

Internship Report

On

An Analysis of Performance Management System of Mutual Trust Bank Limited



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us

Name of the student

Saief Hossain



School of Business and Economics
United International University

This report is submitted to the school of Business and Economics, United International University as a partial requirement for the degree fulfillment of Bachelor of Business Administration.

Internship Report
On
An Analysis of Performance Management System of
Mutual Trust Bank Limited

Course code: INT 4399

Submitted To

Ms. Piana Monsur Mindia

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Submitted By

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Enrolment: Summer 2021

Bachelor of Business Administration

Major in Human Resource Management

United International University

Date of Submission

January 12, 2022



School of Business and Economics
United International University

Letter of Transmittal

January 12, 2022

Ms. Piana Monsur Mindia
Associate Professor,
School of Business & Economics
United International University

Subject: Submission of Internship Report.

Dear Miss,

I am submitting my internship report on “**An Analysis of Performance Management System of Mutual Trust Bank Limited.**” The report will provide us an overview of the current performance evaluation system and the performance management system of this organization.

I am very grateful for your help, cooperation, and valuable guidance in putting this report together. It is only through my best efforts and dedication that I have been able to complete my internship report on timely. I hope you will find this internship report paper to be satisfactory, if you have any questions or concerns about the study and analysis, it will be my pleasure to answer any questions you.

Sincerely,



Saief Hossain

ID: 111 161 025

Enrolment: Summer 2021

BBA Program, Major in Human Resource Management

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Declaration of the Student

I am Saief Hossain, a student of United International University of Bachelor of Business Administration, Major in Human Resource Management. By writing here, I declare that the Internship Report on "The HRIS Practices - **An Analysis of Performance Management System of Mutual Trust Bank Limited**" is my own original work, and has not been previously submitted for certification or accreditation.

I also hereby declare that all of the work on this internship report has been completed by me under the supervision of **Ms. Piana Monsur Mindia**, Assistant professor, School of Business & Economics at United International University. This report was completed in order to fulfill the requirements for my undergrad degree in Business Administration with a concentration in Human Resource Management from United International University.

Saief

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Acknowledgment

At first and foremost I am thankful to almighty Allah for providing me with the strength to perform my internship obligations and responsibilities as well as to complete the report within the time frame of internship period.

Then I would like to thank to my internship superior, **Ms. Piana Monsur Mindia**, Assistant Professor of School of Business and Economics at United International University. It was a great opportunity for me to complete the report under her supervision, and I am very grateful for her valuable supports, instructions and guidelines.

Working as an Intern in the Customer Relationship Department of Mutual Trust Bank Limited from September 30, 2021 to December 30, 2021 was a wonderful experience for me. I am very grateful to all of my colleagues, senior employees of Mutual Trust Bank Limited (Mohammadpur Branch) for supporting me to introducing in practical working environment and assisting to complete the study of the report on time.

Table of Content

Executive Summary	vi
Chapter 01: Introduction	
1.1 Introduction of the Report.....	2
1.2 Origin of the Report	2
1.3 Objectives of the Report	3
1.4 Rationality of the Report.....	3
1.5 Scope of the Report.....	3
1.6 Limitation of the Report.....	4
1.7 Methodology of the Report	4
Chapter 02: Literature Review	
2.1 Performance Management System (PMS)	6
2.1.1 Aims of Performance Management System (PMS)	7
2.2 Performance Appraisal.....	7
2.2.1 Objectives of Performance Appraisal	7
2.2.2 Methods of Performance Appraisal.....	8
2.3 Link between Performance Management and Performance Appraisal.....	11
Chapter 03: Organization Profile	
3.1 Overview of Mutual Trust Bank Limited (MTB)	12
3.2 Vision.....	13
3.3 Mission.....	13
3.4 Core Values.....	13
3.5 Structure of Board of Directors	14
3.6 Banking Services of MTB	14
3.7 Organogram of MTB	17
3.8 Human Resource Department of MTB	18
Chapter 04: Analysis and Findings	
4.1 Data Analysis	20
4.1.1 Sample Size (n)	20
4.1.2 Demographic Characteristics	20
4.2 Descriptive Analysis	23

