# Thesis Report
# on
# Human Resource Management Practices in Bangladesh: A Case Study on Universal Menswear Ltd.

## Submitted by :

Name: Md. Pias Mahmud
ID: EMBA1903018007
Program: Executive Master of Business Administration
Major: HRM
Semester: Fall-2020

## Submitted To :

Department of Business Administration
Sonargaon University (SU)

Submitted for the partial fulfillment of the degree of Executive Master of Business Administration




Sonargaon University (SU)
Dhaka- 1215

Date of Submission: February 03, 2021

# Thesis Report
# on
# Human Resource Management Practices in Bangladesh: A Case Study on Universal Menswear Ltd.

## Submitted by :

Name: Md. Pias Mahmud
ID: EMBA1903018007
Program: Executive Master of Business Administration
Major: HRM
Semester: Fall-2020

## Submitted to :

**Md. Rasel Hawlader**
Lecturer
Department of Business Administration
Sonargaon University (SU)

Submitted for the partial fulfillment of the degree of Executive Master of Business Administration




Sonargaon University (SU)
Dhaka- 1215

Date of Submission: February 03, 2021

# Letter of Transmittal

February 03, 2021

Md. Rasel Hawlader
Lecturer
Department of Business Administration
Sonargaon University (SU), Dhaka.

Subject: Submission of thesis report.

Dear Sir,
With humble honor and respect, I am submitting my internship report on "Human Resource Management Practices in Bangladesh: A Case Study on Universal Menswear Ltd.". as per partial accomplishment of the requirements for the EMBA degree, I have completed thesis from "Universal Menswear Ltd." [As per partial accomplishment of the requirements for the EMBA degree, this thesis has been carried out] under the supervision of you.

This report is an integral part of our academic courses in completion of the EMBA program which has given me the opportunity to have an insight into the Human Resources Management Practices. I hope this report reflects on the contemporary issues on the HRM that are being practiced by organizations in our country.

In completing the report, I tried my best to blend all my knowledge and imparted every available detail and also attempted to avoid unnecessary amplification of the report. I humble request you to accept this report for your kind evaluation.

Sincerely Yours,

Md. Pias Mahmud
EMBA1903018007
Executive Master of Business Administration
Sonargaon University (SU)

# Certificate of Supervisor

This is to certify that thesis paper of "Human Resources Management Practices in Bangladesh: A Case Study on Universal Menswear Ltd." has been prepared as a part of completion of the Executive Master of Business Administration program from Department of Business Administration, Sonargaon University (SU), carried out by Md. Pias Mahmud, bearing ID: EMBA1903018007 under my supervision. The report or the information will not be used for any other purposes.

…….

**Md. Rasel Hawlader**
Lecturer
Department of Business Administration
Sonargaon University (SU), Dhaka.

# Student Declaration

I am Md. Pias Mahmud, a student of Executive Master of Business Administration, ID: EMBA1903018007 from Sonargaon University would like to solemnly declare here that this report on "Human Resource Management Practices in Bangladesh: A Case Study on Universal Menswear Ltd." has been authentically prepared by me. While preparing this report, I didn't breach any copyright act internationally. I am further declaring that, I did not submit this report anywhere for awarding any degree, diploma or certificate.

Sincerely Yours,

…….

**Md. Pias Mahmud**
ID: EMBA1903018007
Program: Executive Master of Business Administration
Department: Business Administration
Major: HRM
Semester: Fall-2020
Sonargaon University (SU), Dhaka

# Letter of Authorization

This is to certify that this project report titled “Human Resources Management Practices in Bangladesh: A Case Study on Universal Menswear Ltd.” is the bonafide work of Md. Pias Mahmud, who carried out the research under my supervision. Certified further that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

…….

**Md. Rasel Hawlader**
Lecturer
Department of Business Administration
Sonargaon University (SU), Dhaka.

# Abstract

As a part of academic requirement and completion of Executive Master of Business Administration program, I have been assigned to complete thesis report on "Human Resources Management Practices in Bangladesh: A Case Study on Universal Menswear Ltd." under my supervisor **Md. Rasel Hawlader**.

As usual, primary data and secondary data were used to prepare this report. Primary data came from my day to day observation and interviewing employees. Secondary data were collected by Organizational employees, hand book, website, and relevant books. I tried to minimize bias and produce and unbiased report.

"Human Resources Management" is a slice of human resource process, as such I have selected this topic to make it clear. I have divided this report in some sub segments.

As an Assistant Manager (HR & Payroll) in a reputed organization "Universal Menswear Ltd." I have tried to go through their Human Resource Management process to employee within my tenure of last eight years.

The report starts with a general introduction "Universal Menswear Ltd." and then comes the introduction of "Universal Menswear Ltd." as well as origin of the report, Statement of research problem, Objective of the report. The Mission and Vision of "Universal Menswear Ltd." are also discussed. Then this report proceeds onto the preliminary discussion about the products of "Universal Menswear Ltd."

After that I tried to shed a light on the HR structure of Universal Menswear Ltd. All the function of HR department are briefly described here. After that I continue on the main focus of the report "Human Resources Management Practices in Bangladesh: A Case Study on Universal Menswear Ltd." describing the different steps are well described with and example.

After completion of this report, it can easily be said that efficient, competent and active part in Human Resource Management practices take a company to the peak of the success.

# Executive summary

The garment industry of Bangladesh has been the key revenue generating sector for the last couple of years. At present, the country generates about $9.35 billion worth of products each year by exporting garments product. The industry provides employment to about 3 million workers of whom 80% are women. Universal Menswear Ltd. is one of the emerging garments in our country. I have conducted my thesis in this organization in the Human Resources Department. Currently it consists of 4,850 employees and generated revenue of 3 million dollars per year. The company was established in 2012 and its located in Adamjee EPZ, Siddhirganj, Narayanganj. During my whole thesis tenure, I have worked in several sectors of Human Resources Department of the Garment's Production and Manufacturing Sectors. At the same time, I had to keep a good link with the company's HQ at Gulshan-2, Dhaka. The Human Resource Department of the Garment is the most crucial department which has to work with the daily manpower and the resources. As an intern I didn't get the chance to work in every sector very deeply but I had my contribution on the marketing department. A big promoter of the industry till now has been the cheap labor in our country. However, recent political developments are creating a barrier to this sector. Moreover, workers are now well-aware of the high profits enjoyed by the companies, and as a result demanding higher salary. This is the same problem that is circling Universal Menswear Ltd. The company's biggest drawback is the high labor turnover which is directly arising for this sole reason. As a result, the company's HR department has taken steps to tackle this problem. The solution that I helped to come up with, is creating a better working environment and preventing and monitoring the commission received by the line managers from the labors, so that no injustice occurs to them.

# Table of Contents


| **Chapter: 1** | **Introduction** | 12 |
|---|---|---|
| Introduction to Report ..... 12 | | |
| Background of the Study …..... 12 | | |
| Origin of the Report ..... 13 | | |
| Objectives of the Study ..... 13 | | |
| General Objective …….....  13 | | |
| Specific Objective …….....  ...13 | | |
| Scope of the Report ..... 13 | | |
| Methodologies ..... 13 | | |
| Research Objective …..... 13 | | |
| Limitations ..... 14 | | |
| Data Collection Method …..... 14 | | |
| Primary Data: ..... 14 | | |
| Secondary Data: ..... 14 | | |

| **Chapter: 2** | **Overview of the Company** | 15 |
|---|---|---|
| Organogram ..... 16 | | |
| Key Facts About UML ..... 17 | | |
| Production Process ..... 17 | | |
| Costing ..... 17 | | |
| Mission ..... 17 | | |
| Vision ..... 17 | | |
| Universal Menswear Ltd. Responsibility to Environment and Society: ..... 17 | | |
| Products of Universal Menswear Ltd.: …….....  17 | | |

| Chapter: 3 | Theoretical Framework | 18 |
|---|---|---|
| Human Resource Planning and Forecasting …..... | | 18 |
| Manpower Planning …… | | 18 |
| Recruitment and Selection ..... | | 22 |
| Initial Screening ……..... ..... | | 24 |
| Training and Development ..... ..... | | 25 |
| HR Marketing ……..……..…… | | 25 |
| Compensation and Benefit ..... | | 25 |
| Succession Planning ..... | | 28 |
| Human Resource Inventory ..... | | 28 |
| Job Specification ..... | | 28 |

| Chapter: 4 | Analysis of the Study | 29 |
|---|---|---|
| Core Activities of HR Department of Universal Menswear Ltd.: ..... | | 29 |
| Orientation and Training ..... | | 29 |
| Recruitment Process ..... | | 29 |
| Maintaining the Employee Attendance ..... | | 30 |
| Human Resource Policy ..... | | 30 |
| Standard Conduct ……..……..…… | | 30 |
| Harassment Policy ……..…… | | 30 |
| Security ……..……..…… | | 30 |
| Recruitment and Selection Policy …… | | 31 |
| Prohibition of Child Labor Policy ……... | | 31 |
| Jubinal Labor Policy ……..……... | | 32 |
| Training and Development Policy ……... | | 33 |
| Unskilled Worker Development Policy ……... | | 34 |
| Working Hour Policy ……... | | 34 |
| Leave Policy …… | | 34 |
| Wages and Benefit Policy …… | | 34 |
| Attendance Bonus Policy ……..……..……... | | 35 |

| | |
|---|---|
| Maternity Leave & Benefit Policy …….……..…….…..…... | 35 |
| Performance and Appraisal Policy ……...…… | 36 |
| Prohibition of Harassment & Abuse Policy …….……... | 36 |
| Grievance Policy ……...……...… | 36 |
| Disciplinary Action Policy ……...…… | 37 |
| Female Workers Rights Policy …….……...…… | 37 |
| Job Separation Policy ……...…… | 38 |
| Internal Audit Policy & Procedure …….…….…… | 38 |

| | | |
|---|---|---|
| **Chapter: 5** | **Findings and Recommendations** | **66** |
| Findings ..... | | 66 |
| Recommendations ..... | | 66 |

| | | |
|---|---|---|
| **Chapter: 6** | **Conclusion** | **67** |
| Conclusion ..... | | 67 |
| References ..... | | 68 |

# Chapter 1

# Introduction

## Introduction to Report

I have done my major in human resource management from **Sonargaon University (SU)**. There I have completed one year and four months of the theoretical part of the EMBA. Now the rest of the practical part I have completed from **Universal Menswear Ltd.** HR department. This practical part will be evaluated by my honorable academic supervisor. For that reason, I have prepared this report on the basis of my practical experience and submitted to my supervisor. The topic of the report is "Human Resource Management Practices in Bangladesh: A Case Study on Universal Menswear Ltd". As a part of my thesis program for my EMBA I got the opportunity to do more analysis in a garment manufacturing company named Universal Menswear Ltd. In Universal Menswear Ltd. I was assigned in the Human Resource department. My organizational supervisor was Mr. Md. Billal Hossain, General Manager (HR & Compliance). My project topics covered the aspects of the HR department and the various issues related to it in respect to the company. The topic was approved by my university supervisor Mr. Md. Rasel Hawlader, Lecturer of Sonargaon University (SU). My program started from 15$^{th}$ October 2020 and ended at 25$^{th}$ January 2021. My project was on the Human Resource Management Practices on Universal Menswear Ltd. It was assigned to me by my organizational supervisor.

