

British american tobacco

Business, Management



Executive Summary

Any organization regardless of the fact of its size, age needs to run smoothly and achieve the goals and objectives which it has set forth. And thus the organization needs to manage Human Resource Management effectively and efficiently. For it develops and implements its own Human Resource Management concepts. British American Tobacco Bangladesh is one of the oldest and largest multinational companies operating in Bangladesh. At British American Tobacco Bangladesh, the key factor to their sustainable growth is human resource.

BAT Bangladesh is a leading business organization in the industrial sector employing more than 1, 300 employees directly and a further 40, 000 indirectly as farmers, distributors and suppliers. It has always been committed to good employment practices and has set out the framework of its Employment Principles on workplace practices, employee relations and employee human rights. BATB employs more than 852 people directly and about 40, 000 people indirectly as farmers, distributors and local suppliers. BATB is one of the most preferred employers in the country.

It is their pool of talented people who give this place the wonderful and pleasant working environment that takes the company forward every day. It is a team of different people, different cultures and backgrounds, coming together to form something new, something remarkable everyday. In this report, we have tried our best to exemplify how the basic functions of HRM are exercised in British American Tobacco Bangladesh. We have analyzed

BATB's several functions: planning, recruiting and selection, training and development, performance appraisal and employee.

We also discussed the BATB's goals, mission and vision. BATB wants to attract, develop and retain high caliber talent. It also wants an organization that is constantly learning. This learning culture shares knowledge quickly, learns from its mistakes and replicates success formulas quickly. BATB's Employment Principles set out BATB's commitment to good employment practices and workplace related human rights. BATB invests time in these forums because it is committed to developing employees' career and because in business, individual performance matters.

British American Tobacco History:

The British American Tobacco Company (BAT or BATCO) is the second largest listed tobacco company in the world, with a market capitalization of over ? 30 billion (U. S. \$44 billion). It is based in London in the United Kingdom. It began operating in 1902 as a joint venture of the Imperial Tobacco Company and James Duke's American Tobacco Company, and grew to be the major cigarette company in many countries - but not in the USA or in the UK, where each of the partner organizations had agreed not to compete with the other.

During the trust-busting era of President Theodore Roosevelt, the American Tobacco Company was forced to divest its interest, and in the years that followed. Imperial Tobacco also reduced its shareholdings. Eventually BAT became a relatively independent organization that out-grew its parent. BAT Industries : The international remnants of the original company were

reorganized into a holding company called BAT Industries in 1976, and it acquired what was left of the American Tobacco Co. after the anti-trust split-up. BAT later acquired Brown ; Williamson (B; W) which, at that time, was the largest cigarette company in the USA.

BAT's US subsidiary retained a degree of independence from the UK, although clearly it must report to the London office -- and occasionally they exerted their own pressure. BAT is based in London and has subsidiaries in the UK, Europe, Asia and the old British colonies. In 1999 it acquired the South African-based company of Rothmans International after a long battle with Philip Morris for control. The company has also diversified into many other industries - owning, for instance, a major life insurance company, food and beverage companies, etc. The acronym BATCO is often used when referring to this larger conglomerate.

British American Tobacco Bangladesh

Beginning the journey as Imperial Tobacco 100 years ago, the company set up its first depot at Armanitola in Dhaka Bangladesh. After the partition of India in 1947, Pakistan Tobacco Company was established in 1949. Then it became Bangladesh Tobacco Company Limited in 1972 immediately after Bangladesh's independence. In 1998, the company changed its name and identity to British American Tobacco Bangladesh aligning the corporate identity with other operating companies in the British American Tobacco Group. Address : British American Tobacco Bangladesh New DOHS Road Mohakhali

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BATB'S SHAREHOLDERS

BATB is among the first companies to be listed on the Dhaka and Chittagong Stock Exchanges and currently rank amongst the top 20 companies in terms of market capitalization. British American Tobacco Group holds 65.91% of our shares; 18.76% is owned by investment Corporation of Bangladesh; Shadharan Bima Corporation, Bangladesh Shilpa Rin Shangstha, Government of People's republic of Bangladesh, Sena Kallyan Sangstha owns 4.73% and further 10.609% is owned by other shareholders.

