

Internship Report on People
Management Procedure of
Mercantile Bank Limited.

People Management Procedure of Mercantile Bank Limited

Submitted to: **Department of Business Administration**
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Declaration

I, hereby declare that, this report is completed by me under the guidelines and advice of **Dr. Gouranga Chandra Debnath**, PhD, Associate Professor & Head of Department of Business Administration, Daffodil International University, Dhaka. I also declare that, neither this paper nor any part of this paper has been submitted elsewhere for award of any degree.

I also undertake that if this work goes against the guidelines and rules and regulation of the university, I will be solely responsible for that.

Submitted by

Shainjida

Shainjida Ahmed

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MBA Program

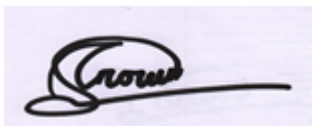
Major in HRM

Department of Business Administration

Daffodil International University, Dhaka.

Certificate

This is to certify that the report on “**People Management Procedure of Mercantile Bank Limited**” has submitted for fulfillment of the requirement for the degree of “Masters of Business Administration” under my supervision and guidance. She has a constant communication with me during the internship report based on people management procedure of MBL.



Dr. Gouranga Chandra Debnath
PhD, Associate Professor & Head
Department of Business Administration
Daffodil International University, Dhaka.

Letter of Transmittal

Date:

Gouranga Chandra Debnath
PhD, Associate Professor & Head
Department of Business Administration
Daffodil International University, Dhaka.

Subject: The submission of report on “People Management Procedure of Mercantile Bank Limited”

Dear Sir,

I am highly pleased to submit my internship report on “**People Management Procedure of Mercantile Bank Limited**” which is a prime requirement for the completion of MBA program. This report is the produce of the Internship Program that I have completed in Mercantile Bank Limited at Gulshan Branch. All the information presented in this report is completed with all integrity and sincerity. I have tried my best to make this report perfect and informational. While preparing this report, I have tried my best to follow your instructions. Apart from the academic knowledge acquired, this internship report has given me the floor to know about the overall of People Management Procedure regarding Mercantile Bank Limited. I believe that, the experience I have acquired from this Internship Program will be a valuable asset in my personal life. This report will be helpful in my personal and professional career.

However, there may be some drawbacks or barriers due to some shortcomings. Therefore, I would be highly be obliged if you would kindly consider my limitations in this respect.

Sincerely Yours,

Shainjida

Shainjida Ahmed
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MBA Program, Major in HRM
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Acknowledgement

I am really indebted to Almighty who gives me the ability to complete the internship report based on people management procedure of Mercantile Bank Limited for my MBA program.

I am highly grateful to **Dr. Gouranga Chandra Debnath**, PhD, Associate Professor & Head, Department of Business Administration and other respected teachers who instructed me by providing his valuable advice, guidelines, directions and suggestions to prepare this report. He constantly supervises me for completion of my Internship Report.

And I would like to express my gratitude to all the people from Mercantile Bank Limited of Gulshan Branch who has always been open-minded to answer my queries despite their extremely regular work. They are **Md. Jamal Hossain**, Executive Vice President & Head of Branch and Md. Saiful Karim, Vice President & Manager Operation of Gulshan Branch. I acknowledge my gratitude to Md. Babor Ali Molla, FVP & Credit In charge, Al-Amin Executive Officer for their constant guidance and valuable suggestions.

Finally, I would like to thank the authors of the books and annual reports of Mercantile Bank Limited that I've taken help from, which had made my understanding clearer during the making of this report.

Executive Summary

Efficiency is Our Strength is the motto of Mercantile bank Limited (Tagline as Banglar Bank) for the mission to provide corporate and consumer services through extensive financial inclusion in rural and urban areas of Bangladesh. Mercantile Bank limited was established on 2nd June, 1999. This commercial bank has been doing a great in the banking industry of Bangladesh. In the year 2019, Loans & Advances was Tk. 236,890.45 Million, Net Interest Margin (NIM) was 3.12%, Net Profit after Tax was Tk. 2,175.50 Million, Non-performing Loan (NPL) Ratio was 4.86%, Non-Interest Income was Tk. 4,575.36 Million, Total Assets Tk. 316,363.47 Million, total Deposits was of Tk. 262,961.05 Million, Import was Tk. 184,650.00 Million, and Inward Remittance was Tk. 35,239.10 Million.

Mercantile Bank Limited has started Islamic banking in the year 2020 with the objective to prefer Islamic Shariah based Banking and committed to Islamic lifestyles in the perspective of Bangladesh. They have for the first time Islamic Banking 10 (ten) selected branches and gradually, it will be extended to all over the country through MBL's Branch network and so on.

They have introduced their Online ACR for digitally managing their employees and supervising their people. I will cover the employee management of this Bank in different angles such as how the top management provide guidelines to their employees, the business etiquette, code of conduct for maintaining communication with employee and employer, between customers and other stakeholders, strategies of delivering proper services by identifying the exact cause of the matter, flexible complaint management cell for properly delivering the services to the complaint Customer, organization of training and development for personal and professional qualification improvement, technology know how of employees, adaptation strategy of employees of this Bank, practices of organizational citizenship behavior among all employees of the bank, complying the rules and guidelines of Bangladesh Bank, file management strategy of different regulatory bodies and employee compensation plans of MBL.