## Background of the Study

In this era of competition where there is no room for error, efficiency in production plays a great part. Efficiency in all aspects, passion for gaining advantage is the key for survival and growth. In all trade there's a saying it's the people who make all the difference. In readymade garments (RMG) sector human resource play a vital role. In this study I would like to share my experience after working with a RMG company named Universal Menswear Ltd. In my project it was in a broader perspective Human Resource management. In addition, I also drove change management and implemented the international compliance standards in all parameters. I have conducted a small research work on HR driven efficiency.

## Origin of the Report

The report is a requirement for thesis of my EMBA program. Topic has been assigned by the line manager of Universal Menswear Ltd. I have tried my level best to make it a good one and I have been serving this company as an Asst. Manager (HR & Payroll) of Human Resource department for the last eight (08) years.

## Objectives of the Study

## General objective

The main objective of this report is to have an assessment about overall activities of Human Resource department. In broader perspective I have also tried to learn all the activities of an RMG company.

## Specific Objectives

**1.** Understand the HR operations of an RMG company
**2.** Understand how basic HR activities of Universal Menswear Ltd. functions
**3.** Recommendations on how to improve the HR effectiveness.
**4.** Understand the reason behind the high turnover rate

## Scope of the Report

The report entirely discusses the current predicament of Universal Menswear Ltd. and how they perform different HR practices at UML. The report discusses the current HR practices of the Universal Menswear Ltd. at its top, mid and entry management level employees. Also, in this research I have solely focused on the HR Department and its policies. (Information source, "Marketing Research")

## Methodologies

To make this report meaningful and presentable, I used primary and secondary research base. Most of the data came from my critical observation. Primary data came from my experience, observation, unstructured interview. On the other hand, secondary data has been collected through internet, different journals, and regular reporting.

## Research Objective

To find out the main mismanagement regarding HR activities carried out in the company and its consequences and why the rate of turnover is increasing.

## Limitations

- Sample size is very small compared to the entire population
- The research is confined to just one company
- Lack of technical expertise
- Lack of manpower and other resource constraint
- Inadequate access to information (sensitivity of company information) which disrupts the scope of analysis
- Due to the limitations many aspects could not be discussed in the report

## Data Collection Method

Data was collected through previous documents, archival records and highly dependent on observation. Main source of data is open ended interview and observation. To find out the system loop hole and inefficiency I had to stay long hours with the factory and its employees.

## Primary Data:

I have collected primary data from the workers, different managers, analyze damage physically and visit the factory. The research itself is mainly of Qualitative research. In the qualitative part it is actually an unstructured, exploratory research methodology based on small samples indented to provide insight and understanding of the selection and recruitment department's activity. But as I have chosen to take up qualitative research, I have mainly used my observation and used standard sample size from the population of the whole recruitment and selection department.

## Secondary Data:

I gathered information from the journals and yearbook. They don't have that much information given in the internet.

# Chapter 2

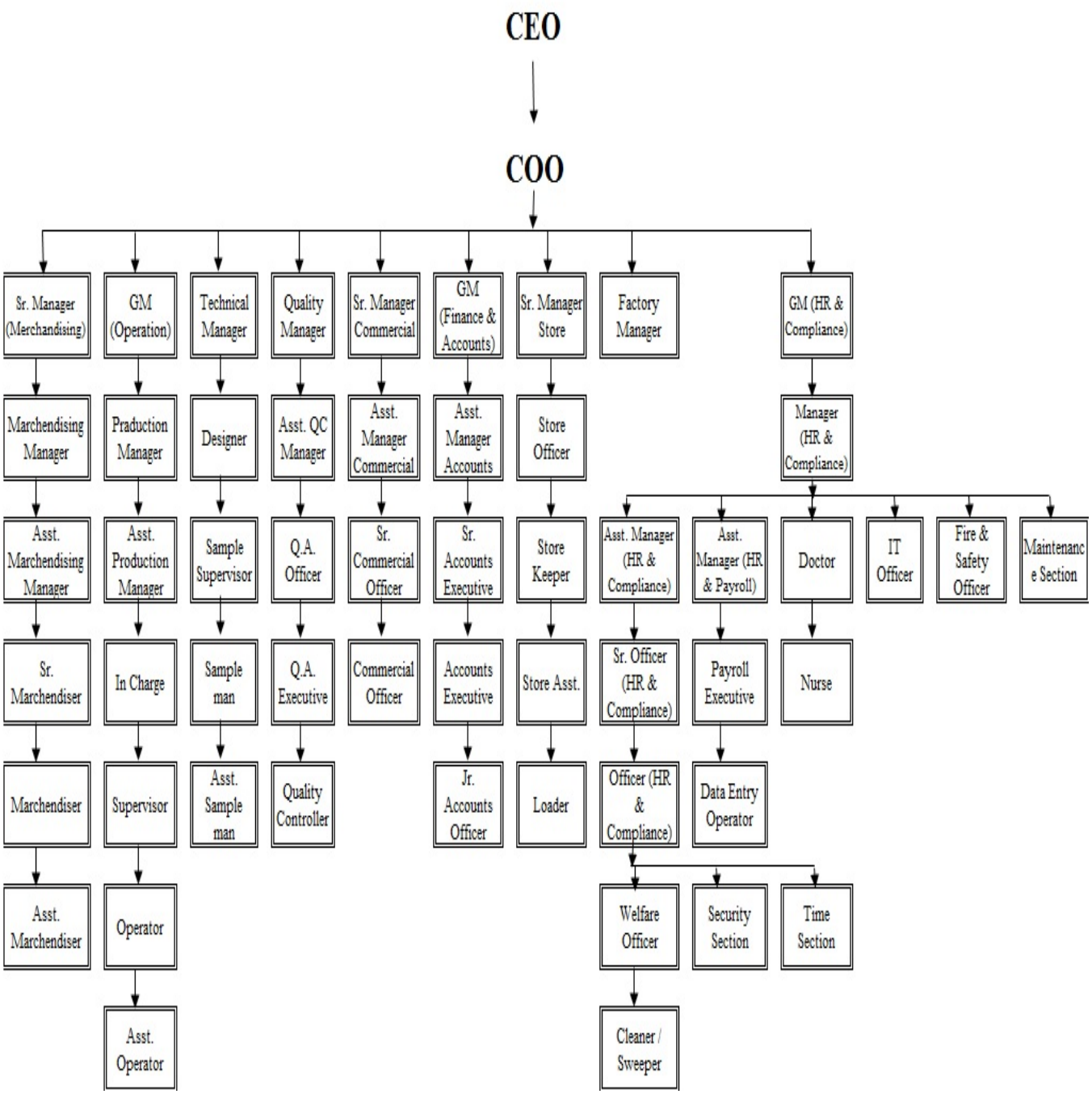
## Overview of the Company

* Universal Menswear Ltd. established in year 2012 as a joint venture company formed between **Ananta Group Limited** and **Time International Trading SRL**, two leading and fast-growing apparel manufactures from Bangladesh & Romania respectively, with a view to establishing and international standard production facility in Bangladesh to produce high quality men's suits product.

* Presently Universal Menswear Limited is one of the biggest Suit factories in Asia, operating since 2012 in Adamjee EPZ, Narayanganj premises. It is one of the highest suppliers in almost 100 countries of Europe, Asia, Australia, Africa, USA and Russia. High production capability, organized management system, smooth delivery system is the main keys for grabbing achievement rapidly. At present the company has almost 4,850 employees working in this factory.



# Organogram of Universal Menswear Ltd.



# Key Facts About Universal Menswear Ltd. (UML)

The total number of employees is about 4,850 in 24 lines that work at six. However, they are still looking towards further development and expansion in order to cover all branches of the industry, taking into consideration the availability of the raw material-cotton, competitive labor, and low power cost. They have directed, hardworking, and efficient workforces, supervised and directed by a well-coordinated supportive management team. Not only Universal Menswear's ensures the top quality of the products but also, they treat safety, security, and hygiene as their priority area. They are equipped with firefighting services and have a medical team of doctors and nurses to render services to their employees.

## Production Process

Buying house is the middle man between the buyer and RMG factory. It is quite difficult to arrange buyer for RMG factory because most of the buyer come from foreign. And RMG factories website is not that much effective that's why a class of broker grow in this gap between buyer and the manufacturer. As they always maintain correspondence with the buyer, they have better understanding of buyer's requirement. They act as a helping hand for us.

## Costing

For costing of garment, they have considered many things such as fabric consumption, accessories, fabric GMS, color, Print, embroidery, sewing charge, and other additional expenses that is required in the production process.

## Mission

"Provide on time quality services."

## Vision

"To be the largest suit manufactures in the South East Asia by providing customers satisfaction"

## Universal Menswear's Responsibility to Environment and Society:

Next to its security measures, the factory is will equipped and furnished with enough fire-fighting equipment, fire alarms systems and trained personnel for facilitating emergency evacuation. All of which contribute to minimizing the fire-risks. The factory environment, with excellent lighting and ventilation, is one of the very best of its kind in Bangladesh.

