UGC & Govt. Approved
Sonargaon University (SU)
সোনারগাঁও ইউনিভার্সিটি (এসইউ)

# THESIS
## ON

# HUMAN RESOURCE MANAGEMENT PRACTICES IN READY- MADE GARMENTS SECTOR IN BANGLADESH: A CASE STUDY ON PADMA POLYCOTTON KNIT FABFRICS LIMITED.

## SUBMITTED TO

Department of Business Administration
Faculty of Business
Sonargaon University (SU)

## SUBMITTED BY

**Shaikh Md. Abu Raihan Siddiquee**
Student ID : EMBA2201025014
Semester : Spring – 2023
Program : Executive Master of Business Administration (EMBA)

SUBMISSION DATE : MAY 11, 2023

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## ON

## HUMAN RESOURCE MANAGEMENT PRACTICES IN READY- MADE GARMENTS SECTOR IN BANGLADESH: A CASE STUDY ON PADMA POLYCOTTON KNIT FABFRICS LIMITED.

### SUBMITTED TO

**Ashik Das**
Lecturer
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### SUBMITTED BY

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Program : Executive Master of Business Administration (EMBA)

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# THESIS
## ON

**HUMAN RESOURCE MANAGEMENT PRACTICES IN READY- MADE GARMENTS SECTOR IN BANGLADESH: A CASE STUDY ON PADMA POLYCOTTON KNIT FABFRICS LIMITED.**

PADMA GROUP

## Padma PolyCotton Knit Fabrics Limited

# LETTER OF TRANSMITTAL

May 11, 2023

Ashik Das

Lecturer

Department of Business Administration

Faculty of Business

Sonargaon University (SU)

**Subject :** A thesis report on **human resource management (HRM) practices in ready-made garments (RMG) sector in Bangladesh: A case study on Padma PolyCotton Knit Fabrics Limited.**

Dear sir,

I would like to take the opportunity to thank you for your guidance and support you have provided me during the course of this report. Without your help the report would have been impossible to complete. With deep gratitude, I would like to acknowledge the help provided by officials at Padma PolyCotton Knit Fabrics Limited. for providing utmost supervision during my period of information collection in the organization.

To prepare this report I have collected what I believe to be the most relevant information to make my report as reliable as possible. I have concentrated my best effort to achieve the objectives of the report and hope that my endeavor will serve the purpose. The knowledge and practical expertise I have acquired during my information collection period will help me in my future professional career.

Sincerely your's,

**Shaikh Md. Abu Raihan Siddiquee**

Student ID : EMBA2201025014

Semester : Spring – 2023

Program : Executive Master of Business Administration (EMBA)

# PREFACE

While searching for a suitable topic for EMBA thesis, I came across an interesting term human resource management (HRM) practices in ready-made garments (RMG) sector in Bangladesh. The topic having aroused my curiosity, discussion was held with my thesis supervisor and many other people working in Human Resource Management Department of various sector, to understand the importance and effectiveness of human resource management (HRM) practices in ready-made garments (RMG) sector in Bangladesh in solving the real-life issues.

All these aspects then resulted in the development of the thesis report titled **human resource management (HRM) practices in ready-made garments (RMG) sector in Bangladesh: A case study on Padma PolyCotton Knit Fabrics Limited.** It is strongly hoped that this report covers not only the common approaches but also the new potential way of application of Human Resource Management.

# DECLARATION OF STUDENT

I, Shaikh Md. Abu Raihan Siddiquee, hereby declare that the thesis report of entitled **human resource management (HRM) practices in ready-made garments (RMG) sector in Bangladesh: A case study on Padma PolyCotton Knit Fabrics Limited.** is uniquely prepared by me after several analysis on human resource management (HRM) practices in ready-made garments (RMG) sector in Bangladesh System.

I also confirm that, this report is only prepared for my academic requirement. I assure that this report is not submitted anywhere.

**Shaikh Md. Abu Raihan Siddiquee**
Student ID : EMBA2201025014
Semester : Spring – 2023
Program : Executive Master of Business Administration (EMBA)

# LETTER OF ACCEPTANCE

This is to certify that the thesis report entitled human resource management (HRM) practices in ready-made garments (RMG) sector in Bangladesh: A case study on Padma PolyCotton Knit Fabrics Limited. Shaikh Md. Abu Raihan Siddiquee, Student ID : EMBA2201025014,
Semester : Spring – 2023, Program : Executive Master of Business Administration (EMBA)
a student of Department of Business Administration, Faculty of Business, Sonargaon University (SU). He has successfully completed his thesis on human resource management (HRM) practices in ready-made garments (RMG) sector in Bangladesh and he has prepared this thesis report under my supervision. He worked hard during preparation of this analytical report. The findings and other information presented here seem to be authentic.

To the best of my knowledge, he bears a good moral character and pleasing personality.

I wish him every success in life.

**Ashik Das**
Lecturer
Department of Business Administration
Faculty of Business
Sonargaon University (SU)

# ACKNOWLEDGEMENT

At the very outset, I am very much thankful to almighty Allah for giving me strength, courage and ability to accomplish the information collection report in a scheduled time in spite of various complications. I would like to evolve my implicit gratitude to all those who have been instrumental in the preparation of this information collection report. I wish to place on records, my profound devoir for the support, supervision, and direction in every aspect from, Padma PolyCotton Knit Fabrics Limited. officials, my faculty, and friends.

I would also like to express my deepest sense of thankfulness to my organizational supervisor of this information collection Program at Padma PolyCotton Knit Fabrics Limited. HR division. To get accustomed with the nature of a corporate culture was quite a challenge for me; without his guidance, it would not have been possible for me to continue a successful information collection.

I would also like to show my utmost gratefulness to all the officials of Padma PolyCotton Knit Fabrics Limited. especially the separation team that I have worked in and all the others teams. I would like to mention the HR associates for facilitating me with all the internal information that helped me to prepare the company overview. Finally, and most importantly, I would like to concede the guidance of my supervisor for the helpful support throughout the whole period to complete the report successfully at a proper manner.

Last but not least, I am fortunate to have had the guidance of all the faculties and mentors throughout my 18 months Executive Master of Business Administration (EMBA) program at Department of Business Administration, Faculty of Business, Sonargaon University (SU) ,
which helped me to shape my perception and understanding for facing the real-world career challenges. It also helped me to prepare a fruitful report.

# ABSTRACT

Bangladesh Ready-Made Garments (RMG) had grown significantly over the last decades in every term but unfortunately quality of locally produced goods is still an issue. According to BGMEA report (2014) RMG consists around 40% manufacturing as well as 50% of the total workforce and 78% of total export earnings generated from this sector. Most of the employees in RMG are women, around 90%, where 4.2 million people are working in this sector. However, the potential growth and prospect in the Bangladesh RMG sector is huge. And for using these opportunities it should focus on the proper implementation of HR policies to emphasis quality performance. In recent knowledge-based economic condition, human resource is the most crucial resource as organizational effectiveness and efficiency is largely depends on the utilization capacity of this resource, especially in the case of Ready-made Garments industry in Bangladesh. Yet, the realities for RMG organizations are that their people remain undervalued, under-trained, and underutilized. Due to improper HR practices, labor unrest rate in RMG is high, and the employee productivity rate is lower than its competitors. As RMG is the rising sector for further investment, now a day a much concern is needed to improve and sustain garments companies growth. Human Resource Management requires much more concern in the Bangladesh RMG sector. In this aspect, literature proved that HR practices didn't get much attention, which need to be measured and analyzed in the aspect of Bangladesh RMG sectors quality performance improvement as in RMG sector human resources is the main advantage for industrial growth and sustainable competitive advantage in business. So this study is required to lift up this expectation to fulfill this research gap.

