

Training functions of nestle bangladesh

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Internship Report TRAINING FUNCTION OF NESTLE BANGLADESH
Internship Report TRAINING FUNCTION OF NESTLE BANGLADESH Prepared for: Afsana Akhtar Assistant Professor and Coordinator BRAC Business School, BRAC University Prepared by: Syed Mohammad Shihan Sazid ID: 07204036 BRAC Business School, BRAC University Date of Submission: 8th January 2012
Letter of Transmittal January 8, 2012 Afsana Akhtar Associate Professor and Coordinator BRAC Business School BRAC University SUBJECT: SUBMISSION OF INTERNSHIP REPORT Dear Madam,

This is to inform you that I am submitting the internship project report “Training function of Nestle Bangladesh” upon completion of my formal internship attachment with Nestle Bangladesh Limited. I have tried to discuss all the relevant points of a feasibility study while keeping consistency with Nestle Bangladesh Limited. I would be glad to clarify any discrepancy that may arise or any clarification that you may require regarding my project and report. Sincerely, _____ Syed Mohammad Shihan Sazid ID: 07204036 BRAC Business School BRAC University

i Acknowledgement

Firstly, I would like to thank Hasibur Rahman, Company Security Manager, Nestle Bangladesh Ltd, and my Internship Supervisor, for entrusting me with such an important project and allowing me scope to work independently, providing all required support. I also thank Sumit Chakraborty, HR Officer – Training, Nestle Bangladesh Ltd. for providing me with the information required to conduct my study. Lastly and most importantly, I would like to show my sincere gratitude to Ms. Afsana Akhtar, Associate Professor, BRAC Business School, BRAC University, my faculty supervisor for constant supervision and guidance.

I am also thankful for the patience that she has shown during the project. In addition to this, knowledge on business strategies and training and development course has been of much help to my decision making. ii

Executive Summary Nestle is world's largest health, nutrition and wellness company. Although globally it is twice in size of its nearest FMCG (fast moving consumer goods) competitors, in Bangladesh its journey is relatively new. But recent times it has experienced an organic growth of 40% and this trend predicted to continue in the coming few years.

Nestle Bangladesh focus on continues excellence of their employees for their better performance in the work at Nestle and for the betterment of their career. In this paper there is a complete discussion about the current training process and also the process of end result evaluation. Training need assessment, preparation, training, feedback and finally work on feedback these are the step to conduct any training. By following these processes they providing training on Functional Skills, Organizational Knowledge, Business Skill, and Leadership Skill. The company has particular standard that they need to maintain for each session conducted.

However every time it becomes difficult to evaluate the outcome by using rating or scoring process from the trainings and also it is not possible to numerically express the improvement of knowledge, skill and behavior that are use deliver through trainings. As a result in this paper an assessment is shown from result evaluation perspective and process evaluation perspective. Kirkpatrick Model is used for assessing from the result evaluation perspective and Context, Input, Process, Product Model (CIPP Model) is used for process evaluation perspective.

The existing process of Nestle Bangladesh does to match point to point with these models but it is serving the purpose efficiently and cost effectively. However in the coming days current training function will require modification according to the business need, as a result these assessment may help them for further improvement.

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Category..... 14 v Part One: Introduction to the Report 1 Introduction In every field of study, theoretical course work and the field experience play major role to shape the knowledge and skill of a student. In case of business studies the real life experience make the difference in a bigger aspect. To achieve excellence business studies always tries to reflect the real life scenario and the theoretical assumptions side by side. Due to the ever changing nature of business organizations today almost every business schools and institutes are arranging internship programs.

In one side as a business student the course works build my basic and this very internship program gives me the real life exposure in one of the well-known corporate of Bangladesh- Nestle Bangladesh Limited. I would like to show my gratitude to the respected authorities of BRAC Business School, Career Service office and especially to Nestle Bangladesh Ltd to offer me such a great scope of learning. In this twelve weeks engagement program I worked in the Corporate Affairs function under the supervision of Mr. Hasibur Rahman, Company Security Manager- Nestle Bangladesh. A part from that I am also grateful to Ms.

Afsana Akhtar, Associate Professor and Coordinator, BRAC Business School for her guidance and advice. In this paper I discussed about the business of Nestle Bangladesh and the tasks I performed in this organization; most importantly there is a complete discussion on the training function of the Nestle Bangladesh in the project part of this paper. Along with the discussion I also relate the current process with the two training models for assessing

the outcomes. Objective Broad Objective: Gain a real life exposure with a business organization to relate with the theoretical practice.

Specific Objective: ? To understand the business of Nestle Bangladesh Limited ? To get knowledge how the HR function in Nestle Bangladesh Methodology Both primary and secondary sources are used to collect information for this report. Main source of information about the business of the Nestle Bangladesh and for the analysis is the training functions are taken from the Human Resource department. 2 ? Primary source: several discussions with the different person of Nestle Bangladesh. Moreover at the time of doing different task, from there I collected different information. Secondary source: along with the primary sources information are also gathered from the intranet and the files of Nestle Bangladesh. Scope This report talks about the current business operation of Nestle Bangladesh. There is only detail description of the HR function of the company because of the availability of information to me as I worked in this function. Moreover in the project part I talked about the training function where the current process is described and a comparison is being made to analyze the efficiency of outcome analysis of the training conducted. Limitation For the confidentiality concern, access to some information was not available. ? Moreover, the current effectiveness of the training function was not able to compare with the other FMCGs of the Bangladesh, which was my primary intention to include in this paper. 3 Part Two: Nestle Bangladesh Ltd. 4 2. 0 Introduction Today's Nestle, the world's largest food and nutrition company, founded by the Henri Nestle (10 August 1814 – 7 July 1890); a German confectioner in Vevey, Switzerland in 1866. In the food industry Nestle is the

most trusted name with high quality products. Good food Good Life? is the mission of Nestle, which drives the company to provide consumers with the best tasting and most nutritious choices in a wide range of food and beverage categories and eating occasions. The vision of ? creating shared value? and the very own ? Corporate Business Principles? shaped the company culture and made them a reliable investor over 86 countries of the world. Today Nestle employs around 280000 people and have factories or operations in almost every country of the world with a total equity of CHF 62.0 billion.