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CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

Human management department of any institution play a major role in performing in the market with excellence and competences. Most of the business institutions are managing their people by hiring skilled man manpower. Banks are the traders of money. Commercial banks are contributing a lot to the economy of our country and profit-making institution that holds the deposits of individual & business in checking & savings accounts and then uses these funds to make loans. General public and the government are dependent on the services of banks as the financial intermediary and profit earning concern they collect deposit at the lowest possible cost and provided loans and advances at higher cost.

Employees of MBL provide good customer service while ensuring that the Bank's interest is protected and grow the customer base through marketing and business development efforts, including cross selling to existing customer base and Follow up with customers to ensure the timely receipt of financial statements, loan payments and all documentary requirements of the Bank.

1.2 Origin of the Study

It is the age of information and communication technology and we are living in the mid of global competition. The standard of Education is integrated with the international standard in different educational institutions. Most of the institutions are introducing different techniques of boosting up the standard and benchmark of quality education. In this connection, an internship is placed as mandatory for our MBA program. I have selected Mercantile Bank Limited for completing my internship report. In this connection, I have applied for internship in the HRD of MBL and they assigned me in the MBL, Gulshan Branch.

In this connection, I have selected the people management procedure of MBL at Gulshan Branch.

1.3 Rational of the Study

In the global arena, the competition in quality people management is growing day by day. Most of the organization is trying to hire the competent people who are skilled in dealing with people and diplomatic in maintaining communication. Now, commercialized banks are doing great in recruiting dynamic people in the banking sector.

It is now highly desired that quality people in the banking sector can generate more profit for the institution. In the 21st century, people need to be dynamic in nature in maintaining a good professional relationship with the clients in the Banking sector to sustain. In this connection, I have selected MBL for analyzing the people management procedure.

1.4 Objectives of the Study

There are two types of objectives of conducting this report regarding people management process of Mercantile Bank Limited, Gulshan Branch. They are broad objective and specific objective.

1. Broad objective is to find the strategic procedure of people management of MBL.

2. Specific objective:

- ✓ To find out the code of conducts of people management procedure of MBL;
- ✓ To observe the competences of the employees;
- ✓ To identify the factors faced by the employees of the organization;
- ✓ To seek the strengths and weaknesses of the employees of MBL;
- ✓ To determine the management procedure and tactics of controlling employees;
- ✓ To find out the overall employee management and performance evaluation tactics of Mercantile Bank Limited, Gulshan Branch.

1.5 Methodology of the Study

Methodology is the direct observation, face-to-face discussion with employees of different departments, and practical works of the employees of the Mercantile Bank Limited, Gulshan Branch. This report is exploratory in nature where data are collected from both primary and secondary sources of MBL and other sources to prepare the report. The details of these sources are given below:

a. Sources of Data

I have collected data both from primary and secondary sources to prepare my internship report.

❖ Primary Sources of Data

- Information collected through informal conversation with the employees of MBL, Gulshan Branch;
- On the job direct observation of this branch;
- Desk job experiences and so on.

❖ Secondary Sources of Data

- Annual report

- Financial Reports and
- MBL Insights of Mercantile Bank Limited.
- Different Journals, Reports, Publications, newspapers and articles related to news of Mercantile Bank Limited and
- Publications of Bangladesh Bank

b. Data Analysis

To analyze, interpret and present the data of MBL, I have used qualitative judgments to understand them clearly as data are collected through the primary investigation or from secondary sources have been analyzed through statistical tools, tables, graphs etc. depending on the nature of data.

1.6 Significant of the Study

I have conducted this study for finding out the realistic procedure of people management procedure of Mercantile Bank Limited staying at Gulshan Branch for last couple of months. People management procedure of Mercantile Bank Limited is quite different from other commercial banks in Bangladesh as they have employee friendly rules and regulations for easy access and job environment. It plays a major role to boost up the competence of employees and increase the performance of the personnel's.

1.7 Limitations of the study

Although I have completed the report regarding people management procedure of Mercantile Bank Limited, I have several limitations based on data collection and other aspects. The limitations are as follows:

1. This report only considers Human Resources Management of MBL.
2. There is some sensitive information that is not disclosed by the employees of MBL.
3. Three months are not enough to conduct this report.
4. Banks officials are not willing to provide the required data that I need although they are cooperative.
5. There are some facts that are not presented in this report.

CHAPTER TWO

THEORETICAL REVIEW

2.1 The History of Human Resources Management

Human Resource Management is the comprehensive approach of managing the employees of the organisation in order to deliver at desired services to the target market (Rose and Hudgins, 2004). Human resource management has become very important in the early 20th century because most of the national and international organisations are going Global and managing ability of employees around the world. In the banking sector of Bangladesh, human resource management is the key factor of becoming successful in the competitive banking industry by providing financial services to the high demand customers.

The purpose of strategic Human Resource Management is to manage all the employees of the bank for becoming customer friendly financial institution and making the employees effective and efficient in order to provide customised services to the large number of people and include the underprivileged segments of customers of Bangladesh in the financial belt.

2.2 Meaning of HRM

Human resource management is the conventional practice of recruiting employees hiring and training the stops of the companies for achieving the long term goal organisation and to sustain in the competitive market. There is a close connection between employee and employer for working together in a same organisation for the same purposes or objective.

Human resources management is the managing of employees by providing different kinds of financial and non-financial facilities to make them satisfied. It is the strategic tactic of dealing with employees with all modern amenities. Human Resources Division of MBL is going online database management recently.