1. Statement: Organization’s present performance management systems are effective.	23
2. Statement: The raters are not biased in evaluating performance of the employees.	24
3. Statement: Employees are not discriminated against during the evaluation of the performance.	24
4. Statement: Organization has a satisfactory “Peer Review” method for evaluating performance of the employees.	25
5. Statement: Organization provides financial rewards on the basis of year-end performance.	26
6. Statement: Employees are satisfied with the performance based promotional policy.	26
7. Statement: In order to evaluate performance, organization conducts satisfactory annual feedback session.	27
8. Statement: For the purpose of performance evaluation, organization maintains regularly HRIS system.	28
9. Statement: Employees are satisfied with the organization’s assigned working hours.	28
10. Statement: The estimated KPI is satisfactory for all levels of the employees of the organization.	29
11. Statement: For determining the employees’ performance, BARS system is useful.	30
12. Statement: Based on situation, other performance appraisal methods (like- Graphical Rating Scale and 360 degree feedback) are also used and followed by the organization.	30
13. Statement: Organization’s predetermined time frame (duration/period) is appropriate for evaluating performance of the all employees.	31
14. Statement: Incentive Payment System of the organization is satisfactory.	32
15. Statement: For selecting best performers, organization follows “Employee Focused Pay” approach which is satisfactory.	32
4.3 Findings of the Study	34

Chapter 05: Recommendations and Conclusion

5.1 Recommendations	37
5.2 Conclusion	38
References	39
Appendix	40
Survey Questionnaire	41

List of Figure		
Figure	Content	Page
2.1	Methods of Performance Evaluation	8
2.2	Methods of 360 Degree Feedback	9
3.1	Core Values of MTB	13
3.2	Structure of Board of Directors at MTBL	14
3.3	Organization Chart of MTBL	17
4.1	Gender Respondents	20
4.2	Respondents of Working Experience	21
4.3	Respondents of Designation	22

Executive Summary

Mutual Trust Bank Limited (MTBL) is one of the leading banks in our country. The organization (Bank) is headquartered in Dhaka and operates via 119 branches and 33 sub-branch areas. International commerce is conducted by the Company/Bank via a Global Network of Foreign Correspondent Banks. They have an effective human resource management system. Additionally, they oversee multiple facets of employment. One of them is the system for evaluating the performance of the employees. In this system, the effectiveness of an employee's performance and total value to the organization are evaluated. They've set up a team of experts that are dedicated only to the task of evaluating the performance of their employees. Additionally, they try all attempts to maintain this process going for the benefit of both the employees and the organization, which is one of the most important and significant operations of Mutual Trust Bank Limited.

This report is mainly based on the Performance management system of Mutual Trust Bank Limited and when it comes to performance management, performance evaluations are closely associated with the process since they are the most often used tool for this reason. So, according to this study, the key objective is to describe how Mutual Trust Bank evaluates and analyzes the performance of its personnel. This report provides a very clear description of the whole procedure.

The report is divided into five sections which are included introduction to the report, literature review of the topic, introduction to the organization, analysis of the data, results of current employees' performance evaluation, and lastly recommendations and conclusion part. Throughout the report, all of the parts are detailed in a way that is both transparent and descriptive.

After all, this report is based on the analysis of two different kinds of data. One kind of data is primary data, while the other type is secondary data. The primary data is gathered by observations on internship period, interviews, and conducting survey. Secondary data, on the other hand, is gathered from a variety of sources, including books, articles, and websites.

CHAPTER 01

INTRODUCTION

1.1 Introduction of the Report

The global and local economies have both been immobilized by the COVID 19 pandemic outbreaks. As a result, the whole economy of the nation has suffered. The banking industry, which serves as the primary engine of the economy, has been hit the worst. Throughout the bank's existence, the majority of its workers in private banks have been laid off during the pandemic period. Beside, a number of private banks have reduced the employees' wages in order to reduce their expenses of operations. So, in terms of the effect of COVID 19, today's organizations operate in a very dynamic, sustainable, and competitive environment that requires constant adaptation. An effective HR practices and activities can assist to balance with it. In this report, my topic of the study is “**An analysis of Performance Management System of Mutual Trust Bank Limited**” and performance management system is a part of HR practices of an organization and PMS is a tracking system that keeps track of each individual's deficiencies and inefficiencies at the work place. Performance management is linked to performance appraisals since performance assessments are the most often utilized instrument for this purpose. Accurate methods for measuring and monitoring employee performance are needed in performance management. Performance evaluations enable management to properly assess performance while also giving the employee with goals and objectives to improve future performance. And in this report, the main purpose of the study is to analyze current performance evaluation systems which are following Mutual Trust Bank Limited and the challenges of HR manager to maintain performance management system in the organization.