5 2. 1 History of Nestle 1866-1905: Henri Nestle's quest for a healthy, economical alternative to breastfeeding is the important factor that drives the history of Nestle Company. Henri Nestle, pharmacist, began experimenting with various combinations of cow milk. His ultimate goal was to help combat the problem of infant mortality due to malnutrition. People quickly recognized the value of the new product, as Nestle's new formula saved the life of children within a few years.

In August, 1867 Charles and George Page, two brothers from Lee County, Illinois, USA, established the Anglo Swiss Condensed Milk Company in Cham. In 1877 Anglo-Swiss added milk-based baby foods to their products and in the following year the Nestle Company added condensed milk so the firms became direct and fierce rivals. Henri Nestle retired in 1875 but the company under new ownership retained his name as Farine Lactee Henri Nestle. Their headquarters in Glendale, California, USA. 1905-1918: The Company formed by the 1905 merger was called the Nestle and Anglo-Swiss Milk Company.

Most production facilities remained in Europe, however, and the onset of World War I brought severe disruptions, as a result acquiring raw materials and distributing products became increasingly difficult. At the same time the war created tremendous new demand for dairy products, largely in the form of government contracts. By war's end, the Company had 40 factories, and its world production had more than doubled since 1914. Moreover in this period Nestle added chocolate to its range of food products and also the Condensed-milk exports increased rapidly as the Company replaced sales agents with local subsidiary companies.

In 1907, the Company began full-scale manufacturing in Australia. 1918-1938: The end of World War I brought with it a crisis for Nestle. Rising prices for raw materials, the worldwide postwar economic slowdown, and declining exchange rates made the situation worst. In 1921, the Company recorded its first loss. Nestle's management brings Louis Dapples as an expert to deal with the situation; his rationalized operations and reduction of the company's outstanding debt improve the financial condition.

On the other hand Nestle's first expansion beyond its traditional product line came in 1920s by producing chocolates. In the 6 meantime Brazilian Coffee Institute first approached to Nestle in 1930 to reduce Brazil's large coffee surplus, after eight years of research Nestle came with Nescafe became an instant success. 1938-1944: in this period World War II were felt immediately upset the business once again and Profits dropped from \$20 million in 1938 to \$6 million in 1939. To overcome distribution problems in Europe and Asia, factories were established in developing countries; particularly in Latin America.

As the end of the war approached, Nestle executives found themselves unexpectedly heading up a worldwide coffee concern, as well a company built upon Nestle's more traditional businesses. 1944-1975: The graph of growth sets its trends little higher between 1944 and 1975. As a result many new products were added as and outside companies were acquired. In Nestle merged with Alimentana S. A in 1947, purchase of Findus frozen foods occurred in 1960, Libby's fruit juices joined the group in 1971 and Stouffer's frozen foods in 1973 and finally in 1974 the Company became a major shareholder in L'Oreal, one of the world's leading makers of cosmetics.

The Company's total sales doubled in the 15 years after World War II. 1975-1981: In 1920s the economic situation was in challenge due to price of oil rose, growth in the industrialized countries slowed down and worldwide unstable political situation. In 1975 and 1977 price of coffee bean and the price of cocoa tripled. In this situation to maintain a balance, Nestle went to second venture outside the food industry by acquiring the pharmaceutical and ophthalmic product producer Alcon Laboratories Inc. of U. S; as a result it increased competition and shrink the profit margins. 1981-1995: Improvement of financial situation through internal adjustments and strategic acquisitions are the two important moves in this period. As a result between 1980 and 1984, diversification of several non-strategic or unprofitable businesses occurred. On the other hand Nestle managed to put an end in the third World to about a serious controversy over its marketing of infant formula in this period. In 1984 Nestle acquire American food giant Carnation and became one of the largest company in the history of the food industry. 1996-2002: The opening of Central and Eastern Europe, along with

China and a general trend towards liberalization of direct foreign investment was good news for the company. On the other hand in July 2000 Nestle launched a Group-wide initiative called GLOBE (Global Business Excellence) aimed to simplifying business process. Two more acquisitions took place in this period-U. S. ice cream business was to be merged into Dreyer's and the acquisition of Chef America, Inc. a leading U. S. -based hand-held frozen food product business. 003-2009: Within this area the acquisition of Movenpick Ice Cream, Jenny Craig and Uncle Toby's enhanced Nestle's position as one of the world market leaders in the super premium category. On the other hand Novartis Medical Nutrition, Gerber and Hennie join the Company in 2007. Meanwhile Nestle entered into a strategic alliance with the Belgian chocolatier Pierre Marcolini at the end of 2009. 2010 to onward: In mid-2010 Nestle finalized the sale of Alcon to Novartis; at the same time Nestle bought Kraft's frozen pizza business. Another important move in this period is launch of Special.

Tea machine system and the completion of the CHF 25 billion share buyback program

8 2. 2 Global Brands of Nestle

The brand portfolio delivers the message once again how big Nestle in the food industry. It is the trust and effort of the Nestle professionals which created the win winning scenario. Today Nestle covers almost every food and beverage category – giving consumers tastier and healthier products.

