

A DISSERTATION
ON
HUMAN RESOURCE PLANNING IN THE
BANKING SECTOR OF BANGLADESH: A
COMPARATIVE STUDY BETWEEN PUBLIC
AND PRIVATE BANK

Submitted to:

The University of Dhaka
For M. Phil. Degree

GIFT

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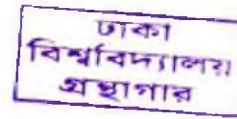
DECLARATION

I hereby declare that the dissertation entitled "**Human Resource Planning in the Banking Sector of Bangladesh: A Comparative Study between Public and Private Bank**" is prepared by me through an original research work under the supervision of Professor Iqbal Ahmad (Institute of Business Administration, Dhaka University). This is an empirical study based on field survey. I humbly submit this thesis to the Institute of Business Administration (IBA) for onward submission to the University of Dhaka, Bangladesh for the award of M. Phil. degree in Human Resource Management. The contents of this thesis have neither in part nor in full been submitted before to any institution for any degree or diploma.



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CERTIFICATE

I have the pleasure to certify that the Dissertation entitled **Human Resource Planning in the Banking Sector of Bangladesh: A Comparative Study between Public and Private Bank** has been prepared by Md. Yunus Ali through an empirical research and field survey under my supervision. It is an original work and an addition to the field of knowledge. To the best of my knowledge, no other person was in any form associated with the completion of this study.

I have gone through the draft and final version of the Dissertation thoroughly and found it satisfactory. I recommend that the thesis may be send for evaluation.


Iqbal Ahmad

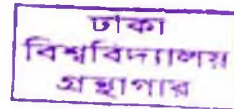
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ACKNOWLEDGEMENT

Acknowledgement is customary in offering an academic dissertation. In my case it is more than customary, because basically I was a soldier and at the verge of my retirement I seriously felt that I should have my formal education which I left 25 years back.

My professional background insisted me to study on Human Resource Management. After completion of my MBA degree I decided to do research work on Human Resource Management. I was looking for the opportunity and it was in deed with the inspiration of my respected teacher Professor Iqbal Ahmad, Institute of Business Administration (IBA), Dhaka University, I decided to go ahead. At the outset, I wish to express my profound respect and gratitude to him. He showed me the path, gave me full freedom in work and lavished his precious time on me. It is a debt, which can never be repaid and I am sure, no words would be adequate to express my gratitude to him.

I am profoundly grateful to the concerned authority of Islami Bank Bangladesh Limited and Agrani Bank for giving me permission to study their organization. I also gratefully acknowledge the spontaneous co-operation of the respondents, which are too many to mention here, who kindly gave me long hours of interview, ultimately found to be extremely valuable for the thesis.

I have visited and liberally used library facilities of a number of institutions in Bangladesh. They were the libraries of Dhaka University (DU), Institute of Business Administration (IBA), Bangladesh Institute of Development Studies (BIDS), Bangladesh Institute of Bank Management (BIBM), Islami Bank Training and Research Academy (IBTRA), Agrani Bank Planning, Research and MIS Division Library and Bangladesh Institute of Islamic Thought (BIIT) Library.

I must express my heartfelt gratitude to the members and staffs of those institutions for their sincere-cooperation, help and hospitality during my visit. Specially I like to express my gratitude to the course teachers of IBA under whom I completed my prerequisite courses for M. Phil. I take it to be my duty to express gratitude to my beloved daughter who extended her all-out effort to compile my dissertation from her computer and I also express thanks and heartfelt gratitude to my parents who are the builder of my career. Thanks to my wife for her moral support, constant encouragement and inspiration. I owe a great debt of gratitude to almighty Allah for giving me such opportunity to enter into the world of knowledge.


(Md. Yurus Ali)

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ABSTRACT

The problem of Human Resource Planning in the banking sector of Bangladesh has been examined in this study. The banks are presupposing a gap between their expectation and reality in regards to Human Resource Planning to attain strategic match with the changing environment. The present study entitled, "**Human Resource Planning in The Banking Sector Of Bangladesh: A Comparative Study Between Public And Private Bank**", endeavors to trace this gap and propose methods to solve it. This study suggests strategy which will enable to visualize the requirements of Human Resource Planning to achieve the organizational goal in a rapidly changing environment.

The impact of different types of manpower planning has been examined in this study. How the manpower requirement is forecasted, manpower inventory is prepared, manpower needs are determined and manpower plan is formulated in both Public and Private Sector Banks have been compared. It reveals that failure to put correct employee at correct place, in correct time is a serious hindrance to higher performance and operational efficiency. Whatever skills and comprehensive the bank personnel possessed; those were not used for optimum level of achieving organizational goal because of the lack of correct placement. The study highlighted the action programs needed for creating conditions congenial for sincere and whole hearted co-operation of the personnel for the over all development of the banking activities. In fact, both public and private banks should accomplish their object within the banks.

This study is mainly based on empirical survey and information which is collected both from primary and secondary sources. The collected data were analyzed and hypothesis are tested through two samples pooled proportion test. That is the random samples from two different population were selected to determine whether the population means are equal or not. In each of this two cases, to investigate the question, a random sample from each population were selected and computed the mean of the two samples. To achieve the goal, the response pattern from the populations were divided into three categories i.e. Executives and Decision makers, Employees and Trade Union Leaders.

The study reveals that in both public and private banks determine their manpower strength at different level from time to time on the basis of volume of business/work load and financial results.

To find out right placement of the human resources the study considered both type of banks i.e. public and private bank. Agrani Bank and Islami Bank Bangladesh Limited have been considered as case study of public and private bank respectively. It is a common practice in Bangladesh that the private sector banks hurriedly hire skilled personnel from the public sector banks with higher pay and young recruits from the outside. More attention is needed for skill development of personnel at all level. Hence opportunity should be created for satisfying the different needs of bank personnel and integrate their interest with the interest of the bank. Personnel development for improving operational efficiency has a great bearing for the future economic development of the organization and as well as for the nation.

There are unpredictable external influences on manpower planning such as changes in labor market conditions, technology, market conditions, economics cycles, changes in social and economic values, political changes etc. in such a scenario it becomes difficult to forecast the personnel available with the bank at a future date. This problem becomes more acute in respect of important personnel (Specially at middle and top level) because their replacement cannot be arranged in a short span of time.

The changes that may take place in the financial sector in recent times, the public commercial banks have to gear themselves for developing the qualitative skills of the employees. Additional challenges in the form of increase in the expectations from the banking clients, technological developments, information based functioning new orientation of human resources whose priorities are totally different from the older generation and changing priorities of various managements. The study also confirmed that the Human Resource Planning (HRP) helps to achieve the objectives of the organization through its workforce. It utilizes employees' full capacity and enhances the commitment of the staff to bring success for the organizations. Human Resource Planning is the engine of growth that put all other resources into action and things done including all business and economics activities.

GLOSSARY OF TERMS

- ACR: Annual Confidential Report
- ACT: Assistant Care Taker
- AD: Authorized Dealer
- AGM: Assistant General Manager
- AO: Assistant Officer
- AOG-I: Assistant Officer Grade-I
- AOG-II: Assistant Officer Grade-II
- AOG-III: Assistant Officer Grade-III
- ASPC: Automated Service Providing Centres
- AVP: Assistant Vice President
- BARD: Bangladesh Academy for Rural Development
- BBS: Bureau of Business Research
- BIBA: Bangladesh Islamic Banker's Association (BIBA)
- BIBM: Bangladesh Institute of Bank Management
- BIDS: Bangladesh Institute of Development Studies
- BIIT: Bangladesh Institute of Islamic Thought
- BMDC: Bangladesh Management Development Center
- BRTC: Bangladesh Road Transport Corporation
- BS: Bureau of Statistics
- CB: Corporate Branch
- CIB: Credit Service of Bangladesh
- CII: Council of Islamic Ideology
- CPM: Critical Path method
- CSP: Civil Information Bureau
- CT: Care Taker
- CU: Chittagong University
- DD: Demand Draft
- DEP: Deputy Executive President
- DGM: Deputy General Manager
- DIT: Dhaka Improvement Trust
- DMCH: Dhaka Medical College Hospital
- DMD: Deputy Managing Director

DO: Divisional Office
DU: Dhaka University
EDM: Executives and Decision Makers
EP: Executive President
EVP: Executive Vice President
FEX: Foreign Exchange
FSRP: Financial Sector Reform Project
GB: General Branches
GG: Godown Guard
GM: General Manager
GOB: Government of the People's Republic of Bangladesh
HR : Human Resource
HRM: Human Resource Management
HRP: Human Resource Planning
IBA: Institute of Business Administration
IBB: Institute of Bankers, Bangladesh
IBBL: Islami Bank Bangladesh Limited
IBS: Institute of Bangladesh Studies
IBTRA: Islami Bank Research and Training Academy
ICMAB: Institute of Cost and Management Accounts of Bangladesh
IDB: Islamic Development Bank
IERB: Islamic Economic Research Bureau
IJPE: Indian Journal of Public Enterprises
ILO: International Labor Organization
INV: Investment
JO: Junior Officer
LC: Letter of Credit
LDA: Lower Division Assistant
LO: Local Office
MCG: Messenger Cum Guard
MD: Managing Director
MIS: Management Information System
MLSS: Member of Lower Subordinate Service/Staff
MOF:Ministry of Finance

MT: Mechanical Transport

NBL: National Bank Limited

NCB: Nationalized Commercial Banks

NPS: National Pay Scale

OMPD: Organization, Management and Planning Division

PATC: Public Administration Training Center

PB: Prize Bond

PCB: Private Commercial Banks

PERT: Program Evaluation Review Technique

PIDC: Pakistan Industrial Development Centre

PLS: Profit Loss Share

PM: Personnel Management

PO: Principal Officer

PS: Personal Secretary

RO: Regional Office

RU: Rajshahi University

SDR: Security Deposit Receipt

SG: Security Guard

SO: Senior Officer

SPO: Senior Principal Officer

SVP: Senior Vice President

TUL: Trade Union Leader

UDA: Upper Division Assistant

UGC: University Grants Commission

UNDP: United Nations Development Program

VP: Vice President

WB: World Bank

HUMAN RESOURCE PLANNING IN THE BANKING SECTOR OF BANGLADESH
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Chapter-1

Introduction

Introduction

1.1 Background: It is acknowledged that bank plays a pivotal role in the development of a country through their service as financial intermediaries. In Bangladesh, it is the principal way to conglomerate all inhabitants of area under the network of economic development through banking services. Public Sector Banking introduced all over the country to reach bank services to the doorstep of the masses to enable them to participate in the economic development of Bangladesh. The objective is to eliminate poverty from their personal and social life through employment generation and assistance from banking in trade and commerce. The peoples of Bangladesh were lacking expertise to some extent to manage big enterprises having problem of monuments dimensions after the liberation war. It was full of mismanagement, inefficiency, wastage and corruption. All these consequences created a blockade in the economy. As an alternative institution Banks in private sector became imperative. So both the Banking sector came up. But in private sector banking some selected commercial and industrial areas are covered by their branches. General people are less benefited from their services. Though the bank is a financial institution which plays an important role in the capital accumulation and economic development of a nation. The basic precondition for capital accumulation and economic development is the existence of a widespread and efficient financial structure. The process of economics growth of Bangladesh, depends on the level of performance of the employees and executive of both public and private sector banking is very significant factors for the purpose of obtaining the highest possible benefit.

To day the human resource proportion has matured from an administrative support role to a key strategic function in successful organization. The evolution has been intimately tried to change workplace values, economics condition, technological innovations and many other factors. To cope with the changing situation the business leaders recognize the values of their employees to the future of their organization. People are the most valued asset to the organization, be it private or

public. Bangladesh faces a severe problem in managing their personnel due to lack of human resource planning. In this era of 'Human Capital', a study on "**Human Resource Planning in the Banking Sector of Bangladesh: A Comparative Study between Public and Private Bank**" has gained importance in recent years due to the performance of employees and executives of both public and private banks. Its efficiency depends on the process of getting the right number and qualified people in the right job at the right time. Human Resource Planning is a system of matching the supply of human resources (existing employees or those to be searched or hired for) with the organizational requirements over a given time frame. So, a study on Human Resources Planning on Banking (both private and public) is initiated.

1.2 Problem Statement:

The Backdrop: Bangladesh being a developing country always has been endeavoring to develop her economy for the welfare of the people. Development depends both on the production and service, which give rise to economic growth. This economic growth demands a strong financial discipline in the country. Banks being the institutional frame for handling financial matters and the orderliness of financial activities. But its performance depends on the efficiency of its executive and employees.

But there is no analytical information that exists on prevalence of human resource planning in the banking sector. Recently government and other developing partners have under taken diversified initiative to develop the Quality of Work life (QWL) which shows the values, the class, and the worthiness of a its employees. But there are very few studies on how all these basic problems should be incorporated in human resource planning in the banking sector of Bangladesh.

There are no prefixed indicators for assessing the manpower, work load are measured on the basis of thumb rule. Comparing the changes occurred during the last 30 (thirty) years in Bangladesh that the banks face multiple challenges and threats – threats to effectiveness, efficiency and profitability; challenges from turbulent environments, increased competition and changing customer demands. Keeping organization healthy and viable in today's world is a daunting task. Because

it is found in a research study conducted by a famous management thinker V.S.P RAO **"Human resource is an important corporate asset and the overall performance of company depends upon the way it is put to use. In order to realize company objective, it is essential to have a manpower plan."**

(V.S.P. RAO-1999-Bank Management Chapter-9 Manpower planning in a bank, Discovery Publishing House, New Delhi). Bank provides this service directly to the people and indirectly helps for production work.

Banking is a service oriented job and it requires personal commitment, initiative and enthusiasm towards accomplishment of banking job. To ensure a congenial customer service, honest and sincere efforts from the part of the employees towards accomplishment of the job is mandatory. In order to harness the human energies in the service of organizational goals, it is expected to pay proper attention to recruitment, selection and training activities in an organization. Proper promotional avenues must also be created so as to motivate employees to peak performances. All these things however, do not come by easily. It requires thorough planning and certain amount of zeal and commitment to convert the rhetoric to concrete action.

On the other hand, after the emergence of Bangladesh as an independent country a new democratically oriented working class leaders ushered contribution towards the gradual evolution of various level of platforms and forums for negotiations in banking industry. With the nationalization of major commercial banks in 1972, radical transformations started taking place in Bangladesh Banking. As a result the government and bank managements wondered as to how to maintain industrial relations or to defuse industrial relations. All public sector banks are in bad shape as per the recent public relations, the recent politicization of the union activities observed on Bank Security is a memorandum to the policy makers and implementers and all those who have directly or indirectly covered. In view of the first changes that are taking place in the financial sector in recent times, commercial banks have to gear themselves for developing the qualitative skills of the employees in a major way. The additional challenges are in the form of increase in the expectation from the banking clients, technological developments, information based functioning, new orientation of human resources whose priorities are totally different from the older generation and changing priorities of unions and management bring about added

responsibilities also make it rather compulsory for top managements to book into manpower planning exercise more carefully.

A renowned business researcher Muhammad Mahbub Ali very rightly pointed out the causes of bottle neck in the banking sector. He said, "In the absence of well functioning securities market, the banking sector in Bangladesh takes the lead in mobilizing resources and allocating funds in profitable ends. The present scenario of local banks of the country specially nationalized commercial banks are not equipped to respond to the needs of twenty first century. Default culture, old and back dated banking procedure, lack of coordination between proper manpower planning and bank schemes, lack of market research for analyzing customer psychology, in efficient banking services, lack of performance planning etc. are creating bottle neck for local bank to attain international standard." (*Muhammad Mahbub Ali-2002: Globalization and Corporate Planning of Banks in Bangladesh: A security of Bankers opinion. Bangladesh Business Year Book-2002, P-503*)

PROBLEM: From the above discussion it is observed that lack of coordination between proper manpower planning and bank scheme creates bottle neck in the development in the banking sector, i.e. placing the right numbers and kinds of man for the right job and developing them into an effective team member avoiding the influences of unionism is a great challenge for both public and private sector banks in Bangladesh.

1.3 Research Questions: From the Problem it is clear that to find out the right number of talents with appropriate skill at the required time is a difficult job. There is a growing recognition that the different types of strategies require different types of Human Resource practices. In this context, present study has been undertaken to investigate about the HRP in the banking sector and related issues. However, the specific research questions are the following:

1. How the banks are preparing their Human Resource Planning which has been practiced for their placement and development both in public and private sector bank?
2. Do they have appropriate long term strategies for the utilization, allocation and control of human resources?

3. Whether the present system can linkup the Human Resource Planning with corporate strategy?
4. What should be the future policy guide line to visualize its position quite ahead in terms of the category wise requisite skill within the bank?
5. Which policy is followed for the acquisition of human resources and their development?
6. What should be the policies to retain acquired human resources by ensuring the quality of working life and welfare of the employees?
7. To what extent unionism is influencing on smooth conduct of Human Resource Planning?

1.4 Objective of the study:

The objective of this study is to suggest a strategy which will enable the banks to visualize the requirements of Human Resource Planning to achieve the organizational goal in a rapidly changing environment by a comparative study of Human Resource Planning between public and private bank.

The specific objectives of the study are as follows:

1. To investigate whether the Human Resources Planning within the bank possessing requisite skills which can fulfill the requirement of organizational development and technological advancement and also to visualize its position quite ahead broadly in terms of the category wise number and quality of its employees.
2. To get a specific idea of the magnitude of the training requirement for the immediate future need and the career development of the employees as well as organizational development.
3. To asses whether the banks are realizing the need to ensure the quality of working life and welfare of the employees.
4. To asses the impact of the unionism on smooth operation and motivational condition of bank industry.

1.5 Hypothesis of the Study:

Accomplishment of the above mentioned objectives in the banking industry of Bangladesh, the following hypothesis are proposed:

- 1) **Hypothesis-1:** Human Resource Planning (HRP) is done keeping an eye on the organizational development and technological advancement.
- 2) **Hypothesis-2:** Recruitment policy and selection criterion are set to commensurate with a view to get talents in the bank.
- 3) **Hypothesis-3:** Training provisions are kept to ensure the career development of the officers and employees.
- 4) **Hypothesis-4:** All banks follow the conceptual dimension of quality of working life.
- 5) **Hypothesis-5:** Unionization of the employee has got negative impact on smooth operation and motivational condition of employees.

1.6 Justification of the Study:

The economists assure particular importance of banking system in a country where banks occupy a key position and also play a key role in the total development efforts. Bank's role mainly depends on efficiency and effectiveness of its employees.

This study aims at providing:

- (a) **Academic contribution:** Those who were working in academic areas i.e students, teachers, researchers they will get the valuable information from this study.
- (b) **Practical contribution:** Bankers in the banking sector will get a guide line from the findings and recommendations of the study.
- (c) **Policy making contribution:** Finally, policy makers at national and corporate level will get information in formulating Human Resource Planning policy.

It is expected that the findings of this study will be of great use of the policy makers, the planners, the management of banks and the government to ensure and effective control over labor cost by providing both shortages and surpluses of personnel in the banking organization. In view of the first changes that are taking place in the financial sector in recent time, commercial bank have to gear branches for

developing the qualitative skill of the employees in a major way by trained up them changing priorities of union and managements bring about added responsibilities also make it rather compulsory for top management to took into manpower planning exercise more carefully.

In this regard it is to be quoted "Business leaders recognize the value of their employees to be the future of their organization. Increasing competition in the world market are becoming based on the skill and the abilities of people not on machines." (Fred. H. *Maident/2003:7*)

1.7 Plan of the Study:

This section provides a brief description of the organization of the present study. The whole structure of the thesis is planed to be divided into different seven chapters.

Chapter 1-Introduction: This chapter is used for dealing with background of the problem, research question, objective, hypothesis, Justification of the study and plan of the study. Where the primary discussion about the thesis plan and the purpose of the thesis work is described. It also covers the justification of the existing research and plan of the study.

Chapter 2- Methodology: This chapter reveals the methodology followed in the study. It attempts to build up a theoretical model suitable for analyzing the effectiveness of manpower planning in the public and private sector of banking under investigation. It contains mainly the conceptual framework, resources of data, sample design, field work, data processing and analyzing of the study. It also unfolds the limitation of the study.

Chapter 3- Concept of Human Resource Planning and its implication in the Banking Sector: This chapter is developed to describe the concept of Human Resource Planning. It covers the historical background, evolution, approaches, features, phases, planning factor, auditing, forecasting factors and action area of Human Resource Planning. And also deals with specific Human Resource Planning in the banking sector. It includes the demand forecasting, supply forecasting, determining manpower gaps, formulating in manpower plan and its future challenges.

Chapter 4- Human Resource Planning in public sector banking (Agrani Bank): This chapter describes the public sector banking in general and a study of Agrani Bank. It describes the historical background, objective and policy of public banks. It also gives an overview of HRP of Agrani Bank.

Chapter 5- Private Sector Banking (Islami Bank Bangladesh Ltd): This chapter deals with the HRP in the private sector banking a specific study of Islami Bank Bangladesh Limited (IBBL). It deals with the concept of ideology, emergence, and complete Islamization of IBBL.

Chapter 6- Analysis of data, Testing Hypothesis and Findings of the study: This chapter deals with the comparative study of various data and analysis of the survey regarding human resource planning between IBBL and Agrani Bank. Hypothesis are tested by proper statistical tools and findings of the study have also discussed here.

Chapter 7- Summary of the study, Recommendations and Conclusion: This chapter includes the summary of study and concluding remarks for policy implementation which may be used for future guidelines in banking sector.

Chapter-2

Research Methodology

Chapter-2

Research Methodology

2.1 Methodology

For smooth conduct of the research work this chapter is devoted to develop a theoretical model that would be helpful to explain the Human Resource Planning (HRP) aspects of public as well as private banking sector in Bangladesh. A research methodology has been designed in such a way which performs the research objectives by minimizing the constraints of limited time and resources. The present study is mainly based on questionnaire and direct interview of the executives and decision makers, employees and trade union leaders of both Agrani Bank and Islami Bank Bangladesh Limited.

The study is mainly based on empirical survey and information which is collected both from primary and secondary sources. The collected data were quantified. The study was conducted with a view to identify and analyze the effectiveness of the HRP factors of the executives and employees of Agrani Bank and Islami Bank Bangladesh Limited. Agrani Bank is a public sector bank and IBBL is a private sector bank. Currently these banks emphasize on HRP to a minimum level for developing the intense interest of the employees so that they can work with passionate zeal to achieve organization's goals. Attempt is made to ascertain the attitude of both employers and employees toward their sacrifice and benefits. In the word of Smith, "The employers will evaluate what they are getting from the workers and then both will evaluate the cost of what they are getting" (*H.R.Smith, Management : Making Organizations Performs New York : MacMillan publishing co, Inc, 1980, p.300*).