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# LIST OF ABBREVIATIONS

| | |
|---|---|
| HRM | Human Resource Management |
| HRD | Human Resource Division |
| PPCKFL | Padma PolyCotton Knit Fabrics Limited. |
| RMG | Ready-Made Garments |
| EPZ | Export Processing Zones |
| HR | Human Resource |
| EMBA | Executive Master of Business Administration |
| GSP | Generalised Scheme of Preferences |
| BKMEA | Bangladesh Knitwear Manufacturers and Exporters Association |
| BGMEA | Bangladesh Garment Manufacturers and Exporters Association |
| DBL | Dulal Brothers Limited |

# CHAPTER ONE

# INTRODUCTION

## 1.1 Introduction

After liberation when country's traditional items of export could not yield expected result, in late 70s the government and a section of entrepreneurs – young, educated and dynamic, began to emphasize on development of non-traditional items of export. By the year 1983, ready-made garments (RMG) emerged to be non-traditional export oriented sector most promising in the socioeconomic context of the country. By that time, those entrepreneurs felt a necessity of sect oral trade body, non-government in nature, free from traditional bureaucracy, to help the RMG sector and to boost up the foreign exchange earning of the country urgently needed at that time. Responding to that necessity, 19 (nineteen) RMG manufactures and exports joined together and by their untiring efforts got Bangladesh garment manufacturers and exporters association (BGMEA) incorporated on February 20, 1983, today 2400 small and medium scale privately owned garment factories, registered with BGMEA, spread in cluster over the EPZ and urban areas of Dhaka, Chittagong and Khulna, are manufacturing ready-made garments of varied specifications as per size and design stipulated by the overseas buyers. Starting with a few items, the entrepreneurs in the RMG sector have widely diversified the product base ranging from ordinary shirt, t-shirt, trousers, shorts, pajama, ladies' wear and children's wear to sophisticated high value items like quality suits, branded jeans items, jackets-both cotton and leather, sweaters, embroidered wear etc.

Besides accounting for 66% of Bangladesh's total export earnings in 1995, this sector is employing about 1.2 million people of whom 90% are woman. Ancillary industries producing carton, polybasic, woven labels, buttons, sewing thread, strapping band, gum tape etc. Have emerged in large number with the growth of the sector. The RMG industry has helped the growth of the sectors like banking, insurance, shipping, hotel, tourism, road, transportation and railway container services etc. The sector in which the RMG has helped created the maximum prospect in the country in the textile sector-supply source of mother raw-material of RMG sector.

On the other hand, the term "Human resource management" is a broad concept. Its meaning is the management of an organization's employees. While human resource management is sometimes referred to as a soft management skill, effective practice within an organization requires a strategic focus to ensure that people resources can

facilitate the achievement of organizational goals. Effective human resource management also contain an element of risk management for an organization which, as a minimum, ensures legislative compliance.

Research in the area of HRM has much to contribute to the organizational practice of HRM in the garment industries. For the last 25 years, empirical work has paid particular attention to the link between the practice of HRM and organizational performance, evident in improved employee commitment, lower levels of absenteeism and turnover, higher levels of skills and therefore higher productivity, enhanced quality and efficiency. In the initial stage, the HR practices of RMG sector in Bangladesh were not so good. But it improved day by day and now it becomes in a good structured stage.

## 1.2 Origin of the Report

As a student of Executive Master of Business Administration (EMBA), it is mandatory to engage in an organization as intern to know more about the corporate world in order to increase business knowledge. In this information collection program, I got the opportunity to do my information collection at Human Resource Division, Padma PolyCotton Knit fabrics Limited. head office, Dhaka. During this information collection program, I have to prepare a report on a specific topic related to the organization, which is assigned by my supervisor. My honorable supervisor has assigned me the topic Human Resource Management Practices at Padma PolyCotton Knit fabrics Limited. This report and information collection program have familiarized me with the practical implementation of the knowledge which I have learnt during my Executive Master of Business Administration (EMBA) program. In this report I have written the Human Resource Management (HRM) practices which are followed by Padma PolyCotton Knit fabrics Limited. and on the basis of my theoretical knowledge and practical observation I have written the findings.

## 1.3 Objective of the Report

The objective of the study can be broadly be classified into two branches as General objectives and specific objectives. Achievement of the specific objectives will automatically lead to the achievement of general objectives.

- **General objective**

  The main objective is to compare the theoretical knowledge with the practical aspects of HRM practices.

- **Specific objectives**

  ❖ To know the HRM practices at PPCKFL.

  ❖ To know about ready-made garments system of PPCKFL.

  ❖ To get idea about the ready-made garments scenario of Bangladesh.

  ❖ Find out the acceptability of PPCKFL to the employees.

  ❖ Find out the existing problem of PPCKFL related to human resource management.

  ❖ To gain the experience of corporate life.

## 1.4 Scope of the Report

The scope for this report basically surrounded with Padma PolyCotton Knit fabrics Limited. This report has been prepared through extensive discussion with ready-made garments employees and practical observation. HR policy and annual report of the bank also helps to prepare this report. As I was doing my internship at Human Resources Division, Padma PolyCotton Knit fabrics Limited. Head Office, Dhaka, so at the time of preparing this report I had a great opportunity to know in depth knowledge of all the HRM activities practiced by Padma PolyCotton Knit fabrics Limited. This report has emphasized with all the information and activities that I assigned by my supervisor. I have tried to collect all the HR related information from the employees of that particular division. When I started doing this report, I have focused on areas which are as follows:

- HR planning
- Recruitment and Selection process
- Performance Appraisal
- Rewards and Recognition Process
- HR training and development program
- Employee benefit program
- Employee separation process

## 1.5 Methodology

The methodology of this report is different from the conventional reports. I have emphasized on the practical observation, though I need some primary and secondary data. Nevertheless, eventually almost the entire report consists of my practical observation.

**Source of data collection**

Most of the necessary information has been collected from the personal observation and one to one discussion with relevant officials. Throughout the tenure of my information collection, I have to work in different areas of HR division and that gives me a great opportunity to collect information and learn more.

### 1.5.1 Primary Sources

- Practical deskwork in my specific area posted by the ready-made garments.
- Face to face conversation with the employees of the division.
- Direct observations are another important way to aid myself in learning more about the topic.

### 1.5.2 Secondary Sources

- Annual report of Padma PolyCotton Knit fabrics Limited.
- HR policy of Padma PolyCotton Knit fabrics Limited.
- Related articles about Padma PolyCotton Knit fabrics Limited.
- Some hard copy of report.
- Publications obtained from the internet and from the website of Padma PolyCotton Knit fabrics Limited.
- Office circulars and other published paper, documents and reports.