1.2 Origin of the Report

United International University's BBA students are required to participate in an internship program in order to complete their graduation requirements, as well as the requirements of INT Course 4399. Furthermore, by this program, students have a great opportunity to introduce themselves and their skills to potential employers while also gaining valuable practical experience. This internship report is based on three months of intern and practical experiences gained while working at Mutual Trust Bank Limited (Mohammadpur Branch). The primary goal of this report is to get an understanding of Performance Management System in Banking Industry at MTBL. My internship course instructor is **Ms. Piana Monsur Mindia**, Assistant Professor of School of Business and Economics at United International University and she is assisting me and giving instructions for each section of the report on a timely basis.

1.3 Objectives of the Report

1.3.1 Primary Objective

The primary objective of this report is to study and analysis of Performance Management System at City Bank Limited.

1.3.2 Specific Objective

- To get an overview of the organization of Mutual Trust Bank Limited.
- To know about the concept of performance management system and connection of performance appraisal system.
- To analysis the current performance evaluation system of Mutual Trust Bank Limited.
- To find out the challenges of HR manager to maintain effective performance management system in Mutual Trust Bank Limited.
- To provide some recommendations that can assist to HR manager to maintain effective performance management system.

1.4 Rationality of the Report

The purpose of this study was to get an understanding of the performance management system used by Mutual Trust Bank Limited. In all, there are 118 branches with around 2000 above employees. Hence, I am attempting to determine how the human resource department of Mutual Trust Bank Limited evaluates its employees' performance and how they inspire them to achieve higher levels of performance. I'm also attempting to learn about various different performance management systems that companies use to analyze the performance of their employees.

1.5 Scope of the Report

In this study, the primary objective is to study about and get an understanding of the performance management system used by Mutual Trust Bank Limited, as well as how well it is working and how well it is maintained. However, since a bank's performance management system is a confidential issue, the scope of the study is limited. It has been my practical experience to see how the human resources department manages the overall performance management system. I am pleased that I was given the opportunity to learn about a real-world performance management system at a banking institution.

1.6 Limitation of the Report

When I was putting up my report, I ran across several difficulties. They are as follows:

- a. Three months is insufficient time to have an understanding of the bank's performance management system. Because of this, time is a major constraint in this situation.
- b. Since all of the information is confidential, it is difficult to acquire the necessary information.
- c. Proper communications with all the employees aren't feasible for the present pandemic scenario.
- d. Working in a single branch makes it difficult for me to obtain all of the necessary information.
- e. Since of a lack of sufficient collaboration, it is difficult for me to acquire information because the workers have an excessive amount of work.

1.7 Methodology of the Report

Methodology is the systematic analysis of procedures as theses are applied to a particular topic of study. This analysis and study's data was gathered from two distinct sources. Following is a list of each of them:

1.7.1 Primary Sources

I acquired the data for this report from a variety of primary sources, as well as conducted a survey for collecting the data. Other primary sources are listed below:

- Face-to-face conversations with the employees of Mutual Trust Bank Limited (Mohammadpur Branch).
- An in-depth look into how an organization's human resources department is currently operating.

1.7.2 Secondary Sources

- Newspapers, Articles, Journals, books which are related to the concept of performance management system and performance appraisal system.
- Official Website of Mutual Trust Bank Limited.

CHAPTER 02

LITERATURE REVIEW

2.1 Performance Management System (PMS)

In terms of the effect of COVID 19, today's organizations operate in a very dynamic, sustainable, and competitive environment that requires constant adaptation. All businesses must be able to react rapidly to changing client needs and other circumstances in order to remain viable in the market. They need to do two things in order to be successful. As they progress, they're keeping the proper people on board.

Performance Management System (PMS) is a process that may be used to guide workers toward the achievement of the company's purpose, vision, objectives, and goals. PMS is a tracking system that keeps track of each individual's deficiencies and inefficiencies. The issue of performance management has generated a lot of literature, some of which is focused on and confined to either performance measurement or performance assessment, with no reference to performance management. While these are important considerations, successful management of individual or team performance necessitates a mix of procedures that guarantee that the work individuals undertake in the company produces the outcomes the business demands.