## Products of Universal Menswear Ltd.:

They are manufacturer and exporter of readymade garments Men's Complete Suit like Blazer & Trousers etc.

# Chapter 3

# Theoretical Framework

**Human Resource Planning & Forecasting:** Human resources use forecasting to predict the organization's future demands for people and for jobs. Major factors to be examined are the company's objective (growth, construction, status quo) and the employment history of the company (retirements, resignations, terminations, and death). The combination of these two sources results in an initial forecast of personnel needs.

## Manpower Planning

Manpower Planning which is also called as Human Resource Planning consists of putting right number of people, right kind of people at the right place, right time, doing the right things for which they are suited for the achievement of goals of the organization. Human Resource Planning has got an important place in the arena of industrialization. Human Resource Planning has to be a system approach and is carried out in a set procedure. The procedure is as follows:

1. Analyzing the current manpower inventory
2. Making future manpower forecasts
3. Developing employment program
4. Design training programs

## Steps in Manpower Planning

1. **Analyzing the current manpower inventory-** Before a manager makes forecast of future manpower, the current manpower status has to be analyzed. For this the following things have to be noted-

    - Type of organization
    - Number of departments
    - Number and quantity of such departments
    - Employees in these work units

    Once these factors are registered by a manager, he goes for the future forecasting.

2. **Making future manpower forecasts-** Once the factors affecting the future manpower forecasts are known, planning can be done for the future manpower requirements in several work units.

    The Manpower forecasting techniques commonly employed by the organizations are as follows:

    i. **Expert Forecasts:** This includes informal decisions, formal expert surveys and Delphi technique.

    ii. **Trend Analysis:** Manpower needs can be projected through extrapolation (projecting past trends), indexation (using base year as basis), and statistical analysis (central tendency measure).

    iii. **Work Load Analysis:** It is dependent upon the nature of work load in a department, in a branch or in a division.

    iv. **Work Force Analysis:** Whenever production and time period have to be analyzed, due allowances have to be made for getting net manpower requirements.

    v. **Other methods:** Several Mathematical models, with the aid of computers are used to forecast manpower needs, like budget and planning analysis, regression, new venture analysis.

3. **Developing employment programs-** Once the current inventory is compared with future forecasts, the employment programs can be framed and developed accordingly, which will include recruitment, selection procedures and placement plans.

4. **Design training programs-** These will be based upon extent of diversification, expansion plans, development programs, etc. Training programs depend upon the extent of improvement in technology and advancement to take place. It is also done to improve upon the skills, capabilities, knowledge of the workers.

## Activities involved in Manpower Planning:

- Identifying and designing current and planned organization structure of the organization.
- Estimating current and future workload for different functions and organizational units in the organization, and, based on that, estimating the current and future total requirement of people to fill the various positions of different types and at different levels.
- Developing profile or specifications for people to fill the various positions identified.
- Taking an inventory of existing employees in the company, and their capabilities.
- Comparing the manpower requirements and availability to determine the additional people required in the organization at different times. While working out this requirement, suitable provision is made for likely attribution of some of the existing employees. Similarly, while examining capability requirements of employee's consideration is given to on the development of skill and capability of people with work experience. This activity results in identification of the total additional manpower requirements to be fulfilled by various means.
- Determining, the means of acquiring the additional required manpower through various means such as external recruitment, internal transfers and promotions, and training.
- Preparing recruitment plan.
- Preparing training plan.

## Importance of Manpower Planning

1. **Key to managerial functions-** The four managerial functions, i.e., planning, organizing, directing and controlling are based upon the manpower. Human resources help in the implementation of all these managerial activities. Therefore, staffing becomes a key to all managerial functions.

2. **Efficient utilization-** Efficient management of personnel becomes an important function in the industrialization world of today. Setting of large-scale enterprises require management of large-scale manpower. It can be effectively done through staffing function.

3. **Motivation-** Staffing function not only includes putting right men on right job, but it also comprises of motivational programs, i.e., incentive plans to be framed for further participation and employment of employees in a concern. Therefore, all types of incentive plans become an integral part of staffing function.

4. **Better human relations-** A concern can stabilize itself if human relations develop and are strong. Human relations become strong trough effective control, clear communication, effective supervision and leadership in a concern. Staffing function also looks after training and development of the work force which leads to co-operation and better human relations.

5. **Higher productivity-** Productivity level increases when resources are utilized in best possible manner. higher productivity is a result of minimum wastage of time, money, efforts and energies. This is possible through the staffing and its related activities (Performance appraisal, training and development, remuneration)

## Need of Manpower Planning

Manpower Planning is a two-phased process because manpower planning not only analyses the current human resources but also makes manpower forecasts and thereby draw employment programs. Manpower Planning is advantageous to firm in following manner:

1. Shortages and surpluses can be identified so that quick action can be taken wherever required.

2. All the recruitment and selection programs are based on manpower planning.

3. It also helps to reduce the labor cost as excess staff can be identified and thereby overstaffing can be avoided.
4. It also helps to identify the available talents in a concern and accordingly training programs can be chalked out to develop those talents.
5. It helps in growth and diversification of business. Through manpower planning, human resources can be readily available and they can be utilized in best manner.
6. It helps the organization to realize the importance of manpower management which ultimately helps in the stability of a concern

## Objectives of Human Resource Planning

(a) To recruit and retain the human resource of required quality and quantity

(b) To foresee the employee turnover and make the arrangements for minimizing turnover and filling up of consequent vacancies

(c) To meet the needs of the programs of expansion, diversification

(d) To foresee the impact of technology on work, existing employees and future human resource requirements

(e) To improve the standards, skills, knowledge, ability, discipline etc.,

(f) To minimize imbalances caused due to non-availability of human resources of the right kind, right number in right time and right place,

(g) To make best use of its human resources and

(h) To estimate the cost of human resources

**Recruitment and Selection:** This Recruitment and Selection Policy has been framed with the view of recruiting and selecting people who have a strong desire to achieve the company's vision, and who will assist in achieving the business results. Actually, not a day goes by that a worker does not leave and a new one is not hired. But there are many criterions to be considered as there is the issue of strikes due to various reasons. Then there is the problem of people leaving after getting their payment. The female labors are given more priority for recruitment as during

strikes they are less physical than the males. Recruitment is the process of searching the candidates for employment and stimulating them to apply for jobs in the organization whereas selection involves of the series.

## Purpose of Recruitment Process

The recruitment process is one of the most fundamental value-added HR Processes. The recruitment is especially critical for managers in the organization. The managers use the recruitment process intensively, and satisfaction with Human Resources is mostly about the satisfaction with the recruitment process.

The recruitment process is sensitive to the external and internal changes, and it can be used as the best indicator for the future HR trends. By careful analysis of HR Recruitment Measures, the HR Management team can predict the trends in the job market simply.

## Main Recruitment Process Goals

The recruitment process is designed to staff the organization with the new employees, and it uses many different recruitment sources to attract the right talent in the defined quality and within a defined time.

The recruitment process has several goals:

- Find the best talents for the vacancies
- Manage the recruitment sources
- Manage the vacancies in the organization
- Run the internal recruitment process
- Building the strong HR Marketing platform
- Co-operation with local and international universities
- Provide feedback about the trends in the job market

Most recruitment goals are not visible to managers directly, and they use just sourcing of the job candidates as the main outcome from the recruitment process. HR has to use the other outcomes from the recruitment process as it is the source of valuable information.

## Finding the best talents on the job market

This is the most important goal of the recruitment process. The HR Recruiters are paid for delivering the candidates to managers, who make the final decision about hiring a new employee.

The organizations are fighting for the best talents in the job market. HR Recruiters have to develop the competitive approaches to make the attractive job offers. The candidates select the organization, which is recognized for being modern and competitive. The job adverts and job offers have to reflect this.

The managers love to hire the best employees available on the job market. They love to interview motivated job candidates. The role of HR is to describe the real need to the manager. Many times, the best job candidate is not the appropriate job candidate.

## Recruitment Sources Management

The recruitment sources management is an extremely significant goal of the recruitment process. The recruitment sources deliver the candidates for the selection procedure in the organization. The better the candidates are; the higher quality job candidates can be hired. The proper management of the recruitment sources has a significant impact on the competitive advantage of the organization.

The better employees do not have to be more expensive, but the organization has to manage the recruitment sources to attract the high-quality job candidates.

## Building the Strong Internal Recruitment Process

The external recruitment is not the only goal of the recruitment process. Building the strong internal recruitment helps the organization to keep the best talents in the organization. The employees have a chance to apply for a new job position, and they can change their career path.

The internal recruitment is a difficult HR topic as the managers have to allow their best employees to take a new role within the organization. The role of Human Resources is in allowing the best employees to rotate and in supporting the managers in developing the successors.

**Initial Screening:** After collecting CV from various sources the second important thing is initial screening. In this stage, the important task is to select the eligible resume and deselect the unqualified resume. This initial screening is being conduct based on the company's requirement. Company looks for the several requirements, say for example;

Ø Educational Background

Ø Education Institute
Ø Related Job Experience

After the basic Recruitment and Selection process there are other processes that are considered by the company, which are stated as follows:

**Training and Development:** Training refers to a planned effort of a company to facilitate the learning of job-related knowledge, skills or behavior of employees. The goal of training efforts is for employees to master the knowledge, skills or ability emphasized by training programs and to apply it in organization day-to-day activities. In garments sector training is a very crucial issue as the whole industry is very labor oriented. In UML there is a training center where the new recruits are trained and given proper instructions of how to carry out the operations and complete the order. It requires a lot of skill to carry out the operations and has to be fast to meet the deadlines. In this company the deadlines are very strict. If the deadlines are not met then it can result in a horrific conclusion such as the cancellation of the order and losing buyers and having to sell the products at a very cheaper price locally. For such reasons training both onsite and outside hold a lot of value. Onsite training also plays a big part as well as the employees have to operate lots of machineries and require very technical skills.