HRM now a days has a broad meaning of managing the people of the institution who has the rules and regulation are applied to the Employees and bring a business incorporated into the institution by providing long-term training professional development in order to provide a sustainable banking services and other services of the industry. In the banking industry, skilled and capable employees at the main resources of the strains for providing and introducing a superior Quality Services for the corporate and retail customers.

2.3 The Importance of People Management

People management process is the most challenging task for a company to become large and to become the market leader in the market place because is clean and employees are the human resources for the organisation and the weapon for becoming sustainable in the Marketplace. Most of the organisations are hiring the top class employees for the organisation

to become competitive in the Marketplace by delivering superior services to their target market (Rose and Hudgins, 2004).

There are a number of benefits of properly managing the people in the company and other institutes like banking Financial Institutions that are given below:

- Increases the productivity of the organisation
- Augments the skills of employees for providing a better services to their customers
- Boosts up knowledge of employees in order to provide superior services and to build a long-term relationship with the target market
- Increases the profitability of the organisation
- Reduces the cost of managing people in the organisation
- Enhances the brand image among other competitors and customers
- Builds up stronger customer base
- Increases the credibility e of becoming market leader in the competitive market and so on.

2.4 People Management

People management literally means the employee management into an organizaion. In the Mercantile Bank Limited, large number of employees is managed by controlling the overall activities of the employees effectively and efficiently. MBL has a strong HRM division in there all branches where they try to perform lot of important activities for their organization. Those are:

- ✦ MBL Strategic Recruitment & Selection
- ✦ MBL Strategic Human Resource Planning in MBTI
- ✦ MBL Training Institute
- ✦ Performance Appraisal by deposit campaign
- ✦ Compensation packages and
- ✦ MIS and Strategic Planning

Human resource strategic approach for MBL regarding HR polices & practices based on the internal needs, wants and also after analyzing their culture, process, technology & structure which indicate them clearly what strategic HR practices should be attempt to attain MBL's goal, mission & vision (Rose and Hudgins, 2004).

2.5 Process of People management

Recruitment means the process seeking employees in our organization and collecting resumes from potential candidate.

Mercantile Bank's recruitment strategy is to attract, train and retain people, who can build a strong, mutually beneficial and lasting relationship with the Bank. MBL seeks for talent that desires to make a difference and willing to learn and helps create customer value. The recruitment process of MBL finds to establish a match between individual's aspirations and expectations and Diversity that is seen as a strategic and sustainable long-term objective. They are compliance to equal opportunity; non-discrimination and non-harassment are integral requirement (Purcell, 2009).

The total recruitment processes mainly maintain by head office. Employees are joining in branch office by formal way for doing their job. This Bank flow two types of recruitment process such as:

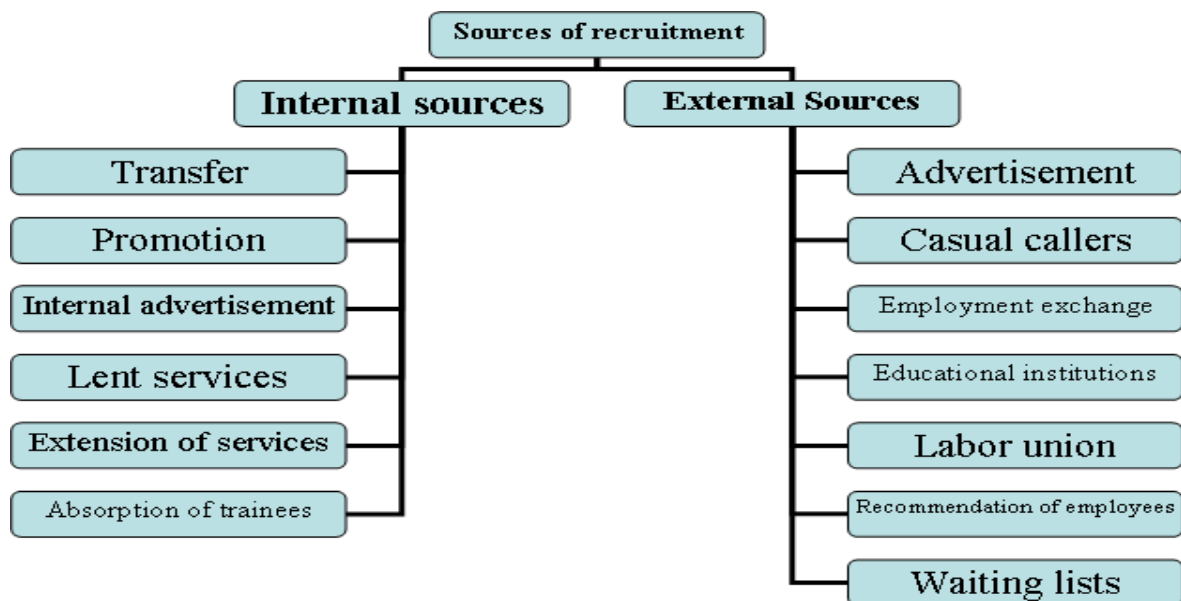


Figure: Sources of recruitment

Source:

2.6 Internal Recruitment of MBL:

There are different kinds of recruitment process and procedure such as internal and external recruitment process that are applied by different National and international institutions.

Private Commercial Banks are the leading employer of fresh employees into banks. They provide training and development programmed for professional enrichment. Mercantile Bank Limited has been using internal and external recruitment process.