## 1.6 Limitation of the Study

The report is written mainly on the basis of face to face conversation with the officials and little practical experience in the Padma PolyCotton Knit fabrics Limited. So, no perfect study is conducted to measure the viability of the report. Though I try my level best to make this report based on facts and complete information available, there are some limitations that are unavoidable. The following are some limitations :

- The main obstacle while preparing this report was time. As the tenure of the information collection program was only four months, it was not possible to highlight everything deeply.
- As, I had more dependence on the primary sources, so there might be some level of inaccuracy with those collected information.
- Confidentiality of information was another important barrier that was faced during the conduct of this study. Every organization has their own secrecy that cannot be revealed in publics.
- Preparing this report required lots of work. After doing fulltime office, it was tough to do the report. That was another limitation of the report.

# CHAPTER TWO

# INDUSTRY OVERVIEW

## 2.1 Meaning of Ready-Made Garments (RMG)

Bangladesh, the southern Asian country has a population of approximately 164 million people. The economy of Bangladesh is significantly dependent on agriculture. But it's great news for the country that, ready-made garments sector (RMG) sector of Bangladesh has raised as the biggest earner of foreign currency. This sector creates about 4.2 million employment opportunities and contributes significantly to the GDP. Readymade garments (RMG) of Bangladesh is powered by young, urbanizing, workers, where most of them are women.

## 2.2 History of Ready-Made Garments (RMG) Sector in Bangladesh

The foundation of the textile sector was first established in the 60th decade of the 19th century. For the first time, the industry exported shirts (Mercury shirts) to the European market in 1965-66, which was produced from Karachi. In the latter, 9 exporting industries were available in 1977-78. The three largest industries at that time were Riaz Garments, Jewel Garments, and Paris Garments. Among those, Riaz Garments was the most famous and oldest industry at that time.

In the earlier stage, Riaz Garments of Mohammad Reaz Uddin started its business with some tailoring shop in the name of Riaz store. Later, the name turned into Riaz Garments from Riaz store in 1973, and from 1978 the company started exporting products in the abroad by exporting 1 million pieces of shirts in the South Korean Company named "Olanda". "Desh Garments" is another pioneer of the Bangladesh RMG sector. In 1979, Desh Garments started a joint project with the South Korean company "Daiyuu".

At the same time, several garments were introduced such as-Stylecraft limited by Shamsur Rahman, Aristocraft Limited by AM Subid Ali, Azim Group by Engineer Mohammad Fazlul Azim, and Sunman Group by Major (Retd) Abdul Mannan.

By following the beginners of the RMG sector, some other discreet and hard-working entrepreneurs started their RMG business in the country. From there, the RMG sector of Bangladesh was developing day by day and not needed to look back. Though this

sector had passed various critical stages through the path. In that time, we learned about child labor in 1994, and in 1995 we made our garments industry free from child labor very successfully.

### 2.2.1 Before Independence

Before the independence in 1971, Bangladesh was one of poorest countries in the world. No major industries were developed in Bangladesh, when it was known as East Pakistan, due to discriminatory attitude and policies of the government of the then West Pakistan. So, rebuilding the war-ravaged country with limited resources appeared to be the biggest challenge for us. When our lone export earner – the jute industry – started losing its golden days, it is the RMG sector that replaced it, and then, to overtake it.

### 2.2.2 After Independence

After the independence in 1971, Bangladesh was one of poorest countries in the world. The industry that has been making crucial contribution to rebuilding the country and its economy is none other than the readymade garment (RMG) industry which is now the single biggest export earner for Bangladesh. The sector accounts for 81% of total export earnings of the country.

The apparel industry of Bangladesh started its journey in the 1980s and has come to the position it is in today. The late Nurool Quader Khan was the pioneer of the readymade garment industry in Bangladesh. He had a vision of how to transform the country. In 1978, he sent 130 trainees to South Korea where they learned how to produce readymade garments.

With those trainees, he set up the first factory – Desh Garments – to produce garments for export. At the same time, the late Akhter Mohammad Musa of Bond Garments, the late Mohammad Reazuddin of Reaz Garments, Md Humayun of Paris Garments, Engineer Mohammad Fazlul Azim of Azim Group, Major (Retd) Abdul Mannan of Sunman Group, M Shamsur Rahman of Stylecraft Limited, the first President of

BGMEA, AM Subid Ali of Aristocrat Limited also came forward and established some of the first garment factories in Bangladesh.

Following their footsteps, other prudent and hard-working entrepreneurs started RMG factories in the country. Since then, Bangladeshi garment industry did not need to look behind. Despite many difficulties faced by the sector over the past few years, it has carved a niche in world market and kept continuing to show robust performance.

## 2.3 Present Situation of RMG Sector in Bangladesh

The quota system was a great blessing for establishing our garments industry. We were strongly benefited from using that. As a result, we can see a matured garments industry today. But while the quota system was approaching an end in 2004, there are so many who got upset about the RMG sector of Bangladesh. Though in the latter it can't be affected here as the experts seemed. We conquered the post-quota challenges and made that a successful story.

In the RMG sector of Bangladesh, there are more than 5000 garment factories (private statistics) at the current time, employing more than 12 lack laborers, where 85% of the labor force is women. But, according to BGMEA the number of garment factories in Bangladesh around 4000. Now, the RMG industry is the countries largest export earner with a value of over $24.49bn of exports in the last financial year. It's great news for us that Bangladesh is clearly ahead of other South Asian suppliers in terms of the capacity of the ready-made garments industry.

Though, there are various types of garments are manufactured in Bangladesh, but all the ready-made garments are classified into two broad categories, where one is woven products and another one is knitted products. Woven products include Shirts, Pants, and Trousers. On the other hand, the knitted product includes T-Shirts, Polo Shirts, Undergarments, Socks, Stockings, and Sweaters. Woven garments still dominate the export earnings of the country. From the BGMEA website, it's seen that Day by day

knitted items production is increasing at a considerable rate and now about 40% export earnings have been achieved from knitted products.

## 2.4 Contribution of RMG Sector to the National Economy

The role RMG sector in Bangladesh's economy is remarkable. It's seen that, from the last decade, the RMG sector contributes to the national economy at a considerable rate. About 76% of the total export earnings come from the RMG sector. From statistics, it's known that in FY 2003-04 RMG sector of Bangladesh earned US$ 5,686.06 million, in FY 2004-05 the value was US$ 6,417.67.67 million, in FY 2005-06 the value was US$ 7900.80 million, in FY 2006-07 the value was US$ 9,211.23 million, in FY 2007-08 the value was US$ 10,699.80 million, in FY 2008-09 the value was US$ 12.35 billion and finally in FY 2013-14 the value stands at $24.49billion.

## 2.5 The Opportunity of RMG Sector in Bangladesh

RMG sector of Bangladesh has some key factors which inspired the steady growth of this sector. Though it's a matter of great surprise for so many that how the RMG sector of Bangladesh continues to show its robust performance in the world.

**The main key factors which have a great influence on the RMG sector of Bangladesh are the following:**

1. Vast labor force,
2. Skilled human resources,
3. Technological upgrades,
4. Government supports for textile and clothing,
5. Special economic/export processing zones,
6. Creation of textile and clothing villages,
7. The incentive for use of local inputs,
8. Duty reduction for the import of inputs/machines,
9. Income tax reduction,
10. And international supports like GSP, GSP+, duty-free access, etc.

By using the above key points we can easily take place the world"s readymade garments market very strongly. But there"s some another key factor. If we apply those key factors in our readymade garments sector, then we will achieve the priority to the world's famous buyers' notebook.

