

**A COMPARATIVE STUDY OF COMPUTERIZED MANAGEMENT INFORMATION
SYSTEM BETWEEN PUBLIC AND PRIVATE BANKING SECTOR OF
BANGLADESH: FOR HUMAN RESOURCE MANAGEMENT**

GIFT

Submitted to:
University of Dhaka
For M.Phil. Degree

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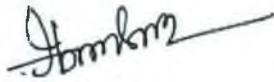
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Declaration

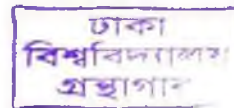
I hereby declare that the dissertation entitled "*A Comparative Study Of Computerized Management Information System Between Public And Private Banking Sector Of Bangladesh : For Human Resource Management*" is prepared by me through an original research work under the supervision of Professor Iqbal Ahmad (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. Further I like to hold that no part of thesis has published in any academic journal.



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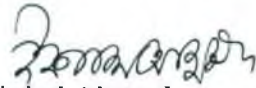
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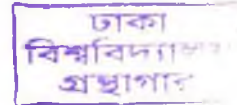
I have the pleasure to certify that the Dissertation entitled “A Comparative Study Of Computerized Management Information System Between Public And Private Banking Sector Of Bangladesh : For Human Resource Management” has been prepared by Md. Ibrahim Khalil, M.Phil Program, Registration No-433/2001-2002, Institute of Business Administration (IBA), University of Dhaka 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 final version of the Dissertation thoroughly and that the thesis may be sent for evaluation.



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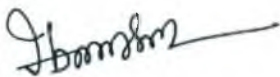
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Institute of Bank Management (IBBM), Bangladesh Institute of Management, Bangladesh University of Engineering Technology (BUET), Computer Science and Engineering (DU), Information and Communication Technology (ICT) DU, Banking Institute, Research and Management Information System Division (RMIS) DU, Bangladesh Institute of Islamic Thought (BIIT), University Central Library, and IBCS-PRIMAX Software (BD) Ltd.

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My professional background insisted me to study on Human Resource Management. After completion of my Honors and Masters (Management) 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 Duch-Bangla Bank Limited, Dhaka Bank Limited, IFIC Bank, Standard Chartered Bank, Sonali Bank 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

Executive Summary

The problem of Computerized Human Resource Management 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 Computerized Human Resource Management to attain strategic match with the changing environment. The present study entitled, “**A Comparative Study of Computerized Management Information System Between Public And Private Banking Sector of Bangladesh : For Human Resource Management**”, endeavors to trace this gap and, propose methods to solve it. This study suggests strategy which will enable to visualize the requirements of Computerized Human Resource Management to achieve the organizational goal in a rapidly changing environment.

The impact of different types of Computerized Human Resource Management has been examined in this study. How the human resource information system requirement is forecasted, human resource planning is prepared, employee needs are determined and employee training and development are 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 are 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 objects 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 hypotheses are tested through two samples pooled proportion test. That is the random samples from two different populations 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 was divided into three categories i.e. Decision makers, Executives, and Officers.

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, Sonali Bank from public banking sector and Duch-Bangla Bank Limited, Dhaka Bank Limited, from private banking sector has been considered as case study. 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 entry level staff and officer recruit 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 integrates 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 in a future date. This problem becomes more acute in respect of important personnel (especially 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

Executive Summary

banking clients, technological developments, information based functioning new orientation of human resources whose priorities are totally different from the previous generation and changing priorities of various managements. The study also confirmed that the Computerized Human Resource Management (CHRM) 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. Computerized Human Resource Management is the engine of growth that put all other resources into action and things done including all business and economics activities.

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List of Common Abbreviation

ACR	Annual Confidential Report
AGM	Assistant General Manager
AVP	Assistant Vice President
ASPC	Automated Service Providing Centre
ADB	Asian Development Bank
BAS	Bangladesh Accounting stadareds
BBC	Bangladesh Bank Circular
BUET	Bangladesh University of Engineering Technology
BIBM	Bangladesh Institute of Bank Management
BIDS	Bangladesh Institute of Development Studies
BIIT	Bangladesh Institute of Islamic Thought
BIM	Bangladesh Institute of Management
BARD	Bangladesh Academy for Rural Development
BCA	Bank Companies Act
BBS	Bureau of Business Research
BS	Burea of Statistiecs
CSE	Computer Science and Engineering
CMIS	Computerized Management Information System
CB	Corporate Branch
CIB	Civil Information Bureau
CPM	Critical Path Method
CEO	Chief Executive Officer
DMD	Deputy Managing Director
DBL	Dhaka Bank Ltd.
DBTI	Dhaka Bank Training Institute
DBBL	Dutch-Bangla Bank Limited
DGM	Deputy General Manager
DMD	Duputy Managing Directon
DO	Divisional Office
DU	Dhaka Unversity
EDP	Excutive Development Programmes
EDM	Executives and Decision Makers
EVP	Executive Vice President
FAS	Financial Accounting Standard
FI	Financial Incentives
FEX	Foreign Exchange
EBL	Estran Bank Litimed
GM	General Manager
GB	General Branch
GOB	Government of the Pepole's Republic of Bangladesh
HRMS	Human Resource Management System

HRDD	Human Resource Development Division
HRP	Human Resource Planning
HRM	Human Resource Management
HRIS	Human Resource Information System
ICT	Information and Communication Technology
IBB	Institute of Bankers, Bangladesh
IBA	Institute of Business Administration
ICMAB	Institute of Cost and Management Accountants of Bangladesh
IFI	International Financial Institutions
IBS	Institute of Bangladesh Studies
IBBL	Islami Bank Bangladesh Limited
IDB	Islamic Development Bank
ILO	International Labor Organization
INV	Investment
LC	Letter of Credit
LO	Local Office
MD	Managing Director
MP	Manpower Planning
MBA	Masters of Business Administration
MBM	Masters of Bank Management
MBO	Management by Objective
MC	Ministry of Commerce
MIS	Management Information System
MOF	Ministry of Finance
NBL	National Bank Limited
NCB	Nationalized Commercial Bank Limited
NPS	National Pay Scale
PAS	Performance Appraisal System
PS	Performance Statement
PATC	Public Administration Training Center
PERT	Program Evolution Review Technique
PCB	Private Commercial Bank
PLS	Profit Loss Share
PO	Principal Officer
PM	Personnel Management
SEO	Senior Executive Officer
SO	Senior Officer
SPO	Senior Principal Officer
SCB	Standard Chartered Bank
SHS	Standard Hour System
SVP	Senior Vice President
SEVP	Senior Executive Vice President
UGC	University Grants Commission
UNDP	United Nations Development Program
VP	Vice President
WB	World Bank

Chapter One

Introduction

<i>1.1 Research Background</i>	<i>2</i>
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Introduction

(In this chapter we present the background of the subject and give an overview of the research problem Statement. We also discuss the objectives of the study, Brief Review of Related Literature, Research Questions, Hypothesis of the study, Justification and Plan of the study of the thesis.)

1.1 Research Background: Human Resource Management Systems play the most vital and prominent role at different management levels in any organizations. Human Resource Management Systems utilize the total workforce systematically and efficiently. It is acknowledged that banks play a pivotal role in the development of a country through their services as financial intermediaries. Public Sector banking introduced all over the country to reach banking services to the doorstep of the masses to enable them to participate in the economic development of Bangladesh. The main objective of the banks is to realize profits by providing various financial services for trade, commerce and general customers and thus help to eliminate poverty from the country. The peoples of Bangladesh were lacking expertise to some extent to manage particularly big enterprises that faced problems of monumental dimensions after the liberation war. All these consequences created a blockade in the economy. As an alternative institution banks in private sector became imperative, tend in private sector, banks are found to work in some selected commercial and industrial areas. Banks are financial institutions which play 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 economic growth of the financial institution of Bangladesh depends on the level of performance of the employees and executives of both public and private sector. Banking is a very significant factor for the purpose of obtaining the highest possible benefit.

Today, the human resource proportion has matured from an administrative support role to a key strategic function in a manner operate the organization successfully. The evolution has been intimately linked to change workplace values, economic 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 organizational personnel due to the lack of computerized human resource management. In this era of 'Human Capital and Resource information', a study on "*A Comparative Study Of Computerized Management Information System Between Public And Private Banking Sector Of Bangladesh : For Human Resource Management*" 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 of qualified people in the right job at the right time. Computerized Human Resource Management 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 Management Information System 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.

There is no analytical information that exists on prevalence of human resource information system 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 its employees. But there are very few studies on how all these basic problems should be incorporated in computerized human resource planning in the banking sector particularly of Bangladesh.

There are no prefixed indicators for assessing the manpower and work load of the personnel which are generally measured on the basis of thumb rules. Comparing the changes occurring during the last 30 (thirty) years in Bangladesh, the banks face multiple challenges and 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 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".¹ Banks 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 tasks. 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 for 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, the 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 the Banking sector of Bangladesh.

¹ V.S.P Rao "Bank Management Chapter-9 Manpower Planning in a Bank", Discovery Publishing House, New Delhi, 1999

As a result the government and bank managements wondered as to how to maintain industrial relations or to defuse industrial tensions. All public sector banks are in bad shape as per the recent public relations affairs, the recent politicization of the union activities and deterioration Bank Security etc. In view of the first changes that are taking place in the financial sector in present 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 previous generation 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.

Muhammad Mahbub Ali has 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 is not equipped to respond to the needs of twenty first century. Default culture, old and back dated banking procedures, lack of coordination between proper human resource management system and bank schemes, lack of market research for analyzing customer psychology, inefficient banking services, lack of performance planning etc. are creating bottlenecks in local banks to attain international standard."²

² Muhammad Mahbub Ali, "Globalization and corporate Planning of Banks in Bangladesh: A security of Bankers opinion.

Bangladesh Business Year Book -2002, P-503

Observation : *From the above discussion it is observed that lack of coordination between proper Human resource management information system 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 Brief Review of Related Literature:

A number of studies on various activities of HRM have been conducted in Bangladesh. However, most of them are not very comprehensive and covers only part of the total Human Resource Management activities. Besides, very few of them have dealt with the public and private Organizations. A brief review of the studies conducted is given below.

A.H.M Habibur Rahman (1975) explained the significance of financial incentive as a motivation force in increasing the productivity and focused on its significance in Bangladesh.³

G.M Shahidul Alam (1977) critically discussed the prevailing performance appraisal system of the Bangladesh Bureaucracy.⁴

Mainuddin Afza (1978) assessed the role of training as one of the factors of performance development and showed the usefulness of extensive use of training facilities to improve the working performance of the personnel work in the industries in Bangladesh.⁵

Md. Ataur Rahman (1983) critically evaluated a few aspects of the training of personnel in commercial banks and suggested measures to improve the training of personnel engaged in commercial banks of Bangladesh.⁶

³ A.H.M Habibur Rahman, *Financial Incentive as a Motivating*, *The Dhaka University studies*, Vol. XXIII, Part A, 1975 pp.138-14

⁴ G.M. Shahidul Alam, "Reflections of Performance Appraisal", *the Dacca University Studies*, Vol.XXIX, PartA, 1977, pp.58-66

⁵ Mainuddin Afza . "Role of training in industrial Performance Development with references to situation in Bangladesh". *The Dacca University Studies*, Vol. XXIX, PartA, 1978, pp. 107-117

⁶ Md. Ataur Rahman : *Demand for Particepation among industrial workers: Case study in Bangladesh*, *The Dhaka University Studtes Part C*, 3(2), 1983, pp.127-135

Abu Hossain Siddique (1984) focused on the practice of performance appraisal system for executives in nationalized Banking sector, private Banking sector, multi-national corporations and government bureaucracy, reasons for dissatisfaction among executives of these various sectors, objectives of executive performance appraisal, and suggestions for improving the 'existing performance appraisal system by the executives of these organizations.⁷

Abu Hossain Siddique(1985) observed certain damaging effects of salary compression of different groups of people in Bangladesh between 1929 and 1979.⁸

Abu Hossain Siddique (1985) discussed the evolution of fringe benefits as a compensation device and its importance in the productivity of employees, explored the practices of fringe benefits in the government bureaucracy, nationalized Banking sector, private Banking and multi-national corporations in Bangladesh and also showed the costs of those in relation to total compensation of the different levels of executives in each sector.⁹

M. Habibullah (1986) gave emphasis on training-need-assessment in the organizations of Bangladesh to make training productive and to increase the return from investment in the training programmes and here the author provided a general focus an training need assessment in the organizations¹⁰

Md. Abbaas Ali Khan and Md. Ali Akkas (1990) identified some characteristics of a sound promotion policy on the basis of available literature and studied existing promotion system of the nationalized commercial banks and also examined views of the respondent employees in this Regard, the study focused only existing promotion system of the nationalized commercial banks.¹¹

⁷ Abu Hossain Siddique "Performance Appraisal for Executives and its relation to Compensation", *The Dhaka university studies*, Part-C.5(2), 1984, pp.39-54

⁸⁻⁹ Abu Hossain Siddique "Compression of Salary Structures of Higher Level Executive in Bangladesh". *The Dhaka University Studies*, Part-C.6(1), 1984, pp. 111-115

¹⁰ M Habibullah, " Relevance of Training and its Investment- Worth". *The Dhaka University Studies*, Part-C, 7(2), 1986, pp.27-36

¹¹ Md. Abbas Ali Khan and Ah Akkas, " An Appraisal of the promotion System in Nationalized Commercial Bank in Bangladesh" *The Dhaka University Studies*, Part-C, Voll-11(1), 1990, pp.139-154

Anwar Hossain (1992) identified the practices of human resource management and strategic Panning among the non-profit organizations of Bangladesh.¹²

A.T.M. Zahurul Huq(1993) highlighted the strategies for human resource development taken so far in Bangladesh, achievement in this area and suggested some measures for minimizing mismatch between demand for and supply of educated manpower in the job market.¹³

Zakir Hossain and Faruq Ahmed (1996) focused on the practice of human resource Planing in CARE (Cooperation for American Relief Everywhere), which is a non-profit organization.¹⁴

Mohiuddin and Kazi Shariful Alam (1997) dealt with the compensation system of private commercial banks in Bangladesh with special emphasis a salary structure.¹⁵

It is clear from the above review of most of the studies conducted on the Human Resource Management System practices in Bangladesh on the private banking sector and nationalized commercial banks are not sufficient. Moreover, no comprehensive study dealing with various human resource management systems practices has been conducted into private sector. So, it is worthwhile to conduct a study on different human resource practices of in the private banking sector and nationalized commercial banks in Bangladesh, which may serve as a meaningful starting point.

¹² Anwar Hossain, " Human Resource Management and Strategic Planning" *Journal of Business Administration, University of Dhaka Vol. 18 No.172,1992,pp51-59*

¹³ A.T.M Zahurul Huq, " Human Resource Development planning in Bangladesh Employment" , *Journal of Business Administration, University of Dhaka, Vol. 19 No.1 &2 1993,pp. 1-19*

¹⁴ Md. Zakir Hossain & Faruq Ahmad " Human Resource Planning in Bangladesh. *Dhaka University Journal of Business Studies, Vol. XVII, No.2 .December 1996,pp.207-227*

¹⁵ Mohiuddin and Kazi Shariful Alarn " Compensation System of the Private Commercial Bank in Bangladesh" *Dhaka University Journal of Business Studies, Vol. XVIII, No.1 June 1997,pp219-232*

1.4 Need for Research Questions: From the observation it is clear that to find out the right number of talents with appropriate skill at the required time is 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 computerized management information system in the banking sector and related issues. However, the specific research questions are the following:

1. How the banks are preparing their Computerized Human Resource Management which has been practiced for their placement and development both in public and private sector bank?
2. Do banks have appropriate long term strategies for the utilization, allocation and control of human resources information system?
3. Whether the present banking system can linkup the Human Resource Management System with corporate strategy?
4. What should be the future policy for guide line functions to visualize organization position quite ahead in terms of the category wise requisite skill of employee?
5. Which policy presently is followed for the acquisition of human resources information system and their development?
6. What should be the policies to retain acquired human resources information system 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 Management system?

1.5 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 Management System to achieve the organizational goal in a rapidly changing environment by a comparative study of Human Resource Management Information System between public and private Banking sector.

The specific objectives of the study are as follows:

1. To investigate whether the Human Resources Management Information system 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 identify main component of Computerized Human Resource Management determining factors influencing public and private banking sector of Bangladesh.
3. To provide policy suggestions to improve human resource management system of Bangladesh.
4. 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.

1.6 Hypotheses of the Study:

Accomplishment of the above mentioned objectives in the banking sector Bangladesh, the following hypotheses are proposed:

- 1) **Hypothesis -1:** Computerized Human Resource Management (CHRM) 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 choose the right person as an employee.
- 3) **Hypothesis-3:** Computerized Human Resource Management System reduces the operating cost of the bank particularly the Human Resource Department of the banks.
- 4) **Hypothesis-4:** The overall productivity of the HR department changed positively on adoption of Human Resource Management System.
- 5) **Hypothesis-5:** Training provisions are kept to ensure the career Development of view officers and employees.

1.7 Justification of the Study:

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

It is expected that the findings of this study will be of great use of the policy makers, the planners, the management of banks, system analyst and the government to ensure and effective control over employee cost by providing both shortages and surpluses of personnel in the banking organizations. In view of the first changes that are taking place in the financial sector in recent time, commercial banks 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 markets are becoming based on the skill and the abilities of people not on machines."¹⁷

¹⁷ Fred. H. Maident /2003:7

1.8 Plan of the Study: This section provides a brief description of the organization of the present study. The whole structure of the thesis is planned to be divided into different 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. 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 Human Resource Management System 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 Computerized Human Resource Management and its implication in the Banking Sector: *This chapter is developed to describe the concept of Human Resource Information system. This chapter describes the public and private sector banking in general and a study of Sonali, Agrani , Dutch-Bangla Ltd. and Dhaka Bank Ltd. describes the historical background, objective and policy of public banks. It also gives an overview of HRM of Sonali, Agrani , Dutch-Bangla and Dhaka Bank.*

Chapter 4: Human Resource Management in public sector banking (Public Bank): *This chapter describes It covers the historical background, evolution, approaches, features, phases, planning factor, auditing, forecasting factors and action area of Human Resource Planning. In addition, 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 5- Banking Organization of Human Resource Department: This chapter deals with the human resource system, profile of the employee and human resource policy in the private sector banking a specific study of Dhaka bank Ltd. and Dutch-Bangla Bank Ltd. deals with the concept of ideology, emergence, and complete Dhaka bank Ltd. and Dutch-Bangla Bank Ltd .

Chapter 6- Employee Personnel in public and private Bank: This chapter details with the comparative study of various data and analysis of the survey regarding Recruit and selection, Orientation Job Description between Private and Public Bank. Hypothesis is tested by proper statistical tools and findings of the study have also discussed here.

Chapter 7- Development of Employee in public and private bank: This chapter details with the Training, Promotion , Performance Appraisal and Transfer in the public and private sector banking a specific study of Dhaka bank Ltd. and Dutch-Bangla Bank Ltd. and Agrani Bank and Sonali Bank.

Chapter 8- Compensation of employee: this chapter Discus Compensation is what employee gets in exchange for their contribution to the public and private banking organization. In other words, employee compensation includes all type of pay or rewards system, which goes to employees and arises from their employment

Chapter 9- Analysis of Data, Testing of Hypothesis and Findings of the study: This chapter deals with the comparative study of various data analysis of the survey regarding Computerized human resource management between Dutch-Bangla Bank & Dhaka bank and sonali Bank & Agrani Bank. Hypotheses are tested by proper statistical and findings of the study have also discussed here.

Chapter 10- Summary of the study, Recommendation and Conclusion: This chapter includes the summary of the study and concluding remarks for policy implementation which may be used for future guideline in banking sector

Chapter-Two
Research Methodology

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2.0 Methodology

For the smooth conduct of the research work, this chapter is devoted to develop a theoretical model that would be helpful to explain the Human Resource Management Information System (HRMIS) 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. The present study is mainly based on questionnaire and direct interview of the executives and decision makers and employees of public sector bank normally Agrani Bank, Sonali and from private sector Bank Dhaka Bank Ltd., and Dutch-Bangla Bank Ltd.

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 Computerized Human Resource Management Information factors of the executives and employees of Agrani Bank and Sonali Banks are public sector bank Dhaka Bank and Dutch-Bangla Banks are private sector bank. Currently these banks emphasize on Human Resource Management System 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."¹⁸

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 populations 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.

¹⁸ H.R.Smith, *management: Making Organizations Performs* New York: Macmillan publishing co, Inc, 1980, p.300

2.1 Selection of the study area:

The selection of the Dhaka Bank, Dutch Bangla Bank and Agrani, Sonali 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 cooperation. Agrani and Sonali Bank are the largest nationalized banks and Dhaka Bank Ltd., Dutch-Bangla Bank Ltd. are the largest private bank of Bangladesh. The Head Office (HRM-division), Zonal Office, Training Institutions and branches has been taken purposefully for the study. The selection of the branches, however, is made on the basis of random sample table.

2.2 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 sources. At the first hand information was collected through primary inquiries from the field with a view to obtain the information afresh. However, the venture of primary source was avoided where secondary data were available. Time and cost involvements have also got a determining effect upon the choice.

2.3 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 Dhaka Bank, Dutch Bangla Bank Limited and Agrani Bank and Sonali 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), University of Engineering Technology (BUET), Computer Science and Engineering (DU), Information and Communication Technology (ICT) DU, Banking Institute, National library, and the American center and British council in Bangladesh (BD). 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.

