

Daffodil International University



Internship Report on:

HUMAN RESOURCE MANAGEMENT PRACTICES OF INTERNATIONAL FINANCE INVESTMENT AND COMMERCE (IFIC) BANK LIMITED.

Date of Submission: 12th August, 2014.



DAFFODIL INTERNATIONAL UNIVERSITY

INTERNSHIP REPORT ON

HUMAN RESOURCE MANAGEMENT PRACTICES OF INTERNATIONAL
FINANCE INVESTMENT AND COMMERCE (IFIC) BANK LTD.

SUBMITTED TO

Gouranga Chandra Debnath
Assistant Professor
Department of Business Administration
Faculty of Business and Economics
Daffodil International University.

SUBMITTED BY

Mohammad Mahmudul Hasan
ID: 081-11-232
BBA, 19th Batch
(Major in Human Resource Management)
Faculty of Business & Economics
Daffodil International University.

Date of Submission: 12th August, 2014.

Letter of Transmittal

12th August, 2014

Gouranga Chandra Debnath

Assistant Professor

Faculty of Business & Economics

Department of Business Administration

Daffodil International University.

Subject: Submission of Internship Report on “Human Resource Management Practices of International Finance Investment & Commerce (IFIC) Bank Limited”.

Dear Sir

In accordance to your advice to prepare a report on **“Human Resource Management Practices of International Finance Investment & Commerce (IFIC) Bank Limited”**. I have done my internship and prepare the internship report with the best. I have followed all of the standard methodology and your advice given in the instruction to prepare an internship report. I have also taken help from different sources to prepare an internship report properly and accurately. Your acceptance and appreciation would surely inspire me. For any further explanations about the report, I will be gladly available to clarify all the things.

Would you please kindly accept my paper and oblige thereby.

Sincerely yours

.....

Mohammad Mahmudul Hasan

ID: 081-11-232

Program: BBA

Department of Business Administration

Daffodil International University.

Certificate of Approval

I am pleased to certify that the internship report on “**Human Resource Management Practices of International Finance Investment & Commerce (IFIC) Bank Limited**” has been successfully completed by Mohammad Mahmudul Hasan his bearing ID: 081-11-232, Department of Business Administration has been approved for presentation and viva voce. Under my supervision Mohammad Mahmudul Hasan worked with **International Finance Investment & Commerce (IFIC) Bank Limited**”.

I am pleased to hereby certify that data and findings presented are the authentic work of Mohammad Mahmudul Hasan. I strongly recommend the report presented for further academic commendation and viva voce.

It has indeed been a great pleasure working with him. I wish him all success in life.

Internship supervisor

.....

Gouranga Chandra Debnath
Assistant Professor
Faculty of Business & Economics
Department of Business Administration
Daffodil International University.

Acknowledgement

First of all, I express my deep gratitude to all mighty Allah for his infinite grace that allowed me to complete this report.

I would like to express my gratitude to my teacher and supervisor **Gouranga Chandra Debnath** Department of Business Administration, Daffodil International University for his supervision, moral support, valuable instructions and helpful advice in preparing this report.

I also express my warm gratitude and thanks to Md. Mamun-Al-Rashid (AVP & relationship Manager), Arifa Akhter (SO), Mizanur Rahman (SO), Md. Rahmat Ullah (SO), Mrs Sadia Jerin (EO) and other employees and staffs of IFIC Bank Uttara Branch for their cordial meeting and for providing the pertinent information that has helped me a lot in every phase in preparing this report. Without such an extensive support and feedback, it would be almost impossible for me to conduct an effective study.

I am deeply indebted to all my friends whose invaluable support and encouragement have done much to make this report a successful one. Finally, I am also indebted to my parents and other family members for their constant support and encouragement throughout my period of study.

Executive Summary

HRM is the strategic and coherent approach to the management of an organization's most valued assets. The people working there who individually and collectively contribute to the achievement of the objective of the business. HRM and HR have largely replaced the term "Personnel management" as a descriptive of the process involved in managing people in an organization. HRM is evolving rapidly. HRM is both an academic theory and a business practice that address the theoretical and practical techniques of managing a workforce. Employees play a dual role in an organization first as a factor of production and second as a motive force for other factors of production. It makes other factors operative and productive. People are the most valuable asset of an organization. Yet human assets are virtually never shown on the balance sheet. The overall approach of the report is a Descriptive one as it goes into the depth of service quality of IFIC bank limited. Here both primary and secondary information were used. Interview was the basic techniques comply to collect primary data from any people within the organization. Information about the varieties of activities within the Human Resource Department was collected through interviewed. Among the secondary sources to collect data regarding the company's performance over the past five years are Publications, Documents of IFIC bank limited.

The report contains five chapters. The first chapter of the report describes the introductory words of the internship report in which Introduction of Topic, Objective of the study, Significance of the Study, Methodology & Limitations. The second chapter contains the Overview of IFIC bank limited. Chapter three contains learning part of the study. Different suggestions, findings & analysis are included in chapter four. Recommendations and conclusion have come at the end of the report in the chapter five. The Problems findings during the three-month long internship period & suggestions are given from observation.

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Chapter 1

INTRODUCTION



IFIC BANK
LIMITED

ইন্টারন্যাশনাল ফাইন্যান্স ইনস্টিটিউটেট অফ কমার্স ব্যাংক লিমিটেড

International Finance Institute of Commerce Bank Limited

1.1 Introduction:

This internship is a part of the Bachelor of Business Administration (BBA) program that provides an on-the-job experience to students. The theoretical knowledge and practical training is not the same theme. The theoretical knowledge is fulfilled when it can be used in the practical field. The goal of internship is to apply one's theoretical knowledge in practical fields. Thus internship is a pragmatic application of knowledge and achieving practical experience by engaging oneself in different and distinct sectors of work. That is why the internship program is also included in the curriculum of BBA in Daffodil International University, which is undertaken in different organization of the country. I have also completed my internship program at the International Finance Investment & Commerce (IFIC) Bank Limited, Uttara branch. Human Resources Management (HRM) is a new concept. It is a combination of HR, Accounting, Management, Financial Management and Economics. Globalization to world economy has exposed the corporate business organization to worldwide competition, mobilization of professional manpower and modern quantitative management practice. So, there are growing realization cannot achieve its goal effectively and efficiently. To face this complex management challenge, effective objectively measurable database system to measure and apply HRM information. Now-a-days, in Bangladesh, every year, and huge amount of money and talented HRM are being engaged by corporate to improve the productivity or skills of their workforce across the country. Such huge expenditures are made with the expectation of future returns in terms of improved services to be rendered by skilled employees. In other words, organizations by investing human resources development definitely increase the service potentials embodied in human resources and these investments thus create economic assets for the organizations. Human resource (or personnel) management, in the sense of getting things done through people, is an essential part of every manager's responsibilities, but many organizations find it advantageous to establish a specialist division to provide an expert service dedicated to ensuring that the human resource function is performed efficiently.

1.2 Origin of the Report:

Internship Program of Daffodil International University is a Post-Graduation requirement for the BBA students. This study is a partial requirement of the Internship program of BBA curriculum at the Daffodil International University. The main purpose of internship is to get the student exposed to the job world. Being an intern the main challenge was to translate the theoretical concepts into real life experience.


The internship program and the study have following purposes:

- ✚ To get and organize detail knowledge on the job responsibility.
- ✚ To experience the real business world.
- ✚ To compare the real scenario with the lessons learned in Daffodil International University.
- ✚ To fulfill the requirement of BBA Program.

The report has been prepared as an academic requirement of achieving BBA degree through three month internship program by Mohammad Mahmudul Hasan BBA student major in Human Resource Management from the faculty of Business Administration, joined IFIC Bank limited for the completion of my internship program and requested our honorable course teacher **Gouranga Chandra Debnath** to supervise me during my internship program. He kindly accepted my request and asked me to prepare a report on “**Human Resource Management Practices of International Finance Investment & Commerce (IFIC) Bank Limited**” after my internship period there on. The bank scheduled my place of posting at the Uttara Branch for three month. And at long last after getting practical knowledge I managed to prepare my report on “**Human Resource Management Practices of International Finance Investment & Commerce (IFIC) Bank Limited**” and submitted my honorable supervisor.