- **BATB'S Operations.** BATB grows tobacco leaves through its registered farmers in Kushtia, Chittagong, Manikganj and Rangpur zones. Both its head office and cigarette manufacturing plant are located in Mohakhali, Dhaka. It has one Green Leaf thrashing plant in Kushtia and a Redrying Plant in Manikganj.
- **Responsibilities** BATB aims to ensure that it only purchases leaf from responsible and sustainable sources. Its Social Responsibility in Tobacco Production program addresses the social and environmental issues associated with tobacco growing and processing, and reaches more than 300,000 farmers who supply all the leaf it buys. The program covers good agricultural practices for improving soil and water conservation, appropriate use of agrochemicals, environmental best practice and occupational health and safety. It is also active in eliminating exploitative child labor and promoting forestation initiatives for the farmers who need wood for tobacco curing. As part of the

program, it provides direct agronomy support and training to some 250, 000 of its grower suppliers where it is not otherwise available.

- **BATB's Vision.** BATB's vision is " to achieve leadership of the global tobacco industry in order to create long term shareholder value. Leadership is not an end in itself, but a company that leads its industry, is the preferred partner for key stakeholders and is seen to have a sustainable business, should be valued more highly. " BATB defines leadership in both a quantitative and qualitative sense. Quantitatively, it seeks volume leadership among its international competitors and in the longer term, value leadership. It recognizes that its success will depend on adult consumers and that, therefore, it must be consumer driven. But the hard, quantitative measures do not in themselves address all the things it must do as a company.

It takes a long term view, focusing on the quality of its business and how it works. As a result, qualitatively, it seeks to be recognized as industry leaders and to be the partner of first choice for governments, NGOs, investors and potential employees. It will do this by continuing to demonstrate that it is a responsible tobacco Group, with a sustainable business, outstanding people and superior products. In order to deliver its vision, its strategy for creating shareholder value has four elements around which all our efforts revolve - Growth, Productivity, Responsibility and Winning Organization.

Hr Mission

Embedding winning culture where people always strive to excel. How BATB Works To Achieve Its Organizational And HR Vision : To develop the most vital element of the organization which is the human resource BATB has put

in a lot of efforts in responding to various changes and problems through effective formulation and implementation of human resource strategies through the HR department. A key part of BATB's work is helping nurture an open, confident and winning culture, where all are aligned in delivering consumer satisfaction. It ensures that people have the opportunity to release their energies in a constructive and focused way.

It wants its employees to have a clear vision for the business and to foster enthusiasm to drive superior performance. Furthermore, BATB expect its leaders to engage with their teams and to develop their people. BATB's culture also encourages ongoing development, so its role includes optimizing personal and organizational learning in order to leverage the capability of both the business and the individual to establish the company vision. BATB strives to match the needs of the organization and individual aspirations and encourage personal fulfillments.

Therefore, success is recognized in ways which are relevant to the individual. Strategic Human Resource Management The company clearly identified that a strategic approach to human resource management, development and administration was the primary requirement for dealing with the critical issues that it faced, and has been following such an approach since 1996. Under this approach, it has set out to achieve the following objectives:

Create an environment within which all parties could engage each other, build trust and produce satisfactory results. Ensure a stable working environment in which the unions and the workers would become partners in achieving the company's overall objectives.

- Develop leadership among workers and create an innovative environment;
- Ensure the virtual absence of disruptive industrial relations issues;
- Upgrade the base level of education and skill of all employees;
- Achieve significant increases in productivity even while there has been a reduction in employment levels;
- Create the cultural change from a manufacturing orientation to a service orientation;
- Manage the separations that were required;
- Develop an environment at work that focuses on worker health and welfare, on safety and on the hazards of smoking;
- Improve the focus on customer service and product quality;
- Develop and maintain a reputation as an employer of choice

Human Resource Planning Practiced By British American Tobacco

Bangladesh Employment Planning: Human resource planning is a process of determining an organization's human resource needs through ensuring that it has the right number and kinds of people at the right place, at the right time in order to achieving the organization's overall objective. Like every other organization BAT also has its own employment planning. This planning includes determining the demands and supplies of labor in their organization.

Determination of Demand of Labor : The management of BAT forecasts the company's employees' personnel needs based on its mission, strategic goals & objectives & technological and other changes resulting in increased productivity. Although there are several methods to predict personnel needs,

but they use managerial judgment because it gives them more real world scenario for personnel needs. They think that the other methods cannot give the accurate situation of the personnel needs. These are basically graphical methods, which cannot measure the actual personnel needs. But managerial judgment method depends upon the change in productivity, market conditions etc.

