

# [The tea industry in bangladesh](https://assignbuster.com/the-tea-industry-in-bangladesh/)

Tea industry is an essential industry in Bangladesh, which brings a lot of foreign currency for Bangladesh. It is the cheapest, the most well-liked, refreshing non intoxicating widespread drinks. Tea was first cultivated in china. At the same time it was also started to grown in southeast India. Day by day the use of tea was expanding in the whole world especially in Europe, when the communication was established between the Asia and Europe. In Bangladesh first tea garden was Malnicherra and it is located in Sylhet. It was established in 1854. At present in Bangladesh there are 162 tea gardens. Five types of companies are involving in tea cultivation in Bangladesh. Sterling Company, National Tea Company, Bangladesh Tea Board, Private LTD Company and Proprietary. Own by Bangladeshi Nationals.

In the tea gardens it is very important to dealing about human resources of the tea gardens. Because, the tea garden in the country are running only by the proper concentration and proper service given by the labors. A group of people in the Bangladesh are mostly related with this job. According to the BTB (Bangladesh Tea Board) at present 3, 50, 314 populations are involved with the tea industry. From them the registered labor is 87, 709 persons. There are some organizations in the Bangladesh who’s helping the tea industry in a lot more. Those are BTRI (Bangladesh Tea Research Institute), PDU (Project Development Unit), BTB (Bangladesh Tea Board), BCS (Bangladesh Cha Sangsad) etc. At present there are lots of population are involved with this industry in Bangladesh. The most of the labors are illiterate. Sometimes they don’t know how to write their name. The company arranges some training for them in very less time. The training and development programs in case of labors are not in satisfactory level. They learn by doing their work. The labors are not conscious about their different facilities also. Some times some organizations come to make them inform about different conscious facilities. But most of the times they are not attend in the seminar or program. We suggest the management team to take step to make them aware about different facilities, from which they can be benefited. Labors health conditions are not also in a satisfactory level, because of high drinking of alcohol. But they are getting the free medical facilities from the company. Labors are also getting some other benefits such as Residential facility, Food, Education facility, Job Security and Entertainment facility. On the other hand to be a managerial level employee it is highly education is needed and sometimes it is needed to do some other courses with this high education. The employees are also getting some good facilities whatever they required. The tea industry is going to face some new challenges globally. Some new countries try to cultivate tea, which will be a threat to the countries like Bangladesh. So it is necessary for Bangladesh to keep looking on the new competitor. It is also necessary for Bangladesh to train the all employees of the industry with a scientific way, which can boost the production. The companies also need to look for the new technology. They also need to use the best machine for production. They also need to use the computer based technology to keep the data and all the required information.

Statement of research problem & rational for its study

Human resource management ensures right people at right place at right time. It ensures the proper utilization of human resource in an organization. After acquiring theoretical knowledge, this study helped us to acquire practical knowledge. We know Sylhet is famous for tea production and there are many tea gardens in Sylhet. So to perform our study we choose Malnicherra Tea Estate which is very famous all over the Bangladesh. We choose Malnicherra because we know here thousand of labors are working under a single management, so to know how the management manages this huge number of labor and how they practice human resource activities within their organization. In this study we highlighted the training and development program of Malnicherra Tea Estate. Behind the selection of this topic there also some causes. As we all know in tea gardens most of the labors are illiterate and unskilled. Beside that Tea gardens are earning profit and expanding their business day by day. We thought there must be any mechanism behind this success, so from this attraction we decided to find out the mechanism by which Tea Estates are performing their daily operations and converting the unskilled employees into skilled employees and this is only possible by training and development program.

1. 3

Conceptual Development

Humans are the organizations greater assets; without them, everyday business function such as managing cash flow, making businesses transactions, communicating through all forms of media, and dealing with customers could not be completed. Humans and the potential they possess drive an organization. Today’s organizations are continuously changing. Organizational change impacts not only the business but also its employees. In order to maximize organizational effectiveness, human potential – individuals’ capabilities, time and talents must be managed. By studying we tend to know that Human Resource Management works to ensure that employees are able to meet the organization’s goals.” Human Resource Management is responsible for how people are treated in organizations. It is responsible for bringing people into the organization, helping them perform their work, compensating them for their labors and solving problems that arise.” There are seven management functions of a human resources (HR) department that will be specifically addressed: staffing, performance appraisals, compensation and benefits, training and development, employee and labor relations, safety and health, and human resource research.