1.3 Objective of the Report:

The objective of the report can be viewed in two forms:






 General Objective

 Specific Objective

General Objective:

The general objective of this report is to analyze **Human Resource Management Practices of International Finance Investment & Commerce (IFIC) Bank Limited.**

Specific Objective:

-  To identify the training and development process of IFIC Bank limited.
-  To analyze the performance management system of IFIC Bank limited.
-  To perform the understanding of recruitment and selection process of IFIC Bank Ltd.
-  To find out the Employee Benefit and Facility of IFIC Bank Limited.
-  To make a recommendation for the problems.

1.4 Scope of the Report:

Scope means area of operations or field of the study. The scope of this report was extended to the Human Resource Management Practices of IFIC Bank limited.

1.5 Methodology of the Report:

Both primary and secondary data sources were used to generate this report. Primary data sources are informal discussion with professionals and observation while working in different desks. The secondary data sources are annual reports, manuals, and brochures of IFIC Bank Limited and different publications of Bangladesh Bank. To identify the implementation, supervision, monitoring and repayment practice- interview with the employee and extensive study of the existing file was and practical case observation was done.

Primary data sources:

- 📌 Schedule survey
- 📌 Informal discussion with professionals
- 📌 Observation while working in different desks etc.

Secondary data sources:

- 📌 Previous internship reports
- 📌 Corporate newsletters
- 📌 Manual
- 📌 Different publications of Bangladesh Bank.

1.6 Limitation of the Report:

There were some problems while I am doing internship. A whole hearted effort was applied to conduct the internship and to bring a reliable and fruitful result. In spite of having the wholehearted effort, there exit some limitations, which acted as a barrier to conduct the program. The limitations were noted below:

- 📌 Lack of adequate practical knowledge about modern HRM practice.
- 📌 In many case up to date information is not published.
- 📌 Unwillingness of the busy key persons.
- 📌 Unavailability of sufficient documents as required making a comprehensive study.
- 📌 Company policy should not disclose the confidential matters for many reasons.
- 📌 Only limited access to human resource policy top personnel are allowed.

Chapter 2

ORGANIZATIONAL OVERVIEW



IFIC BANK
LIMITED

ইন্টিগ্রেশনাল ফাইন্যান্স ইন্সটিটিউট লিমিটেড কর্তৃক পরিচালিত
সংগঠিত।

2.1 About IFIC Bank:

International Finance Investment and Commerce Bank Limited (IFIC Bank Ltd) is a banking, company incorporated in the People's Republic of Bangladesh with limited liability. It was set up at the instance of the Government in 1976 as a joint venture between the Government of Bangladesh and sponsors in the private sector with the objective of working as a finance company within the country and setting up joint venture banks/financial institutions abroad The Government held 49 per cent shares and the rest 51 per cent were held by the sponsors and general public. In 1983 when the Government allowed banks in the private sector IFIC was converted into a full-fledged commercial bank. The Government of the People's Republic of Bangladesh now holds 35% of the share capital of the Bank. Leading industrialists of the country having vast experience in the field of trade and commerce own 34% of the share capital and the rest is held by the general public.

2.2 Bank's Vision:

At IFIC, we want to be the preferred financial service provider through innovative, sustainable and inclusive growth and deliver the best in class value to all stakeholders.

2.3 Bank's Mission:

Our Mission is to provide service to our clients with the help of a skilled and dedicated workforce whose creative talents, innovative actions and competitive edge make our position unique in giving quality service to all institutions and individuals that we care for.

We are committed to the welfare and economic prosperity of the people and the community, for we derive from them our inspiration and drive for onward progress to prosperity. In an intensely competitive and complex financial and business environment, we particularly focus on growth and profitability of all concerned.

2.4 Strategic Priority:

- ✿ To strive for sound business growth by ensuring customer satisfaction through quality and timely services.
- ✿ To manage and operate the Bank in the most efficient manner to ensure achievement of goal
- ✿ To maintain adequate capital flow to support further growth
- ✿ To ensure effective and efficient risk management for sustainable business growth
- ✿ To diversify loan portfolio through structured finance and expansion of Corporate, SME, Agri and Retail businesses
- ✿ To mount state-of-the-art technologies and adopt innovative ideas for financial inclusion
- ✿ To groom human resources for serving customers efficiently
- ✿ To increase brand visibility by creating positive image of the Bank
- ✿ To be a trend-setter in serving the society and remain responsive to the environment
- ✿ To ensure sound corporate governance
- ✿ To facilitate mobility in banking by up-gradation of internet and Mobile Banking
- ✿ To add value for all stakeholders.

2.5 Milestones in the development of IFIC Bank:

1976 - Established as an Investment & Finance Company under arrangement of joint Venture with the Govt. of Bangladesh.

1980 - Commenced operation in Foreign Exchange Business in a limited scale.

1982 - Obtained permission from the Govt. to operate as a commercial Bank, Set up its first overseas joint venture (Bank of Maldives Limited) in the Republic of Maldives (IFIC's share in Bank of Maldives limited was subsequently sold to Maldives Govt. in 1992)

1983 - Commenced operation as a full-fledged commercial bank in Bangladesh.

1985 - Set up a joint venture Exchange Company in the Sultanate of Oman, titled Oman Bangladesh Exchange Company (Subsequently renamed as Oman International Exchange, LLC)

1987 - Set up its first overseas branch in Pakistan at Karachi

1993 - Set up its second overseas branch in Pakistan at Lahore

1994 - Set up its first joint venture in Nepal for banking operation, titled Nepal Bangladesh Bank Ltd.

1999 - Set up its second joint venture in Nepal for lease financing, titled Nepal Bangladesh Finance & Leasing Co. Ltd. (Which was merged with NBBL in 2007)

2003 - Set up a new Bank in Pakistan, NDLC-IFIC Bank Ltd. (Subsequently renamed as NIB Bank Ltd.) and the Overseas Branches of IFIC and a local leasing Company, NDLC was amalgamated with and into it.

2005 - Acquired MISYS solution for real time online banking application- Core Risk Management implemented

2007 - Launched VISA branded Credit Card (completed full range of Cards i.e. Debit, Credit & Prepaid by 2010)

2010 - Set up Offshore Banking Unit (OBU)

2011 - Established a fully owned subsidiary exchange company named IFIC Money Transfer (UK) Ltd.

2012 - Inauguration of 100th Branch at Tejgaon-Gulshan Link Road in Dhaka.

2.6 Management Structure:

The thirteen members of the Board of Directors are responsible for the strategic planning and overall policy guidelines of the Bank. Further, there is an Executive Committee of the Board to dispose of urgent business proposals. Besides, there is an Audit Committee in the Board to oversee compliance of major regulatory and operational issues. The CEO and Managing Director, Deputy Managing Director and Head of Divisions are responsible for achieving business goals and overseeing the day to day operation. The CEO and Managing Director are assisted by a Senior Management Group consisting of Deputy Managing Director and Head of Divisions who supervise operation of various Divisions centrally and co-ordinates operation of branches. Key issues are managed by a Management Committee headed by the CEO and Managing Director. This facilitates rapid decisions. There is an Asset Liability Committee comprising member of the Senior Executives headed by CEO and Managing Director to look into all operational functions and Risk Management of the bank.