Internal recruitment process is very popular and common in the multinational organizations because there take the experienced employees in their organization for making their institutions quality values. In Mercantile Bank Limited, the top management where the employees from different bank and Financial Institutions who are very experienced in nature and fast as successful banking career. Most of the top leading banks in Bangladesh look with their employees from different leading Bank.

2.7: MBL External Recruitment

In the external recruitment process, banks prefer to take fresh graduate as management trainee officer, assistant officer, trainee assistant officer, officer and other posts. This is the age of globalization and information and for this reason most of the commercial banks are using online media for publishing their job circular to hire fresher employees. Online media is very popular in this regard (Purcell, 2009).

Online Advertisement:

Online is another way of job advertising for Mercantile Bank to attract qualified candidates. MBL offers job advertisement to the applicants for applies. The applicants can submit their CV through the online agencies like; www.bdjobs.com; www.prothom-alojobs.com; and www.a1jobs.com. Mercantile Bank also post job advertisement to their site which is <http://www.mblbd.com/career/main/job>.



Mercantile Bank Limited, a leading private commercial Bank in Bangladesh with a vision to be a finest corporate citizen, intends to recruit smart, young, energetic, courageous and talented fresh graduates as Management Trainee Officer.

POSITION: MANAGEMENT TRAINEE OFFICER

Job Requirement:

We are an equal opportunity employer and welcome application from candidates for the position of Management Trainee Officer, who fulfills the following criteria:

- **Educational Attainment:**
 - a. Post graduation/ 04 years graduation in any discipline from any reputed UGC approved University with minimum CGPA 3.00 out of 4.00 scale or 1st Class.
 - b. 4.00 out of 5.00 scale in SSC and HSC or minimum "5 B" in O Level and "2 B" in A Level.
- **Computer Operation:**
 - i) Good knowledge in latest operating systems.
 - ii) Office Automation such as MS Word, MS Excel & MS Power Point.
- Applicant must be a Bangladeshi citizen.
- Age not over 30 years as on June 30, 2018.
- Job Location: Anywhere in Bangladesh.
- Candidates selected for appointment shall be required to execute a 'Surety Bond' to serve the Bank for a minimum period of 4 (Four) years from the date of joining.

Compensation Package:

The Management Trainee Officers will be entitled to a consolidated monthly remuneration of Tk.40,000.00 for 01 (One) year of probation period. On satisfactory completion of probation period, Management Trainee Officers will be confirmed as Executive Officer in the regular pay scale of the Bank.

Selection Process:

- The selection process will be purely on merit basis.
- Shortlisted candidates will have to sit for a competitive written examination.
- Successful candidates in the written examination will be called for interview.

Application Procedure:

If you feel you are the right candidate to face the challenges and want to join the winning team, please apply through "Career Section" in www.mblbd.com with an attachment of a recent passport size colored photograph (size 50kb max) latest by 12.07.2018. **Hard Copy of Resume will not be accepted.**

Please note that only those candidates shall be considered for inclusion in the interview process who have fully completed their degrees and have in hand their final transcripts or degrees in original.

Mercantile Bank's existing officials are encouraged to apply for this post, provided they meet the requisite qualifications.

Only shortlisted candidates shall be contacted at the sole discretion of the Bank regardless of eligibility or qualifications.

Any attempt to influence the selection process by any candidate, directly or indirectly, shall disqualify that particular candidate without any further notice or communication.

The Bank reserves the right to accept or cancel any application without assigning any reason whatsoever at any stage of the recruitment & selection process and against which no claim can be made, either to the Bank or with any Authority.



Figure: Recruitment Circular

Source: (Mercantile Bank Limited, 2021)

2.8 Selection process of MBL

Mercantile Bank Limited is a leading Bank in the current industry of Bangladesh. The selection process of bank limited is as same as other leading banks of Bangladesh. At the very first time they take MCQ test after receiving the candidate application from online. Mostly that MCQ test is taken by the IBA of Dhaka University or BIBM. MCQ test and written is taken together and at the same time. Then they publish the result of MCQ test and call for fast viva by the exam checker organisation. Exam taker takes viva of the candidates. Finally the management of the bank takes the final viva for selecting the candidates.

Diagram of Selection process of MBL:

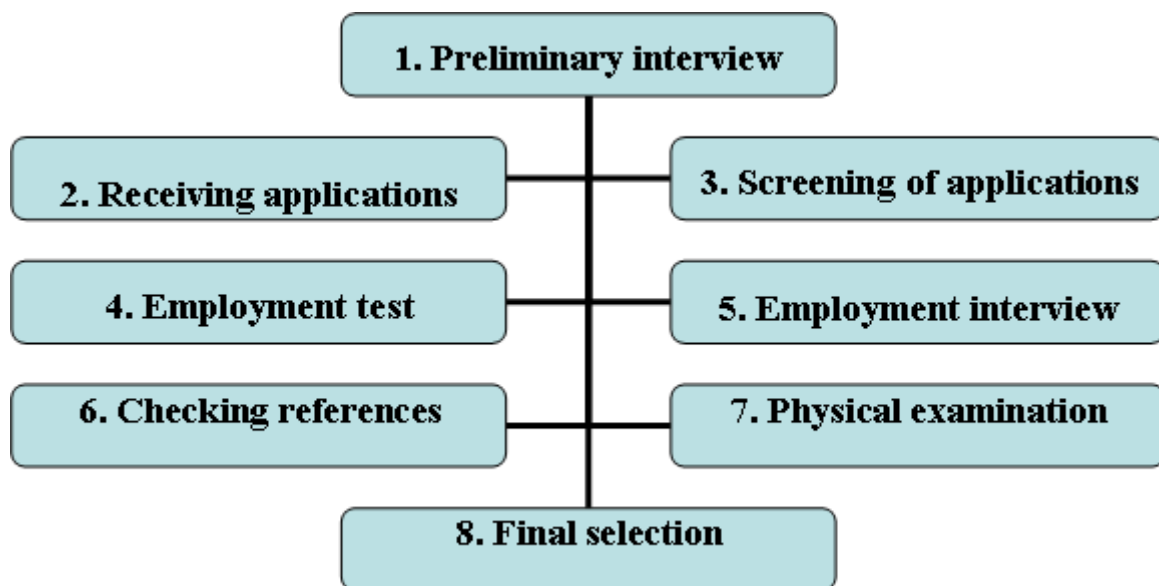


Figure: Selection process of employees

Source: (Pickford, 2003)

2.9 Training and Development:

Training is the way of improving the skills and competence of employees all over the world. Training and development program for improving the quality of employees and developing the skills of providing the best services to their customers. There are several types of training programs that are on the job training and off the job training. Most of the companies and Educational Institutes are conducting training programs for developing the skills of employees and other people. The banking institutions are the measure Institutions of recruiting the skilled employees. When they take the freshers, they arrange training and development program for improving the skills and abilities of their stuffs.

There are several importance of training and development such as the improvement of employee capability, increase of employee productivity, development of of organisational image, level of productivity and economic of the scale, business development and product development, employee and customer relationship build up, proper identification of the problems of customers and delivery of the same product to increase the brand value, and sustainability of the organisation in the competitive market.

2.10 Training Programs of Mercantile Bank:

Mercantile Bank Limited has a training institute named Mercantile Bank Limited Training Institute (MBTI). It is a super training institute for every employees of Mercantile Bank Limited that provides continuous training session and training and development program to their recruited employees. There is a principal and other permanent instructors in the training institute for contacting training session for their employees (Pickford, 2003).

The training institute is located at Swadesh Tower. The senior and juniors are invited to the training session for different topics of banking industry searches anti money laundering, credit based money laundering, internal credit risk management system, stress testing, legal procedure for securing the bank loan, loan documentation and mortgage, procedure of credit risk management, and so on.

In Mercantile Bank theoretical training of employees held in their Training Center, and job rotation depending on the availability of a batch of trainees in bank. On completion of theoretical training in, say, General Banking, the officers will be required to undergo rotation in General banking activities under the supervision of the training and Research Division. They report to the Training & Research Division weekly about the progress in rotation when problem-oriented discussion take place for better understanding and modification, if necessary.

CHAPTER THREE

BANK PROFILE

3.1 Organization Overview

Mercantile Bank Limited to the leading commercial bank for providing services to the underprivileged group of people and corporate banking services to the customer group of Bangladesh. The financial inclusion is the main objective of this Bank for engaging on all classes of people of the country and to become the leading commercial bank in the banking industry for the benefits of better living standard, dignity of labor and self worth (Mercantile Bank Limited., 2021).

The head office of Mercantile Bank Ltd. is situated at 61, Dilkusha Commercial Area, Dhaka-1000 (Mercantile Bank Limited., 2021).

Swift: MBLBDDH

Website: www.mblbd.com

MBL promote them as '**Banglar Bank**' in order to provide corporate banking services to a large class of customers. It was established in 1999 for the purpose of serving the economic sector of a - and to contribute in the national economy. From the commencement of the bank, it has been working for the community, social development, performing ethical responsibility, maintaining corporate social responsibility, business process development, financial inclusion to underprivileged group of people, and so on (Mercantile Bank Limited., 2021).

3.2 History

Mercantile Bank Limited was established as a public limited company under the Bank Company Act, started its operation on June 2, 1999. In the year 2020, the total capital of market and Bank Limited is Tk.3442.00 crore as on 30.06.2020. Mr. Mohammed Kamrul Islam Chaudhary is the present managing director of market and Bank Limited. Mr. Abdul Jalil who was the first Chairman of Mercantile Bank Limited was a dynamic leader for this time to bring this commercial bank to a leading position in the banking industry of Bangladesh.

3.3 Vision

To become the finest corporate citizen is the vision of Mercantile Bank Limited.

3.4 Mission

The mission of MBL is to become most caring, focused for equitable growth based on diversified deployment of resources and nevertheless would remain healthy and gainfully profitable bank.

3.5 Core Values

Mercantile Bank Limited is the top class corporate it isn't in the banking industry of Bangladesh that has been providing a superior corporate and retail services to a broad class of people. It has been providing superior services to the large classes of people to the economic development of Bangladesh. The employees of this bank are skilled in nature because the motto of the organization is efficiency is our strength. They love to care the efficiency of the employees and provide the importance of the corporate values.

3.6 Technology

Mercantile Bank Limited has recently introduced Mercantile Bank Limited Rainbow online app for digital banking. They have a digital banking division for developing different services in their digital banking app. They are using the core banking software that is T24.

This leading bank is always Technology friendly and adapting to the new technology of the world to provide the best customer service. They have introduced the online employee monitoring system and online issue tracking system for fastest service. They are going to do the paperless banking. Mercantile Bank Limited Gulshan branch introduced the automated queue system.

