

Al-arafa bank hrm assignment

[Finance](#), [Banks](#)



Executive summary As a part of our curriculum we have to prepare reports in each semester for each subject. In this way, my course teacher has assigned me to prepare the report. And the topic of my report is “ Management Practices in Bangladesh: A Case Study on Human Resource management of Al-Arafah Islami Bank Ltd”. He took a lecture on preparation of this report and serving us necessary documents. As I have selected a service organization, my prime objective was to collect necessary documents along with the Annual Report of the Bank. Again I had to visit the website of the Bank.

My report involve the typical Human Resource Management practices such as planning, recruitment, selection, orientation, placement, training and development, performance appraisal, wages and salaries, incentives, benefits, security, safety, and health etc. Businesses rely on effective human resource management (HRM) to ensure that they hire and keep good employees and that they are able to respond to conflicts between workers and management. HRM specialists initially determine the number and type of employees that a business will need over its first few years of operation.

They are then responsible for recruiting new employees to replace those who leave and for filling newly created positions. A business’s HRM division also trains or arranges for the training of its staff to encourage worker’s productivity, efficiency, and satisfaction, and to promote the overall success of the business. Finally, human resource managers create workers’ compensation plans and benefit packages for employees.

1. 1. Statement of the research problem Human resources are an increasingly broadening term that refers to managing “ human capital,” the people of an organization.

The field has moved from a traditionally administrative function to a strategic one that recognizes the link between talented and engaged people and organizational success. Human resources are most important and valuable asset of any organization because the success of a particular organization largely depends on its Human Resources. Here in my term paper I have discussed about the Human Resource of Al-Arafah Islami Bank Ltd. I explored the present scenario of the banks Human Resource, the international standard Human Resource, potential problem with Human Resource Management and the necessary solutions.

Finally I highlighted the findings and provided appropriate recommendations for the Human Resource Management of Al-Arafah Islami Bank Ltd. 1. 2.

Scope and objectives of the study My course teacher taught me spontaneously well in the classroom, thus, I gained a clear idea and knowledge about the modern human resource management practices in any organization both in Bangladesh and other countries in the world. This could help me a lot to make an intensive survey on any organization and understand well various terms, rules, and techniques of human resource management divisions.

The prime objectives of preparing this survey to get practical knowledge of the study which can help me to bridge the gap between my lectures or bookish knowledge with the actual practices of this study of management in a particular organization. This section also designed to broad my outlook and understands various crucial but complex topics easily. 1. 3. Methodology of the study I have followed the following research process consists of series of

actions or necessary steps to carry out the research in order to prepare the report:

Step-I: Define the Research Problem: To find out the Human Resource Management practices in a particular organization. Step-II: Review of Literature: A brief summary of different topics is written down. Step-III: Formulation of Hypothesis: The organization follows the modern human resource management practices. Step-IV: Collection of Data: To verify the hypothesis I collect the annual report of the bank, various documents of laws and regulations use in the Human Resource Division in the office (Secondary Data).

Step-V: Analysis of Data: After analyzing the data collected, I reject the unnecessary data and allow the necessary data for further treatment. Step-VI: Interpretation and Representation: After analyzing I formulate the data in a presentation form to best look at. 1. 4. Limitations of the study ? Shortage of time to conduct the survey, collecting, analyzing, processing, and formulating the complex task ? Lack of primary data. ? Lack of Secondary data. 2. 1. Al-Arafah Islami Bank Limited: An Overview To achieve Islamic ideology Al-Arafah Islami Bank Ltd was established (registered) as a public limited company on 18 June 1995.

The inaugural ceremony took place on 27 September 2005. Some very renowned Islamic Personalities and pious businessmen of the country are the sponsors of the bank. The Bank is committed to contribute significantly in the national economy. It has made a positive contribution towards the socio economic development of the country by opening 46 branches on which 16

authorized dealer (AD) throughout the country. On 31 December 2007 the manpower of the Bank was 1033. To render improved services to the clients imbued with Islamic spirit of brotherhood peace and fraternity and by developing an institutional cohesion.