2.7 Main Services of IFIC Bank:

The main services that are offered by IFIC bank are given below,

1) Corporate Banking: It includes:

- ✿ Working Capital Finance
- ✿ Project Finance
- ✿ Term Finance
- ✿ Trade Finance
- ✿ Lease Finance
- ✿ Syndication Finance

2) Retail Banking:

- ✿ Consumer Finance
- ✿ Deposit Products
- ✿ Credit Card
- ✿ Debit Cards
- ✿ Pre- paid Cards
- ✿ NRB Account
- ✿ Student File
- ✿ SME Banking

3) SME Banking:

- ✿ Easy Commercial Loan
- ✿ Retailers Loan
- ✿ Transport Loan
- ✿ Commercial House Building Loan
- ✿ Possession Right Loan
- ✿ Contractor's Loan
- ✿ Bidder's Loan
- ✿ Working Capital Loan

- ❖ Project Loan
- ❖ Trade Finance
- ❖ Muldhan
- ❖ Women Entrepreneur's Loan

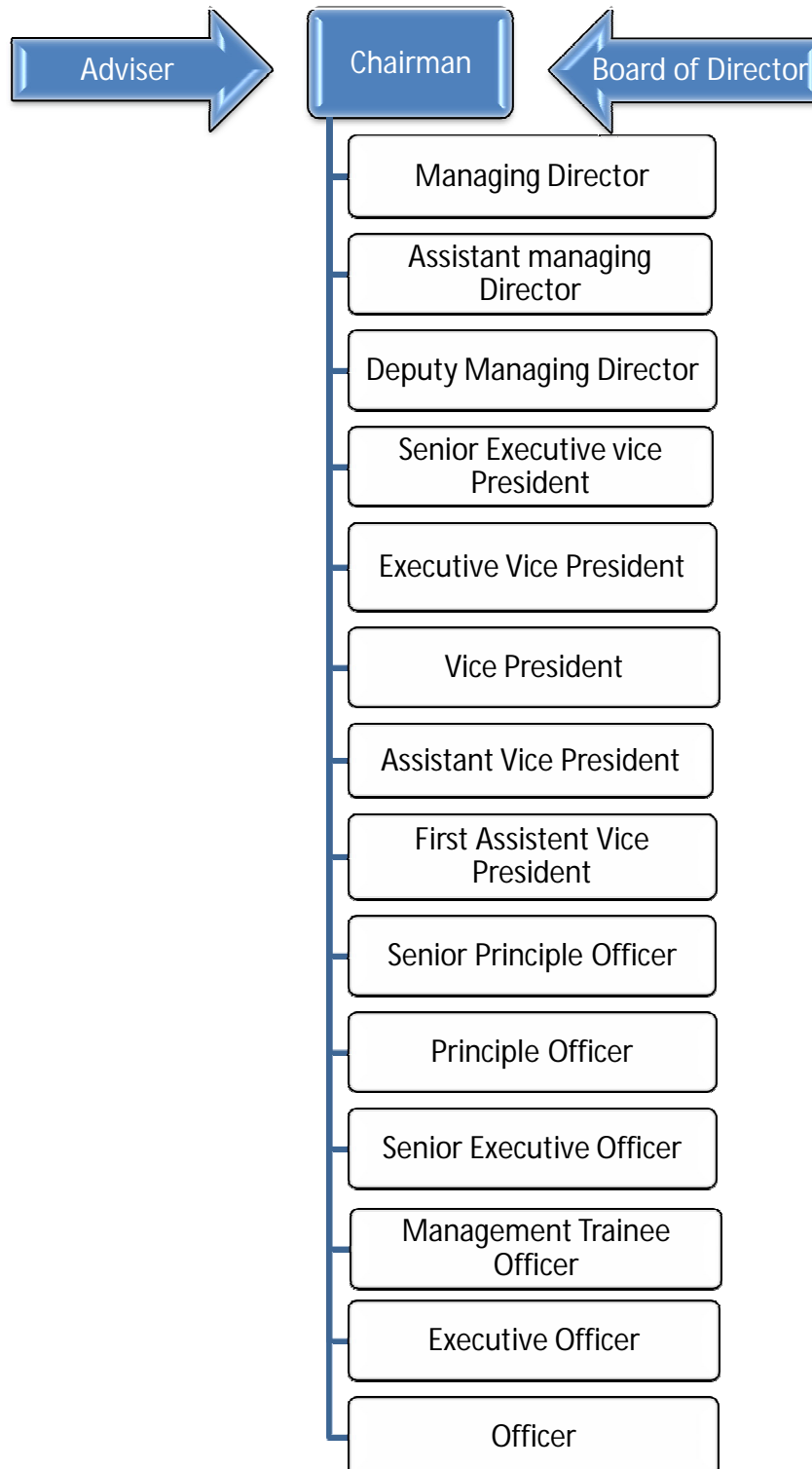
4) Treasury and Capital Market

- ❖ Money Market
- ❖ Forex Market
- ❖ Brokerage House

5) Agriculture Credit

- ❖ Krishi sharonjam rin
- ❖ Shech soronjam rin
- ❖ Phasali rin

2.8 Organization Hierarchy:



2.9 Corporate Profile:

Name of the Company

International Finance Investment and Commerce Bank Limited (IFIC)

Legal Form

IFIC Bank Limited was incorporated in Bangladesh and registered with the Registrar of Joint Stock Companies and Firms as a public company limited by shares.

Company Registration Number

4967, Dated October 08, 1976

Authorized Capital

BDT 20,000.00 million

Paid up Capital

BDT 3,806.52 million

Listing Status

Listed with Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE) in 1986 and 1997 respectively.

Market Category

'A' Category

Tax Payer Identification Number (TIN)

210-200-0537, LTU, Dhaka.

VAT Registration Number

9021077014

Registered Office

BDBL Bhaban (8th - 10th & 16th - 19th floor)
8 Rajuk Avenue, Dhaka-1000
Tel: 9563020-29, Fax: 9562015
Swift: IFIC BD DH
E-mail: info@ificbankbd.com
Web:www.ificbankbd.com

Subsidiary Company

IFIC Securities Limited
IFIC Money Transfer (UK) Limited

Off-shore Banking Unit (OBU)

IFIC Bank Ltd.- OBU
Federation Branch, FBCCI Building,
60, Motijheel C/A, Dhaka.

Auditors

Howladar Yunus & Co.,
Chartered Accountants

Legal Adviser

Mr. Ahsanul Karim

Tax Consultants

Adil & Associates

Credit Rating Agency

Credit Rating Agency of Bangladesh (CRAB)
Limited

Name of the Chairman

Salman F Rahman

Name of the Managing Director & CEO

M. Shah Alam Sarwar

Name of the CFO

S. M. Abdul Hamid

Name of the Company Secretary

A. K. M. Mozharul Hoque

No. of Employees

2,524

No. of Branches

112

No. of Shareholders

49,196

Investor Relations

BDBL Bhaban (10th floor)
8 Rajuk Avenue, Dhaka-1000
Hotline: 9563020

Chapter 3

Learning Part



Human Resource Management Practices of IFIC Bank Limited



3.1 Introduction:

Organizations require a number of things to be effective:

- 🏰 Physical resources, including the manufacturing facilities and equipment to produce a product or service.
- 🏰 Financial resources, including equity, leverage (debt) and retained earnings.
- 🏰 Marketing capability to connect whatever product or services are created with customers.
- 🏰 Human resources, including the experience, skill, knowledge, judgment and creativity belonging to the organization, along with the means of organizing, structuring and rewarding these capabilities.
- 🏰 Public Relations, to be present in the minds of the people, mass media.

While all these are important to organizational effectiveness, the factor that is most likely to provide potential competitive advantage is human resource and how these resources are managed. The production technology, financing customer connections can all be copied. The basics of managing people can also be copied, but the most effective organizations find unique ways to attract retain and motivate employees-a strategy that is harder to imitate. Organizational success is based not on conventional factors such as, large size, a unique image, the right market niche, dominant market share and so forth, but on how employees are treated.

3.2 Human Resources Division:



The vision of Human Resource Division is “Ensure improved business performance and competitive advantage by attracting, developing and retaining people in a winning culture that builds organizational capabilities to meet strategic objectives.”

Human Resource Management plays a great role in every organization. So it is an integral part of IFIC Bank Limited. IFIC Bank Limited has specific HR division. They follow HR practices like Recruitment, Selection, and performance appraisal.