The study covered both quantitative and qualitative aspects of information of banking background. Although one of the major efforts of the initiative was to analyze the data by two sample tests of hypothesis i.e random sample from two different population to determine whether the population means are equal. In context of Bangladeshi culture, social and economical perspective, it was also necessary to understand how concept relates and reflects practical background of banking industry in our country.

2.2 Selection of the study area:

The selection of the Islami Bank Bangladesh Limited and Agrani Bank as the study area has been done on the basis of the convenience in data collection and prior discussion with the concerned executives and decision makers for their co-operation. Agrani Bank is one of the largest nationalized banks and IBBL is the largest private bank of Bangladesh. The Head Office (HRP-division), Zonal Office, Training Institutions and branches have been taken purposefully for the study. The selection of the branches, however, are made on the basis of random sample table.

2.3 Sources of Data

It becomes important to look the sources of data, method of collection, the choice of material to be collected and management of the field source. Data was collected from different sources for the study. The researcher has classified the sources of data into two category, viz, primary source and secondary source. All the first hand information were collected through primary inquiries from the field with a view to obtain the information afresh. However, the venture of primary source were avoided where secondary data were available. Time and cost involvement have also got a determining effect upon the choice.

2.4 Secondary sources: Secondary data are those which the researcher has collected from the publications of various agencies. Secondary data are used in consideration of the object and scope of the investigation and the suitability of secondary data where no better result can be obtained through primary investigation. The secondary source of data comprises of relevant official documents and records of Islami Bank Bangladesh Limited and Agrani Bank, information booklets, Government and Bangladesh Bank ordinances, periodicals and journals, published and unpublished books and relevant research reports, etc. For this purpose the researcher has surveyed the books available in the libraries of Public and Private Universities, Public Administration Training Center (PATC), Bangladesh Institute of Bank Management (BIBM), Institute of Business Administration (IBA), Bangladesh Institute of Development Studies (BIDS), Bangladesh Institute of Islamic Thought (BIIT), National library, and the American center and British council in Bangladesh. In addition to this substantial secondary data were being collected from

articles published by different nationalized banks, Ministry of Commerce, Planning commission, Bureau of Statistics, Institute of Bankers Bangladesh, Institute of Cost and Management Accountants of Bangladesh, other national and international financial institutions, concerned bodies and web sites.

2.5 Primary Sources: Primary data were collected through direct field investigation. Field investigation was made mainly through interview of the various groups of persons .

a. **Target Respondents:** The sample population comprised of the different employees of both IBBL and Agrani Bank from three tiers.

(1) First tier stratification includes the executives and decision makers of IBBL and Agrani Bank.

(2) Second tier stratification includes the respondents from mid-level employee of Islami Bank Bangladesh Limited and Agrani Bank (other than executives and decision makers).

(3) The third tier stratification includes the trade union leaders of IBBL and Agrani Bank.

b. **Method of Selection:**

(1) **Executives and decision makers:** Arrangements were made to conduct interview of the officers, executives, and decision makers of IBBL and Agrani Bank through interview schedule in different areas of Bangladesh. A reasonable percentage from all these categories was chosen on the basis of random sample method in different areas of Bangladesh, especially, the Head Office (HRP-Division) Divisional Offices, one Zonal Office, one Training Institute and 10 selected branches of both IBBL and Agrani Bank.

(2) **Employees:** In banks employees means persons employed below the rank of junior officer. Two classes of employees namely class III and IV were also taken into consideration. Arrangements were made to conduct interview of a suitable percentage (approximately 3%) of the total number of employees, selected through random sampling.

(3) **Trade union leaders:** Arrangements were made to conduct interviews of some trade union leaders of Islami Bank Bangladesh Limited and Agrani Bank. The purpose is to ascertain their views regarding the pattern of management, employer-employees relation and motivational measures.

For this purpose, schedules are prepared to be filled in by the informants themselves. The researcher has prepared three types of questions for three tiers of respondents so that it is simple, easy and self explanatory for the respondents. The field study was conducted following a tight interview schedule. Efforts were made to meet with the respondents to get the questionnaire filled-in to ensure complete and correct filling-up and to avoid the possibility of misunderstanding of any question and wrong answering either purposively or ignorantly. Despite of heavy odds, personal drive was given, because experience shows that a large number of informants do not care to return the schedule in time and even if it is returned, their might have a chance of its being filled-up incompletely and in a haphazard and cumbersome way.

Besides, some key informants were interviewed to get in-depth information pertaining to opportunity for training and development, recruitment and selection method, promotion and advancement, sympathy and helps on personal matters, job security and job stability, wages and salaries, bonus, share of profit, medical, pension and other allied facilities.

2.6 Sample design

The study was designed to collect the desired information necessary for the purpose, keeping in view the cost and time constraints. At first, the researchers divided the total employee population of Islami Bank Bangladesh Limited and Agrani Bank into three main groups namely,

- a) Executive and decision makers,
- b) Employees, and
- c) Trades union leaders.

To define the different categories of respondents, the researcher developed a concept as follows:

- (a) Officers, executives, and decision makers are those who are by designation officer, i.e. from junior officer to Managing Director (MD) of Agrani Bank and officer to Executive President (EP) for IBBL.
- (b) Employees are those persons who assist officers in accomplishing the day to day banking activities and are below the rank of junior officer.
- (c) Trade union leaders are those who are directly involved with any trade union activities of IBBL and Agrani Bank and are recognized as union representative either by election or by selection of class III and class IV employees as per Industrial Relations Ordinance-1979.

2.7: Population size and Sample size:

Population size shown in figure -1 and sample size are shown in the table 9.

FIGURE-1 – Population Size List of Commercial Banks in Bangladesh.

A. NATIONALIZED COMMERCIAL BANKS

01. Agrani Bank
02. Janata Bank
03. Rupali Bank Ltd.
04. Sonali Bank

B. PRIVATE COMMERCIAL BANKS

01. Al-Baraka Bank Bangladesh Ltd.
02. Al-Arafah Islami Bank Ltd.
03. Pubali Bank Ltd.
04. Islami Bank Bangladesh Ltd.
05. Shahjalal Bank Ltd.
06. Shamil Bank
07. Social Investment Bank Ltd.
08. Arab Bangladesh Bank Ltd.
09. Ansar VDP Unnayan Bank
10. Bangladesh Commerce Bank Ltd.
11. Bangladesh Shamabay Bank Ltd.
12. Bank Asia Ltd.
13. Brac Bank
14. Dhaka Bank Ltd.
15. Eastern Bank Ltd.
16. Export Import Bank Bangladesh Ltd.
17. First Security Bank Ltd.
18. Grameen Bank
19. Jamuna Bank Ltd.
20. Karmasangsthan Bank
21. Mercantile Bank Ltd.

22. Mutual Trust Bank Ltd.
23. National Bank Ltd.
24. National Credit and Commerce Bank Ltd.
25. One Bank Ltd.
26. Premier Bank Ltd.
27. Prime Bank Ltd.
28. South East Bank Ltd.
29. Standard Bank Ltd.
30. The City Bank Ltd.
31. The Trust Bank Ltd.
32. United Commercial Bank Ltd.
33. Uttara Bank Ltd.
34. Dutch-Bangla Bank Ltd.
35. IFIC Bank Ltd.

D. FOREIGN BANKS

01. American Express Bank Ltd.
02. Standard Chartered Grindlays Bank
03. Bank of Tokyo Mitsubishi Ltd.
04. Credit Agricole Indosuez
05. Hanvit Bank
06. Hanil Bank
07. Habib Bank Ltd.
08. National Bank of Pakistan
09. State Bank of India
10. Standard Chartered Bank
11. The Hong Kong and Shanghai Banking Corporation Ltd.
12. Foyisal Islami Bank of Bahrain, EC
13. The Bank of Novaskashia
14. City Bank N.A
15. Muslim Commercial Bank Ltd.

C. SPECIALIZED BANKS

01. Bangladesh Krishi Bank
02. Bangladesh Shilpa Bank
03. Rajshahi Krishi Unnayan Bank Ltd.
04. Bank of Small Industries and Commerce Bangladesh Ltd.
05. Bangladesh Shilpa Rin Sangstha
06. Basic Bank

2.8 Selection of the interviewees

Before selecting the interviewees, utmost efforts were made to ensure availability of desired information with maximum reliability within a given cost and other constraints of time resources. To achieve the goal, first of all, the researcher divided the total population into three groups and each group has been defined in the following manner. Namely;

- a) Executive and decision makers
- b) Employees
- c) Trade Union leaders

Attempts were made to contact all the selected respondents but full response could not be obtained due to three main reasons as follow:

- a) Transfer of the respondent.
- b) Respondent were often found to be out of station with personal and official assignment.
- c) Respondent's business in the office or unwillingness.

Some questionnaires were also rejected because of incomplete or inconsistent responses.

2.9 Methods of data collection: The data for the present study were collected mainly through interviewing the respondents from three categories as stated earlier. In addition, some facts and figures were gathered by observation, primarily, the researcher tried to make close contact with the respondents to make them feel free and frank in answering the questions. In addition to questionnaires, the researcher conducted a good deal of formal talks with the respondents to get some of the implicit information. Success was achieved by obtaining some very useful information which made the study rich.

2.10 Data Processing: Data collected from different sources, were processed and reduced to some convenient forms for their clear presentation and interpretation with the help of computer to cover a wide range of materials since the collected information were huge. The informative data collected by the survey was processed through the application of various statistical methods. Simple mathematical and statistical tools have been used for analyzing the data collected from different sources. A comparative study has been made between the two banks by analyzing data in tabular form, simple and weighted arithmetic means and percentage have been used. Furthermore, curves, charts, maps and others have been in appropriate cases for clear classification and easy understanding of the results.

2.11 Techniques of Data Analysis: Data were analyzed, examined and tested evaluated and interpreted critically by **Two-sample test of hypothesis** i.e random samples from two different populations to determine whether the population means are equal. To conduct the test we assume each sample is large enough that the normal distribution will serve as a good approximation of the binomial distribution. The test statistic follow the standard normal distribution. We compute the value of Z from the following formula:

$$Z = \frac{p_1 - p_2}{\sqrt{\frac{p_c(1-p_c)}{n_1} + \frac{p_c(1-p_c)}{n_2}}}$$

Where,

n_1 is the number of observation in the first sample.

n_2 is the number of observation in the second sample.

p_1 is the proportion of first sample.

p_2 is the proportion of second sample.

x_1 is the number of positive respondents first sample.

x_2 is the number of positive respondents second sample.

p_c is the pooled proportion possessing the trait in the combined samples. It is called the pooled estimate of the population proportion and is computed from the following formula:

$$p_c = \frac{x_1 + x_2}{n_1 + n_2}$$

(Douglas A Lind, Willium G. Marchal, Sammel A Wather-2005: *Statistical Techniques in Business and Economics* , New York, MC Graw-Hill P-362)

2.12 Limitations of the study

2. Interviewing target respondents adopted convenient sampling as alternative to random sampling, at some phases where it was found the respondents inaccessible or not available, convenient sample was applied simultaneously.
3. This study is based mainly on the secondary data and some primary data.
4. Large and wide geographical sample could not be taken due to financial constraints.
5. It is to be noted that, all the bank personnel irrespective of any category need to sign a bond of fidelity and security at the time of joining the bank service in a non judicial stamp. In this situation no bank employee could help me by supplying information without a proper written permission from the competent authority. A long bureaucratic process had to follow to get any information.
6. In some cases, the respondents, especially the employees, could not easily grasp the nature of question and opinion sought. Moreover, it is seemed that in a few questions respondents may have concealed the facts.

Chapter 3

Concept of Human Resource Planning and its Implication in the Banking Sector

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3.1 Human Resource Planning and Manpower Planning: Human resource planning is not a clearly defined practice, and there are many different approaches currently in use. To some experts it is "A statistical technique in which rates of wastage and the rate of transfer and promotion are incorporated into a numerical, often a computerized model, and prediction made about required rates of recruitment." This kind of exercise is sometimes coupled with the data produced by the corporate planning or long range planning experts so that changes in recruits are also introduced into model.

a. Human Resource Planning: Human resource planning, strictly defined, is the activity of management, which is aimed at coordinating the requirement for and the availability of different types of employees. Usually this involves ensuring that the firm has enough of the right kind of labor at such times as it is needed. It may also involve adjusting the requirements to the available supply.

Geisler has compared a variety of definitions of human resource. He concludes that an adequate definition of the function and process must clearly recognize the importance of

- a. effective utilization
- b. forecasting needs
- c. developing appropriate policies and programs to meet needs
- d. reviews and controlling the total process

He puts these requirements together in his definition. According to him "Human resource planning is the process (including forecasting, developing, implementing, and controlling) by which a firm ensures that it has the right number of people at the right places, at the right time, doing things for which they are commercially more useful."- Geislers

Geisler's definition emphasized on the following points:

- Recognition for human resource planning is most important.
- Human resource planning should not only focus on people but also to the working conditions and the relationship in which they work.

At the level of economy, manpower planning applies the process of planning in general to the preparation and employment of people for productive purposes.

Coleman has defined human resource planning or manpower planning as, "The process of determining manpower requirements and the means for meeting those requirements in order to carry out the integrated plan of the organization".

b. Human Resource Planning and Manpower Planning: Human resource planning is usually seen as an essential feature of the ideal type model of Human resource management. It is a necessary condition of the 'business integration' and 'strategic' or forward-looking aspects of the model that appear to distinguish it from (traditional) ad hoc industrial relations or personnel administration. By implication, it is not the same as 'Manpower planning' although it may include some of the technique.

3.2 Approaches To Human Resource Planning: An ideal type feature of human resource management is the assumption of a 'developmental' approach to employees, which appear to imply some form of systematic management of the assessment and augmentation of their ability, in relation to business needs. Moreover, the other major feature or output of the human resource management model is the emphasis on commitment to the goals of the organizations, which techniques of reward and career development may play a significant part and for which human resource planning may be important.

Human Resources Planning is a systematic process for setting policies governing the acquisition, use and disposition of personnel in order to achieve organizational objectives. Human Resources Planning emphasizes providing and making the use of human resources for short and long-term purposes: for accomplishing future organizational goals as well as producing goods and services in present. In its emphasis on employee as assets instead of as costs, and on long term planning for contingencies instead of on short-term reacting to conditions, Human Resource

Planning seems to depart radically from traditional personnel practices. In fact, Human Resource Planning has evolved naturally during the twentieth century; it builds on rather than subverts the traditional personnel functions.

3.3 Historical Background of Human Resource Planning:

a. Since the origins of modern industrial organization, management has been concerned with Human Resource Planning. Economist Alfred Marshall observed in 1890 that “the head of the business must assure himself that his managers, clerks and foremen are the right men for their work and are doing their work well. Division of labor, specialization, organization work simplification and application of standards for selecting employee and measuring their performance: all were their principals applied early in management. They were also applied in large non- industrial organizations, including religions, governmental military groups.

b. During the World War II and the post war years, the focus intensified on employee productivity. Concern also was great about the availability of competent managerial personnel due to talent storage coupled with a significant demand for goods and services. New technologies and interest in behavioral aspects of work also added complexities to the Manpower planning task.

c. In the 1960s, the term manpower planning entered the vocabulary of practicing managers. During the sixties, manpower planning primarily involved the forecasting of the personnel flow into the organization and the supply of appropriate personnel from outside sources. Forecasting the changes in demand for personnel generated by external factors and productivity improvements was often done outside of personnel departments. Organizational personnel requirements forecasts were made by the unit in charge of consolidating business plans and communicated to personnel requests. The research of this era revealed the feasibility of manpower planning and contributed to its development as an important management function. However, manpower planning was invariably separated from the other traditional personnel functions.

d. The current periods in the United States and the common market countries can be described as the welfare or the affluent era. This era is not solely a product of the 1970s; it has been developing since the turn of the century. The concern for the

general welfare of the employees and of all human beings has its roots of the paternalistic management styles of the past and the present.

e. Increased concern for the welfare of the employee is reflected in exiting legislation in the United States and especially in Western Europe. As the result of this legislation, and employee demands, indirect compensation now constitutes over 30 percent of total employee compensation in the United States. This figure is at least 45 percent in Europe. Such federal legislation as the Equal Employment Opportunity Act (EEOC), the Occupational Safety and Health Act (OSHA), and Affirmative Action (AA) have all contributed to the increase in employee welfare.

f. The increased social legislation of the welfare era has led to inflexibility in the use of human resource in the United States. This inflexibility is related in the difficulty of hiring, firing, and laying off employees in organizations. This situation also exists in Western Europe and Japan. Once hired, employees are not usually fired. Although organizations can control the use of financial technological and raw material resource has gradually decreased.

g. The acceptance of human resources as asset is one significant consequence of welfare related legislation and public and union pressure. In fact, management is beginning to regard human resources as fixed assets. Hiring decisions become very important when firing becomes difficult. In other words, inflexibility necessitates the careful planning of the acquisition and utilization of human resources.

h. The revisionist movement, on the other hand, emphasizes the individual employee and his or her planned development in organization. This movement necessitates rational decisions on the part of the management vis-à-vis the employees. That is, management coordinates training programs, performance evaluations, wage and salary administration and other personnel functions with short and long-term objectives in mind. The pressure for manpower planning comes from within organization. The revisionist also views human resource as potential bottlenecks in the organization's progress toward efficient goal attainment, since human resource are considered to be most difficult to manage.

3.4 Evolution from Manpower to Human Resource Planning

a. The need to plan the procurement and utilization of human resource at first led to the emergence of a primarily quantitative manpower planning function often located in a department other than the personnel department. Although the manpower planning function was gradually moved to the personnel department, its scope was still restricted to forecasting activities. At first, manpower planning was new and often independent function in the personnel department. The integration of manpower planning with the other personnel function did not occur until the 1970s.

b. As manpower planning grew to importance, it became increasingly strategic and began to dominate other personnel functions. Consequently, a change in terminology occurred. To emphasize its importance, manpower planning began to be human resource planning (HRP), a change also reflected in the changing titles and often increased status of the personnel managers. Many large and medium-size organizations began to give their personnel managers the title of Vice President for Human Resources. In a 1979 survey, Alpendler found that out of a sample of 195 major U.S. corporations, about 65 percent of the title of the highest functional personnel executives were Vice President, Director, or manager of Human Resources.

c. This change in title seems to be a by product of changing management philosophy. Interviews with over forty executives from some of the 195 corporations that participated in the top management's growing concern for the planned acquisition and utilization of human resources and its recognition of the human resources to achieving the organizational goals.

d. The change in terminology from manpower planning to human resource planning reflects the importance of human resources in organizations. Traditionally, HRP has had two orientations, one specific and technical and the other general. The specific approach emphasizes the technical aspects of personnel planning, particularly the development of mathematical and statistical models for determining optimum personnel requirement. The technical approaches separates the forecasting of human resources the employee's abilities and motivation to produce. As late as the 1970s, almost all organizations used specific approaches, and many still do.

Although the predictive (forecasting) and utilization functions may be carried out in the same department – often the personnel department – they are treated as two distinct activities.

e. The general approaches to HRP equates HEP with personnel administration as a whole. England's Department of Employment and Productivity follows such an approach. It defines HRP as the Strategy for acquiring, utilizing, improving, and preserving an enterprise's human resources. Implicit in this definition is the need to:

- (1) Evaluate present labor resources
- (2) Forecasting future labor needs, and
- (3) Take measures to ensure availability of labor resources and when they are needed

This orientation embodies the forecasting, recruitment, and utilization components in the HRP process. The general HRP approach horizontally integrates the planning and utilization activities. Significantly, the general, integrated approach takes into account both the qualitative and the quantitative component of HRP. However, as Walker points out, in practice, a horizontally integrated approach to human resource planning is not usually achieved. Many built-in constraints make HRP a difficult activity and inhibit its acceptance as a major management function.

Vetter has made one of the few serious attempts at articulating a horizontally integrated view of HRP. He defined HRP as **"the process by which management determines how the organization should move from its current position to its desired manpower position."**

3.5 Human Resource Auditing: Auditing is an intensive, analytical and comparative process. Audits are systematic searches that gather, compile, and analyze data related to production, product, labor, competition, etc. in depth for an extended period of time – usually a year. Most audits are designed to compare information about an individual firm with norm standards and composite reports from other similar organizations.

a. Human Resource Audits: The coverage or scopes of audits varies from those that involve a comprehensive overview of the entire management process to others that consider only one department or a single area of management responsibility. Former appraisals of employment conditions are often called human resource or employee audits. The scope of employee program audits also varies widely. Such audits may involve checks on the effectiveness of some or all current personnel programs including program areas such as job analysis, recruiting, testing, interviewing, training, promotion and transfer, personnel appraisals, labor relations, employee benefits and services, wage salary administration and personnel resource.

b. Features of Human Resource Auditing:

- Work force quality.
- Skills inventory.
- Expected losses.
- Internal moves.

c. Quality of work force: The human resource auditing of an enterprise's personnel should involve examining the present quality of the workforce through employment records and performance appraisals documents. The objective is to improve the quality of the work force usually over a specified time period. Improved quality can be achieved by employing high-quality employees to replace low-quality personnel, or quality may enhance through the experiences, training and development of present employees. Developing the present work force is most applicable to the organizations that maintain a constant size over an extended period. Rapidly expanding enterprises should concentrate on external labor supplies to improve work force quality.

Job analysis may be employed in determining the qualitative performance of worker. The job specifications, as established in the job analysis, determining the qualitative and quantitative dimensions of a particular category of work. These reestablished dimensions may then be compared to the actual performances of the employee, and thus the position holder may be evaluated.

d. Skills Inventory: Computerized personnel system today use human resource inventories. A skills inventory contains data about each employ's skill abilities, work preferences, and other items of information that indicate an employee's overall value

to the company. A skills inventory is very much useful for various reasons, but it is especially useful when a firm has an opening it wants to fill with one of its present employees. Sophisticated complicated skills inventories are commonly referred to as MIS or "Management Information System(s)" (Yoder and Heneman, 1979). Regardless of the degree of complexity, however, human resource information systems are incapable of providing or creating any thing more than a compilation analysis of the data committed to the systems.

The following figure indicates that the kinds of data and information used as inputs for such a system. Such record may be maintained by every employee and update routine as part of a well-managed manpower human resource information system.

e. Expected Losses: Human resource auditing procedures must include provisions for estimating labor turnover. Because vacancies are created when employee leave a company, human resource planning techniques must statistically estimate how many are likely to leave during a given period. This can be accomplished by using labor turnover calculations. Such calculation make it possible to learn about the expected number of job vacancies even though specially is to leave can not be ascertained. Such estimates can be made in terms of past turnover rates. By examining past personnel records, future human resource needs can be projected with adjustments made for anticipated growth or non-growth trends.