3.7 Special Feature

Green Banking

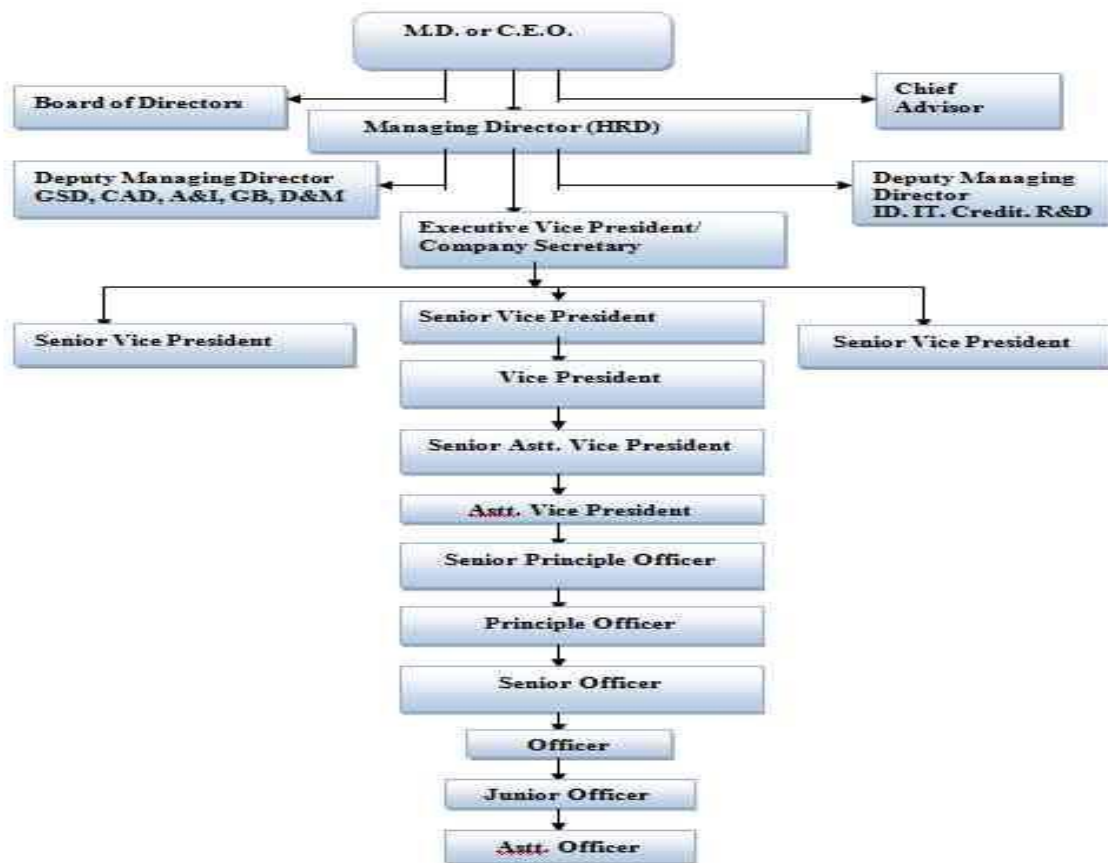
Green banking is a sophisticated idea in the banking sector that introduces the environmental friendly banking for conserving the natural resources and protecting the environment. Natural resources are the resources of all kinds of people of the nation. It should be conserved by the public. Recently, most of the commercial banks are going green awareness of environmental safety and security. There are several banks that are offering green banking products and investment products for corporate customers especially for the readymade garment sector and other industry. Bangladesh bank has a special font that is green transformation fund.

For example: Presently Gulshan branch has given to GTF loans to Nasa Hi Tech Limited and welldone apparels limited, to corporate clients of this Bank assisted by the supreme authority of banking industry, Bangladesh Bank.

3.8 Mercantile Bank's Functional Departments

Departments are the subdivisions of banks that are operated under the umbrella of one entity. Mercantile Bank Limited has a number of Departments that is separated. Every department has its own responsibility. The name of the departments are credit risk management division, corporate Banking division, human resources division, small and medium enterprise division, central law division, digital banking division, information and Technology division, credit administration division, financial administration division, general banking division, mobile banking definition, card division, treasury division, offshore banking unit, retail banking division and so on. They are introducing new departments for introducing the excellence in the banking services in order to provide equality banking services to a wide range of corporate and retail customer.