**Those key factors are-**

**1. Cost-Effective Strategy:**

Cost-Effective Strategy includes the following two key points:

**a. Cost reduction strategy:**

Cost reduction strategy should begin with assigning the highest priority for establishing backward linkages. The establishment of backward linkages will reduce our dependence on foreign sources which will reduce the total and average production cost of garments. This Strategy will make our products more competitive in the world's ready-made garments market.

**b. Labour productivity improvement:**

Bangladeshi workers are not as efficient as Hong Kong, South Korea, and Sri Lankan workers. Wages are low in Bangladesh, but it does not necessarily mean that relatively low wages workers automatically lead to higher productivity. So, to keep the place in the world's largest competitive market, labor productivity must be improved.

**2. New product development strategy:**

It's a matter of great sorrow for us that, we are regularly produced the same products. Our product categories are very less in quantities. Our product items that are exported into the foreign market are Shirts-60%, Jackets-11%, Knit items-10%, Trousers-7%, and Others-11.50%. To survive in the world's most competitive RMG market, we have to develop new product items with a lot of variations.

**3. Product diversification strategy:**

Product Diversification Strategy is an important factor to keep the place in the world's ready -made garments market. Different types of products should be produced by

applying fashion. Thailand, China, India, Pakistan, Hong Kong, Singapore, Malaysia, Indonesia, and others are the main competitors of Bangladesh. They are already ahead of Bangladesh in product diversification strategy areas.

**4. Market diversification strategy:**

Bangladesh has exported its products to the world's limited market. Most are in the USA, Canada, and Europe. About 46% of its total garment exports go to the USA, 14% to Canada, and the rest of those into the European market. The competitors of Bangladesh have regularly expanded their markets and keep changing their products by using fashion.

The following key factors must be undertaken during a market diversification strategy:

a. Market research on product design
b. Market research on product development,
c. Market promotion through trade fairs, exhibitions, etc.
d. Human resources development by providing training.

## 2.6 Challenges for RMG Sector of Bangladesh

Though the RMG sector of Bangladesh has achieved the second spot for the highest number of garments exporter, it has a lot of problems. The major problems faced by the RMG sector currently is the lack of safety in working place and working conditions for the millions of garment workers. It's become a great challenge for the upcoming fiscal year of Bangladesh. Another important one is political stability.

Two major incidents in the RMG sector of Bangladesh are the Tazreen fire and the Rana Plaza collapse, which have brought the issue of workplace safety to the fore and led all stakeholders to act accordingly. But it's good news for the RMG sector that, following the unfortunate incidents, various platforms such as the Bangladesh Accord on Fire and Building Safety, the Alliance for Bangladesh Worker Safety, and the

National Plan of Action have been formed to improve building and fire safety of Bangladesh's garment industry. Also, BGMEA and BKMEA are working together here to solve such kinds of problems. They have also taken necessary actions and invested a huge amount of money.

It's a huge responsibility for the government of Bangladesh to ensure working place safety in all the garments manufacturing factories. If we can't do it, foreign buyers will refuse to place orders here, which will be a massive blow for the RMG sector of Bangladesh. We hope, the government of Bangladesh, BGMEA, and BKMEA, with the support of global brands and international development partners, will be able to ensure the safety of the RMG industry and maintain the momentum of socio-economic development in the country.

Political stability creates a negative impact on the RMG sector of Bangladesh. If it continues, it will be a massive blow to destroy our most valuable sector. So, political leaders should come out immediately to solve such kinds of problems.

## 2.7 Hoping for RMG Sector of Bangladesh

According to the McKinsey survey, it's seen that 86 percent of the chief purchasing officers in leading apparel companies in Europe and the United States planned to decrease levels of sourcing in China over the next five years because of declining profit margins and capacity constraints.

Also, they said in that survey, "Western buyers are evaluating a considerable number of sourcing options in the Far East and Southeast Asia, many chief purchasing officers said in the survey that they view Bangladesh as the next hot spot". Many chief purchasing officers mentioned Bangladesh as the hot spot in the readymade garments market.

McKinsey survey also reported that, with about $15 billion in exports in 2010, ready-made garments are the country's most important industrial sector; which represents 13% and more than 75% of GDP and total exports, respectively. McKinsey forecasts,

export-value growth of 7 to 9% annually within the next ten years, so the market will double by 2015 and nearly triple by 2023.

## 2.8 List of some RMG Company of Bangladesh

The 10 Best Garments Company in Bangladesh

- Ha-Meem Group.
- Beximco (Textiles & Apparels Division)
- Square Fashions Limited.
- DBL Group.
- Opex Sinha Group.
- Fakir Group.
- Epyllion Group.
- Standard Group.
- Asian Apparels Limited.
- Viyellantex Limited.

# CHAPTER THREE

# ORGANIZATIONAL OVERVIEW

## 3.1 Organizational Orientation

Padma PolyCotton Knit fabrics Limited. was found by Khan Muhammad Ameer in 1995. Under his leadership, the company managed to produce quality products as per the specifications of the buyer and started exporting in 1996. Progressive approach and prudent management policies of Mr. Ziauddin Ahmad, Executive Director enabled the company to become in the line of highest composite units in Bangladesh.

Padma PolyCotton knit Fabrics Limited is a 100 percent export oriented composite knit garment industry. The Factory is equipped with brand new, most modern and state of the art machinery from USA, Europe, Japan and run by highly trained and skilled manpower. Padma PolyCotton Knit fabrics Limited. offers a complete production line from knitting fabric to the finished garments. The factory has a total area of 380,000 square feet with a work force of over 6,000. Conveniently located in the Tejgaon Industrial Area, which is almost the center of present day Dhaka City. Only 10 minutes from the nearest 5 star hotels and 20 minutes from Dhaka International Airport. Padma PolyCotton Knit fabrics Limited. is financed by the state-owned Sonali Bank, and Southest Bank Ltd.

The management of Padma PolyCotton Knit fabrics Limited. is very much aware of continuous changes that are taking place in the fashion world and are fully equipped to face this challenge. Quality control, delivery on schedule, personalized customer service; contacts and public relation are some of the hall marks of this most modern industry. The company the works with the well known customers of the world like IC Company, Tom Tailor, Hanes, S. Oliver and Zara.

## 3.2 Corporate Profile of Padma PolyCotton Knit Fabrics Limited

Padma PolyCotton Knit Fabrics Limited PPCKFL is a member concern of Padma Group of Companies, a leading house of Industries & Commerce in Bangladesh, having Printing & Packaging Industry, paper manufacturing unit, country wide network of color film processing laboratory units, representing world famous Fuji Color Film products, personal, hygiene products manufacturing & real estate development also participation in General Life Insurance Company, Real Estate and Wireless Internet Telecommunication etc.