- ? Baby foods: Cerelac, Gerber, Gerber Graduates, NaturNes, Nestum
- ? Bottled water: Nestle Pure Life, Perrier, Poland Spring, S. Pellegrino
- ? Cereals: Chocapic, Cini Minis, Cookie Crisp, Estrelitas, Fitness, Nesquik Cereal

Chocolate & confectionery: Aero, Butterfinger, Cailler, Crunch, Kit Kat, Orion, Smarties, Wonka ? Coffee: Nescafe, Nescafe 3 in 1, Nescafe Cappuccino, Nescafe Classic, NescafeDecaff, Nescafe Dolce Gusto, Nescafe Gold, Nespresso ? Culinary, chilled and frozen food: Buitoni, Herta, Hot Pockets, Lean Cuisine, Maggi, Stouffer's, Thomy ? Dairy: Carnation, Coffee-Mate, La Laitiere, Nido ? Drinks: Juicy Juice, Milo, Nesquik, Nestea ? Food service: Chef, Chef-Mate, Maggi, Milo, Minor's, Nescafe, Nestea, Sjora, Lean Cuisine, Stouffer's ? Healthcare nutrition: Boost, Nutren Junior, Peptamen, Resource ?

Ice cream: Dreyer's, Extreme, Haagen-Dazs, Movenpick, Nestle Ice Cream ? Petcare: Alpo, Bakers Complete, Beneful, Cat Chow, Chef Michael's Canine Creations, Dog Chow, Fancy Feast, Felix, Friskies, Gourmet, Purina, Purina ONE, Pro Plan ? Sports nutrition: PowerBar ? Weight management: Jenny Craig 9 2. 3 Nestle in Bangladesh Popular Nestle brands started entering this part of the sub-continent during the British rule and the trend continued during the pre-independence days of Bangladesh. After the independence in 1971, Nestle World Trade Corporation, the trading wing of Nestle S.

A, sent regular dispatch of Nestle brands to Bangladesh through an array of indentures and agents and some of the brands such as NESPRAY, CERELAC, LACTOGEN, and BLUE CROSS etc. became some very common products. Nestle Bangladesh Limited started its commercial operation in Bangladesh in 1994. Its total authorized capital is TK1. 5 billion and total paid up capital is TK 1. 1 billion. The only factory of the company in Bangladesh is situated at Sreepur, 55 km north of Dhaka. The factory produces the instant noodles and cereals and repacks milks, soups, beverages and infant nutrition products. Today Nestle Bangladesh Ltd. s a strongly positioned organization. The

Company is continuously growing through the policy of constant innovation, concentrating on its core competencies and its commitment to high quality food to the people of Bangladesh. Since the beginning of Nestle's operation in Bangladesh, the chairman of the company has been Mr. Latifur Rahman, one of the top industrialists of the country, his firm Transcom used to import the products of Nestle. His business house Transcom is still involved in wide range of business like beverage, pharmaceutical, electronics, newspaper, tea export, fast foodfranchises etc.

Still he remains as an honorary chairman of the company although his group Transcom does not capture any share today as Nestle S. A. holds 100% share of this company. In Bangladesh Nestle's vision is-to be recognized as the most successful food and drink Company in Bangladesh, generating sustainable, profitable growth and continuously improving results to the benefit of shareholders and employees. 10 Customers of Nestle Bangladesh Limited Nestle Bangladesh Limited markets its products throughout the country with the help of the distributors.

A part from that, Nestle Professional is a separate function which is responsible for the institutional sale. There are currently 80 distributors of Nestle Bangladesh products of which 76 are retail distributors and remaining 4 are Nestle Professional's distributors providing products for the out of home consumptions. The whole country is divided into six regions: Dhaka North Dhaka South Chittagong Bogra Khulna Sylhet Figure1: Sales regions The retail distributors supply Nestle products to four types of outlet, while Nestle Professional Distributors supply products to different institutions.

Vending Sites Retail Distributors Nestle Bangladesh Limited Tea Bunk
Modern Trade Retail/ Wholesale Nestle Professional Institutional sale Figure2:
Sales Process 11 Functions of Nestle Bangladesh Day by day demand and
trust on the Nestle products are growing. Focusing on the substantial growth
and the other business perspective, the company developed its own
functional areas. Currently the existing fictional areas are: General
Management Finance and Control Human Resource Supply Chain Marketing
Nutrition Sales Nestle Professionals Figure3: Organizational Functions

No matter how many functions are running, their main aim is to gain
ultimate excellence. Every function contributes from their end to meet the
corporate goal. The General Management take cares of the overall operation
of the company and makes the key decisions. Human Resource focuses the
management of employees and organizational culture; moreover HR
professionals are also responsible for retaining the people who are making
the difference with their competitors at the end of the day. Supply Chain
ensures the stable supply of the products according to the demand of the
customers.

Marketing looks after the existing brands, market share and product
development of the products. Nestle is the world's largest Nutrition Company
that is why the importance of the Nutrition products is much more in
compared to the other food companies; as a result they created a totally
separate team to look after the Nutrition products, such as, CERELAC,
LACTOGEN. Finance and control deals with the financial transactions and
most importantly they also apply the control mechanism to remain the
company complaint financially and procedurally.