2.4 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 Dhaka Bank, Dutch Bangla Bank Limited and Agrani Bank and Sonali Bank from three tiers.

(1) First tier stratification includes the and decision makers of Dhaka Bank, Dutch Bangla Bank Limited and Agrani Bank and Sonali Bank.

(2) Second tier stratification includes the respondents from executives of Dhaka Bank Ltd, Dutch-Bangla Bank Limited and Agrani Bank and Sonali Bank (other than executives and decision makers).

(3) Third tier stratification includes Officers of Dhaka Bank, Dutch-Bangla Bank Limited and Agrani Bank and Sonali Bank.

b. Method of Selection:

(1) **Decision makers :** Arrangements were made to conduct interview of the Decision makers of Dhaka Bank, Dutch Bangla Bank Limited and Agrani Bank and Sonali Bank through interview schedule in different areas of Bangladesh. A reasonable percentage from all these categories was chosen based on random sample method in different areas of Bangladesh, especially, the Head Office (HRM Division), Divisional Offices, Zonal

Office, Training Institute and ten selected branches of both Dhaka Bank, Dutch- Bangla Bank Limited and Agrani Bank, Sonali Bank.

2. **Executive:** Arrangements were made to conduct of the Executive of Dhaka Bank, Dutch-Bangla Bank Limited and Agrani Bank and Sonali 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, Divisional Offices, one Zonal Office, one training institute and 10 selected branches of both Dhaka Bank, Dutch-Bangla Bank Limited and Agrani Bank, Sonali Bank.

3) **Employees (Officer):** In banks employees means persons employed below the rank of junior officer. Two classes of employees namely class II and III were also taken into consideration. Arrangements were made to conduct interview of a suitable percentage (approximately 5%) of the total number of employees, selected through random sampling.

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.

2.5 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 Dhaka Bank, Dutch -Bangla Bank Limited and Agrani Bank, Sonali Bank into three main groups namely,

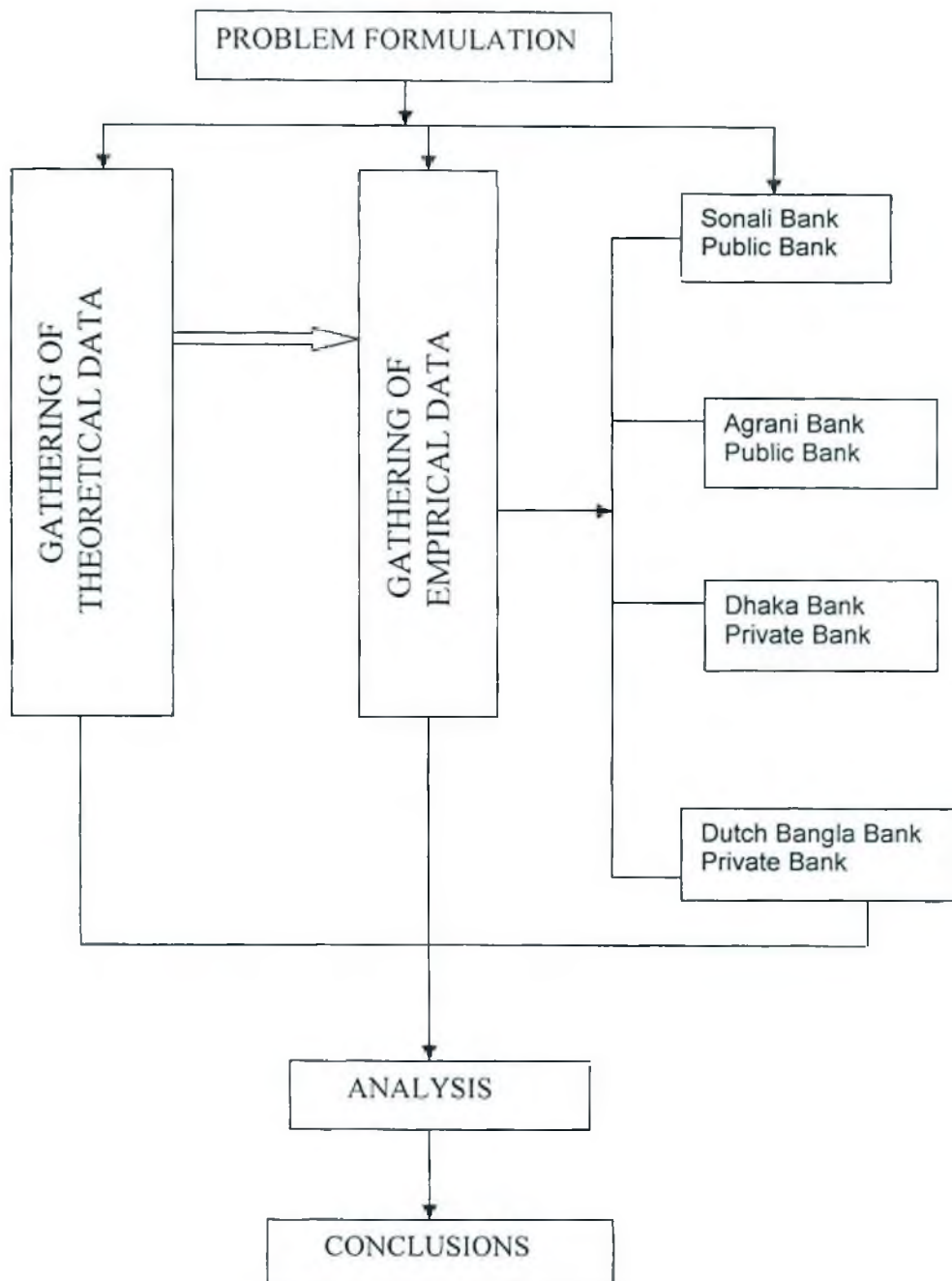
- a) Decision makers (High Level)
- b) Manager/Executive (Mid Level)
- c) Officer

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

- (a) Decision makers are those who are by designation officer, i.e. from DGM to Managing Director (MD) of Agrani Bank, Sonali Bank and Assistant Vice President (AVP) to Senior Executive Vice President (SEVP) for Dhaka Bank & Dutch Bangla Limited.
- (b) Managers/Executives are those persons who are officer, i.e. from senior officer (SO) to Manager of Agrani Bank, Sonali Bank, Dhaka Bank & Dutch-Bangla Bank Limited.
- (c) Officers are those persons who assist officers in accomplishing the day to day banking activities of Agrani Bank, Sonali Bank, Dhaka Bank & Dutch-Bangla Bank Limited.

2.6 Research Model (Figure -1)

Shows the Research Model of the Study:



2.7: Population size: sample Size shown in figure -2 and sample size are shown in table -1A and linked table -9, 10, 11 and 12.

Figure-2 –Population Size

List of Commercial Banks in Bangladesh.

A. NATIONALIZED COMMERCIAL BANKS

1. Sonali Bank
2. Agrani Bank
3. Janata Bank
4. Rupaii Bank Ltd

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. Ducth-Bangla Bank Ltd.
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.

28. South East Bank Ltd.
29. Standard Bank Ltd.
30. The City Bank Ltd.
30. The Trust Bank Ltd.
32. United Commercial Bank Ltd.
33. Uttara Bank Ltd.
34. Brac Bank
35. IFIC Bank Ltd.

D. FOREIGN BANKS

01. American Express Bank Ltd.
02. Standard Chartered Bank
03. Bank of Tokyo Mitsubisi 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

1. Bangladesh Krishi Bank
2. Bangladesh Shilpa Bank
3. Rajshahi Krishi Unnayan Bank Ltd.
4. Bank of Small Industries and Commerce Bangladesh Ltd.
5. Bangladesh Shilpa Rin Sangstha
6. Basic Bank

2.7.1 Sample size:

Random sample from each population were selected and computed the mean of the two samples. To find out right placement of the human resources the study considered both type of banks i.e. public and private bank. Agrani Bank, Sonali Bank from public banking sector and Duch-Bangla, Dhaka Bank Limited, from private banking sector has been considered as case study.

Table No-1A

Sample size and number of actual respondents public and private bank

Name of Bank	Decision Maker	Mid level	Officer
Sonali Bank	50	200	225
Agrani Bank	60	210	220
Dhaka Bank Ltd.	50	75	100
Dutch-Bangla Bank Ltd.	45	60	95

a) Number of sample size position wise 50, 200, and 225 of 5% and total number of actual sample 50 (Agrani Bank) .Sample Size categories of Respondents 60 high level, 210 mid level and officer are 220. Actual sample sizes are 50(Sonali Bank).

b) Number of sample sizes are 50 of 20% and 75, 100 of 5%. Actual number of sample 50 (Dutch Bangla Bank Ltd.), Rank wise sample size 45, of 20% 60, and 95 of 5% and actual sample 50(Dhaka 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) Decision makers (High level)
- b) Managers/Executives (Mid level)
- c) Officer

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) Respondents 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, tested 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 follows 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 by Douglas A Lind, William G. Marchal, Sammel.¹⁹

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

¹⁹ Douglas A Lind, William G. Marchal, *Statistical techniques in Business and Economics* MC Graw-Hill, Sammel A wather-2005: Edition-11, P-362

2.12 Limitations of the study

1. Interviewing target respondents adopted convenience sampling as alternative to random sampling, at some phases where it was found the respondents inaccessible or not available, convenience sampling was applied simultaneously.
2. Large and wide geographical sample could not be taken due to financial constraints.
3. 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.
4. 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-Three

Concept of Computerized Human Resource Management and its implication in the Banking Sector

<i>3.1 Historical Background of Public & Private Sector Banking In Bangladesh</i>	<i>27</i>
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<i>3.4 Human resource information system implication in the Banking sector</i>	<i>35</i>

3.1 Historical Background of Public and Private 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 interest's at large.²⁰ 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.²¹ 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 December 16, 1971 with an inheritance of long standing economic problems. Despite, the banking scene in public sector was careful as observe by Monjur Morshed Mahmud and Shanti Ranjan Das (1986).²²

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 of resource concentration into the hands of private capitalists who were presumed to invest

²⁰ BD. Mishra 1970 *The Nationalization in Indian Banks*, Neemach M. P: Commercial Book Centre Private Limited, P.1)

²¹ Myrdal 1968, *Asia Drama: An enquiry into the Poverty of Nations*, Vol 11, New York., Pantin, P1152

²² Monjur Morshed Mahmud and Shanti Ranjan Das, "Published in *Portfolio Behavior of nationalized Commercial Bank of Bangladesh: A decomposition Analysis*" *Chittagong University Studies*, 1986, *Commerce*, Vol.2, P.65

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."²³ 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.²⁴

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.²⁵

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 was rapid transformation of purely profit-oriented, private owned and urban.

²³ Zaimul Abedin, *Opcit*, P.75

²⁴ Clare E. Humphrey 1990, *Privatization in Bangladesh: Economic Transition in Poor country*, Bolder Sanfransisco and Oxford overview Press, P.28

²⁵ GOB, *The Bangladesh Gazette, extraordinary, Government of Bangladesh, 26 March, 1972, President Order No. 27*

based banking sector into a development oriented and social-justice based public sector banking.²⁶ After liberation, Bangladesh endeavored to give the fruits of freedom to its entire 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.

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.²⁷

All these reality led the government to nationalize the banks and financial institution of the country viz. Two Bangladeshi Banks with 155 offices and 10 Pakistani Banks with 920 offices on March 26, 1972 by a presidential order.²⁸ the three foreign banks working in Bangladesh at that time of liberation war and they are 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).

²⁶ Monzur morshed and Shanti Ranjan, *opcit*, P.66

²⁷ Abedin, *Opcit*, P.79

²⁸ Abedin, *Opcit*, PP.79-80)

These banks were merged and grouped into six commercial banks (Monjur Murshed and Shanti Ranjan, op cit., P.65)²⁹. The names of these banks were Sonali Bank, Janata Bank, Agrani Bank, Pubali Bank, Rupali Bank and Uttara Bank.

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.

3.2 Agrani Bank and Sonali Bank (public Bank): Its Origin: Agrani Bank and Sonali Bank is public sector bank. It is important to note that, the origin, objectives and functions of each bank must be clearly analyzed to understand the human resource 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.

The structure of the 10 Pakistani banks re-organized into 4 new banks as well as two renamed Bangladeshi banks.³⁰

Name of Re-organized Bank	Name of the Banks of the then Pakistan
Sonali Bank	i. National Bank of Pakistan ii. Bank of Bahawalpur Limited iii. The Premier Bank Limited
Agrani Bank	i. Habib Bank Limited ii. Commercial Bank Limited

Source: Government of Bangladesh, Resume of the activities of Financial Institution Bangladesh

²⁹ Monjur Murshed and Shanti Ranjan, op cit., P.65

³⁰ Government of Bangladesh, Resume of the activities of Financial Institution Bangladesh (First Issue), (Dhaka, 1973) pp 11-12

3.3 A Brief Overview of Agrani Bank:

3.3.1 Background: 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.³¹ When Bangladesh came into existence, the West Pakistani owner left the Bangladesh territory. Eventually, ten of the Pakistani banks were merged into four newly re-organized banks. At that time, there were two 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 1976.³² Later in 1982, it was further decided that some of the nationalized banks would immediately be denationalized.

3.3.2 Main Objective: The accounting policy comprises principles and basic assumptions, concepts, rules, practices and procedures adopted by management for reporting the activity of the Bank and financial statements preparation and presentation. The purpose of accounting policy is to provide the necessary organizational and methodological unity in carrying the accounting activity of the bank.³³

3.3.3 Operational Network and Deposits: 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 core and paid-up capital of Tk. 1.00 core. Initially the Bank had deposit of Tk. 96.17 core, advances of Tk. 76.56 core, and borrowings of Tk. 29.48 core and investment of Tk. 11.00 core. 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 core and paid-up capital at Tk. 248-42 core 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 (*Agrani Bank, Annual Report 2003-2005*)³⁴.

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.

3.3 A Brief Overview of Sonali Bank:

3.2.1 Background: Sonali Bank is one of the important commercial bank which was nationalized on March 26, 1972. It was established through amalgamation of the then National Bank of Pakistan, Bank of Bahawalpur Limited and the Premier 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.³⁵ 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.

3.3.2 Main Objective: The main objective of the bank is to provide all types of banking services at the door-steps of the people. The bank also participates in various social and development programs and also takes part in implementation of various policies and promises made by the government.

³³ *Annual Report 2005, Agrani Bank, p-36*

³⁴ *Annual Report 2003-2005, Agrani Bank*

³⁵ *Government of Bangladesh, Resume of the Activities of the Financial Institutions in Bangladesh (First Issue) Dhaka: 1973) P. 10. As referred' by Abedin, ibid, PP 79-80*

3.3.3 Operational Network and Deposits: The Sonali Bank through its 1183 branches (1181 domestic and 2 overseas at Kolkata and Siliguri of India) have been providing banking services to its customers. Out of total 1183 branches, 621 are operating in rural areas and 562 in the urban areas. Besides, 25 booths under different branches are performing

specialized functions at different locations. The overall functions of the branches are supervised and monitored by 69 administrative offices. This administrative structure comprises Head Office in Dhaka, 6 General Managers' offices-one each in Dhaka, Chittagong, Khulna, Rajshahi, Barisal and Sylhet, 41 Principal Offices and 21 Regional Offices all over the country.

Since 10 December, 2002 Sonali Bank (UK) Ltd. (a joint venture company of Sonali Bank & Govt. of Bangladesh) has been operating to channelise banking activities covering the whole Europe. Besides, the Bank has established a wholly owned subsidiary company in New York, USA in the name of Sonali Exchange Company Inc. to act as an international money transmitter through which Bangladeshi citizens living in the USA are conveniently remitting money to Bangladesh. There are three representative offices of Sonali Bank in Jeddah and engaged in motivating Bangladeshi expatriates living there to remit money through banking channel.

Total deposit of the bank as on 31 December, 2005 is Tk. 27,707.90 cores which shows an increase of Tk. 248.51 core over that of the preceding year. The rate of increase in deposit was 9.85%. Total deposit comprises demand Tk. 20470.55 core. In Govt. Public and Private sector, the deposits are Tk. 2460.00, 4833.67 and 20,414.23 core respectively.³⁶

3.2 Dhaka Bank Ltd. (Private Bank): -Its Origin

Dhaka Bank Ltd. (DBL) was incorporated as a public limited company on April 06, 1995. It started its commercial operations on July 05, 1995 as a private sector bank with an authorized capital of Tk. 1,000.00 million. The total equity (capital and reserves) of the Bank as on December 30, 2003 stood at Tk. 10871.34 million.

3.3 A Brief Overview of Dhaka Bank Limited:

3.3.1 Background: A Public limited company incorporated in Bangladesh on 6th April 1995 under the Companies Act, 1994 and listed in Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The financial statements of the company are made up to 31 December each year, and are prepared under the historical cost convention and in accordance with first schedule of Bank Companies Act (BCA) 1991 as amended by Bangladesh Bank BRPD circular No-14 dated 25 June 2003, other Bangladesh Bank circular, international Financial Reporting standards adopted as Bangladesh Accounting standards (BAS), the Companies Act 1994, the Listing Regulations of the stock Exchanges, and securities and Exchange Rule 1987 and other laws and rules applicable in Bangladesh on a going Concern. The bank operates Islamic banking in two branches designated for the purpose in complying with the rules of Islamic shariah. The operations of Islamic Branches are accounted for and the financial statements of the branches are prepared as per Bank Companies Act 1991, Bangladesh Accounting Standards (BAS) and Financial Accounting Standard issued by the Accountancy & Auditing organization for Islamic financial institutions for which a separate set of books and record are being maintained.³⁷

3.3.2 Mission and Vision of Dhaka Bank: Mission - To be the premier financial institution in the country providing high quality products and services backed by latest technology and a team of highly motivated personnel to deliver Excellence in Banking.

Vision - At Dhaka Bank, it draws their inspiration from the distant stars. Dhaka Bank committed to assure a standard that makes every banking transaction a pleasurable experience. Dhaka Bank is to offer razor sharp sparkle through accuracy, reliability, timely delivery, cutting edge technology, and tailored solution for business needs reach in trade and commerce and high yield on investment. Bank goal is to achieve a distinction like the luminaries and prime objective is to deliver a quality that demonstrates a true reflection of its vision excellence in Banking. Dhaka Bank Values are customer Focus, Integrity, Quality, teamwork, Respect for the Individual, Responsible Citizenship.

3.3.3 Operational Network and Deposits: As of December 31,2005 total deposits of the bank stood at Tk.28,439 million excluding call cover night against Tk.22.270 million of previous year registering a 28% growth. At the same time, strict compliance of central bank regulations and adherence to Money Laundering Prevention Act 2002 were ensured. The Bank through its 32 branches have been providing banking services to its customers. Out of total 34 branches, 20 are operating in town areas and 10 in the Districts areas.

Besides, 05 booths under different branches are performing specialized functions at different locations.

3.2 Dutch –Bangla Bank Ltd. (Private Bank): -Its Origin:

Dutch-Bangla Bank Limited (the Bank) is a scheduled commercial bank. The Bank was established under the Bank Companies Act 1991 and incorporated as a public limited company under the Companies Act 1994 in Bangladesh with the primary objective to carry on all kinds of banking business in Bangladesh. DBBL- a Bangladesh European private joint venture scheduled commercial bank commenced formal operation from June 3, 1996 as a private sector bank with an authorized capital of Tk. 400.00 million. The Bank's investment, during the year, were made mostly government securities which stood at Tk.3,499.74 million as on December 31,2005 as against Tk.2,034.97 million in 2004.³⁸

3.3 A Brief Overview of Dutch –Bangla Bank Ltd:

3.3.1 Background: Dutch-Bangla Bank Limited (the Bank) is a scheduled commercial bank. The Bank was established under the Bank Companies Act 1991 and incorporated as a public limited company under the Companies Act 1994 in Bangladesh with the primary objective to carry on all kinds of banking business in Bangladesh. The Bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The financial statement of the bank have been prepared in accordance with "First Schedule" of the bank companies Act 1991 as amended under sub-section 38(4) of the Act, Bangladesh Bank Circulars, Bangladesh Accounting Standards, the companies Act 1994, the securities and Exchange Rules 1987 and other rules and regulations applicable in Bangladesh.

3.3.2 Main Objectives: Dutch-Bangla Bank believes in its uncompromising commitment to fulfill its customer needs and satisfaction and to become their first choice in banking. Taking cue from its pool of esteemed clientele, Dutch-Bangla Bank intends to pave the way for a new era in banking that upholds and epitomizes its vaunted marques “ YOUR TRUSTED PARTNER”

3.3.3 Operational Network and Deposits: The Bank through is 28 branches have been providing banking services to its customers. Out of total 30 branches, 20 are operating in town areas and 07 in the Districts areas. Besides, 03 booths under different branches are performing specialized functions at different locations. As of December 31,2005 total deposits of the bank stood at Tk.27,241.11million excluding call cover night against Tk.21,067.56 million of previous year registering a 29.30% growth. Overall deposit mix of the Bank also showed marked improvement with the time deposits stood at 84.67% and demand deposits stood at 15.33%, which during the year 2004 was 87.86% and 12.14%.³⁹

3.4 Human resource information system implication in the Banking sector:

New Banking software system has been implemented in all branches of Public Bank and Private Bank. The system produces consolidated Balance Sheet and profit & Account. These consolidate records are maintained at the Head office of the Bank based on which these financial statement have been prepared.

The human resource function is responsible for attracting, developing, and maintaining the Banks work force. Human resource information system support activities such as identifying potential employees, maintaining complete records on existing employees and creating programs to develop employee’s talents and skills.