3.3 Human Resource Structure:



3.4 Human Resource Planning:



Human resource planning is the process of getting the right number of qualified and competent people into the right job at the right time. Putting another way, HR planning is the system of matching the supply of people internally and externally with the openings the company expects to have over a given time frame. The quality of the candidate and his/ her expertise are deciding factor how IFIC Bank Limited will succeed in achieving its visions, objectives and tasks.

Human Resource planning in IFIC Bank Limited is a part of the company’s overall business plan. Analyze the future volume of work of the organization and calculate the future staff demand.

Basically the top management gives the strategic management decision. The BOD although is the main policy maker, the Managing Director does everything in this respect through discussion and consultation with the deputy managing directors and Management Committee. The bank has a planning and administrative department (under HRD) and these departments are mainly responsible for the overall planning process. The top Management has developed a concept and builds a close relationship with customers. Both short term and long term planning is exercised in the Bank.

3.5 Recruitment and Selection Process of IFIC Bank Limited:

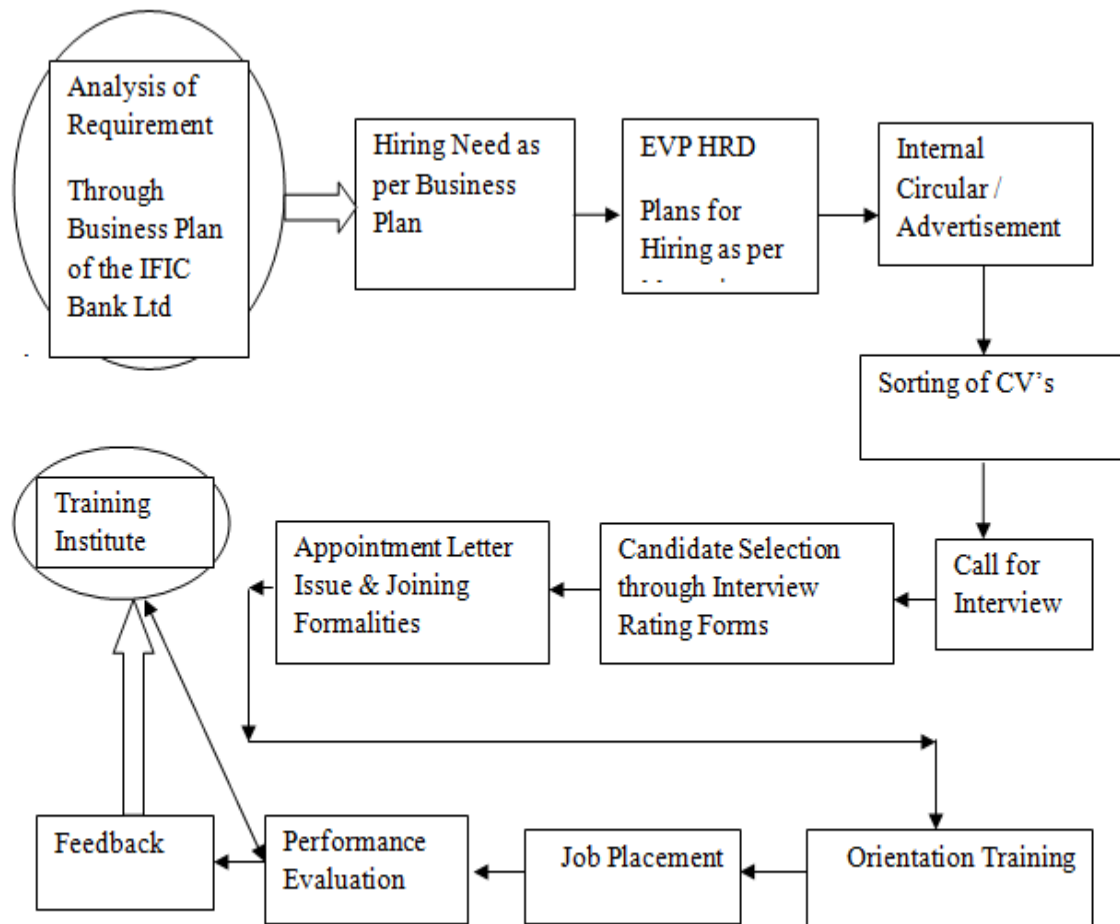


IFIC Bank Limited provides equal employment opportunity for all Bangladeshi citizens. It is the policy of the Company to attract, retain and motivate qualified and skilled employees within the company. To do this, the Company offers competitive compensation package and provides equal opportunity for career development to all employees. It is believed that in order to achieve the Company's goal, there must be efficient and high caliber human resources. Therefore, the company pays maximum attention and efforts in requiring highly qualified and competent employees who are willing to face challenges in achieving Company's goal. The role of HR in respect to attracting, retaining and motivating qualified and skilled employees is enormous. The formulation and implementation of a sound employment policy have great impact in the fulfillment of desired objectives.

HRD FLOWCHART:



✚



Guiding Principles:

One thing IFIC Bank Limited always wants to make sure about hiring employees is quality. So IFIC Bank Limited has some employment policies and these employment policies are based on the following guiding principles:

1. Fairness: IFIC Bank Limited tries to utilize available human resources at its best. The company does not discriminate against any job seeker and employee on the basis of race, color, religion, sex, age, national origin or any other factor that does not pertain to the individual's ability to do the job. Each employee is entitled to fair wages and job opportunities in return for their job, skills, commitment, loyalty, personal interest and best efforts. The company applies each employment policy in a fair, uniform and consistent manner.

IFIC Bank Limited employment policies are strict in the sense that they do not allow any favor, nepotism or preferential treatment to anyone. Any sort of interference or attempt of interference during the implementation of any step of the hiring process by any quarter is seriously dealt according to the Company Policy.

2. Right person at the right job: The Company tries hard to ensure best match of skills and thus recruit right and competent persons at the right job at the right time.

3. Efficient and effective: At all stages of recruitment process, all out efforts are given to ensure that the steps are efficient and effective.

4. Realistic Planning: With the rapid expansion of IFIC Bank Limited operation in the Banking service, appropriate HR planning is given due importance.

5. Standard Method: The steps and procedures being followed during the course of recruitment, selection and placement conform to the standards of the Company.

6. Development Focus: Where qualified human resources are not readily available, and even their hiring is subject to cost, therefore, IFIC Bank Limited attempts to develop employees from within. The company is committed to develop its Human Resources to achieve the Company's vision and goals and will explore and use the available development opportunities.

Formal Recruitment:



Existing Position:

Human Resource Division plays the main role to determine the total manpower requirement of the bank. To meet this, the department collects data from all departments of Head office and all branches regarding their requirement of different expert personnel.