The Bank is committed towards establishing welfare oriented banking system, economic uplift of the lower-income group of people, create employment opportunities. 2. 2. Human Resources are the Bank's Asset Al-Arafah Islami Bank believes that consistently strong performance of the Bank is the result of the team of committed, knowledgeable and dedicated employees who are focused on achieving the excellence. According to the HR professionals working for the HR Division (Currently named, when commence it was Personnel Department) “ Thus human resources is the most valuable asset for the Bank. The Bank is committed to recruiting high-caliber employees and providing them with the motivation, training, working environment and compensation package they need to perform at the highest level. It recognizes the importance of making the Bank an employer of choice. To that goal in view, it ensures that the employees understand the strategic plans and objectives of the Bank and are clear about what is expected of them. The Bank promotes the importance of high ethical standards in its employees.

They have to act within the prescribed code of conduct and are not permitted to solicit or accept any inducements which are likely conflict with their duties to clients. Appraisal of their individual performance is done in a rating scale against objectives and the Bank's prescribed core values. The

Bank tries to create a mutual trust and dignity and their investment in Human Resource base with the right level of skills and talent to meet current and future and retain the human resource base with the right level of skills and talent to meet current and future needs. The employees of the Bank are given on the job training and are sent to different training program/seminar, workshop at home and abroad. The training institute of the Bank arranges various courses, workshops, and seminars on important aspects of Banking. The deserving staffs are rewarded as per their performance with accelerated promotion and other incentives. Training is pursued for both conventional and Islamic Banking division of this Bank.

2. 3. Development of Human Resources

The Bank has successfully completed fourteenth year of operation having enjoyed complete confidence of depositors and clients with significant growth in business and profitability. Now time has come to consolidate the Bank's position and further accelerate the growth process. This is, no doubt, a challenging job. Fortunately, Al-Arafah Islami Bank Bangladesh Ltd is blessed with a human resource base with competence and capabilities. The Bank feels proud of having built the finest team in the banking sector. The Bank provides them an environment where team spirit, work excellence and creativity flourish.

But these potentialities and talents further need to be explored and used to ensure an efficient house keeping with an end to meet the increasing challenges in a competitive banking environment. Keeping the objectives in mind, the Bank adopted a human resource development strategy

considering quality Human Resources as the engines of growth. They are recruited in the Bank through an arduous process and used to be suited with corporate culture of the Bank. Integrity, impartiality, fairness, efficiency and deep commitment characterize our people.

The Bank always stresses upon attracting and retaining quality human resources through competitive compensation package and creating opportunities for individual career development. Their growth in the Bank is positively linked with their individual merit, ability and performance. The Bank believes in the development of professionalism as well as personal commitments of the employees. Credit facilities are granted under various staff loan policies of the Bank. The Bank arranges annual picnic, family nights where the employees participate along with their family members and a feeling of oneness is generated.

The Bank has entered into agreement with some reputed medical centre for providing services to the Bank's employees and family members at a discount rate. During the year under review, a handsome bonus was given as incentive for the employees. Moreover, employees with outstanding performance are rewarded by way of accelerated promotion. The Bank ensures a workplace which is flexible, encouraging and comfortable. The Bank also ensures good social security measures way of Gratuity, Super Annuity, Contributory Provident Fund, encashment of leave etc. these factors boosted up employees' morale with strong loyalty and sense of belongingness to the organization. To provide support to the Bank's expansion program, it has recruited 52 experienced bankers and 89 fresh

entrants through the recruitment process during the year 2008. The Bank is also going to recruit at least 50 graduates having MBA/BBA and Master's Degree with outstanding academic background through a competitive examination. The Bank also arranged several internship programs each year to help the students to understand the dynamics of the business world.

In the process, Bank accommodated 68 interns per year from the leading universities of the country. 2. 4. Construction of Human Resource Division: It's Authority The Human Resource Division of the Bank is generally formed by one Assistant Vice President, five experience officers (maximum) and 1 clerk. The Head or Chief of the Department is Assistant Vice President, he is liable to Managing Director for his duties and action and other members of this division are responsible to him. Assistant Vice President supervises, coordinates all Human Resource functions; make report to his higher authorities about the human resources of the Bank.