3.6 Human Resource Planning in the Banking Sector: This basic purpose of Human Resource planning is to ensure an effective control over labor costs by avoiding both shortages and surpluses of personnel in an organization. To this end, commercial banks at the macro level have to follow certain sequential steps:

- a. Forecasting Manpower Requirements (Demand Forecast).
- b. Preparing Manpower Inventory (Supply Forecasting).
- c. Determining Manpower gaps.
- d. Formulating Manpower Plans.
- e. Effecting Manpower Planning in the banks.
- f. Ethical Dilemma in banks.
- g. Ethical values in banks.

3.6.1 Forecasting Manpower Requirements (Demand Forecasting): The manpower requirements of the bank at the macro level have to be estimated for a particular future period of time (say one year). This involves a three step process:

(a) Workforce: The average loss of manpower due to leave, retirement, death, transfer, discharge, etc. during the last 5 years may be taken into account. The rate of absenteeism and labor turnover should also be taken into account. The nature of competition say from foreign banks, other non-banking financial institutions may also be considered here to find out actual requirements in a year. While some of the interchanges and external supply could be predicted (growth opportunities, promotions, transfers, retirements etc.), others are not so easy to predict. Past experience and historical data may help bank managers in this regard.

b) Workload Analysis: The need for manpower is also determined on the basis of work-load analysis, wherein the company tries to calculate the number of persons required for various job with reference to a planned output-after giving weight-age to factors such as absenteeism, idle time, etc.

While determining manpower requirements through work-load analysis commercial banks may have to take the following factor into consideration (i) the number of vouchers to be handled by an employee;

(ii) the amount of deposits and advances per employee;

(lii) The number of deposits and advances per employee

(iv) special requirements in respect of managing extension counters, currency chests, mobile branches, etc.;

(v) future expansion plans of the past trends may serve as useful guides in this regard. Statistical and econometric models may also be pressed into service, some items, depending on the requirement(s).

C) Job Analysis: Job analysis helps in finding out the abilities or skills required to do the jobs efficiently. A detailed study of jobs is usually made to identify the qualifications and experience required for them. Job analysis includes two things: Job description and job specification Job description, thus, is a factual statement of the duties and responsibilities of a specific job. It gives an indication of what is to be done, how it is to be done and why it is to be done. Job specification provides information on the human attributes in terms of education, skills, aptitudes and

experience necessary to perform a job effectively. (Source VSP Rao-Manpower Planning in Banks P.173)

3.6.2 Preparing Manpower Inventory (Supply Forecasting): The basic purpose of preparing man power inventory is to find out the size and quality of personnel available within the organization to man various positions: Every organization will have two major sources of supply of manpower internal and external.

a. Internal Sources: A profile of employees in terms of age, sex, education, training, experience, job level, past performance and future potential should be kept, ready for use whenever required. Requirements in terms of growth/diversification, internal movement of employees (transfer, promotions, retirement, etc.) must also be assessed in advance. The possibilities of absenteeism and turnover should be kept in mind while preparing the workforce analysis. Through replacement charts or succession plans, the organization can even find out the approximate date(s) by which important positions may fall vacant. Frequent manpower audits may be carried out to find the available talent in terms of skills, performance and potential.

b. External Sources: When the bank grows rapidly, diversifies into newer areas of operations (merchant banking, capital market operations, mutual funds, etc). or when it is not able to find the people internally to fill the vacancies, it has to look into outside sources. To the extent a bank is able to anticipate its outside recruitment needs and looks into the possible sources of supply keeping the market trends in mind, its problems in finding the right number with appropriate skills at the required time would become easier.

3.6.3 Determining Manpower Gaps: The existing number of personnel and their skills (from manpower inventory) are compared with the forecasting manpower needs (demand forecasting) to determine the quantitative and qualitative gaps in the workforce. A reconciliation of demand and supply forecasts will give us the number of people to be recruited or made redundant as the case may be. This forms the basis for preparing the manpower plan. The following table show how demand and supply forecasts can be related over a period of three years.

3.6.4 Formulating Manpower Plan(s): Banks operate in a changing environment. Consequently, manpower needs also change continually. Changes in

product mix, union agreements, and competitive actions are some of the important things that need special attention. The human resource requirements identified along the procedure outlined in (figure-10) need to be translated into a concrete manpower plan, backed up by detailed policies, programs and strategies (for recruitment, selection, training, promotion, retirement, replacement, etc.)

3.6.5 Manpower Plan Strategies:

a. Recruitment Plan: It will indicate the number and type of people required and when they are needed; special plans to recruit right people and how they are to be dealt with recruitment program.

b. Redeployment Plan: It Will indicate the programs for transferring or retraining existing employees for new jobs.

c. Training Plan: It Will indicate the number of trainees or apprentices required and the program for recruiting or training them: existing staff requiring training or retraining; new courses to be developed or changes to be effected in existing courses.

d. Productivity Plan: It Will indicate reasons for employee productivity or reducing employees costs through work simplification studies, mechanization, productivity bargaining, incentives and profit sharing schemes, job redesign, etc.

e. Retention Plan: It Will indicate reasons for employee turn over and show strategies to avoid wastage through compensation policies: changes in work requirements plan be subjected to close monitoring from time to time. Control points are set up to find out deficiencies. Periodic up dating of manpower inventory in the light of changing undertaken to remove deficiencies and develop future plans.

3.6.7 Types of Manpower Plans: Manpower planning may be undertaken on a short term or long term basis. Short-term Manpower Planning is done to find a temporary match between the existing individuals and the existing jobs. It aims at quick removal of anomalies in posting and placements. It tries to take care of the immediate requirements. Usually, there are three problems in the short run: the weak incumbent, the strong incumbent and an unexpected vacancy. The following steps need to be taken in short term manpower planning: (i) identify the weak and strong incumbents. Weak ones fall short of their job needs; strong ones exceed their job needs

(ii) Set the anomalies right. In case of weak incumbents this can be done by assigning difficult parts of their jobs to others; improving them more skilled and difficult jobs. They may be asked to assume higher positions and difficult jobs. The contents of the job may be increased. In the final step the bank has to think of persons who can be given additional charge of posts falling unexpectedly vacant due to sudden death, resignation or transfer of the original incumbent.

Long term manpower planning is done to find a proper match between the future jobs and their future incumbents. They are prepared for a period of 5 years or more. In the long run it is quite possible to develop managerial talent for existing as well as new jobs. The process of long term manpower planning has been explained in detail in the previous sections.

3.6.8 Responsibility for Manpower Planning: Top level executives are responsible for manpower planning as it is one of the important factors influencing the success of a bank. The plans are usually prepared by the Human Resource Division in consultation with other corporate heads in the bank. The responsibility and accountability for manpower aspects of various divisions is on their respective heads. They should undertake their own appraisals of future needs in such a way as to provide a concrete basis for bank-wise forecasting and planning. The Human Resource Division must offer counsel and advice to various divisional heads and coordinate the various manpower estimates from time to time. Prof. Geisler outlined the responsibility of Human Resource Department in respect of manpower planning thus:

- Assist and counsel operating managers to plan and set objectives.
- Collect and summarize manpower data keeping long-run objectives and broad organizational interests in mind.
- Monitor and measure performance against the plan and keep top management informed about it.
- Provide proper research base for effective manpower and organizational planning.

3.7 Effective Manpower Planning in Banks: To compound the problem further, there are unpredictable external influences on manpower planning such as changes in labor market conditions, technology, market conditions, economic cycles, changes in social and economic values, political changes, etc. In such a scenario, it becomes difficult to forecast the personnel available with the bank at a future date. While vacancies caused by retirements can be predicted accurately other factors like resignation, turnover, deaths, competitive attractions are difficult to forecast. This problem becomes more acute in respect of important personnel (especially at the middle and top level) because their replacements cannot be arranged in a short span of time. At times, top management support may not be available to the manpower planning efforts. These problems could be avoided, if certain guidelines are followed in respect of manpower planning.

a. Objectives: The manpower plan must fit in with the overall objectives of the organization. Important aspects such as people working in the bank, working conditions, human relationships, etc. must be kept in mind while developing the plan.

b. Top Management Support: The plan must meet the changing needs of the bank and should enjoy consistent support from top management.

c. Manpower Inventory: The bank must have an up-to-date employee skills inventory showing previous jobs held, tenure or current job, educational and training qualifications, specific knowledge and skills, prior work performance, past and current compensation, mobility factors by maintaining service book update. Markov Analysis (an approach to forecast the internal supply of manpower tracking past patterns of personnel movements) may be pressed into service while preparing the man power inventory.

d. Human Resource Information System: To manage employee skills inventories, bank should maintain computerized human resource information systems containing data on: individual demographics, career progression, appraisals, skills, interests, training, target positions, performance ratings, geographic preferences, promo ability rating, etc.

e. Coordination: A separate manpower planning division must be created especially in large banks, to coordinate manpower planning exercise at various

levels. The various plans for procurement promotion and retention of human resources must be integrated properly. The ultimate objective must be to make use of the human resources in an optimal manner, by filling future vacancies with right type of people.

3.8 Ethical Dilemma in Banks: Ethics, as someone has so aptly put it, consist of “choosing the good over the bad, the right over the wrong and the fair over the unfair” Ethics is the integrity measure, which evaluates the values, norms and rules that constitute the base for individual and social relationships from a moral perspective” [Anonymous] Since banks, in a modern day society, almost everywhere play a multifarious role which includes unifying and intermediary roles between the fund supplying and fund demanding sides of the society, executing savings and investment functions, which are construed as “ playing a key role in the economy” while working under the principles of profitability and productivity, are obliged to obey certain ethical principles of the banking profession and organizational ethics. That, in short, what we call ethics in banking. *(David Carse 1999, Deputy Chief Executive of the Hongkong Monetary Authority, While presenting his keynote paper at the banking conference on Business Ethics in Hongkong).*

According to Carse, at times there is a big gap between what the banks claim and what they actually do. As the Asian financial crisis has demonstrated, “ Ethical values are still not firmly entrenched and followed in many banks in the region. Bribery and corruption have been one of the root causes of banking problems, and the Bank Bali Candal has shown that the process of reform has still a long way to go”

The problem is, as Carse rightly points out that, in an increasingly complex business environment the choice is not always the simple one between what is right and what is wrong. It is more often between what is right and less right? In other words between shadows of gray.

This increases the need for organizations to adhere to a strong set of values to steer through the minefield of ethical choices with which they are faced as they make business decisions”.

A reputed economist maintains that “the standard of ethics in a bank and inter banking system depends on some key factors. These include the license authorities, shareholders, sponsor/directors, top management, the regulators, and the government”. He asserts that “ if the malaise of the banking system in Bangladesh is examined, then the responsibilities can be laid at the door of all these actors”

As we continue our discussion of the core topic today, i.e. ethics in banking and ethical dilemmas involving banks that have been in the news at some time or the other, it must be admitted without any reservations that the banking business is becoming more and more complex with each passing day. One reason is perhaps the globalization of business activities, which may be summed up “as the tendency of the world to become one market place”. We have seen time and again that as the banks reach out beyond their home market, they become increasingly exposed to unfamiliar business environments and customers whose ethical standards may vary and may be quite different from their own. This, according to financial experts, puts an extra strain on the ‘know yours customers’ policy about which the regulators are so unrelenting.

It has been noticed quite often that when banks stay outside their home territories, ethical dilemmas crop up. Banks therefore need to be extra cautious about their business dealings and relationships with people having dubious track records. Care should be taken, especially if he (or she) is a politician, no matter which way they lean – right or left. The next lesson to be kept in mind is the ever-increasing power of the media and social pressure groups that throw the spotlight on what they regard as “unethical’ business deals and activities. In the case of banks, such activities might include financing the clandestine arms trade or even open arms trade which may at some stage become controversial due to their political connections (like the Bofors case of India), or industries that damage the entire environment [like the tanneries in Dhaka.)

3.9 Norms and moral values in Banks: Customer [or public] relations is very important. In all publications, media announcements and advertisements for the promotion and marketing of their financial status or banking products and services, the banks must always abide by the relevant laws and regulations in force, or the generally accepted norms and moral values. They can not and should not use deregulatory terms and/ or phrases against other banks or against the products and services of other financial institutions, and are bound to provide the most accurate, timely and comprehensive information to the public at all times and act in an honest and realistic manner in order to avoid actions that could considerably jeopardize their reputation or could be detrimental to the respectability of the banking profession as a whole. Confidentiality is perhaps one of the most important features of modern day banking. Except for the classified information and documents required to be disclosed to the government itself and its attached organizations such as the Bureau of Anti-corruption or the Income Tax Department under the existing laws and regulation, banks are obliged to handle all financial information provided by the customers with the utmost confidentiality, including the personal locker transactions.

Certain banks also adopt and prepare internal regulations providing inter-alia, that the employees shall not have any unethical dealings, such as mutual debts; receivables, providing guarantee of 'gifts and graft' from the customers; and shall under no circumstance engage in personal gains by using their position through their own work environment or business contingencies of their customers. The banks should move according to the principles of integrity and transparency and provide all relevant information, documents and records that may be required or requisitioned or requested for the purpose of impartial inspection and auditing, which ought to be delivered on an accurate, complete and timely basis.

While ethics in banking has its own dimensions that are quite vast, certain aspects of ethics as a whole remain the same. One important pillar of the banking business is trust. In the good old days, "every thing depended on trust, because there were no codified laws to govern the banking business. But there was one plus point. Those who conducted the banking business were almost all reputed for their impeccable

honesty, integrity and reliability. The dictum in vogue then was; **As honest as a banker**; And as banking became complex day-by-day, relevant laws and regulations had to be enacted everywhere for smooth operation of the banks and protection of the depositors. However distortion of ethical values and moral standards has also taken place at different times and different places, notwithstanding the tough laws and multiplicity of good intentions.

Today, as we all know for sure, the banks are no more just receivers of simple deposits? Both cash and values? Or just money lenders. Banks in modern age do all the business including the foreign exchange transactions, and multifarious economic activities keeping in conformity with the growth and movements of goods and services. Of course, the profit motive remains the core objective throughout. But it is also true that to earn profit they have to pass through a very tough and demanding channel, where morality and profit seem to be in constant conflict, but unfortunately the latter wins. Obviously it calls for litmus test, as experts opine.

In 1998, former President Justice Shahbuddin Ahmed had aptly pointed out that, in the past, adherence to rules by bankers was enough to ensure ethical conduct; but that the situation had changed due to ambitious and greedy actors making "the banking system vulnerable to misconduct by the controllers at the policy level, directors at the decision making level and managers at the operational level, threatening not only the appropriate functions of the banking system and financial institutions but also the entire economy". Justice Shahbuddin went on to say that "rules of business must not collide with the principles of public welfare, justice and fairness"

In present day Bangladesh may unethical banking transactions take place, under the very nose of the concerned authorities, in which loan are frequently sanctioned under pressure from different quarters, which may vary from political to social, or even due to monetary consideration, to undeserving parties and for undeserving project. Business viability is seldom cross-checked, and the actual financial conditions of the loan application are seldom considered. Sometimes oily heads are even further oiled!

Obviously all these create scores of 'willful defaulters'. And unfortunately, the resultant cost of the huge default culture has all through been borne by honest and

small/medium size borrowers. In fact, it is this 'mega default' culture that has pushed our financial sectors bank to the walls and created insurmountable problems for each successive government. Apart from those cases where the banks have sanctioned loans more in consideration of the socio-political influence than the financial merit of the case of unethical transactions where bankers have also been deeply involved to satisfy their greed. Of course in some cases, in order to save their own skins from 'witch-hunting', they have been found to become thoroughly immoral or we are found to change their color with the change of regimes for unethical purposes.

According to M. Syeduzzaman, former Minister for Finance "Unethical banking practices have also been engendered by policies at various times, for example the influence of the government in shaping credit policy, sanction of loans, and interest waiver on the plea of industrialization. All this has led to an unethical atmosphere prevailing in the banking sector as business lobbies continue to put pressure on banks and their management even before a transaction takes place!

Indeed violations of banking ethics have been widespread until recently, when new banking guidelines were introduced by the government in order to restrict the use and misuse of bank's resources by its mentor – the Director. The guidelines have set up difficult compliance requirements that should eventually help in preventing unethical transactions and wayward conduct.

In fact, a 2002 World Development Report on the basis of empirical studies points out that a sound financial system helps to mitigate risk, create confidence, attract savings and create opportunities for investment. It also says that corruption on the whole and the consequences engendered by the unethical banking system can cost the poor three times more than the rich. "A sound banking system," says the above report, "operating under market discipline in a congenial macro-economic environment can help reduce poverty through helping the creation of employment and income." It should be borne in mind at all times that banking stands at the centre of all economic activities in the modern state and society, because it is built upon 'trust', and trust is indispensable. We must therefore ensure that financial sector reforms initiated from 1989 to 1991 must continue unhindered if we are to achieve success. And perhaps that is the least we can do. Like other area of ethics business ethics has to do with the establishment and maintenance of vital and

significant relationships among human beings specifically, in this case among employers, employees, competitors, consumers, suppliers, creditors, community etc. As in other areas, ethical principles have the valuing of life, the string for goodness and avoiding of badness, the just and fair distribution of good and bad, honestly and truth telling and individual freedom apply to business ethics (Dr. Khan AR-Business Ethics P-1).

3.10 Unionism and its impact in the Bank: The primary role of a union is to protect the workers and to canalize their effort into more rational directions. It is an association of employees for placing the charter of demands to their employer in an organized way. Employees have the right to unite themselves in an union and bargain collectively with management. Trade Unions are basically voluntary organization created by the working class under compulsive circumstances to defend their interest and to improve their working and general living condition. Their main goals are the advancement of the well being and dignity of working people under their membership. But at the micro or plant level the unions have an extra plant – orientation of the unions which is inherent in their political groupings. This restricts their ability to judge a plant on its own merits without adding an extra (political) dimension to it. The different unions are unable to come together to submit a common charter of demand as their ideologies make it impossible to take a united stand (Arun Monappa (1985): Industrial Relation, 19th reprint 2001, Tata McGraw Hill, Publishing Company Limited, Page-51).

After emergence of Bangladesh as an independent country, new democratically working class leaders ushered in an era of hope for its workers. Their major contribution was towards the gradual evolution of various levels of platforms and forums for negotiation in banking industry. In the post nationalized era, the workmen and certain other categories of junior management in banks became vulnerable. The management also could not spare sufficient time for meaningful HRD issues. These unions become all the more and ever greater obliging to management of public sector banks.

In order to know the views of executives and employees regarding the activities of Trade Unions, a question was asked whether the Trade Union in the banks are run as per the trade union rule or not.

Chapter 4

Human Resource Planning in Public Sector Banks:- Agrani Bank

4.1 Historical Background of Public Sector Banking in Bangladesh: In the developing world, public sector banking came into existence after the independence nationalization process. The term 'Nationalization' symbolizes the control and management of institution by the Government for the larger interest of the state. Banks are financial institution which can play a greater boost or impose bar in country's economy by its enormous monetary power. Thus the Nationalization of banks, in short, means the control of the banking system by the Government to regulate its working so to suit the national interests at large (*B.D. Mishra 1970 The Nationalization in Indian Banks, Neemach M.P: Commercial Book Centre Private Limited, P.1*). In South Asia, public sector banking came into being due to the influence of communist ideology of the U.S.S.R and her planned development of industrialization through government initiative (*Myrdal 1968, Asia Drama: An enquiry into the Poverty of Nations, Vol.11, New York: Pantin, P.1152*). This Soviet process might have influenced the nationalization policies of Bangladesh and the Government executed nationalization by announcing on the 26 March of 1972. It appears that the background of public sector banking in Bangladesh is almost same as that of the other developing countries of the world. The banking system in the territorial boundaries of Bangladesh was under private sector prior to independence.

Bangladesh originated as an independent state in 1972 with an inheritance of long standing economic problem. Despite, the banking scene in public sector was careful (*Monjur Morshed Mahmud and Shanti Ranjan Das 1986, "Portfolio Behavior of Nationalized Commercial Bank of Bangladesh: A decomposition Analysis" Chittagong University Studies, Commerce, Vol.2, P.65*).

Pakistan rule (1947 to 1970) depicts the period of private sector banking. The main objective of Pakistan's economic policy was to achieve quick economic development resource concentration into the hands of private capitalists who were presumed to invest their surplus for productive purpose with the resultant concentration of economic power amongst themselves and created interpersonal disparities in the distribution of income and bank credit. Abedin observed that the, "Credit and deposits were also concentrated in few towns and cities the cost of the vast rural areas (*Zainul Abedin, ibid, P.75*). But the independence of Bangladesh brought a revolutionary change in the banking system. It was done to fulfill the necessity of

newly born country and also to face the opening situation of monumental dimension in private sector. Bangladesh is a developing country. It came into being through a nine-month long devastating war of independence with its ruling Janta during 1971. The war left the population exhausted, the countryside divested and the economy shattered (*Clare E. Humphrey 1990, Privatization in Bangladesh: Economic Transition in Poor Country, Bolder Sanfransisco and Oxford Overview Press, P.28*). Leaders of Awami League had declared independence for Bangladesh from Pakistani rulers on March 26, 1971.

But full liberation was not achieved until the commanding General of Pakistan Army surrendered on December 16, 1971. The new Awami league Government nationalized Banks and Financial institutions under Presidential Order (no.27) on March 26, 1972, the first anniversary day of the proclamation of independence (*GOB, The Bangladesh Gazette, extraordinary, 26 March, 1972, President Order No.27*).

The Administration and operation of the Banks were actually taken by the Government on the 16th December 1971. But ordinance was promulgated on March 16, 1972, the first anniversary of the Proclamation of independence.

After the partition of India in 1947, Pakistan government subscribed the view that the industrial enterprise should be kept in private sector so that enterprising and venturesome people could come forward with a view to promoting the supplementing private enterprise where private initiative was poor. Pakistan Industrial Development Center (PIDC) began functioning during 1952 in some selected sectors only where bank was not included. The fundamental change that was intended to be introduced through nationalization of banks were rapid transformation of purely profit-oriented, private owned and urban based banking sector into a development oriented and social-justice based public sector banking (*Monzur Morshed and Shanti Ranjan ibid P.66*). After liberation, Bangladesh endeavored to give the fruits of freedom to all of its citizen through economic development. So she resorted long term plans for economic development. Banks, the dealer of money, are one of the key agencies of economic development.

To build up a country as per desire of the general mass and also to ensure broader participation of the people in national development, the Government of Bangladesh felt it necessary to remove accumulation of capital in the hands of few and to make

sure bank service available to all classes of people throughout the country instead of keeping it confined to some selected groups.

After the liberation war it was found that most of the industrial establishment including 'Bank and Financial Institutions' were owned and dominated by the Pakistanis (the then West Pakistan). This was one of the main causes of economic disparity which gradually germinated the needs of separation and ultimately Bangladesh was born in 1971. With the liberation of the country, the then Pakistani owners fled away to Pakistan and Bangladesh inherited a commercial banking system which comprises three categories of banking companies with a network of 1089 branches operating in different regions of the country (*Abedin ibid., P.79*).