The origins of performance management may be traced back to the start of human civilization, and the building of the pyramids in Egypt provides evidence that millennia ago, a functional performance management system existed that made it feasible for human beings to create such massive monuments. Formal assessment systems, on the other hand, were established in the past when it became necessary to identify the sources of revenue justifications that might serve as the foundation for calculating an employee's performance-based pay and compensation.

The following activities are included in a performance management system:

- Developing job descriptions that are understandable.
- Setting competence standards and choosing individuals via an acceptable selection procedure are important steps in the process.
- Negotiating performance criteria, objectives, and metrics based on requirements and accomplishments.
- Making sure that new employees are well-informed and trained.
- Providing on-going guidance and criticism.
- Meetings with employees every three months to talk about their performance.
- Promoting and developing the careers of employees.

2.1.1 Aims of Performance Management System (PMS)

The following are a few other objectives of performance management:

- a) In order to secure a high level of performance from employees, it is important to empower, motivate, and reward them.
- b) Maintaining a focus on the appropriate tasks at the right time for all employees.
- c) Ensuring that individual and organizational objectives are aligned.
- d) Management of employee performance in accordance with agreed-upon goals and responsibilities.
- e) Making it easier for employees to see how their work contributes to the overall success of the company.
- f) Coordinating individual aims and objectives with those of the team, departments/divisions, and corporate strategies.
- g) In order to ensure a high-performing company, managers need to use a systematic approach to managing their employees' performance.
- h) Ensuring that the potential and capacities of employees are maximized.

2.2 Performance Appraisal

Performance assessment is the systematic evaluation of an individual's ability to perform in a certain situation. According to **Vijay and Jayachitra (2000)**, performance evaluation is the process of assessing progress toward the achievement of predetermined objectives.

The anticipated conclusion of the performance evaluation strategy is that it efficiently assists the person in meeting their own performance objectives as well as the organization in meeting their own goals via promoted self-learning, according to the model (**Daoanis, 2012**). In contrast, it is assessed in terms of work knowledge, quality and quantity of production, initiatives, leaderships and supervision, dependability, collaboration, judgment flexibility, behaviors, and physical and mental health (**Human Resource Management 2010**).

2.2.1 Objectives of Performance Appraisal

The performance evaluation process, according to **Vijay and Jayachitra (2000)**, should have three objectives:

- Preserve data in order to establish pay packages, wage structures, salary hikes, and other aspects of employee performance.

- To determine the strengths and limitations of employees in order to put the best men in the best jobs.
- The ability to sustain and evaluate the possibility for additional growth and development that exists in a person.

2.2.2 Methods of Performance Appraisal

Organizations must use the employee performance evaluation process to increase staff productivity and enhance their outcomes. During yearly performance evaluations, an employee's performance and productivity are compared to a set of predefined goals. Organizations have the ability to improve employee output by using the proper performance evaluation methodology. An effective employee performance review approach may make the whole process more efficient and gratifying.

An in-depth look of the six most commonly utilized current performance approaches is shown below:

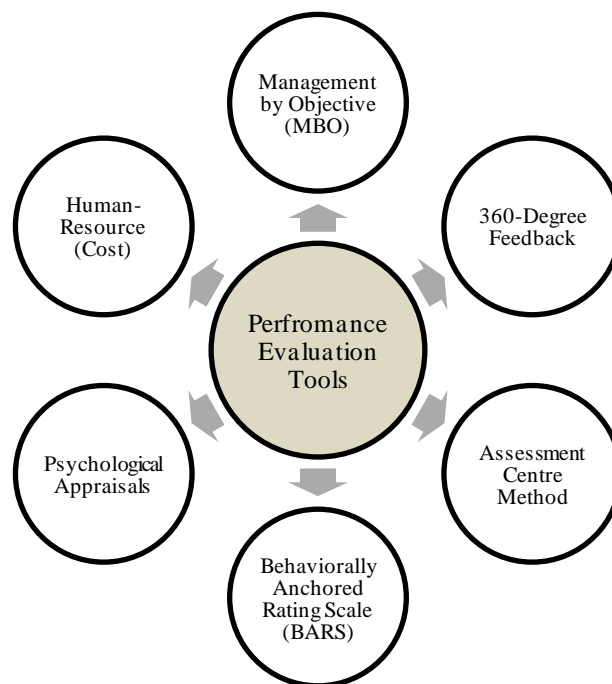


Figure 2.1: Methods of Performance Evaluation

- Management by Objective (MBO):** An assessment system known as management by objectives (MBO) is one in which managers and workers work together to set goals for the current appraisal period. Employees' goals are aligned with broader organizational objectives using this performance evaluation technique, which validates objectives using

the SMART method to ensure they are specific, measurable and achievable as well as realistic and time-bound.