**Name of Company : Padma PolyCotton Knit Fabrics Limited**

| FEATURES | PARTICULARS |
|---|---|
| Name | Padma PolyCotton Knit Fabrics Limited. |
| Registered Address | Printers Building, 5 Rajuk Avenue<br>Dhaka – 1000, Bangladesh |
| Legal Status | Limited Company |
| Chairman | Khan Muhammad Ameer |
| Executive Director | Ziauddin Ahmed |
| CEO | Md. Azaher Islam |
| Date of Commencement | 15 May 1995 |
| Authorized Capital | 25,000.00 Million (BDT) |
| Paid up Capital | 11,323.00 Million (BDT) |
| Financed by | Sonali Bank, and Southest Bank Ltd |
| Face value per Share | BDT 10 per share |
| Shareholding Pattern | Sponsor & Director 38.04%, Institute 24.39%, Public 37.78%, and Foreign 3.79%. |
| Listing in DSE | 10 Jun 1998 |
| Listing in CSE | 15 October 1999 |
| Telephone | 88-02-9568917-20 |
| Fax | 88-02-9562045-56 |
| E-Mail | padma@bdcom.com |
| Website | www.padmapolycotton.net |

Factory :
131, Tejgaon Industrial Area
North Begunbari, Dhaka, Bangladesh
Telephone : 88-02-9123928-30
Fax : 88-02-9885389
E-Mail : admin@padmapolycotton.net
Website : www.padmapolycotton.net

Head Office :
Printers Building, 5 Rajuk Avenue
Dhaka – 1000, Bangladesh
Telephone : 88-02-9568917-20
Fax : 88-02-9562045-56
E-Mail : padma@bdcom.com
Website : www.padmapolycotton.net

## 3.3 Vision, Mission, & Core Values of PPCKFL

**Vision**

Padma PolyCotton Knit Fabrics Limited. will achieve and sustain leadership in the world market by providing Quality product to their customers at reasonable prices and timely delivery.

**Mission**

To build Padma PolyCotton Knit Fabrics Limited. into an efficient, market driven, customer focused institution with good corporate governance structure. Continuous improvement of our business policies, procedure and efficiency through integration of technology at all levels.

**Core Values**

• Performance Driven • Customer Satisfaction • Ethical Behavior • People Orientation • Team Work.

## 3.4 Quality, Environmental, Health and Safety Policy

Padma PolyCotton Knit Fabrics Limited. engaged in manufacturing of Textile products. They are committed for on time deliveries of their quality products, services to their customers & interested parties by implementing Quality, Environmental, Occupational Health & Safety Management systems to meet their requirement consistently.

They strives for the highest level of customer satisfaction by creating a culture of total Quality, Environmental, Health & Safety consciousness to reduce the EH&S impact on operations, activities, processes, products & services within frame work of applicable laws of laid down procedures.

They are committed to continually enhance and improve the integrated Management systems to ensure that it is adequate and affective for helping them to achieve their Quality & EH&S goals.

## 3.5 Social Policy

Padma PolyCotton Knit Fabrics Limited. engaged in manufacturing of textile products. They are committed to

• Confirm to all requirements of SA 8000 standards.
• Comply with all statutory laws.
• Respect the international instruments and their interpretations.
• Communicate in accessible and comprehensive form to all concerned whether directly employed, contracted or otherwise representing the company.

This is being achieved by implementing, maintaining, reviewing of continually improving their social Accountability Management systems.

## 3.6 Items of Product

**Knit Fabrics**

Single jersey, Heavy jersey, Polo pique, Interlock, Drop needle, Herringbone, Lacoste, Popcom, Waffle, Jacquard, 2/3 Thread fleece (Brushed/Un-brushed), Loop knit, Rib, Striper peach & Emarizing, Collar & Cuff etc. with open width & tubular finish.

**Knit Garments**

T-shirt, Polo shirt, Sweat shirt, Golf shirt, Cardigan, Jogging suit, Short/Trouser, Legging, Fashion dress & Children wear etc.

**Knitting Division**

The knitting division is equipped with high class circular knitting machines from TERROT( Germany),MAYER & CIE (Germany) ORIZIO (Italy),PAILUNG (Taiwan), JIAHAO ( Taiwan), LISKY( Taiwan),FALMAC( Singapore and flat knitting machines from MATSUYA ( Japan) and FLYING TIGER( Taiwan), SHIMA SEIKI ( Japan).

Padma Polycotton incorporate the latest art in knitting technology having lycra attachments and additional cams for producing various type of designed and structured fabrics, including collars and cuffs.

**Test Lab**

The laboratory is equipped with the most sophisticated lab aid provided by the new generation Data Color SF600 CT Spectrophotometer color matching with Auto Dispensing system, Light perspiration, rubbing Fastening equipment which performs regular tests to guarantee dyeing shade matching from batch to batch and dye fastness to maintain international quality standards.

**Dyeing Division**

The dyeing house is equipped with the latest fully computerized control state of the art dyeing machinery from THEIS Germany, DILMENLER Turkey & MCS Italy. A complete range of atmospheric type and high temperature version dyeing machines allow the dyeing house to handle 35000 Kgs per day of 100 percent cotton, blended CVC cotton/modal, polyester fabrics,

**Finishing**

The finishing line starts with the high-tech de-twisting and de-watering & impregnating machine from WEISS Germany and BIANCO Italy which allows greater shrinkage control through over feed device, impregnating of softening chemicals at wet stage, etc for achieving highest quality crease free fabrics.

**Printing Division**

Printing unit is well equipped with state of the art equipments including Auto Print Machines. They are capable to print all sorts of prints that is Foil, Flock, Discharge, Emboss, High density, Plastisol, Sublimation, all types of studs heat transfer and many special types of printing. They can print 45000 Pcs per day.

**Embroidery Division**

Padma PolyCotton Knit Fabrics Limited. has sophisticated computerised embroidery unit with applique, sequins, beading and roof embroidery.

# CHAPTER FOUR

# LITERATURE REVIEW

## 4.1 Human Resource Management

“HRM is a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce, using an array of cultural, structural and personnel techniques.” (Stirey, 2007). “HRM is a managerial perspective which argues the need to establish an integrated series of personnel policies to support organizational strategy.” (Buchanan & Huczynski, 2004). “HRM is a strategic approach to managing employment relations which emphasizes that leveraging people’s capabilities is critical to achieving competitive advantage, this being achieved through a distinctive set of integrated employment policies, program and practices.” (Bratton & Gold, 2012).

Parameswari & Yugandhar (2015) defined, “Human Resource Management can be defined as a strategic approach to acquiring, developing, managing, motivating and gaining the commitment of the organization’s key resource – the people who work in and for it.” DeCenzo & Robbins (2004) defined, “Human Resource Management is concerned with the people dimension.” Flippo (1980) defined, (planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved.” Graham (1978) defined, “The purpose of HRM is to ensure that the employees of an organization are used in such a way that the employer obtains the greatest possible benefit from their abilities and the employees obtain both material and psychological rewards from their work.” Mathis & Jackson (2011) defined, “Human Resource Management as the design of formal system in an organization to ensure the effective and efficient use of human talent to accomplish organizational goal.” Dessler (2005) defined, “Human resource Management is the process of acquiring, training, appraising, and compensating employees, and of attending to their labor relations, health and safety, and fairness concerns.” Jucious (1959) stated that, “The field of HRM involves planning, organization, directing and controlling functions of procuring, developing, maintaining and utilizing a labor force.” Yoder (1944) defined, “HRM is the provision of leadership and direction of people in their working or employment relationship”. Griffin & Fleet (2013) defined, “Human Resource Management is the set of organizational activities directed at attracting, developing and maintaining an

effective workforce." Milkovich & Boudreau (1994) defined, "Human Resource Management is a series of decision that affect the relationship between employee and employer: it affects many constituencies and is intended to influences the effectiveness of employee and employer".