## HR Marketing

The HR Marketing is essential for the large organization, which need to attract many job candidates. The large organization cannot hire just the experts; they have to attract many university graduates. The graduates do select the employer by the strength of the brand name on the job market and offered opportunities in the organization.

The HR has to design the recruitment activities, which support the name of the employer on the job market. The organization has to build a positive brand name, and it has to promote the job opportunities and excellent career paths.

**Compensation & Benefit:** They pragmatically share their knowledge and experience of wider reward good practices and specific sector-based challenges to generate the most appropriate solution for their employees. Reviewing current pay structure and identification of reward design principles in the context of best practices. Review internal equity issue. Analysis market going rate and trends to address external competitiveness. Developing options in the salary & benefits area of Total Reward.

## Factors Influencing Employee Compensation

A number of factors influence the remuneration payable to employees. They can be categorized into (i) external and (ii) internal factors.

## Internal Factors

These factors include the following:

## Ability to pay

This is one of the most significant factors influencing employee compensation. Generally, a firm, which is prosperous and successful, has the ability to pay more than the competitive rate. This way it can attract a superior caliber of personnel. Often the labor unions also demand an increase in compensation on the grounds that the organization is prosperous and is able to pay more.

## Employee

Numerous employees related factors also influence his or her compensation. These include rhe following:

- **Performance**—It is always rewarded with pay increase and as a result it motivates the workers to do better in future.
- **Experience**—This makes a person perfect by providing valuable insights and thus rewarded also.

  Today companies are demanding for 10 to 20 years' experience candidates especially for the executive positions. The companies presume that experience candidate possess leadership skills which influence the other behavior and performance. Generally, experience candidate performs the job without need of training which is time consuming and deals with matter of cost to company. Hence the experience candidates demand more pay than an unexperienced candidate.

- **Seniority**—Trade unions always prefer this objective criterion for pay rises.
- **Potential**—Firms also pay their employees, especially young ones on the basis of their potential.

## Job requirements

Wages arc also influenced by the requirements of a job such as physical and mental requirement. Jobs, which demand more skill, responsibility, efforts and are of hazardous in nature, will carry high wage tag with them.

## Job evaluation

Job evaluation establishes a consistent and systematic relationship among base compensation rates for all jobs. In other words, it establishes the satisfactory wage differentials.

## Organization's strategy

The organization's strategy regarding wages also influences employee compensation. For example, an organization, which wants rapid growth, will set higher wages than competitors. On the other hand, organizations that want smooth going and just maintain the current earning will pay average or below average.

## External Factors

These factors include the following:

## Laws and Regulations

Laws and regulations impact the remuneration of employees in many areas, such as:

- Work hours and compulsory time-off (paid and unpaid)
- Minimum wage
- Overtime
- Compulsory bonuses
- Employment at will

## Succession Planning:

The Universal Menswear Ltd. has succession planning which is a tool to assist with planning the company's future people needs. Within the succession planning process, potential successors are identified for certain management positions. When such a position becomes vacant, an individual may be approached about the vacancy. However, this may not preclude advertisement, or consideration of people who respond to that advertisement. Vacant positions not filled through the succession process are advertised.

**Human Resources Inventory:** It actually gives us an idea of how many employees are available in the company, such as what are the skills, abilities, interest and qualifications of the present employees. The personnel inventory allows the managers to match the organizations present personnel strengths and weaknesses against the future requirements. When the decision is made to recruit new employees, information must be gathered on each position. At the same time, they must establish minimum requirements so that suitable applicants can be hired. This information is developed through job analysis, job description, and job specification. In garments sector the job analysis is done by surveying the skill requirements needed to be an eligible employee from the line managers. Their feedback from past and current experiences determines the job analysis. Job description is a written summary of the scope, function, duties, responsibilities, and relationships involved in a job. Job descriptions help management to select, orient, and compensate employees effectively. In UML it can come to be very useful as it is a labor-intensive company. For e.g., when a line manager is hired that person is given the responsibilities.

**Job Specification**: Job specification is a document that describes the characteristics and qualifications needed in someone who could successfully perform a given job, job specification helps managers determine an applicant's fitness for a certain position by defining qualifications for education, training, experience, and behavioral qualities the person must have to perform the job.

# Chapter 4

# Analysis of the Study

## Core Activities of Human Resource Department

## Orientation and Training

When I was joined, first week I was introduced to Universal Menswear. I had to visit different managers and departments to figure out how the garment factory works and how all the department works. How Brands Supply chain, Brand, Customer Development are interrelated. As an Asst. Manager (HR & Payroll) of HR, I had gone through HR activity in detail. At the same time how to inter-relate all the data from several departments and report it to the HR head.

## Recruitment Process

As an Asst. Manager (HR & Payroll) I am receiving a lot of support from my superiors and as a result, I have the opportunity to be involve in most of the sectors of the factory. I am also involved in the recruitment process. I am assisting and observe how the whole thing is being operate. I also screened the CVs of the candidates; short listed them and called them for interview. In case of labors their CVs are not the usual formal CV but rather their national ID card or their educational background mainly covers it. Arrange interview dates, time and venue and panel for interview and coordinate accordingly. After shortening the application, interviews are conducted as per requirement of the post, which include written, viva, and practical test on individual's skill, health test by house medical team. All the selected candidates are issued appointment letter where all the terms and condition of the service is written clearly. As per the mentioned date on appointment letter candidate are supposed to come withal required papers (if not deposited before). No child labor can be recruited in this facility, minimum age of the applicants 18 years. It will not be relaxed under any circumstances. Those who have been convicted by any court of law for criminal offences will not be considered for employment. If any applicant or employee thinks that he/she is discriminated under any circumstances can report to Welfare Officer to Managing Director in this company. Also, he/she can go to the respective authority from Government organization.

## Maintaining the employee attendance

UML has zero tolerance on unnoticed absenteeism as it hampers the production process a lot. The top management follows as per the labor law imposed by the Bangladeshi government. The law states that any employee who wants to take a leave must inform the Supervisor. Irregular attendance or tardiness will not be tolerated and may result in termination. Employees who will be late or absent from work must inform their Supervisor. Employees will only be paid for the number of days worked. Employees must punch in the attendance device personally while entering the work place.

## Human Resource Policy

My research is mainly focused on qualitative study based on observations of the whole garments' HR department throughout my whole experience one very crucial element that I noticed is that the labors are the heart of the garments industry. But ironically the turnover rate was very high. A high employee turnover rate can be detrimental for any organization. High turnover rates can create a lack of staff to complete essential daily functions of a company. In addition, high turnover rate can cause a loss of productivity as new employees take some time to get up to speed, particularly in complex jobs. During my internship period I also reviewed the HR policies of the company. The HR policies are as follows:

**Standard Conduct:** Employees are expected to conduct themselves on the job in a manner that contributes to operating effectiveness, productivity, safety and a harmonious work environment. If employees do not meet the company's expectations of performance and/or conduct, corrective action, up to and including termination may be taken. It is within management's discretion to determine what measure would be appropriate under each circumstance. Universal Menswear Ltd. does not employ mandatory progressive steps of corrective action. To monitor all the activities the authority has installed cameras all around.

**Harassment Policy:** Now a days this is a major issue and if any such incident takes place it can ruin the reputation of the company. So, it is strictly monitored by the authorities. But if any employee feels that he or she is subjected towards any such behavior then that person is free to complain it to the authority.

**Security:** Theft is a common thing is Bangladesh that frequently occurs. To protect from such incidents UML has taken necessary precautions such as hiring good security guards.

## Recruitment and Selection Policy

The company employs best person for every position amongst those made available for selection, according to the company's authorized employment procedure by a recruitment committee. No discrimination is made in selection due to sex, religion, cast, creed or regional consideration. This policy is applicable in promotion, separation, recruitment, transfer, and training or any other field.

1. The circulation of vacancies is usually done through advertising in internal source & external sources like: newspaper, bdjobs, etc.

2. The candidate has to provide following documents with application.
3. Detailed bio data of the employee.
    A. Job application
    B. PP size photograph
    C. Education certificate and/or
    D. Age certificate/chairman/doctor certificate

After Selection to employees the below procedure is as following;

- Background check
- Educational background check
- Their reference checks
- Criminal records check

## Prohibition of Child Labor Policy

Universal Menswear Ltd. is a 100% garment-oriented factory. This factory has so many policies and procedures. Prohibition of Child Labor is one of the policies in this factory. Workers are classification in three ways;

Child Labor : Who is under 15 years old

Jubinal Labor : Who is 15 years – below 18 years old

Adult Labor : Who is 18 years old or more

- Universal Menswear Ltd. authority does not support the child labor in work place
- When recruited new workers before that Doctor check and certify the age of that workers
- Universal Menswear Ltd. does not support any child labor providing organization.
- If the authority knows any business partner or developer has any child labor in their organizations, this company will not continue business with them.
- HR/Admin looking very sharply when recruited any workers where no any child labor will be recruited.
- Child labor remediation policy circulated to everyone

## Jubinal Labor Policy

Universal Menswear Ltd. is a 100% garment-oriented factory. This factory has so many policies and procedures. This factory has Jubinal Labor Policy and the policy is as below.

Workers are classification in three ways;

Child Labor : Who is under 15 years old

Jubinal Labor : Who is 15 years – below 18 years old

Adult Labor : Who is 18 years old or more

- This organization recruited workers as per requisition where the recruitment team is announcing inside the company by P.A system, Banner, Festoon, Newspaper etc.
- In that announcement or that advertisement, the company clearly saying no child labor or jubinal labor will be recruited

- After preliminary medical test the recruitment team oversee the essential documents, physical ability, NID/Birth certificate for age confirmation.
- The recruitment team also check their working skills, physical ability, attitude and conducts.
- After that the recruitment team send the selected labor to in house medical for final age verification.

