with them. That is why the total performance appraisal process can't considered as fair rating. So that types of biases also needs to remove at the time of conducting performance appraisal process.

3.7Solutions of performance appraisal problems:

1. Halo Effect

The Problem is judged on that appraisal is interrupted as one single trait can never reflect an appraises real performance.

The Solution: Appraiser should consider each factor individually, they need to avoid only appraising their employees on the basis of their single factors in an appraisal. Because it varies employee's behaviors on different scale so only one trait can't accurately appraise their performance.

2. Regency Effect

The Problem: As most of the appraiser gives much more rate to the recent activates of the employee than the past behaviour.fo that reason bias occurred as it only gives consideration to the recent behavior than the past.

The Solution: An alert manager compensates for lack of perspective by careful documentation.

3. Manager Preference

The Problem: Sometimes Personal friendship or good relations with the managers get better ratings comparable to their performance this is how performance cant justifies fairly. On the other hand managers rate lower because some employees may have bad relation with them in this because of personal conflicts performance appraisal process stay unfair.

The Solution: Managers needs to avoid this tendency to rate higher of their favored employees rather than employees who deserves because of their manner and personality.

The Solution: managers need to understand the constructive purposes of performance appraisal and they should acquire effective skills in giving negative feedback should reduce the tendency to commit this error.

4. Carelessness

The Problem: This error make as Managers make quick guesses impact on first of an employee's performance.

The Solution: for better solution Managers should have committed significant time for observing their employees and forming judgments based on their observations. As some of the Major decisions are based on performance rating, so the rating should have done accurately as this will contribute to take some of the major decisions.

5. Irrelevant (and Illegal) Standards

The Problem: errors occurred because of the rater's suggest their personal preferences, own Prejudices and biases towards certain employees. The Solution: at the times of rating the employee's mangers need to fair enough, they should consider only employees performance nor their status good relationship and employee's individual characteristic.

Chapter # 4

Analysis of Performance Appraisal Process at Investment Corporation of Bangladesh (ICB)

4.1Performance appraisal system at Investment Corporation of Bangladesh (ICB):

The management gives emphasis on their performance appraisal process as they consider this one of the vital element for their employee’s development identification. They divide their overall process in two steps one is under probationary performance review and under some criteria they rate their employee’s performance.

The Probationary Performance Evaluation Form should have been completed by the supervisor before midway into the probationary period and have to discussed by the supervisor with the new employees. One of the major rules is that it shouldn’t be later than seven calendar days from the end of the employee's probationary period, it has to be revised, whenever needed and also discussed all the employee’s.

Then the next steps in which the supervisor review and rate the employee’s performance under the mentioned criteria:

RATING:

Overall process are based on for rating measures scale .according those scale the appraiser appraised the employees performance. Basically performance appraisal process done by the HR head and other top level management. In marginal rating the basic requirements of competency and immediate improvements are most needed. Other hand in developing level employees meets most of the required level of the competency but there is still room for improvement.Then a fully competent stage employee meets all the required level of the competency. Finally expectation consistently exceed towards the employees performance. All of

those are the probationary criteria that considered at the time of reviewing the employee's performance.

Investment Corporation of Bangladesh (ICB) strongly maintain their rules and regulations for that reason their management previously established some job competencies by following which they categorized their employee's capability .year to year some of changes may occur in their scale.

Those two steps are followed for the novice level employee's performance appraisal by which the management gets a clear overview about the new employee performance and skills.

Performance objectives were set by very beginning of performance management cycle throughout January - December by the help of discussion between supervisor and the appraises. Every progress is monitor Progress is routinely and feedback collect from employees and supervisors is collected in order to help clarifying objectives and output expectation and enhance performance effectively.

The purposes for which the performances of employees are appraised are given below:

Job knowledge and skills

Job knowledge and skills is one of the vital elements that carefully appraise at the time of performance appraisal. As overall performance depend on the employee's skill and how much knowledge they acquire and apply for their work.

Development

In Performance appraisal system at Investment Corporation of Bangladesh tries to determine with which employee needs more training and that helps them to evaluate the results of the training programs. It helps the overall subordinate, supervisor and the counseling relationship and at the same time it encourages supervisor for observing subordinates behavior in order to help employees.

HR Planning

A successful HR planning serves all employee and prepare how individual works best. When all off the functional heads completed their whole procedure of evaluation they send it to their HR Department in order to record and subsequent process.