## 4.2 Major Functions of Human Resource Management

DeCenzo & Robbins (2004) pointed out that, Human Resource Management is made of four activities. These are- (1) staffing, (2) Training and Development, (3) Motivation, and (4) Maintenance. Flippo (1980) defined that, the function of Human Resource Management is divided into two part. These are- (1) Managerial functions, and (2) operative functions. The managerial functions are: (a) Planning, (b) Organizing, (c) staffing, (d) Directin, and (e) Controlling. The operative functions are: (a) Procurement, (b) Development, (c) Compensation, (d) Maintenance, (e) Motivation, and (f) Integration. Dessler (2005) pointed out the major functions of Human Resource Management are- (1) Job analysis (2) Personal planning and Recruiting, (3) Employee testing and Selection, (4) Training and Development, (5) Performance management, and (6) Compensation.

## 4.3 Importance of Human Resource Management

Parameswari & Yugandhar (2015) stated that, the need for Human Resource Management are- (a) To provide, create, utilize and motivate employees to accomplish organizational goals. (b) To create opportunities, to provide facilities, necessary motivation to individual and group for their growth with the growth of the organization by training and development, compensation etc. (c) To employ the skills and ability of the workforce efficiently, i.e., to utilize human resources effectively. (d) To create a sense and feeling of belongingness team-spirit and encourage suggestions from employees. (e) To help maintain ethical policies and behavior inside and outside the organization. (f) To maintain high moral and good human relation within the organization. (g) To secure integration of individual and groups in securing 27 organizational effectiveness. (h) To manage change to the mutual advantage of individuals, groups, the organization and the society. (i) To ensure that, there is no threat of unemployment, inequalities, adopting a policy recognizing merit and

employee contribution, and condition for stability of employment. (j) To increase to the fullest the employee‘s job satisfaction and self-actualization; it tries to prompt and stimulate every employee to realize his potential. They also pointed out 10 reasons for which Human Resource Department is important. These are: (1) Human Capital Value, (2) Conflict Resolution, (3) Budget Control, (4) Training and Development, (5) Employee Satisfaction, (6) Performance Improvement, (7) Cost Savings, (8) Sustaining Business, (9) Corporate Image, and (10) Reliability.

## 4.4 Human Resource Planning

Dessler & Varkkey (2009) affirmed that, ‘Personnel planning embrace all future positions and planning flows from the firm’s strategic plan.’ Cascio (2003) defined, ‘Workforce planning as a process in which an organization attempts to estimate the demand for labor and evaluate the size, nature and source of supply which will be required to meet the demand.’ Walker (2002) affirmed that, “Human Resource Planning is the process of identifying and responding to the issue of workers and charting new policies, systems and programs that will ensure effective human resource management under changing conditions.” Beach (1980) defined that, “Human Resource Management is a process of determining and assuring that the organization will have an adequate number of qualified persons available at the proper times, performing jobs which meet the needs of the enterprise and which provide satisfaction for the individuals involved.” Megginson (1985) defined, “Human Resource Planning is an integrated approach to performing the planning aspects of the personnel function in order to have a sufficient supply of adequately developed and motivated people to perform the duties and tasks required to meet organizational objectives and satisfy the individual’s needs and goals of organizational members.” Flippo (1980) defined that, ‘Human resource planning involves making an inventory of current human resources in order to determine the human resource status’.

## 4.5 Recruitment

DeCenzo, Robbins, & Verhulst (2013) defined that, “Recruitment is the process of discovering potential candidates for actual or anticipated organizational vacancies. Or from another perspective, it is a linking activity—bringing together those with jobs to

fill and those seeking jobs." Denerley & Plumbley (1968) defined, "Recruitment is a matching process and the capacities and inclinations of the candidates have to be matched against the demand and rewards inherent in a given job or career pattern." Flippo (1980) defined, "Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization." Yoder (1944) defined, "Recruitment is a process to discover the sources of manpower to meet the requirement of the staffing schedule and to employ effective measures for attracting that the manpower in adequate numbers to facilitate effective selection of an efficient workforce".

## 4.6 Selection

Yoder (1944) defined, "Selection is the process by which candidates for employment are divided into two classes those who will be offered employment and those who will not." Jucious (1959) has defined, "The selection procedure is the system of functions and devices adopted in a given company for the purpose of ascertaining whether or not candidate possess the qualifications called for by, a specific job." Koontz, Donnell, & Weihrich (1980) have defined, "Selection is the process of choosing form the candidates, from within the organization or from outside, the most suitable person for the current position or for the future positions." Decenzo & Robbins (2004) have defined "Selection activities follow a standard pattern, beginning with an initial screening interview and concluding with final employment decision." Flippo (1980) said, 'The selection is the process of choosing the most suitable candidate for the vacant position in the organization. In other words, selection means weeding out unsuitable applicants and selecting those individuals with prerequisite qualifications and capabilities to fill the jobs in the organization'.

## 4.7 Training & Development

Jucius (1959) defined training as, "A process by which the aptitudes, skills and abilities of employees to perform specific jobs, are increased." Flippo (1980) said, "Training is the act of increasing the knowledge and skills of an employee for doing a particular job." Beach (1980) referred that, "Training is the organized procedure by which people learn knowledge and/or skills for a definite purpose." Saiyadain (2009)

defined, “Training is an activity aimed to improve the performance of the existing staff to meet the future needs of the organization.” Decenzo & Robbins (2004) stated training as, “A learning experience in that it seeks a relatively permanent change in an individual that will improve his or her ability to perform on the job”.

Graham (1978) has described three elements of training such as purpose, place and time. Mathis & Jackson (2011) stated that, ‘Training is related to improving upon the present job experience.’ Chris (2011) stated that, “Training is a process through which the skills, talent and knowledge of an employee is enhanced and increased. He argues that training should take place only when the need and objectives for such training have been identified.” Asha (2007) defined that, “The need for training and development can be emphasized in various work situations,

such as in harnessing skills for existing jobs, planning out one’s future job profile, elevating
employee’s performance and so on. The training and development function in an organization has gained a lot of importance due to advancement in technology and changes in market force.” Bates & Davis (2010) stated that, ‘Usefulness of training program is possible only when the trainee is able to practice the theoretical aspects learned in training program in actual work environment. They highlighted the use of role playing, cases, simulation, mediated exercises and computer-based learning to provide exposure to a current and relevant body of knowledge and real-world situations.’ Graham (1978) described training by graphical representation, training cost and business benefits are drawn on X and Y axis respectively. Four quadrants were identified to highlight (i) strategic (Lower training cost and higher business benefits), (ii)Payback (Higher training cost and higher business benefits) (iii) Think (Lower training cost and lower business benefits) (iv)Drop (Higher training cost and higher business benefits).

## 4.8 Performance Appraisal

Dessler (2005) defined “Performance appraisal as means of evaluating an employee’s current and or past performance relative to his or he performance standards.” Weather & Davis (1989) defined “Performance appraisal is the process by which organization

evaluate individual job performance." Beach (1980) defined, "Performance appraisal is systematic evaluation of the individual with respect to his or her performance on the job and his or her potential for development." Huber & Schuler (1993) stated that, "Performance appraisal is a formal, structured system of measuring and evaluating an employee job, related behavior and outcomes to discover how and why the employee is presently performing on the job and how the employee can perform more effectively in the future so that the employee, organization, and society all benefit." Heyel (2012) defined that, "It is the process of evaluating the performance and qualifications of the employees in terms of the requirements of the job for which he is employed, for purposes of administration including placement, selection for promotions, providing financial rewards and other actions which require differential treatment among the members of a group as distinguished from actions affecting all members equally".