Prior to discussing the seven functions, it is necessary to understand the job analysis. An essential component of any HR unit, no matter the size, is the job analysis, which is completed to determine activities, skills, and knowledge required of an employee for a specific job. The goal of human resource management is to help an organization to meet strategic goals by attracting, and maintaining employees and also to manage them effectively. The basic premise of the academic theory of HRM is that humans are not machines. Therefore we need to have an interdisciplinary examination of people in the workplace.

1. 4

Scope of the report

For this study we went to Malnicherra tea Estate and talked to the Assistant manager, staffs and labor. We search on the websites; we also search some books. In this study we tried to find out the training and development program of the garden, recruitment process of the tea garden, the minimum requirements for getting a job in the garden, the amount of wages labors are getting and others factor related to the tea estate. We also tried to find out the method by which the management trained their employees and make them as their desired work force and which kind of problems management faces while arranging these training programs.

1. 5

Objective of the report

The purpose of this report is to know how human resources are managed in the organization. In Sylhet there are many tea gardens. A huge amount of human resources are involved with these gardens. That is why for our study purpose we have selected the Malnicherra tea garden. Primarily we focused on the training & development program undertaken by the garden management. The other objectives of the report are as follows:

To know the human resource management operation in the tea garden.

To know the problems of the management they are facing with the labor.

To know the problems labors are facing with their work.

To know any changes or improvements, employees want for their work in the garden.

To know whether management is arranging any program to improve the skill of their worker.

To know on which basis management select labor for training.

To know in which way management arrange training program for their labor.

To know whether management is satisfied with the performance of the labor.

To know the impact of training and development program.

1. 6

Methodology

For this study we conducted a survey. We prepared questionnaires for management and labors. We talked with the manager and officers those were available on that time. We also talked with the labors working on the field. We take some help from some books. We also used website for collecting information.

1. 7

Data Sources

We have used both primary and secondary data for this report. We collected primary data by means of questionnaire and personal interviews. We prepared questionnaires for managers and labors. We talked with the manager and other employees available on the garden. We also talked with labors and asked them several questions to know about their job. Mostly while collecting the data from the labor and employees we focused much on their training and development program arranged for them. For collecting secondary data we have searched websites, some books on human resource management and on tea gardens.

## Chapter 2: Organizational Profile

Malnicherra Tea Estate is a historical tea garden. Malnicherra Tea Estate was first established in 1854 by under the British ownership. The first owner was Mr. Winston a British citizen. He run the state till the 1884. Then he sold the garden to another British citizen named Mr. J. T. Bull in 1884. Mr. J. T. Bull run the organization from 1884-1919. In 1919 he sold the garden to Mr. F. Flurence who holds the garden from 1919-1925. In 1919 Mr. F. Flurence sold it to Mr. J. Mintu. Mr. J. Mintu owned the garden fro 1925-1927. In 1927 Mr. G. P. Stuwart bought the garden from Mr. J. Mintu and owned the garden till 1930. In 1930 Mr. H. Peterson bought the garden from Mr. J. P. Stuwart and owned it till 1951. In 1951 Mr. G. M. C. Brush bought the garden and run under his ownership till 1953. But when the British left this subcontinent then he sold the garden to a Pakistani citizen named Mr. Z. A. Molla. In 1963 another Pakistani citizen named Mr. S. Khan bought the garden from Mr. Z. A. Khan and owned it till 1968. In 1969 Mr. A. Rahim bought the garden and run it till the 1970. Mr. I. A. Siddiki was the last Pakistani owner of the Malnicherra Tea Estate before the independence of Bangladesh. After the independence of Bangladesh, Malnicherra came under the ownership of Bangladeshi citizen’s. In 1983 Khondokar Gush got the ownership of the Malnicherra Tea Estate but they were not able to make any improvement of the estate. As a result there raised many problems within the garden and that is why in 1987 Mr. Khondokar Gush decided to sell the garden and at that Mr. Ragib Ali the present owner of Malnicherra Tea Estate came forward to buy the garden. Mr. Ragib Ali with his hard work and intelligence made a huge improvement of the garden and turned it into a ‘ A’ category tea estate. Now at present the total number of tea plants is approximately 9-10 laks and production per hector is 1985 kg.