## Training & Development Policy

Newer employees also lack expertise and knowledge so, more time is spent on training programs. This generated more costs with little paybacks. Most importantly, a high turnover rate can prevent an organization from accumulating human capital which is vital for an organization's growth and survival in the long run. If any garments miss their date then crores of taka will be lost. In Universal Menswear Ltd. while recruiting the labors and make sure whether that individual is fit for the organization or not. Many skilled workers leave the company for no valid reason at all, many of whom leave after getting the salary from the company. Oddly enough though, the same workers end up coming back to the company again. It is like they follow a cycle. Training is very important as the labors need to have very skilled hands. Common effects of poor job satisfaction are as follows:

High Employee Turnover Rates: As I found out, the labor turnover of the company was quite high. The garments industry in Bangladesh is so vast that there is always some work available for the workers. For instance, if they get a hundred taka more in some other company, they will surely leave their current company. Many times, they just leave for no reason at all and sometimes they leave after getting their payment. Sometimes I had to give my opinion about the person being interviewed. As the garment's factory is very labor intensive, most of the recruitment is done on the labors. But there are many criterions to be considered as there is the issue of strikes due to various reasons. Then there is the problem of people leaving after getting their payment. The female labors are given more priority as during strikes they are less physical than the males. I had to see whether they are fulfilling the recruitment policy of UML or not.

Job Stress: Employees are paid a fixed amount per month and so the company are always trying to make them as hard as possible for the money's worth. Their salaries are not that much but they are giving a lot of effort to meet up the deadlines.

## Unskilled Worker Development Policy

Universal Menswear Ltd. take continuous action to improvement efficiency for their employees in workplace. For this steps, new workers or un-skill workers will be an efficient worker.

- No targets will be applicable for new workers or helpers.
- To provide sufficient support on new workers or helpers to take training and operate efficiently machines where they will become efficient workers.
- To promoted or rewards them as per their performance
- Universal Menswear Ltd. is always care full to their new recruited of helpers if any discrimination to them.

## Working Hours Policy

Universal Menswear Ltd. is following the Labor Act & Rules working hours. That is as below;

- General working hour is 08 hours in a day
- Starting time of the general duty from 08:00 am to 05:00 pm in every day.
- If need to more work after 05:00 pm it will be considered as overtime.
- Overtime hours will be as voluntary.

## Leave Policy

Universal Menswear Ltd. has following leave rules for employees according to Bangladesh EPZ Labor Law 2019. Every individual can enjoy leave in a calendar year as below;

- Casual Leave (CL) 10 days
- Sick Leave (SL) 14 days
- Earn Leave (EL) Each 18 days working for 01 day leave (Minimum service length need to 01 year)
- Festival Holidays will be minimum 11 days in a calendar year
- Maternity Leave (MLV) 112 days for every pregnant female employee (Who has not two or more alive baby or service length not under six months)

## Wages and Benefit Policy

Universal Menswear Ltd. is following the Labor Act & Rules for paid all types of wages and benefits like; Wages of Workers, Bonuses, Compensation and others allowances. This company

have a policy and procedure regarding Wages & Benefits;

- Company will not pay less according to the country labor law
- All the wages & salaries will be pay in between within the seven working days
- Company authority pay wages to the workers bank account
- Company authority provide individual pay slip to the workers before the wage's disbursement.
- The company management will be disclosing the calculation methods to the workers
- An automatic device system has to keep the employees in & out records.
- The company management has given 01-hour rest in between general working hours.
- The company has Saturday to Thursday as working day and Friday is week off.
- If the company is working more than 08 hours in a day then the after working hours will be treated as overtime and that amount will be pay as double from the general hours pay.
- The company authority has given Festival leave with full pay according to Bangladesh Labor Act or BEPZA Labor Act.

## Attendance Bonus Policy

Universal Menswear Ltd. is always positive to give the facilities more. Attendance Bonus is a benefit which encourage to workers best attendance. The policy is as below;

- A worker will not be entitling for attendance bonus if 01 day absent in a month
- When entitle for attendance bonus, the amount is for 500 taka per month.
- If a worker takes 01 day approved leave but no any absent, the amount for attendance is 300 taka on that month.
- The amount of attendance bonus will be paid with wages on same day.
- The attendance bonus is applicable from the joining month.
- This attendance bonus is not applicable for Head of Department and Administrative staffs.

## Maternity Leave & Benefit Policy

Universal Menswear Ltd. authorities always carry out all activities with honesty and sincerity. No any discrimination on female workers recruitments or partiality.

- The authority does not test any pregnancy when recruiting any female workers.
- The authority follows the EPZ act 2019 to give the maternity leave & benefit.
- After certify from registered medical doctors that women workers will get 112 days maternity leave & benefit.
- The entitlement for maternity leaves that workers must be working six months or more and not alive her two or more baby's.

## Performance Appraisal Policy

Universal Menswear Ltd. has a very effective performance appraisal system. This company management evaluated only their performances, attitudes, skills etc. Evaluation criteria's;

- Attendance
- Work knowledge
- Quality of the work
- Team work
- Commitment
- Leadership skills
- Communication skills
- Efficiency
- Integrity
- Attitude & Conduct

## Prohibition of Harassment & Abuse Policy

Universal menswear ltd. authority has prohibited all kinds of physical harassment, treat, mental harassment and any unlawful punishment etc. has been prohibited:

- All cases of this organizations physical or mental harassment are totally prohibited.
- In everywhere of this organization follows the prohibition of harassment & abuse policies.
- Punishment or mistake of in any crime no one can not be harassment & abuse either physical or mental.
- If anything, happen same like this the victim can written complain to authority.
- After complain as above if the victim thinking that, he/she will not get the right judgement, he/she can inform or can take help from government authority.
- The workers can give complain by grievance boxes to maintain secretly.

## Grievance Policy

Universal Menswear Ltd. has an effective grievance policy & procedure which increase the facilities to the employees and reduce misconduct. To ensure the highest transparency in all the departments. If grievance is coming don't mentioned it is the lack of organization where it is the key of development for the organization.
Employees can give the grievance in two ways; one is verbal & another one written.

Verbal grievance system;

- Inform to line supervisor, if corrected then no need to go further authority.
- Inform to Welfare Officer, if corrected then no need to go further authority.
- Inform to Manager HR & Admin, if corrected then no need to further authority.
- If the above level not given proper solution then need to go the authority.

Written grievance system;
Written grievance system is another two types, such as directly give to Head of HR & other system is complain box.

i) Direct grievance procedure handle by Head of HR & Admin
ii) By the complain box grievance, company has a well dismissal committee.

## Disciplinary Action Policy

Universal Menswear Ltd. is very strict regarding disciplinary action. They have a policy regarding this. The aim of this policy is to create a harmonious weather between employer & employees. The procedure as below;

- Simple disciplinary broken, verbal warning or advisory letter will give.
- Theft, habitual late or absent, misbehave, fighting, habitual work less, dishonesty, unauthorized more than 10 (Ten) days absent then show case notice will give.
- If the answer of that show case notice could not satisfied the company authority then inquiry team will inquiry the issues.
- If the inquiry report is going to against of that guilty then company authority will be punished. On the other hand, the inquiry report is positive for guilty then the guilty will free from complain.

## Female Workers Rights Policy

Universal Menswear Ltd. authorities are always aware of women's rights in the workplace.

- Workers recruitments where no violation for women
- Maternity Leave
- Facilities more when pregnant
- No discrimination for women
- No partiality
- Equal wages for women
- Leadership
- Day care center

## Job Separation Policy

Universal Menswear Ltd. maintain a job separation policy for all the employees. Every individual can be separated from his job by resign, termination, retrenchment, discharge and dismissal.

i. Resign: Any permanent employees want to resign from his job he/she need to give one month before notice. If he/she cannot give the proper notice to left his job then company will deduct one month notice period basic wages/basic salary.

ii. Termination: If the owner or the authority want to separate any employees then need to give 120 days before notice or if it is instantly need to pay 120 days wages.

iii. Retrenchment: If the owner wants to retrenchment any workers need to give 30 days before notice to that individual with the reason of retrenchment or need to pay 30 days basic wages.

iv. Discharge: If any employee certified by the Medical Officer (Minimum MBBS Doctor) for continuous very illness to do work or permanently unfit health conditions.

v. Dismissal: Dismissal is punishment system which came from any kind of misconduct.

Compensation will be paid for the above job separation system according to Labor Law.

## Internal Audit Policy & Procedure

To ensure organizational goal and perform sound business activities thorough conducting internal audit in accordance with Bangladesh Labor law, ILO, Buyer's COC and Company COC.

**Objective of the Internal Audit:**

1. Deploy visible compliance in the factory,
2. Provide safe and healthy environment to the workers,
3. Identify non-conformities and give proper guideline for rectification,
4. Upgrade rating of all buyers.

**KPI-**

In accordance with Bangladesh Labor law, ILO, Buyer's COC and Company COC we will ensure safe and healthy environment.

**Target-**

80% visible compliance in the factory.

## Internal Audit Procedure

**An internal audit**

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization to accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

**Applicable for:**

This procedure is applicable for the Internal Audit team of Universal Menswear Ltd. and for the production units for which the audit team is responsible.

**Goal**

To determine the potential threats of business values and minimize the risk of capitals and human assets, ensure safe working environments, enable sustainability and make responsible to the right person in right places as compliance is nothing extra just do the right work on time in a proper way.

**Basis:**

Safe working place is not only the requirement of law but it also a basic requirement for a company to ensure the safety of its human capital. Besides the safety issues, also the way a company manages various issues regarding rules and regulations regarding payments, leaves, over time and so on.

**Audit Scope:**

1. Initial audit will be conducted according to BEPZA Labor Act-2019, the Bangladesh Labor Act-2006, Bangladesh Labor Act Amendment – 2013, Bangladesh Labor Rules – 2015, Buyer's standard, Buyer's audit reports.
2. Follow up audit will be conducted every 3 months interval based on The Bangladesh Labor Act-2006, Bangladesh Labor Act Amendment – 2013, Bangladesh Labor Rules – 2015, Buyer's standard, Buyer's audit reports and initial internal audit reports as well as updated buyer's audit reports. CAP update report will be middle of each month.
3. Building safety, fire safety and electrical safety.
4. Environment management.