Strategic-level human resources systems identify the manpower requirements (skill, educational level, types of positions, number of positions and cost) for meeting the Banks long-term business plans. At the management level, human resources systems help managers monitor and analyze the recruitment, allocation and compensation of

employees. Knowledge systems for human resources support analysis activities related to job design, training and the modeling of employee career paths and reporting relationships. Human resources operational systems track the recruitment and placement of the banks employees.

Human resource management information system maintains basic employee data, such as the employee's name, age, sex, marital status, address, educational background, salary, job title, date of hire, and date of termination. The system can produce a variety of reports, such as lists of newly hired employees, employees who are terminated or on leave absence employees classified by job typically designed to provide data that can satisfy federal and state record keeping requirements for Equal Opportunity (EEO) and other purposes.⁴⁰

³⁶ *Annual Report 2005, Sonali bank, p-16-17*

³⁷ *annual report 2005-2006, Dhaka Bank,*

³⁸ *Annual report 2005, Dutch-Bangla Bank Ltd.*

³⁹ *Annual report 2005,utch-Bangla Bank Ltd*

⁴⁰ *Kenneth C. Laudon Jane P. Laudon , Management Information System, 2004 by Prentice-Hall, p-50*

Chapter –Four

Human Resource Planning system in Banking sector (Public Bank and Private bank):

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4.1 Human Resource 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 employee 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".⁴¹

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.⁴²

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".⁴³

b. Human Resource 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.

4.2 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 are a systematic process for setting policies governing the acquisition, use and disposition of personnel in order to achieve organizational objectives.

⁴¹ Geislars, *Human Resource Planning, Ibid Chapter-2*

⁴² Geislars, *Human Resource Planning, Ibid Chapter-1*

⁴³ Coleman, *Manpower Planning or Human Resource Planning, Chapter definition-3*

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.

4.3 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 independent function in the personnel department.
- 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 and approaches. It defines HRP as the Strategy for acquiring, utilizing, improving, and preserving and enterprise's human resources. Implicit in this definition is the need to:

- (1) Evaluate present employee resources
- (2) Forecasting future employee needs, and
- (3) Take measures to ensure availability of employee 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 difficulty activity and inhibit its acceptance as a major management function.

4.4 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 form 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)".⁴⁴ 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.

4.5 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.

- e. Effecting Manpower planning in the banks.
- f. Ethical Dilemma in banks.
- g. Ethical values in banks.

4.5.1 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-toad 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; (iii) 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).

⁴⁴ Yoder and Heneman, 'Management Information System(s), 1979

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, and aptitudes and Experience necessary to perform a Job effectively.⁴⁵

4.5.2 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.

⁴⁵ VSP Rao-*Manpower Planning in Banks, Ibid, P. 173*

4.5.3 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.

4.5.4 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 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.)

4.5.5 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.

4.5.7 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.

4.5.8 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. 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.

4.6 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,

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.

4.7 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.⁴⁶

⁴⁶ David carse 1999, Deputy Chief Executive of the Hong Kong monetary Angetay, While presenting his keynote paper at the banking conference on Business Ethics in Hong Kong

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 regards 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.)

4.8 Norms and moral values In Banks: Customer [or public] relations are 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.⁴⁷

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."⁴⁸ 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 ethics⁴⁹.

⁴⁷ M. Syeduzzaman, former Minister for Finance "Unethical banking practices have also been engendered by policies at various times

⁴⁸ 2002 World Development Report on the basis of empirical studies

⁴⁹ Dr. Khan AR-Business Ethics P-1

Chapter -Five

5. Banking Organization System of Human Resource Department

<i>5.1 Human Resource Department</i>	<i>57</i>
<i>5.2 Profile of the employee Of Human Resource Department</i>	<i>60</i>
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Banking Organization of Human Resource Departments

The practices relating to organization of human resource departments have been discussed three heads: (i) Human Resource Department; (ii) Profiles of the Employees of Human Resource Department; and (iii) Human Resource Policies.

5.1 Human Resource Department:

Organization (formal) may be defined as "The process of *identifying and grouping the work to be performed, defining and delegating responsibility and authority and establishing relationships for the purpose of enabling people to work most effectively in accomplishing objectives.*"⁵⁰ In other formal organization, which is also called the superstructure of an organization, is the way to grouping the personnel into different departments, divisions or sections. This structure also tells us how these departments are related to one another and which departments have strategic importance and which departments do not have.⁵¹ A separate department usually comes into view when human resource activities become a burden to other departments in the organization.

when a human resource department first emerges, it is typically small and to deal with growth demands, the department becomes more important and more complex.⁵² However, mere creation of human resource department will not ensure solution to all problems. "Personnel Department have to be more active, progressive and worthy of respect"⁵³

5.1.1 Name of the Departments performing Human Resource Functions:

It has already been mentioned that Human Resource is the term, which reflects the increased concern both society and organizations have for people. 30% of the Banking sector covered by the Study use the term human resource department that performs human resource functions 50% of

⁵⁰ Louis A. Allen, *Management and Organization*, McGraw-Hill Book Company, New York, 1958, p.57.

⁵¹ Tripathi P.C., *Persomel Management (Theory and practice)*, New Delhi 10002, 1980, p.21.

⁵² Williarh B. Werther and Kefth Davis, *Human Resources and Personnel Management*, McGraw-Hill, INC., New York, pp.16-17.

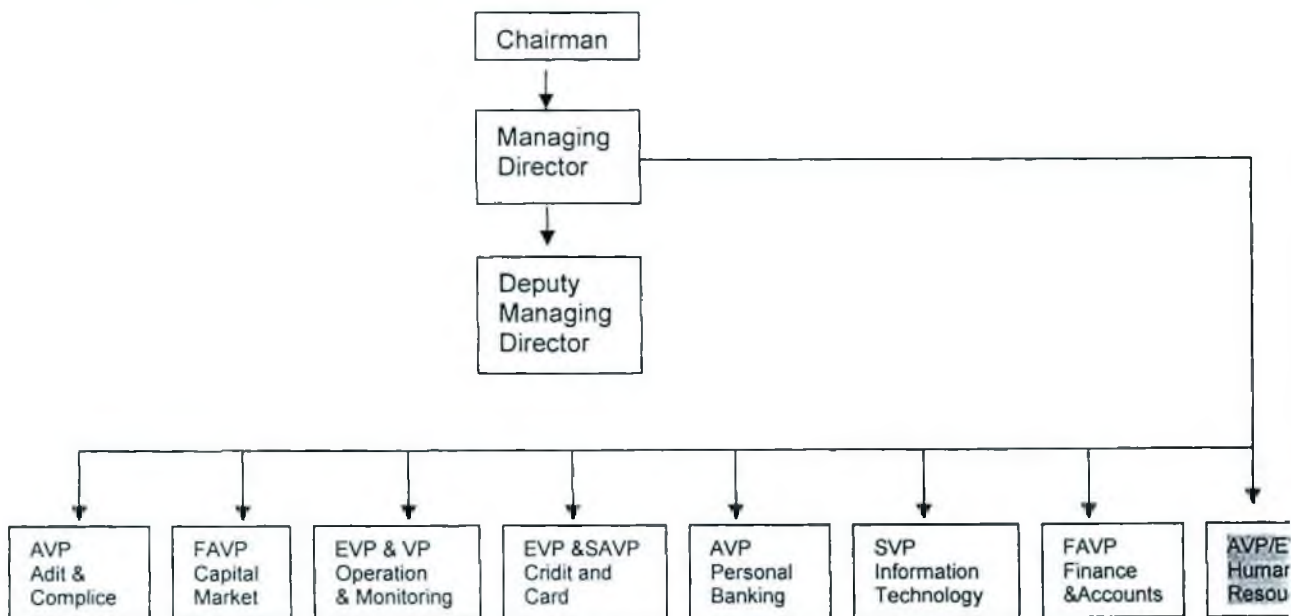
⁵³ Fred K. Foulkes, "The Expanding Role of the Personnel Functions", *Harvard Business review*, vol.53, No.2, March/April,

They use the term personnel department and the rest 20% use the term personnel and general Affairs department. Analysis on the basis of the size of the Banking sector showed that all the Public Bank covered by the study use the term human resource department for the department that perform human resource functions. On the other hand, all Private Bank call it personnel department. However, 60% of the Banking sector call it personnel department and the rest 40% use the term personnel and general affairs department.

5.1.2 Place of Human Resource Departments in the Private bank under study:

In all the Private Bank under study, Human Resource Departments are under the direct control of the chief and are enjoying the status of staff department.

Figure 5.1 Place of Human Resource Departments in the Private Bank (Dhaka Bank Ltd. & Dutch-Bangla Bank Ltd.) under study



Now,

- AVP (Assistant Vice President)
- FAVP (First Assistant Vice President)
- VP (Vice President)
- SVP (Senior Vice President)
- EVP (Executive Vice President)

5.1.3 Banking Organization Patterns of Human Resource Departments in the Private under study:

Only 40% of the Banking Organization could supply organization charts of their Department. The other Department does not have their set organization chart. However, on the basis of the information supplied by the heads of the human resource departments of the Private bank, organization patterns of human resource departments are as follows:

Figure No. 5.2: Banking Organization Pattern of Human Resource Departments in Private Bank (Dhaka Bank and Dutch-Bangla Bank).

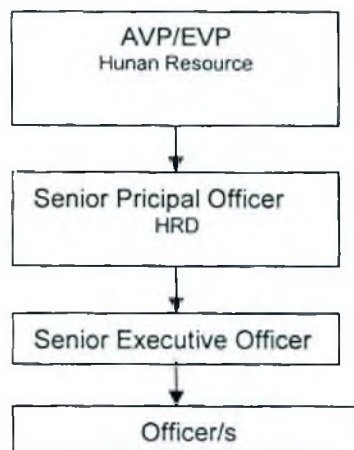
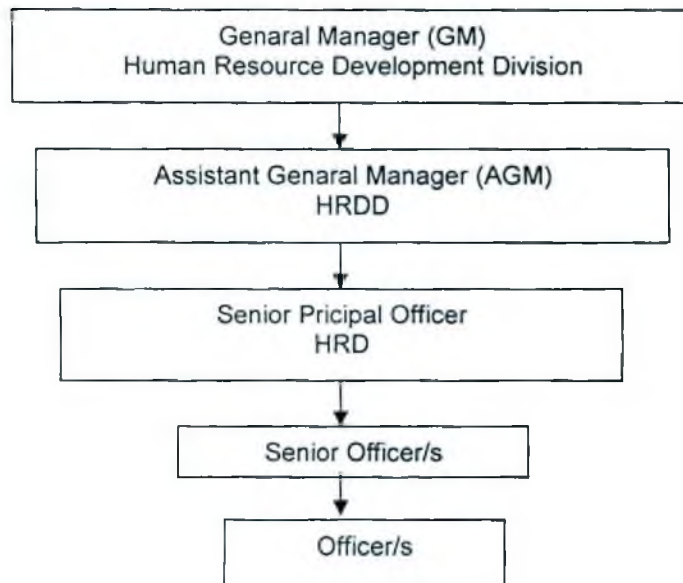


Figure5.3 Organization Pattern of Human Resource Department in Public Bank (Sonal Bank and Agrani Bank)



One striking of the HR department in the entire banking sector is that the size of the department is small and there is very little specialization in the activities performed by the very small number officers/executives in the department.

5.1.4 Other Functions performed by Human Resource Departments:

Human resource departments of all the Banking organizations perform other functions such as management of security, transport and property, public relations, etc. in addition to human resource functions.

5.1.6 Average Employment Strength and Size of the Human Resource Departments during 2004:

The average size of the human resource departments in the banking sector irrespective of their sizes is 5.5. In Foreign Bank, Private Bank, and Public bank the average size of the human resource departments are 4.2, 5 and 8 respectively. The average size of the officer's strength in human Resource departments is 2.7 and the average sizes of the officer's strength in Foreign Bank, Private Bank, and Public bank are 1.8, 2.8 and 4.33 respectively.

5.2 Profile of the Employees of Human Resource Departments:

In this study an attempt was made to focus on the profiles of the employees of human resource departments such as age, sex, marital status, academic qualifications, training, experience and authority of the employees of human resource departments.

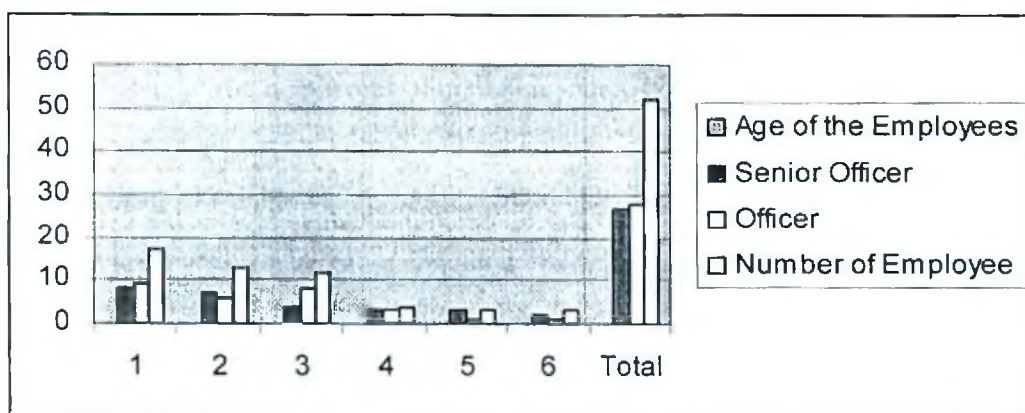
5.2.1 Age of the Employees of Human Resource Departments:

The table 5.1 shows the employees of human resource departments by age. The mean age of the employees (including both officers and staff) is 34.82 with standard deviation of 7.37. When the employees were segregated into two --constituents' --officers and staff, it was found that the mean age of the officers is 35.52 with standard deviation of 8.03 and the mean age of the staff is 34.14 with standard deviation of 6.75.

Table 5.1 Age of the employees of human resource departments

SL NO	Age of the Employees	Senior Officer	Officer	Number of Employee
1	25-29	8	9	17
2	30-34	7	6	13
3	35-39	4	8	12
4	40-44	3	3	6
5	45-49	3	1	4
6	50 -54	2	1	3
Total		27	28	55

5.4 Multiple Bars showing Age of the Employee of Human Resource System.



5.2.2 Employee of Human Resource Department by Sex and Marital Status:

The table 5.2 shows sata regarding sex and marital status of the empolyee of human resource departments of the 55 employees male accouted for 92.73%; of the 27 senior officer, 88.89% are male and the 28 officer, 96.43% are male.

Among 51 male employees, 60.78% are married among 4 female employees only 25% are married. The data regarding the marital status of the employee indicate that the percentage of unmarried female employees is higher than that of married female employees and the percentage of unmarried employees is lower than that of married male employees.

5.2.3 Academic Qualifications of the Employees of Human Resource Departments:

The Table 5.3 show the academic qualifications of the employees of human resource departments 65% of MBA or MBM or Master Degree and 20% of the Bachelor of the Master degree holder managers, only two have higher (doctoral) degree.

5.3 Academic Qualifications of the employees of human resource department (private Bank)

Level Qualification	Head of HR	Manager	Officer	Staff	Total
Master degree (MBM/MBA)	1	3	6	0	10
Bachelor Degree	0	1	2	1	4
H.S.C	0	0	0	3	3
S.S.C	0	0	0	4	4
Total	1	4	8	8	21

5.2.4 The table shows the experiences of the employees of human resource departments. The modal years of work experience of the employee is 2.71. When the employees were segregated into two constituents executive and officer, it was found that the modal work experience of the Executive is 2.77 and the modal work experience of the officer is 2.67.

5.4 work experience of employee of human resource departments

Work experience	Executive	Officer	Total
0-3	0	2	2
4-7	2	1	3
8-10	1	1	2
11-15	1	0	1
16-20 and above	1	0	1
Total	5	4	9

5.2.4 Status of Human Resource Managers:

Human resource manager of all the banking organizations enjoy the same status like other managers of different departments in terms of salary system and other facilities. In case of the other officers of human resource departments, these officers enjoy the same status like officers of other department of their banking organization.

5.2.5 Authority of Human Resource Managers:

In all the banking organizations covered by the study, HR manager enjoy line authority over the employee of their own departments and they enjoy staff authority in other departments i.e they can not issue order to employee of other departments. They advise the chief and other senior executives regarding HR system. Generally chief and other executives activity consider the advice HR manager and they may reject the advice of human resource manager of their organization but normally they consider the human resource manager's advice. However, they have authority to disregard the advices of the HR managers.

5.3 System of Human Resource policies;

Policies are guidelines to govern respective activities. Policies are vital for and banking organization. They provide stability, consistency and a framework to an organization. Human resource policies are guidelines to govern repetitive case of personnel activities as founde by Michael J.⁵⁴

5.3.1 Coverage the human resource policies in the private and public bank:

The banking organization covered by the study have human resource policies in following personnel matters, viz.

Selection

- (a) Promotion
- (b) Transfer
- (c) Discharge
- (d) Training
- (e) Hours of work
- (f) Compensation

⁵⁴ Michael J, Personal Management, Richard.D Irwin, Inc., Howewood, Illinois 60430, 1997, p58

Chapter - Six
Employee Personnel in public and private Bank System

<i>6.1 Job Description</i>	<i>65</i>
<i>6.2 Recruit and selection</i>	<i>67</i>
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6.1 Job Description and employee specification System

6.1.1 Use of job Description and employee Specification in the Banking system

Since the purpose of selecting employee is carry out the specific tasks by them, it is desirable to know about the jobs to be filled and kinds of people required to fill such jobs. Although line executives often keep such knowledge only in minds but the best practice for any size of the banking sector is to prepare job description and employee specification.⁵⁵ A job description is a statement which contains the objective facts regarding the duties and responsibilities of a specific job while a job specification is a statement which contains the facts regarding the minimum acceptable human qualities necessary to perform a job effectively.

Since both job description and specification focus on these two documents are often combined into one document commonly called a job description.⁵⁶

6.1.2 Human Resource Planning of Private bank

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 which are commercially more useful. It is a systematic process for setting policies governing the acquisition, use and disposition of Human Resources in order to achieve organizational objectives. It emphasizes on employees as assets instead of as costs. Human Resource planning usually involves:

- Demand work
- Supply work
- Designing the interaction between demand and supply.

Some of the factors that affect Human Resource Planning are:

⁵⁵ Michael J. Jucius. *Op.*, p.88

⁵⁶ William B. Werther jr. and Keith Davis, *Human Resource and Personal Management System. McGraw-Hill, Inc., New York, 1993, p.140*

- Product and Human skill mix.
- Role of government.
- Management Philosophy
- Business Forecasts.
- Design and Structural change.
- Role of Union.
- International Competition.

Human Resource Planning is directed towards the utilization and development of human resources.

6.1.3 HUMAN RESOURCE PLANNING AND ACQUISITION

6.1.3 Planning:

To keep up with the human resource planning requirements, Private Bank maintains a HRIS (Human Resource Information System) called the “People Soft” which is maintained in Local and International. People Soft keeps all the information about all the employees currently working and also who have previously worked in this bank. It is an online database maintained by the principal offices of the bank in different Location. It stores basic information about all its employees. These information include each employee’s recruitment date, personal information, academic and employment record, training undertaken, performance appraisal, career track record, future potential, career aspirations etc.⁵⁷

This planning of human resource in this bank is done to check the standing of the current human resource. This manpower planning is done to see whether the organisation has the right kind of people in the right number. Usually, this is required specially when the bank undertakes a new project or the business volume dealt with increases, then the bank checks its human resources. It first formulates a plan (called a capacity plan), prepares a budget to In response to questions about how they handle redundant people, the HR people told that since Private offers a high remuneration to its employees, it obviously gets people of high calibre and can afford to select from them. This firstly eliminates to about 90% the chance of selecting the wrong person. In the case of those who are not

performing to the level, they are accommodate the change in human resource composition and hires accordingly.⁵⁸

then given adequate training through coaching, most of the time; if even after that, they are not found up to the mark, offload is the last resort taken. “Offload” is the termination mode when a low performer is asked to resign.

Private Bank also carries out Succession Planning. This goes on as an automatic process to ensure that whenever a unit head moves in his career path, there is someone to fill in the vacant place. The senior manager/ unit head carries out a succession plan to pave his career path. The unit head monitors to see who can be his successor and coaches him accordingly.

6.1.4 Job Analysis:

It is very obvious that after human resource planning phase has been completed new posts may be created and jobs may have to be redefined. In such instances the job analysis used in Private Bank(Dhaka Bank) is the Hay Method. The Hay Method of job analysis is based on weights given to a job on the basis of the job dimensions present for that job.

Private Bank (Dhaka Bank) maintains a job description for each job and a job specification for every employee and based on these it conducts job evaluation. The job evaluation process is quite spontaneous; it is not done on a timely basis, but rather whenever a new post is created or the incumbent’s job volume is increased job evaluation is carried out. The latter paves a way for the incumbent’s career movement.

6.2 Human resource planning is the process by which an organization ensures that it has the right number and kinds of people, at the right places, at the right time, capable of effectively and efficiently completing those tasks that will help the organization achieve its overall objectives. Human resource planning, then, translates the organization’s

⁵⁷ HRIS system banking private banking interviews and manager command

⁵⁸ *Ibid.*, p. 148

objectives and plans into the number of workers needed to meet those objectives. The purpose of human resource planning is to assess where the organization is, where it is going, and what implications these assessments have on future supplies of and demand for human resources. Attempts must then be made to match supplies and demands, making them compatible with the achievement of the organization's future needs.