2. 3

Historical Background: Tea & Tea Culture

Tea is the cheapest, the most popular, refreshing non alcoholic universal drinks. The scientific name of tea is “ Camellia sinensis”. Its about 4000 years ago, tea was first nurtured in china. At the same time it was also started to grown in southeast India. Day by day the use of tea was expanding in the whole world especially in Europe, when the communication was established between the Asia and Europe. Tea was first imported in Europe during the beginning of sixteenth century. Holland was the first country that imported tea in Europe first during the beginning of the sixteenth century. After that the England started to import tea in their country and the time is in between mid and last of the sixteenth century. The first actual written reference to tea may have been in a 5th century B. C. poem entitled “ the Lament of the discarded wife”. In this poem, Confucius referred to a certain type of plant that is now generally referred to be tea. However the first officially confirmed written record of tea, or “ cha” as the Chinese call it, can be found in the biography of a Chinese government officials, who died in 273 A. D. whatever tea’s origins, the people know that by the 6th century A. D. Tea drinking and Tea cultivation were common place in china. Early tea drinkers used the beverage to cure a wide range of digestive and nervous weakness. A tea poultice was also used to alleviate pain and the swelling of the joints. In some remote areas farmer used to compressed block of tea as currency, a kind of “ black gold”, that could be traded for food and livestock. In 780 A. D. the Chinese government introduces the first tea tax, bearing witness to tea’s widespread use, not only as a medical remedy but also as refreshing drinks. By this time, tea had spread to Japan where, during the next few centuries, tae drinking evolved into a serene and highly stylish natural, commonly known as the Japanese tea ceremony. Tea didn’t reach Europe until 1610, when the Dutch began to import it fro China. When tea first arrived in the Netherlands, it often cost huge money. Hostesses from the best families in Holland had tea parties, where more cups of tea was served to each guest along with cakes and pipes tobacco for smoking. As these ostentatious gatherings, people added sugar and saffron to their tea, while loudly sipping the drink from the saucer. By the late 17th century, tea had become popular in England. Intellectuals, politicians and other members of the upper classes drank tea, which is still expensive, in London coffeehouses. In the early 18th century, Thomas Twining, a coffee houses owner, took advantage of this trend, and opened store that sold tea by weight. This business, Twining of London, survives today and is now managed by Sam twining, a ninth generations member of the family. Thanks in part to this one family’s marketing ability; it was not long before English people from all walks of life were drinking their “ cuppa” tea.

2. 4

Tea in Bangladesh at a glance

## No of Tea states

Malnicherra is the first tea garden in Sylhet and also first tea garden in Bangladesh. It was established in 1854. At the first time the tea production was not so satisfactory. At the first time the total land area was not so large and that is why the production was not so good. At present there are 125 tea gardens in the Sylhet. Those tea gardens are situated in the three district areas in the greater Sylhet. The establishment year and first tea gardens of those three gardens are in the below.

Sylhet (Malnicherra Tea Estate ): 1854

Hobigonj (Lalchand Tea Estate): 1860

Moulvibazar (Meertinga Tea Estate): 1860

2. 7

Mission Statement of Malnicherra tea Estate

Every organization has a specific mission behind its establishment. Malnicherra Tea Estate also has some mission for which it is performing its activities. The mission of Malnicherra Tea Estate are given as under,

To create employment for local people.

To protect this historical place.

To fulfill the demand of tea in Bangladesh.

To earn foreign currency by exporting tea.

Contribution to the GDP.