Idea for: For top managers, directors and executives, assessing their performance quantitatively and qualitatively (business of any size)

- b) **360 Degree Feedback:** An employee's circle of influence, which includes supervisors, colleagues, customers, and direct reports, is used to gather 360-degree feedback for an evaluation. This approach will not only remove prejudice in performance assessments, but it will also provide an accurate assessment of an employee's competency. This assessment approach consists of five essential components, which are as follows:

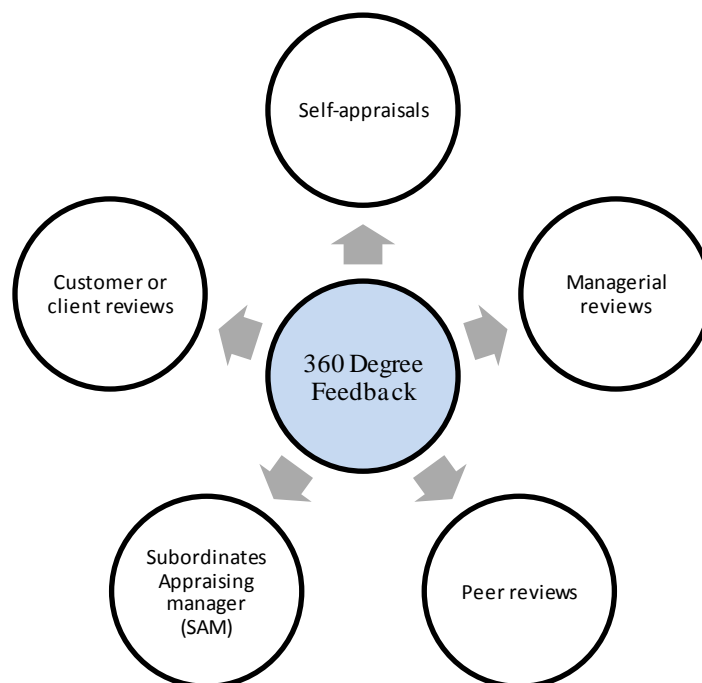


Figure 2.2: Methods of 360 Degree Feedback

Idea For: Private sector organizations do better in comparison with public sector organization.

Advantage: Raising a person's awareness of his or her own performance as well as the influence it has on other stakeholders is a good way to start, Contribute to the inception of coaching, counseling and professional development initiatives, Encourage people to invest in their own growth and to accept change management as a way of life and Integrate performance evaluations into the work environment and foster a sense of camaraderie.

- c) **Assessment Centre Method:** Workers are requested to participate in social-simulation exercises such as informal talks, fact-finding exercises and other activities that help them succeed in their roles throughout the evaluation.

Ideal For: Manufacturing companies, service-based businesses, educational institutions, and consulting firms work together to find the next generation of leaders and managers.

Advantage: Participant learning will be bolstered and employee productivity will be increased as a result, a wide range of jobs, competences, and business requirements may be accommodated and Describe the employee's character traits (ethics, tolerance for ambiguity, problem-solving abilities, introversion and extroversion, etc.)

- d) **Behaviorally Anchored Rating Scale (BARS):** There are qualitative as well as quantitative advantages to using behaviorally-anchored rating scales (BARS) for performance evaluation. Employees' performance is compared to particular behavioral examples that are connected to numerical ratings in BARS. A BARS scale is anchored by a number of BARS statements that define frequent behaviors that an employee consistently performs at each performance level. A person's performance may be gauged against these assertions, which serve as yardsticks for comparing an individual's work to preset criteria relevant to their function and employment level.

Ideal For: All businesses, regardless of size or industry, may utilize BARS to evaluate the performance of their whole staff, from the newest employee to the CEO.