Sometimes he visits the all branches physically. All managers of different branches send the respective branch's human resource report to the Assistant Vice President or Chief of HRD. 3. 1. Manpower Position as on 31 December, 2008 The Bank has recruited experienced new manpower to coordinate its extended operation. The total manpower employed in the Bank including Managing Director is 771 at 31st December 2005; which was 912 at the end of 2006 and now the number is 1033. Illustration 1: No. of Manpower Designation | Number | | Managing Director | 1 | | Executive Vice President | 4 | | Senior Vice President | 5 | | Vice President | 17 | | Assistant Vice President | 22 | | Senior Principal Officer | 37 | | Principal Officer 74 | |

Senior Officer | 66 | | Officer | 225 | | Probationary Officer | 41 | | Junior Officer | 155 | | Assistant Officer | 197 | | MCG | 72 | | Tea Boy | 1 |

3. 2. 1 Classification of the Post The employees of the Bank shall be classified and designated as shown in the above illustration.

Any change, addition, alteration in the classification and designation shall require prior approval of the Board. An employee of the Bank, other than an officer appointed to a particular category of positions shall continue in the same category. Provided that if he fulfills such conditions as may be laid down in this behalf, he may be appointed to another category of posts by the competent authority. 3. 2. 2 Nationality No person shall be appointed to any post in the service of the Bank unless he is a citizen of Bangladesh. Provided that the Board may in special cases, waive this condition subject to fulfillment of other conditions regarded to employment of foreign nationals in Bangladesh. 3. 2. 3 Age

A candidate shall not be less than twenty years and more than thirty years of age at the time of appointment by direct recruitment as a Probationary Officer and not less than eighteen years and more than thirty years of age at the time of appointment by direct recruitment as a probationary Employee other than an officer in the service of the Bank. Provided that the Board may in special cases, relax the upper age limit for reasons to be recorded in writing. 3. 2. 4 Physical Fitness No person shall be appointed in the service of the Bank unless he is declared physically fit by the Medical Officer of the Bank or any other Medical Authority specified by the Bank in this behalf. 3. 2.

5 Method of Appointment

Appointment to the posts of Officers and other employees shall be made by direct recruitment or by promotion as per recruitment policy and promotion criteria laid down in the following illustration. Provided that where suitable candidates are not available in adequate number for the posts to be filled by promotion may be direct recruitment. All appointment of Officers and other employees shall be made by the Board or by any authority empowered by the Board in this behalf. Illustration 2: Manpower Positions for the Last 7 Years [pic] 3. 2. 6 Commencement of Service The service under the Bank shall commence from the working day on which an employee reports for duty at the place and time intimated to him by the competent authority, if he reports before noon and from the next working day, if he reports in the afternoon. 3. . 7 Agreement The employees entering the service of the Bank shall, at the time of their appointment sign an agreement in such form as may be specified by the Board. On entering the service of the Bank, each employee shall sign the declaration of fidelity and secrecy in the form. The Assistant officers entrusted with the duties of cash section and go down and such other Employees as may be specified by the board from time to time shall at the time of their appointment, furnish security to the Bank on the scales as may be laid down by the Board from time to time and such security may be furnished in cash or in any form acceptable to the Bank.

The security furnished by an employee may be released only after the expiry of six months from the date of which he resigns or retires or on which his services are otherwise terminated, provided that this provision may be relaxed or waived in special cases, by the Chief Executives. 3. 2. 8

Assignment of Duty An employee may be assigned such duties as may be

determined from time to time. An employee may be required to serve at any time at any place in or outside Bangladesh. 3. 2. 9 Confirmation Unless otherwise specified in the terms of appointment, an Officer appointed by direct recruitment to any post shall be on probation for a period of three years. Provided that the Board may for reasons to be recorded in widely extend the period of probation by such further period or periods on such terms and conditions as it may decide.

A probationer shall be required to pass the Institute of Bankers Examination Part-I or equivalent or Islamic Banking Examination Part during the period of probation and shall not be eligible for confirmation until he passes that Examination. The appointment by direct recruitment of an employee, other than an Officer, shall be on temporary basis and he shall be eligible for confirmation in the service of the Bank not earlier than twelve months subject to his satisfactory conduct and performance of duties and availability of a permanent post. The confirmation of the employee in the service of Bank shall take effect from the date as specified in the order of confirmation.

3. 3. R&D and Training

The Bank gives utmost importance for making continuous investment in Research and Development (R&D) and Training to achieve operational efficiency in the competitive global banking scenario. The Bank's human resource policy is to recruit and build up quality manpower having skill and professional expertise. In implementation of the human resource development strategy, the Bank established its own Training Institute at the Head Office with the vision to build up professionals with technical, human

and conceptual skills. The Institute is focused to ensure a formal platform where employees can exchange their ideas, update their knowledge base, and open up their eyes to the complexities of banking world.