On the other hand, the government of Bangladesh introduced 'Socialism' as one of the four basic principles of our constitution which demands state ownership instead of private ownership of Banks and industries. Therefore, to take steps towards the establishment of Socialist form of society, it was necessary to remove inequality in the distribution of income between the haves and have nots, to establish peoples' ownership and thereby to attain welfare of the general mass.

All these reality led the government to nationalize the banks and financial institution of the country viz. 2 Bangladeshi Banks with 155 offices and 10 Pakistani Banks with 920 offices on March 26, 1972 by a presidential order (*Abedin, ibid., PP.79-80*). The three foreign banks working in Bangladesh at the time of liberation were: 1. National and Grindlays Bank Limited, 2. American Express International Banking Corporation, and 3. The Chartered Bank.

The nationalization was done to reorganize banks along with the industries for the greater interest of the people. Monjur Murshed and Shanti Ranjan affirmed this view by the statement as follows: " A far reaching measure affecting the banking system immediately after the emergence of Bangladesh was the nationalization of the twelve banking firms which were existing at that time (excepting those banks incorporated abroad). These banks were merged and grouped into six commercial banks (Monjur Murshed and Shanti Ranjan, op cit., P.65). The names of these banks were Sonali Bank, Janata Bank, Agrani Bank, Pubali Bank, Rupali Bank and Uttara Bank.

The idea behind this was to continue banking business not only to earn mere profit but also to ensure services to the ordinary people of the newly emerged country. Smith affirms this view by saying that the major objectives of a government organization might be to provide public service efficiently and not to earn profit (H.R. Smith, et al. *management: Making Organizations Perform*, New York: Macmillan Publishing Co. Inc. 1980, P.6). But the non-commitment of the political leaders to the ideology, the sufferings of masses accelerated. Banks were not free from this pity situation developed in the management. In some of these banks, things worsened even to the point where the newly appointed administrators and trade union leaders created a chaotic situation through misappropriation of assets.

As a result disinvestment program took shape to save the economy and practically it started from 1974-75 although the massive drive of privatization did not start until about 1982. In 1982, Pubali and Uttara Bank Limited respectively and in 1986 Rupali Bank were partially disinvested fully and renamed as Pubali Bank Limited and Uttara Bank Limited respectively and in 1986 Rupali Bank were partially disinvested for 49% of its share to the general public and renamed as Rupali Bank Limited. The rest 51% share of the bank is still lying under the ownership and control of the Government.

4.2 Agrani Bank: Its Origin: Agrani Bank is a public sector bank. It is important to note that, the origin, objectives and functions of each bank must be clearly analyzed to understand the manpower planning aspect of the public sector banks. This discussion is an attempt to make the matter clear. For this purpose, origin, development, objectives, policies and functions of Agrani Bank is discussed bellow:

Figure-2

Renaming of 10 Banks of Pakistan in Bangladesh

The structure of the 10 Pakistani banks re-organized into 4 new banks as well as two renamed Bangladeshi banks.

Name of Re-organized Bank	Name of the Banks of the then Pakistan
1. Sonali Bank	a. National Bank of Pakistan b. Bank of Bahawalpur limited c. The Premier Bank Limited
2. Janata Bank	a. United Bank Limited b. Union Bank Limited
3. Agrani Bank	a. Habib Bank Limited b. Commercial Bank Limited
4. Rupali Bank	a. Muslim Commercial Bank b. Standard Bank Limited c. Australasia Bank Limited
Re-structured and renamed Bangladeshi Bank.	Owners from the then East Pakistan
5. Pubali Bank	a. Eastern Mercantile Bank
6. Uttara Bank	a. Eastern Banking Corporation

Source: Government of Bangladesh, Resume of the activities of Financial Institution Bangladesh (First Issues), (Dhaka, 1973) PP 11-12.

4.3 A Brief Overview of Agrani Bank: Agrani Bank is one of the important commercial bank which was nationalized on March 26, 1972. It was established through amalgamation of the then Habib Bank Limited and Commercial Bank Limited. After the creation of Pakistan in 1947, scheduled banks operated in Bangladesh (erstwhile East Pakistan) were owned and organized by few distinguished family group and financial magnates (*Government of Bangladesh, Resume of the Activities of the Financial Institutions in Bangladesh (First issue) Dhaka: 1973), P.10. As referred by Abedin, ibid, PP79-80*). When Bangladesh came into existence, the West Pakistani owner left the Bangladesh territory. Eventually, ten of the Pakistani banks were merged into 4 newly re-organized banks. At that time, there were two Bangladeshi banks which were also renamed by the newly formed government of Bangladesh.

As a part of the Government persuasion to boost up the private sector, it was decided in 1981 to allow local commercial banks to operate in private sector on a limited scale in order to create competition in the banking sector. Besides, the other objective was to demonstrate the Government commitment to encourage the private sector which was allowed to function freely since 1976 (Abedin, op cit, P.19). Later in 1982, it was further decided that some of the nationalized banks would immediately be denationalized.

4.3.1 Objective and Policies of Agrani Bank: Objective and policies of Agrani Bank are similar to that of the objective and policies of other nationalized banks working in Bangladesh. Nationalized banks came into existences to help people entreat and economic power to the banks of people. Private sector banks are profit oriented. A country like Bangladesh needs banking system having service oriented. The economy of Bangladesh is characterized by predominance of agriculture, high density of population low per capita income, acute problem of unemployment and rural indebtedness. To overcome this situation government patronization is a must which was highly fulfilled by establishing commercial banks in public sector. In that case, public sector banks can come to the benefit of the general people which is reflected highly in the businesses of Agrani Bank. In a sense, banks of the modern world are the social institutions which undertake economic functions. In a socialistic point of view the end of economic function is that of raising the standard of living of the common people. Broadly banks have to play a crucial role in the economic growth of the country. In a developing country the like Bangladesh banks are the key to progress. Economic betterment and prosperity of the people independence on banks to a certain extent.

Nationalization brought the services of the banking from the hands of high income bracket to the hands of low income masses. Due to nationalization rapid expansion of banking service, especially in the neglected areas, was possible through branch expansion program. Agrani Bank streamlined its activities to accumulate scattered saving and tried effective mobilization of finance for eradication of bottlenecks. It extended credit to rural masses and tried to focus them as the main stream of development (Eradication, op cit, P.66). The opening of the rural branches may be

considered to be an extension in the size of the market of commercial banking activities. The rural branches were meant to mobilize the resources available with the agricultural community. Here it may be emphasized that the task of new branches in rural areas was not only to get hold of the marginal savings of the agricultural sector but also to cause a movement away from interest saving, in the traditional form of gold and property towards bank deposits. By opening large number of branches in the rural areas, bank has, therefore, attempted to realize the social objectives underlying the planned efforts of the country. Dr Eradication viewed that "The objectives of the nationalization was to provide financial assistance of the large number of small entrepreneurs, businessmen, farmers and artisans. The predominant consideration was to ensure equitable distribution of wealth, economic power and opportunities in the country (Eradication, *ibid*, P.81).

A.M.A Rahman a former economic adviser to Bangladesh bank described the objectives of public sector banks (Which are also the objectives of Agrani Bank) mainly as follows:

1. To improve the credit allocation among different sectors according to social priority.
2. To improve credit allocation among various economic classes;
3. To divert credit to different priority economic activities;
4. To improve the geographical coverage of the financial system;
5. Better integration and planning of financial management;
6. Improving saving mobilization performance;
7. Accelerating net flow of funds to sector proportionate to contribution to GDP; and,
8. Appropriation of bank profit for public interest (*A.M.A Rahim, " The performance of the banking system 1971-1977: Current Issues of Bangladesh International Economy, ed. By A.M.A Rahim. As reffered y Eradication op cit., PP 81-82).*

Another objective of Agrani Bank was to mobilize untapped saving as well as to develop banking habits amongst the masses. Munjur Murshed and Shanti Ranjan opined that public enterprises are established to achieve certain social objectives. The sole aim of public enterprises is a democracy in citizens' satisfaction. There is reason to emphasize that profit can not be considered as the sole criterion for judging the performance of public enterprises. There is necessity to recognize the

social and financial objectives of public enterprises for the purpose of performance evaluation (Monjur Morshed Mamud and Shanti Ranjan Das 1986, " Total performance Measurement system fro public Enterprises: A Frame Work", Chittagong University Studies, Com. Vol.2, PP. 44-45.). Agrani Bank was not established with an objective to maximize profit. It is to continue its drive to check the financial bottleneck to bring economic development of the country even at the cost of its profit earning. Despite, Agrani Bank did not incur any loss in the name of service rendering which prove its efficiency of management. Monjur Morshed and Shanti Ranjan further viewed that profitability refers to the ability of a company to generate profits (Monjur Murshed and Shanti Ranjan, *ibid*, p-43). Agrani Bank earned considerable amount of profit since its inception as public sector bank till 1990. It is experiencing a decreasing tendency in profit earning from 1989. The bank is having hard time since 1991, which may e accounted for strong dissatisfaction of the executives and employees of the Bank.

4.3.2 Agrani Bank at a Glance: A leading nationalized commercial bank with 891 outlets strategically located in almost all the commercial areas throughout Bangladesh, overseas Exchange Houses and hundreds of overseas Correspondents, came into being on March 26, 1972 with the promulgation of Presidential Order no 26 of 1972. Under the Order Agrani Bank took over assets and liabilities of the erstwhile Habib Bank Ltd. and Commerce Bank Ltd. functioning in the then East Pakistan.

The Bank enjoys the status of a company and functions in terms of the Banking Company Ordinance and regulations of Bangladesh Bank (the Central Bank) and upon such directions as may be changed from time to time by the Government of the People's Republic of Bangladesh.

The Bank, in 1972, started operation with only 249 branches with its Head Office in Dhaka. There was hardly any liquid asset to run the operation of the Bank smoothly. The Bank resumed its operational activities with an authorized capital of Tk. 5.00 crore and paid-up capital of Tk. 1.00 crore. Initially the Bank had deposit of Tk. 96.17 crore, advances of Tk. 76.56 crore, borrowings of Tk. 29.48 crore and investment of Tk. 11.00 crore. The Bank had commercial relationship with only 41 overseas correspondents in 1972.

As on Dec, 2003 the Bank has 872 Branches. Authorized capital of Agrani Bank stands at Tk. 800.00 crore and Paid-up capital at Tk. 248.42 crore at the end of 2001. Besides commercial relationship with 400 overseas correspondents Agrani Bank has also Special Taka Drawing Arrangements with 20 Exchange Houses including Agrani Exchange House Pvt. Ltd. in Singapore, a subsidiary company fully owned by Agrani Bank.

In the initial phase, the Bank undertook steady expansion programs all over the country by opening new branches, particularly in the rural areas, with a view to extending banking services to the doorsteps of rural people.

The Bank made a profit of Taka 26 crore in the Year 2003. (*Source: Annual Report of Agrani Bank-2003*).

4.3.3 The Bank's Principal Objectives:

- a. To mobilize national savings
- b. To finance industries, micro-enterprises, trades, commerce, agriculture and other productive undertakings.
- c. To provide any other banking services as required for socio-economic development of the country.

The policy direction and overall management of the Bank is vested upon the Board of Directors consisting of six members. The Chairman and Members of the Board are appointed by the Government of the People's Republic of Bangladesh. Managing Director, the Chief Executive of the Bank, is one of the members of the Board of Directors.

Managing Director is assisted by Deputy Managing Director and General Managers. The Bank has eight Circle Offices, 30 Divisions and Units in Head Office, 54 Zonal Offices, and 872 Branches including 10 Corporate and 30 AD (Authorized Dealer) Branches. The Corporate and AD Branches are authorized to deal in Foreign Exchange Business.

Head Office Divisions are headed by Deputy General Managers and controlled by designated General Managers. The Circle Offices are headed by General Managers and the Zonal Offices by Deputy General Managers or Assistant General Managers, depending on size and importance of the Zones from the commercial point of view. The Corporate Branches and AD Branches are headed by Deputy General Managers or Assistant General Managers.

4.4 Organogram and Human Resource Planning of Agrani Bank:

Figure-3

ORGANOGRAM OF AGRANI BANK

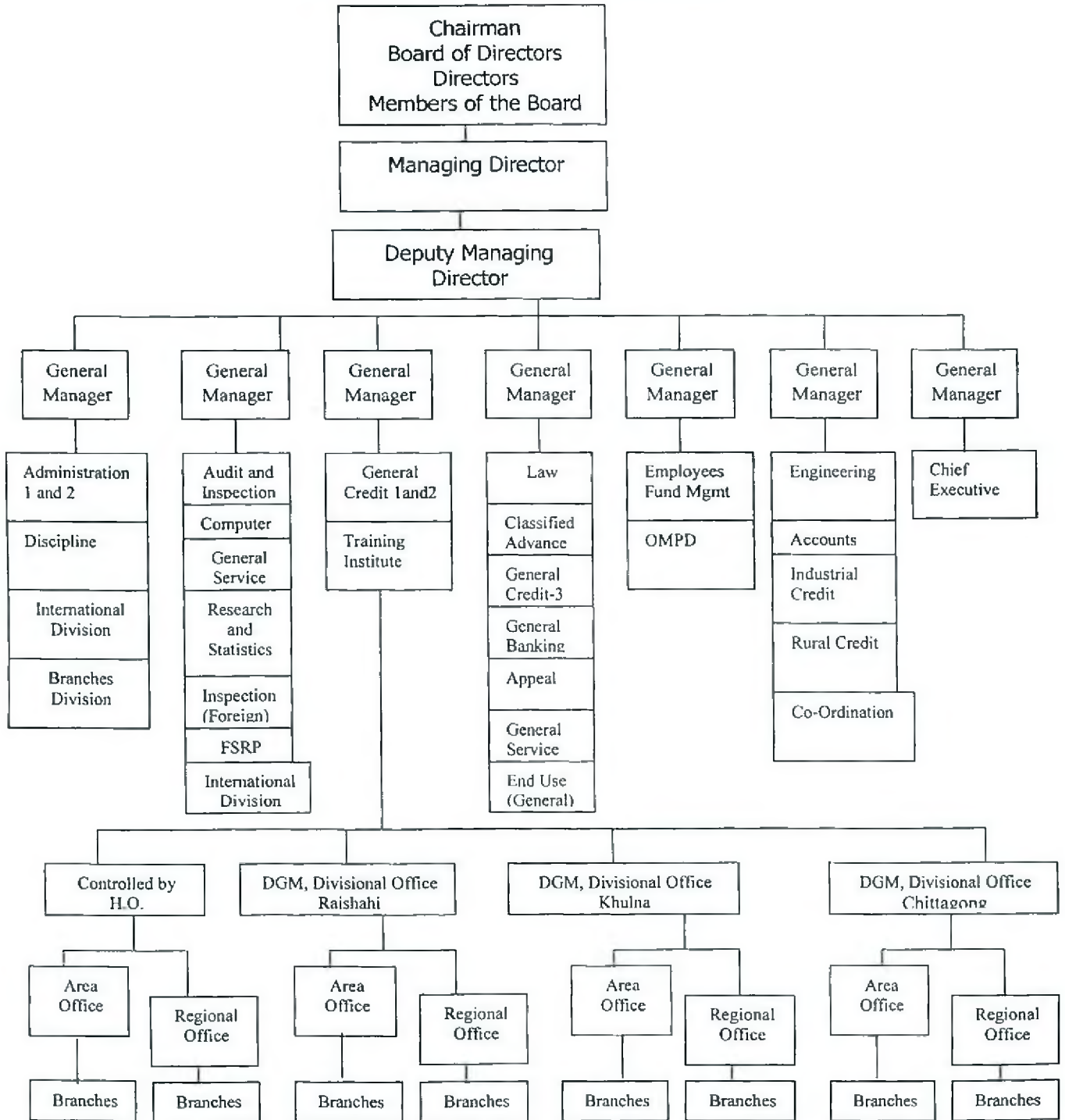


Figure-4

Lines of authority in the organizational structure of Agrani Bank

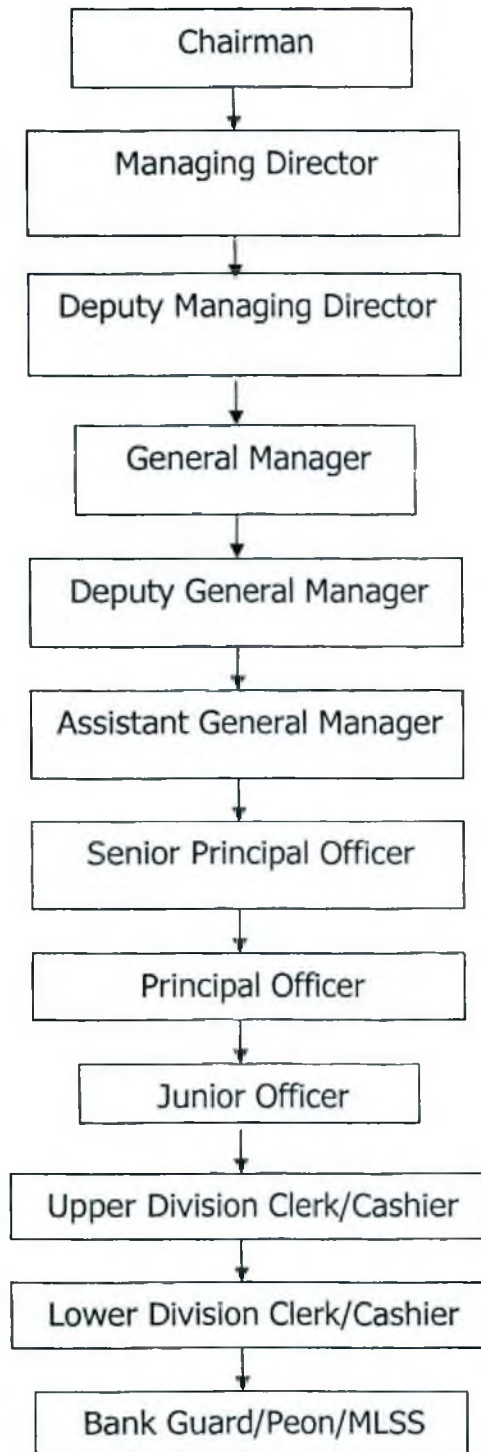
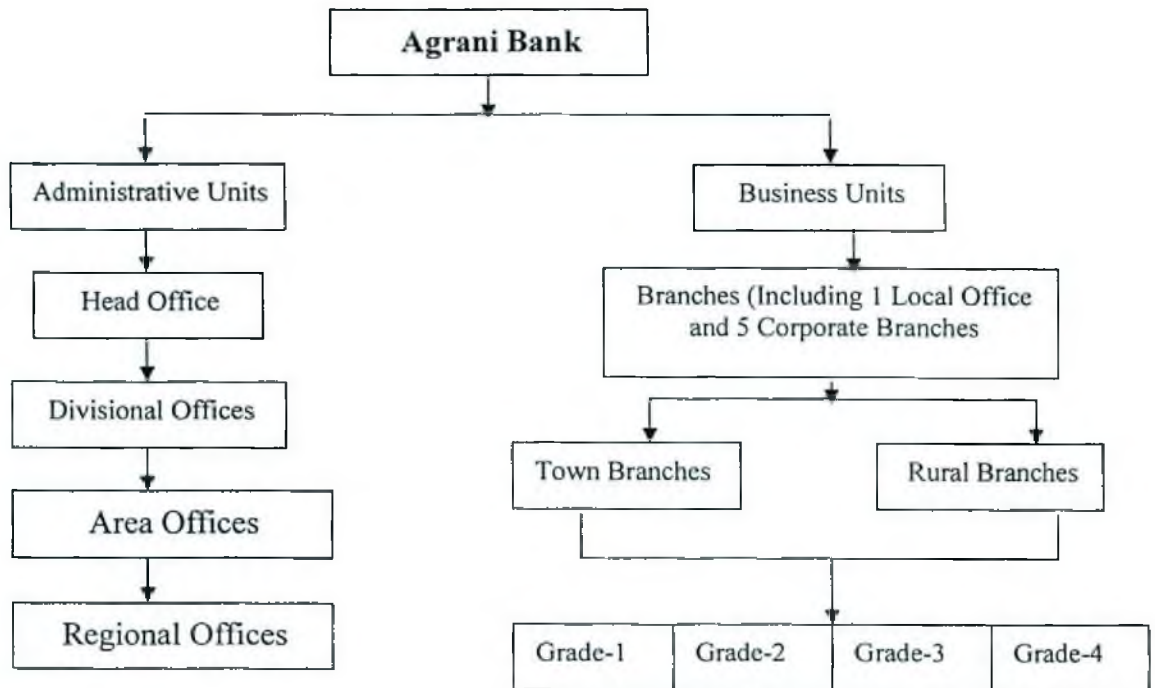


Figure-5

Different layers of Banking units in Agrani Bank



Observations: The policy direction and overall management of the bank is vested upon the Board of Directors consisting of six members. The chairman and members of the board are appointed by the Government of the Republic of Bangladesh. Managing Director, The Chief Executive of the Bank, is one of the members of the Board of Directors.

Chapter-5

Human Resource Planning in Private Sector Banks:- Islami Bank Bangladesh Limited

Human Resource Planning in Private Sector Banks: Islami Bank Bangladesh Limited

5.1 HRP in Private Sector Banks: Islami Bank Bangladesh Limited: For an expanding economy, a developed and efficient banking system is indispensable. Among others, it helps transfer of financial resources from surplus units to deficit units and, hence, helps accelerate the pace of development by securing uninterrupted supply of financial resources to people engaged in numerous economic activities. The tremendous development that the world economy has experienced in the last few decades was contributed by several factors among which, growing institutional supply of loan able funds must have played the pivotal role. The role of banking is comparable to what an artery system does in the human body. Both commercial banks and other development financial institutions provide short, medium, and long-term credits to businesspersons and entrepreneurs who usually take the lead in ventures of economic development.

5.2 Towards Establishing Islami Bank:

a. The First Attempt: Interestingly, the concept of Islamic Banking is several decades old. The first attempt to establish an Islamic financial institution took place in Pakistan in the late 1950s with the establishment of a local Islamic bank in a rural area (*Wilson. R. 1983, Banking and Finance in Arab middle-east, London, Macmillan Publishers Limited*). Some pious landlords who deposited funds at no interest, and then loaned to small landowners for agricultural development initiated the experiment.