Determination of Supply of Labor :

- Internal Supply
- Increase in Internal Supply
- New hires
- Contingent workers
- Transfers-in
- Individuals returning from leaves

Decrease in internal Supply

- Transfers
- Layoffs
- Voluntary Quits
- Dismissals

External Supply - BAT searches for fresh graduates among the business schools and other universities for fulfilling the demand of labor. It also targets the experienced workforce who is already working in different organizations. Besides, it offers contractual jobs to the people among who most are students. It also goes through the " Battle of Mind" competition through which they bring out the best promising faces from the crowd. BAT has recruited 37 fresh students judged through this competition since 2004.

Job Analysis of British American Tobacco Bangladesh

A job analysis is a systematic exploration of the activities within a job that provides information about the jobs currently being done and the knowledge, skills and abilities that individuals need to perform the jobs adequately. A thorough Job Analysis can enhance the effectiveness of regular or recurring HR processes like Recruitment and Selection, Training and Development, Performance Appraisals etc to long-range areas like HR Planning, Succession Planning etc. British American Tobacco Bangladesh does not follow any specific type of method to do the job analysis. Rather it uses a combination of different type of methods. The methods are based on the principles of modern management and of organizational psychology.

Purpose of Job Analysis : The purpose of Job Analysis is to establish and document the 'job relatedness' of employment procedures. A job analysis helps to determine the

- Training Needs
- Compensation of the employees
- Selection Procedures Performance Review

Job Analysis Process

A job analysis process has three outcomes:

- Job Description: Job description is a statement indicating what a job entails. It includes what the job holder does, how it is done, under what conditions and why. BATB is comprised by experienced human resources executives who at a first level, with the help of managers;

define the needs of the organization assessing the characteristics and obligations of each job post, as well as the organization's culture and structure. The focus of BATB lies on preparing a job description accurately, rapidly and in a scientific and effective way. The job description includes information such as the job title, a short job description, the job's place within the organization chart, the immediate supervisor, coactive departments, obligations and authorities, degree of freedom to make decisions and proceed to initiatives, degree of blame in several circumstances, objectives etc.

- **Job specification:** Job specification states the minimum acceptable qualifications that incumbents must possess to perform the job successfully. Based on information acquired through job analysis, the job specification identifies prerequisite qualifications such as knowledge, skills, education, experience, certification, necessary personality traits and abilities. BATB's experienced and specialized collaborators prepare job descriptions for different posts based on a structured guide and specified methodology.
- **Job Evaluation:** Job evaluation is a method of determining on a systematic basis the relative importance of a number of different jobs. By sector and size, job evaluation is far more prevalent in the public and private sectors and among larger employers. In BATB it's a useful process because job titles can often be misleading - either unclear or unspecific. IN BATB it's impossible for those in HR to know each job in detail. As a rough guide, job evaluation is very much essential for a huge organization like BATB. Job evaluation is counted as an ongoing

process in BATB. According to the company a job evaluation should be transparent, and reviewed regularly to ensure business needs continue to be met.

Recruitment

Recruitment is a process of seeking sources for job candidates. Recruitment process aims at getting responses from job seekers and avoiding applications from unqualified candidates. BAT searches for fresh graduates among the business schools and other universities for fulfilling the demand of labor. It also targets the experienced workforce who is already working in different organizations. Besides, it offers contractual jobs to the people among who most are students. It also goes through the “ Battle of Mind” competition through which they bring out the best promising faces from the crowd. BAT has recruited 37 fresh students judged through this competition since 2004. Recruitment Policy British American Tobacco Bangladesh has been in e-resourcing since 2002.

It focuses on e-based advertisement for more visibility and transparency beside the conventional print media. All recruitment related notices are posted on the [www. bdjobs. com](http://www.bdjobs.com) website. Candidates are required to fill up the blank resume format provided in the website. A well-structured and systematic selection procedure is followed to get the most suitable candidate. Following the selection procedure, pre-employment medical examination and reference checks are done.

- BATB asks for applications from recognized universities from home and abroad.

- Applicant must be a citizen of Bangladesh. BATB encourages students with good academic track record to apply.
- BATB is not prejudiced against race, sex, religion, age etc. Positions are offered to the candidate on the basis of his/her ability and the requirement of the company.