**Auditor Allocation**

**1.Nominated audit team**

The audit planning shall ensure that:

1. The team is led by a qualified team leader with ISO internal auditor or lead auditor certified.
2. The team possesses or has access to knowledge of local working conditions. This can be obtained through an auditor/specialist possessing that knowledge and through the use of guidance notes
3. At least one team member is fluent in the local language
4. All auditors in the team have received suitable training about general social issues and basic auditing
5. The team can communicate in the main languages spoken in the company
6. The team has at least one member that has knowledge of the applicable industry. This can be via guidance notes
7. All team members shall be qualified under the audit team's quality system
8. Ideally, the repartition between male and female workers shall be taken into account when selecting the audit team
9. If a specialist is being used because of the specific nature of the contract, then they should also be qualified under the audit team's quality system
10. The audit team shall be able to communicate effectively with the employees of the company being audited.

1. **Areas of Specific Competence of Auditor**

Auditors should have additional competence in the following areas:

1. Knowledge and understanding of local working conditions
2. Social issues; labor and/or health and safety issues
3. Regulations for labor and/or health and safety conditions
4. Social management systems
5. Language

**Audit Cycle**

| Annual/ Initial Announced Audit | Unannounced follow up Audit | Follow-up Audit |
|---|---|---|
| Existing PU is audited at least once annually | Quarterly in a year | Depending on the severity of the problems, a follow-up assessment can take place, at 3 months intervals on certain specific critical points. CAP update will be middle of each month. |
| Unannounced or announced with 6-week window | | |

**INTERNAL AUDIT STEPS**

The internal audit process of the Universal Menswear Ltd. will be comprised of the following

steps of assessment process:

1. **Opening Meeting –**

The opening meeting is to ensure that the management of the facility being audited understands the purpose of the Code and the requirements against which their facility is being judged, the audit process, the timescales and activities of the audit and to re-confirm requests for information.

During the opening meeting, the team leader will:

1. Introduce the audit team to the facility management
2. Confirm purpose and scope of the audit

3. State that this is not a pass or fail audit process, but about continual improvement
4. Explain the audit process including the facility
5. Explain audit process
6. Arrange for a tour of the facility
7. Explain that the selection process for employees for interview and that these are confidential
8. Invite the management team to the closing meeting
9. Agree tentative time of closing meeting. Ensure that enough time is allowed to re-investigate non-compliances if challenged, i.e. find out what time the workers leave as it may be necessary to re-interview to verify a response
10. Ask the management team if they have any questions

**2. <u>Document Review –</u>**

Internal auditors will review documents to assess the specific production facility's compliance with the local laws and buyers' code of conduct.

List of documents that should be made available to the audit team

I. Facility floor plan

II. Applicable laws and regulations

III. Labor contracts

IV. Employee handbook (terms and conditions of employment)

V. A list of all the chemicals and solvents used on this site

VI. Permits, operating licenses, Certificates of Operations, etc.

VII. Government Inspection Reports, e.g., sanitation, fire safety, structural safety, environmental compliance, etc.

VIII. Machinery inspection/service logs

IX. Accident and injury log

X. Emergency action procedures

XI. Evacuation plan

XII. Time records for the past 12 months

XIII. Payroll records for past 12 months

XIV. Piece rate records for the past 12 months (if applicable)

XV. Insurance, tax and other required receipts

XVI. Production records

XVII. Minutes of joint committees on OHS and disciplinary matters

XVIII. Previous social audit reports/Corrective Action logs

**Facility polices:**

I. Prohibition of Child labor

II. Wage and hours of work

III. Disciplinary

IV. Benefits and allowances

V. Health & Safety

VI. Environment

VII. Training

VIII. Prohibition of Discrimination & harassment

IX. Recruitment

X. Freedom of Association

XI. Chemical Handling

XII. Waste management

XIII. Prohibition of Forced Labor

### 3. Factory Tour for Visual Inspection –

The purpose of the visual assessment is for the audit team to review physical conditions and implemented practices in all areas of the facility to establish evidence that activities are conducted in a manner consistent with the facility policies, stated practice, Buyer code, legal and regulatory requirements and other relevant requirements.

This element primarily comprises a physical review of conditions and activities within the facility. The unstructured interview of personnel responsible for these areas under review and examination of pertinent records supplements this physical review process.

During the site tour, the auditor will seek to meet facility staff/workers including, production managers and support staff; warehousing managers and support staff; engineering staff; facility cleaning and maintenance staff; Safety Manager; clinic/first aid staff; kitchen and security staff. The auditor should not be purely guided by management on areas to visit and should freely investigate all areas that they feel applicable.

During the site tour, the auditor will be seeking evidence relating to:

1. Health, safety and emergency equipment, working environment and conditions including fire, first aid, mechanical, electrical, hazardous materials, personal protective equipment, etc.
2. Evacuation plans and means of egress
3. Approval certificates of the building/construction, equipment and special process operators, as necessary
4. Toilets/sanitation and availability of water
5. Visual checking/verification of any child labor (a few questions on-site with workers who look younger or in question)
6. Unreasonable restriction on workers' freedoms or rights
7. Selection of individual workers for quick interview on the side
8. Drinking water stations.
9. Canteen and recreational facilities
10. First aid equipment and facilities
11. Availability of trained first aiders and their qualification
12. Review of health & safety accident records and training records
13. Other issues (as required by the Buyer code and/or checklist, e.g. environmental issues, on-site verification of how to handle waste water discharge, solid waste including hazardous wastes disposal, air emission, reuse and recycling, ventilation and general housekeeping)

## 4. Workers' Interview –

Selection of workers will only be undertaken by the audit team. In selection the auditor will consider shift patterns, worker type and gender. The auditor will ensure a fair representation of workers is interviewed.

Where possible, the first round of interviews will be undertaken towards the beginning of the audit so that comments and points raised can be followed up before the closing meeting. However, interviews will be continued throughout the day as required.

All worker interviews will be undertaken in an area where the workers feel comfortable NOT a manager's or admin office. No management or supervisors should be present in interviews.

Whatever the situation, the auditor will interview at least one or two groups in a "worker place", e.g., canteen or recreation area.

In addition to one-to-one interviews, a minimum of one or two groups will be interviewed. One of these groups should include representatives from the workers council, worker representatives or whatever worker representation the facility has.

In all cases, appropriate team language will be used to put the workers at ease. The auditor should communicate to interviewees that all information will be managed with discretion and the interviewee's identity will remain confidential.

5. **Audit Report & Closing Meeting –**

   The auditors will collect information through factory tour, worker interviews and documents. Closing meeting needs to be attended by the factory heads, and audit report has to be accepted and signed by the Director HR, Admin & Compliance.

During the closing the meeting the team leader will:

1. Thank the management for their time and patience
2. Remind them that they may challenge findings at this meeting, but any issues they have agreed to cannot be queried later
3. Ensure that any agreements or disagreements are clearly recorded on the CAP and that an outcome is achieved
4. Re-confirm the purpose and scope of the audit
5. Mention good working practices that have been observed during the day
6. Explain where instances have been observed that the facility is not in compliance with Code (clarify issue/date status) with local law (if applicable) and with the other requirements of the audit members methodology
7. Explain that the audit was based on a sample examination of their facility and there may be some non-compliances that were not observed
8. Suggest, or ask the management to suggest corrective actions
9. Ask the management to sign the CAP
10. If they do not agree with any finding, state that if they produce evidence that shows the finding is incorrect, the audit team will review it
11. If a non-compliance can be corrected immediately, e.g. a blocked passageway, it should be recorded as an observation. The auditor should investigate and document how compliance will be maintained
12. Ask the management team if they have any questions

13. Inform the facility of the corrective action management process and making them aware of their responsibilities
14. Thank the management and leave
15. That specific production facility will be required to submit a Corrective Action Plan (CAP) for any nonconformity identified, within 5 working days of the completion of the audit.

## Guidelines by Clause

### 1. FORCED LABOR

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| There is no forced, bonded or involuntary prison labor.<br><br>Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice. | - no forced, bonded or involuntary labor<br><br>- no deposits of money or ID on commencement of employment<br><br>- employees are free to leave after reasonable notice<br><br>- employees are free to leave at the end of their shift | 1.The local law, Company COC and Buyer COC in respect of this issue<br><br>2.That employment is entirely voluntary<br><br>3.That employees are free to leave at the end of their shifts and there is no compulsion to work overtime if the employee does not agree<br><br>4.That there is no retention of IDs and lodging of deposits<br><br>5.The purpose of any security guards posted, e.g. for normal security reasons or to control the workforce |

## 2. Freedom of Association

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| Workers, without distinction, have the right to join or form trade workers of their own choosing and to bargain collectively.<br><br>The employer adopts an open attitude towards the activities of trade workers and their organizational activities.<br><br>Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.<br><br>Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining. | That workforce rights are recognized<br><br>That worker officials/facility representatives are fairly selected and perform their duties to the benefit of the workers | 1. Clearly state the local law, Company COC and Buyer COC in respect of this issue. Is it a legal requirement to have a worker? Are workers not allowed?<br><br>2. If lawful workers participation committee, check that workers are free to join or not as they wish.<br><br>3. Verify that workers have a mechanism (parallel means) to make their views known to management and that evidence exists that association is effective. For example, check that representatives on workers councils are volunteers, are fairly elected, minutes are available of meetings in an appropriate language and is there evidence of management action being taken following the raising of issues? Document brief details of mechanism for audit report<br><br>4.Check that committee members are freely elected and that they are allowed the required time to perform their functions without financial penalty<br><br>5.Check workers' committee obtain a list of committee members and job titles and check how they are elected |