Advantage: Accurate performance analysis and consistent evaluations are only some of the benefits of having clear standards, Performance evaluation scores may be reduced by placing greater focus on particular, visible, and quantifiable activities and reduce the risk of prejudice and assure impartiality throughout the evaluation process.

- e) **Psychological Appraisals:** Instead of looking at a person's prior work, this approach focuses on how they will perform in the future. For example, an employee's interpersonal and cognitive talents, intellectual qualities, leadership skills and personality traits are all assessed in these evaluations, along with their emotional quotient and other factors.

Ideal for: Psychological evaluations may be used for a variety of purposes, including leadership pipeline development, team building, conflict resolution, and more.

Advantage: Determine not just the current performance of an employee, but also his or her future potential using quantifiable and objective data.

- f) **Human Resource Cost:** Using the cost accounting technique for human resources, the performance of an employee is evaluated in terms of the monetary advantages he or she provides to the firm. It is calculated by comparing the expense of maintaining an employee (the cost to the corporation) with the monetary advantages (contributions) that the organization has reaped from that particular person (the benefits to the organization).

Ideal for: Firms, particularly start-ups and small businesses, where the performance of a single person may make or break the success of the company.

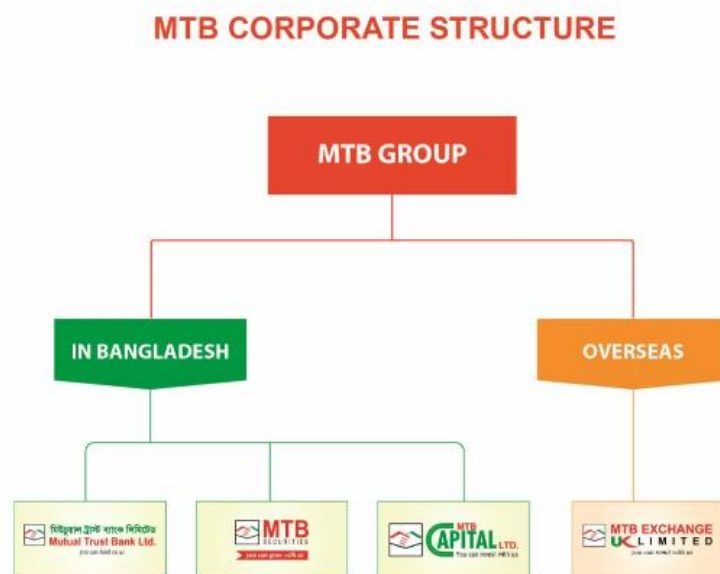
2.3 Link between Performance Management and Performance Appraisal

Performance management is linked to performance appraisals since performance assessments are the most often utilized instrument for this purpose. Accurate methods for measuring and monitoring employee performance are needed in performance management. Performance evaluations enable management to properly assess performance while also giving the employee with goals and objectives to improve future performance. Human resources (HR) experts then use this evaluation for performance management.

To the benefit of a company, performance appraisals are designed by HR specialists. In most cases, they are forwarded on to the front-line managers who use them to assess their own staff. Using appraisals as a technique for performance management forces managers and workers to openly discuss their performance, progress, and expectations, which is a good thing. Performance evaluations done by colleagues or by employees themselves are becoming more common in certain businesses. Performance evaluations by management are the most prevalent approach used by organizations to measure employee performance.

A company's performance management goals may be better supported by fair, objective, and goal-oriented assessments. A balanced scorecard may also be necessary to monitor and enhance performance evaluations. A performance assessment must be continually assessed and updated to ensure that it is an accurate tool for monitoring and assessing employee performance, regardless of the methods used to complete an appraisal. Only if the performance evaluation is well conceived and implemented can there be a strong link between performance management and the performance appraisal.

3.1 Overview of Mutual Trust Bank Limited (MTB)



On September 29, 1999, the Mutual Trust Bank Limited was formed as a Public Limited Company under the Companies Act 1994, with an Authorized Share Capital of BDT 1,000,000,000 split into 10,000,000 common shares of BDT 100 each. The company's authorized share capital is now BDT 10,000,000,000 split into 1,000,000,000 common shares of BDT 10 each.

The Organization was also awarded a Certificate for the Commencement of Business on the same day, and was granted a license by Bangladesh Bank under the Banking Companies Act 1991 on October 5, 1999, and began its banking operations on October 24, 1999.