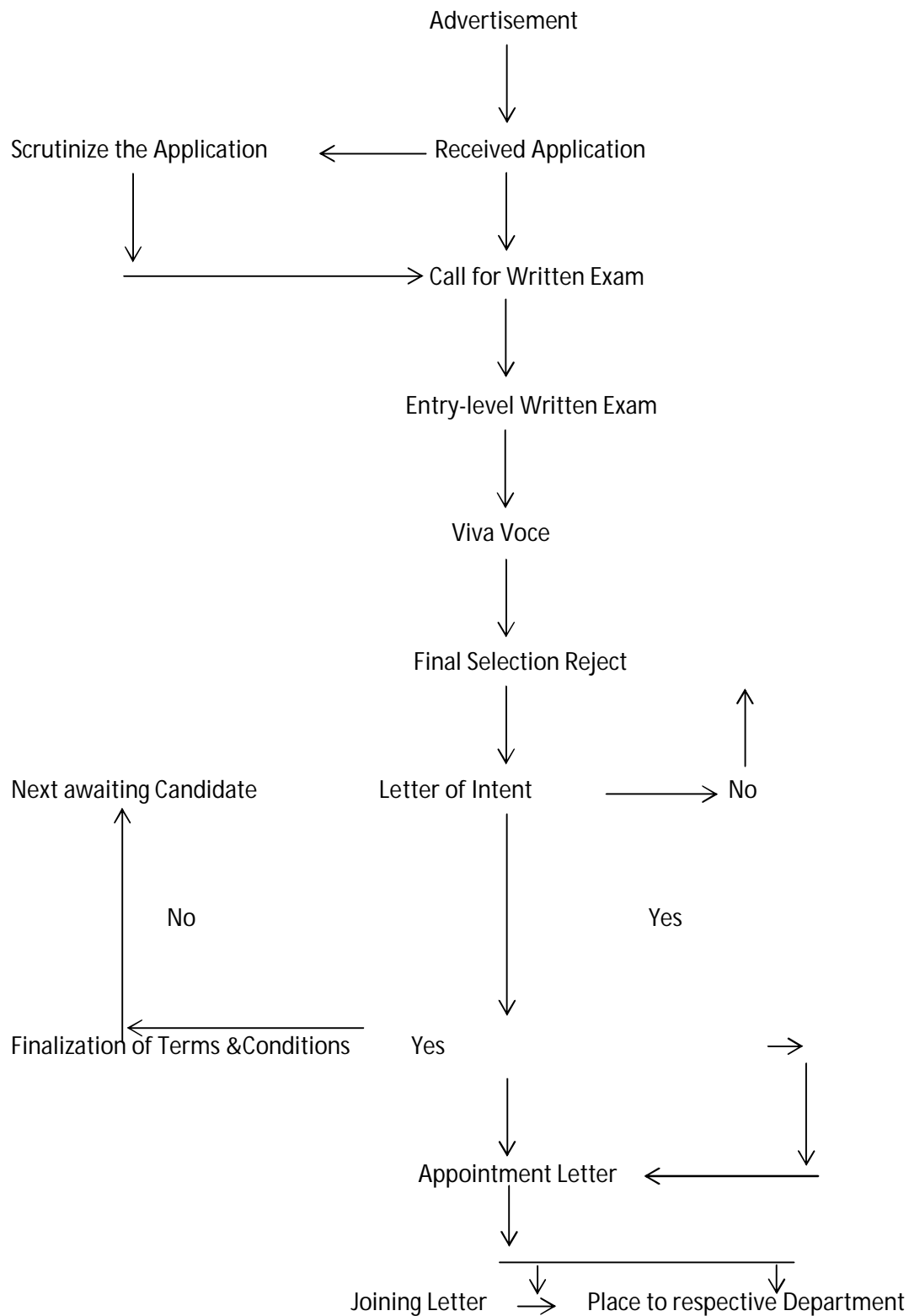
- ✿ Again, different divisions of Head office and branches inform their requirement to HR department.
- ✿ HR Department analyzes the collected data and sort out the skill and experience requirement of Manpower.
- ✿ From the CV Bank, they call the required person for VIVA VOCE.
- ✿ After the VIVA VOCE the selected personnel follow the same procedure same as to the entry level position.

Entry Level Position:

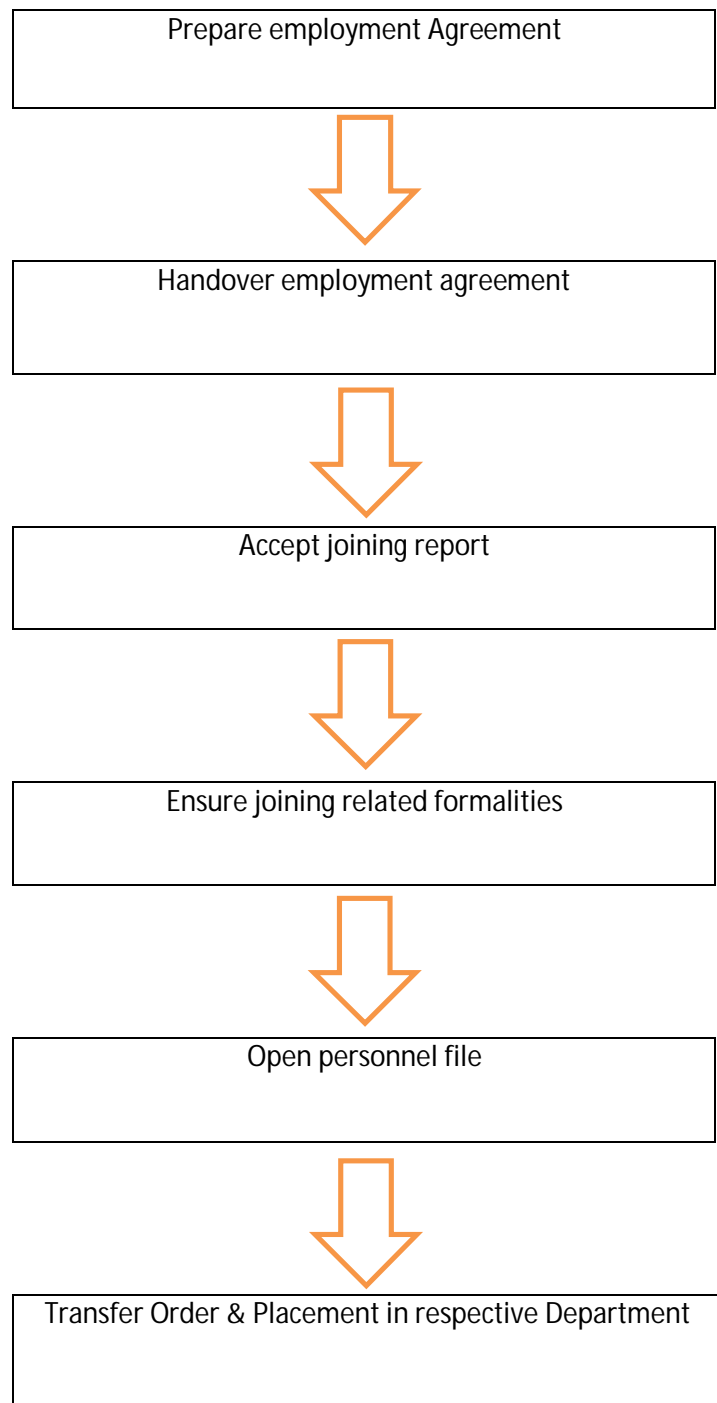
For a new position each Department follows the following procedures:

- Requirement of Manpower of different Department and all branches with justification.
- When a new position needs to be created, then the HR head will submit a request to BOD for approval with proper justification attaching with a detailed job description.
- Upon the approval of Board of director, HR recruitment process will begin.
- All new appointments must be accordance with the approved department budget and must be approved by head of HR and the Board of Directors.
- Finally HR Head, MD will decide what types of skills are required.

Recruitment Process:



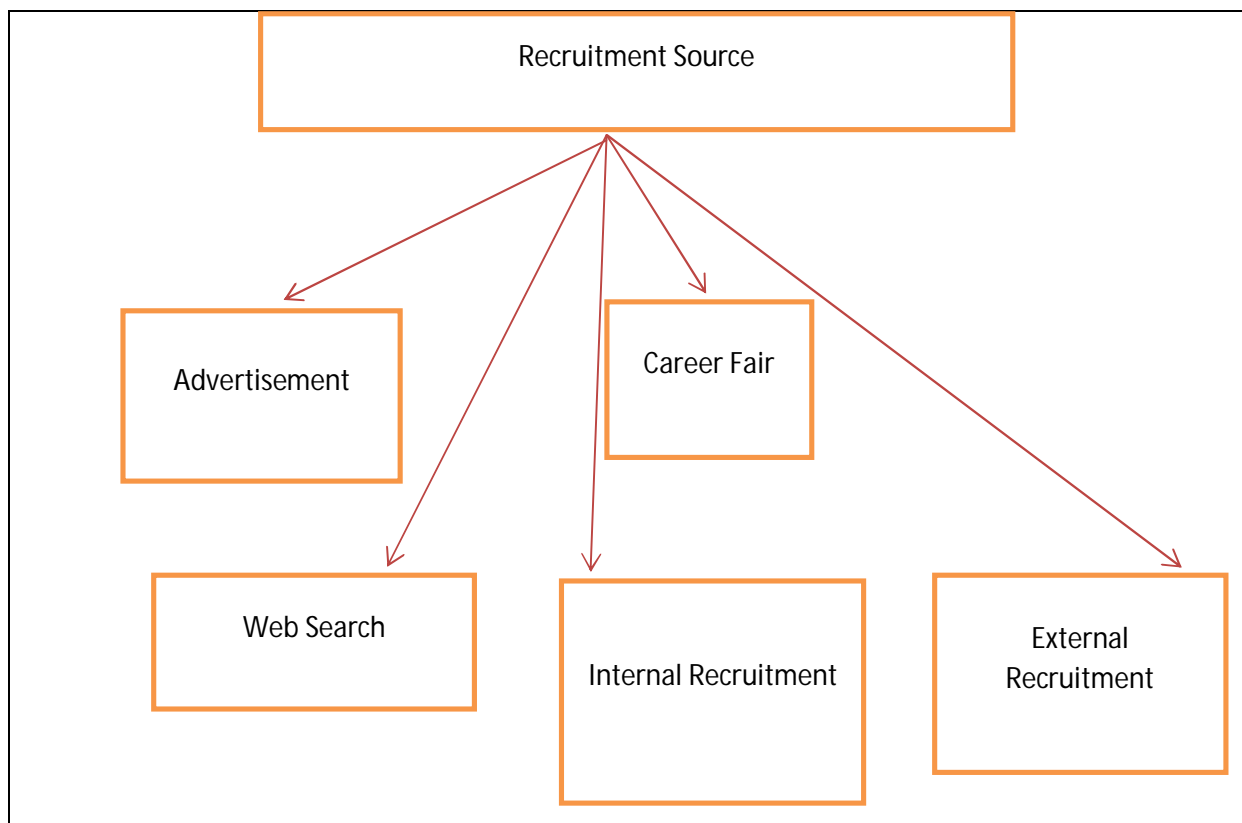
Steps in appointment and placement at a glance:



JOINING PROCESS:

- Entry Level Officers are given Orientation to know more about the environment & culture of IFIC Bank Limited.
- Next step is “Foundation Training”.
- After Foundation Training, “On the Job Training” is also recommended by the competent authority.

Recruitment Source:



Advertisement:

After getting the requisition form from the departments, HR then advertises the job into the people. There are several types of sources that IFIC Bank Limited uses for their job advertisement. Such as:

Newspaper Advertisement:

Vacancy announced is occasionally circulated by publishing advertisement in the national newspapers. The newspapers that are widely circulated are chosen for publishing advertisement. Advertisement to be published in the national dailies is attractive. It indicates the position, nature of appointment, location, major areas of responsibility, terms & conditions, age limit, minimum education level, work experience, job requirements, special requirements. The concerned department sends a job description to HR with manpower requisition in a prescribed format. HR drafts the advertisement based on job specifications of the position and sends the same to line manager for their inputs, if any and confirmation of the advertisement. The public Relation Department is responsible for designing and layouts before sending an advertisement to newspapers.

Career Fairs:

This is a new kind of talent haunt in our country and getting popular day by day. IFIC Bank Limited occasionally participates in the career fairs organized by different universities. IFIC Bank Limited recently took part in a career fair which was organized by American International University Bangladesh.

Web Search:

IFIC Bank Limited has its own website through which any one can see the recruitment advertisement of the bank and can apply.

Internal recruiting:

IFIC Bank Limited prefers to appoint internal candidates, who are suitable and qualified for the vacant or new position and also meets the existing and future requirements. Appointments may be made by the promotion, up gradation or transfer with the approval of the authority. No one is allowed to apply for appointment during probationary period. Promoting internal

employees on the basis of succession planning may also be looked into. Sometimes the internal candidates are not 100% competence for the post. In that case, IFIC Bank Limited trained them and makes 100% competence for the post.

External Recruiting:

A successful external recruiting effort requires careful planning and coordination. In most medium and large organizations, the HR professionals do most of the recruiting. These people may be personnel generalists who spend some of their time performing recruitment activities or full-time recruiters who specialize in seeking and screening potential new employees. A separate recruiting function with at least one full time recruiter tends to exist in organizations that have a continuing need to recruit a minimum of fifty to one hundred exempt employees each year. Recruiters may make hiring decisions for some lower level jobs, but ordinarily they locate, evaluate and refer the most qualified to the Head of different divisions in which the vacancy has occurred.

3.6 Job Analysis:

A job analysis is a systematic exploration of the activities within a job. This is used to define the duties responsibilities and accountabilities of a job. IFIC Bank Limited has systematic job analysis, which consists of job specification, job description and job evaluation. Recruitment process ideally begins with the analysis of job description and person specification for that job. A job description and analysis of person specification provide the foundation for stipulating the job title and salary scale of the position.

Job Description & Job Specification:

IFIC Bank Limited has structured job description, which includes the job title, the duties to be performed, the authority and responsibilities of the jobholder. For example, the duties of the Recruitment & Selection Professional are to recruit and select right candidates for the company as per business need.

Job specification defines the education, training, experience and competencies required by the jobholder. The job specification is vital, because the key part of the job specification, established at the beginning, is used in structured selection interview.

The job specification of IFIC Bank Limited is mainly prepared by a committee and written in the service rule of IFIC Bank Limited. The following information is specified in the job specification.

- There are minimum educational as well as experience qualification for the post of probationary officer to peon or supportive staff. For example for lateral entry an applicant for the post of Probationary Officer should have a minimum Master Degree.
- There are also required qualifications for promotion in a certain post.

Job Evaluation:

The compensation package of IFIC Bank Limited is not fully based on the job evaluation. At the time of establishment analyzing all the characteristics of every post the compensation package has been developed .But extraordinary performer can get extra bonus or some special benefits. In this process the jobs with common demands in terms of skills, education and other personal characteristics are placed in the common compensation group according to the service rule of IFIC Bank Limited.

3.7 Training and Development:

Training is the Systematic process of providing an opportunity to learn KSAs (Knowledge, Skill, and Ability) for current or future jobs. It is the process of teaching employees the skills and knowledge they need to perform their jobs.

Training is not only for the newly recruited employee, but also for the existing personnel of the organization, who need to be trained for the enhancement and refreshment of their skill, knowledge and ability (KSA) on a continuous basis for the development of the organization. Training can provide employee with knowledge and skills to perform more effectively, preparing them to meet the inevitable changes that occur in their jobs.

Training help to bridge the gap between theoretical knowledge and knowledge required for the profession.

Training Need Analysis:

An effectively training system begins with a determination of employees training needs. Training need is the gap between expected level of performance and actual level of performance. These need show up as performance deficiency. Once performance deficiencies are identified, the cause must then be determined. If the deficiencies are caused by inadequate KSA, then the training becomes a way to satisfy the need.

The two main ways to identify training needs are:

- Task analysis
- Performance analysis

Task analysis is especially suitable to those employees who are quite new in their job.

Performance analysis shows the performance of the current employees, it also identify if there is any performance deficiency or not.

Here is some different situation where training needs arise for both newly recruited and existing employees analyzed by IFIC Bank Limited:

- 🏢 New recruitment.
- 🏢 Enforcement of new laws and regulation related to banking.
- 🏢 Introduction of new product.
- 🏢 Enhancement Capacity building.
- 🏢 Updating refreshment of banking knowledge.
- 🏢 Promotion and placement in new desk.

Some Major Training Providers:

- 🏢 IFIC Bank Limited Bank Limited Training Centre.
- 🏢 BIBM (Bangladesh Institute of Bank Management).
- 🏢 BBTA (Bangladesh Bank Training Academy).
- 🏢 SCB (Standard Chartered Bank).
- 🏢 D&B (Dun & Bradstreet).
- 🏢 ICICI Bank.
- 🏢 SEDF (South East Development Federation).