## 3. Child Labor and Young Workers

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| There shall be no new recruitment of child labor<br><br>Companies shall develop or participate in and contribute to policies and programmers which provide for the transition of any child found to be performing child labor to enable her or him to attend and remain in quality education until no longer a child.<br><br>Children and young persons under 18 shall not be employed at night or in hazardous conditions.<br><br>These policies and procedures shall conform to the provisions of the relevant ILO Standards. | That there is no evidence of children employed/working in the facility<br><br>That there are systems in place to check the age of all workers particularly at the point of recruitment<br><br>That the facility management knows the local laws in relation to this topic<br><br>That there is a clear policy concerning young workers and that policies relating to children and young workers are displayed and communicated<br><br>That training schemes/apprenticeships are not being used as a way to avoid paying the full wage for the job<br><br>That young workers, defined as children under the age of eighteen, are not being put at risk because of the nature of the duties they are being expected to perform, such as working in hazardous functions, with hazardous machines, or at night | 1.Clearly state the local law, Company COC and Buyer COC in respect of this issue<br><br>2. Check system for checking workers' ages. This should be systematic and documentary evidence should be retained, such as copies of national ID, Birth certificate or other evidence that has been produced.<br><br>3.Check records of hiring and terminations for the previous six months to see whether there is a pattern of young workers being sacked in the run-up to the audit<br><br>4. Particular attention should be paid to any training schemes in operation Conditions relating to these should be clearly stated and where such systems exist, should be registered with local authorities.<br><br>5. Workers selected for interview should be questioned about the company's policy concerning employing children and young workers to ensure that there is a clear communication on this topic.<br><br>6.Workers who look particularly young should be prioritized for interview<br><br>7. If any instances of child labor are found, advise the management that it is not acceptable to dismiss them. The auditor where |

| | | |
|---|---|---|
| | | reasonably practicably should protect the child from risky activities |

## 4. Health and safety:

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment<br><br>Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.<br><br>Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided<br><br>Accommodation, where provided, shall be clean, safe, and meet the | That worker are not being exposed to risks in the workplace<br><br>That there are adequate systems in place to ensure that proper procedures will be followed and that H&S will not be compromised in the future | 1.Clearly state the local law, Company COC and Buyer COC in respect of this issue<br><br>2.Evaluate whether management understand the principles of risk assessment and are applying them<br><br>3. All necessary permits and certificates relevant to that operation are available, e.g. fire certificate, Generator Permission, Diesel Storage Permission etc.<br><br>4. Check the Health & Safety policy/ procedures. How is it applied/implemented and how communicated? Are they sufficiently detailed for the level of risks present?<br><br>5.Check that the procedures and systems are sufficient for the level of risk inherent in the industry, e.g. where fire risks are inherent in the products and production methods there should be a greater focus on this element<br><br>6.Check that any such protective |

| | | |
|---|---|---|
| basic needs of the workers.<br><br>The company observing the code shall assign responsibility for health and safety to a senior management representative. | | equipment is provided free of any charge or deposit to the workers<br><br>7.Check maintenance records and contracts and ensure that any preventative maintenance visits are being performed<br><br>8. Check the policy on personal protective equipment and the implementation ─ are the management policing the use of such equipment and taking effective action where it is not used?<br><br>9.Check the state of the equipment provided – if in "brand new" state this could be indicative that it is not in regular use<br><br>10.Check accident books and ensure that reviews of accidents and trends exist and are auctioned<br><br>11.Check training records<br><br>12.Were appropriate check canteen, dormitories and recreational facilities<br><br>13.Workers selected for interview should be questioned to ensure that they understand the procedures and what to do when problems occur and that they have received training<br><br>14.Question workers on how receptive managers are to problems that are reported and their attitude to those who report such incidents<br><br>15. Check action taken against all levels of staff who disregard procedures for Health & Safety – is disciplinary action taken? Is it |

| | | |
|---|---|---|
| | | consistent at all levels? |

## 5. Wage & Benefits

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.<br><br>All workers shall be provided with written and understandable Information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.<br><br>Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary | That all hourly and piece rate employees are paid at least the legal minimum wage rate<br><br>That wages are properly calculated and meet the minimum wage for the period<br><br>That all applicable withholdings are properly calculated, withheld and promptly paid over to the appropriate government agency within the specified timelines<br><br>That there are no payroll deductions for employment broker fees, housing allowances, food allowances etc. (unless allowed by local labor law)<br><br>That overtime wage rates are paid at the legally mandated rate<br><br>That all legally mandated allowances and benefits are | |

| | | |
|---|---|---|
| measures should be recorded. | provided to the employees<br><br>That all employees are provided with a written and understandable statement of their pay for each pay period | |

## 6. Working Hours

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.<br><br>In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7-day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate. | Measure standard and overtime hours against the local laws and the Buyer Code<br><br>Ensure that the facility management knows the local labor laws in relation to this topic<br><br>Verify whether appropriate waivers are in place and agreed (if applicable) or<br><br>Ensure that working hours are accurately recorded and that double books are not being kept | 1. Review records for all employees who have been selected for individual interviews. The remaining records to be reviewed per the sample size in the table should be taken from the broader population of workers<br>2. Select the sample of records to be reviewed from different work stations and employee levels within the facility<br>3. Review, for selected employees, a full 12 months' wage records in conjunction with time card and pay records<br>4. Record the details for all records analyzed in order to ascertain the standard work week, overtime hours and holiday/weekend working<br>5. Focus on operators, for the |

| | | |
|---|---|---|
| | | purpose of wage and working hours review. This definition excludes managers and supervisors, but includes production personnel and service workers<br>6. Record details of the standard workweek and overtime practices will on the audit report<br>7. If there are any non-compliances, further analysis may be performed to ascertain the full situation<br>8. Carry out the hours of work review in conjunction with the wage and benefit review<br>9. Where overtime hours exceed national law but are within any waivers obtained, it is particularly important to review a full 12-month cycle<br>10. Ensure breaks, holidays and rest periods are in accordance with local law |

## 7. Discrimination

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, | Workers are provided with continuous employment<br>The facility is not | 1. Check hiring and terminations over last six months to ensure no patterns exist<br>2. Check pattern on hiring |

| | | |
|---|---|---|
| national origin, religion, age, disability, gender, marital status, sexual orientation, worker membership or political affiliation. | using regulations concerning temporary workers in order to avoid liability for pay and benefits that would be accorded to permanent employees | etc. around peak period. Check whether new hiring during peak period are still with the company<br>3. Cross-reference staff numbers and hiring to working hours during peak and quiet periods<br>4. Under certain circumstances regular lay-offs during quiet periods may be acceptable state the law on the report<br>5. Record details of seasonal or contract workers and compare this with national law. Clearly state the national law<br>6. Check policy concerning pay during quiet periods – if "annualized hours" are being applied, ensure that this is legal and that overtime hours during busy periods are still being paid as such<br>7. Select workers who have been with the company for at least one year for focus interviews<br>8. If agency workers are used, determine if there is an Service Level Agreement with the agency<br>9. If contract workers are on site, review contract if possible and record details if appropriate<br>10. If contract workers are on site, include a representative sample in worker interviews |

| | | |
|---|---|---|
| | | 11. Review employees' legal right to work and verify that any agencies being used comply with all applicable legislative and industry requirements<br>12. Ensure contracts are provided and copies held and that these are in understandable language |

## 8. Disciplinary action

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation be prohibited. | Disciplinary practices are fair, non-arbitrary and effective<br>Employers demonstrate respect for workers' mental, emotional and physical well-being with regard to any disciplinary action necessary | 1. Check policy and procedures for disciplinary action and ensure that policies exist for appeals and grievances to be heard<br>2. Review recent disciplinary cases and outcomes, including frequency of appeals<br>3. Where workers exist, check whether they are aware of the procedures and have agreed them<br>4. Where security guards are in use, review their contracts and terms of reference<br>5. Check that workers understand the policy and are aware of their rights<br>6. Discuss with the groups any cases they are aware of and what the outcome of any |

| | | |
|---|---|---|
| | | appeals is<br>7. Check with workers concerning anecdotal or other evidence of corporal punishment, or of verbal or physical abuse or mental coercion<br>8. Check with workers their view of the security guards (if applicable) and their role<br>9. Discuss whether there have been cases of complaints made about inappropriate disciplinary action and the outcome<br>10. Verify that any fines should be clearly documented and the amount calculates as a percentage of the wage. Ensure this does not take workers below minimum wage and state whether fines are legal<br>11. If there are any fears of reprisals, findings should not be reported at the closing meeting. |

## 9. Regular Employment

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| To every extent possible work performed must be on the basis of recognized employment relationship established through national law and practice.<br>Obligations to employees under labor or social security laws and | Workers are provided with continuous employment<br>The facility is not using regulations concerning temporary workers in order to | 1. Check hiring and terminations over last six months to ensure no patterns exist<br>2. Check pattern on hiring etc. around peak period. Check whether new hiring during peak period are still |

| | | |
|---|---|---|
| regulations arising from the regular employment relationship shall not be avoided through the use of labor-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment. | avoid liability for pay and benefits that would be accorded to permanent employees | with the company<br>3. Cross-reference staff numbers and hiring's to working hours during peak and quiet periods<br>4. Under certain circumstances regular lay-offs during quiet periods may be acceptable state the law on the report<br>5. Record details of seasonal or contract workers and compare this with national law. Clearly state the national law<br>6. Check policy concerning pay during quiet periods – if "annualized hours" are being applied, ensure that this is legal and that overtime hours during busy periods are still being paid as such<br>7. Select workers who have been with the company for at least one year for focus interviews<br>8. If agency workers are used, determine if there is an Service Level Agreement with the agency<br>9. If contract workers are on site, review contract if possible and record details if appropriate<br>10. If contract workers are on site, include a representative sample in worker interviews<br>11. Review employees' legal right to work and verify that any agencies being |

| | | |
|---|---|---|
| | | used comply with all applicable legislative and industry requirements<br>12. Ensure contracts are provided and copies held and that these are in understandable language |

## 10.Code and System Implementation

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| Suppliers are expected to implement and maintain systems for delivering compliance to this Code.<br><br>Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.<br><br>Suppliers are expected to communicate this Code to all employees and to their suppliers.<br><br>Suppliers should, where reasonably practicable, extend the principles of this Ethical Code through their supply chain. | The facility management has implemented systems to ensure that all requirements are being consistently met<br><br>The Code and any additional specific Buyer expectations have been effectively communicated to employees<br><br>The level of communication and roll-out of the Code through the facility's supply chain is evaluated | 1. Evaluate whether the facility has a social compliance/ethical trade policy and whether this covers all elements of the Code<br>2. Look for specific policies covering all issues and in particular discrimination, freedom of association, discipline and general human rights issues<br>3. Check that the facility is aware of any specific management system requirements their Buyers may have and has systems in place to manage compliance (e.g. labeling, quality requirements, etc.)<br>4. Evaluate the management system and its implementation<br>5. Review how the effectiveness of systems and procedures is |

| | | |
|---|---|---|
| | | measured, reviewed and what systems are in place for improvement<br>6. Check that all policies and procedures have been communicated and evaluate the effectiveness of such communication – are they available in local language? Is there training/briefing available for those who are less literate?<br>7. Check that the Company Code or Buyer-specific codes have been communicated to all workers and report on how this has been done, e.g. poster on wall, worker briefings, etc. and how effective this has been<br>8. Establish what actions the facility is taking to communicate and roll out the Code to its own supply chain |

## 11.Sub-Contracting

The aim of the audit is to ensure that:

Sub-contracting is only with previous agreement with the main Buyer.