Finally Sales and Nestle Professionals are responsible for earning revenue for the company, but sales goes for the retail distributors and Nestle Professionals looks after the institutional sales. 12 HR Director HR managerReward HR managerTraining & Learning HR managerAdmin HR managerFactory Company Security Executive- Admin HR office- MIS HR office-Talent Acquisition Employee Relationship Manager Executive- Office security HR welfare officer HR office-Talent Acquisition Figure 4: Functional Organogram: HR 13 Products of Nestle Bangladesh

Globally the product line of Nestle is very large but in Bangladesh currently there are only 12 products. Nestle believes all foods and beverages can be enjoyable and play an important role in a balanced and healthy diet and lifestyle; as a result no matter how short the product line may be but it ensures the same quality in compare to the other countries. Category Beverage Culinary Dairy Breakfast Cereal Nutrition Brands Nescafe Nestea Nesfuta Maggi, Shad-e-Magic Nido Coffeemate Cornflex Kokocranch HunyGold Lectozen NAN Cerelac Table 1: Nestle Brands in different Category

4 2. 4 Creating Shared Values Nestle always focused on long term, sustainable and profitable growth and helped communities around its operation to improve their quality of life in a similar manner. That is why Nestle says ? Creating Shared Value? rather than corporate socialresponsibility. In the process of delivering shared value the company first of all puts emphasis on the compliance, where they remain compliant to the local and international law then it focus on its sustainably as a business organization and finally contribute for creating shaded value.

CSV Sustainability Compliance Figure 5: CSV structure In its portfolio Nestle is currently working to secure safe drinking water, provide education and training to develop skilled manpower. In a country like Bangladesh, Nestle is arranging the safe drinking water, where the sources of the pure drinking water are rare; currently this program is organized for the factory workers and their family members in Sreepur. This particular initiative is also active in India and other countries. Nestle supports initiatives to create awareness about the right to education and encourages the communities around its factories to send their children to school. That is why the company already builds up several schools for the workers' children of the factory. Moreover Nestle Bangladesh from 2009 started to distribute laptops among the school going children to make chance for the students to get modern education, already 49 schools have been covered under this initiative. On the other hand Nestle India employees have developed a special play 'Let Us Go to School' for this purpose.

This has been staged amongst the communities around our factories, and its recordings screened at smaller gatherings even in Bangladesh. 15 Part Three: Performed Jobs in Nestle 16 During this internship period so many activities are assigned to me from where I learned a lot and also it is a great pleasure to work with these professionals. People here are so helpful and most importantly they create the scope to learn by performing different responsibilities. Among so many responsibilities the followings are the important ones: Restructure Leave file

This was my first job given by the Mr. Bulbul Islam, HR Officer – MIS & Services. Previously in Nestle Bangladesh there was a MS excel file in which

they keep record of the leave data of the different employees according to their function. I was initially responsible to update the leave file, but after that I was told to study about the existing leave policy of Nestle Bangladesh and also the entitled one in the Bangladesh Labor Code 2006. This is because to restructure the leave file in such a way, so that it can able generate report by using several criterion.

By doing this I came to know how the corporate enforce the leave policy. To make the file able for generating report I have to make it in the MS excess. Here I had to do homework on the MS excess. However this file is currently access-able only by Mr. Bulbul Islam and he is responsible for modification. It will be better if the file is making access -able to every employee with read only view so that the reporting responsibility will become short. Creating Handbook for Expatriates Developing the handbook for the Expatriates was my second job which was assigned by Mr.

Sayemul Karim, Executive -Operations & Expat Services. Here I prepare a handbook for expatriates working in Nestle Bangladesh. Most of the expatriates are from India but the Managing Director is from Switzerland. After their arrival what and how facilities this office is providing to the expatriates is noted down descriptively there; such as, how to get work permit, how to extend the VISA validity, resident facility or emergency contacts from the Nestle Bangladesh counterpart etc.

To perform the job I had to study and take part into discussions with several people about the detailed services that are provided by the Nestle Bangladesh office and the procedure; based on that I develop the handbook in PDF format and mail it the respective expatriates. Along with the very

official necessities, I also include the name location and description about the restaurant, 17 hospitals, clubs, moneyexchange, police stations etc. ; this kind of papers need time to revision and update so there is someone to make it real time updated.

Nestle the Blue Tie Challenge ? Nestle the Blue Tie Challenge? is the business case competition by the Nestle Bangladesh to the talented business graduating students from the different reputed business schools of different universities. It is the first time Nestle Bangladesh is arranging this kind of event but the success of the event make them hopeful to continue it in the coming days. It was a big event and also crucial one for the image of the organization. I became attached with the arrangement of the event by Mr.

Sumit Chakraborty, HR Officer – Training. Here I helped to develop the case content and also the event. The most significant responsibility to deal with the event management agencies and prepare the schedule for the two daylong program. Also I contacted with the faculties of eight participant universities. Moreover I prepared an AV file with the help of the images of different road shows for the final event. The team had to work round the clock to make the event successful. The main challenge that we face was to select a venue for this huge program.

For the coming years to make the event successful a commercial should be good to arrange the program. Training History This particular job was assign to me by Mr. Sumit Chakraborty, HR Officer – Training; where I prepared a MS excel file for the conducted training by the training team. The main purpose of preparing this file is to find out the attendance of the trainees; which is curtail for assessing of the outcome of the training conducted. To

perform this task at first I gather idea of the trainings conducted for the whole year and which training is applicable for what type of employees.

After knowing all that, I started to prepared the file, where I specified the name of the attended person and also the absent one; especially with reason of their absent. Depending on the file another session were arranged in the December 2011. 18 Prepare the training content of “ Human Rights in Business Organizations” After completing the training history I was given another task by Mr. Sumit Chakraborty to prepare the content of a newly introduced awareness session. Recently the United Nation is enforcing the human right issue in the business organizations.