If an application is successful, the applicant is invited to a preliminary interview which will be taken by a member from the function to which he has applied and a member of the Human Resource team. This is a chance for him to find out more about BATB, as it is for the company to find out whether he has the competencies BATB is looking for.

BATB is committed to keep the applicant informed of the progress through every step of the selection process. BATB now outsources the recruitment process to People Scape. Mid Careers : “ Whatever stage of your career, we can offer new challenges” Talented people join BATB at all points of their career and for many reasons. Some seek a new challenge or an environment where they can prove themselves and where their current skills will be appreciated. Others want to reinvigorate their career or achieve a better work-life balance.

And most want to improve their rewards package. BATB doesn't just offer a dynamic, diverse environment laden with opportunity - people find the company a truly exciting and fulfilling place to work. They enjoy being part of a high profile company with a strong corporate culture that promotes individual and personal flair, while encouraging teamwork and delegation. They're proud of BATB's commitment to corporate responsibility in a

controversial industry. The nature of the tobacco industry contributes to the challenges of our work - and to job satisfaction.

Our people need a broadness of vision and understanding not always necessary in other sectors. They need people skills to communicate with diverse and multicultural audiences. They need the intellectual curiosity to try out new ideas and the imagination to ensure our story is told, even when under serious constraint. Selection The selection process of BATB consists of the following steps: * If the application is successful, candidates are invited to a preliminary interview which is taken by members from the functional department for which the candidates have applied and a member of the Human Resource team. The candidates who selected in this interview are invited to a specifically designed British American Tobacco assessment centre. This provides them with the opportunity to demonstrate their skills and suitability through their performance in a number of participative and individual exercises. They also have the opportunity to meet managers and to gain firsthand experience of what it is like to work for British American Tobacco Bangladesh. If they get through the Assessment Centre, they will be recommended to the respective Heads of Functions for a final Interview.

And if a candidate is can prove he is suitable for the job in this interview s/he is selected. British American Tobacco has put in a lot of efforts in responding to various changes and problems through effective formulation and implementation of human resource strategies through the HR department to successfully utilize this large number of employees. BATB has proved that it is functioning very well and that it will continue its operations and will

become the trendsetter of the Human Resource Management practices of Bangladesh.

Managing Performance

While managing performance BATB focuses on:

- Measuring ; aligning performance
- Rewarding performance
- Managing ; administering benefits
- Managing organizational learning and development
- Managing change
- Designing ; developing the organization
- Managing organizational climate
- Learning in the organization

Managing careers and development include:

- Assessing competencies and potential
- Career development systems
- Coaching and mentoring
- Training and development

Managing employment relations includes:

- Managing employment legislation
- Managing workplace relations
- Managing HR customer services

BATB's employment beliefs and principles BATB's people are its business and its Guiding Principles represent the common values at the heart of its

success, shared by employees across the world. Its Employment Principles set out BATB's commitment to good employment practices and workplace related human rights.

Guiding Principles

- Strength from Diversity
- Open Minded
- Freedom through Responsibility
- Enterprising Spirit

Strength from Diversity reflects its cultural mix and a working environment that respects employees' individual differences. BATB embraces different people, cultures, viewpoints, brands, markets and ideas - to create opportunities and strengthen performance. In short, we are interested in what makes you unique. Open Minded reflects BATB's openness to change, to identify opportunities and to consider new ideas, including ways of addressing regulatory issues and changing social expectations. People seek to listen without prejudice, actively and enthusiastically considering other viewpoints. Freedom through Responsibility helps our people to get on with their jobs - BATB believes they should be free to make their own decisions, accept responsibility for them and not be hampered by unnecessary bureaucracy.

Employment Principles

Like all major international companies, BATB takes its employment policies and procedures very seriously. BATB's Employment Principles cover topics such as:

- Equality of opportunity and non-discrimination;
- Internal communications and the free flow of ideas;
- Worker representation and freedom of association;
- Fairness at work and the unacceptability of harassment and bullying;
- That we do not condone or employ child labor;
- That forced or bonded labor is completely unacceptable;
- Performance responsibility;
- Health, safety and environmental responsibility;
- Community contributions and skills development for employees and communities in markets where our companies operate;
- Personal development and learning;
- Reasonable working hours and family friendly policies;
- Fair, clear and competitive remuneration and benefits. Training and development
- We recognize that getting the right start is crucial to building a successful career. This is how we approach your early training and career development.