The borrower did not pay interest on the credit advanced, but a small charge was levied to cover the bank's operational expenses. The charge was far lower than the rate of interest. Although the experience was encouraging but two main factors were responsible for its failure. First, the depositors' landlords regarded the deposits as a one-time event. With the increasing number of borrowers the gap between available capital and credit demanded was huge. Secondly, the bank staff did not have complete autonomy over its operation; depositors showed considerable interest in the way their money was lent out.

b. The Second Attempt: The second pioneering experiment of putting the principles of Islamic banking and finance into practice was conducted in Egypt from 1963 to 1967 through the establishment of the Mit Ghamr Savings Bank in a rural area of the Nile Delta. The experiment combined the idea of German savings banks with the principles of rural banking within the general framework of Islamic values (Ahmed. A. 1992, *Contemporary Experience of Islamic Banks*, P 85). The bank's operation was based on the same Islamic principle i.e. no-interest to the depositors or from the borrowers. Unlike the Pakistani bank, the borrower had to have deposits in the bank in order to request a loan. The experiment soon became successful; more branches were opened in different parts of the country, and the amount of deposits increased. Hence, what started as a single bank operation expanded to form a network of local savings banks. Although the project made a good start and initial results were more than encouraging, it suffered a setback owing to changes in the political atmosphere. Nevertheless, the project was revived in 1971 under the name of Nasser Social Bank. This was the first Islamic bank in an urban setting based in Cairo. The bank is a public authority with an autonomous status. Its purpose was mainly to promote social concerns such as granting of interest-free loans for small projects on a profit-loss-sharing basis, and assistance to the poor and needy students for university and higher education. Because of these social functions, Nasser Social Bank was granted an exemption from the Banking and Credit Law of 1957 of Egypt in its initial stages. The bank was originated under the Ministry of Treasury but it is now functioning under the Ministry of Social Welfare and Insurance. Its capital comes from the funds allocated by the President from extra budgetary resources, appropriation from the state budget, and contribution from the Ministry of Awqaf (Ahmed 1992). The principles of operation of the Naser Social Bank are very similar to those of the Mit Ghamr Savings Bank. However, the latter offers a full range of normal banking services and a wide range of investment activities through equity participation (Ashker.A.A.F, 1987: *Islamic Business Enterprise*, London, Croom Helm, p.18-35).

c. A Successful Attempt: Islamic banking, with a very different approach contemporary to that in Egypt, emerged in Malaysia. It was a financial institution developed for the pilgrims of Malaysia. These institutions were established in response to what was the contention of the Malaysian Muslims that money spent on pilgrimage must be clean and untainted with 'Riba'. Since this was not possible by depositing money with the ordinary banks, a special financial institution had to be created. Consequently, Pilgrims Saving Corporation was established in 1963, which was later on incorporated into the Pilgrims Management Fund Board (Tabung Hajji) in 1969 (A. Ahmad. A. 1993: Contemporary Practices of Islamic Financing technique, Jeddah, Islamic Resource and Training Institute, Islamic Development Bank).

A development of complete Islamization of banking at national levels had been gaining momentum since the second half of the 1970s. The movement took basically two forms. First, an attempt was made to establish Islamic financial institutions side-by-side with traditional banking. In such attempts, two types of institutions were evolved: Islamic banks were established mostly in Muslim countries; and Islamic investment and holding companies started operating in some Muslim but mostly in Non-Muslim countries. These institutions claimed to be operating without interest in their transactions and competed with conventional banks to attract deposits. The majority of these institutions were established through private initiatives. Second, an attempt was made to restructure the whole financial system of the economy in accordance with the teachings of Islam. This second approach was accomplished in two distinct ways, as exemplified by the changes in Iran and Pakistan. Complete Islamization efforts in banking sector of some leading countries are now discussed.

The process of Islamization of Islamic banking in Iran has proceeded in three distinct phases. Nationalization, restructuring, and reorganization of the entire banking system characterized phase one taking place between 1979 and 1982. External and internal developments did not allow the policy makers to develop a coherent plan for Islamization of the banking system, although various piecemeal attempts were made towards this objective (*Khan MS and Mirakhor. A. 1989: Islamic Banking: Experiences in the Islamic Republic of Iran and Pakistan (IMF Working Paper No, WP/89/12).*

The second phase began in 1982 and lasted until 1986. It was a phase primarily characterized by adoption of legislative and administrative steps in order to implement a clearly articulated model of Islamic banking (Iqbal and Mirakhor 1987, p.106). The law for *Riba*-free banking was passed in August 1983, giving a very short deadline of one year to the banks to convert their deposits in line with Islamic law and their total operations within three years from the date of the passage of the law.

The third phase, which continues till now, began in 1986. This phase defines the role of the Islamic banking system differently from the earlier phases. The system is now expected to be an integral part of the Islamic government, and thus, a direct instrument of its policies. This development is a direct result of the political debate within Iran surrounding the proper role of the government in an Islamic economy. This debate culminated in a ruling by Imam Khomini, which confirmed a highly activist role for the central government in shaping the structure of the Iranian economy and legitimized a trend in the interventionist posture of the government vis-à-vis the economy. The ruling also indirectly affirmed the use of the banking system as an instrument for promoting social and economic development.

The banking sector has been used as an instrument to restructure the Iranian economy. The restructuring was essentially directed towards the shifting of financial resources from services and consumption to the production sector in four ways. **First**, credit to the service sector, which constituted some 55 percent of the GDP (1984-85), has been drastically reduced to halt its expansion in the short-run and curtail its size in the mid-term.

Second, using all available modes of Islamic finance to help farmers to improve and expand production has used bank credit to encourage the growth of the agricultural sector. Coupled with substantial government subsidies for seed, fertilizer, machinery, and crop insurance, the credit policy of the banking system is aimed at reviving the agricultural sector. **Third**, Islamic banking has been used to create incentives for the development of a co-operative sector spanning agriculture, industry, and trade. **Fourth**, the banking system, in partnership with

the government, undertakes to finance large industrial projects and investment in social overhead capital (Mirakhor and Zaidi 1988, p.3).

Pakistan adopted a policy of gradual transformation of its banking system from February 1979 after several years of study and preparation by the government-appointed Council of Islamic Ideology (CII). The process started when the President of Pakistan announced that interest was to be removed from the economy within a period of three years. Three of the specialized credit institutions--the House Building Corporation, National Investment Trust, and Mutual Trust Funds of Investment Corporation of Pakistan--were to remove interest from their financing operations immediately.

Following the directive issued by the government in January 1981, separate counters were opened in the commercial banks for accepting deposits on a Profit and Loss (PLS) basis. Commercial banks were instructed to create separate accounts for deposits in their interest-based operation and those received on the PLS basis.

A series of directives were issued in 1981 by the State Bank of Pakistan permitting commercial banks to issue non-interest based credit to finance exports and imports of commodities, and to provide financing for trading operations and housing. In June 1984, the government announced discontinuation of dual window operations of the banking system within one year. As a result, all financial operations of the banking and financial system, except the foreign currency deposits which continue to earn fixed interest, were brought under the non-interest based modes of financing.

However, along with the change of regime the progress of Islamic banking has been constrained by lack of operating Islamic ethical norms in the business environment. The posture of the policy makers toward Islamic banking in Pakistan has been marked by a great deal of caution. The banking community has shown a reluctance to engage in medium- or long-term industrial financing on a profit-sharing basis. Islamic banking in Pakistan appears to be at a crossroads, and if there is to be further progress the regulatory and legal conditions must be such that the system will have a fair chance to perform as expected.

5.3 Islami Bank Bangladesh Limited: Its Origin: In August 1974, Bangladesh signed the Charter of Islamic Development Bank and committed itself to reorganise its economic and financial system as per Islamic Shariah. In January 1981, Late President Ziaur Rahman while addressing the 3rd Islamic Summit Conference held at Makkah and Taif suggested, "The Islamic countries should develop a separate banking system of their own in order to facilitate their trade and commerce."

This statement of Late President Ziaur Rahman indicated favourable attitude of the Government of the People's Republic of Bangladesh towards establishing Islamic banks and financial institutions in the country. Earlier in November 1980, Bangladesh Bank, the country's Central Bank, sent a representative to study the working of several Islamic banks abroad.

In November 1982, a delegation of Islamic Development Bank visited Bangladesh and showed keen interest to participate in establishing a joint venture Islamic bank in the private sector. They found a lot of work had already been done and Islamic banking was in a ready form for immediate introduction. Two professional bodies - Islamic Economics Research Bureau (IERB) and Bangladesh Islamic Bankers' Association (BIBA) made significant contributions towards introduction of Islamic banking in Bangladesh. They came forward to provide training on Islamic banking to top bankers and economists to fill-up the vacuum of leadership for the future Islamic banks in Bangladesh. They also held seminars, symposium and workshops on Islamic economics and banking throughout the country to mobilize public opinion in favor of Islamic banking.

Their professional activities were reinforced by a number of Muslim entrepreneurs working under the aegis of the then Muslim Businessmen Society (now reorganised as Industrialist and Businessmen Association). The body concentrated mainly in mobilising equity capital for the emerging Islamic bank. At last, the long drawn struggle to establish an Islamic bank in Bangladesh became a reality and Islami Bank Bangladesh Limited was established in March 1983 in which 19 Bangladeshi national, 4 Bangladeshi institutions and 11 banks, financial institutions and government bodies of the Middle East and Europe Including Islamic Development Bank and two eminent personalities of the Kingdom of Saudi Arabia joined hands to

make the dream a reality. Later, other three Islamic Banks were established in the country.

5.4 Islami Bank Bangladesh Limited (IBBL) at a glance: It is considered to be the first interest free bank in Southeast Asia. It was incorporated on 13-03-1983 as a Public Company with limited liability under the companies Act 1913. The bank began operations on March 30, 1983 (Islami Bank Bangladesh Limited, Parichiti).

IBBL is a joint venture Multinational Bank with 63.92% of equity being contributed by the Islamic Development Bank (IDB) and financial institutions like-Al-Rajhi Company for Currency Exchange and Commerce, Saudi Arabia-Kuwait Finance House, Kuwait-Jordan Islamic Bank, Jordan, Islamic Investment and Exchange Corporation, Qatar, Bahrain Islamic Bank, Bahrain, Islamic Banking System International Holding S. A., Luxembourg, Dubai Islamic Bank, Dubai, Public Institution for Social Security, Kuwait Ministry of Awqaf and Islamic Affairs, Kuwait and Ministry of Justice, Department of Minors Affairs, Kuwait. In addition, two eminent personalities of Saudi Arabia namely, Fouad Abdul Hameed Al-Khateeb and Ahmed Salah Jamjoom are also the sponsors of IBBL.

Bangladesh is one of the highly populated Muslim country in the world. The people of this country are deeply committed to Islamic way of life as enshrined in the Holy Qur'an and the Sunnah. Naturally, it remains a deep cry in their hearts to fashion and design their economic lives in accordance with the precepts of Islam. The establishment of Islami Bank Bangladesh Limited on March 13, 1983, is the true reflection of this inner urge of its people, which started functioning with effect from March 30, 1983. This Bank is the first of its kind in Southeast Asia.

It is committed to conduct all banking and investment activities on the basis of interest-free profit-loss sharing system. In doing so, it has unveiled a new horizon and ushered in a new silver lining of hope towards materializing a long cherished dream of the people of Bangladesh for doing their banking transactions in line with what is prescribed by Islam. With the active co-operation and participation of Islamic Development Bank (IDB) and some other Islamic banks, financial institutions, government bodies and eminent personalities of the Middle East and the Gulf

countries, Islami Bank Bangladesh Limited has by now earned the unique position of a leading private commercial bank in Bangladesh.

5.4.1 Aims and objectives:

- To conduct interest-free banking.
- To establish participatory banking instead of banking on debtor-creditor relationship.
- To invest on profit and risk sharing basis.
- To accept deposits on Mudaraba and Al-Wadeah basis.
- To establish a welfare-oriented banking system.
- To extend co-operation to the poor, the helpless and the low-income group for their economic upliftment.
- To play a vital role in human development and employment generation.
- To contribute towards balanced growth and development of the country through investment operations particularly in the less developed areas.
- To contribute in achieving the ultimate goal of Islamic economic system.

5.4.2 Corporate information:

as on 31st December 2002

Date of Incorporation : 13th March 1983

Inauguration of 1st Branch : 30th March 1983
(Local office, Dhaka)

Formal Inauguration : 12th August 1983
Share of Capital

- Local Shareholders : 40.62%
- Foreign Shareholders : 59.38%

5.4.3 Functions: The functions of Islami Bank Bangladesh Limited are as under:

- To maintain all types of deposit accounts.
- To make investment.
- To conduct foreign exchange business.
- To extend other banking services.
- To conduct social welfare activities through Islami Bank Foundation.

5.5 Human Resource Planning of IBBL:

a. Anatomy of Manpower Plans: A view at the objectives and payoffs reveals that a manpower plan with one single references period will not be able to fulfill all of them. The precise determination of the plan will very much depend on the actual situation and circumstances. However, considering the present level of Manpower Planning activities in IBBL, it is advisable not to rush for very long plan period unless and until the methodologies for manpower planning are tested for a substantial period of time, their drawbacks are noticed and eliminating and the process is well stabilized.

b. A short-term Manpower Plan is an action plan to realize immediate goals. Its chief function is to determine the gross manpower requirements at all levels giving due attention to the possible retirements and estimated resignations and deaths at these level during the period of one year.

c. A mid-term Manpower Plan is expected to help the Bank in visualizing its position in terms of a Broader categorization of staff for about three years in future. It's chief application is in modifying

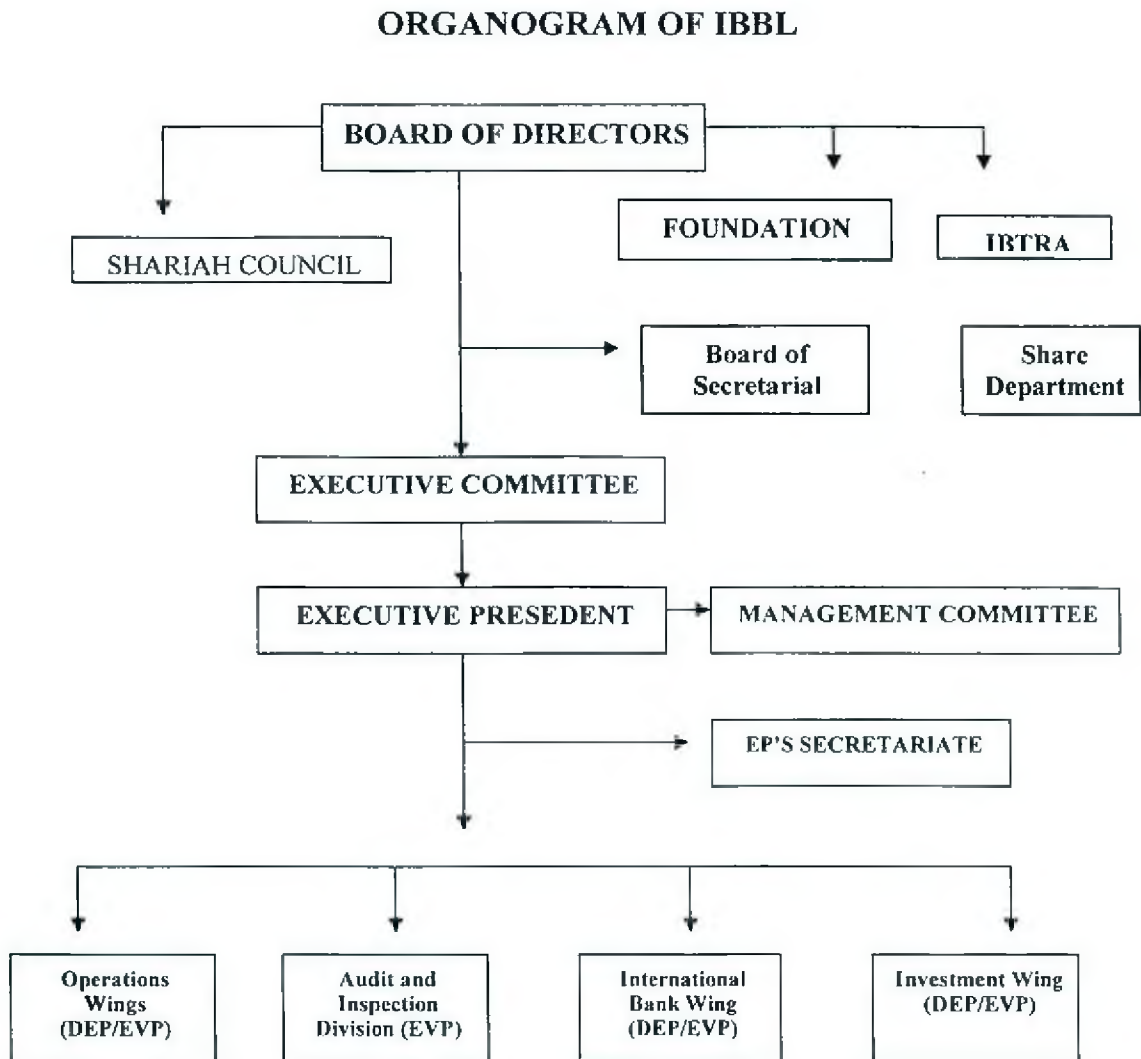
- (i) training courses and training the trainers
- (ii) existing infrastructure to suit the growing needs and
- (iii) organizational structure and personnel policies in anticipation of manpower problems that are likely to arise.

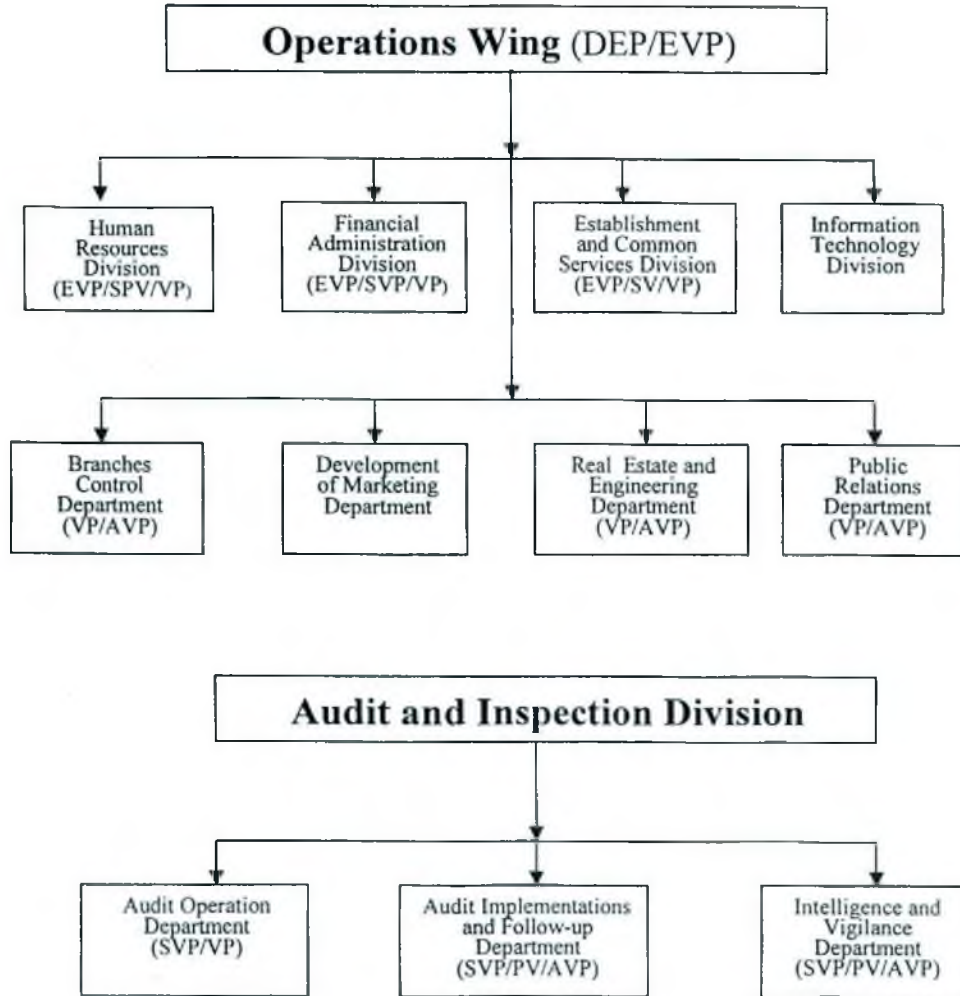
d. The long-term Manpower Plan is in effect a perspective Plan or policy plan. It is the plan on the basis of which the Bank will be in a position to perceive its long-term manpower needs and take decision regarding the long-term strategies adopted for better utilization, allocation and control of manpower at all levels. Proposal for major policy changes in this regard to personnel and organizational structure is required to be assessed in the light of long-term Plan.

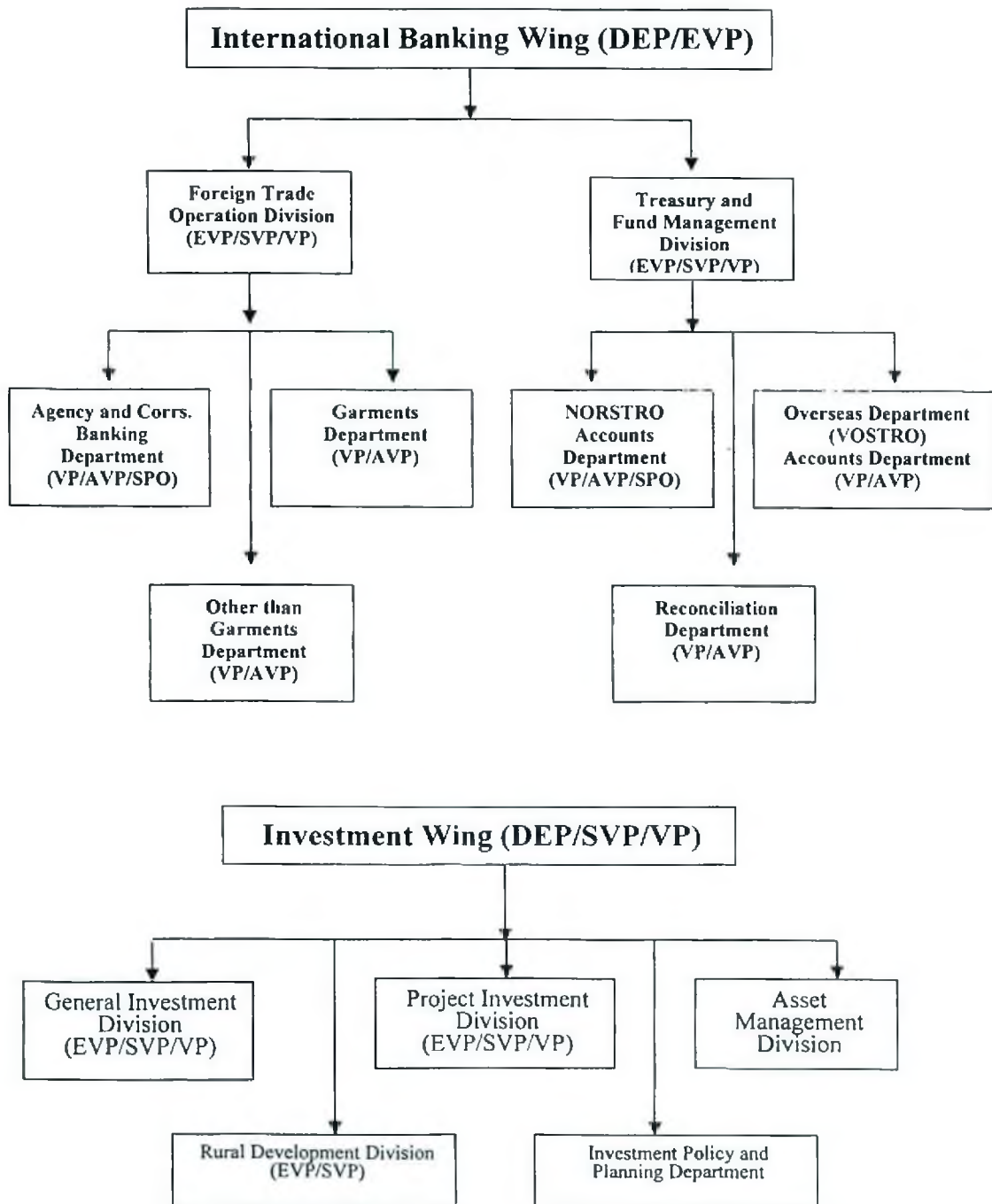
e. Techniques of Manpower Planning: The process of manpower planning requires assistance from a number of disciplines. Preparation of a manpower plan in quantitative terms involving temporal, locational and job positional facets requires a thorough knowledge of quantitative techniques such as multivariate regression analysis, theory of functions etc. Some programming and scheduling techniques in operations research along with network techniques are quite useful in preparing a recruitment Plan. Techniques like linear programming, sequencing and allocation have a substantial contribution to the construction of a training plan linked with the manpower plan. Program evaluation review technique (PERT) and critical path method (CPM).