As a wellness company Nestle globally attached with this program; as a result from Vevy of Nestle Global Headquarter an online trading module sent to all the sister-concerns. In this task my responsibly was to prepare an overview of the Human Rights in business organization issue and also prepare the Power Point Presentation, which will be helpful for the trainer. To perform the job I did a thorough study on the issue of human rights and its scope to ensure it in the business organizations; especially how human right is now enforcing in different organization and what Nestle Bangladesh wants.

The main challenge to develop this content is that make it available to all. Safety and You It is a survey conducted by Mr. Hasibur Ranhman, Company Security Managerto assess the safety concern among the employees in different region. I was assigned to distribute the survey form and collected it back after the cutoff time. The important aspect of the task is to make the list of the management and non-management employees of Nestle

Bangladesh who are mainly targeted for the survey. After completing the survey it was sent to Nestle India for calculating the result.

Mainly two types of forms are prepared, English for the white color employees and Bangla for blue color employees. Based upon the survey result new awareness training programs are going to be developed soon. 19
Part Four: Training Function of Nestle 20 Origin The report is prepared under the supervision of Afsana Akhtar, Associate Professor, BRAC Business School, and BRAC University; while Hasibur Rahman, Company Security Manager–Corporate Affairs Department, Nestle Bangladesh Limited acted as the organizational supervisor.

This report involves the project work at Nestle Bangladesh Limited for a 12 weeks period from October 2, 2011 to January 2, 2012. Objective Broad Objective: Gain knowledge about the training function of Nestle Bangladesh and analyze its effectiveness. Specific Objective: ? To understand the training function of Nestle Bangladesh Limited ? To identify the curtail aspects of training function ? To analyse its effectiveness Methodology Information has been collected for the report from both primary and secondary sources. Main source of information for the analysis is the Training team of the Human Resource department.

The analysis has been done on the existing process of 2011. Primary source: To understand the training process, several interviews were conducted with key personnel from training team of Human Resource department inside the company. For the same reason some interviews were held with other partners in the process like the reward management team, recruitment team and admin. Secondary source: To understand the group focuses regarding

the process several internal files were studied. Scope This report works on only the recent process of the training team.

A complete discussion the current process of training is included along with a comparison with two models from process evaluation and outcome/result evaluation perspective, Limitations ? Due to confidentiality concern, access to some information was not available. 21 4. 0 HR Practice in Nestle Fundamentally, human resource management refers to the assumption that employees are individuals with varying goals and needs. Employees of organization are not similar to the basic business resources; an employee of any organization drives other materialistic resources to attain its goals.

Nestle believes that the long-term success depends on attracting, retaining and developing employees' ability to ensure its growth; upon this belief the primary responsibilities of HR managers are developed. Moreover to maintain the bridge with the ultimate corporate mission Nestle Bangladesh sets its HR mission - To be within the top 3 Employer of Choice in Bangladesh. Recruitment, reward management, employee engagement, training and development, compliance these are the very basic practice in HR function like any other organization in Nestle Bangladesh.

However, the basic HR practice in Nestle may be same like other organizations but the Human Resource policy which guides the whole practice makes it unique from the others. This policy encompasses those guidelines which constitute a sound basis for efficient and effective HR Management in the Nestle Group around the world. Human Resource Head office Reward & Recruitment Personal Development & Learning Factory Admin Employee Relation Operations Employee Welfare Figure 6: HR

function 22 Figure 6 describes the total HR function at a glance; according to the importance total HR can be divided into two parts: Head Office and Factory.

HR teams in head office mainly look after the Reward and Recruitment, Personal Development & Learning and Administrative responsibilities. On the other hand in factory HR deals with employee relation, Operations and employee welfare. Due to the business need total HR function is divided into two parts but both of the parts reports to the HR functional head; however the factory HR at the same reports to the HR functional head and Management Committee of factory. Rewards: Nestle Bangladesh maintain a stable compensation structure in compare to the other corporate of Bangladesh.

Compensation in the different levels of the employment always remains equal to or above the market benchmark. Compensation practice takes relevant external compensation levels as well as the requirement of internal fairness. Nestle regularly surveys and gathers relevant information on the remuneration levels practiced in local and international level. Moreover reviews occur regularly between its competitive positions with other companies. It is also advised by the management that, wage and salary structures should be kept simple and avoids unnecessary complexity.

Recruitment: Importance has been given on the matching of Nestle values and candidate's values with the company culture. On the other hand for managerial positions specific leadership qualities and business insights are major requirements. For promoting employees within the organization, it is the role of management and HR to keep an eye on valuable candidates from

outside and to benchmark internal skills with external offers. Nestle strives to provide a working environment which protects the health welfare hygiene security and safety of the employees.

It is advised to each employee that they should not only care for their own safety but also that of their colleagues. Nestle favors the policy of long-term employment, as a result whenever an operation cannot be maintained within the Nestle circle steps will be undertaken to avoid overall loss of employment. Administrative Support: HR professionals are to provide professional support in handling people but not by substituting the responsible manager. In case of business partners, the HR managers usually offer solutions which result in positive impact on the organization's success.

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Personal Development & Learning: In Nestle, training is done on-the-job basis along with guiding and coaching. It is a part of the responsibility of each manager to recommend training programs to their subordinates. Nestle tries to develop trainings based on action learning. In this regard the responsibility of HR management to provide the support for implementing the necessary planning tools, having in mind the necessary flexibility to cope with unexpected situations. Employee Relation: Intolerance, harassment or discrimination or any kind of expression of disrespect is strongly discouraged in Nestle.