6.2.1 Recruitment Policy of Private Bank:

Private Banks recruitment goal primarily is to attract and recruit highly qualified human resources who will perform best in their respective areas. Here the bank not only tries to attract well-qualified candidates but also tries to identify and recruit persons seriously interested in working in the company for a relatively acceptable time period.

The need for recruitment is felt specially whenever a new post is created due to expansion of the bank. Succession planning also calls for recruitment sometimes if the vacant post cannot be filled from within.³⁹

- ❖ Private Bank neither promotes largely from within the organization nor hire from the outside for vacancies at all levels. When there is a sudden vacancy in any position and someone within the organization is found suitable to fill the position, internal recruitment takes place. External recruitment is practiced when suitable candidates for a position are not found.
- ❖ Private Bank always emphasizes on hiring for long-term career. It tries to attract and select those people who will move through the organizational hierarchy to the top positions in the future. To find the right person the company can tolerate delays if needed.
- ❖ Private Bank always recruits people with some creative ideas. Here recruitment is a part of constant development of business. Standard Chartered Bank wants its employees develop innovative ideas, which, if implemented, will bring about a great advancement to the organization.
- ❖ The Bank has developed a corporate culture where employees are not treated as mere employees. They are treated as associates of the organization. Together they form a family and all associates are the members of the family.

6.2.2 Corporate Policy

Private Bank prefers to recruits fresh graduates. The main view is that it will bring in new ideas and viewpoints into the business. Such ideas will be used in the development of leadership position.

6.2.3 Attracting Appropriate Candidates

Private Bank attracts fresh candidates. It also attracts experienced candidates through recruitment agencies and job application system.

6.2.4 Under Utilized Labor Pool

Private Bank presently does not have any arrangement for recruitment from people with disabilities. However the bank believes in equal opportunities and is trying to make the employment ratios more acceptable to all corners

6.2.5 Sources of Recruitment:

There is quite a number of recruiting sources used by this bank. In most cases the bank advertises in the newspaper and uses employment agencies. Now-a-days the internet has also become a very popular medium of collecting CVs. However all the sources are illustrated below:

6.2.6 Internal Search:

First of all, the HR Department searches for the capable person for any vacant post within the organization. It means that, they want to promote the lower order workers to upper order in the organizational chart. But for this promotion every employee has to have some qualifications and these are:

- (a) The employee must have the educational qualifications to fulfil the vacant position
- (b) S/he must be senior to the employees in his/her department
- (c) S/he must have to serve the organization for at least for a fixed period of time.

⁵⁹ Source public and private bank information organization document and management quarry

This period is variable for different posts. Such as, for promotion in the same department one worker only needs seniority and two years of service in the organization. But for promotion from service level to management level, one might need to have more experience. The bank promotes its employees who want to switch to other departments as it enables job rotation and makes the work more challenging and enjoyable to the incumbent.

6.2.6 Employee Referrals/Recommendations:

If the above process does not meet the requirement, the organization then goes for Employee Referrals or Recommendations. They suggest their employees to recommend some eligible persons for vacant posts and then test those persons and if they pass, give them the opportunity to work in the organization. Usually, officers in lower grades are recruited through this process. But these applicants do not get any preference over others; they also have to fulfil all the criteria of recruitment before being accepted for the job.

6.2.7 Advertisement:

When the organization requires quite a large number of people at one time, they go for advertisement in the national dailies. Advertisements are also used when the other options are not giving suitable results. Candidates with the required qualifications apply with a CV and with an application for the post advertised.

6.2.8 On Campus Presentations:

The bank also checks the educational institutions for fresh graduates. To ensure that an effective selection can take place the prospective employers, the senior managers of the bank gives presentations in the institutes to talk about what they are looking for and what they can offer and also know about the graduates' expectations.

6.2.9 Internet & Job Fairs:

Private Bank also takes CV's from the internet in their website. In Bangladesh Private bank also posts job ads in BDJOBS, a local job portal for recruitment.

The bank also participates in the various job fairs organized by the prominent business schools of the country.

6.2.9 CURRENT SELECTION PROCEDURE:

The selection process in private is no different from what is practiced in most organizations. It starts with initial screening of CVs, goes on to written tests and then a final interview before selecting the person. Any selection decision can result in one of the four possible outcomes. Two of these outcomes are right decisions and two are wrong decisions.

LATER JOB PERFORMANCE		ACCEPT	REJECT
	SUCCESSFUL	Correct Decision	Reject Error
	UNSUCCESSFUL	Accept Error	Correct Decision

TABLE: Selection Decision Outcome Grid

The current selection and recruitment process in Private Bank is described below:

6.2.10 Initial Screening

The process starts with initial screening- choosing from the CV's that fulfil the requirements best. After a vacancy is announced and CVs are already collected from different sources, the bank starts the initial screening process, they sort out the applications those have the actual qualifications (Degree, age, experience) for the post. Then these candidates are called for the written test.

6.2.11 Written Employment Test

Private Bank has a two step employment test. First the written test is taken and then the interview. Thus after the initial screening, next step is the written employment tests in which there are no laws against minority discrimination (women, people from different ethnic background) for the private firms and institutions, although the public sector organisations are bound to follow them. The written test is taken mostly to check the candidate's knowledge in the subject matter for which he is to be taken and also to check his written communication skill.

The bank normally holds the written test it self. However if there are many vacant positions and many candidates have been called for the written test, the bank normally employs agencies to do it for them. The bank sails the boat in that organization, where their cost will be minimal. The selected organization then takes the written test, screens out the answer sheets and sends the number-sheet to the bank. The bank has a preset standard score and those who have scored more than or equal to that score are called for the interview.

6.2.13 Interview

Next comes the comprehensive interview that is usually conducted by the respective senior manager for the department in which the candidate will be working, along with the Human Resource Manager.

After the interview the total marks of the written test and the interview are added. Those who are at the top of the final list get the opportunity for a final interview with the Management Committee Members. The background checking of the candidate is done by the HR department during this process.⁶⁰

But the type of interviewers varies with the position for which the interview is being conducted. If the interviewee is being interviewed for the position of unit head, he will be interviewed abroad usually by the CEO himself and the regional head of that unit. The interviews are always structured and each interviewer uses an interview sheet and grades

the candidate based on motivational level, communication skill, confidence, how he handles difficult situation etc.⁶¹

The candidates who pass both the written test and the interview are considered for final appointment. From those candidates, the required number of employees are taken and given the final appointment. These employees have to fill up an appointment form at the time of joining.

6.2.13 Background Investigation

Background Investigation is another important check the employer undertakes; it includes talking to colleagues, the referees- former employer, to make sure whether the information given by the candidate are true. This check is done to know more about the candidate's interpersonal skills, performance, the position he was in and so on. The last step includes the physical examination part and the psychological test to make sure the candidate can cope with the kind of pressure that he/she may have to undertake.

6.2.14 Job Preview

Lastly, after a candidate is chosen he is given a job preview- an idea of what the job would be like. Usually, during the interview and before the final offer is given, the candidate is briefed about his job.

6.2.15 Probation Period

Those of them, who are currently employed, do not have a previous banking experience have to go serve as a probation period for at least three months before getting confirmation as a full time employee. Those who have previous experience not necessarily need to be trained and go through the probation period. Sometimes the selected employee has to submit a bond that, s/he will not leave the organization before certain years of service.⁶²

⁶⁰ Gary dessler, *op.cit.*, p.217

⁶¹ *Ibid.*, p. 217

⁶² *Ibid*

6.2.16 ROLE of Line & HR Manager in Selection

Ideally the line and human resources managers should work hand in hand to make the whole selection process successful. In Private Bank, both the line managers like the operating managers and the staff managers like HR manger plays different role in the selection process.

Selection function	Line Manager	Human Resources Manager
Choice of selection criteria	Selected by Line Manager	Recommends and implements for selection criteria based on job specifications
Validation of the criteria		Performed by HR Manager
Application Blanks		Performed by HR Manager
Initial Screening	Performed by both	
Employment Tests		Performed by HR Manager
Interview	Conducted by the viva board headed by the Unit Head	
Final selection Decision	The Unit Head decides considering the viva board recommendation	

TABLE: Role of Operating & Personnel Managers in Selection

6.2.17 Human Resource Planing of Public bank:

Human resource planning is the forecasting of human resource needs and the projected matching of individuals withespected vacancies. HR planning being with several quations:

What new technologies are emerging and how will thise affect the work system?

What is the volume of the business likely to be in the next five to ten years?

What is the tunover rate, and how much, if any, is avoidable?

Answare these quations help define the derection for the organization’s HRM strategy. For example, if forecasting suggests a strong need more technically trained individuals, the

organization can define the jobs and skills needed in some detail, hire and train recruiters to look for the specified skills, and provide new training for existing employee. By anticipating future HRM needs, the organization can prepare itself to meet competitive challengers more effectively than organizations that react to problems only as they arise.

6.2.18 Recruiting system of public bank:

Recruiting is define as “activities or practices that define the characteristics of applicants to whom selection procedures are ultimately applied. Though we frequently think of campus recruiting as a typical recruiting activity, many public organizations use internal recruiting, or promote-from within policies, to fill their high-level positions. At sonali bank, for example, current employee are given performance when position opens. Internal recruiting has several advantages: it is less costly than an external search and it generate higher employee commitment, development and satisfaction because it offers opportunities for career advancement to employee rather than outsiders.

Frequently, however, external recruiting – recruiting newcomers from outside the organization is advantageous. Applicants are provided by various outside sources including advantageous.

6.2.19 Selection:

General managers is to select desired employees from the pool of recruited applicants. In the selection process, employee assess applicants’ characteristics in an attempt to determine the fit between the job and applicant characteristics. several selection devices are used for assessing applicant qualifications. The most frequently used are the application form, interview, employment test and assesment center.

6.3. Orientation: Orientation process public and private bank same. Orientation refers to the process of receiving and welcoming and employee at the time of his first joining a company and providing him the basic information he requires to settle down quickly and happily and to start work.⁶³ Orientation programs vary from brief, informal introductions to lengthy, formal programs.⁶⁴ A formal orientation programe provides following information to the new employees:⁶⁵

- Company history, products and major operations
- Geography of the plant
- Structure of the organization and functions of the various departments
- General company policies and regulations regarding salary and wage payment, hours of work and overtime safety and accidents, discipline and grievances, uniforms and clothing and parking.
- Economic and recreational services available
- Opportunities for promotion and transfer, job satisfaction and transfer.

Orientation programme, if handled correctly helps to reduce the discrepancy between what is expected by the new employees from his or her new job and the realities of it.⁶⁶ The activities of an orientation programme generally include group lectures, individual interviews with key people and company films and most programmes include a tour of the plant office.⁶⁷ Actually, orientation is one part of the employer's new employee socialization process.⁶⁸

⁶³ Michael Armstrong, *A Handbook of personnel Practices*, Kegan Page limited, London, 1977, p. 116

⁶⁴ Gary Dessler, *op. cit.*, p. 247

⁶⁵ P.C. Tripathi, *op. cit.*, p. 117

⁶⁶ Gary Dessler, *op. cit.*, p. 247

⁶⁷ P.C. Tripathi, *op. cit.*, p. 117

⁶⁸ The term socialization is the ongoing process to instil in all employees the prevailing attitudes, standards, values, and patterns of behaviour that the organization and its departments expect. Gary Dessler, *op. cit.*, p. 247

Chapter -Seven

7. Development of Employee in public and private bank

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For the purpose of this study, practices relating to development of employees have been discussed under four heads: Training, promotion, performance Appraisal and Transfer.

7.1 Training:

Although training and education are closely related to each other, they are not the same thing. The term training is used "to indicate any process by which the aptitudes, skills and abilities of employees to perform specific jobs are increased."⁶⁹ On the other hand, the term education refers to the task of "increasing the knowledge, understanding, or attitude of employees so that they are better adjusted to their working environment."⁷⁰ The term development includes "both training to increase skill in performing a specific job and education to increase general knowledge and understanding of our total environment."⁷¹ So, although the terms training and education are different, these two terms are parts of the term development." The Employee's job may require education but basically it requires training and the more complex nature of the managerial job involves both training and development.⁷² However, for the purpose of the study no distinction has been made rather the term training has been used to indicate both training and education and the term training is used in case of both worker and executive. The term development has been used in this study to cover the personnel practices relating to training, promotion, performance appraisal and transfer.

Comparative describe Training system private and public bank as follow:

Human resource to be an essential ingredient of success for Agrani bank. The Bank is committed to effective management and development of their human resource as they go through the process of stabilisation, reform and modernisation.

7.1.1 Training and development of Public Bank:

Training is regarded as one of the most effective and well-recognized tools in developing human resource. In 2005 a total of 2797 personnel took part in training course/workshop/seminars offered by the Agrani Bank Training Institute (ABIT) as well as by other training institute at home and abroad.

⁶⁹ Michael J. Jucius, *op. cit.*, p. 221

⁷⁰ *Ibid*

⁷¹ Edwin B. Flippo, *op. cit.*, p. 199

⁷² *Ibid*, p. 222

Apart from the training courses at Agarani Bank Training Institute (ABIT), 389 officers were nominated for undergoing various training courses at different training institutes like Bangladesh Institute of Bank Management, Bangladesh Bank Training Academy, South Asia Enterprise Development Faculty, Bangladesh Institute of Public Administration and Training Centre, Bangladesh Institute of Administration and Management, Bangladesh Society for Training and Development. The topics covered included Core Risk Analysis, Factoring, Securitisation, Financial Derivatives, Asset-liability management, credit management, leading Risk Analysis, Project Appraisal, International Trade payment and Foreign Exchange, Foreign Exchange and Money Market products and various computer-based training. Moreover, in 2005, on invitation of the foreign banks and organizations, 26 officers were sent to different parts of the world to attend various training courses, workshops, seminars and symposiums that help create up-to-date knowledge, expertise and techniques about modern banking.

Sonali Bank Staff College, Dhaka along with five training institutes at Chittagong, Rajshahi, Khulna, Mymensingh and Bogra have been conducting training programmes covering total banking activities in order to impart training to all categories of officers and staff of Sonali Bank.

In the year 2005 as many as 5499 officers and staff received training in 232 branches including 23 workshops of different courses, workshops and seminars conducted by the aforesaid Training Institutions and Staff colleges.

7.1.2 Training and development of Private Bank:

Human resources management development through continuous on-the-job and off-the-job training is the essential pre-requisite for achievement of organizational goal and development of a corporate environment with uniform values, policies, business practices and service quality.

Recognizing the importance of training for professional excellence, the modern and full-fledged training centre Dhaka Bank Training Institute (DBTI) is committed to developing the human resources, the main driving force of the bank, through structured modular training programmes. DBTI conducts various courses, workshops, Executive Development Programmes (EDPs), focus group discussions and branch visit programmes for officers

and executives of the bank. DBTI has a very congenial training environment with its professional staff and logistics, The institute has a large class room, its own lab with LAN facilities and a library with rich collection of books, journals and periodicals.

Since inception in June 2000 till December 31, 2005, DBTI provided training to as many as 3458 participants through 149 different training programmes. In 2005 DBTI conducted 46 different training programmes including foundation training for new officers to equip them with the knowledge and skills of general banking, credit, international trade, specialized training courses on general banking and cash management, human resource management and marketing of bank services, business Communication and English language etc.

Dutch Banla bank also conduct various courses, workshop, executive development programmes.

William Mc. Gehee and Paul W. Thayer has recommended a three-steps approach to determine the training needs. i) Organization analysis; to determine where the training emphasis should be placed within the organization; ii) Operations analysis; to determine what is required in terms of knowledge, skill and attitude to do the various duties related to particular job; iii) Man analysis; to determine who needs training and what skills, knowledge or attitudes should be improved.⁷³

7.1.3 Training-need-assessment:

Training involves investment of resources which have alternative uses. In order to get highest possible benefit, training programme needs to be so designed that right kind of knowledge, skill and attitude are developed matching the trainee to the task assigned.⁷⁴ The disparity between the current level of proficiency of personnel on the one hand, and the desired level on the other characterizes the training needs. The primary mission of a training department is that of that gap.⁷⁵

“William Mc. Gehee and Paul W. Thayer’ has recommended a three-steps approach to determine the training needs:

- (i) Organization analysis; to determine the place where the training to determine what is emphasis should be placed within the organization;
- (ii) Operations analysis, required in terms of knowledge, skill and attitude to do the various duties related to a particular job;
- (iii) Man analysis; to determine who needs training and what skills, knowledge or attitudes

should be improved. Sinha's study found 'survey' among employees as a useful tool in assessment of training need. Sinha, in his study also suggests other methods for identification of training needs. These are views of the line manager, review of performance appraisal reports, views of the training manager and analysis of job difficulties⁷⁶ Indicators like frequency of accidents, carelessness, and complaints not handled satisfactorily, excessive gossips, absence of pride in the job, ignorance about company rules and regulations, defective products, high production cost, high Wastage ratio, high pilferage, commotion over promotion policy etc. can be managers, they send managers to the different training centers and also to the different training Programme offered by the universities.' According to the information given by the managers who were sent to the outside training centers or were trained by the trainer hired from outside, conference, lecture, case study are used to give them training and a very few percentage answered that role playing method was also used to give them training. It was also observed that overseas trainings are also given to the managers especially in large and medium enterprises. However, it is very negligible.

7.1.4 Evaluation of Training Programme:

A company should not make training expenditure unless it contributes, at least in the long run, to greater job productivity. Although it is difficult to measure the effect of training, the effort should be made.

Most of the evaluation of training programme falls into one of the following types.

- Opinion surveys of the participants or of people who have seen the participants in action;
- Test at the end of the training course;

- Objective measurement of the participant's performance when after attending training;
- programme he/she joined the job; and
- An overall look at the aggregate growth of people in the total organization

7.1.5 Evaluation of Training Programmes in the Banking sector under study:

The study revealed that in all the Banking organization covered by the study, when the employees are sent to the training centers or when outside trainers are hired (in case of Public Bank), either opinion survey of the participants or test at the end of training is used.

7.1.6 Role of Human Resource Departments in Employees' Training:

Although primary responsibility goes to line managers for providing on-the-job training but human resource departments perform many functions relating to training of employees. The human departments of all the Banking organizations under study conduct all the formalities for the enrollment of managers in different training centers or in universities within the country. When the managers are sent to the abroad, the human resource departments conduct the detail formalities. has already been mentioned that large Banking organization under study hire trainers to give training to employee and the human resources departments have to take the responsibility to provide or arrange trainers from outside.

⁷³ Willim Mc. Gehee and Paul W. Thayer, *Training in Business and industry*. Jhon Wiley & sons ..Inc..Nework1961 Quote in: Rustom S. Davar, *op.ct.*.p.139

⁷⁴ M. Habubullah, " Relvence of Training and its investment worth" *The Dhaka University Studies*, part-c27-36, 2002, p. 7

⁷⁵ Joseph Tiffin and Ernest J. McCormick, *op.cit.*. p. 287

⁷⁶ Sina, A.D. *Wether Managemnt Development ISTD Srvey of Indian Business*. Calcutta. In: M. Habubullah, *op.cit.*.p.36

7.2 Promotion:

Employers fill many vacancies by internal movements of present employees and these movement are termed as transfers and promotions. The term promotion refers to job changes in the pay, status and conditions of the new positions are higher as compared with the old.⁷⁷ When a vacancy arises in an organization the organization may fill up that vacancy by promoting the competent employee from within the organization or it may fill up that vacancy by taking employee from outside. A sound promotion policy demands preference to internal candidates for higher job which acts as an incentive for the existing staff. But some times internal candidates may lack adequate skill or they may be too advanced in age or sometime it may be necessary to welcome new blood into the organization to foster new thinking and ideas and in these cases organization should not fill up the vacancy internally at the cost of quality.

It is a must for the employers to take decision regarding the basis of promotion and the ways through which these decisions are made will affect the employees' motivation, performance and "commitment. There is a controversy regarding the basis of promotion i.e. whether promotion will be based on seniority or merit or some combinations of the two.

The term seniority refers to the relative length of service of employees and the term merit includes efficiency, skill, aptitude, etc. Union prefers seniority as a basis of promotion because decisions regarding lay-offs, recalls and discharges are done on the basis of seniority. On the other hand, young capable men may not like the use of seniority as a basis of promotion. What management regards as merits may be, considered as favoritism by' union and in order to avoid this difficulty, management must impose controls to recognize merit objectively which will disprove the allegations of favoritism. If it is possible to test the merit objectively in that case the, basis of promotion should be seniority-cum-merit. However, it is not possible to lay down a uniform standard applicable for all industries, all units within the same industry or even in case of categories in the same unit.⁷⁸

Indian National Labor Commission recommended that seniority should be the basis of promotion in the lower level, particularly among the operative and clerical categories. The commission also recommended that in case of middle management, technical,

supervisory and administrative personnel, seniority-cum-merit should be the basis of promotion and merit alone should be the guiding factor in case of managerial, technical and administrative positions.

7.2.1 The Practice of Promotion in the Public and Private Banking Organization under study:

All the Banking organization covered by the study give preference to internal candidates for top and mid Management positions in their promotion policies. Regarding the basis of promotion used by the banking sectors the study revealed that all the Banking sector use seniority cum merit as the basis of promotion employees.

7.2.2 Public Bank (Agarani Bank): Promotion is considered as the key stimulus to explore professional skills and potential. In 2005, a large number of executive, officers and Attorney Assistant- as many as 725- were promoted and merit alone. Of them 23 were DGMs, 46 AGMs, 85 SPOs, 107 SOs, 129 officers and attorney Assistants. These promotions were based strictly on unprejudiced judgment and transparency and were supported by systematic analysis and documentary support.