The Bank always acknowledged the valuable contribution made by its employees for the continuous superb achievement every year. The improvement in cost income ratio and better per employee performance indicate the efficiency, productivity of the employee. The Bank created a sense of community among the employees by encouraging communication with each other in the Management Committee Meeting and across the department and the divisions. This discussion helped the employee to learn each other's jobs and roles and develop an understanding about the Bank as a whole. During the year 2008, the Al-Arafah Islami Bank Ltd Training Institute arranged a total of 19 training courses, workshops, seminars, and induction programs with 514 participants.

The objectives of designing all training programs are to bridge the gap between present level of competence and the required level of competence.

Illustration3: Details of trainings, workshops and seminars | Serial no. |

Subject | | 1. Training Courses | a. Foundation Training | | | b. Islamic Banking Operation | | | c. Credit Operation and Management | | | d.

International Trade and Finance | | | e. Audit and Inspection | | | f. Customer Services | | | g. Banking Law and Practices | | | h. Information Technology | | | i.

Managing Core Risk | | 2. Workshops/Seminars/Induction Program | a. Credit Risk Grading | | | b. Documentation/Legal aspects in loan sanction and disbursement | | | d. Prevention of Money Laundering | | | e. Standard Operating Procedure | | | f.

Basel II Capital Accord | | | g. Credit Card Operation | | | h. Retail Banking | | | i. Relationship Banking | | | j. Foreign remittance-rules and procedures | | | j. Induction Program | 3. 4. Promotion

Promotion cannot be claimed as a matter of right and all promotions shall be made on the basis of merit and seniority as per promotion criteria laid down in the following Illustration. All appointments by promotion shall be on officiating basis and an employee shall be liable to be reverted to the post from which he was promoted without giving any reason within twelve months of such promotion. Illustration 4: Eligibility Criteria for Promotion will be as under along with Superior's Recommendation | Serial no. | Posts | Criteria | | 01 | Managing Director | At least 3 years satisfactory and continuous services as Ex.

Vice President | | 02 | Executive Vice President | At least 3 years satisfactory and continuous services as Senior Vice President | | 03 | Senior Vice President | At least 3 years satisfactory and continuous services as Vice President | | 04 | Vice President | At least 3 years satisfactory and continuous services as Asst. Vice President | | 05 | Assistant Vice President | At least 3 years satisfactory and continuous services as Senior Principal Officer | | 06 | Senior Principal Officer | At least 3 years satisfactory and continuous services as Principal Officer. | | 07 | Principal Officer | At least 3 years satisfactory and

continuous services as Senior Officer | | | Banking diploma part I and II or Islamic banking Examination. | 08 | Senior Officer |(a)At least 3 years satisfactory and continuous services as Officer | | | (b)Banking Diploma Part I or Islamic Banking Examination | | 09 | Officer |(a)At least 3 years satisfactory and continuous services as Probationary Officer | | | (b)Banking Diploma Part I or Islamic Banking Examination or Post graduate degree and at least | | | three years satisfactory and continuous services as assist. Officer grade-I or equivalent rank or | | | graduation and t least 4/5 years satisfactory and continuous services as assist. Officer grade-I | | | or equivalent rank. | | 10 | Probationary Officer | Direct recruitment | | 11 | Stenographer and Steno typist | Direct recruitment which shall be equivalent to assist. Officer grade-I | | 12 | Assistant Officer Grade II | At least 3 years satisfactory and continuous services as CCA or equivalent rank | | | Sr. Telephone Operator/Telex Operator | | | 13 | Assistant Officer Grade III or Transport | Direct recruitment minimum graduation with six months | | | Supervisor | | | 14 | Jamader and equivalent rank | Graduate and at least two years satisfactory and continuous services as MCG/SG or equivalent rank | | | | or HSC degree and at least two years satisfactory and continuous services as MCG/SG or equivalent | | | rank or SSC degree and at least five years satisfactory and continuous services as MCG/SG or | | | equivalent rank. Or below SSC at least eight years satisfactory and continuous services as MCG/SG | | | or equivalent rank. | | 15 | M. S. C. /S. C. O/Co. Co. | Direct Recruitment | | 16 | Mali/Cleaner | Direct Recruitment | Illustration 5: Eligibility Criteria for Promotion of Godown Staff | Serial no. Posts | Criteria | | 01 | Assistant Officer Grade-II | Post graduate and four years satisfactory | | |