To enrich the tea industry of Bangladesh.

2. 8

Organizational Vision of Malnicherra tea Estate

The organizational vision for Malnicherra Tea Estate is very high but achievable. Organizational visions for the next 15 years are listed as under.

Now Malnicherra is producing 1985 kg per hector but the management want to produce 3000 kg per hector within the next 10 years.

The management of Malnicherra Tea Estate wants to achieve the sustainable market leadership.

With the quantity they also want to improve the quality of tea leaves.

Create new market for Tea.

Create a competent labor force.

2. 9

Objective of Malnicherra tea Estate

To achieve the organizational vision Malnicherra Tea Estate sets some objectives which are as follows,

To achieve the vision the management expects 10-15% development each year.

In production they expects 30% growth rate each year.

Proper maintenance of tea plant.

Bring new place under tea plantation.

Introduce new high productive plants.

Remove the old plants.

Implement new technology in the production.

2. 10

Organogram: Malnicherra tea Estate

The organizational structure of Malnicherra Tea estate is as follows,

In this organization the top level position is occupied by the manager and under his position there lies five assistant managers. Among them two are senior assistant manager and the rests are junior assistant managers. Under every assistant manager there lies the staff and under the staff the next position is the labor leader who leads a group of forty workers. Under the labor leader there exist the general workers and this way line of authority is maintained in Malnicherra Tea Estate, Sylhet.

Staff

Their primary product is black tea. At present Malnicherra is producing tea on 530 hector land area and their total area of land is 1008. 52 hector. At present Malnicherra is producing eight types of finished black tea. They are highlighted as under.

With the primary product Malnicherra also producing some other crops by diversifying some land which are not suitable for tea plantation. The diversified products are as under,

Rubber

Rubber is one of the profitable diversified product for Malnicherra Tea Estate. It is started from 1990. At present 874 acres land is under rubber plantation. Malnicherra is producing 1. 5 lacks kgs rubber per year.

Jackfruit

It is also a kind of diversified crops fro Malnicherra Tea Estate. Now at present there are about 30-40 thousand jackfruit trees on 26. 78 hectors land.

Fishery

Malnicherra also established their fishery project on 3 acres land. This fishery project satisfying the local demands for fish and also earning profit for the garden.

Battle nut

Now at present there are 1 lack battle nut trees on 10 acres land in Malnicherra Tea Estate.

Orange

Malnicherra Tea Estate also produces orange within their garden area. Now they have 600 orange plants on 5 acres land area.

2. 12

Location of Corporate office

67, Motijeel Commercial Area Dhaka.

## Chapter 3: HRM aspects of the

## Organization

Introduction (HRD)

Human resources of Malnicherra Tea Estate, Sylhet.

HRM practices of Malnicherra Tea Estate, Sylhet.

3. 1

Introduction

Malnicherra Tea Estate is a renowned tea estate in Bangladesh. In Malnicherra there are about 1100 workers are employed in various level. Though Malnicherra manage its huge its employees in the traditional way. In Malnicherra there is no departmental set up for human resource management. But the Manager of the estate A. K. M. Zafr Ullah informally deals with the human resource aspects of the organization. In this case we can say he is responsible for the overall human resource practices of Malnicherra.

3. 2

Human resources of Malnicherra Tea Estate

Human resources for management level in Malnicherra Tea Estate, Sylhet is as under,

Here we will focus on the HRM practices of Malnicherra Tea Estate. To collect data on HRM practices in Malnicherra Tea Estate we talked to the management and employee of the organization. They are described briefly as under,

Job analysis

In malnicherra the authority also perform the job analysis for various level of job. This practice depends on the position of the job. To collect job analysis information the mainly use the observation method. In this process the manager and assistant manager visit the field and observe the activities of their workers and observe whether any labor waste their time doing other things or not. In collecting the job analysis information the manager listed the duties and responsibilities of his employees and compares his performance with the performance standard. In Malnicherra they observe both the qualitative and quantitative performance of their employees.