Mutual Trust Bank Limited (MTB)

Public Limited Company

Listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited

Form of Business	Banking Service
Key Business Segments	SME, Retail, Wholesale
Number of Branch	118
Corporate Head Office	MTB Centre 26 Gulshan Avenue, Gulshan 1, Dhaka 1212, Bangladesh
Website	www.mutualtrustbank.com

3.2 Vision

The vision of Mutual Trust Bank is built on the MTB3V concept. MTB, as we see it, will be:

- To be a one of the best performing bank in Bangladesh.
- The preferred financial institution or bank.
- A really world-class financial institution or bank.

3.3 Mission

Mutual Trust Bank Limited, they aspire to be the most renowned banking or financial institution in the country, acknowledged as a dynamic, creative, innovative and client-focused organization that provides a diverse variety of products and services in highest standards and outstanding economic value.

3.4 Core Values

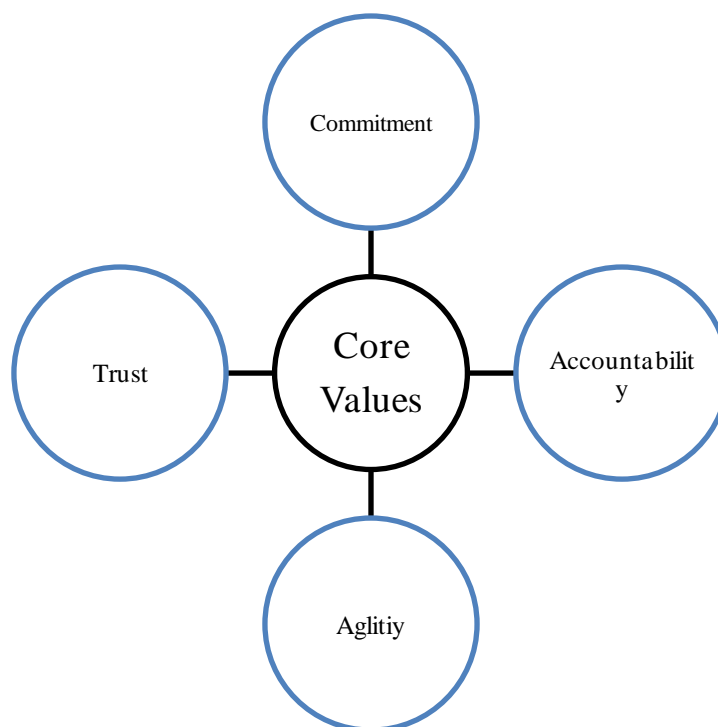


Figure 3.1: Core Values of MTB

(Source: Website of Mutual Trust Bank Limited)

a) **Commitment**

- **Shareholders:** To use an ethical and efficient business strategy, form multiple economic benefits for their shareholders.

- **Community:** Committed and dedicated to serving society through generating employment, community of support initiatives and activities, and acting responsibly as a corporate citizen.
- **Customers:** Provide cutting-edge service to their clients by providing a wide range of products and trying to meet their banking needs to the best of their ability.
- **Employees:** They place their faith in the employee's natural abilities and value their relationship as a member of this prestigious financial organization. They collaborate to recognize and appreciate the many backgrounds, perspectives, abilities, and talents of all employees, regardless of their position.