| and continuous services as Assistant | | | Officer Grade II or graduate and five years| | | satisfactory and continuous services as | | | Assistant Grade II. | | 02 | Assistant Officer II | Direct Recruitment. Graduate with three | | | marks. | 03 | Senior Godown Guard | Graduate and 4 years satisfactory and | | | continuous services as Godown Guard or HSC | | | and five years satisfactory services as | | | Godown Guard. | | 04 | Godown Guard | Direct Recruitment | 3. 5. Termination of Services 3. 5. 1 Termination

The service of a probation or temporary employee shall be liable to termination by the competent authority without assigning any reason after giving him one month's notice in writing or on payment of one more substantive pay in lieu of such notice and the probationer or the employee shall not be entitled to any form of compensation for termination of services. The competent authority may terminate the service of a confirmed employee or call upon him to resign without assigning any reason, by giving him three months pay in lieu of such notice and the employee shall not be entitled to compensation the day's salary for each year of service for termination of service. The Bank shall have the right to remove, dismiss or retire from service any of its employees as a disciplinary measure or on medical ground and in such cases, the provision said before in the paragraph for termination of services. 3. 5. 2 Resignation

A confirmed employee shall not leave or discontinue his service in the Bank without giving three months' previous notice to the Executive President in writing of his intention to do so, and in case of breach by him of this sub-rule, he shall be liable to pay to the Bank as compensation an amount equal to his

substantive pay for three months. Neither probationer nor any temporary employee shall leave or discontinue his service in the Bank without giving one month's previous notice in writing of his intention to do so, and in case of any breach by him or his sub rule, he shall be liable to pay to the Bank as compensation an amount equal to his pay for one month.

Before resigning from a post, an employee shall return books and other properties, if any, borrowed from the Bank and shall not later than the date from which his resignation is accepted or he discontinues his service, hand over vacant possession of the residential accommodation, if any, provided to him by the bank and also make over charge of office to an appropriate Officer of the Bank. Notwithstanding anything contained in the rules written in first paragraph under the head no employee against whom a disciplinary action has been started shall resign from the service of the Bank. Provided that the Board may allow such an employee to resign on such terms and conditions as it may deem fit. The Payment of the amount in lieu of notice by employee under the first paragraph of this topic may be waived by the competent authority in special cases.

Without prejudice to any other mode of recovery, the Bank may recover, as far as possible, the amount payable by an employee under the first paragraph from any amount admitted by the bank on the date of resignation.

3. 5. 3 Retirement Every employee shall retire from the services of the Bank at 60 years of age or 35 years after commencement of active service in the Bank whichever occurs earlier. Provided that the period of service may be extended in the interest of the Bank beyond 60 years of age or 35 years of

service by the Board. Every confirmed and full time employee shall be entitled to retirement and resignation. 3. 6. Performance Appraisal, Provident Fund and Gratuity 3. 6. Performance Appraisal Employees of Al-Arafah Islami Bank Limited get a competitive salary with a wide range of fringe benefits. In order to sustain the employee's performance on the job employers of the organization provide different facilities of modern life- house rent allowances, medical allowance, transport allowance, house utility bills. The Bank also gives various festive bonuses as well as other bonuses like performance bonus, security bonus etc. According to the Annual Confidential Reports (ACR) officers also gain different cash awards and special increments. Promotion of employees is very regular like other recognized commercial banks.

In order to relief boredom, employees are to be transferred from one branch to another, so that employees of this organization can take new challenges and get tastes of new environment and tasks. Employees also get the facilities of provident fund, gratuity and annuity. Appraisal in this Banks always provides according to the employee's respective performances other than any prejudice. 3. 6. 2 Provident Fund There shall be a fund called " AL-Arafah Islami Bank Limited Employee's Provident Fund" which will be governed by a separate Provident Fund Rules approved by the Board. All permanent employees shall compulsorily be the member of Provident Fund.