Recruitment and Selection

The minimum qualification for the top and middle level managers is at least graduation. Preference is given to agriculture, botany background. One individual has to be strong and hardworking also. The recruitment process for clerical staff is interview (written and viva). In Malnicherra two types of labors are recruited; permanent and casual. Basically no specific policy we have found and they also take oral interview and the physical fitness. Some times experience is also preferred. It is interesting that in case of lower level labor the management doesn’t need to go outside of the garden because they can get the labor from the family of their existing labor. It is a kind of hereditary method.

Training and Development

The training and development programs are arranged for the management staff. These training and development programs are arranged by PDU (Project Development Unit), BMDC (Bangladesh Management & Development Unit), and BTRI (Bangladesh Tea Research Institute) under BTB (Bangladesh Tea Board). The Malnicherra Tea Estate provides both on the job and off the job training to the employees. The middle and top level managers are getting different training and development program and it is in satisfactory level. The employees are getting different types of training program from the PDU, BMDC, and BTRI under BTB. Now the managers receives two years diploma course. The course has been upgraded and before it was a certificate course. But the training and development programs in case of labors are not in satisfactory level. They learn by doing their work. Sometimes vocational training is arranged for the workers but the participation is very low.

Performance appraisal

In Malnicherra Tea Estate performance appraisal is generally performed on the basis of production capability of labors. In case of labors they are given certain level of production so they have to fulfill that level for ensuring good performance. Their performance also depends on the quality of plucking the tea leaves from the tea plants. The management also provides incentives for the labors who perform well in their job. In the management level performance appraisal is measured by the attentiveness of employees, their behavior, teamwork ability and ability to fulfill their assigned duties and responsibilities.

Compensation Package

The employees get monthly payment. Besides this they receives residential facilities, profit bonus, festival bonus. They also receive some additional facilities such as education allowances, medical facility, transport facility etc. the workers are paid weekly. The workers wage rate is Tk. 30 per day in Malnicherra Tea Estate. Besides this they are getting the following facilities and allowances.

The workers get ration at the rate of TK. 1. 30 per kg rice. Workers get this on the basis of member, work and age. One worker can get ration for his three dependent.

The labors are getting free accommodation in the garden.

The children of the workers are getting free education up to primary level.

The workers are also getting free medical services.

They also get incentives in two major religious festivals.

The workers get casual leave, annual leave, sick leave etc.

Beside these the workers also get some allowances. Those allowances are highlighted in the below:

Factory workers allowances: Factory workers get basic Tk. 1. 10 per day.

Jugali sardar allowances: Jugali sardar gets basic Tk. 9. 50 per day.

Risk allowances: A sum of Tk. 2. 10 per day is given to the workers as risk allowances for spraying insecticides.

Sick leave and sick allowances: A worker get 20 days sick leave with allowances. The worker gets half basic pay plus full D. A.

Incentive bonus: The workers get incentive bonus in two equal installments in two major religious festivals. The rates are

For daily rated workers:

Male: Tk. 500 per annum.

Female: Tk. 500 per annum.

Adolescent: Tk. 480 per annum.

For monthly rated workers:

Male: Tk. 615 per annum.

Female: Tk. 615 per annum.

Retirement allowances: After retirement the workers get retirement allowance. As retirement allowance the monthly rated workers get Tk. 55 and daily rated workers get Tk. 39.

Labor relations

In Malnicherra the relation between the management and labor is healthy but this is not stable. But the management is very conscious about this factor and they always try to solve any problem by negotiation. There is a labor union within Malnicherra Tea Estate. The management always tried to fulfill the labor demand through discussing matters with the labor union. But still the employees are not satisfied then they can go to the higher level authority.

Employee safety and health

In Malnicherra the employees are getting the safety facilities both on the job and of the job. On the job they are getting the needed tools to perform their job such as mask, glaps etc and off the job they are getting residential safety, food safety etc. The employees as well as the labors are getting free medical service in the garden. In each garden we have found dispensary with one doctor, nurse, and medical assistances. These dispensaries are providing the primary aid but in case of emergency the authority transfers the patient to M. A. G. Osmany Medical College Sylhet and bears all the cost.