Yoder (1944) defined, "Performance appraisal includes all formal procedures used to evaluated personalities and contributions and potentials of group members in a working organization. It is a continuous process to secure information necessary for making correct and objective decisions on employees." Dessler & Varkkey (2009) pointed out several method of

performance appraisals. These are: (a) Graphic rating scale method, (b) Alternation rating method, (c) Paired comparison method, (d) Forced distribution method, (e) Critical incident method, (f) Narrative forms, (g) Behaviorally anchored rating scale, (h) Mixed standard scale, (i) Management by objectives, (j) Computerized and web-based performance appraisal, and (k) Electronic performance monitoring. Megginson (1985) defined, "Performance appraisal is the process an employer uses to determine whether an employee is performing the job as intended." Cascio (2003) defined, "Performance appraisal as the systematic description of an employee's job-relevant strengths and weaknesses".

## 4.9 Compensation

Flippo (1980) defines “The function of compensation is defined as the adequate and equitable remuneration of personnel for their contributions to the organizational objectives.” Yoder (1944) defines “Compensation is paying people for work.” Dessler (2005) defined employee compensation as “All forms of pay or rewards going to employees and arising from their employment.” Decenzo & Robbins (2004) stated, ‘Employee benefits as a whole have no direct effect on employee performance, however, inadequate benefits do contribute to low satisfaction level and increase absenteeism and turnover in employees.’ Cascio (2003) stated that, ‘Compensation provides competitive base salary levels necessary to attract and retain talent and compensates for day-to-day responsibilities performed at fully acceptable level and above.’ Milkovich & Boudreau (1994) stated that, “Compensation” is based on the symbols for logs and water; compensation provides the necessities in life”.

# CHAPTER FIVE

# HRM PRACTICES AT PADMA POLYCOTTON KNIT FABRICS LIMITED.

## 5.1 Human Resource Division at Padma PolyCotton Knit Fabrics Limited.

Human Resource Division of Padma PolyCotton Knit Fabrics Limited. exists to help employees and organization to reach their goals. Along the way, they face many challenges arising from the demands of the employees, the organization, the society. The domestic and international environments are the particularly turbulent because of the growing challenges also result from ever changing laws, especially laws that address the need for equal employment opportunity. Within these constraints, the Human Resource Division of Padma PolyCotton Knit Fabrics Limited. must contribute to the organization in ways that are both ethical and socially responsible.

## 5.2 Functions Performed by HR Division at PPCKFL

Padma PolyCotton Knit Fabrics Limited. has a fully functional Human Resource Division (HRD) supported by manpower. The HRD of the Padma PolyCotton Knit Fabrics Limited. performs the following functions:

- Recruitment
- Selection
- Training and development of employees
- Performance appraisal of employees
- Compensation and benefits planning
- Promotion & up gradation planning
- Reward and recognition
- Leave management
- Transfer & posting

## 5.3 Recruitment Practice at Padma PolyCotton Knit Fabrics Limited.

The recruitment goals of Padma PolyCotton Knit Fabrics Limited. are to attract and retain highly qualified human resources who will perform best in their respective areas. The organization not only tries to attract well-qualified candidates but also tries to identify and recruit people who are really interested to work in the organization for an acceptable period of time.

- ❖ PPCKFL usually promotes from within the organizations, but when the need arises, the organization also hires from outsides for vacancies at all levels.
- ❖ PPCKFL always emphasizes on hiring for a long period of time. The organization tries to attract and select those candidates who will move through the organizational hierarchy to the senior level positions in the future.
- ❖ PPCKFL has developed a corporate culture where employees are not treated as mere employees. They are treated as associates of the organization. Together, they form a family and all associates are the members of the families.

## 5.4 Sources of Recruitment

- ❖ Internal Sources
- ❖ External Sources

### 5.4.1 Internal Sources

Where appropriate, at the request of the hiring division, the organization will advertise vacancies internally as per criteria and other terms and conditions set by Management including but not limited to the following:

- As per the location requirement of the position, transfer and posting will be executed considering the recommendation of the respective division / department / branch.
- Employees cannot use the internal job vacancy to change their current stream (e.g. shift from Front Office or SRS Stream to Core organizational Stream) and location. Job stream change must follow board approved policy.
- Up gradation, promotion and compensation would be as per broad banding Pay Structure policy.

### 5.4.2 External Sources

External sources are used both for fresher and lateral employees. The channels that may be used to source external candidates depends upon the time, job designation and cost of sourcing. Padma PolyCotton Knit Fabrics Limited. provides circular to many sources. These are given below-

- Online job advertisement
- Job portal
- Padma PolyCotton Knit Fabrics Limited. website
- Social Media/Network
- Print Media
- Executive search or recruitment agency
- Referrals (both internal & external)
- Campus recruitment
- BD jobs

## 5.5 Selection Practice at Padma PolyCotton Knit Fabrics Limited.

Managing human resource is one of the priorities of Padma PolyCotton Knit Fabrics Limited. in which 'Selection' receives critical attention. The success of business depends mostly on the quality of services rendered to the customers both internal and external. Quality depends on competency of the employees recruited and retained. So, Padma PolyCotton Knit Fabrics Limited. commitment is to handle all selection with fairness and objectivity. Padma PolyCotton Knit Fabrics Limited. ensures objectivity, transparency, diversity and also accountability in the selection and appointment process of all employees in the organization.

## 5.6 Training and Development at Padma PolyCotton Knit Fabrics Limited.

Padma PolyCotton Knit Fabrics Limited. upholds a learning environment and prepares the employee as future business leaders. In line with this, the Padma PolyCotton Knit Fabrics Limited. shall develop required knowledge and skill-set of the employees by identifying the learning needs, providing the required learning interventions and assessing training effectiveness through standard process to perform

their roles effectively and efficiently. Padma PolyCotton Knit Fabrics Limited. provides a basic training to all of their employees in the following areas-

- General Production
- Production Management
- Import / Export Management

### 5.6.1 Training Need Identification

All permanent employees of Padma PolyCotton Knit Fabrics Limited. are eligible to undertake any functional, general, soft skill and any other training initiative provided he/she has the own division's approval. There are four types of training need identification. These are:

1. Business need identification
2. Individual need identification
3. Policy or compliance need
4. Latest topic of regulator or other need

### 5.6.2 Types of Training

- In-house
- Outreach (BGMEA)
- Other Institute
- Foreign
- E- Learning (Web side & Zoom)

### 5.6.3 Training Planning, Designing and Implementation Process

**Training Calendar and Budget preparation:** Once training need identification is completed, HR training and development team then compile and prepare a yearly training calendar along with the budget and submit to the management for approval. If any change required to the training calendar, it requires to be done during approval.

**Circulate Training Calendar:** After management approval, training calendar will be circulated by HR training and development within the prescribed schedule.

**Training Coordination Process:** Once the training is designed and developed, the next stage will include coordinating other operational activities, executing the training and collecting feedback.