3. 6. 3 Gratuity

Every confirmed and full time employee who has rendered seven years continuous service in the Bank or more, a gratuity equal to one month basic

salary for each completed year of service may be granted to him on retirement/resignation/ termination or to his family in the event of his death while in service. The dismissed employee shall not be entitled to any gratuity.

3. 7 Records of Services

3. 7. 1 Records of Service The record of service shall be maintained separately for each employee. An employee may inspect his Service Book once in a year in the presence of the authorized officer and after such inspection, he shall put his signature with date indicating that the entries are correct and complete. If an employee in course of his inspection discovers any inaccuracy or omission in the Service Book, he may point it out in writing to the authorized officer within 15 days of the inspection.

3. 7. 2 Annual Confidential Report

A system of annual reporting on the work and conduct of the employees shall be laid down by the Board and such report shall be called the Annual Confidential Report and the Bank may also call for special confidential reports on any employee as and when considered necessary in the interest of the Bank. An employee shall not have access to his confidential reports but he shall be informed adverse report, if any. In order to give him an opportunity to explain his position or to correct himself.

3. 7. 3 Evaluation Criteria for Promotion Promotion of eligible candidates shall be considered against the available vacancies according to the merit on the basis of total marks of 100 obtained with a minimum of 60 marks based on the following criteria:

Serial no.	Particulars	Marks
01	Annual Confidential Reports (ACR)	33
	(Against 22 traits)	
	For each traits:	
	(a) Excellent	1. 5 marks
	(b) Good	1. 0 mark
	(c) Average	0. 5 mark
	(d) Below Average	0. mark
02	Academic	

Qualification | 05 | | (a) Up to Masters Degree 4. 0 marks | | | (i) First class 1. 0 marks | | | (ii) Second class 0. 5 marks | | | (iii) Third class 0. 0 marks | | | (b) Above Masters Degree 1. mark | | | (Any degree like PhD, M Phil, etc) | | | 03 | Professional Qualification | 10 | | | IBB Part-I/ IBE-I 3. 0 marks | | | IBB Part-II/ IBE-II 5. 0 marks | | | Any other Diploma related to Profession 2. marks | | | 04 | Training | 06 | | | Each certificate course of minimum 15 days | | | duration (Maximum 6 Training= 6 marks) 1. 0 mark | | | 05 | Seniority in The Feeder Grade | 30 | | | For required minimum perior of services | | | to be eligible for promotion 16 marks | | | For each additional year of service @ 2marks | | | Per year (Maximum 7 years) 14 marks | | | 06 | Promotion Examination (viva/written/or both) | 16 | | 07 | Adverse Service Record in the Feeder Grade | Minus marks if any | | (a) For each warning reprimand -2 marks | | | (b) For each major Punishment -2 marks | | Total Marks 100 NB. In case of equality in marks, seniority will be given preference and for counting of the seniority, fractions of the years will also be calculated on prorata basis rounding towards nearest whole number. 3. 8. Working Condition

The offices of the Bank situated in the heart of city, generally in commercial surroundings. Offices are centrally air conditioned and well decorated with modern furniture and sophisticated technical Banking equipment. With the advancement of Technology, offices of the Bank's are now become paperless; most of the banking tasks are recorded and accomplished here with strong banking software. Inter and intra office communications are generally held by telephone, fax, internet and cell phones. The interior decorations of the office look gorgeous. Employees do their task in a safe

and healthy environment. 3. 9. Pay Policies of Al-Arafah Islami Bank Ltd. 3. 9.

1. Provident Fund

There is a fund called “ AL-Arafah Islami Bank Limited Employee’s Provident Fund” which is governed by a separate Provident Fund Rules approved by the Board. All permanent employees compulsorily are the member of Provident Fund. 3. 9. 2. Gratuity and Pension Every confirmed and full time employee who has rendered seven years continuous service in the Bank or more, a gratuity equal to one month basic salary for each completed year of service may be granted to him on retirement/resignation/ termination or to his family in the event of his death while in service. The dismissed employee is not entitled to any gratuity. Various attractive retirement benefits are in place. 3. 9. 3.