Compensation

It provides enough information that can be used to determine properly what to pay and at the right time what will serve as equitable monetary package. Bases on the performance the Supervisor wards as Individual Performance Multiplier (IPM) ultimately that it can be said that IPM indirectly decides how much pay rise one is going to receive.

Communication

As it is known to all that Evaluation is a basis for an ongoing discussion between superior and subordinate about job related matters. Through interactions it helps the both parties get to knowing each other better.

4.2Method of Performance appraisal at Investment Corporation of Bangladesh (ICB) different levels of Management:

Investment Corporation of Bangladesh (ICB) has two functional department of HR department. They followed different performance appraisal process at different level.

Basically the overall performance appraisal processes are performed under HR department. Performance appraisal is related with employee compensation, employee training and development and most importantly it helps as a tool to measuring the promotion. This organization categorizes its total employees in two types:

1. Managerial
2. Non-Managerial

Not only employees need performance appraisal top to final level every levels of employees need to go through performance appraisal process. Managers and executives also need to get ideas what they are really doing for improving their performance more and more. For that reason the top management collects the review of their performance from the employee that is why employees need to write feedback for their managers.

4.3 Officers appraisal process Investment Corporation of Bangladesh:

Officer's appraisal refers a formal process which is conducted by participatory manner. This is not viewed as an annual event on the other hand it represents a systematic year- round process. In this at the initial stage of the performance year, both the supervisor and the supervisee discuss about their targets and which to be achieved in the current year and they also share their mutual expectations. On the other hand at this stage, objectives are set and as well as action plans are also developed. And during the year, supervisor provides performance feedback in order to the employee. Also supervisors observe the pattern of behavior of the subordinate in connection with job performance. It included the process of observation, follow-up, providing necessary support, counseling, coaching and mentoring etc. The timing of officer's appraisal is the same to managers.

4.4Non-Management Staff's Appraisal Process in Investment Corporation of Bangladesh:

This Appraisal system of non-management staff is far different than that of the management employees. Non-management staff to confidential secretary is under non-management appraisal system. In case of non-management employees' appraisal, mainly two issues are considered:

(1) Individual record: this is based on individual record following items which is considered – discipline, punctuality, leave record, monthly medical visits, leave availed and another is

(1) Performance: in case of evaluating performance following things are considered carefully – Knowledge of job, accuracy, neatness, dependability, work speed, responsibility, adaptability, attitude to others, health & safety awareness, leadership.

Investment Corporation of Bangladesh (ICB) management tries to maintain Annual Confidential Report or ACR in order to assess annual job performance of each and every non-management staff. In this process Job performance of non-management staffs is evaluated once at the end of each financial year. In ACR, every departmental heads put their remarks about the individual's job performance and efficiency so that it can be analysis correctly. Here evaluationis done on each of the items on a five point scale – (A) Very Good, (B) Good, (C) Satisfactory, (D) Poor, and (E) Very Poor

4.6Evaluation Period

The evaluation period of Investment Corporation of Bangladesh is from 01 January to 31 December in case of all employees other than workers. On the other hand for the workers the evaluation period is from 01 July-30 June. Within the month of February the employees has to set their objectives for performance appraisal system.

4.7HR Actions

Human Resource department checks as well as and processes all type of appraisals and communicate those concern employees about the appraisal outcome. If anyone faced to problem then discuss regarding appraisal then concerned effectively with manager and try to solved.

4.5Purpose of Performance appraisal system:

- Maintaining the job description Accuracy
- Helps to Identify remarkable areas that need Improvement
- Tries to Provide effective and useful Feedback
- Always Encourage the best Performers
- Increases the Productivity or Output
- Tries to overcome mistakes and waste
- Develop employees Individual Goals area
- Establish program that helps to the Development of the employee

4.6 Overall strength and weakness of performance appraisal process at Investment Corporation of Bangladesh (ICB):

Strength of performance appraisal process at Investment Corporation of Bangladesh:

When an organization successfully performed performance appraisal it will get lots of benefit from this firstly it helps to evaluate the real performance of employees comparing to the expected performance. Performance appraisal helps to recognizes and rewards potential employees at the same time it provides motivation to them for further development. Most importantly it contributes in determining salary, promotions, and bonuses and other benefits to the employees.

Uses of Appraisal Method-

MBO method which is very effective for Investment Corporation of Bangladesh (ICB) they are use this strategy. both appraisers and appraises are actively involved in the objective formulation process which are more valuable and they also agree on what measures will be used to evaluate success and failure.