Emphasis has been given on the transparency and honesty in dealing with people for efficient communication. It is ensured that every employee has the right to an open conversation with superiors or colleagues. However, in case of discord between an employee and the respective superior, the situation is

advised to be resolved by a fair hearing. As a result HR staffs provide assistance to ensure that the disharmony is dealt with impartially. It is the responsibility of the local management to maintain a harmonious Industrial relation in appropriate levels.

Nestle's relations with unions is established under strict observation of national law, local practices as well as those international recommendations to which Nestle has followed to on a voluntary basis as stated in its corporate business principles. Employee Welfare: Nestle is providing enough space to its employees to take an active part in the life of the community or by assuming responsibilities in professional, civic, cultural, religious or voluntary organizations. Nestle believes that any activity during working hours has to be first approved by the company. 24 4. Review of training Function of Nestle It is important to build up the capabilities for future business success and to ensure Nestle people have the right understanding, skills and behaviors to perform their jobs effectively. That is why Nestle regularly offers a wide range of training actions at local, regional and global level; including on-the-job training as well as coaching. Employees from different backgrounds and cultures attend the training programmes on management and leadership development, as well as other intensive courses and workshops on functional areas of expertise.

Approximately 75% of the speakers at different training programs are internal experts and top managers from corporate headquarters, including all members of Executive Board. Nestle also developed the process of elearning, already hundreds of general e-courses are being offered in Nestle Bangladesh Ltd. There are four types of training: Organizational Knowledge

Functional Skills Types of training Business Skill Leadership Skill Figure 7: Types of training HR function of Nestle Bangladesh usually deals with the organizational knowledge and leadership skill. On the other hand functional training and usiness skill related trainings are arranged by the respective functions. Especially in the Organizational Knowledge trainings, trainers provide the overview and the current market situation of the brands of Nestle. On the other hand the leadership training tries to develop the basic leadership skills among employees. 25 There is a separate leadership framework in Nestle which consists of 13 basic aspects, however among these 13 the most important 4 are known as the ? 4 Nestle Behaviors? Result Focus Proactive Cooperation 4 Nestle Behaviors Practicewhat you preach

Initiative Figure 8: 4 Nestle Behaviors One of the important key factors of today's business success of Nestle is aligning the functional goals to the corporate goal. As a result it is important to become result focus and drive the teams according to their KPIs. On the other hand proactive cooperation is embedded in the Nestle's culture. People focus on the proactive cooperation for the smooth coordination of the functions. Moreover the concept of practice what you preach focuses on the freedom of choice in the organization in terms of their belief and right to speech.

Finally Nestle always encourage the initiatives of the people to make their workplace a place for flourishing for organizational and personal development. 26 4. 2 Training Cycle In Nestle Bangladesh trainings are divided in several proportions; where 70%- On the job training, 20%- Coaching, 10%- Class room training. On the job trainings are held in every function, where employees learn by doing the job. In coaching the senior

managers or skilled employees provide the coaching and take care of their team. In the class room trainings are delivered in class rooms where trainers deliver interactive lectures. Join On the job training Set Objective

Performance Evaluation Find out the improvement areas Training Need Assessment Training Figure 9: Employee Work Process Figure 9 shows the employee work process in Nestle Bangladesh. At first an employee joins the company, works in his/her respective function to learn the job initially, after a certain period of time his/her respective supervisor set the objective for him/her. When the objective is once set for an employee then he/she has to face performance evaluation twice in a year, in the first half of the year respective supervisors of the employee analyze the progress and mark the achievement of the KPI [Key Performance Indicator] and guide him to attain the 100% of his/her 27 objective by the end of the year. Finally after the year ending another performance evaluation is done by the supervisors and they find out the improvement areas of his/her subordinates and decide what training will needed to improve the performance in the coming years. This particular decision of training for performance improvement is known as Performance Development Guide (PDG). Training Need Assessment Work on feedback for improvement Feedback Preparation Training

Figure 10: Training cycle Figure 10 shows the training cycle, where the training team of HR starts their work on the basis of training need assessment. After having all the PDGs the HR training term prepare the nomination of the trainee, schedule the event, set the module, contact with the trainer and provide other logistic support for the training. After each training session a feedback is taken from the participants based on which

the management decides on which areas need further improvement Training
Need Assessment

People are an organization's most important resource. For an organization to accomplish its mission, its employees must have a clear understanding of their roles, know how well they are performing those roles and be given opportunities to develop. These factors lead to positive 28 outcomes for individuals, teams and the organization. Thus, it is important for an organization to have an effective system for assessing employee performance, communicating performance information to employees and providing on-going support.

The purpose of a training needs assessment is to identify performance requirements or needs within an organization in order to help direct resources to the areas of greatest need, those that closely relate to fulfilling the organizational goals and objectives, improving productivity and providing quality products and services. Assuming that the needs assessment identifies more than one training need, the training manager, working with management, prioritizes the training based on the urgency of the need, the extent of the need and the resources available.

Based on this information, the training manager can develop the instructional objectives for the training and development program. In Nestle Bangladesh particularly Training Need Assessment is done and the training programs are set upon the performance evaluation and the Performance development guide of the employees. At beginning of the year an objective is set for every employee and then the first review on the performance is occurred at the mid of the year; here the corresponding manager checks

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how much of the given objective is achieved and gives feedback on the achievement.

Finally at the year end the total performance of the year is evaluated and from here the development areas comes out. For developing that area the performance development guide is prepared and the training team prepares the training according to that guide. Performance Evaluation: In Nestle Bangladesh the internal culture is very much performance driven. The combined performance of every function ultimately brings the winning situation for the company. As a result every line manager has to take the performance evolution very seriously.