Sub-contracting can be carried out via complex chains of agents. The auditors should note whether the facility has a good knowledge of where their products are being made. The auditor should summarize their findings by mapping this chain.

## 12.Environment

| SCS | The aim of the audit is to ensure: | The auditor will verify: |
|---|---|---|
| Suppliers shall seek to make continuous improvements in their environmental performance and, as a minimum, comply with the requirements of local and international laws and regulations.<br><br>The supplier shall be aware of and comply with their end Buyers' environmental requirements. | The facility is complying with national and local environmental laws and regulations<br><br>The facility is aware of any Buyer-specific requirements and has systems in place to be able to ensure that they meet these<br><br>This is not a full environmental audit but a check on basic systems and management approach | 1. Transparency of local law, regarding Company COC and Buyer COC in respect of this issue<br>2. The facility management systems should be checked to ensure that procedures and work instructions are in place to ensure compliance with the relevant legislation.<br>3. Interview the nominated responsible manager to ensure they understand the legislative requirements. The name of the responsible manager should be recorded and their level of seniority commented upon<br>4. Check that the facility has a list of chemicals used in the manufacturing process and whether they are aware of how they relate to any Buyer requirements and local legislation.<br>5. Check for registers of waste being discharged. Permits or consents should be viewed and their validity checked.<br>6. Check for test results on waste discharge – who is conducting the tests? Is this being done regularly enough to show due diligence? What plans are |

| | | |
|---|---|---|
| | | in place for action to be taken in the event that acceptable limits are exceeded?<br>7. Document local inspections from government team and similar applicable team. Record details of any official complaints, legal actions or recommendations<br>8. Interview workers from relevant sections to comment on compliance with procedures relating to waste disposal, discharge of effluent, etc., and on actions taken by management if procedures are not followed |

## Assessment Techniques and Forms –

The compliance team will discuss about the findings and CAP report; and will provide their suggestions. Depending on the severity of the problems the team will communicate with the top management and take necessary steps. Each non - compliance issues is allocated with a recommended time frame for completion.

**Report Format and All Forms-**

The following common documents will be used:

1. Self-assesment questionnaire (SAQ)
2. Document request list form
3. Report
4. Corrective Action Plan (CAP)

Audit reports and corrective action plans will be completed such that a reader can understand the reported issues. For example, if an issue is found, the auditor should make it clear in the report whether this is an incident or a systematic problem.

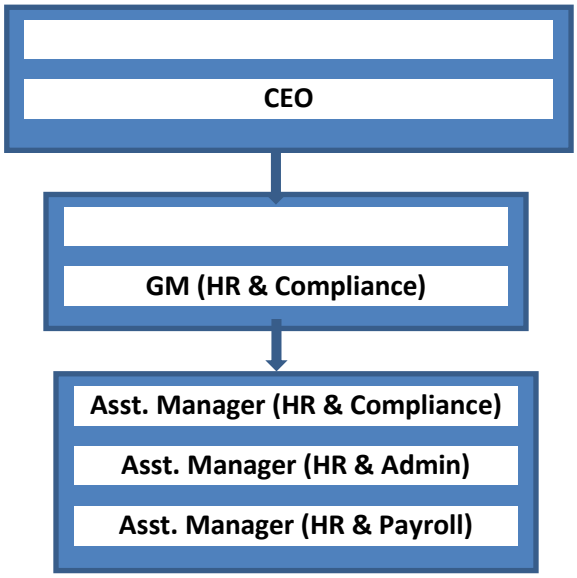
## Reporting Procedures

A final internal audit report marks the end of the internal auditing process. Audit team sends report to the facility in PDF.

**Report Review and Feedback-**

1. After completing audit, Audit Team will arrange a coordination meeting with all business units HR, Admin and Compliance Responsible to set the action plan/roadmap how to overcome.
2. All Non-Compliance issues should be review & analyze.
3. To identify the root cause using Fishbone and 5 Why method.
4. Prepared a SMART CAP

**Organogram of Internal Audit**



## Internal Audit Report

Date: ----------

**Audit ratings:** 

- Green/ Low Risk: Audit level is assigned as Green when Minor NCs is between 0-5.
- Yellow/ High Risk: Audit level is assigned as Yellow when Minor NCs is between 6-9.
- Red/ High Risk: Audit level is assigned as Red when Major NCs is between 5-6.

| Audit result | | Audit rating |
|---|---|---|
| Major NCs | Minor NC score | |
| 0 | 0 – 5 | Green (A) / LOW Risk |
| 0 | 6 – 9 | Yellow (B)/ Medium Risk |
| 5 – 6 | 15+ | Red (D)/ High Risk |

## Audit Plan

| | |
|---|---|
| **Production Unit Name. :** | |
| **Factory Address :** | |
| **Factory's Representative :** | |
| **Audit Date :** | |
| **Auditors Name :** | |

| **Date／ Time** | **Auditor ／ Factory's Participants** | **Remarks** |
|---|---|---|

| | | | |
|---|---|---|---|
| | | Arrive at your premise | Greetings |
| 09:00 | Opening Meeting | Auditor/<br>Factory Manager and other related managers | - Self-Introductions.<br>- The Factory's Overview<br>- Audit Proceedings Explanation<br>- Arrangement on planned Schedule |
| 09:15 | - Legal Compliance including management system<br>- Wage analysis | Auditor/<br>Human Resources Manager, Administrative Manager or other related managers | Legal documents and salary sheet check |
| 10:30 | On-site Visit | Auditor/<br>Factory Representatives, etc. | Visit on manufacturing related workplaces, offices, mechanical areas, storage areas,' dining & resting area, toilets, changing rooms, dormitory, waste storage & treatment areas, etc. |
| 13:00 | | Lunch | |
| 13:30 | - Human Rights and Dignity<br>- Employment | Auditor/<br>Factory Representatives, etc. | Documents check & discussion with management |

| | | | |
|---|---|---|---|
| | | | |
| 14:15 | Interview with the representatives shown on the right regarding;<br>- Workplace Environment<br>- Environmental Management<br>- Commitment to Product Safety | Auditor/<br>Factory Representatives, Administrative Manager or other related managers | Documents check & discussion with management |
| 15:30 | Employee Interviews | Auditor/<br>10 employees randomly selected by the Auditor | Regarding on Human Rights, Employment, Workplace Environment, etc. |
| 16:00 | Interview with the representatives shown on the right regarding;<br>- Relationship with Society and Local Communities<br>- Security Management<br>- Fair Business | Auditor/<br>Factory Representatives, Administrative Manager or other related managers | Documents check & discussion with management |
| 17:00 | | CAP preparation | Auditor |
| 17:30 | Closing Meeting | Auditor/<br>Factory Manager and other related managers | Audit Results<br>Discuss on the Non-Conformities, if any. |
| 18:00 | | Audit - to be ended | |

# Chapter 5

# Findings and Recommendations

Although the HR activities of Universal Menswear Ltd. is doing a decent job at the present, but there is scope to enhance development both internally and externally. To streamline and strengthen the overall activities of the factory the following areas have been identified:

## Findings:

- Lack of HR Personnel
- Lack of Providing more Facilities to Increase Job Satisfaction
- Absenteeism & turnover rate is high
- Lack of Monitor to the Line Managers
- Excessive working hours is very high
- Lack of incentive bonus/rewards
- Lack of Introduce Service Employee Career Development

## Recommendations:

- Recruiting more HR Personnel
- Providing more Facilities to Increase Job Satisfaction
- Monitor & proper counselling for reduce absenteeism & turnover rate
- The HR Should Monitor the Line Managers Properly
- More training needs for unskilled workers to reduce more excessive working hours
- Provide incentive bonus/rewards for more attention to fill up targets
- Introduce Service Employee Career Development

# Chapter 6

# Conclusion

There is no end to development in any sector of an organization. There is always a room for development. Every organization must take the benefit of this scope. The company has established itself as a garment's manufacturer of high reputation with a customer profile that includes some of the best names in the business. Universal Menswear Ltd. knows that in the volatile world of quota free access, winners would be decided based on their international competitiveness. In the generally prevailing uncertainties and impending liberalization of quota regimes the design team again played a pivotal role in changing the perception of Universal Menswear Ltd. as a typically Asian supplier with increased customer contacts, collaborative working method. This is an optimistic hint of future expansion of Human Resource and production department of Universal Menswear garments. From the study it is also clear to us that which products, what commodities are used by these customers. So, finally I will say that this internship at Universal Menswear Ltd. Compliance and Production under the Human Resource Department has enlarged my theoretical knowledge of Executive Master of Business Administration (EMBA) in to some practical knowledge and made my education completer and more practical.

# References

1. DESSLER, G. (2010) *Human Resource Management*. 11th edition, New Jersey: Pearson Prentice Hall.

2. A. JUDGE, T. and HENEMAN III, H.G (2006) *Staffing Organization.* 5th ed. McGraw- Hill: Mendota

3. SCHATZMAN, B. T. (2003) *Business Communication on Today*. 7th ed. Singapore: Pearson Prentice Hall.

4. MALHOTRA N.K. and DASH S. (2011) *Marketing Research*. 6th ed. USA: Pearson Prentice Hall.

5. Universal Menswear Ltd. Policy File

6. SOP of Universal Menswear Ltd.

7. Management of Universal Menswear Ltd.

8. Online/website