Useful in Employee Motivation-

It is very systematically way which are used in promotion decisions and compensation and reward decisions or result it is useful in deciding developing and counseling employees.

Fulfils the Requirements of Established Criteria-

For fulfilling all the criteria of relevance for example- measuring of performance is related to the proper actual output is logically as possible and sensitivity for example- able to reflect the difference between high and low performers of employee and practicality for example- it is the measurable(in fact most of the cases).

4.7 Weakness of performance appraisal process at Investment Corporation of Bangladesh:

Every origination's faces problems whenever they conduct performance appraisal process. For that reason they try to identify their errors and try to overcome them as much as they can. Without proper appraisal it is very much difficult to identify the weakness and the strength that employee has. Not only for that reason without accurately appraising employee's manager cannot clearly decide have which employees needed more development and concern. Above all accurate and clear performance process makes half of the task done for the management of the organization.

Lack of Periodic Review-

All of the performance of this organization should be review with periodically monitor, if employees obtain correct feedback may provide proper guideline with because of obtain correct feedback and providing proper guidelines with problem solving.

Complexity of method-

At Investment Corporation of Bangladesh their different method has made after receiving from government. In this system Investment Corporation of Bangladesh did not participate so the existing format does not proper match to knowledge and understanding with the current employees.

Chapter # 5

Findings, Recommendations, Conclusion

5.1Findings from the Analysis:

This corporation gives most priority to their HR practices for that reason they design their overall process in a way that will help them maintain easily at the same time implementing with great efficiencies. After analyzing the overall process and the secondary and primary resources regarding the performance analysis process of Investment Corporation of Bangladesh I got some of the findings that I am attaching in below:

1. Investment Corporation of Bangladesh appraises their different levels employees' performance by following different performance appraisal process that helps them to accurately appraise every employee at every level.
2. No discrimination has been is occurred at the time of conducting performance appraisal process as they maintain and followed their rules and regulations strictly.
3. The superiors only do the rating and there is no provision of rating by the peers or subordinates.
4. The measure of performance at Investment Corporation of Bangladesh isn't able to reflect the differences between high and low performers.
5. One of the major problems that I find out a large portion of the employees has no idea about the appraisal rating they just find out after seeing their pay rise or decrease.
6. Overall ratings system of Investment Corporation of Bangladesh is not correctly maintained sometimes employees rated higher as well as sometimes they rated lower in comparison of their performance.

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5.2 Recommendation and Implementation Plan:

After the forecasting, performance appraisal, recruitment and other decisions we have come up with some recommendations for Investment Corporation of Bangladesh (ICB). As I have already mentioned that Investment Corporation of Bangladesh (ICB) has a strong performance appraisal process so they don't need lots of changes but they may improve more their performance appraisal process. For that reason I just mentioned some of recommendation in their different level.

1. Investment Corporation of Bangladesh should make this appraisal system to personal bias free and also make fair system.

2. I noticed that the overall appraisal system is performed by the only supervisors of a particular employee and in this process biasness can occur and eventually occurred.

3. An organization which uses MBO method should standardized their rating process for each performance for the performers.

4. For the evaluation system to work well, the management of Investment Corporation of Bangladesh should ensure that employees have to get a clear vision of their appraisal system.

5. For the evaluation of system to work well, then the management of Investment Corporation of Bangladesh should ensure that an employee has to get a clear vision of their appraisal system.
6. The 360 degree feedback format introduced from the headquarters so they need to train their appraisal committee for developing this in branch offices efficiently.

5.3 Conclusion

Investment Corporation of Bangladesh (ICB) hashuge number of manpower in Bangladesh head office. Hence I had the opportunity to work with the total organizations Human Resource Planning. Throughout my study I have found there are couples of Gaps in organization’s current practice, which are very basic and important parts of Human Resource Planning program. These simple steps can omit the organization several flaws and bring the organization to its optimum level of productivity. As people are one of the main element to run any organization, if they are informed, nurtured, guided, motivated, monitored along their different steps of their career they will become the asset for Investment Corporation of Bangladesh (ICB).

Human Resource planning very sensitive and important for the company and we should careful about not meeting the steps and its consequences. Hence I strongly recommend Investment Corporation of Bangladesh (ICB) to consider some of my recommendations for their Human resource planning for 2019.

It is very difficult for giving a complete remark after conducting a research within such a short period of time frame. However throughout making my report as I go through different survey and data it can be said that, the appraisal system of Investment Corporation of Bangladesh, Limited is a modern and well worked out system with a little room for improvement here and there.

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