5.6 Organogram of IBBL:

Figure-6







Source: Organogram of IBBL published in 2003.

Observation: Beside the foundation, in the organogram of IBBL it is seen that Shariah Council of the Bank is playing a vital role in guiding and supervising the implementation and compliance of Islamic Shariah principles in all activities of the bank since its very inception. The council, which enjoys a high status in the structure of the Bank, consists of prominent ulema, reputed bankers, renowned lawyer and eminent economist. Members of the Shariah Council meet frequently and deliberate on different issues confronting the Bank on Shariah matters. They also conduct Shariah inspection of branches regularly so as to ensure that the Shariah principles are implemented and complied with meticulously by the branches of the banks. All other organizational hierarchy functions in the normal process.

Chapter 6

Analysis of Data, Testing of Hypothesis and Findings of the study

Analysis of Data, Testing of Hypothesis and Findings of the study

6.1 Comparative Analysis of Manpower Between Agrani Bank and Islami Bank Bangladesh Limited:

Table-1

Ranks and Status of Employees of Agrani Bank

Sl. No.	Agrani Bank
1	Managing Director (MD)
2	Deputy Managing Director
3	General Manager (GM)
4	Deputy General Manager (DGM)
5	Assistant General Manager (AGM)
6	Senior Principal Officer
7	Principal Officer
8	Senior Officer
9	Chief Medical Officer
10	Senior System Analyst
11	Superintend Engineer
12	System Analyst
13	Senior Programmer
14	Executive Engineer
15	Assistant System Analyst
16	Programmer
17	Computer Operator Supervisor
18	Assistant Engineer
19	Assistant Programmer
20	Senior Computer Operator
21	Senior Security Officer

Source: Annual Report of Agrani Bank 2001/2002.

Table-2**RANKWISE MANPOWER POSITION OF AGRANI BANK****Table-2.A
(Officers-Class-I)**

Sl. No.	Rank	Approved/Sanctioned Strength	Manpower Position	Surplus/Deficiency	Remarks
1	Managing Director (MD)	1	1	-0	
2	Deputy Managing Director	2	1	-1	
3	General Manager (GM)	12	11	-1	
4	Deputy General Manager (DGM)	71	71	0	
5	Assistant General Manager (AGM)	175	175	0	
6	Senior Principal Officer	550	548	-2	
7	Principal Officer	1100	1098	-2	
8	Senior Officer	1600	1098	-502	
9	Chief Medical Officer	01	01	0	
10	Senior System Analyst	04	2	-2	
11	Superintend Engineer	01	01	0	
12	System Analyst	04	02	-2	
13	Senior Programmer	04	02	-2	
14	Executive Engineer	03	0	-3	
15	Assistant System Analyst	03	0	-3	
16	Programmer	03	0	-3	
17	Computer Operator Supervisor	03	01	-2	
18	Assistant Engineer	09	03	-6	
19	Assistant Programmer	50	05	-45	
20	Senior Computer Operator	50	14	-36	
21	Senior Security Officer	02	0	-2	
	Sub Total	3648	3034	-614	

**Table-2.B
(Officers-Class-II)**

Sl. No.	Rank	Approved/Sanctioned Strength	Manpower Position	Surplus/Deficiency	Remarks
1	Officer	3715	2554	-1161	
2	Officer (Cash)	1436	1000	-436	
3	Computer Operator	100	38	-62	
4	Data Entry Supervisor	100	16	-84	
5	Control Supervisor	100	13	-87	
6	Deputy Assistant Engineer	12	05	-7	
	Sub Total	5463	3626	-1837	

Table -2.C
(Class-III- Employees)

Sl. No.	Rank	Approved/Sancti oned Strength	Manpower Position	Surplus/ Deficiency	Remarks
1	Draft Man	01	-	-1	
2	Attorney Assistant (Power)	1036	1036	0	
3	Attorney Assistant (without power)	400	1042	642	
4	Ward Processor	20	0	-20	
5	LDA Cum Typist	150	263	113	
6	Cashier Cum LDA	0	124	124	
7	Godown Keeper	0	143	143	
8	Field Assistant	200	310	110	
9	Telephone Operator	10	07	-3	
10	Data Entry/Control Operator	0	03	3	
11	Document Assistant	0	02	2	
12	Care Taker-1	100	272	172	
13	Care Taker-2	100	337	237	
14	Driver	128	116	-12	
15	Electrician	06	05	-01	
	Sub Total	2151	3660	1509	

Table -2.D
(Class-IV-Employees)

Sl. No.	Rank	Approved/Sancti oned Strength	Manpower Position	Surplus/ Deficiency	Remarks
1	Arm Guard/Bank Guard	1000	53	-947	
2	Liftman	08	07	-01	
3	Plumber	02	02	00	
4	Jamadar	450	796	346	
5	MLSS	330	1159	829	
	Sub Total	1790	2017	227	

Source: Primary

Table -3**Summary of Manpower Position of Agrani Bank**

Sl. No.	Rank	Approved/Sanctioned Strength for	Manpower Position	Existing vacancy	Remarks
1	Class-I	3648	3034	-614	
2	Class-II	5463	3626	-1837	
3	Class-III	2151	3660	1509	
4	Class-IV	1790	2017	227	
5	Other Employee	0	0	0	
	Grand Total	13052	12337	-715	

Observation from the Manpower position of Agrani Bank:

- a. Deficiency of class-I officer is 640 (16.83%).
- b. Deficiency of class-II officer is 1837 (33.62%).
- c. Surplus of class-III employee is 1509 (70.15%).
- d. Surplus of class-IV is 227 (12.68%).
- e. It is found that only in the rank of senior officer are deficient by 502 (31.37%) practically who control and maintain the works of the branches.
- f. Among the class-II officers 436 (30.36%) cashiers are deficient whose effort increases the efficiency of the branches.
- g. Class-III employees are found surplus by 1509 (70%) which may prove the influence of the union leaders in the appointments of class-III employees.
- h. In case of class-IV employees, it is found that in lieu of bank guards (-947), MLSS (+829) were employed which shows the renaming of the bank's guard may occur.

Table-4**Ranks and Status of Employees of Islami Bank
Bangladesh Limited**

Sl. No.	IBBL
1	Executive President (EP)
2	Deputy Executive President (DEP)
3	Executive Vice President (EVP)
4	Senior Vice President (SVP)
5	Vice President (VP)
6	Assistant Vice President (AVP)
7	Senior Principal Officer (SPO)
8	Principal Officer (PO)
9	Senior Officer (SO)
10	Officer
11	Assistant Officer Grade-I (AOG-I)
12	Assistant Officer Grade-II (AOG-II)
13	Assistant Officer Grade-III (AOG-III)
14	Driver Grade-I and Equivalent
15	Driver Grade-II and Equivalent
16	Senior MCGG and Equivalent
17	Senior Security Guards
18	Electrician Grade-I
19	Electrician Grade-II
20	MCG G-I
21	MCG G-II
22	SG G-I
23	SG G-II
24	Cleaner/Mail(Reg.)
25	S.G.G.(Reg.)
26	G.G.(Reg.)
25	S.G.G.(Reg.)
26	G.G.(Reg.)

Source: Annual Report of 2001/2002 published by Public Relation Department, IBBL.

Table 5**Rank-wise Manpower Position (IBBL) as on 07.05.2003**

SI. No	Rank	Approved Sanctioned Strength for 2003	Manpower Position as on 07.05.2003	Surplus/ Deficiency	Remarks
1.	E.P	1	1	-	
2.	D.E.P	3	2	1	
3.	E.V.P/D.G.	11	5	6	
4.	Sr.Vice President	36	38	-2	
5.	Vice President	54	51	3	
6.	Asstt. Vice President	80	76	4	
7.	Sr. Principal Officer	110	102	8	
8.	Principal Officer	265	259	6	
9.	Senior Officer	300	295	5	
10.	Officer/Prob. Officer	850	688	162	
Sub Total		1710	1517	193	
11.	A.O.Gr.-I	500	547	-47	
12.	A.O.Gr.-II	500	466	34	
13.	A.O.Gr.-III	295	172	123	
Sub Total		1295	1185	110	
15.	Driver Grade-I	51	52	-1	
16.	Driver Grade-II	38	37	1	
17.	Sr. Messenger-Cum-Guard	43	43	-	
18.	Sr. Security Guard and Eqv.	43	42	1	
19.	Electrician Grade-I	2	2	-	
20.	Electrician Grade-II	11	4	7	
21.	M.C. Guard Grade-I	80	83	-3	
22.	M.C. Guard Grade-II	150	112	38	
23.	Security Guard Grade-I	70	68	2	
24.	Security Guard Grade-II	162	68	94	
25.	Cleaner/Mail(Reg.)	5	1	4	
26.	Sr. Godown Guard (Reg.)	7	6	1	
27.	Godown guard Gr.I	67	67	-	
28.	Godown guard Gr.II	234	234	-	
Sub Total		963	819	144	
Total		3968	3521	447	

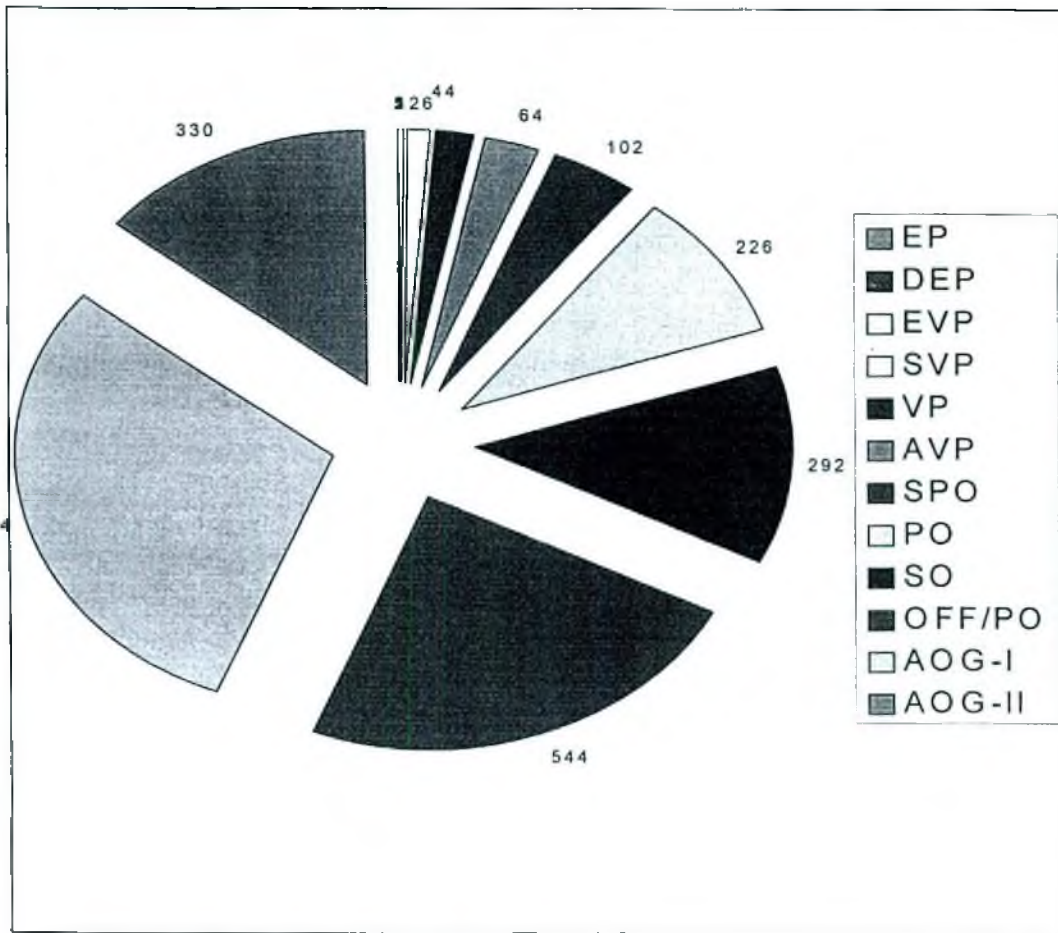
Other Employees/Temporary Officials/Staff Position as on 07.05.2003

SI. No	Designation	Total
01.	CORE Team	16
102.	Field Officers(RDS)	552
03.	Field supervisor(SBIS)	65
04.	Field supervisor(AIIS/MSIS)	07
05.	Cleaner	127
Total		767

Source: Annual Report 2002/2003 published by Public Relation Department, IBBL

Figure-7

Composition of manpower placed in a Pie Chart will look like as under:

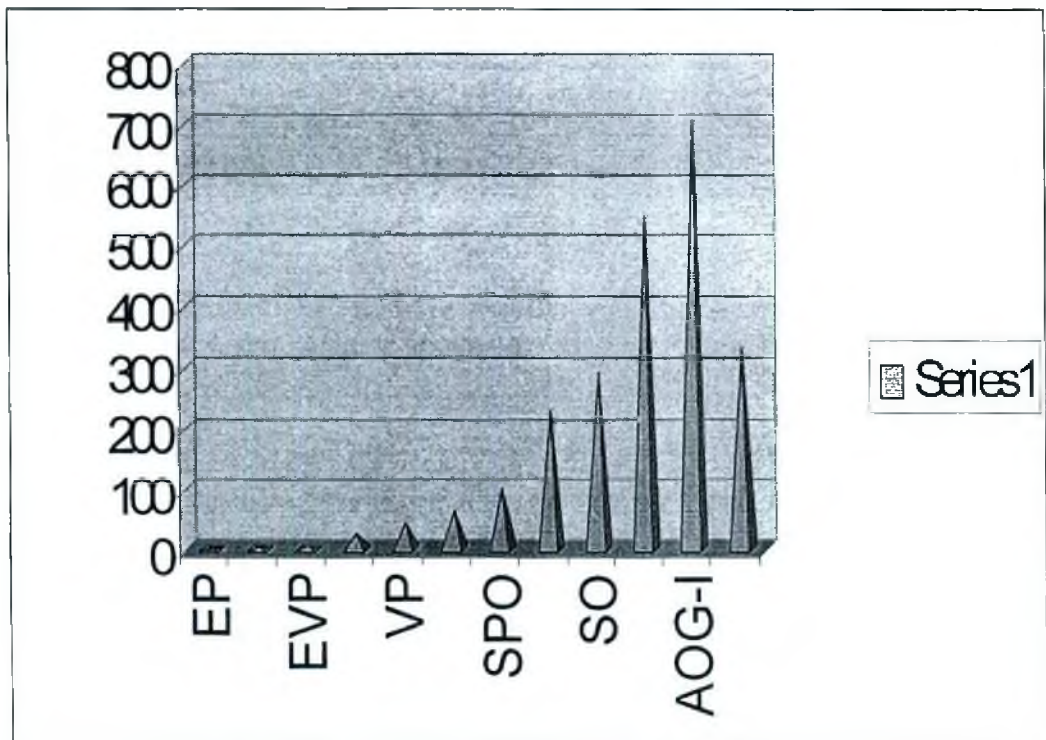


Source: Prepared based on Table-5

Figure-8

Pyramidal Shape of Manpower of IBBL (Rank-wise)

The numeric position of manpower as shown in the above table. If presented in a diagram, looks like as under instead of desired pyramidal shape:



Observation: It is observed that the manpower position of officers approved/sanctioned strength of 1710 posted strength 1517 deficiency is 193 i.e. deficiency is 11.29%. In case of, other than officers out of 963 deficiency is 144 i.e. deficiency is 14.95%. The existing rank-wise composition of manpower is not rationale. The number of manpower is not consistent with the manpower of immediate preceding rank and the next rank.

Table-6**Gradation of Branches of IBBL**

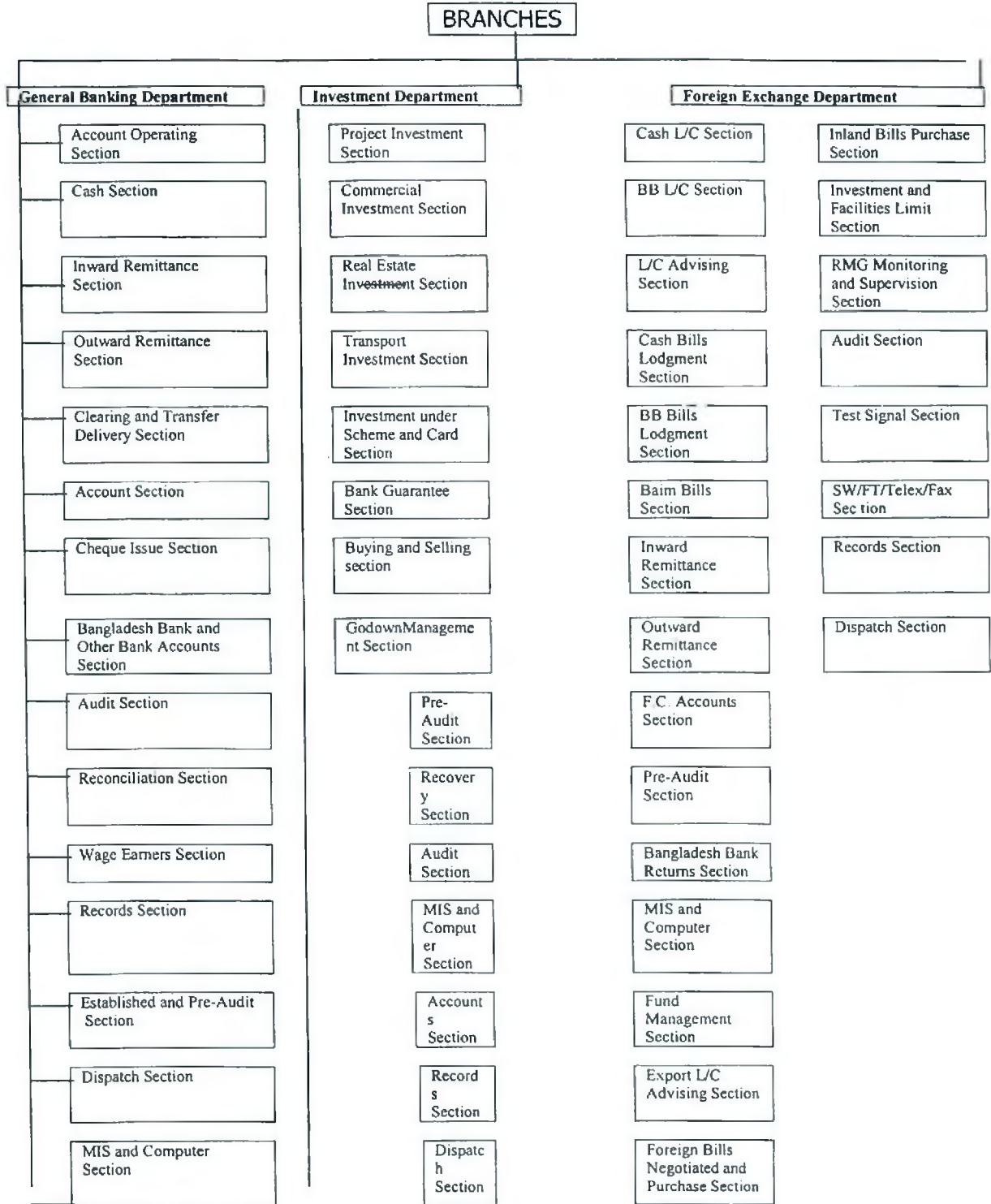
1.0 Existing gradation of the branches is as under:

Sl. No	Grade	Deposit	Investment	Profit
1	A	250	200	10
2	B	150	100	5
3	C	100	75	3
4	D	All remaining branches including new branches		

Observation: Gradation of the branches is made in regards to volume of business that is deposit, investment and profit. Due importance is not given on the customer satisfaction of the branches.

Table-7

Job Schedule of Branches (IBBL)



Observation:

- a. The jobs of the branches are carried out through three major departments. These are General Banking (GB), Investment (INV), Foreign Exchange (FEX) Department. Organogram of the branches are made on the basis of functions mention above.
- b. The branch at the early stage established can carry out the job of all the three departments with 5-6 employees. But as the volume increases, sections are required to beset-up for quick disposal of work and smooth functioning of the branch.