**Training Implementation Process:** Padma PolyCotton Knit Fabrics Limited. executes their training program by three ways. They take decision about the training process on the basis of training need identification. The training process are-

- In-House training process
- Other institute training process
- Foreign training process

## 5.7 Employee Compensation & Benefit at PPCKFL

Padma PolyCotton Knit Fabrics Limited. provides highly attractive compensation package to their employee comparative to other organization in that industry. The elements of compensation are given below:

| EARNINGS | DEDUCTIONS |
|---|---|
| Basic Salary | Income Tax |
| House Rent | P.F. (own contribution) |
| Medical Allowance | Welfare Fund Contribution |
| Conveyance Allowance | Benevolent Fund Contribution |
| Leave Fare Assistance | |

Moreover, Padma PolyCotton Knit Fabrics Limited. provides some other benefits to their employees. These are-

- Provident fund
- Gratuity benefit
- Death benefit
- Disability benefit
- Retirement benefit

## 5.8 Leave Management at Padma PolyCotton Knit Fabrics Limited.

Leave policy enables employees of the Padma PolyCotton Knit Fabrics Limited. to manage emergency situation in personal life and maintain healthy work balance. In addition, it will provide the employee with an opportunity to regain mental & physical fitness resulting greater productivity while back to the work.

## 5.9 Casual Leave

- Casual leave for 10 days in a calendar year shall be granted to an employee.
- Casual leave cannot be taken 'in continuation of' or 'in combination with' holidays including weekends and if holidays and weekends intervene two spells of casual leave the entire period (including holidays) shall be reckoned as casual leave and it should not exceed 03 days.
- The employees who join the services of the Padma PolyCotton Knit Fabrics Limited. in the middle of the year, casual leave shall be credited on a pro rata basis.

## 5.10 Sick Leave

- An employee will be entitled to sick leave with full pay and allowances for a total period of 14 days in a calendar year.
- The unutilized sick leave will not be carried forward.
- A maximum of 28 days of sick leave can be granted in an emergency situation as exception supported by a certificate from a certified medical practitioner acceptable to the Padma PolyCotton Knit Fabrics Limited.

- Sick leave less than or up to 03 days might not require any certificate from medical practitioners.

## 5.11 Maternity Leave

- Maternity leave for the female regular employees will be for a period of 06 months.
- During the period of maternity leave, an employee will get full salary and other admissible benefits as availed while in service.

- Such leave can be availed maximum twice during the entire period of service (only for the first two living children). However, it excludes multiple births from a single pregnancy.
- Probation of a female employee (MT/TA) will not be extended due to maternity provided she has fulfilled all the criteria required for confirmation.

## 5.12 Leave Without Pay

- In cases of leave without pay no basic pay will be paid but all allowances including utilities, house maintenances, car maintenances, etc. shall be paid in full, provided the leave without pay period does not exceed 60 days in a calendar year.
- If the leave without pay exceeds 60 days in 24 months from the first spell of leave taken, no salary & allowances shall be paid for the entire period of leave which was granted as leave without pay.
- In case of an employee who has not completed 05 years of continuous service, the duration of leave without pay at any one time shall not exceed 90 days.

# CHAPTER SIX

# FINDINGS, RECOMMENDATIONS AND CONCLUSION

## 6.1 Findings

The Garments Industry was established before three decades in our country. At the beginning of this Industry Human Resource Management (HRM) was not introduced clearly. With the passage of time the owners of the Garments Organizations become familiar with HRM practices and it plays an important role in organization development, growth of production and human resource development etc. The modern approach to supervision and HR Management engages more workers' intelligence, creativity, motivation and loyalty. It tends to reduce absenteeism and turnover, increasing productivity and problem solving ability. But it is matter of sorrow that all organizations do not follow the rules and regulations properly. The scenario of Human Resource Management (HRM) of The Garments Industry particularly Padma PolyCotton Knit Fabrics Limited. is described below.

- At the beginning of this Industry Human Resource Management (HRM) was not introduced clearly but now it plays an important role
- Now they try to do HRM practices but they do not follow properly
- The recruitment and selection process is standard
- In some cases rules and regulations are not performed
- Compensation package covers minimum standard at mid and lower level but at top level it is standard
- The employees training facilities but they should provide more time
- The organization's attention is usually focused on the work to increase productivity. This is helpful to achieve the organizational goal
- They always try to measure quantity with quality
- Less caring about their further career development
- The pay and promotion decision are made based on the seniority although it should be related with performance and sometimes it is not provided properly. And sometimes nepotism works behind it
- Many of the employees feel job stress that does not always ensure productivity
- Generally the organization does not provide advertisement in the media source such as the daily newspapers & the internet. And discourages under age workers
- Most of the employees do not feel job securities.

## 6.2 Recommendations

Day in and day out, the workers were deprived of the fruits of their labor. They toiled that another might enjoy. They "slaved" that another might be rich. They cannot ensure hand to mouth after doing hard work. There is no standard of living. Their children cannot achieve education and involve in child labor. They cannot get salary in time. But this situation has to be changed. Considering these some suggestions can be prescribed bellow:

- Minimum wages cannot ensure standard of living. So compensation should be increased
- No sexual harassment. Ensure good and comfortable work environment. No duty between 7 p.m. to 7 a.m. pays for overtime properly and timely. Increase salary relating with market price
- Provide employment and recognition letter to all workers
- Reduce discrimination in case of salary payment
- Company should pay salary to all employees within the first week of the next month
- No reduction in salary in case of being late for exceptional case and no threat to cut job
- Employ worker according to Bangladesh Labor Law 2006
- Ensure weekly holiday and other leave according to Bangladesh Labor Law 2006
- No obligation in case of trade union and collective bargaining
- Ensure minimum wages that must be adjusted with inflation, and increasing economic condition
- Behave as human being with the worker not machine
- Reduce labor dissatisfaction and job stress through good behave and incentives
- Company should provide transportation facilities for all employees. The worker should be more conscious about their rights and also the owner must fulfill and respect the employee's right and choice
- Must follow BGMEA & Government rules and regulation that is updated time to time.

## 6.3 Conclusion

Padma PolyCotton Knit Fabrics Limited. is one of the well known names in the business sector of Bangladesh. So still the company has a very good reputation in the market wants to see them at the top.

Best HRM policies and practices should be maintained and implemented in RMG sector. RMG factories have become the part of a global supply chain so these Padma PolyCotton Knit Fabrics Limited. have to maintain the global standard in respect to work environment, employee's

responsibilities, relationship with the management and workers, proper maintenance of rules and regulations, and health, environment and safety. HRM practices always supposedly contribute to an improved bottom line performance are generally perceived as "good" for "workers" like, employee security, training and development, information and consultation, higher levels of pay and work-life balance, which looks like an attractive scenario for employees and workers alike. Most of the RMG workers are illiterate in Bangladesh. As a result they are not concern about human rights, working condition and labor standards. Global garments buyer need these assurance. So, HRM practices in RMG sector should try to maintain proper HRM practices in the sector to ensure job satisfaction among the employees. Job satisfaction as has been defined by Locke (1976) as 'a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences", should be maintained by the RMG sector. Its suggested that the stakeholders of this sector e.g.. government, BGMEA, NGO's, workers federation should emphasize on more on development of technical expertise of the workers. Establishment of more training centers, encouraging on the job training, intensive monitoring of health, safety and security issues are found to be crucial for the sustained growth of the sector.

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