Training Institute at IFIC Bank Limited:

IFIC Bank Limited Bank Limited Training Centre has been conducting their training at 1, Dilkusha C/A, 3rdFloor, Dhaka-1000 since inception of the Bank.

Functions of IFIC Bank Limited Training Centre:

Training Centre has implemented need based training Program and trained the officials of the bank. In addition to foundation training course for the Trainee / Assistant officer/ Officer and newly recruited officer and newly recruited probationary officer, Training Centre conducts several workshops on particular issue to develop competency skills of the officers.

Training Techniques followed by IFIC Bank Limited:

Analyzing the training needs IFIC Bank Limited Training Centre identifies the training techniques for the newly recruited and existing employees of IFIC Bank Limited. Training and development methods used by most of the organization can be two types:

- On the job Training
- Off the job training

On the Job Training:

Under this training an employee is put on- the-job and trained to perform the said job there by helping the employee to acquire the skill for performing the said job in future.

In this method the bank places the newly recruited employee in actual work situation and develops their productivity. Apprenticeship, job rotation and special assignment are different forms of such training program. On the job training can also be called apprenticeship program where the trainee or the probationary officer put under the supervision of senior officers.

Off the Job Training:

Training Centre of IFIC Bank Limited applies off the job training for their newly recruited and existing officers. Under this approach Lecture method is commonly used. Lecture focus on understanding rather than enriching knowledge and skills through reading assignments and experience. This kind of training is given based on the necessity like enforcement of new laws and regulation, introduction of new product, etc. Sometimes off the job training is given to update the knowledge and to get promoted in a new post. New employees are given orientation course and foundation course.

Training Centre of IFIC Bank Limited uses many other techniques under this method like conference, demonstration, case studies, programmed instruction and computer based training along with classroom lecture.

Training plan of 2010:

To develop the human resource for achieving organizational goal IFIC Bank Limited. Training Centre has prepared a plan for the 2010:

- Through implementing the proposed training program in the year 2010, competency skills of human resources of IFIC Bank Limited will be increased in the areas of banking knowledge, law, practice & procedure and marketing of products, with an aim to acquire competitive advantage in all the sectors of the banks.
- Beside proposed training program 'Need based training course / workshop will be arranged as directed by the management of time to time.
- Training program will be arranged from regulatory compliance against enforces new banking laws or Bangladesh Bank guidelines/ circular.
- Computer training (1) Basic computer training (2) Banking application Software/customized software) will be arranged.
- Some training courses/workshop will be arranged for the branches outside Dhaka.

3.8 Performance Management:

Performance management is the integration of performance appraisal systems with broader human resource system as a means of aligning employees work behaviors with the organizational goals.

Performance Appraisal:

Performance appraisal is the part of the performance assessment and management process in which an employee's contribution to the organization during a specific period of time is assessed. Performance feedback let employees know how well they have performed in comparison with the standard of the organization. Delivering and receiving performance feedback can be an emotionally laden process that dramatically affects employee's attitude toward the organization and themselves. If used effectively performance assessment can improve employee motivation and performance.

Performance Appraisal in IFIC Bank Limited:

In IFIC Bank Limited employees performance is assessed annually which they called "Annual Confidential Report (ACR). Supervisors notice and observe the performance of their subordinates and make comments on a good or poor performance. It's a formal method. Most of banks do ACR annually. It is the structured annual performance review, in which a supervisor assesses each employee's performance using some official assessment procedure.

Type of performance to measure:

Result based performance is assessed in IFIC Bank Limited. It means performance is assessed based on the results. This approaches deals with bottom-line issues like, to what extent an employee can fulfill their target, are they able to fill up their deposit target or not, how much profit the employee brought into the organization during a year.

Methods of performance appraisal:

IFIC Bank Limited uses graphic rating scale which is widely applied evaluation technique. The rater evaluates an employee on each of several performance dimensions using a range made up of clearly defined scale points. The rating dimensions are based on behavior, responsibility, and on a careful job analysis.

In the graphic rating scale method , a rater describe an employee as falling at 5 point on a performance scale, such as, poor, average, good, very good, excellent. The scale point is assigned score (ranging for 5 points for excellent to 1 for poor). Total score for an employee can be computed by summing the rating across all dimensions rated.

Rater of employee Performance:

In IFIC Bank Limited supervisors provide subjective ratings of employee performance.

Performance Evaluation:

At the end of each year, EVP HRD initiates the performance evaluation of company's personnel. Accordingly performance evaluation forms of personnel are sent to the concerned department Heads. In addition, the improvement areas and the corresponding training requirements, if any, for next year are also identified. The evaluation forms duly filled are sent back to the HR department. Principal Officer/AVP HRD complies the training requirements identified in the evaluation forms and prepare a requirement for the IFIC Bank Limited Training Centre where the principal prepare the tentative annual plan. The training plan is thoroughly reviewed by concerned functional Head and approved by chairman / Managing Director.

3.9 Service Rule of IFIC Bank Limited:

Service Rule is the main document of any organization. The Service Rule of IFIC Bank Limited was introduced in 1999. The rules must be followed to take decision regarding various issues related to personnel, administrative or operational matters. Every employee of the organization must follow the rules & regulation of the service rule concerning any matter like leave, retirement etc.

Comparison between Bangladesh Labor Act & Service Rule of IFIC Bank Limited:

I have given emphasis on three chapters of the service rule of IFIC Bank Limited to compare with Bangladesh Labor Act 2006. Those I three chapters are:

- ✓ Transfer and Separation
- ✓ General Condition of Service(pay scale)
- ✓ Leave Rules

Transfer and Separation:

In transfer and separation Chapter there are three terms

- ✓ Transfer
- ✓ Resignation
- ✓ Termination

In case of transfer and resignation there is no specific act, so it can't be compared with Bangladesh labor act 2006.

Termination:

Bangladesh Labor Act 2006	Service Rule of IFIC Bank Limited
<p><u>Permanent Employee:</u> Employers have to give four months Written notice. If without notice than on payment of 120 days or four months basic pay.</p> <p><u>Probationary/Temporary Employee:</u> Employers have to give one month's written notice. If without notice than, payment will be 30 days basic pay.</p>	<p><u>Permanent Employee:</u> Employee can be terminated, without Assigning any reason by giving 90 days or 3 months' notice in writing. Payment will be three months or 90days basic pay.</p> <p><u>Probationary/Temporary Employee:</u> Competent authority can terminate without assigning any reason or by giving one month's written notice. Payment will be 1 months basic pay.</p>

Remarks: Here we can see the service rule of IFIC Bank Limited is quite restricted in terms of termination of their permanent employee. In BD Labor act permanent employee is given 4 months' notice before termination but IFIC Bank Limited only gives 3months notice and 3 months' pay which is disappointing compared to Bangladesh labor act.

Pay Scale:

Pay scale means the scale of pay which is drawn by an employee in every month. Pay scale of IFIC Bank Limited is revised time to time and Board of Director approved the pay scale. The Pay Scale of IFIC Bank Limited is quite satisfactory according to their existing employee.

Leave Rules:



Bangladesh Labor Act 2006	Service Rule Of IFIC Bank Limited
Earned Leave is 20 days with pay	Earned Leave is 30 days with full basic pay.
Casual Leave is 10 day	Casual Leave in IFIC Bank Limited is also 15 days.
Festival Leave is 11 Days	There is no specific Festival Leave in IFIC Bank Limited.
Medical Leave is 14 days.	There is no specific Medical leave in IFIC Bank Limited.
Maternity Leave is 120days or 4 months.	Maternity Leave is only 90 days or 3 months.
There is no specific act for quarantine leave in labor act.	Quarantine Leave is maximum 21 to 30 days.
There is no specific leave provision for Hajj/Pilgrimage Leave in Bangladesh Labor Act.	There is no Hajj/Pilgrimage leave in IFIC Bank Limited.
	On completion of 03 (three) years study leave may be allowed on case to case basis.