Table-8**Rank-wise Manpower Position (IBBL) as on 07.05.2003**

Sl. No	Rank	Approved Sanctioned Strength for 2003	Manpower Position as on 07.05.2003	Surplus/ Deficiency	Remarks
1.	E.P	1	1	-	
2.	D.E.P	3	2	1	
3.	E.V.P/D.G.	11	5	6	
4.	Sr.Vice President	36	38	-2	
5.	Vice President	54	51	3	
6.	Asstt. Vice President	80	76	4	
7.	Sr. Principal Officer	110	102	8	
8.	Principal Officer	265	259	6	
9.	Senior Officer	300	295	5	
10.	Officer/Prob. Officer	850	688	162	
Sub Total		1710	1517	193	
11.	A.O.Gr.-I	500	547	-47	
12.	A.O.Gr.-II	500	466	34	
13.	A.O.Gr.-III	295	172	123	
Sub Total		1295	1185	110	
15.	Driver Grade-I	51	52	-1	
16.	Driver Grade-II	38	37	1	
17.	Sr. Messenger-Cum-Guard	43	43	-	
18.	Sr. Security Guard and Eqv.	43	42	1	
19.	Electrician Grade-I	2	2	-	
20.	Electrician Grade-II	11	4	7	
21.	M.C. Guard Grade-I	80	83	-3	
22.	M.C. Guard Grade-II	150	112	38	
23.	Security Guard Grade-I	70	68	2	
24.	Security Guard Grade-II	162	68	94	
25.	Cleaner/Mail(Reg.)	5	1	4	
26.	Sr. Godown Guard (Reg.)	7	6	1	
27.	Godown guard Gr.I	67	67	-	
28.	Godown guard Gr.II	234	234	-	
Sub Total		963	819	144	
Total		3968	3521	447	

Other Employees/Temporary Officials/Staff Position as on 07.05.2003

Sl. No	Designation	Total
01.	CORE Team	16
102.	Field Officers(RDS)	552
03.	Field supervisor(SBIS)	65
04.	Field supervisor(AIIS/MSIS)	07
05.	Cleaner	127
Total		767

Source: Annual Report 2002/2003 published by Public Relation Department, IBBL

Observation on Rank Structure: Though the rank structure are set up in two different concept but a clear distinction is made between officers and other employees by gradation. Both the banks follows the same status of the officers and subordinates. With distinct differences of the specialized personnel.

6.2 Comparative Analysis of the Organogram of Agrani Bank and IBBL:

Beside the foundation, in the organogram of IBBL it is seen that Shariah Council of the Bank is playing a vital role in guiding and supervising the implementation and compliance of Islamic Shariah principles in all activities of the bank since its very inception. The council, which enjoys a high status in the structure of the Bank, consists of prominent ulema, reputed bankers, renowned lawyer and eminent economist. Members of the Shariah Council meet frequently and deliberate on different issues confronting the Bank on Shariah matters. They also conduct Shariah inspection of branches regularly so as to ensure that the Shariah principles are implemented and complied with meticulously by the branches of the banks. All other organizational hierarchy functions in the normal process. The policy direction and overall management of the bank is vested upon the Board of Directors consisting of six members. The chairman and members of the board are appointed by the Government of the Republic of Bangladesh. Managing Director, The Chief Executive of the Bank, is one of the members of the Board of Directors.

6.3 Analysis of Data Collected From Field survey:

Table-9

Percentage distribution of population size, sample size and number of actual respondents (Agrani Bank):

Category of Respondents	Population Size	Sample Size	Actual Sample
Officers, Executives and Decision makers	4142 (100%)	124 (3%)	10
Employees	4350 (100%)	130 (3%)	30
Trade Union Leaders		50	10
Total			50

Table-10

Percentage distribution of population size, sample size and number of actual respondents (Islami Bank Bangladesh Ltd.):

Category of Respondents	Population Size	Sample Size	Actual Sample
Officers, Executives and Decision makers	1517 (100%)	45 (3%)	10
Employees	2004 (100%)	60 (3%)	30
Trade Union Leaders		30	10
Total			50

6.4 Testing of Hypothesis:

To conduct the test data were analyzed, examined and evaluated and interpreted critically by **Two-sample pooled proportion test of hypothesis** i.e random samples from two different populations (Agrani Bank and Islamic Bank Bangladesh Limited) to determine whether the population means are equal. To conduct the test we assume each sample is large enough that the normal distribution will serve as a good approximation of the binomial distribution. The test statistic follow the standard normal distribution. We compute the value of Z from the following formula:

$$Z = \frac{P_1 - P_2}{\sqrt{\frac{p_c(1-p_c)}{n_1} + \frac{p_c(1-p_c)}{n_2}}}$$

Where,

n_1 is the number of observation in the first sample.

n_2 is the number of observation in the second sample.

p_1 is the proportion of first sample.

p_2 is the proportion of second sample.

x_1 is the number of positive respondents first sample.

x_2 is the number of positive respondents second sample.

p_c is the pooled proportion possessing the trait in the combined samples. It is called the pooled estimate of the population proportion and is computed from the following formula:

$$p_c = \frac{x_1 + x_2}{n_1 + n_2}$$

Table-11

Views of the Executives, Employees and Trade Union Leaders of the Agrani Bank and Islami Bank Bangladesh Limited on hypothesis-1.

Category of respondent	Agrani Bank				IBBL			
	No. of respondent	Positive response	Negative response	Partial	No. of respondent	Positive response	Negative response	Partial
Executives	10	05	04	01	10	06	01	03
Employees	30	15	10	05	30	18	05	07
TUL	10	04	05	01	10	03	06	01
Total	50	24	19	07	50	27	12	11
Percentage	100	48%	38%	14%	100	54%	24%	22%

Source: Sample survey, (Based on responses to question no 3 of Appendix-A, question no.3 of Appendix-B and question no.5 of Appendix-C)

Observation:

- 1) Formal manpower planning is developed and practices in the Banks. 54% in IBBL and 48% in Agrani Banks respondents give their positive views.

Table-12

Hypothesis Testing-1: Human Resource Planning (HRP) is done keeping an eye on the organizational development and technological advancement.

Population Parameter	No of Respondents	No of Positive Respondents	Proportion of the sample	Pooled Proportion $p_c = \frac{x_1 + x_2}{n_1 + n_2}$	Z value $Z = \frac{p_1 - p_2}{\sqrt{\frac{p_c(1-p_c)}{n_1} + \frac{p_c(1-p_c)}{n_2}}}$
IBBL	$n_1 = 50$	$x_1 = 27$	$p_1 = .54$	$P_c = .51$.30154
Agrani Bank	$N_2 = 50$	$X_2 = 24$	$P_2 = .48$		

Source: Primary-Based on Table-11

Comment: To test hypothesis -1 Human Resource Planning (HRP) is done keeping an eye on the organizational development and technological advancement. Two sample pooled proportion test is used. The test result (Table-12) indicates that the alternate hypothesis is accepted that means both the banks are making their human resource plan keeping and eye on the organizational development and technological advancement.

Table-13

Views of the Executives, Employees and Trade Union Leaders of the Agrani Bank and Islami Bank Bangladesh Limited on hypothesis-2.

Category of respondent	IBBL				Agrani Bank			
	No. of respondent	Positive response	Negative response	Partial	No. of respondent	Positive response	Negative response	Partial
Executives	10	07	--	03	10	06	01	03
Employees	30	21	07	02	30	15	10	05
TUL	10	04	03	03	10	03	05	02
Total	50	32	10	08	50	24	16	10
Percentage	100	64%	20%	16%	100	48%	32%	20%

Source: Sample survey (Based on responses to question no 4 of Appendix-A, question no.3 of Appendix-B and question no.5 of Appendix-C)

Observation:

- 1) 64% respondents of IBBL and 48% of Agrani Banks employees gave their positive opinion.
- 2) In most of the places pre-employment training is not done.
- 3) Before setting a recruitment policy hardly any job analysis is done. Banks also do not maintain a skill inventory, lack of which proper placement could not be done.

Table-14

Hypothesis Testing-2: Recruitment policy and selection criterion are set to talent supply in bank.

Population Parameter	No of Respondents	No of Positive Respondents	Proportion of the sample	Pooled Proportion $p_c = \frac{x_1 + x_2}{n_1 + n_2}$	Z value $Z = \frac{p_1 - p_2}{\sqrt{\frac{p_c(1-p_c)}{n_1} + \frac{p_c(1-p_c)}{n_2}}}$
IBBL	$n_1 = 50$	$x_1 = 32$	$p_1 = .64$	$P_c = .56$.2285
Agrani Bank	$N_2 = 50$	$X_2 = 24$	$P_2 = .48$		

Comment: To test hypothesis-2: Recruitment policy and selection criterion are set to talent supply in bank. Two sample pooled proportion test is used. The test result (Table-14) indicates that the alternate hypothesis is accepted that means recruitment policy are set to talent supply in both the banks.

Table-15

Views of the Executives, Employees and Trade Union Leaders of the Agrani Bank and Islami Bank Bangladesh Limited on hypothesis-3.

:Category of respondent	IBBL				Agrani Bank			
	No. of respondent	Positive response	Negative response	Partial	No. of respondent	Positive response	Negative response	Partial
Executives	10	09	--	01	10	07	02	01
Employees	30	25	03	02	30	20	07	03
TUL	10	07	02	01	10	40	03	03
Total	50	41	05	04	50	31	12	07
Percentage	100	82%	10%	8%	100	48%	24%	14%

Source: Sample survey (Based on responses to question no 5 of Appendix-A, question no.4 of Appendix-B and question no.6 of Appendix-C)

Observation:

- 1) Private banks have got 85% and public bank has got 62and positive response. It shows the training is done either on the job or off the job method.
- 2) Both public and private banks has got training institution but their requirements are not decided by HR Division.
- 3) Assessment of training need is not calculated methodically. Only a vacancy created for training to fulfill the recruitment of promotion.
- 4) It is observed that the public and private bank both have separate selection criterion. But more or less executives and officers have got the same type of opinion.

Table-16

Hypothesis Testing-3: Training provisions are kept to ensure the career development of the officers and employees.

Population Parameter	No of Respondents	No of Positive Respondents	Proportion of the sample	Pooled Proportion $p_c = \frac{x_1 + x_2}{n_1 + n_2}$	Z value $Z = \frac{p_1 - p_2}{\sqrt{\frac{p_c(1-p_c)}{n_1} + \frac{p_c(1-p_c)}{n_2}}}$
IBBL	$n_1 = 50$	$x_1 = 41$	$p_1 = .82$	$P_c = .72$	2.247
Agrani Bank	$N_2 = 50$	$X_2 = 31$	$P_2 = .62$		

Source: Based on Table-15

Comment: To test hypothesis-3: Training provisions are kept to ensure the career development of the officers and employees. Two sample pooled proportion test is used. The test result (Table-16) indicates that the alternate hypothesis is accepted.

Table-17

Views of the Executives, Employees and Trade Union Leaders of the Agrani Bank and Islami Bank Bangladesh Limited on hypothesis-4.

Category of respondent	IBBL				Agrani Bank			
	No. of respondent	Positive response	Negative response	Partial	No. of respondent	Positive response	Negative response	Partial
Executives	10	08	-	02	10	07	02	01
Employees	30	21	03	06	30	20	08	02
TUL	10	06	02	02	10	05	02	03
Total	50	35	05	10	50	32	12	06
Percentage	100	82%	10%	20%	100	64%	24%	12%

Source: Sample Survey (Based on responses to question no 6 and 7 of Appendix-A, question no.5 and 6 of Appendix-B and question no.7 and 8 of Appendix-C)

Observation:

- 1) Welfare of the employees and development of quality of working life is increasing gradually. In the private bank 70% and in public 64% employees gave their positive views.
- 2) All facilities are not available in all the places but a positive attitude is shown in all aspects of benefits.

Table-18

Hypothesis Testing-4: All banks follow the conceptual dimension of quality of working life.

Population Parameter	No of Respondents	No of Positive Respondents	Proportion of the sample	Pooled Proportion $p_c = \frac{x_1 + x_2}{n_1 + n_2}$	Z value $Z = \frac{p_1 - p_2}{\sqrt{\frac{p_c(1-p_c)}{n_1} + \frac{p_c(1-p_c)}{n_2}}}$
IBBL	$n_1 = 50$	$x_1 = 35$	$p_1 = .70$	$P_c = .67$.090
Agrani Bank	$N_2 = 50$	$X_2 = 32$	$P_2 = .64$		

Source : Based on Table-17

Comment: To test hypothesis-4: All banks follow the conceptual dimension of quality of working life. Two sample pooled proportion test is used. The test result (Table-18) indicates that the alternate hypothesis is accepted.

Table-19

Views of the Executives, Employees and Trade Union Leaders of the Agrani Bank and Islami Bank Bangladesh Limited on hypothesis-5.

Category of respondent	Agrani Bank				IBBL			
	No. of respondent	Positive response	Negative response	Partial	No. of respondent	Positive response	Negative response	Partial
Executives	10	02	07	01	10	03	06	01
Employees	30	15	10	05	30	12	16	02
TUL	10	07	02	01	10	06	03	01
Total	50	24	19	07	50	21	25	04
Percentage	100	48%	38%	14%	100	42%	50%	8%

Source: Sample survey (Based on responses to question no.8 of Appendix-A, question no.7 of Appendix-B and question no.9 of Appendix-C)

Observation:

- 1) Trade Unions are not run as per trade union rules. 50% and 38% respondents of IBBL and Agrani Bank gave negative views about the activities of trade unions leaders.
- 2) Most of the executives expresses their opinion that the most of the trade union leaders breaking the chain of command and discipline of the employees.
- 3) Some times trade unions leaders are trying to influence the appointment of class III and class IV employees.

Table-20

Hypothesis Testing-5: Unionization of the employee has got negative impact on smooth operation and motivational condition of employees.

Population Parameter	No of Respondents	No of Positive Respondents	Proportion of the sample	Pooled Proportion $p_c = \frac{x_1 + x_2}{n_1 + n_2}$	Z value $Z = \frac{p_1 - p_2}{\sqrt{\frac{p_c(1-p_c)}{n_1} + \frac{p_c(1-p_c)}{n_2}}}$
IBBL	$n_1 = 50$	$x_1 = 21$	$p_1 = .42$	$p_c = .45$.060
Agrani Bank	$N_2 = 50$	$X_2 = 24$	$P_2 = .48$		

Source: Based on Table-19

Comment: To test hypothesis-5: Unionization of the employee has got negative impact on smooth operation and motivational condition of employees. Two sample pooled proportion test is used. The test result (Table-20) indicates that the alternate hypothesis is accepted.

6.5 Findings of the study:

6.5.1. Formal HRP is not yet developed Service Rule is covering limited area of HRP: Both Public Sector Banking (Agrani Bank) & Private Sector Banking (IBBL) have not yet developed any written down Human Resource Plan. They have an Employees' Service Rules containing inter alia, eligibility criteria for promotion, sanction of leave and increment, procedures regarding disciplinary action. IBBL has also a separate Recruitment policy prepared in the year 1989. These two documents meet the requirement of a limited area of manpower plan.

6.5.2. No guideline by the Government for HR Planning in True Sense: In true sense of the term, there is no HR planning in the banking sector of the country. The Govt. of the Peoples Republic of Bangladesh formed Martial Law committee on organizational set-up public corporation's in the year 1984. This committee prepared reports on Nationalized Banks too. The report contains observation and recommendation on allocation of functions, charter of duties, workload, performances etc. The committee did not touch upon the diversity of manpower planning such as; Quantitative, Qualitative, Temporal, Locational and Job positional functions.

6.5.3. Most of the private sector banks follow the foot print of nationalized private banks in respect of HRP: Private sector banks and foreign commercial banks determine manpower strength at different level of operation on the basis of volume of business/workload and financial results. Specialized banks follow the foot prints of the nationalized commercial banks.

6.5.4. Irrational rank wise composition of manpower: The number of manpower of a rank is not consistent with the manpower of immediate preceding rank and the next ranks.

6.5.5. Work load of Branches: Work load of branches are prepared by ascertaining daily average number of deposit, accounts opened and daily average number of import and export transactions, daily average number of inward and outward foreign remittances, daily average number of entries in the paying and receiving cashier's book and number of investment accounts etc.

6.5.6. Gradation of the Branches: Existing gradation of the branches should have been done on the basis of volume of deposit, investment and profit. Only volume in these areas of performance does not reflect the actual load and importance of a branch. There should be new gradation criteria taking into consideration the work load in addition to volume of business.

6.5.7. Impact of future Mechanization is not considered in HRP: Another major evidence of low level of interest in the job is that sufficient modification of the banking procedures were not done according to the demand of modern banking. It is needless to say that modern banking has gone far ahead than our traditional banking system. Private sectors banks have taken more care in relation to public banks. Until now banking sector in Bangladesh has been labor intensive. With the increase in size and volume of business transactions, mechanization should be considered an important element of policy package in the days to come.

6.5.8. Scientific development and Training courses are not designed to develop the employees career: Both private and public sector banks has got their own training centers. Training institutes are not directly controlled by the training and research division and there is no effective plan to train-up its employees. Training courses, syllabus, eligibility of the participants, training place etc. are not designed with modern outlook. Research section of the bank should undertake continuous research on the training programs for improvement and making training useful to the participants. Every employees of the bank should have equal opportunity of getting training useful to the participants which is now absent. No scientific selection procedure is followed for this purpose. Training and research division can do the needful for modernizing the system. Decision making appointment, promotion, transfer, training, salary structure and other factors that effects motivation of the employees, should be the subject of continuous research.

6.5.9. Lack of permanent promotion policy: It is observed that bank management does not follow any straight or stated promotion policy. Here lies many scope for adopting unfair means in promotion. Nepotism, favoritism and corruption take place in the promotion process. All this has created negative attitude among the employees.

6.5.10. Protection from local & Political Pressure: Sometimes, the government, to be popular to its electorate, makes some announcements, specially at the time of election, which are not conducive to the smooth functioning of the bank. This practical point should be given proper weight age while taking any disciplinary measures against any employee. The suspension of interest at time to secure favor from the rural community is not something unusual. This also creates much trouble for the bank employees for recovery of loans and advances.

6.5.11. More turnover at executive level of public bank: The term and conditions of employment deter them from entering the public enterprise sector. Unfortunately, public sector management is not free to set their own terms and conditions of service. As a result, several high executive of Agrani Bank were living the bank for taking up more lucrative executive positions in other private sector banks. This situation has created a great vacuum in the top management of public Bank. Despite this situation, no deadlock has occurred at the government or decision making level. It, rather, created a new opportunity for the remaining executives to reach the high echelon of the bank before the time they would have reached normally. Quick promotion, however, made them unconscious about the consequence of the bank.

6.5.12. Impact of IT facilities on HRP: The IT facilities have already reduced manpower requirements to a great extent and improved efficiency. The new software (LAN/WAN/ Web enabled) when developed and put into use, will reduced the need of assistant officers but increase the need of officers in higher ranks, increase training requirement of IT, improve the quality of service in terms of speed and accuracy, enable even distribution of tasks among the employees, reduce disruption of service, enable to provide one stop service and enable assessment of quality investment frequently and thus reduce volume of bad investment. Introduction of ASPC (Automated Service Providing Centre) for deposit and withdraw of money using only ATM cards will enable large number of clients to do transactions from outside the branches thus reducing number of transactions taking place over the countries.

6.5.13 No Prefixed Indicator for Assessing Man power:

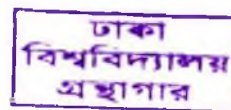
In general there is no written down Human Resource Planning documents. Also there is no prefixed indicators for assessing the manpower, volume of business, work load measured (on the basis of thumb rule). The problems those have been identified both in public and private banks can be discussed in the following manner:

6.5.14 Manpower Plan at Nationalized Commercial Banks:

- (a) The Government of the Peoples Republic of Bangladesh formed a Martial Law Committee on organizational set-up of public statutory corporations in the year 1984. This Committee prepared reports on nationalized Banks. The report contains observations and recommendations on allocation of functions, charter of duties, work load, performances etc for smooth running of the banks.
- (b) The Committee proposed structural reform of the nationalized banks, prepared revised organ gram for public sector banks on the basis of the same recommended manpower strength of those Banks.

The Committee in its above Report adopted the following basis for fixation of clerical manpower strength of the nationalized Banks.

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6.5.15 Human Resource Planning at Private Sector Commercial Banks:

They also performing the job of Human Resources Planning in the following manner:

(a) First generation commercial bank (for example National Bank Limited)

There is no written down manpower plan documents. Manpower strength at different level of operations is determined from time to time on the basis of volume of business/work load and financial results.

(b) Second generation commercial bank (for example Prime Bank Limited)

Branch Managers, Zonal Heads, Heads of department at Head Office are consulted for fixation of manpower strength. There is no prefixed indicators for assessing the manpower, volume of business, work load (measured on rule of thumb basis) and financial results, trend of business, location etc. are taken into consideration for providing manpower to the Branches/Offices. No manpower Plan has yet been evolved.

(c) Third generation commercial bank (for example One Bank Limited)

There in no hard and fast rule for fixation of manpower. Requirement of manpower is assessed in consultation with the incumbent incharges of the concerned branches/offices. Manpower plan has not yet been prepared by them.

(d) Foreign Banks

Foreign Banks working in Bangladesh have detailed manpower plan in their home countries. As they have very limited number of branch in Bangladesh, the Chief Executive Officer, in consultation with the local executives and giving due importance to the volume of business and profit plan, fix up manpower plan of their offices and branches.

(e) Specialized Banks

There is no written down Manpower Plan documents in Bangladesh Shilpa Bank, Bangladesh Shipla Rin Sangsta. They do follow the same practices as are followed by other members of the Banking industry, particularly the nationalized commercial Banks.

6.5.16 Workload of Branches: How the work load has been practiced in the banks:

2. Transactions take place in the branches under 5 broad categories viz. Deposit, Remittance, Bills, Investment and Foreign Exchange.
3. Age-wise grouping of the branches has been done for presentation of volume transactions of the above 5 categories of transaction to see whether similar age have any determine factor on the volume of transaction.

Besides the above type of transactions, branches have to handle a lot of other work such as issue of Cheque Books, correspondents with the client, inward and outward Dak, attending to court cases, monitoring and supervision of investments, etc.

“Human Assets” – are virtually never shown on the ‘balance sheet’ – as a distinct category, although a great deal of money is invested in the recruitment, selection and training of the people. It is for the reason that the late Rensis Likert and his colleagues suggested maintaining accounts the valuable human assets, they referred to this process as “Human Resource Accounting” (Mahbub Rashid: Human Resource Management, Business Year Book-2002, P-580).

Human Resource Planning is a document based on Human Resource Accounting of the organization depending on which the management can strive to have the right number of people possessing the right type of skills at right times, in right jobs and right places with a view to enabling the organization to achieve its short-term goals. Evidently, then, a Manpower Plan is a set of two plans; (a) a Manpower Demand Plan; and (b) a Manpower Supply Plan. The Manpower Demand Plan should spell out the manpower requirements of the organization. It should, in principle, have five dimensions; (a) Quantitative, (b) Qualitative, (c) Temporal, (d) Locational, and (e) Job-positional,, Constructing a Manpower Demand Plan requires a sizeable amount of support from a carefully prepared Business Plan detailing out the short-term and long-term objectives of the organization, intended locations for new offices and

branches, anticipated type and quantum of business and strategies for business promotion. The Manpower Supply Plan is a reflex action to the manpower demand plan. It tries to present a set of alternative solutions to the problem of mobilizing human resources as posed by the manpower demand plan. According to the sources of supply, it is subdivided into two distinct plans; (i) a plan for supply of demanded manpower from within the organization, and (ii) a plan for supply from external sources. Both these plan naturally have the five dimensions stated above for the manpower demand plan. Modes of supply in case of the first supply plan are lateral and vertical transfers within the organization and that for the second plan is recruitment on temporary or permanent basis.