It also introduces to the product – and how the company markets it. The Challenge Initiative programme includes employees' functional development – development of a base of excellence in chosen function. BATB will clearly explain what it expects from employees. Then, with support from employees coach and mentor, they set their objectives and work towards achieving them in order to meet the needs of the business and their personal development objectives. Employees will develop the management

skills they need in their future roles with both formal training and on-the-job experience.

And they will have the opportunity to put these skills into practice in preparation for the move into their first management role. BATB also expects them to develop business awareness, an understanding of the overall business and the role played by each function. In other words, BATB wants them to understand the business beyond their own functional and geographical area of responsibility. It wants them to question its existing ways of working and to bring positive change to the business. BATB will provide them with opportunities to challenge its practices, a receptive audience and the feedback they will need to build their knowledge. BATB monitors their success through regular performance appraisal. It gives regular and constructive feedback, formally every 6 months and informally every 6 weeks. This ensures that employees are aware of the standards they should aim for, and also that it can tailor their development to its needs. Training Training is a learning experience that seeks a relatively permanent change in an individual that will improve his or her ability to perform a job. To make training a success, a BATB takes care of the following points:

- Make learning meaningful
- Make skills transfer easy and Motivate the learner

Employee Training Method followed in BATB ON-THE-JOB TRAINING

It means having a person learn a job by actually doing it.

Advantages:

- Relatively inexpensive

- Trainees learn while producing
- No need off-site facilities

Drawbacks:

- Low productivity while the employees develop their skills
- The errors made by the trainees while they learn.
- Apprenticeship Training: It traditionally involves having the learner study under the tutelage of a master craftsman.
- Informal Learning: This learning process is not determined or designed by the organization. But the organization may ensure it by creating a learning environment in the organization.
- Job Instruction Training: Listing each job's basic task, along with key points, in order to provide step-by-step training for employees.
- Lectures: The most simple and quick way to provide knowledge to large groups of trainees.
- Simulated Training: It places the trainee in an artificial environment that closely mirrors actual working conditions.
- OFF-THE-JOB TRAINING
- The Case Study Method: Here the manager is presented with a written description of an organizational problem to solve in a discussion with other trainees.
- Management Game: The manager is presented with a computerized decision regarding simulated situations.
- Outside Seminars: Many organizations now are using this popular method on various aspects of business and management.

Employee Development BATB's approach to personal development is based on a simple belief - that the person who best knows your ambitions and aspirations is you. BATB aims to support its development. People will find that BATB invests strongly in people to increase their skills, improve their performance and stimulate them with new ideas.

BATB is committed to motivating people so they can also motivate others. But BATB also believes that you're the best person to map out your own development. BATB expects employees to drive regular career discussions. It encourages to assess their strengths and weaknesses honestly and to seek feedback from colleagues. BATB counts on them to make continuous learning and the quest for improvement a part of your personality - to be hungry for new ideas, skills and assignments. Managers play a key role in this and employees play a key role in developing the careers of people reporting to them.

The managers assess individual capabilities and place a high priority on development planning. They set stretching performance goals, which are regularly reviewed. The discussions focus not just on what employees have achieved, but how they achieved it and what they've learned along the way. Career development tools Career planning benefits both the employees and the company. It helps build succession that mesh with employees' own aspirations - making them more accurate, reliable and robust. BATB encourages them to spend quality time thinking about their career and it has highly developed tools to help them.

BATB is prepared to invest significant time reviewing their career and meeting their development needs to ensure that their potential is fully realized. BATB holds annual Talent Review Meetings which are chaired by Board members, for all regions and functions around the world. These meetings aim to ensure that BATB has good succession plans in place that take account both of individuals' needs and of the future shape of the organization. BATB invests time in these forums because it is committed to developing employees' career and because in business, individual performance matters.

Conclusion

British American Tobacco has put in a lot of efforts in responding to various changes and problems through effective formulation and implementation of human resource strategies through the HR department to successfully utilize this large number of employees. BATB has proved that it is functioning very well and that it will continue its operations and will become the trendsetter of the Human Resource Management practices of Bangladesh. Bibliography
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