7.2.3 Private Bank: Another way to further employee development is through promotion from within, which can help companies retain valuable employee. This provides challenging assignments, prescribes new responsibilities and helps employees grow by expanding and developing their abilities. The Dutch bank in 2005 a few number of Executive, and officer as many as 75 were promoted. These promotions were based strictly on unprejudiced judgment and transparency and were supported by systematic analysis and documentary support

⁷⁷ Michael J. Jucius, *op. cit.*, p. 177

⁷⁸ Biswanath Ghosh, *Personnel Management and Industrial relations pp. 124-125*

7.3 Performance Appraisal:

Performance Appraisal "the systematic evaluation of the individual with respect to his performance on-the-job and his potential for development".⁷⁹ Performance Appraisal programmes help to achieve several goals, which highlights the importance of using performance appraisal programmes to any business organization. These are:
Help supervisors in observing their subordinates more closely and in doing a better coaching job.

- Provides employees with feedback on how they are doing and by this way motivate them.
- Provides management with backup data, which helps them in taking decisions concerning merit increases, transfers, dismissals and so on.
- Identify people with promotion potential and pinpoint development needs and by this way Improve organization development.
- Set up a research and reference base for personnel decisions.⁸⁰

“performance Appraisal may be done annually or semi-annually. Besides, special appraisals may be done at the end of an employee's probationary period.⁸¹ Performance Appraisal Techniques may be of many types. The most commonly used appraisal techniques include:⁸²

Essay Appraisal

Graphic Rating Scale

Field Review

Forced-Choice Rating

Critical Incident Appraisal

Work-Standards Approach

⁷⁹ Dale S. Beach, *Personnel: The management of people at work*, New York, p.256

⁸⁰ Winstone Oberg, " Make performance appraisal relevant". *Harvard Business review*. Vol. 50, No.01 p.61

⁸¹ P.C.Tripathi, *op.cit.*, p.151

⁸² Winston oberg, *op.cit.*, p 62

7.3.1 Performance Appraisal system in Private Bank:

Performance appraisal is the process by which an employee's contribution to the banking organization during a specific period of time is assessed. Performance feedback then lets the employee know how well they have performed in comparison to the standard of the private bank. If used effectively, performance can improve employee motivation and performance. Moreover, performance appraisal ensures that the behavior of the employees is consistent to the private banking organization strategy.

Dutch-Bangla nad Dhaka bank maintains a very comprehensive and insightful performance appraisal system and it is greatly assisted by Peoplewise. The standards for performance appraisal are set by the principles of MBO (Management By Objectives). When a new project is undertaken, new challenges are set to increase operational efficiency. When these objectives are met, these become part of the regular job and new objectives are set again. Thus new objectives are set for new and these ultimately (and in most cases) become part of the regular operations of the bank and the bank expands as a whole.

7.3.2 Performance Appraisal system in Public Bank:

All public bank have formal appraisal programs and in case of all these public bank are done annually. 20% of the bank use only rating scale technique. 10% use a combination of rating scale and critical incident, 40 use a combination of rating scale and essay appraisal and the rest 30% use only MBO(Management by Objective)

In case of all the Public bank under study, the employee's immediate supervisors do appraisals and Banking organization covered by the study there is the system of informing employees about the results of the appraisals. It has been observed that the Banks generally use the results of the appraisals for following purposes.

- Make employees informed on how they are doing
- Identifying training needs of the employees
- Identifying promotion potential of the employees.
- Salary increase
- Taking decision regarding making the job permanent

7.3.3 Performance Evaluation Process in banking organization

Performance evaluation is done at the end of each quarter. Depending on the nature and description of day to day operational jobs, each department sets the job objectives for each individual which is to be approved by the department head. The assessment process has following steps:

Self Assessment: At the end of each quarter, individual employees rates themselves depending on the criterion set in their Job objectives with the employees describing there individual and group achievements against each criterion in the performance appraisal form. The objective statements are termed as **SMART** Objective statements: Stretching, Measurable, Agreed, Realistic, Time-Bound.

There are two areas of rating in the performance evaluation:

Attainment of set objectives and

Adherence to Standard Chartered group values.

Individuals have to perform well in both areas. These two areas are highly supplementary.

Approval by the superior officer: Individual evaluation is than forwarded to the Line Manager for the approval. Each individual has to convince their Line Manager to endorse their desired rating. After a one-to-one meeting with the employee the line manager rates his/her subordinates with proper acknowledgements from the employee. This evaluation is than submitted to the Head of the Department. In this stage the Line Manager has to defend his own assessment of the subordinate to his boss.

7.3.4 The Rating Method

Employees are rated on the basis of two criteria. They are:

Rating for the attainment of Job Objectives: The rating is done on a scale of 5 and it is based on the performance in terms of attainment of objectives. The ratings are as follows:

Rating	Performance Statement
1	Exceptional
2	Very Good
3	Good
4	Improvement Required
5	Unacceptable

Rating for the compliance of group value system: Values Rating Scale Stands from “A-D” in the five core values that the bank strives to portray in its brand image.

- Trustworthy
- Responsive
- International
- Courageous
- Creative

The interpretation of the ratings areas follows:

Rating	Performance Statement
A	Role models the values
B	Lives the values in most situations
C	Lives the values in many situations
D	Fails to live the values in significant ways

7.4 Transfer: The term transfer refers to a change in assignment in which the employee moves to another job which demands approximately same level of responsibility and some level of pay.⁸³

Transfer decisions may also be taken by employers for other reasons such as to give employees training in several jobs; to transfer promising employees from his/her present job where there is absence of opportunity for advancement, to give lighter jobs to aged employees who have become overburdened and to reduce a dispute with superiors or fellow employees. Transfer practice indirectly effects, satisfaction and effective utilization of employees.⁸⁴

7.4.1 Transfer practices in the Private and public bank under study:

It was observed that in all public and private banks there is existence of formal transfer policy and HRMS is responsible for transferring employees on the recommendations of the line executives. However, in all enterprises excepting one, no such formal policy exists

⁸³ Paul Pigors and Charles A Myer, *Personnel Administration: A Point of view and a Method*. McGraw Hill, Kogokusha Ltd., Tokyo, 1977, p.289

⁸⁴ *Ibid.*, p.214

Chapter -Eight
Compensation of employees

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8. Compensation of Employees

Compensation is what employee gets in exchange for their contribution to the organization.⁸⁵ In Other words, employee compensation includes all types of pay or rewards, which goes to employees and arises from their employment.⁸⁶ The practices relating to compensation have been discussed under three main components of compensation:

1. Salary and Wage;
2. Incentives; and
3. Fringe Benefits.

8.1 Salary and Wage System:

In popular usage, a distinction is made between the two terms wage and salary. The term wage refers to payments of workers and the term 'salary' refers to payments of clerical, supervisory and managerial employees. In a broader sense, the term wage refers to both wage and salary. Salary/wages is a basic compensation device and the cost of many other elements in the Compensation package is determined by salary/wage.

8.1.1 Factors affecting Salary and Wage:

Although a considerable amount of guess works and negotiations are involved in salary and wage determination, some factors have an important bearing on the final wage and salary decision,

these are:

- Supply and demand for employee skills
- Influence of labor organizations
- The firm's ability to pay productivity of the firms
- cost of living; and
- government regulations⁸⁷

⁸⁵ William B. Werther, Jr. and Keith Davis, *op.cit.,cit.,p.412*

⁸⁶ Gary Dessier, *op.cit., p. 421*

⁸⁷ Edwin B. Flippo, *op.cit.,p 282*

8.1.2 Determination of Salary and Wage in the Enterprises under study:

All the enterprises under study consider factors such as minimum wage regulation, salary and, wage of other organizations in the same industry (Although none of the enterprises conduct al compensation survey, they do have some ideas about the salary and wage structure prevailing in the same industries), employer's capacity to pay, and employees' performance in determining salary and wages of the employees. Besides these factors, the entire medium and large enterprises and 40% of the small enterprises have to consider the influence of labor unions in determining wage level. The interesting finding of the study is that no enterprises consider cost of living in determining salary and wages of the employees.

8.1.3 Basic Features of the Salary and Wage Systems in the Enterprises under study:

The distinguishing features of the salary and wage systems of the enterprises under study may be brief as follows:

In all the enterprises under study it was observed that there are salary scales of managers but none follows them strictly for fixation of salary, annual increments, etc.

Since the supply of junior and mid level managers is abundant they have to accept the salary level offered by their employers. Although, the supply of workers is also abundant since they are organized (excepting 60% of the small enterprises) they can influence their wage level. The upper level managers also can influence the salary level due to their scarce supply.

In all the enterprises under study, information regarding salary and wage are kept confidential at least from the side of the enterprises, though these are open secrets.

8.1.4 Equity and Job Evaluation

Employees are more concerned about intra organizational equity of wage and salary than inter organizational equity. Job evaluation is concerned with the concept of equity, which can be achieved by determining the relative worth of the jobs of an enterprise. The job evaluation may be done on a non-quantitative basis or on a quantitative basis. There are two methods under non-quantitative basis, these are: (1) the simple ranking method;and (2) the job classification method. Under quantitative basis there are two methods: (1) the point system; and (2) the factor comparison method.

8.1.5 The Practice of Job Evaluation in the Enterprises under study:

None of the enterprises under study goes for job evaluation,

8.2 Incentives for Employees:

the technique to increase base pay on improvement of performance is old and well established.⁸⁸ Incentive systems exist for almost every type of job from manual labour to managerial work. Incentives can be counted on the basis of individual performance or on the basis of performance of a work team, plant or even the entire organization.⁸⁹ Incentives may broadly be categorized into two classes-financial and non-financial.

8.2.1 Financial Incentives: The more common financial incentives are as follows.⁹⁰

Piece Rate: Piece Rate is the oldest incentive plan. There are different variations in piece rate. Under one piece rate method, daily or weekly pay is determined by multiplying The output in units times the rate per unit which is called the straight piece rate. Under another piece rate method, the worker receives a given amount for each unit above standards he or she produces. A variation of, the straight piece rate is the differential in this plan the employer receives a smaller piece rate up to standard and then a higher piece rate above the standard.

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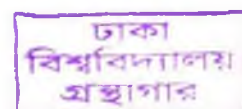
The Standard Hour System: In this system a standard time is fixed for completing a particular job. If the worker takes less time to complete that job, his wages are counted on the basis of standard time. For example, if the standard time for a particular job is 10 hours and the worker completes it within 8 hours, he will get wages for 10 hours.

Production Bonuses: Under this system, the employees (both workers and managers) get bonus for achievement of production target.

⁸⁸ James William B. Werther and Keith Davis, *op.cit.*, pp. 446-449.

⁸⁹ George T. Milkovich and John W. Boudreau, *op.cit.*

⁹⁰ Lincoln, *Incentive Management and John W. Boudreau, op.cit.*, p. 755.



Commissions: Sales employees are often paid on a commission basis. Like the production workers, they usually receive a guaranteed base salary. Under some plans, they get a percentage of everything they sell. Under other plans, they receive rewards only for sales above a certain quota. Sometimes, sales employees get commissions for finding new customers and for making a certain number of sales calls. Under a few plans they receive commissions and no base salary. Individual systems of payment by results are not applicable to cases where several workers are required to do jointly a single operation and in these cases all the above mentioned individual incentives plans may be applied to groups of employees.

Merit Raises: Under this system, pay increases are given according to an evaluation of performance. These increases are usually decided by the employee's immediate supervisor often in conjunction with superiors.

profit-Sharing: Under profit-sharing system, payment is related to the organizational performance and is paid in addition to ordinary wage or salary. Payment may be current or deferred. Profit-sharing is different from wage incentives. Wage incentives are directly related to the, output of industrial workers or groups of workers. Profit-sharing, on the hand, is related to the profits of the company.

Co-Partnership: Under co-partnership scheme, employees are allowed to buy shares in the company, thus owning a fractional part of the company and sharing in the firm's success.

Suggestion Systems: Under suggestion systems, employers. Obtain suggestion about Improvements in organizational effectiveness and it includes some type of reward bases on the successful implementation of the idea. Employees' involvement is the key to successful suggestion systems and it can improve employee relations, foster high quality products, reduce costs and increase revenue. Usually all employees including engineers, technicians, first -line supervisors and others are entitled to participate in the suggestion system. Essential elements for a successful suggestion system are:

management committee, clear goals, designated administrator, structured award system, regular publicity and immediate response to each suggestion.

8.2.2 Non-financial Incentives: Non-financial incentives include certificates, time off, vacations, increased responsibility, autonomy, opportunity to participate in the formulation of organization policies and plans, easy and ample access to higher management, good physical working condition and pleasant surroundings, etc. Generally, non-financial incentives are neither as strong as reliable as financial incentives but cumulatively, these are important.⁹¹

8.2.3 Financial Incentives for Employees in the Banking sector under study:

All the enterprises under study provide production bonus, merit pay increases and attendance bonus both to the different levels of managers and workers, sales bonus to sales executives and promotion for outstanding performance to different levels of managers. Besides, all the large Banking Organizations provide profit sharing to all employees. None of the Banking Organizations covered by the study provide co-partnership and suggestion schemes.

8.2.4 Non-Financial Incentives for Employees in the Banking Sector under study:

All the enterprises under study use decorated office and its location, parking facility and congenial work environment as non-financial incentives for all top, mid and lower level managers. Besides, top and mid level managers are also provided with power to make independent decision, Opportunity for public service as non-financial incentives.

8.3 Fringe Benefits:

The term fringe benefits refer to a broad range of benefits and services that employees get from their employees as compensation package.⁹²

⁹¹ Robert E. Sibson, *Increasing Employee Productivity*, AMACOM, New York, 1976. Quoted in: Abu Hossain Siddique, "Executive Compensation Patterns in Industry and Government in Bangladesh", *op.cit.*, p.165

⁹² William B. Werther and Keith Davis, *op.cit.*, p.456

Bangladesh National Pay Commission defined fringe Benefits' as "those facilities and benefits, which an employee gets from his employer in addition to his monthly or weekly remuneration for the job done by him. These include free accommodation or house rent allowance, free transport or conveyance allowance, washing allowance and the like".⁹³ So, fringe benefits are indirect compensation because these are usually offered as a condition of employment and are not directly related to performance. In 1943, a regional Chairman of the National War Labor Board in the U.S.A first used the term 'Fringe Benefits'.⁹⁴ The payment of fringe benefits has become a regular feature of the industrial wage system since the end of the Second World War.⁹⁵ 170 At one time, such benefits were a very small percentage of take-way home pay. So, the term fringe benefits is appropriate. But with the purpose of time, the percentage of fringe benefits has increased substantially.⁹⁶ For example, in 1929, fringe benefits amounted to only 3% of total payroll, 31 % in 1969 and they topped 40% in 1980.⁹⁷ So, although the -term fringe benefits is generally used, does not correctly describe the amount or importance of benefits.⁹⁸ Fringe Benefits are taking various forms and the employers of the modern world are extending the dimensions of fringes towards employees.⁹⁹

8.3.1 Fringe Benefits offered to the Different Levels of Managers in the Banking Organizations under study:

the study revealed the following information regarding the fringe benefits available to the different levels of managers:

House Rent Allowance: All enterprises (excepting 30% of Private Bank and 45 % of Public Bank) provide house rent allowance to the different levels of managers and the amount which these enterprises provide vary in cases of different levels of managers.

⁹³ Report National Pay commission of Bangladesh, 1973, Govt. of the Republic of Bangladesh, Vol. I, pp. 92-93. In: Abu Hossain Sidduque, op. cit., p. 124

⁹⁴ Reid and Robertson, *Finding Benefits, labour Costs and social Security*, George Allen and unwin Ltd., London. 1965. p.18

⁹⁵ Ibid

⁹⁶ Michael J. Jucius, op. cit., p. 324

⁹⁷ Michael J. Jucius, op. cit., p. 324

⁹⁸ Johon M. Ivancevich, op. cit., p. 789

⁹⁹ T.J. Gordon and R.E. Lebleu, "Employee Benefits". 1970-85, *Harvard Business Review*. Jan-Feb, 1970, p. 90.

8.3.1 Fringe Benefits offered to the Different Levels of Managers in the Banking Organizations under study:

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Car/Conveyance Allowance: In all the enterprises, top level managers are provided with full time car with maximum fuel consumption and mid level managers are provided with a single car in office time) for joint use. In all enterprises, lower level managers receive conveyance allowance of specified amount.

Medical Allowance: All enterprises under study provide medical allowance for different levels of managers and the allowances vary among different levels.

Leave with Pay: In all enterprises under study, managers belonging to different levels are entitled to earned leave from 20 to 30 days per year. In addition to earned leave, all these enterprises provide casual and sick leave of specified number of days every year to managers which also vary among enterprises.

Recreation Allowance: All the public bank provide recreation allowance to the top and mid level managers along with leave.

Gratuity: In case of all the banking organization under study, gratuity is paid at the rate of one month's salary for every completed years of service. 'Generally, it is payable subject to the following conditions: (a) the manager has completed a continuous service of three years in the enterprise, (b) the amount is payable on superannuating or voluntary resignation of the manager concerned.

Contributory Provident Fund: All the Banking organizations under study provide contributory provident fund to the different levels of managers and a manager is not

entitled to benefit of contributory provident fund unless he has completed at least three years of completed service.

Entertainment Allowance: In all Banking Organizations under study, top and mid level managers are provided with entertainment, allowance and the amount varies among top and mid management.

Festival Bonus: In all the Banking Organizations under study, all the managers belonging to different levels are entitled to festival bonus.

Telephone: In all the Banking Organizations under study, top and mid level managers are provided with telephone at their residence and the enterprises pay the bill up to a certain amount and the amount varies among top and mid level managers.

Lunch/Tiffin Facilities: Although all the Banking Organizations under study provide free tea to all top, mid and lower level managers, only 66.67% of the large Banking Organizations under study provide subsidized lunch facilities during office hours.

Group Insurance: In case of all Public and Private Banking Organizations covered by the study, there are group insurance schemes for different levels of managers and the enterprises pay the premium. None of the small enterprises under study pay this benefit.

Membership of Professional Association: In all large Banking Organizations under study, top level managers are entitled to become members of various professional associations in the country and the enterprises pay the membership fee.

Training Facilities: It has already been mentioned that all the Banking Organizations covered by the study give on-the-job training to managers informally and also offer facilities for attending training courses offered by different institutions.

Newspaper Allowance: 33.33% of the large Banking Organizations covered by the study provide newspaper allowance to the top level managers.

Servant Allowance: 33.33% of the large Banking Organizations covered by the study provide service allowance to the top levels managers.