## Chapter 4: Training & Development

## Program in Malnicherra

The selected job description.

Development program for the job.

4. 1

Selected job description

In this section we selected a position in Malnicherra Tea Estate. Here we choose the position of the manager and briefly described his work activities in Malnicherra Tea Estate as a manager.

Name of the job holder: Mr. A. K. M. Zafr Ullah.

Position: Manager.

As a manager the topmost position of the organization Mr. A. K. M. Zafr Ullah has to perform numerous duties and responsibilities. He doesn’t have any particular boundary to perform his duties. Here we highlighted some work activities of Mr. A. K. M. Zafr Ullah which he generally performs as a manger.

Policy maker: Time to time with the changing situation and needs of the organization organizations requires new policy, rules and regulations and this policies is formulated by the manager.

Decision Maker: Any kind of decision major or minor relating to any matters within the organization is made by the manager.

Target setter: Every organization has some target and it is selected by the manager in the beginning of the year. In setting the target for Malnicherra Tea Estate he arranged a meeting and discuss with his colleague and staff.

Relation developer: He also has to develop the relation between the management and labor within the garden. He also has to maintain a healthy relation with other external parities outside the Malnicherra Tea Estate.

Recruit human resource: He also has to forecast the need of human resources in the organization. After that he also has to make plan for hiring new employee or not.

Budget maker: Every year Malnicherra prepared an income expenditure budget for a year. This budget is prepared under the supervision of the manager.

Monitor overall activities: The manager also has to monitor the overall performance of his stuffs and labors. He has to coordinate overall activities of the garden to meet the goal.

Field work: Beside the administrative job he also regularly visits various spots of the garden and monitors the activities of the workers and the development progress of the garden.

Motivate employees: This is one of the most important tasks for a manger. As a manager he also has to motivate his employees to give their best for the success of the organization. To do so he has to take various approaches.

Action programs: As a manager Mr. A. K. M. Zafr Ullah also has to make the action programs for the estate throughout the whole year. The success of the organization depends on this action programs.

4. 2

Development program for the job

In our study we have explored the duties and responsibilities of the manager of Malnicherra Tea Estate. Now we will focus on the development program arranged by the garden for this position. In the tea estates this development program are generally arranged by the Project Development Unit (PDU), Bangladesh Management & Development Council (BMDC) and Bangladesh Tea Research Institute (BTRI) under Bangladesh Tea Board (BTB).

In the development program for managerial level they generally use the off the job training method to develop the skill of the manager. In off the job training method the manager get several kinds of development programs. Off the job training programs includes,

University related program.

Seminars.

Views Sharing.

Case Study.

Selection method for development program

To select candidates for the development program the respective institutions such as Project Development Unit (PDU), British DHD observe the performance standard of the managers and then arrange face to face interview. After the interview they take IQ test of the manager then they select some candidates for the development programs who met their desired standard.

Methods of development program

In the development program various institutions arrange several types of programs for the managers of tea estate. They are briefly describes as under,

University related program

In this type of program the respective institution arrange various university related diploma course and send the managers to the university to complete the course. In Malnicherra BMDC arrange this kind of university related program. The cost is also beard by the garden. Mr. A. K. M. Zafr Ullah the manager of Malnicherra Tea estate also attended a two years diploma course on ‘ Tea Estate Management’ from a university in USA. This diploma course helps him to develop his skill on labor relation, labor act, labor law implementation, responsibility allocation, recruitment of labors etc.

Seminars

PDU, BMDC etc institutions also arrange seminar program for the managers. These kinds of seminars also develop the views of managers. These are arranged often throughout the year. On this seminar the managers get knowledge about the new labor laws, technology, diseases etc. So this seminar helps them to take decisions in their garden. In this kind of seminars the managers can also express their views about any particular matters.

Views sharing

In this method the managers get the chance to share their views with others coming from various tea estates inside and outside the country. It helps the managers to get knowledge about new problems and affairs. Here the development institutions arrange visiting program for the manger to other country or estate to