3.9 Top management hierarchy



3.10 Structure of Banking Services

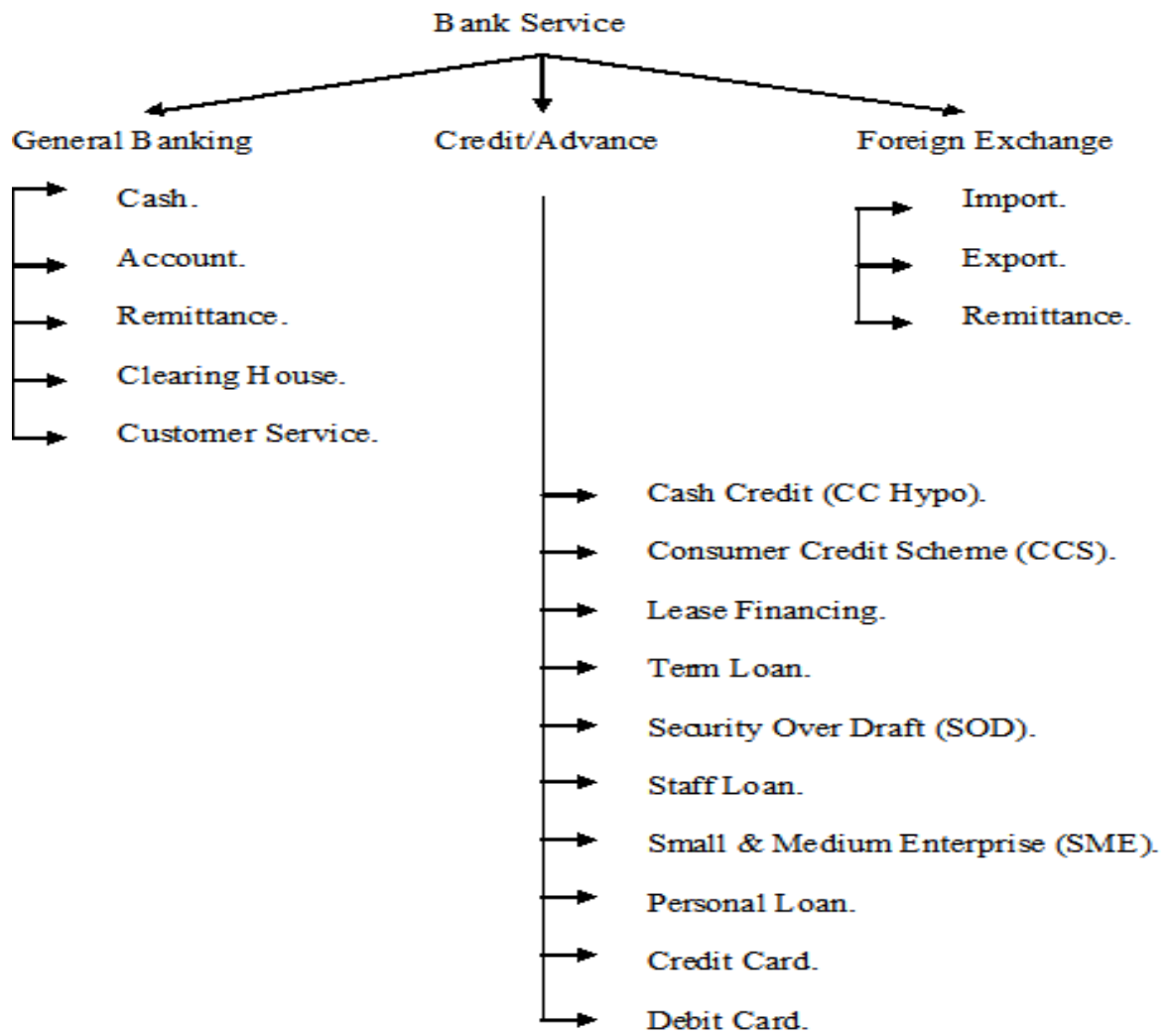


Figure: Structure of Banking Services

Source: (Norton and Hadjiemmanuil, 2005)

Figure: Structure of Banking Services

Source: (Norton and Hadjiemmanuil, 2005)

3.11 Deposit and Investment Scheme:

The deposit products are designed based on the classes of people. Mercantile Bank Limited has been offering a wide range of deposit products to men women and school going children. There are some common deposit products such as Masik Sonchoy Prokolpo, double benefit scheme, and fixed deposit rates.

Aparajita is a special product for women are retired and willing to save the money to commercial banks. They will get a special rate if this scheme. Only women allowed opening this aparajita account.

Poribar Sonchoy Patro is another scheme for the aged people who are willing to save money in the bank and get the interest. The people who are retired keep the money into the Bank (Mercantile Bank Limited., 2021).

Investment products of mercantile Bank Limited:

There are different types of investment products in MBL such as consumer financing i.e. any individual/ government employee / private employee can avail up to 50 lakh loans from this scheme. The minimum loan of this scheme is 50000. And the highest range is 50 lakh. The rate of interest is 9% now.

Corporate financing: There are different types of corporate loans i. e. Letter of credit, bank guarantee, packing credit, letter of trust receipt, green transformation fund, long term Finance, hire purchase, term loan, syndication finance, working capital, corporate security overdraft and so on.

There are some micro Cottage small and medium Enterprise investment products in this Bank such as overdraft for small Enterprise, working capital for medium Enterprise, working capital for small Enterprise, work order Finance, bank guarantee for small Enterprise, and Term loan.

CHAPTER FOUR

**PEOPLE MANAGEMENT PROCEDURE OF
MERCANTILE BANK LTD**

4.1 People management procedure

People management procedure of market and Bank Limited is a comprehensive method of dealing with employees and managing their employees with proper technique to develop their skills and abilities. Employees of organisation are a resource. Mercantile Bank Limited is the digitally adapted to the national economy and banking system of Bangladesh because they are adapting to the digital banking services and core banking software for providing Quality Services to their banking customers.

4.2 Performance Appraisal Process of MBL:

Performance appraisal is a process of identifying and evaluating the employee performance of the organisation as per the guidelines of stock management (Koch and MacDonald, 2010). Most of the commercial banks are using the key performance indicator for finding out the top performer of the bank. The commercial banks are becoming very competitive in nature because there are 61 commercial and private banks in Bangladesh now. They are hunting for deposits and providing Top class investment products to their customers.