Working Condition The offices of the Bank situated in the heart of city, generally in commercial surroundings. Offices are centrally air conditioned and well decorated with modern furniture and sophisticated technical Banking equipment. With the advancement of Technology, offices of the Bank’s are now become paperless; most of the banking tasks are recorded and accomplished here with strong banking software. Inter and intra office communications are generally held by telephone, fax, internet and cell phones. The interior decorations of the office look gorgeous. Employees do their task in a safe and healthy environment. 3. 9. 4. Loan Facilities

An employee of this organization enjoys various loan facilities like- House Building Loan, Car loan, Furniture and Household Electronic Items Loans. Under some schemes the employees enjoy interest free loan facilities.

Employees are in higher post enjoys more amounts of loan facilities. 3. 9. 5. Performance Bonuses and Other Bonuses Employees according to their performances and their position in the hierarchy get at most 6 bonuses equal to the each month's basic salary. Each year their basic salary increases in accordance with the inflation and market condition. As well as employees get festive bonuses. 3. 9. 6. Allowances Employees get house rent allowance, conveyance allowance, medical allowance, dearness allowance, entertainment allowance etc. 3. . 7. Medical Facilities and Health Insurance Doctors of selected recognized hospitals time to time check up employees. If the employees are sick they give suggestions for treatment. Officers of the Bank enjoy health insurance policy for himself. The Bank pays the premium. Again, before starting their job as a Probationer Officer they should be certified from the bank's recognized medical center as he fit for successful performance. Staff welfare fund has been created for securing the employees from accidental loss. 3. 9. 8. Pay Structure according to the Hierarchy | | Posts | Monthly Basic Pay (Tk. (Without Allowance and Bonuses) | | 1. | Managing Director | 1, 50, 000 (Contact Basis it can be ranged from 1, 50, 000 to 7, 00, 000) | | 2. | Executive Vice President | 75, 000 | | 3. | Senior Vice President | 55, 000 | | 4. | Vice President | 45, 000 | | 5. | Assistant Vice President | 35, 000 | | 6. Senior Principal Officer | 27, 000 | | 7. | Principal Officer | 22, 500 | | 8. | Senior Officer | 20, 000 | | 9. | Officer | 18, 000 | | 10. | Probationary Officer | 15, 000 | | 11. | Junior Officer | 12, 500 | | 12. Assistant Officer | 10, 000 | | 13. | MCG | 7, 000 | | 14. | Tea Boy | 4, 500 | N. B: The amounts are not exact. There may be some difference. 3. 9. 9. Employee Feedback We have asked several employees about their satisfaction with the

salary and other benefits. They all are satisfied with the regular promotion system of the Bank and their basic pay is more or less similar with the other commercial bank in the market.

So, according to our observation and their comment they are satisfied with their current positions and their salaries. 3. 10. Accumulated Findings of our Survey 3. 10. 1 Human Resource Planning The HR Division of the bank as we know before a permanent authorized division. The officers who work for the HR Division has devoted their effort and intelligence in order to the development of the employees work for the organization. They set goals, identify the current positions, develop plans to achieve the goals, identify their positions, and taking corrective actions regularly. 3. 10. 2 Recruitment and Selection The Bank recruited both from internal and external sources in accordance with its needs.

They promoted employees from one status to another through their performance in work; training; workshops; seminars, and experience. Employees are transferred from one branch to another to meet personnel demand and employees satisfaction. Within the branch employees are required to rotate their job from one department to another. Employees are also recruited from the references of the existing employees. The Bank publishes advertisements for asking the applications for the post of probationary officers mainly. It collects Godown Guards from Group-4. But it hasn't use the campus recruitment process. It selects officers through the so-called 7 scientific stages. 3. 10. Job Analysis The total manpower positions, posts, tasks, responsibilities of the organization are well-defined

and well-designed. According to the total tasks of a branch, several departments are established to specify the job perfectly and create opportunity to supervise each and every position spontaneously by concerning authorities. Observation, interview, questionnaire and functional job analysis methods are followed for different jobs. Employees are entitled to modern banking training. 3. 10. 4 Job Design and Socio-Technical Approaches Works are structured in the bank. Employees are given an area of freedom to perform their designed tasks.

As the number of employees is sufficient, an employee performs only one division in a branch. Employees provide with social lives and ample use of technology. Employees work here in a healthy and safety environment. Works become speedy here due to extensive use of sophisticated technologies. Posts are demanding and attractive like other commercial banks in the market. Employees enjoy social support and recognition through various awards, appraisals and bonuses. The Bank satisfies the EEO laws. 3. 10. 5 Job Evaluation Point methods are used in case of Job Evaluation. Higher authorities of the bank are always concerned about the fairness of the job evaluation.