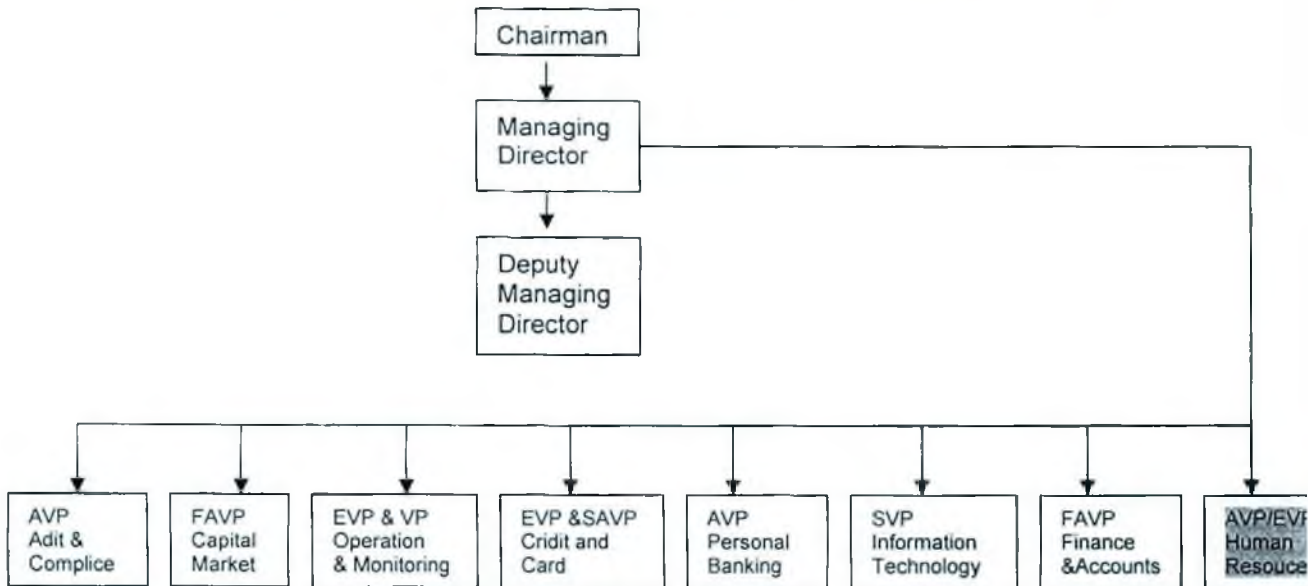
Chapter-Nine
Analysis of Data, Testing of Hypothesis and Findings of the study

<i>9.1 Comparative Analysis of the Organogram Public and Private Bank</i>	<i>100</i>
<i>9.2 Comparative analysis of employee between public and private Bank</i>	<i>102</i>
<i>9.3 Analysis of data collected from field survey</i>	<i>111</i>
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9. Analysis of Data, Testing of Hypothesis and Findings of the study

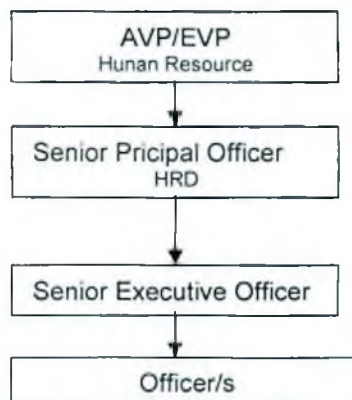
9.1 Comparative Analysis of the Organogram Public and Private Bank

10.1.1 Organogram of Private Bank (Dutch-Bangla and Dhaka Bank Ltd.)



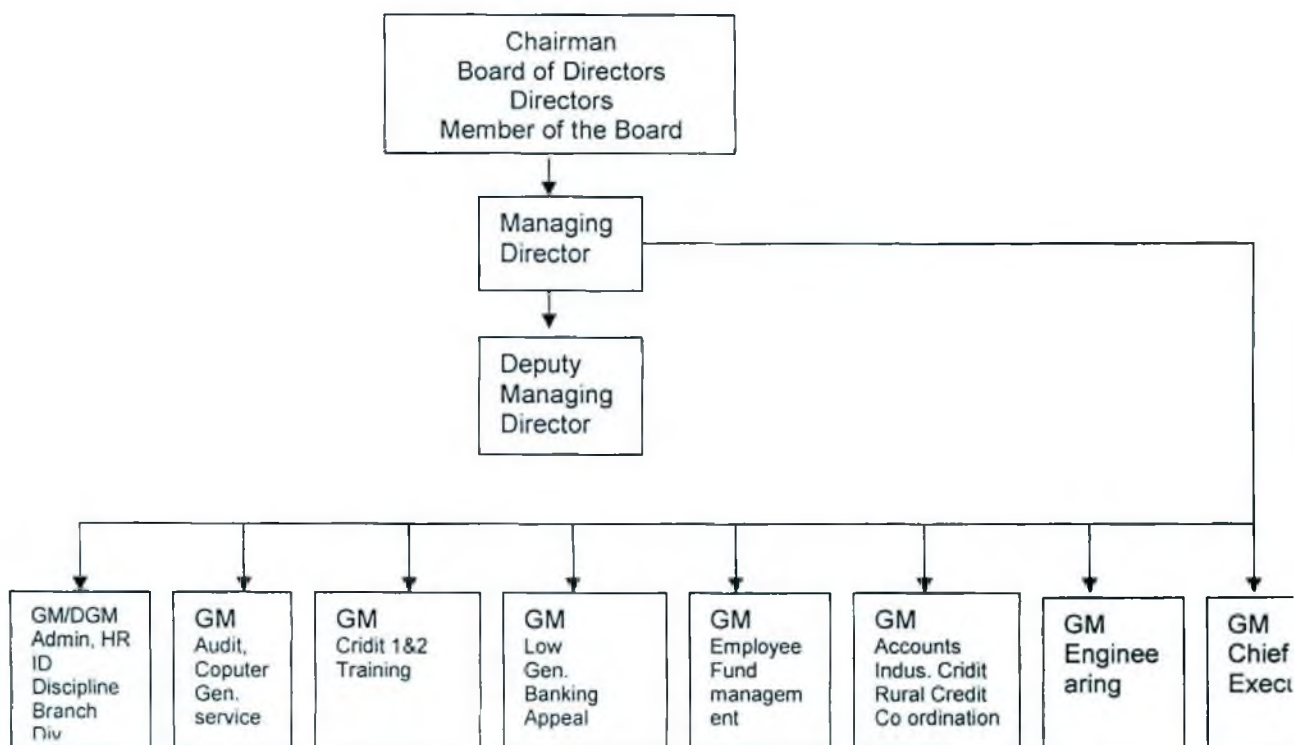
Observation: The policy direction and overall management of is vested upon the Board of Directors. Chairman appointed by the Board of Directors. The chairman and some of directors of the members of the Board of directors. Managing Director is appointed by chairman and the Board of Directors. Managing Director appointed the executives and officers. Most of the private banks Organogram are same and some of private banks organogram are different. Dutch Bangla and Dhaka Bank ltd. Organogram are same.

9.1.2 Banking Organization Pattern of Human Resource Departments in Private Bank:



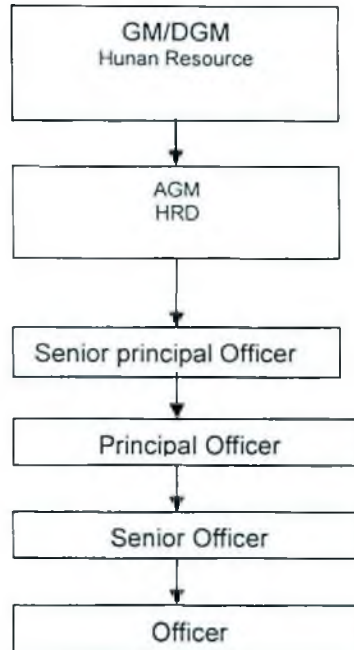
One striking of the HR department in the entire banking sector is that the size of the department is small and there is very little specialization in the activities performed by the very small number officers/executives in the department

9.1.3 Organogram of Public Bank(Agrani and Sonali Bank)



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. Board of Members are appointed or promoted the General Managers. Agrani Bank and Sonali Banks Organogramme are similar. General Manager of HR promoted or appointed by the Managing Director.

9.1.4 Banking Organization Pattern of Human Resource Departments in Public Bank:(Sonali and Agrani Bank)



Banking organization pattern of human resource department are same. Population size is large of private bank. Public Bank population sizes are 25 to 30 and private bank population sizes are 8 to 10. GM or DGM top position is HR Department and principal officer and officer under by the DGM.

9.2 Comparative Analysis of Employee Information system Between Public and Private Bangladesh Limited:

Table-1

9.2.1 Rank and Status information of Employees of Sonali Bank

S1. No.	Sonali Bank
1	Managing Director (MD) & CEO
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 2002-2005.

Position wise status of information of Sonali Bank on the tables. Managing Director and CEO is the top the man above the information. Some GM, DGM, AGM under by MD and Principal Officers and officers under by AGM.

Table-2

9.2.2 RANKWISE EMPLOYEE POSITION INFORMATION OF AGRANI BANK

**Table-2.A
(Officers-Class-One)**

SL No	Rank	Approved/Sanct ioned Strength	Employee Position	Surplus/ Deficiency	Remarks
1	Managing Director(MD) & CEO	1	1	0	
2	Deputy Managing Director(DMD)	2	1	-1	
3	General Manager(GM)	12	11	-1	
4	DeputyGeneral Manager(DGM)	71	71	0	
5	Asst.General Manager(AGM)	175	175	0	
6	Senior Pricipal Officer(SPO)	552	548	-4	
7	Pricipal Officer(PO)	1104	1098	-6	
8	Senior Officer(SO)	1600	1098	-502	
9	Chief Medical Officer	1	1	0	
10	Senior System Analyst	4	2	-2	
11	Superented Engineer	1	1	0	
12	System Analyst	4	2	-2	
13	Senior Programmer	4	2	-2	
14	Executive Engineer	3	0	-3	
15	Asst.System analyst	3	0	-3	
16	Programmer	3	0	-3	

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17	Computer Operator Supervisor	3	1	-2	
18	Assistant Engeneen	9	3	-6	
19	Assistant Programmer	50	5	-45	
20	Senior Computer Operator	50	14	-36	
21	Senior Scurity Officer	2	0	-2	
	Total	3654	3034	-620	

Table-2.B
(Officers-Class-11)

Sl. No.	Rank	Approved/Sancti oned Strength	Manpower Position	Surplus/ Deficiency	Remarks
1	Officer	3730	2564	-1166	
2	Officer(Cash)	1446	1010	-436	
3	Computer Operator	150	100	-50	
4	Data Entry Supervisor	120	30	-90	
5	Control Supervisor	100	13	-87	
6	Deputy Assistant Engeneer	12	5	-7	
	Total	5558	3721	-1837	

Source: Primary

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

SL No	Rank	Approved/Sancti oned Strength	Manpower Position	Surplus/ Deficiency	Remarks
1	Draft Man	1	0	-1	
2	Attomey Assistant(Power)	1036	1036	0	
3	Attomey Assistant(Without Power)	400	1042	642	
4	Word 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	7	-3	
10	Data Entry/Control Operator	0	3	3	
11	Document Assistant	0	2	2	
12	Care Taker-1	100	272	172	
13	Care Taker-2	100	337	237	
14	Driver	128	116	-12	
15	Electrician	6	5	-1	
	Total	2151	3660	1509	

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

Sl. No.	Rank	Approved/Sancti oned Strength	Manpower Position	Surplus/ Deficiency	Remarks
1	Arm Gurd/Bank Gurd	1000	53	-947	
2	Litfman	8	7	-1	
3	Plumber	2	2	0	
4	Jamadar	450	796	346	
5	MLSS	330	1159	829	
	Total	1790	2017	227	

Source: Primary

Table-3

9.2.3 Summary of Employee Position of Agrani Bank

Sl. No.	Rank	Approved/Sanctio ned Strength for	Employee Position	Existing vacancy	Remarks
1	Class-I	3654	3034	-620	
2	Class-II	5558	3721	-1837	
3	Class-III	2151	3660	1509	
4	Class IV	1790	2017	227	
5	Other Employee	0	0	0	
	Grand Total	13153	12432	-721	

Observation from the Employee position of Agrani Bank:

- a. Deficiency of class-I officer is 620 (16.97%).
- b. Deficiency of class-II officer is 1837 (33.05%).
- 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**9.2.4 Rank and Status information of Employees of Dutch-Bangla Bank Ltd.**

SL No	Rank
1	Managing Director(MD)
2	Deputy Managing Director(DMD)
3	Deputy Managing Director(DMD)
4	Senior Executive Vice President(SEVP)
5	Executive Vice President(EVP)
6	Senior Vice President(SVP)
7	First Vice President(FVP)
8	Vice President(VP)
9	Senior Assistant Vice President(SAVP)
10	First Assistant Vice President(FAVP)
11	Assistant Vice President(AVP)
12	Senior Principal Officer
13	Principal Officer
14	Senior Executive Officer
15	Senior Officer
16	Officer

Source: Annual Report of Dutch-Bangla Bank 2005/Dhaka Bank 2005.

Table- 5

9.2.5 RANKWISE EMPLOYEE POSITION INFORMATION OF DUTCH-BANGLA BANK LTD AND DHAKA BANK LTD.

SL No	Rank	Approved/Sanct ioned Strength	Employee Position	Surplus/ Deficiency	Remarks
1	Managing Director(MD)	1	1	0	
2	Deputy Managing Director(Operation)	1	1	0	
3	Deputy Managing Director(Administration)	1	1	0	
4	Senior Executive Vice President (SEVP)	3	2	-1	
5	Executive Vice President(EVP)	8	8	0	
6	Senior Vice President(SVP)	11	11	0	
7	First Vice President(FVP)	3	3	0	
8	Vice President(VP)	10	10	0	
9	Senior Assistant Vice President(SA VP)	12	12	0	
10	First Assistant Vice President(FAVP)	14	14	0	
11	Assistant Vice President(AVP)	22	22	0	
12	Senior Principal Officer	90	95	-5	
13	Principal Officer	175	185	-10	
14	Senior Executive Officer	220	235	-15	
15	Senior Officer	270	280	-10	
16	Officer	300	310	-10	

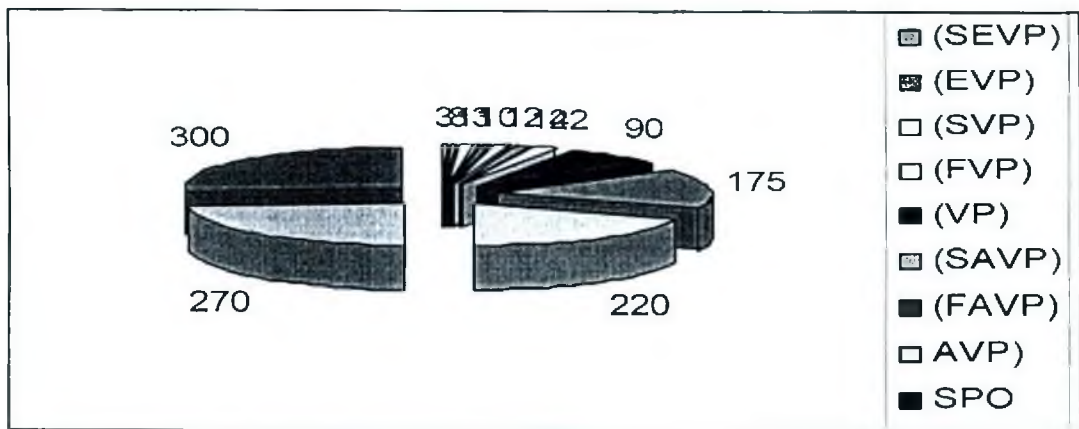
Observation from the employee's position of Dutch Bangla Bank Ltd.

- a) Deficiency of Senior Executive Vice President is 1(33.33%)
- b) Deficiency of Senior Principal Officer is 5(5.62%)
- c) Deficiency of Principal Officer is 10(5.82%)
- d) Deficiency of Senior Executive Officer 15(6.82%)
- e) Deficiency of senior officer is 10 (3.9%)
- f) Deficiency of officer is 10(3.33%)

Through the rank or position wise structure are set up in to different concept 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 specializes personnel

Figure-9.1

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

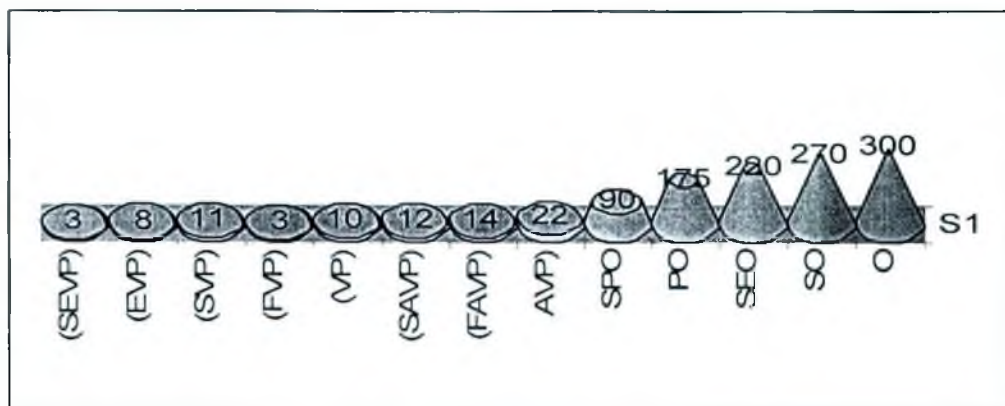


Source: Prepared based on table-5

Figure-9.2

Pyramidal shape of Manpower of Dutch-Bangla Bank (Position-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 employee position of officers approved/sanctioned strength of 1055 posted strength 1105 deficiency is 50 i.e. deficiency is 4.74%. The existing rank-wise composition of Employee is not rationale. The number of employee is not consistent with the employee of immediate preceding rank and the next rank.

Table-6

9.2.6 Position wise employee system in HR department of Different bank in the year 2003-2005

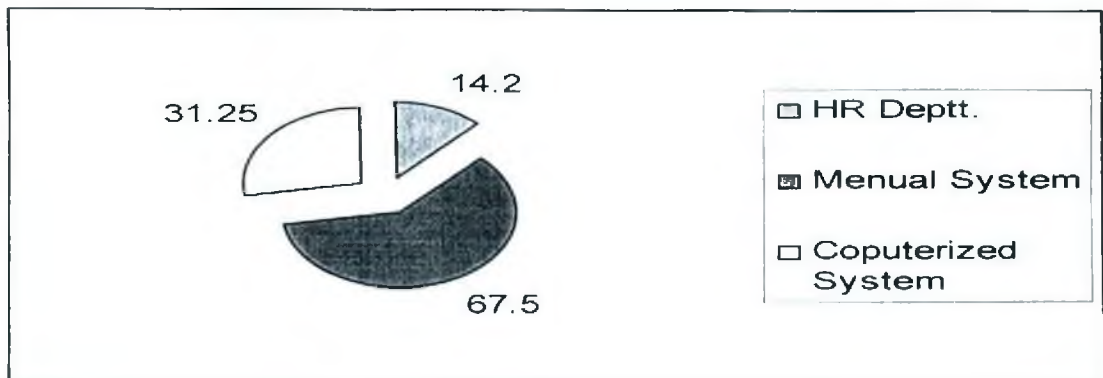
Banks		No. of employee HR Department	% of Manual System of HR Department	% of Computerized System of HR deptt.
NCBs	Sonali	15	75	25
	Agrani	16	70	30
	Janata	14	60	40
	Rupali	12	65	35
	<i>NCBs total</i>	<i>57</i>	<i>Average 67.5</i>	<i>Average 31.25</i>
PCBs	Dhaka Bank Ltd.	8	25	75
	Dutch Bagla Ltd.	9	35	65
	National Bank Ltd	10	45	55
	Pubali Bank Ltd	12	55	45
	Estarn Bank Ltd	7	25	75
	Exim Bank Ltd	7	35	65
	One Bank Ltd	6	30	70
	IFIC Bank Ltd	6	35	65
	AB Bank Ltd	7	25	75
	City Bank Ltd	8	35	65
	Others	6	45	55
	<i>PCBs total</i>	<i>86</i>	<i>Average 39</i>	<i>Average 71</i>
	SPLs	Bangladesh krishi bank	12	80
FCBs	Stadard Chartered	8	20	80
	Citibank NA	9	22	78
	HSBC	8	21	79
	Others	6	25	75
	<i>FCBs total</i>	<i>31</i>	<i>Average 22</i>	<i>78</i>

Observation:

- a) Total Number of employee 14.24% of public bank in HR Department, Manual System 67.5% and computerized system 31.25%.
- b) Total number of employee 8.6% Private bank in HR department, Manual System 31% and computerized system 69%
- c) Total number of employee 7.5 Multinational Bank in HR department, Manual System 22% and computerized system 78%.

Figure:-9.3

Composition of employee system HR department of different public banks in Bangladesh Pie Chart will look like as under:



Observation:

- a) 31.25 % public banks are computerized system Most of private bank 55% to 67.5% are computerized system of HR department.
- b) 67.5% Public banks are Manual System of HR department.
- c) 70% to 80% foreign Banks are Computerized System of HR Department.

9.3 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
Decision makers (High level)	1000(100%)	50(5%)	10
Manager(Mid Level)	4000(100%)	200(5%)	15
Officer	4500(100%)	225(5%)	25
Total			50

Observation:

1. Number of Population Size Position wise 1000, 4000, and 4500 of 100%.
2. Number of Sample Size Position wise 50,200, and 225 of 5%.
3. Total Number of Actual Sample 50.

Table-10

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

Category of Respondents	Population Size	Sample Size	Actual Sample
Decision makers (High level)	1200(100%)	60(5%)	10
Manager(Mid Level)	4250(100%)	210(5%)	15
Officer	4400(100%)	220(5%)	25
Total			50

Observation: Population Size 1200 is Decisions makers, 4250 are mid level and 4400 are officer. Sample Size Category of Respondents 60 High level, 210 mid level and officer are 220. Total Actual sample are 50.

Table-11

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

Category of Respondents	Population Size	Sample Size	Actual Sample
Decision makers (High level)	250(100%)	50(20%)	10
Decision makers Executives (Mid Level)	1500(100%)	75(5%)	15
Officers	2000(100%)	100(5%)	25
Total			50

Observation:

1. Total Number of Population Size are 3750 of 100%
2. Number of Sample Size are 50 of 20%, and 75,100 of 5%
3. Actual Number of Sample 50.

Table-12

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

Category of Respondents	Population Size	Sample Size	Actual Sample
Decision makers (High level)	225(100%)	45(20%)	10
Decision makers Executives (Mid Level)	1200(100%)	60(5%)	15
Officers	1900(100%)	95(5%)	25
Total			50

Observation:

1. Rank wise population size 225, 1200 and 1999 of 100%.
2. Rank wise Sample size 45, of 20 % 60, and 95 of 5%
3. Actual Sample 50.

9.4 Testing of Hypothesis

To conduct the test, we assume the each sample is large enough that the normal distribution will serve as a good approximation of the binomial distribution. The test statistic follows the standard normal distribution. We compute the value of Z from the following formula:

Two sample test of proportions (formula-1)

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

Formula-1 is formula 2 with the respective sample proportions replacing the sample means and $p_c(1-p_c)$ replacing the two sample standard deviations. In addition:

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

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

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

x_1 is the number of positive respondents' first sample.

x_2 is the number of positive respondents' second sample.

Table-13

Views of the Decision Makers, Executives and Officers of the Agrani Bank & Sonali Bank and Dutch Bangla Bank & Dhaka Bank Limited on hypothesis-1.

Category of respondent	Agrani & Sonali Bank				Dutch Bangla & Dhaka Bank Ltd.			
	No. of respondent	Positive response	Negative response	Partial	No. of respondent	Positive response	Negative response	Partial
Decision Makers	10	05	03	02	10	06	02	02
Executives	15	07	05	03	15	8	04	03
Officer	25	12	09	04	25	15	06	04
Total	50	24	17	09	50	29	12	09
Percentage	100	48%	34%	18%	100	58%	24%	18%

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

Observation:

- 1) Formal Computerized Human Resource Management is developed and practices in the Banks. 58% in Dutch-Bangla and Dhaka Banks and 56% in Agrani and Sonali Banks respondents give their positive views.