Importance Performance Appraisal in MBL

The importance of performance evaluation for Tata nations are many such as

- it is the process of evaluating the the overall performance of employees
- Key performance indicator is one of the variable for evaluation of employee
- Identification of best employee quarterly
- Increase of employee productivity
- Organisational sustainability in the banking industry of Bangladesh
- Providing Quality Services to the corporate and retail customers
- Maintaining ethics in the organisation
- Business process development
- Employee creativity development into the banking industry
- Increasing of brand emails by eating performance of employees
- Development of skills and competence (Mercantile Bank Limited., 2021).
- Identification of problems and finding out the solution and so on.

4.3 Approaches to measuring performance in Mercantile Bank Ltd.

Deposit hunting campaign: Performance of the banking industry is measured by the amount of deposit brought to bank. The more the deposit is hunted, the more score is given. There are some other variables that are important for measuring the performance of the employees in banking industry that are operating investment products to your customers such as credit card, car loan, home loan facility and so on.

Most of the banks are suffering from deposit crisis because there are a number of new websites coming into the banking industry. There are 61 commercial banks in Bangladesh that are operating their businesses by offering the investment products to their large classes of customers. They are celebrating their customers into corporate and retail customers. The investment products are different based on the customers. Corporate customers are offered by the letter of credit, bank guarantee, secured overdraft, cash credit hypothecation and other types of loans.

Online attendance monitoring:

The manual register for employee's signature is not available in market and Bank Limited now. That has introduced the online attendance monitoring system for their employees to know centrally. Employees can provide attendance in their core banking software. Human resources division can easily monitor every employee whether they are in the office or exit.

4.4 Compensation packages of MBL:

The compensation package varies from time to time based on the experience of the employees in Mercantile Private Limited. It is distributed under the designation. Mercantile Bank Limited is offering 45000 for management trainee officer and fresh employee. After one year probation period, they confirm all management trainee officers as officer now.

Basic Salary

Basic salary is the basic pay of bank that is provided to all employees.

House rent allowance:

The 40% of the basic salary is provided as house rent for every employee.

Medical allowance:

Medical allowance is given through every permanent employee 10% of the basic pay. And other facilities are given as per the guidelines of human resource division.

Festival Bonus & other benefits:

All regular and confirmed employees get 02 bonuses each year.

CHAPTER FIVE

FINDINGS AND RECOMMENDATIONS

5.1 Findings

It is crystal clear that Mercantile Bank Limited is a top class leading commercial bank in the perspective of Bangladesh. They are gradually increasing their income by providing superior Customer services to corporate and retail level. All the employees of this Bank are very skilled because they emphasize on the efficiency. Efficiency is our strength is the motto of Mercantile Bank Limited. There are several findings that are observed that are given below:

- a) There is a code of conduct manual in every branch including MBL, Gulshan branch but there are some employees who are reluctant to the code of conduct. Some employees don't follow the dress code. Regarding competencies of employees, it is mentionable that the slogan of Mercantile Bank Limited is "efficiency is our strength". But it is a matter of great regret that there are some senior executive who are not technologically advanced.
- b) There are some factors that the employees faced in MBL, Gulshan that the there is a instruction circular that the attendance is fully online based but there are some manual works. Branch banking and head office banking are totally different. Online employee monitoring system is introduced but it is not effective.
- c) The procedure and techniques of controlling employees are measured by introducing online software is a new way of technological tool. It is very user friendly for new generation employees but there are some employees who are not adaptive using new technology. The face the problems of using new technology is introduced by the bank.
- d) Employee performance is evaluated by deposit hunting campaign only. More focusing to the corporate customers. Single party exposure is large. They are not focusing on the retail banking. Narrow Indicators in evaluating employees.

5.2 Recommendations

As it is an exploratory research, the recommendations are not decisions rather they are only suggestions for improvement of some fields.

- a) Top management of the bank is much aware of maintaining code of conduct of every employee by working hour surveillance by closed circuit camera. There is a big monitor in the head office where top management observe every employee what they do and how they behave in the working environment. It is recommended to introduce employee friendly technique of managing employees such as consultation and in house meeting for solving any problem. The competency of employees should be increased by in house training and development.
- b) As a prominent Bank in the banking industry, they should go green banking rather than manual banking system. Although they have introduced MBL Rainbow as a online banking platform, they should work on this for adding all kinds of facilities in a single platform. Moreover, There should be a synchronization and close communication between branch banking and head office banking because it creates a mutual understanding of performing better. It will ultimately increase the productivity of the employees and boost up the profit for sustainability of the bank.
- c) To control employees of MBL, online employee monitoring system should be introduced and need to update the technological software for monitoring the employees of the organization because it creates values and with their employees skilled and adapted to the newest philosophy.
- d) Although employee performance is evaluated by deposit hunting campaign only, this method should be changed because there are some alternative in evaluating the employees of the organization. The key performance indicator might not be deposit hunting only. They should introduce key performance indicator that may include quality customer service behaviour, keep score on building of long-term client relationship, business development and so on.

5.3 Conclusion

It is crystal clear that mercantile bank limited has been maintained their employees very effectively and efficiently to produce a corporate culture based organization. Banking industry now has been becoming competitive because there are a number of new banks are coming in the banking industry and competition is rising (Baker, 2007). After all, the people management procedure of Mercantile Bank Limited is effective because they are going online day by day. They are introducing core banking software for managing their services. They are recruiting new employees and arranging training and development program for making them skilled and Competent in order to provide quality service. In my internship period, I have observed and learnt so many things in Mercantile bank Limited, Gulshan branch regarding their people management procedure (DeCenzo, Robbins and Verhulst, 2013).

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