The Bank established a competitive and standard pay structure according to job evaluation. On this way the bank uses wage survey, wage curves and wage structure. 3. 10. 6 Performance Appraisal According to the employee's efforts, abilities, and role perception employers of the bank appraise the performance of the employees through Graphic Rating Scale. The Bank is always concerned about the promotion and fringes. Through it the bank also

identifies who require additional training and development. Some necessary recommendations for Al-Arafah Islami Bank Bangladesh Ltd are given below:
? The Bank should always concern about the world's latest human resource management Practices.

HR officers should be sent to abroad for participating in training courses, seminars and work shops. ? To retain and attract quality employees the bank should always try to follow competitive strategy in case of employee benefits, working conditions, and other motivational approaches. ? The higher authority of the bank should always try to make a fair evaluation of employees' performance. They should develop the procedures of evaluation each and every year in accordance with the demand. ? The bank can also start campus recruiting that could bring a yield of highly educated graduates for the entry-level the organization could arrange seminars in the top business schools across our country.

Also the company should facilitate online Curriculum Vitae-posting system that is very much effective practice used by the top business organizations over the world. ? The higher authority of the bank should always concern about the fairness of recruitment and selection. Without having efficient, energetic, enthusiastic people an organization can't achieve its ultimate goal. A good placement can't be without having good employee. ? The human resource department should place the right people in the right position. For this reason they first attempt to find out the human need of the bank in various department, different branches and different positions.

The HR division should always be careful in constructing different work groups. ?

The human resource professionals should always consider the cost benefit of each and every step. We conclude that Al-Arafah Islami Bank Bangladesh Ltd follows the Modern Human Resource Management practices. They always work for the welfare of its employees. Lower rate of employee turnover makes it evident that Employees are very much satisfied with their current positions. Employees in the Bank are recognized as a great asset. In this way, the Bank is socially responsible. Hence, its strong manpower intelligence has made it one of the most rising Islami Bank in this region.

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Human Resources and Personnel Management. 5th Edition. Burr Ridge, IL: Irwin McGraw-Hill, 2004.] II. Cuthill Sarah. Human Resource Management. Summer Fall 2000. III. Caiso Wayne. Managing Human Resources. Boston, MA: Irwin McGraw-Hill, 1999. IV. Del Rio Antonia. Society for Human Resource Management. Alexandria, VA: SHRM Information Center, 2000. V. <http://www.al-arafahbank.com/organization.html> VI. <http://www.al-arafahbank.com/Annexure/Appendices> Some Concrete Definitions of Several terms used in Human Resource Management Practices Human Resource: The people in an organization. Human Resource Management: People dimensions in management.

When managers engage in Human Resources activities as a part of their job, they seek to facilitate the contribution of people make to achieving an organization's strategies and plans. Human Resource Planning: The process by which an organization ensures that it has the right numbers and kinds of

people- at the right time at the right places capable of effectively and efficiently completing those tasks that will help the organizations achieve its overall objectives. Recruitment: The process of searching the potential job candidates in order to fill up the vacant positions of the organizations.

Promotion: A movement by a person into position with higher pay and grater responsibilities. It rewards competence and ambition.

Transfer: Lateral move from one position to another that has similar pay and responsibility level. Selection: The process of choosing the best candidates among the alternative candidates. Training: A learning process that involves the acquisition of skills, concepts, rules and attitudes to increase the performance of the employees in the organization. Performance Appraisal: The process of evaluation of employee's performance on the job. Job Analysis: The process of determining and reporting pertinent information relating to the nature of a specific job. Job Specification: Describes the employee's qualifications that are required to perform the job.

Job Design: The process of structuring work and designated work activities of an individual and group of individuals. Socio-technical Approach: The thrust of this approach is that both the technical system and accompanying social system should be considered by manager while designing the job. Job Evaluation: A process of appraising the different positions of employees in the organization with a view to establishing a well-conceived pay structure. Point Method: Method in which jobs are evaluated based on various identifiable criteria and then allocates point to each of the criteria. [pic]

----- Introduction Discussion: An overview of the problem Findings
and analysis Recommendations and conclusion