At first each and every employee has a particular define responsibility to maintain and upon that responsibility is assessed in performance evaluation. These responsibilities are mainly set according to the corporate goal. This goal has set in the global level from the global headquarter of Nestle then it is divided into the zones; Nestle address the zones as: 29 Nestle Global Zones Zone Africa, Asia & Oceania (AOA) Zone Europe Zone America Figure 11: Nestle zones in the globe Into a different zone there are different regions and under in this particular region there are markets; here market is Bangladesh.

To achieve the goal performance is assessed under four Key indicators: EBIT (Earnings before Income Tax) RIG(Real Internal growth) OG(Organic growth) ATWC (At working capital) Figure 12: Performance Evolution Criterion EBIT refers to Earnings before income tax; as a business organization the sustainability and the growth. All the functions have to contribute to this particular area to make the company financially stable. On the other hand

RIG ensures the increase of the new customer and also the sales. In this particular area the company has to increase its market and the production along with 30 he brand value of the existing brands. Finally the ATWC is the parameter to check whether the working capital is handling by the employees efficiently or not. Performance development guide (PDG): The Progress and Development Guide (PDG) focuses on quality development of an employee during his performance appraisal. In this process a dialog occurred between the line manager and his/her subordinate upon which the development areas are find out. Because the continuous development of extension employees to meet current and future clientele needs is critical to the health of extension as an organization.

Particularly the total development guide is developed upon a dialog for ensuring him willingness of the employee. The PDG allows employees to improve his/her career goals, strengths and development needs, on the other hand its helps the organization to develop a focused and actionable development plan. All the employees in Nestle Bangladesh are required to participate the process time to time. The total development guide answers the question-? Development/progress on what?? for an employee. Mainly Knowledge of the work, Skill required for performs the task and behavior required for the task is focused.

Usually to perform a job at lest basic knowledge is must; upon which anyone will acquire skill and improve farther. On the other hand skill is important for the development to become competitive; it is the way how an employee learns how to apply the theoretical knowledge on the field. Finally the behavior focus on the proper attitude requires for performing the job.

Moreover the total development needs focus on the current job and also for the future jobs as well. Every employee in Nestle Bangladesh has equal opportunity to promote for the next level according to the performance of the current job and his leadership quality.

As a result it is important to train-up the people to perform better and assist the organization to achieve its goal. On the other hand the role of any particular position is changing everyday according to changing nature of the business; that is why this guide also focuses on the changing nature of the roles and develop the employees accordingly. Finally any development need which is mentioned in the guide has reverent from the employee perspective and also for the organization. Moreover the identified needs also evaluated in 31

SMART criteria as well; which allow the training team to specify the need, measure the importance and set priority, check whether it is attainable, relevant and time bound or. For the PDG to function successfully, the relationship between employee and supervisor should be collegial rather than hierarchical. This is the essence of teamwork. Such an atmosphere enhances the opportunity to coach rather than supervise. A collegial relationship requires a twoway exchange. Just as the supervisor has the responsibility for development of staff members in a unit, staff members have an obligation to assist the supervisor in his or her development.

Preparation This is the most lengthy and critical part of the total training function. By comprising so many small parts this preparation is done. In this part the most important aspects are: Decide what training will be conducted Set the Training Calendar Prepare the Nomination, Trainer , Training Content

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& Logistics Book Value of the Training Prepare budget Figure 13: Training Preparation process At first the training team decides what trainings need to be conducted in the coming year. Every year there is some training which need repetition, such as the ?

Training on Business principle? or other corporate value related training. 32 To make the process simple the training team divides the total period into different quarters; the actual dates are finalized later; based on this quarterly estimation a full training calendar is prepared. However this training calendar needs modification for different emergency or other purposes. Another important aspect in terms of setting a training calendar is to match with the globally published one; which comes from the Vevy; global headquarter of Nestle.

Globally there are some trainings are offered every year, so the local training calendars are developed in such a way that it should not clash with global one. The nomination for the training actually comes from the PGD and also from the improvement areas identified which comes out from the performance appraisal. After the nomination the trainees are informed before the training is conducted by locking the Microsoft Outlook Calendar. On the other hand all the trainings arranged by the training teams are not taken by the Nestle internal employees, some time they bring other experts from different training institutes.

Here the training team communicates with the institute according to the training need. It is the responsibility of the trainer to develop the training content according to requirement. Sometimes some training is recommended conducting in the local headquarters; in that case those

training contents are directly sent from Vavy. A part from that the required logistic supports for conduction training are prepared by the training team and with the help of Admin. Selecting the venue of the training depends on the nature and the number of the trainee.

When the training is conducted for 20 to 25 and the nature of the training is lecture based they use the office canteen; other than that when the session is developed as a workshop manner then they or if the training include any other practice then they book external venue; such as the Flabme or the BDMS of BRAC at Saver. Based on all the aspect the total budget of the training is set. HR function of Nestle mainly prepares this budget for those training which are prepared by the HR training team. Training After all the preparation is done the training is conducted.

All the trainings the trainer tries to deliver the message in a communicative manner. Depending on the people who are attending the 33 training trainers delivers the message. They use different methods as well depending upon the nature of the audience. Training methods like Classroom training, workshop model, On the Job Training Role Playing etc. are used. If the trainees are much young then the audio visual presentation are included more. On the other hand for the aged employees are aged the question answer session remains curtail. Feedback After every training participants need to give their feedback on the trainings.