Remark: IFIC Bank Limited has tried to follow the Bangladesh Labor Act 2006 in their Service Rule, but in case of Maternity Leave they restrict it to 2 month which is not sufficient.

Special Type of Leave:

Some special leave is given to the employees of IFIC Bank Limited which are not included in the service rule of IFIC Bank Limited. Those leaves are:

1. Quarantine Leave
2. Special disability Leave
3. Advance Leave

3.10 Employee Benefit and Facility:

IFIC Bank Limited believes in providing efficient customer service as well as sufficient benefits to the employees to the employees at their satisfaction. The benefits and facilities provided by the bank to its employees are as follows:

Bonus:

All regular employees of the Bank including the probationary officers are entitled to four festival bonuses on the occasion of Eid-ul-Fitre and Eid-ul-Azha worth of one month's basic pay irrespective of their date of joining and religion. Moreover the Board at its discretion may sanction incentive Bonuses from the profit earned by the Bank. However, employees who are dismissed from his service are not entitled to get any bonus.

Provident Fund:

Provident Fund is the service benefit which allows regular employees or the Bank to save 15% of their basic salary in every month. The Bank also contributes an equal amount in this fund as the employees to amass an attractive sum. Every confirmed and fresh employee will be entitled to bank's contribution to Provident Fund benefit after completion of 2 years of service in Bank and the benefit will be paid to him or her on retirement. Conversely, experienced employees are entitled to the Bank's contribution of Provident fund on joining Employees recruited on contract basis are not entitled to Provident Fund.

Gratuity:

This is a benefit scheme of the employees of IFIC Bank Limited for their security after they leave the institution on retirement or otherwise. The Board of Directors of IFIC Bank Limited has framed the “Gratuity Rules” and IFIC Bank Limited in exercise of powers under article 128 of the Articles of Association of the company. The Board is authorized to amend or modify the Gratuity Rules.

The Bank offers this benefit to the fresh employees who have completed a minimum period of 5 years of service without any discontinuation. They are entitled to two months’ basic salary for each completed year of service to be calculated on last pay drawn from the Bank. The employees on lateral entry will also be entitled to gratuity benefits for the year of their services rendered to the Bank in the event of normal retirement or relinquishment of service after completion of 5 years.

The benefits paid to the nominee or heir in case of the death of the employee. However employees with the following characteristics are not entitled to this benefit:

- ❖ Employees, who are dismissed from the service of Bank on account of nay.
- ❖ Misconduct, breach of discipline and serious negligence of duties.
- ❖ Employees who resign or discontinue the service without permission.
- ❖ Employees appointed on contract basis.
- ❖ Employees on deputation from other organizations.
- ❖ Employees engaged on daily, weekly or monthly wages basis for any specified work.

3.11 Career Development:

Career development essentially means the process of increasing an employee's potential for advancement and career change. In other words, it is a process of planning the series of possible jobs which an individual may hold in the organization overtime and developing strategies designed to provide necessary job skills as the opportunity arises. Therefore, career development relates to the readiness for progression through a series of positions during an individuals working life.

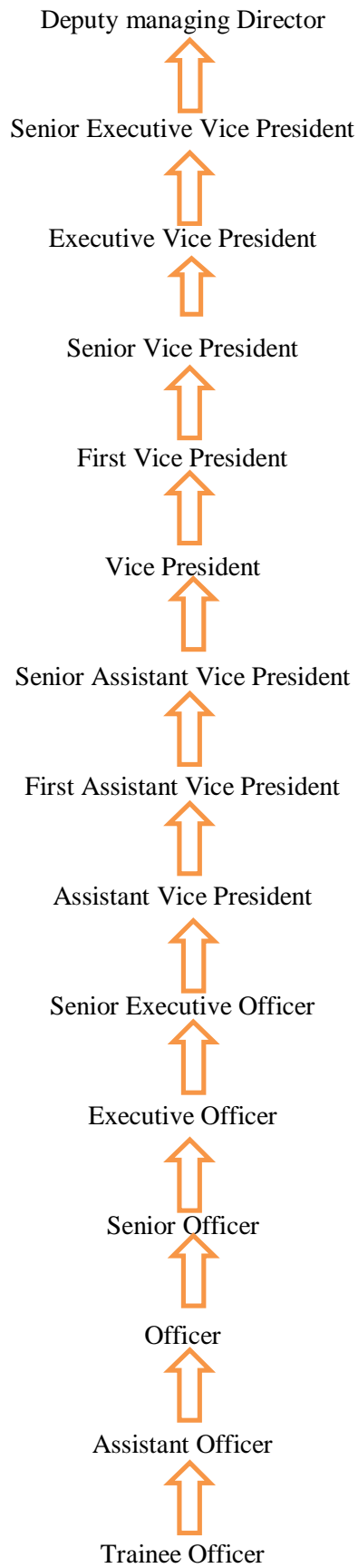
3.12 Career Development in IFIC Bank Limited:

Career development is a systematic process of guiding the movement of human resources of an organization through different hierarchical positions. IFIC Bank Limited provides career development opportunities to its employees. Redeploying the manpower through proper training in restructured job is one of the important priorities for the IFIC Bank Limited. But employees with matching skill and knowledge now find them in better bargaining position due to increased job mobility.

A career development process ensures promotion of employees from one career path to another.

A possible career path in HRD of IFIC Bank Limited:





Chapter 4

Findings



4.1 Problems:

As a student the following findings are obtaining the study:

- ✿ There have some lacking in training and development system of IFIC Bank Limited.
- ✿ Performance management system of IFIC Bank Limited is not totally arranged.
- ✿ Recruitment and selection process of IFIC Bank Limited is imperfect.
- ✿ The employees of IFIC Bank Limited are not highly satisfied about the provident fund.

Chapter 5

Recommendation and Conclusion



5.1 Recommendation:

I have discussed about the human resource management practice all through my report, which includes recruitment & selection, job analysis, job evaluation, training & development, career development, performance appraisal etc. Although the HRM practice of Human Resource Division is quite acceptable but they are not maintaining standardized human resource practices. There are some suggestions I think which can help to the HR Division of IFIC Bank Limited to utilize its human resource for the growth and development of Bank.

- ✿ To increase training and development system of IFIC Bank Limited these are needed: Making of Yearly Training plan, Maintenance of a Training Record, Making an orientation Training Form.
- ✿ Performance Appraisal Method can be 180 Degree, through which both supervisor and subordinate can evaluate each other's performance which is a very important for the development of HR Division.
- ✿ Recruitment and selection process of IFIC bank Limited has needs to careful monitoring to minimize subjectivity and ensure fairness.
- ✿ IFIC Bank Limited should increase the provident fund contribution for motive their employees.

5.2 Conclusion:

Human resource division plays a very vital role for total performance of the organization. The world is very competitive in this new millennium. Every organization getting the edge of using technology. In this position Human resource is the thing which can make the difference. In this paper I have tried to analyze the position of human resource division of IFIC Bank Limited from different point of view. Being analyzed I have made some suggestions. Performance Appraisal Method of IFIC Bank Limited can be 180 Degree, through which both supervisor and subordinate can evaluate each other's performance which is a very important for the development of HR Division. Evaluation of the Training Institute. They can Establishment Proper Human resource Information System, by which all information of any personnel can be easily found out. Required competence/Skill level Matrix should be maintained. They should make Yearly Training plan. Training Record of all the employees should also be properly updated.

Reference:

Corporate Reference:

- ✚ Company profile of IFIC Bank Limited.
- ✚ www.ificbank.com
- ✚ Files and Documents of IFIC Bank Limited.
- ✚ Data collected by Uttara Branch and Head Office.
- ✚ Discussion with Supervisor.

Books and Previous Report:

- ✚ Personnel/Human Resource Management by **DAVID A. DeCENZO, STEPHEN P. ROBBINS. (3RD Edition)**
- ✚ Several Internship Report of IFIC Bank Limited.
- ✚ Internship Report on Human Resource Management Practices of City Bank Ltd.
- ✚ Internship Report on HR Practices of Dhaka Bank Ltd.