Table-14

Hypothesis Testing-1: Computerized Human Resource Management (CHRM) 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 $Z = \frac{p_1 - p_2}{\sqrt{\frac{p_c(1-p_c)}{n_1} + \frac{p_c(1-p_c)}{n_2}}}$
Dhaka & Dutch Bang.	$\frac{n = 50}{1}$	$\frac{x = 29}{1}$	$\frac{p = .58}{1}$	P _c = .53	1.0020
Agrani & Sonali Bank	$\frac{n = 50}{2}$	$\frac{X = 24}{2}$	$\frac{p = .48}{2}$		

$$P_c = \frac{\frac{x_1 + x_2}{n_1 + n_2}}{\frac{29+24}{50+50}} = \frac{53}{100} = .53$$

$$Z = \frac{p_1 - p_2}{\sqrt{\frac{pc(1-pc)}{n_1} + \frac{pc(1-pc)}{n_2}}} = \frac{.58-.48}{\sqrt{\frac{.00498}{50} + \frac{.00498}{50}}} = \frac{.10}{.0998} = 1.0020$$

Comment: To test hypothesis -1 Computerized Human Resource Management (CHRM) is done keeping an eye on the organizational development and technological advancement. Two sample pooled proportion test is used. The test result (Table-14) indicates that the alternate hypothesis is accepted that means both the banks are making their human resource plant keeping an eye on the organizational development and technological advancement.

Table-15

Views of the Decision Makers (Top Level), Executives (Mid level) and Officers of the Agrani Bank and Sonali Bank and Dutch-Bangla Bank and Dhaka Bank Limited on hypothesis-2

Category of respondent	Agrani & Sonali Bank				Dutch Bangla & Dhaka Bank Ltd.			
	No. of respondent	Positive response	Negative response	Partial	No. of respondent	Positive response	Negative response	Partial
Decision Makers	10	06	02	02	10	07	03	00
Executives	15	09	04	02	15	09	04	01
Officer	25	12	11	02	25	19	04	02
Total	50	27	17	06	50	35	11	03
Percentage	100	54%	34%	12%	100	70%	22%	06%

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

Observation:

1. Private Banks has 70% and Public banks have got 54% positive response.
2. Private Banks has recruitment policy and selection criterion is commensurate with to get right person as an employee.
3. It is observed that the public and private bank both have separate selection criterion. But more or less executives and officer have got the same type of opinion.

Table-16

Hypothesis Testing-2: Recruitment policy and selection criterion are set to commensurate with a view to choose the right person as an employee.

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 $Z = \frac{p_1-p_2}{\sqrt{\frac{pc(1-pc)}{n_1} + \frac{pc(1-pc)}{n_2}}}$
Dhaka & Dutch Bang.	$n = 50$ $\frac{1}{n = 50}$	$x = 35$ $\frac{1}{X = 27}$	$p = .70$ $\frac{1}{p}$	$P_c = .62$	1.6494
Agrani & Sonali Bank	$\frac{1}{n = 50}$	$\frac{1}{X = 27}$	$p = .54$		

Now,

$$P_c = \frac{x_1+x_2}{n_1+n_2} = \frac{35+27}{50+50} = \frac{62}{100} = .62$$

$$Z = \frac{p_1-p_2}{\sqrt{\frac{pc(1-pc)}{n_1} + \frac{pc(1-pc)}{n_2}}} = \frac{.70-.54}{\sqrt{.009424 + .0970}} = \frac{.16}{.0970} = 1.6494$$

Comment: Recruitment policy and selection criterion are set to commensurate with a view to choose the right person as an employee. Two sample pooled proportion test is used. The test result (Table-16) indicates that the alternate hypothesis is accepted. To determine the critical value, we divide the significance level in half and place this amount in each tail of the z distribution. Recruitment policy and selection criterion are positive.

Table-17

Views of the Decision Makers (Top Level), Executives (Mid level) and Officers of the Agrani Bank & Sonali Bank and Dutch Bangla Bank & Dhaka Bank Limited on hypothesis-3

Category of respondent	Dutch Bangla & Dhaka Bank Ltd.				Agrani & Sonali Bank			
	No. of respondent	Positive response	Negative response	Partial	No. of respondent	Positive response	Negative response	Partial
Decision Makers	10	08	00	02	10	06	03	01
Executives	15	10	03	02	15	08	05	02
Officer	25	18	04	03	25	14	07	04
Total	50	36	07	07	50	25	15	07
Percentage	100	72%	14%	14%	100	56%	30%	14%

(Source: Sample survey Based on responses to question no 3-7 of Appendix-Two set-C, question no.7 of Appendix-Two set-B and question no.6 of Appendix-Two set-D)

Observation:

- 1) Private Banks has got 72% and public bank has got 56 % positive response. It shows Computerized Human Resource Management System reduces the operating cost of the HR Department of the banks.
- 2) Both public and private banks have reduced the operating cost of the HR Department of the banks.
- 3) It is observed that the public and private bank both have reduced the operating cost of the HR Department. But more or less executives and officers have the same type of opinion.

Table-18

Hypothesis Testing-3: Computerized Human Resource Management System reduces the operating cost of the HR Department of the banks.

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 $Z = \frac{p_1-p_2}{\sqrt{\frac{pc(1-pc)}{n_1} + \frac{pc(1-pc)}{n_2}}}$
Dhaka & Dutch Bang.	$\frac{n = 50}{1}$	$\frac{x = 36}{1}$	$\frac{p = .72}{1}$	P _c = .61	1.6494
Agrani & Sonali Bank	$\frac{n = 50}{2}$	$\frac{X = 25}{2}$	$\frac{p = .56}{1}$		

Now,

$$P_c = \frac{x_1+x_2}{n_1+n_2} = \frac{36+25}{50+50} = \frac{61}{100} = .61$$

$$Z = \frac{p_1-p_2}{\sqrt{\frac{pc(1-pc)}{n_1} + \frac{pc(1-pc)}{n_2}}} = \frac{.72-.56}{\sqrt{.0095216 + .0975}} = \frac{.16}{.1036} = 1.6410$$

Comment: To test hypothesis-3: Computerized Human Resource Management System reduces the operating cost of the HR Department of the banks. Two sample pooled proportion test is used. The test result (Table-18) indicates that the alternate hypothesis is accepted. Reduce the operating cost for Computerized Human Resource Management systems because the test hypothesis result are accepted and null hypothesis rejected.

Table-19

Views of the Decision Makers (Top Level), Executives (Mid level) and Officers of the Agrani Bank & Sonali Bank and Dutch-Bangla Bank & Dhaka Bank Limited on hypothesis-4

Category of respondent	Dutch Bangla & Dhaka Bank Ltd.				Agrani & Sonali Bank			
	No. of respondent	Positive response	Negative response	Partial	No. of respondent	Positive response	Negative response	Partial
Decision Makers	10	07	01	02	10	06	03	01
Executives	15	10	02	03	15	08	05	02
Officer	25	16	05	04	25	14	07	04
Total	50	33	08	09	50	28	15	07
Percentage	100	66%	16%	18%	100	56%	30%	14%

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

Observation:

1. 66% No of respondent positively Opinion the change the productivity of the HR department Computerized system of private bank
2. Public bank 56% opinion the changed positively on adoption of computerized system of HR Department.
3. Both of sector positively opinion this system.

Table-20

Hypothesis Testing-4: The overall productivity of the HR department changed positively on adoption of Human Resource management System.

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 $Z = \frac{p_1 - p_2}{\sqrt{\frac{pc(1-pc)}{n_1} + \frac{pc(1-pc)}{n_2}}}$
Dhaka & Dutch Bang.	$n = 50$	$x = 33$	$p = .66$	$P_c = .61$	1.6494
Agrani & Sonali Bank	$\frac{1}{n} = 50$	$\frac{1}{X} = 28$	$\frac{1}{p} = .56$		

Now,

$$P_c = \frac{x_1 + x_2}{n_1 + n_2} = \frac{33 + 28}{50 + 50} = \frac{61}{100} = .61$$

$$Z = \frac{p_1 - p_2}{\sqrt{\frac{pc(1-pc)}{n_1} + \frac{pc(1-pc)}{n_2}}} = \frac{.66 - .56}{\sqrt{\frac{.0095216}{50} + \frac{.0975}{50}}} = \frac{.10}{\sqrt{.0095216}} = 1.0256$$

Comment: To test hypothesis-4: The overall productivity of the HR department changed positively on adoption of Human Resource management System. Two sample pooled proportion test is used. The test result (Table-20) indicates that the alternate hypothesis is accepted. Private and public both of banking sector has changed the positively on adoption Computerized system over all productivity of the human resource department.

Table-21

Views of the Decision Makers (Top Level), Executives (Mid level) and Officers of the Agrani Bank & Sonali Bank and Dutch Bangla Bank & Dhaka Bank Limited on hypothesis- 5

Category of respondent	Dutch Bangla & Dhaka Bank Ltd.				Agrani & Sonali Bank			
	No. of respondent	Positive response	Negative response	Partial	No. of respondent	Positive response	Negative response	Partial
Decision Makers	10	09	01	00	10	07	02	01
Executives	15	11	01	03	15	09	04	02
Officer	25	20	03	02	25	14	07	04
Total	50	40	05	05	50	30	13	07
Percentage	100	80%	10%	10%	100	60%	26%	14%

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

Observation:

1. Private Bank 80% Positive response of respondent are kept to ensure the career development.
2. Public bank also 60% responses are kept to ensure the career development.

Table-22

Hypothesis Testing-5: Training provisions are kept to ensure the career Development of view 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 $Z = \frac{p_1-p_2}{\sqrt{\frac{pc(1-pc)}{n_1} + \frac{pc(1-pc)}{n_2}}}$
Dhaka & Dutch -Ban.	$\frac{n_1 = 50}{1}$	$\frac{x_1 = 40}{1}$	$\frac{p_1 = .80}{1}$	$P_c = .61$	1.021
Agrani & Sonali Bank	$\frac{n_2 = 50}{2}$	$\frac{X_2 = 30}{2}$	$\frac{p_2 = .60}{2}$		

Now,

$$P_c = \frac{x_1+x_2}{n_1+n_2} = \frac{40+30}{50+50} = \frac{70}{100} = .70$$

$$Z = \frac{p_1-p_2}{\sqrt{\frac{pc(1-pc)}{n_1} + \frac{pc(1-pc)}{n_2}}} = \frac{.40-.30}{\sqrt{.0096 + .0979}} = \frac{.10}{.101} = 1.021$$

Comment: To test hypothesis-5: Training provisions are kept to ensure the career Development of view officers and employees. Two sample pooled proportion test is used. The test result (Table-22) indicates that the alternate hypothesis is accepted and null hypothesis is rejected. Private and public banking sector are accepted the training provisions are kept to ensure the career development.

9.5 Findings of the study:

9.5.1. Formal Computerized Human Resource Management Is not yet developed Service Rule is covering limited area of CHRM: Both Public Sector Banking (Agrani Bank & Sonali Bank) and Private Sector Banking (Dutch-Bangla and Dhaka Bank Ltd.) have not yet developed any written down Computerized Human Resource Management System. They have an Employees' Service Rules containing inter alias, eligibility criteria for promotion, sanction of leave and increment, procedures regarding disciplinary action. Private Bank has also a separate Recruitment policy prepared in the year 1989. These two documents meet the requirement of a limited area of Human Resource Management..

9.5.2. No guideline by the Government for Human Resource Management System in True Sense: In true sense of the term, there is no human resource management system in the banking sector of the country. The Govt. of the Peoples Republic of Bangladesh formed Martial Law committee on organizational set-up public corporations 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, Location and Job positional functions.

9.5.3. Most of the private sector banks follow the foot print of nationalized private banks in respect of Human Resource Management System: Private sector banks and foreign commercial banks determine employee's 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.

9.5.4. 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.

9.5.5. 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.

9.5.6. 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.

9.5.7. Impact of future Mechanization is not considered in Computerized Human Resource Management: 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.

9.5.8. Scientific development and Training courses are not designed to develop the employee's 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.

9.5.9. Lack of permanent promotion policy: It is observed that bank management does not follow any straight or stated promotion policy. Here lies many scopes 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.

9.5.10. 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 employec. 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.

9.5.11. More turnovers 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.

9.5.12. Impact of IT facilities on HRM: 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.

9.5.13 No Prefixed Indicator for Assessing Employees Systems:

In; general there is no written down Human Resource Management System documents. Also there are 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:

9.5.14 Human Resource Management System 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 human resource system strength of those Banks.

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

9.5.15. Computerized Human Resource at Private Sector Commercial Banks: They also performing the job of Computerized Human Resources Management System In the following manner:

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

There is no written down human resource system documents. Human resource system 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 HRS 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 human resource system. Requirement of manpower is assessed in consultation with the incumbent in charges of the concerned branches/offices. HRS plan has not yet been prepared by them.

(d) Foreign Banks

Foreign Banks working in Bangladesh have detailed human resource system 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 human resource system of their offices and branches.

(c) Specialized Banks

There is, no written down Human Resource Management system 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.

9.5.16 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 Dark 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 System plan 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 Human Resource Plan is a set of two plans; (a) a Human Resource system Demand Plan; and (b) a Human Resource Supply Plan. The Human resource Demand Plan should spell out the System requirements of the organization. It should, in principle, have five dimensions; (a) Quantitative, (b) Qualitative, (c) Temporal, (d) Location, and (e) Job-positional” Constructing a Human Resource 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 Human Resource Supply Plan is a reflex action to the Human Resource 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 human resource 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 human resource system 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 is:

- a) Due to the absence of proper Human Resource Management System which results inefficiencies, wastage, corruption in public sector banking and too tight schedule in private sector banking.
- b) Job analysis is 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.

Chapter-Ten Conclusion

<i>10.1 Summary of the Study</i>	<i>131</i>
<i>10.2. Recommendation of the Study</i>	<i>132</i>
<i>10.3. Conclusion</i>	<i>138</i>

10.1 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, and hypothesis of this study and justification of the study has 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 .Sonali & Agrani Bank and Dutch-Bangla Bank Limited & Dhaka Bank 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 employee and third tire the officers. 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 Computerized Human Resource Management and its implication in the Banking Sector has been highlighted giving more emphasis on demand forecasting, supply forecasting, determining Human Resource Department, formulating manpower planning and future challenges has been discussed. Ethical dimension, norms and moral values are highlighted

Brief overview of public bank (Agrani Bank & Sonali Bank) has been taken in consideration. The Organogram and Computerized Human Resource Management has been examined thoroughly the origin and a brief over view of the bank has also been seen to asses the condition of the Human Resource Management System. 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.

Effort is put to analyze the Computerized Human Resource Management of private bank (Dhaka Bank and Dutch-Bangla Bank Ltd.) with the concept of the Computerized Banking Ideology. After examining it is found that its organogram is set up in a progressive manner. A comparative study on Computerized Human Resource Management between Public Bank (Agrani and Sonali Bank) and Private Bank (Dhaka Bank and Dutch-Bangla Bank Ltd.) is done. Major differences between Human Resource Management System in the Public and Private Sector have been evaluated in all respect by analyzing the data and employees statements. Though the rank structure is set up in two different ways 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 is 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 Management System in the same line keeping and 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 management system. Whatever may be the situation human resource demand and supply plan should be in the context of perspective business development plan and expansion program of the bank.

10.2 Recommendation of the Study:

10.2.1 Computerized Human Resource Management 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 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.

10.2.2 Computerized Human Resource Management 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 human resource system plan. This document must, focus on human resource 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, location and human resource supply plan will include the source and supply of employees.

10.2.3 Workload analysis should be done for the fixation of workforce: The first and foremost criterion for fixation of human resource 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.

10.2.4. Performance should be considered in the rank structure: In the human resource system plan this aspect should get proper attention. Human resource productivity of the banks has been steadily increasing since inception of the bank. Human resource productivity of the banks in all areas of performance should be considered in the rank structure.

10.2.5 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 important determining human resources strength.

10.2.6. Deterioration of the effectiveness of the public sector banks depends on the human resource system 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 & Sonali 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 human resource plan, political influence on the executive by the trade union.

10.2.7. 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 needs 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.

10.2.8 Emphasis should be given on Training and Research: Training facility should be streamlined further both on-the-job and institutional for highlighting human resource 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.

10. 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 different system of education and training is necessary for bank and 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.

10.2.10 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.

10.2.11 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 that 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.

10.2.12 Inclusion of personnel rules for the banks: It is observed that personnel department has been strengthened in public Bank rather late. The following suggestions 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 consideration of equity and openness of procedures.

- b) A large size bank like Agrani and Sonali 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.

10.2.13 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 and Sonali Bank may implement this two Agrani Bank system simultaneously. These may be inspired by the directors to achieve good industrial relation in Agrani and Sonali 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.

10.2.14. 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.

10.3. Conclusion: Computerized Human Resource Management is the engine of, growth that put all other resources in to action and gets 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 Wind 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 human resource system requirements. This relationship on the other hand is not unidirectional. Human resource management system being one of the resources of the organization is also a constraint on its business and organizational structure. Non availability of certain type of human resource in critical positions and places can effect alternations in business plan and therefore in the organizational structure. Just as the human resource system Plan is a derivative of the business plan and organizational plan, the profit plan is essentially a derivative of the 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.

Appendix—One

Human Resource Management Information System Software

The author divided the HR department 4 major parts

1. Employee Recruitments and their history maintenance
2. Tracking In and Out
3. Payroll
4. Reporting on daily, monthly or yearly basis.

There are also lots of sub-parts into those parts and all parts integrated together and build the intended system.

2.1 Employee Recruitments and their history maintenance:

This is an important part of HR department. HR not only recruits employees also define the procedure and policy of vacancy filling. Upon company's managerial decision HR appoint employee with a pre-defined BASIC salary with benefits, assign their job role on bard discuss with intended department, specify job locations and create a record to keep his/her history

2.2 Tracking In and Out:

There must be an automated system to track employees log in and log out history. This not only enhances the throughput of employee and calculates their wq& hour but also helps to PAYROLL to calculate employee's daily salary with other benefits. Log In and Log Out policy should be complete customized and flexible so any change may not lead to catastrophe.

2.3 Payroll

We simply do know what the above heading means: calculating salary and maintaining other accountings. In our system we developed some logics so that when a employee In using HTRACK, his salary automatically calculates and updates like interest provisioned and posting in banking policy. The system kept flexible so that user can overwrite on calculated figure with some certain restrictions.

2.4 Customized Reports:

HR department may be asked anytime to generate customized reports so we attach some high frequency reports based on employee history, monthly salary, monthly login history and etc.

3. Analyses

Most of the HR department maintain total workforce according to managerial decision and employment policy and structure so no fixed ethics can't be

sketched from those points of view and roughly speaking totally customized, depends on institutions But their basic goals are same, so to atomized the total human resource management system we need to consider some skeleton that's common for all institutions and some intelligent policy and deployment to resource management that's dominate the whole system.

For this project's detail analysis the team had done some paper work on observing two mid scale institutions HR system and found the following major parts that integrated together -and build up the skeleton of Human Resource Management System's backbone.

First other departments inform the higher management about new recruitment and if feasible then management inform HR department to arrange recruitment procedure. This stage has few sub-phases like advertisement policy, a smart web based job registration form, and some automatic engine to filter interested employee's CV whose criteria matched with that of vacant post.

Some institutions have other formalities but that's totally dependent on business nature and location.

When employee recruited then their history being kept in the employee database and remain forever no matter they are retired or fired. They are assigned some

pre-define job role. Several departments share this history for own purpose as like HTRACK use the employee's identification number for tracking log in and log out and I calculates employee's salary which defined in employee's Staring basic or even HR itself upgrade it if employee get any promotion or deserve extra benefits

The major role of FIR department is to evaluate employee's performance and increase throughput and this system must have that capability to find out those employees performance is remarkable to the management for his performance and formally this is totally customized.

The reporting for FIR management system is mainly monthly basis but there should be some way to get some report's data at any specific time and date.

4.0 Design

4.1 Logical and physical design:

The conceptual design based on user requirements we build the E-R Diagram that shows pictorial functional flow of the whole system.

4.2 Considered Tables:

The following tables are used to develop the modules according to user requirements.

Table Name	Table Description
Branch	This table is used to keep information about total branches information of the Institution.
Salgrade	This table is used to keep records of all salary grades.
Designation	This table is used for defining Employee's designation
Employee	This table stores all the details of employee's particulars.
Domains	This is a system related table to define systems preference and values.
Htrack	This table is responsible to store employee's attendance status of a day.
Authentication	This table holds the data that need for employee's authentication.