It is one of the important documents which allow the training team to evaluate their performance while conducting training sessions. For the next training cycle this feedbacks are also important to improve the training sessions. Moreover sometimes this feedback information reflects the need of

another different kind of training. There are actually four important parts of the feedback sheet: Overall Assessment Design Facilitator/Factor Content

Figure 14: Feedback Criterion

In the overall assessment segment the participants evaluate the session by comprising all the factors of training. In the ? Design? part participants are to mark on the Liker Scale about the structure, duration, Content, Quality and quality of audio and visual aids of the training. In the facilitator part the participants are to evaluate the activities of the trainer. By using Liker Scale in 34 this section relevancy of the content, organization of the content, presentation style, time management and question handling by the trainer are particularly assessed. In some training session trainer use to provide some training content to the trainees; to assess the relevancy and the importance of the delivered content the in the ?

Content? part of the Liker Scale is given. A part from these four parts of the feedback sheet some particular questions are asked to the trainees to know the comments of the trainees. The questions are: ? How well this training help you in maintaining your work better? ? What aspect of the workshop you appreciate most? ? What are the areas of the improvement in the workshop? Every feedback sheet tracks who is filling up the sheet; so that the training team can work on the comments according the perspective of the individuals.

Moreover, every Likert Scale is marked from one to five, which indicate bad poor to good respectively. Work on feedback Working on the feedbacks is a one of the most important parts which reflects the effort of the training team. Assessment practices are critical to improving learning and are often

the most powerful element. Well-formulated assessment ensures that trainees have clear expectations of what is required of them, and is an important tool for trainer to use to stimulate the type of learning that they want their students to achieve.

In Nestle Bangladesh Ltd the scoring in the every Likert Scales are accumulated and after that the average is calculated. For example in the ? Design? part of the feedback five Likert Scales are there under five headings, like structure, duration, content, quality and quality of the audio and visual aids; the training team calculates the average of the score of those five Likert Scale. The calculated average reflects the overall score of the every criterion under four broad aspects. After calculation the average for every criterion, they compare it to the benchmark that is fixed for criterion.

However every criterion has to achieve at least 4. 5 after calculation the average which is considered as a good level and below four is consider as poor. 35 4. 3 Trainings in Nestle Bangladesh In a year most of the trainings are conducted to improve the efficiency of the employees. In the year of 2011 the trainings are: Communication Skill This training mainly emphasizes on the corporate communication. In different situations of different positions employees need to communicate in different layers of the organization. In this training trainers are mainly the senior employees in the managerial position.

Most interesting aspect of this training is that, after the training session the trainers and trainees arrange a role playing session to practice the skill in real life model. Presentation Skill Here employees are trained about the presentation skills which are very necessary in day to day life. The trainers of

this session are also the senior employees in the management level or sometimes the training team brings experts for it. Especially for the employees of the Nutrition function doctors are brought up by the training team. It is mostly class room based training.

Training on Nutrition Awareness Nestle itself is very well-known for its nutrition related products; as a result the company also arranges awareness session to aware the employees about the nutrition in our day to day life. Mainly the nutrition specialists are welcome to conduct the session. Along with that the company also arrange nutrition awareness program in the different schools in the rural arrears of the country. Everyday Coaching Awareness Session This training program is mainly to get familiar with the rules and regulation to conduct business in the food industry.

As a wellbeing company Nestle is bound to maintain the compliance issues; as a result this training session mainly focus on the existing and new rules imposed by the 36 Government and WHO (world health organization). Along with that Nestle also has its own principle to ensure the nutrition and quality factors for its product which are also discussed here. Product Knowledge Particularly this training is organized for the new joiners of the company; in compare to world market the product line is not so extended in Bangladeshi market. However day by day new products are being introduced in this region.

As a result this training is arranged with the help of marketing team by the HR training team for the new joiners. Leadership through 360 Degree Workshop This program is fort all the employees of Nestle; the company nurture the talent from the very beginning of an employee to become a

leader and as well as a good successor. Moreover in this training it is also emphasized that how to work in a team and follow leadership; senior employees and as well as the renowned trainers for leadership training is bought here. It's basically class room based training. Overview on Nestle Framework of Leadership

Nestle defines its leadership in a different manner; where they emphasize the people leadership in the beginning level, after that the business leadership then the strategic leadership. That is why they are arranging Nestle Framework of Leadership where mostly 13 core aspects: Inspiring People Lead People Develop People Practice what you preach Adding Value Result focus Initiative Inovation/Renovation Figure 15: Nestle Framework of Leadership 37 Dealing With others Opening Up Proactive Coperation Know Yourself Impact & Convince Others Insight Service Orentation Couriosity & Courage Figure 15: Nestle Framework of Leadership

Proud to be Nestle In is not actually a training session, here employees from different functions come and share their success stories or challenges that they face in Nestle. The main motto behind this session is to develop the team bonding and reduce the communication gap. It used to run as a gathering for sharing success stories but some time people come with their new ideas which will help their life to become easier. 38 4. 4 Assessment of the Training Outcome and Process The trainings are organized to fine tune the knowledge, skill and job behavior of the employees which will reflect in terms of achieving organizational goals.

As a growing organization Nestle Bangladeshis assessing the outcome or the effectiveness of the training for some training; however as the organization

will grow the investment on the trainings will also increase, in this scenario in the coming days it will be curtail to identify the outcomes against the investments made. However in one hand in generally it is not always possible to identify the outcomes especially from a training function in monetary terms, because it is really difficult to value the knowledge or skills which is delivered financially; on the other hand this knowledge or skill actually help to perform better.

That is why in this part of this paper a comparison is made with the two famous models to assess