The present study was undertaken to suggest strategies for proper placement of human resources with the end view of achieving the organizational goal. Keeping that mission in view same hypothesis were taken into consideration. The idea behind those are:

- a) Due to the absence of proper Human Resource Planning which results inefficiencies, wastage, corruption in public sector banking and too tight schedule in private sector banking.
- b) Job analysis are not done before recruitment and selection procedure for which talent supply flow is not maintained.
- c) Lack of career development of the employees detroit the organizations ability to attract and retain high talent employees as a result turnover occurs.
- d) Human capital should be considered for different pay and salary structure than that of there counters parts on government, semi-government in autonomous organization for arresting the desired corporate philanthropy.
- e) To get the desired benefit from the trade unions they should be controlled within the existing law.

The stated hypothesis of the study were examined and tested by primary and secondary data. The information and data collection from these sources were properly classified, tabulated and tested in terms of statistical percentage. The proposed hypothesis is also tested by two sample proportion test.

With a view to examine the effectiveness of the manpower plan, the thesis was structured to be divided into 8 chapters.

Chapter 7

Summary of the Study, Recommendations and Conclusion

7.1 Summary of the Study: The study is designed to suggest a strategy which will enable the banks to visualize the requirement of Human Resource Planning to achieve the organizational goal in a rapidly changing environment by a comparative study between public and private bank. From the problem statement it is clear that the banks are presupposing a gap between their expectation and reality in regards to Human Resources Planning to attain strategic match with changing environment. It is also found that among other causes like default culture, old and back dated banking procedure in efficient banking services, lack of market research for customer psychology etc. The most important is lack of co ordination between proper manpower planning and bank schemes which creates bottle neck in the progress of both public and private bank. Naturally the question comes whether existing system can link up the Human Resource Planning with corporate strategy. In the first chapter of the paper contents introductory issues where the plan and purpose of the thesis paper have been describe. A clear and concise statement of the problem, the research questions, objective, hypothesis of this study and justification of the study have been discussed. It is expected that the findings of the study will be of great use to the policy makers, the planners, the management of banks and to the government to ensure and effective control over labor cost.

To achieve the goals of the proposed study an intensive field work was undertaken to collect data from the field as well as from secondary sources. Agrani Bank and Islami Bank Bangladesh Limited have been considered for the case study as representative of public and private bank respectively. The data were collected from the above mentioned bank which include the three different tires of respondents i.e. first tire the Executive and decision makers, second tire mid level employees and third tire the trade union leaders. The data so collected was processed to make more meaningful states of knowledge, refined and interpreted. In analyzing data descriptive statistics, Pooled Proportion and other statistical techniques are used. To investigate the question a random sample was selected from each population and compute the mean of the two samples. In measuring and testing hypothesis two sample test of proportion method was used.

Concept of Human Resource Planning, Historical background, Evaluation from Manpower Plan to Human Resource Plan, present day perspective and Human Resource planning in the competitive world has been discussed. Human Resource Planning in the Banking Sector has been highlighted giving more emphasis on demand forecasting, supply forecasting, determining manpower grouping, formulating manpower planning and future challenges has been discussed. Ethical dimension, norms and moral values are highlighted. Unionism and its impacts in the banks are taken into consideration.

Brief overview of Agrani Bank (a public bank) has been taken in consideration. The organ gram and HRP has been examined thoroughly .The origin and a brief over view of the bank has also been seen to asses the condition of the HRP.It is found that the policy and overall management of the bank is vested upon the Board of Directors where the Chief Executive of the Bank is one of the Members of the board of Directors. Gradation of the branches is made in regards to volume of business .The manpower is not proportionate as per the expansion of the branches.

Effort is put to analyze the HRP of IBBL – a private bank with the concept of the Islamic Banking Ideology.After examining it is found that its organogram is set up in a progressive manner.Besides the Board of Directors in the organogram there is a Shariah Council who is playing a vital role in guiding and supervising the implementation and compliance of Islamic Shariah principles in all activities of the bank. It also highlights the emergence and complete Islamalization effort.It is also observed that the number of manpower is not consistent with the manpower of immediate preceding rank and next rank.

A comparative study on HRP between Agrani Bank and IBBL is done. Major differences between HRP in the Public and Private Sector have been evaluated in all respect by analyzing the data and manpower statements. Though the rank structure are set up in two different way but a clear distinction is made between officers and other employees by gradation. Both the banks follow the same status of the officers and subordinates, with distinct differences of the specialized personnel. It also includes the analysis of the field survey. Testing hypothesis are done from the data collected from field survey. To test the hypothesis two sample pooled proportion test is use. The test results indicate that both the banks are making their human

resource plan in the same line keeping an eye on the organizational development and technological advancement.

On the basis of the above discussion it is recommended that both the bank should do the job analysis first and then go for recruitment. Job analysis and work load analysis should be the basis of human resource planning. Whatever may be the situation manpower demand and supply plan should be in the context of perspective business development plan and expansion program of the bank.

7.2. Recommendation of the Study:

7.2.1 Human Resource Planning in the Banks should be done Considering The Future Challenges:

In view of the fast changes that are taking place in the financial sector in recent time, commercial banks have to gear themselves for developing the qualitative skills of the employees in a major way. Additional challenges in the form of increase in the expectations from the banking clients, technological developments, information based functioning, New orientation of human resources whose priorities are totally different from the older generation of bank and changing priorities of unions and management bring about added responsibilities also make it rather compulsory for top managements to look into manpower planning exercise more carefully. In addition to meticulous planning, continuous training and employee development activities have to be undertaken to reduce the impact of employee skills at various levels.

7.2.2 Human Resource Planning should be in the line of overall strategy of

the bank: It is needed to prepare a document containing both short, mid and long term manpower plan. This document must focus on manpower demand and supply plan in the context of perspective Business Development Plan and Expansion Program of the Bank. The manpower demand plan shall determine quantitative, qualitative, temporal, locational and manpower supply plan will include the source and supply of manpower.

7.2.3 Workload analysis should be done for the fixation of workforce: The first and foremost criterion for fixation of manpower strength is workload of the branches and offices. Branch wise detail workload analysis should be done. Daily average number of transaction and per employee average number of transaction should be assessed.

7.2.4. Performance should be considered in the rank structure: In the manpower plan this aspect should get proper attention. Manpower productivity of the banks has been steadily increasing since inception of the bank. Man power productivity of he banks in all areas of performance should be considered in the rank structure.

7.2.5 Job Schedule is an important determinant of manpower strength: A typical organogram of the branches should be drawn and shown to the branches. Development-wise functional job schedule of the branches should be placed. The works shown in the job schedule are major indicative jobs area of the branch and have been arranged in logical sequence. These job schedules can further be developed giving minute details of work preparing work flow diagram. Job schedules will be an important determining manpower strength.

7.2.6. Deterioration of the effectiveness of the public sector banks depends on the manpower plan: Public Sector banks in Bangladesh occupy a key position and also play a key role in the total development efforts of the country. A developing country like Bangladesh must, therefore, give serious importance on its Public Sector banks as they are the major participants in banking service of the country. It is observed that customer service and helping attitude of the executive and employees of Agrani Bank, an important Public Sector bank, are deteriorating day by day. The main cause of the situation is the deterioration of the effectiveness of the manpower plan, political influence on the executive by the trade union.

7.2.7. Modification of the banking Procedure depends on the recruitment of technical skilled person: Needless to say, technological innovations can significantly alter the productivity scenario in banking sector. Banking procedure need to be modified to modernize it in accordance with modern banking with a view to avoid monotonous and dull day to day banking business. For this purpose, each branch or office can be computerized gradually. By this way heavy work load can be minimized and the employees can enjoy their routine work instead of being bored.

7.2.8 Emphasis should be given on Training and Research: Training facility should be streamlined further both on-the-job and institutional for highlighting manpower productivity in Banks. Training and research are essential elements of improving the quality of bank management and efficiency of banking operations. The banking industry has a crucial role to play in the operation of the complex economic presently developed in Bangladesh.

7.2.9. The Structuring of Banks: To achieve this goal, the public sector bank may have to be completely restructured. The people serving the bank have to be completely oriented and trained in new attitudes and skills. An entirely differently system of education and training is necessary for bank personnel's of modern days. Each public sector bank should have separate training and research division. No wide plan for training of its employees within country and outside country is made. Certain percentage of the total annual expenditures of the bank should be earmarked for this division.

7.2.10 Formulating a standard promotion policy: The easy solution in this case is to maintain a permanently declared promotion policy where the promotion criteria will be straight and every employees will know about the criteria. This will help the employees to work with initiative and enthusiasm for building-up better career. Hence public sector banks should follow a stated promotion policy so as to make the jobs of the bank attractive private sector may have their own policy. Banks management should follow policy blindly at the time of implementation. However, there should have the scope for improvement in the policy where necessary. But new policy of promotion during every promotion season should be avoided. It is observed that the vital cause of dissatisfaction of the employees of almost all level is the non-compliance of a stated and pre-determined promotion policy. This situation

disheartened employees and frustrated them working spontaneously. Hence, the promotion policy should be clear-cut and open to all the employees of all level so that all the employees can pay their utmost efforts to prove eligibility which will remove all doubts and discontents and ultimately help good performance.

7.2.11 Banking Institution should not be used as political institution:

However, it may be emphasized that the banking institution should not be used as political weapon and that the banking activities should be based on sound banking principles. In this way executives of bank can be helped to achieve recovery target of loans and advances which ultimately help career building. Local and political pressure also creates negative impact on the arena of job satisfaction. Sometimes the pressure by the political leaders and influential local persons adversely affect the banking activities. It was reported by the employees of several branches of banks that they have to face undue pressure for sanctioning of loans and advances who are otherwise not eligible under the stipulated credit norms of the bank manager and other employees of the bank are sometimes threatened for direct consequences. This type of environment has a very bad impact on the morale of the bank personnel and to a great extent adversely affects their efficiency. It is, therefore, necessary that the bank employees should not only be protected from such undesirable happenings, but at the same time, a mechanism should be devised for sanctioning loans only for genuine purposes like commercially viable and socially productive. At this point, higher management should arrange a good liaison between the controlling offices and the concerned banks branches regularly.

7.2.12 Inclusion of personnel rules for the banks: It is observed that personnel department has been strengthened in public Bank rather late. The following suggestion are given for implementation for personnel rules of public and private Banks.

- a) It is desirable to entrust the powers of formulating personnel rules to the management of the bank themselves. Government should not insist public Bank for getting personnel rules approved by government. However, some degree of uniformity in the systems of recruitment, promotion and retirement is, perhaps, inevitable in all public sector

banks, since all of them satisfy the basic considerations of equity and openness of procedures.

- b) A large size bank like Agrani Bank should set out the basic guidelines on recruitment, promotion and disciplinary action. So that, without giving rise to anarchy, the system will allow desirable flexibilities in the implementation of the principles according to the needs of individual projects within the bank.
- c) Government should share with the responsibility of success and failures of bank business since it participate with power of formulating rules of bank. Unfortunately, the managers of public sector banks, loose much of their pride in job, since the government rarely accepts responsibility for incurring losses and accumulated problems.

7.2.13 Participation in Decision Making: Like many other countries, public sector banks, in particular, have been expected to introduce employee participation in management in an effective manner. This is possible in two different levels:

- a) Joint consultative councils may be established on which the managers as well as the employees of banks may be represented or
- b) the board of directors may include employee members. Agrani Bank may implement this two system simultaneously. These may be inspired by the directors to achieve good industrial relation in Agrani Bank. This will allow the insiders to represent the Board gradually. Further, if no provision is made for the inclusion of some manager and employee representatives to the board, the goal cannot be achieved.

7.2.14.Consideration of Industrial Democracy.Though considerations of industrial democracy justify the inclusion of labor representatives on the board and the social objective of public sector bank encourage Government to bring about it, there are some inherent problems in this system. Hence, these should be carefully consulted before taking any decision in this regard:

- a) The employees, particularly in developing country like Bangladesh, are alleged to lack directorial capacity.
- b) It is inadvisable to constitute the board of directors on the basis of class interests and representations because the board may tend to be divided house.

7.3. Conclusion: Human Resource is the engine of growth that put all other resources in to action and get things done including business and economic activities. It is therefore important to plan the human resources as efficiently as possible. If human resource is not planed and a dealt with in a right an ethical manner the work effort will be effected adversely which will intern effect the overall performance of the bank.

It can be said that no system or procedure is cent percent perfect or above any criticism. A service industry like the banking require the proper kind of personnel, at proper time, at proper places to achieve the company's objectives such as: Providing banking services to the people in the country at the role of banking branch per population of so may thousands in so may years.

However, it is not just the business plan, but also a plan describing the future organizational structure that is essential for determining the manpower requirements. This relationship on the other hand is not unidirectional. Manpower being one of the resources of the organization, is also a constraint on its business and organizational structure. Non availability of certain type of manpower in critical positions and places can effect alternations in business plan and therefore in the organizational structure. Just as the Manpower Plan is a derivative of the business plan and organizational plan, the profit plan is essentially a derivative of the Manpower Plan and Business Plan.

To conclude it should be borne in mind at all times that banks stand at the center of all economy activities in the modern state and society, it is built upon trust and trust is uphold by the human resources. Human Resource always remains in the pivotal role. At the end it may be said an organization that does not do planning for human resources may find that it is not meeting either its personnel requirements or its overall goal effectively.

Appendices

APPENDIX-A

QUESTIONNAIRE FOR RESEARCH ON "HUMAN RESOURCE PLANNING IN THE BANKING SECTOR OF BANGLADESH"

[All data are strictly confidential and will be used only for academic purposes]

Set-1: Questionnaire Schedule for Senior Executive and Decision-maker of Banks.

01. Name of the Bank :
02. Respondent:
- a. Name :
- b. Address :
- c. Designation :
- d. Education Qualification :
- e. Length of Service :
03. Does your bank consider the following items while preparing a formal Human Resource Planning?

Sl. No.	Items	Yes	No	Partially
a.	Formal Human Resource Planning			
b.	Demand forecasting			
c.	Supply forecasting			
d.	Determining manpower grouping			
e.	Formulating manpower plan			
f.	Annual/Periodical wastage plan			
g.	Long term and short term plan (depending on the growth pattern of organization)			
h.	Long and short term plan on technological changes			

04. Does your bank consider the following items while recruiting and selecting an employee?

Sl. No.	Items	Yes	No	Partially
a.	Do you have skill inventory?			
b.	Is job analysis done before recruitment?			
c.	Are job description and job specification done before selection process?			
d.	Do you have a recruitment policy?			
e.	Does the selection criterion commensurate with the rank status of the employee?			
f.	Is there any pre-employment training?			
g.	Is there any orientation program for the new employee?			

05. For the career development of the Human Resources, do you have the following things?

Sl. No.	Items	Yes	No	Partially
a.	Is there any method of assessment for training need?			
b.	Does it follow any selection system for trainees?			
c.	Is there any career planning?			
d.	Do you have any management development plan?			
e.	Do you have a training Institution?			
f.	Do your bank provide field training facilities?			
g.	Do you have the provision of on the job training and off the job training?			

06. Do you feel that the environment in your bank persists the executives to work spontaneously due to the existence of the following factors?

Sl. No.	Item	Yes	No.	Partly	Not willing to answer
a	Opportunity for promotion and advancement				
b	Appreciation for good work done				
c	Reward according to performance				
d	Sympathy and help on personal matters				
e	Opportunity for training within the country and abroad				
f	Opportunity for creative thinking and expression				
g	Opportunity for participating in decision-making activities				
h	Opportunity for helping other people				
i	Job security and job stability				
j	Opportunity to exercise power and authority				
k	Opportunity for children education and family employment				
l	Rest room facility				

07. Do you think that the following provisions exist in your bank for the welfare of the employees?

Sl. No.	Item	Yes	No.	Partly
a	Wages and Salaries			
b	Bonus			
c	Share of profit			
d	Housing facility			
e	Pension facility			
f	Insurance facility			
g	Transport facility			
h	Medical facility			
i	Telephone facility			
j	Lunch subsidy			
k.	Leave facilities			
l.	Other facility			

08. Do the trade union leaders influence on the following areas?

Sl. No.	Item	Yes	No.	Partly
a	Do you think that the trade union is running as per trade union rule in your bank?			
b	Do you feel that the trade union leaders working for the betterment of the general staff?			
c	Do you think that the influence of trade union leaders breaking the discipline of the employee?			
d	Do you agree that the trade union leader are influencing the policy making of the bank?			
e	Do you feel that trade union activities are the major factor to create a gap between the officers and employees of the bank?			
f	In the appointment and selection of Class-III and Class-IV employee trade union plays a vital role, Do you agree or not?			
g	Does the trade union follow the trade union rules?			
h	Should trade union be attached with national politics?			

09. Comments on the followings:

- a) Who should assess the training needs and prepare the training plan?
- b) Selection criteria for training should follow the of top down or bottom up theory?
- c) Should there be any mandatory pre-employment training before final selection?
- d) How job securities of the employees can be protected?

10. Would you prefer to get a job in private or public sector banking?

11. Special Comments (if any)

Signature of the Investigator

Dated:

APPENDIX-B

QUESTIONNAIRE FOR RESEARCH ON "HUMAN RESOURCE PLANNING IN THE BANKING SECTOR OF BANGLADESH"

[All data are strictly confidential and will be used only for academic purposes]

Set: 2 Questionnaire Schedule for Employees:

Dated:

01. Name of the Bank

02. Respondent:

a. Name :

b. Address :

c. Designation :

d. Education Qualification :

e. Length of Service :

03. How your bank fill-up the manpower demand plan in the following aspects?

S1. No.	Item	Yes	No.	Partly
a.	Vacancy is announced as per entitlement			
b.	Recruitment is done from the internal candidates			
c.	Selection is done as per job specification			
d.	Skilled person are taken to fill-up the vacancis			

04. What are the opinions of the employees regarding training and development for their career?

S1. No.	Item	Yes	No.
a.	Did you go through any formal training to perform your job?		
b.	Do you feel that you can perform better if you are trained for job that you perform?		
c.	Do you have a job description?		
d.	Do you have any charter of duties		
e.	Do you feel that you are over loaded with your job?		

05. Do you feel that the environment in your bank persists the employees to work spontaneously due to the existence of the following factors:

Sl. No.	Item	Yes	No.	Partly
a.	Opportunity for promotion and advancement			
b.	Appreciation for good work done			
c.	Reward according to performance			
d.	Sympathy and help on personal matters			
e.	Opportunity for helping other people			
f.	Job security and job stability			
g.	Opportunity for children education and family employment			
h.	Rest room facility			

06. Do you think that the following provisions exists in your bank upto your satisfaction?

Sl. No.	Item	Yes	No.	Partly
a.	Leave facilities are adequate			
b.	Wages and Salaries			
c.	Bonus			
d.	Share of profit			
e.	Housing facility			
f.	Pension facility			
g.	Insurance facility			
h.	Transport facility			
i.	Medical facility			
j.	Lunch subsidy			
k.	Other facility			

07. What is your opinion regarding the activities of trade union?

S1. No.	Item	Yes	No.	Partly
a.	Are you the member of any trade union			
b.	Do you think that your trade union leaders are looking after the welfare of the employee?			
c.	Are the trade unions establishing a job security system for their members?			
d.	Do you think trade union leaders are properly working as Collective Bargaining Agent for the employee?			
e.	Are they successfully promoting the interest of the employees?			
f.	Do you think that the trade union leaders are using their political influence for the interest of the bank?			

08. Would you prefer to get a job in private or public sector banking?

09. Special Comments (if any):

Signature of the Investigator Dated:
Dated:

APPENDIX-C

QUESTIONNAIRE FOR RESEARCH ON "HUMAN RESOURCE PLANNING IN THE BANKING SECTOR OF BANGLADESH"

[All data are strictly confidential and will be used only for academic purposes]

Set-3 Questionnaire Schedule for Trade Union Leaders:

01. Name of the Bank:
02. Name of the Trade Union:
03. Registration No. and date:
04. Respondents:
 - a. Name:
 - b. Address:
 - c. Designation:
 - d. Trade Union Position:
05. While planning human resources for your bank what are your contribution in the following areas?

S1. No.	Item	Yes	No.	Partly
a	While assessing the human resource requirement do the authority discuss with you?			
b	Do they follow the bottom up system of manpower planning?			
c	While appointing Class-III and Class-IV employees do you have any say on it?			
d	Can trade union help any employee during their posting or transfer?			
e	Do you feel that the bank authorities are satisfied with the activities of trade union?			

06. What are the role of trade union in the career development of the employees in following areas?

Sl. No.	Item	Yes	No.	Partly
a	Do you get any training facilities for the development of your career?			
b	While assessing training need do the bank authority discuss with you?			
c	Do specific supervisions need training in supervisory and human relation skill?			
d	Do you think that the attitudes of the supervisor may be changed through training?			

07. Do you thing that the following provisions are made upto the mark by the management for motivating the executives and employees of your bank?

Sl. No.	Item	Yes	No.	Partly
A	Wages and Salaries			
b	Bonus			
c	Pension facility			
d	Insurance facility			
e	Housing facility			
f	Canteen facility			
g	Transport facility			
h	Medical facility			
i	Ration facility			
j	Special cash reward			
k	Leave salary encashment			
l	Lunch subsidy			
m	Other facility			

08. Do you observe that environment in your bank persist the executives and employees to work spontaneously due to the existence of the following factors?

S1. No.	Item	Yes	No.	Partly
a	Opportunity for promotion and advancement			
b	Appreciation for good work done			
c	Reward according to performance			
d	Opportunity for training in the country			
e	Congenial environment for work			
f	Opportunity for making friendship			
g	Opportunity for personal growth, development and self fulfillment			
h	Job security and job stability			
i	Opportunity for children education and family employment			
j	Evening class facility			
k	Close employer-employee relation			
l	Athletic facility			
m	Measurement and evaluation of employee performance			

09. Does the trade union have got influence on the officers and employees on the following aspects?

S1. No.	Item	Yes	No.	Partly
a	Do employees think they have some place to turn to solve problems beside their immediate superior?			
b	Do you feel that the officers do not like the trade union activities?			
c	Do you get due importance from the higher authority while taking decision regarding employees?			
d	Do you think that the employees feel that the trade unions are the save guards to their job?			
e	As trade union leader do you believe that you are working as negotiator on behalf of the employees?			

10. a. If your association is given an option to suggest demand for additional

benefit for the employees of your bank then which demand would you prefer first.

i)

b. Please name another two additional benefits which you like to place.

i)

ii)

11. Any special comment:

Signature of the Investigator
Dated:

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