5.0 Analysis

Database Tables:

```
TABLE branch
(branchid NUMBER(9,0),
branchname VARCHAR2(30) NOT NULL,
branchcity VARCHAR2(30))
```

```
ALTER TABLE branch
PRDAARY KEY (branchid)
NOVALIDATE
```

```
CREATE TABLE salgrade
(grade VARCHAR2(5) NOT NULL
basic-salary NUMBER(10,2) NOT NULL,
house-rent NUMBER(10,2),
medical-allowance NUMBER(10,2),
mobile-bill NUMBER(10,2),
others NUMBER(10,2))
```

```
A,LTER TABLE salgrade
ADD CONSTRAINT grade_pk PRIMARY KEY (grade)
```

```
Create table designation
(designationid number(9),
description varchar2(30)not null,
roledescription varchar2(100) not null,
activflag varchar2(1),
constraint designation_designationid_pk primary key(designationid),
constraint designation_activflag_ck check(activflag in ('Y','N')));
```



```

CREATE TABLE employee

    (employeeid      NUMBER(9,0),
     firstname       VARCHAR2(30) NOT NULL,
     middlename      VARCHAR2(30),
     lastname        VARCHAR2(30),
     fathername      VARCHAR2(30) NOT NULL,
     mothername      VARCHAR2(30),
     dateofbirth     DATE NOT NULL,
     placeofbirth    VARCHAR2(30),
     presentaddress  VARCHAR2(100) NOT NULL,
     permanentaddress VARCHAR2(100),
     phone           VARCHAR2(25) NOT NULL,
     emailaddress    VARCHAR2(30),
     hiredate        DATE NOT NULL,
     designationid   NUMBER(9,0) NOT NULL,
     activflag       VARCHAR2(1),
     branchid        NUMBER(9,0),
     salgrade        VARCHAR2(10),
     photograph      BLOB)
ALTER TABLE employee
ADD CONSTRAINT employeeid_pk PRIMARY KEY (employeeid)
DISABLE NOVALIDATE

ALTER TABLE employee
ADD CONSTRAINT e_activflag_ck CHECK (activflag in ('Y','N'))

ALTER TABLE employee
ADD CONSTRAINT branchid-fk FOREIGN KEY (branchid)
REFERENCES branch (branchid)
DISABLE NOVALIDATE

ALTER TABLE employee
ADD CONSTRAINT designationid_fk FOREIGN KEY (designationid)
REFERENCES designation (designationid)
DISABLE NOVALIDATE

ALTER TABLE employee
ADD CONSTRAINT grade-fk FOREIGN KEY (salgrade)
REFERENCES salgrade, (grade)

CREATE TABLE domains

(pid          NUMBER(9,0),
 code        VARCHAR2(4) NOT NULL,
 description  VARCHAR2(30) NOT NULL,
 value       VARCHAR2(10),
 activflag   VARCHAR2(1),
 activationdate DATE NOT NULL)

ALTER TABLE domains

```

```
ADD CONSTRAINT ppjactivflag_ck CBECK (activflag in ('Y', 'N'))
```

```
ALTER TABLE domains
ADD PRIMARY KEY (pid)
DISABLE NOVALIDATE
```

```
CREATE TABLE litrack
(employeeid NUMBER(9,0),
ename VARCHAR2(100),
login VARCHAR2(6),
logout VARCHAR2(6),
currdate DATE NOT NULL,
remarks VARCHAR2(50),
latehr NUMBER(2,2),
earlyhr NUMBER(2,2))
```

```
ALTER TABLE htrack
ADD CONSTRAINT ht_employeeid-fk FOREIGN KEY (employeeid)
REFERENCES employee (employeeid)
DISABLE NOVALIDATE
```

```
CREATE TABLE authentication
(employeeid NUMBER(9,0),
password VARCHAR2(10) NOT NULL,
secretcode VARCHAR2(10) NOT NULL,
updatedate DATE NOT NULL)
```

```
ALTER TABLE authentication
ADD CONSTRAINT aut_employeeidfk FOREIGN KEY (employeeid)
REFERENCES employee (employeeid)
DISABLE NOVALIDATE
```

```
CREATE TABLE logirlschedule
Log_in_hr NUMBER(10,0) NOT NULL,
Log_in_mi NUMBER(10,0) NOT NULL,
Log_put_hr NUMBER(10,0) NOT NULL,
Log_out_mi NUMBER(10,0) NOT NULL,
Active_flag VARCHAR2(2) NOT NULL,
Activation_date DATE NOT NULL,
Log_in_half VARCHAR2(5) NOT NULL,
Log_out_half VARCHAR2(5) NOT NULL
```

```
ALTER TABLE login_schedule
ADD CONSTRAINT in_half_chk CHECK (log_in_half in('AM', 'PM'))
```

```
TABLE logout_schedule
```

```
ADD CONSTRAINT out_half_chk CHECK (log_out_half in('AM', 'PM'))
```

```
CREATE TABLE monthly_sal
(emp_id          NUMBER(16,0) NOT NULL,
sal_month       VARCHAR2(16) NOT NULL,
calc_sal        NUMBER(16,2),
othr_chrg       NUMBER(16,2),
sal_payable     NUMBER(16,2),
comments       VARCHAR2(100))
```

```
TE TABLE outgoing
(emp_id          NUMBER NOT NULL,
passwd          VARCHAR2(100),
out-time        VARCHAR2(20),
actual-return-time VARCHAR2(20),
out_purpose       VARCHAR1(0U),
expected_return_time VARCHAR2(20),
out_place       VARCHAR2(100),
Out_rnsg        VARCHAR2(100),
reason_to_late  VARCHAR2(100))
```

```
CREATE TABLE salgrade
(grade          VARCHAR2(5) NOT NULL,
basic_salary    NUMBER(10,2) NOT NULL,
house_rent      NUMBER(10,2),
medical_allowence NUMBER(10,2),
mobile_bill     NUMBER(10,2),
others          NUMBER(10,2))
```

```
ALTER TABLE salgrade
CONSTRAINT grade_pk PRIMARY KEY (grade)
```

```
CREATE TABLE sal-log
(emp_id          NUMBER(16) NOT NULL,
calc_sal        NUMBER(16,2),
othr_Chrg       NUMBER(16,2),
sal_payable     NUMBER(16,2),
comments       VARCHAR2(100),
sal_year        VARCHAR2(10) NOT NULL,
sal_month       VARCHAR2(16) NOT NULL)
```

System Configuration and Installation

Install ORACLE database.

Install Developer 2000

Configure NET8 assistance and connect ORACLE with form server

Connect to ORACLE database with user id SYSTEM and password

MANAGER

Create an user named HRM and define a password FIRM.

Assign some privilege to FRM.

Disconnect to SYSATEM and connect to FIRM.

Create Database.

Corresponding SQL codes for creating Users
Connect to database with user system and password manager

```
SQL> Create user hrm
      identified by hrm;
```

Assign Role to firm

```
SQL> Grant resource, connect, dba to hrm;
Then connect with user hrrn and create the database by running database script.
```

6.0 Implementation

Before going to individual module we developed some generic packages, Functions, Triggers, Record Groups, Property Class, Visual Attributes, Customized Alert and Messaging and templates.

6.1 Generic triggers

Trigger Name: When-window-resized **Trigger Level:** Form
Purpose: Changing Window

Trigger Name: When-new-form-instance **Trigger Level:** Form
Purpose: New Form's Code

Trigger Name: On-error **Trigger Level:** Form
Purpose: When Error Occurred

Trigger Name: Key-clrfm **Trigger Level:** Form
Purpose: Clearing Form

Trigger Name: Key-commit **Trigger Level:** Form
Purpose: When Form Commits

Trigger Name: When Key-listval **Trigger Level:** Form
Purpose: When List of

Trigger Name: Key-exit **Trigger Level.-** Form
Purpose: When Exit

6.2 Generic Program Units:

fun\$show-error number.	This function is used to handle error information with implicit error number.
fun\$show-info	This Function is used to show customized message to user.
getjocus	This Procedure is used to visualized current navigation
lost-focus	This Procedure is used to visualized current navigation
prc\$nuff-chk	This Procedure Check if a non-null able item is null or not.
display_yalander	This is a calendar Function .
prclist-val	This Procedure populate list if the current item is defined as values from list.

6.3 Visual Attributes:

The following visual attributes are used to improve visibility and interface outlook.

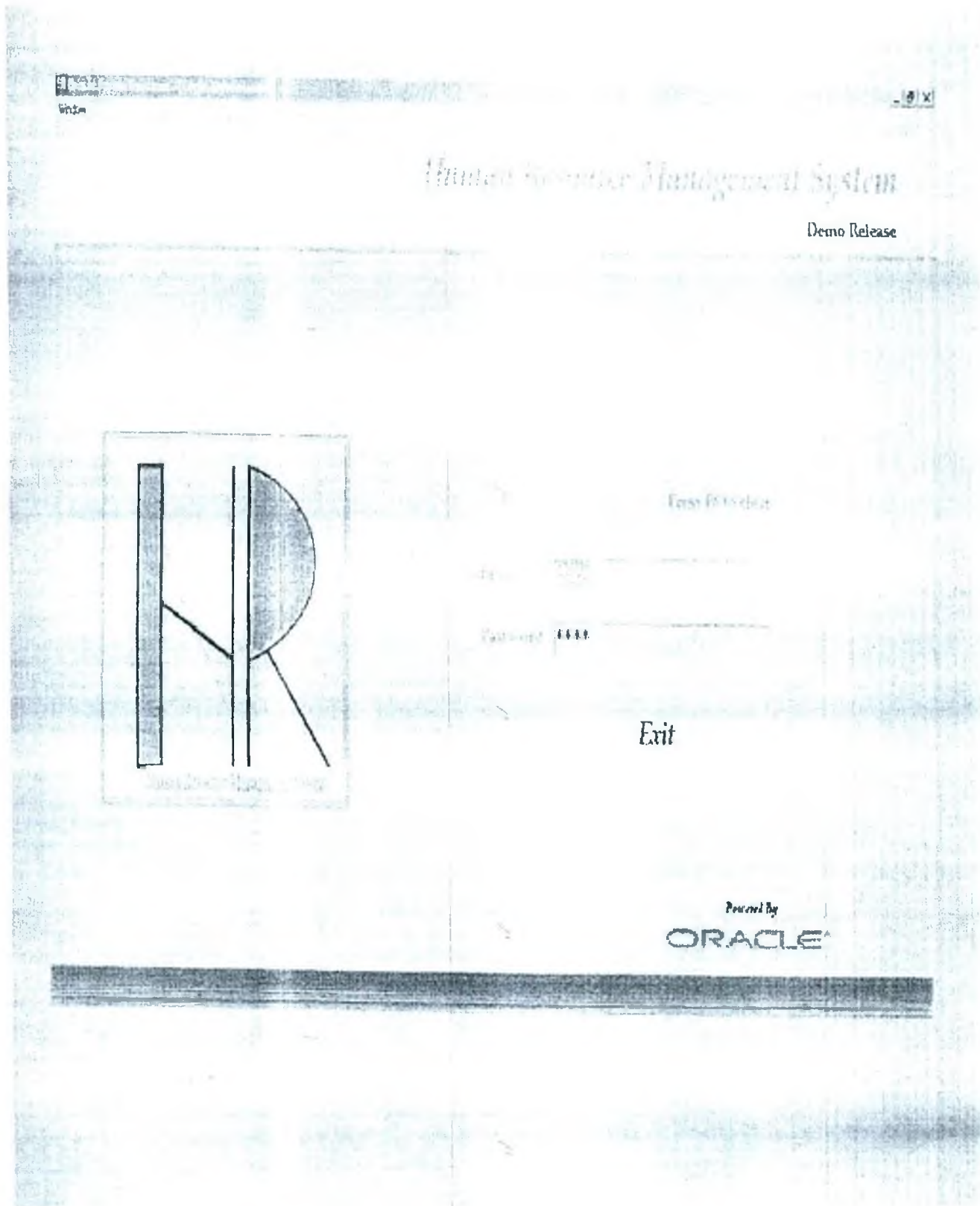
VA-UST-ITEM
CALENDAR-SELECTED
CALENDAR-SELECTED-TODAY
CALENDAR-CURR
CALENDAR-CURR-TODAY
CALENDAR-OTHER
CALENDAR-OTHER-TODAY
CALENDAR-CURR-DISABLED
CALENDAR-CURR-DISABLED-TODAY
CALENDAR-OTHER-DISABLED
CALENDAR-OTHER-DISABLED-TODAY
VA-TEXT-COMMON
GOT-FOC

6.4 Design Layout and Implementation:

Now we will briefly describe then design of our Human Resource Management System with layout and design code.

7.0 Authentication Form:

This is the first form of our Human Resource Management System which ensures user authentication and verification.



8.0 Used Triggers:

This module used all generic triggers and procedures to work properly and compatibly with serving the purpose Authentication and User Validation This module also have several alerts, attached libraries, only one data block named 'control' that used for user authentication. It also has LOV and Record Group to perform operation upon user's ID and Password.

8.1 Record groups: gd_empid

Select employeeid,firstname // // middlename // // lastname name from
employee order by employeeid

8.2 Application Triggers

Trigger Code

Declare

l_msg_id number;

begin

prc\$nuil-chk('control.userid','Userid');
prc\$null-chk('control.pass', ' Password');
if :control. userid<> 'hrms'

then

l_msg_id:= FUN\$ Show-Error('0000 F ', 'Error-', ' UserId or Password',");
else

if

:control. pass<>'h-rms'

then

l_msg_id := FUN\$Show Error('00001','Error- UserId or
Password',");

else

call('c:\hrm\frnx\main');

end if;

end if;

begin

prc\$nuil-chk('employee.FIRSTNANffi','Can not be null..');
prc\$null-chk ('employee. dateofbirth','Date of birth cannot be blank');
prc\$nuil-chk ('employee. fathename,'Fathee's name cannot be blank);
prc\$null_chk('employee.presentaddress','Address cannot be blank);
prc\$null_chk('employee.permanentaddress','Address cannot be blank'),
prc\$null_chk('employee.phone','Phone number cannot be blank'),
prc\$null_chk ('employee. hiredate,Hiredate cannot be blank');

```

prc$null-chk('employee.designationid','Designation cannot be blank');
prc$null-chk (employee. branchid,'Branch name cannot be blank');
if form-success
    then
        commit-form;
        l-msg FUN$Show-Info('00046',NULL,'Employee ID:
'II: employee. employeeid II' Employee's Record saved...',NULL);
        EXECUTE-TRIGGER('key-clfrn');
        EXECUTE-TRIGGER('WHEN-NEW-FORM-INSTANCE');

    else
        raise form trigger failure;
    end if,
end;

```

This module also used generic form level triggers alerts and attached libraries.

This module has two Data Blocks-Employee and Calendar

Also has LOV name SALGP-ADE,BF-ANCH-LOV and DESIGNATION LOV.

8.3 Record Groups Query:

BRANCH-GROUP

```
select branchid,branchname from branch order by branchname
```

DESIGNATION-GROUP

```
select description,designationid from designation order by designationid
```

SALGRADE

```
select a.grade, a.basic-salary, a.house-rent, a.medical-allowence,a.mobile-bill,
a.others
FROM salgrade a
```

9.0 User Access:

This module is used to give access to the system of new employee. He/She has given access so he/she can use HTRACK for log in and log out.

```

select count(*)
into b
from authentication au
where au.employeeid=:authentication.employeeid;

if a=0 then
l-msg_id      =FUN$Show-Error('0000 F','User not found.',' ErnploN,ee Id,');

    else
    if b=0 then
    select em.firstnamell' 'llem.middlenamell' 'llem.lastname
into :authentication. name

```



```

from employee em
where em.employeeid=:authentication.employeeid;
:authentication.PASS WORD:=";
:authentication. SECRETCODE:=";

else

select          em.firstname||'          'l|ern.middlenarnell'

'l|em.lastname,au.PASSWORD,au.SECRETCODE,au.UPDAT'EDATE
into
:authentication.name,:authentication. PASSWORD,: authentication. SECRETCODE,
:authentication. UPDATEDATE
from employee em,authenti cation au
where au.employeeid=:authentication.employeeid
and au.employeeid=em.employeeid;
:global. passwd:=: authentication. PASSWORD; end if,

end if,
end;

select count(*)
into b
from authentication au
where au.employeeid=:authentication.employeeid;

if a=0 then
l-msg_id          =FUN$Show-Error('0000 F','User not found.',' Ernpln,ee Id','');

else
if b=0 then
select em.firstname||' |l|em.middlenamell' |l|em.lastname
into :authentication. name
from employee em
where em.employeeid=:authentication.employeeid;
:authentication.PASS WORD:=";
:authentication. SECRETCODE:=";

else

select          em.firstname||'          'l|ern.middlenarnell'

'l|em.lastname,au.PASSWORD,au.SECRETCODE,au.UPDAT'EDATE
into
:authentication.name,:authentication. PASSWORD,: authentication. SECRETCODE,
:authentication. UPDATEDATE
from employee em,authenti cation au
where au.employeeid=:authentication.employeeid
and au.employeeid=em.employeeid;
:global. passwd:=: authentication. PASSWORD; end if,

end if,
end;

```

APPENDIX -TWO**Questionnaire****Set-A****QUESTIONNAIRE FOR RESEARCH ON "HUMAN RESOURCE MANAGEMENT SYSTEM BANKING SECTOR OF BANGLADESH"**

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

Set-A: Questionnaire Schedule for Decision-maker and Executive 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 Computerized Human Resource management System?*

St. No.	Items	Yes	No	Partially
a.	Formal Human Resource Management system			
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?

St. No.	Items	Yes	No	Partially
a.	Do you have skill inventory?			
b.	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 position wise status of the employee?			
F.	Is there any pre-employment training?			
g.	Is there any orientation program for the new employee?			

5. Do you think that over all productivity changes for the computerized HR system of your bank?

St. No.	Items	Yes	No	Partially
a.	Human Resource Management			
b.	Consumer Banking			
C.	Corporate banking system			
d.	Credit system			

6. What is opinion the computerized Management information system reduce the training and development cost?

Sl. No.	Item	Yes	No.	Partly
a	Training and development cost			
b	Training feedback			
c	Overseas training Cost			

07. For the career development, of the Human Resources Management System, 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.	Does your bank provide field training facilities?			
g.	Do you have the provision of on the job training and Off the job training?			

8.0 Do you feel that the environment in your bank persist 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-Ma tivities				
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				-

9. Do you thing that the following –provisions exists in your bank –for –the benefit 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			

10. *What are the system and process of development and evaluation?*

Sl No	Item	Yes	No.	Partly
a	Orientation and placement system			
b	Training and development system			
c	Career planning system			
d	Performance Appraisal system			

10. *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?

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

09. *Special Comments (if any)*

Signature of the Investigator

Dated:

Questionnaire

Set-B

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

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

Set-B Questionnaire Schedule for Executive and officer

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 Employee demand plan in the following aspects?*

04. *What are the opinions of the employees regarding Recruitment and Selection for their Career?*

Sl. 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 vacancies			

05. *What are the opinions of the employee regarding rating and development for their career?*

Sl.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?		

6. 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			
	Rest room facility			

07. Do you think that the following provisions exist in your bank up to your satisfaction?

S l. 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			

08. Can you tell me for each one whether or not it forms part of your job or the job of someone responsible to you?

Item	Yes	No.	Partly
a. Pay or condition of employment			
b. Recruitment or selection of employees.			
c. System of payment			
d. Equal opportunities			
e. Performance appraisals			

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

10. Special Comments (if any):

Signature of the Investigator:

Dated:

Questionnaire

Set-C

QUESTIONNAIRE FOR RESEARCH ON "HUMAN RESOURCE MANAGEMENT SYSTEM BANKING SECTOR OF BANGLADESH"

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

Set-C Questionnaire Schedule for Executive and Officers

01. *Name of the Bank:*

02. *Respondent:*

- a. Name :
- b. Address :
- c. Designation :
- d. Education Qualification :
- e. Length of Service :

03. *Do you think that reduce overhead cost of HR department for computerized Human Resource management system?*

Sl. No.	Item	Yes	No.	Partly
a	Administrative Cost			
b	Administrative heed cost			
c	Time factor short time and reduce cost			

4 *Do you think that the System reduce the Maintains Cost of your bank?*

Sl. No.	Item	Yes	No.	Partly
a	Updating on bank			
b	Job describing & jobs reporting update			
c	HR department system update			

5. Does your bank reduce the following items while recruiting and selecting an employee?

Sl. No.	Item	Yes	No.	Partly
a	Recruiting and selection Cost			
b	Advertising cost			
c	Internal and External cost			

6. What is opinion the computerized Management information system reduce the training and development cost?

Sl. No.	Item	Yes	No.	Partly
a	Training and development cost			
b	Training feedback			
c	Overseas training Cost			

7. Do you think that fixed cost reduces the computerized HR system in the bank?

Sl. No.	Item	Yes	No.	Partly
a	Technology cost			
b	Software acquisition			
c	Soft ware updating			

8. Would you prefer to get reduce operating cost of the HR department in private or public sector banking?

09. Any special comment:

Signature of the investigator

Dated:

Questionnaire

Set-D

*QUESTIONNAIRE FOR RESEARCH ON "HUMAN RESOURCE MANAGEMENT SYSTEM BANKING
SECTOR OF BANGLADESH"*

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

Set-D Questionnaire Schedule for Officers

01. *Name of the Bank:*

02. *Respondent:*

- a. Name :
- b. Address :
- c. Designation :
- d. Education Qualification :
- e. Length of Service :

3. *Does the computerized HR system changes overall productivity in your bank?*

04. *While planning human resources for your bank what are your contribution in the following areas?*

Sl. 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	Can trade union help any employee during their posting or transfer?			
d	Can trade union help any employee during their posting or transfer?			

05 Do you think that the following provisions are made up to 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	onus			
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			

06. Do you observe that environment in your bank persist the executives and 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	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			
in	Measurement and evaluation of employee performance			

07. Does the Computerized System have got influence on the officers and employees on the following aspects?

Sl. 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 get due importance from the higher authority while taking decision regarding employees?			
c	Do you get due importance from the higher authority while taking decision regarding employees?			

8. A. If your association is given an option to suggest demand for additional benefit for the Employees of your bank then which demand would your prefer first.

i)

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

i)

ii)

9 Any special comment:

Signature of the investigator

Dated:

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