3.5 Structure of Board of Directors

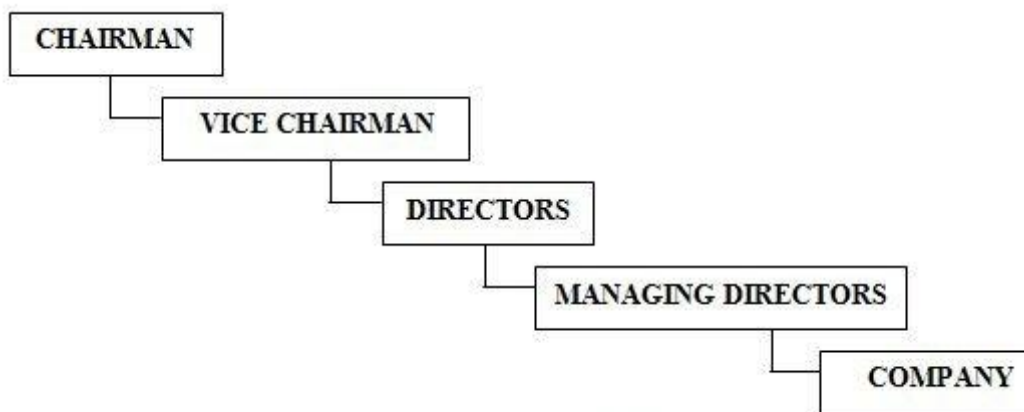


Figure 3.2: Structure of Board of Directors at MTBL

3.6 Banking Services of MTB

MTB began their path in the commercial bank of Bangladesh in accordance with the Banking Companies Act of 1991, which was authorized by Bangladesh Bank and also approved the notification of connection.

- Wholesale Banking
- Retail Banking
- Cards
- SME
- Treasury Operation
- Agent Banking
- Digital Banking and so on

3.6.1 Wholesale Banking Services

The WBD (Wholesale Banking Division) of Mutual Trust Bank is regarded as one of the bank's key strengths, despite the fact that MTB remains primarily a corporate banking focused organization. WBD has continued to support a varied wide range of sectors, including Manufacturing, RMG, Poultry, Textile, Power, Steel, FMCG, and others, in both the locally and internationally market, throughout its history. WBD-Business systems are designed to provide customized solutions to top-tier clients in order to get funding and move the bank to a really world-class status. Through their relationship divisions, they serve over 500 clients, including numerous industry giants.

Major Activities of WBD
<ul style="list-style-type: none">• Providing one-stop marketing for relationship banking• New business development• Customer support that ensures effectiveness of their banking services• Ensure cross-selling and trade business opportunities

3.6.2 Retail Banking

Bangladesh is regarded as one of the world's developing markets for financial institutions. MTB is really helping to the country's economic growth by focusing more on the retail banking market. MTB has always offered reliable capital financing. They started into the home lending market in 2016. Since the achieve the company goals is one of the fastest expanding industries in a developing nation like Bangladesh, the rise of the real estate sector is seen as a contributing factor.

3.6.3 SME

Financing for Cottage, Micro, Small, and Medium Enterprises (CMSME). MTB (Mutual Trust Bank Limited) is committed to developing in the CMSME and Agricultural sectors funding under Bangladesh Bank's and their Honorable Board of Directors' responsible leadership. MTB is pursuing new heights with innovative and tailored products and services for the CMSME and agribusiness industries.

3.6.4 Cards Facilities

You can get an MTB debit card if you have an MTB savings or current account. All of our debit card products are Chip-and-PIN cards.



MTB Credit Cards are more than simply payment options; they also cater to your lifestyle requirements. MTB Credit Cards, with their multiple value propositions, are a must-have in your wallet if you like to purchase, dine, and travel in elegance. Beside of these cards facilities, MTB offers to their customers:

- Contactless Credit Cards
- MPay
- MTB Prepaid Cards
- MTB Co-branded Cards and so on.

3.6.5 Treasury

The Treasury Department of MTB is separate from the rest of the company. Their goal is to provide the finest available services that are tailored to their clients' needs. Their goal is to be the preferred risk solution provider and the country's leading market maker. In Bangladesh, MTB Treasury provides sophisticated solutions backed by efficient human resources and a state-of-the-art dealing room.

Currently MTB and their teams cover:

- Foreign Exchange & Currency Trading,
- Money Market, Government Securities
- (T-Bill, T-Bond) & Primary Dealership,
- Government Securities Investment Window,
- Corporate Sales and Asset-Liability Management.

3.6.6 Digital Banking

MTB Smart Banking KIOSK offers its customers a variety of banking services through ATM machines; Cash deposit machines, and Service Executives. As a branch representative, the engaged executive assists clients with a variety of tasks (such as account opening, service requests, and so on).

The SMS Banking of MTB allows you to access your account at any time. It allows you to use your mobile phone to view information and receive transaction notifications on your account.

MTB is always striving to provide better and new services. We've launched a Mobile App for your Smartphone devices as part of this effort, giving you continual access to your accounts. This benefit system will allow you to do some financial activities from anywhere in the globe using your mobile phone.

Banking on social media is becoming as simple as conversing. Facebook Messenger (MBot), Whatsapp, and Viber are all supported by this service. You may use your mobile phone to access this service at any time.

3.7 Organogram of MTB

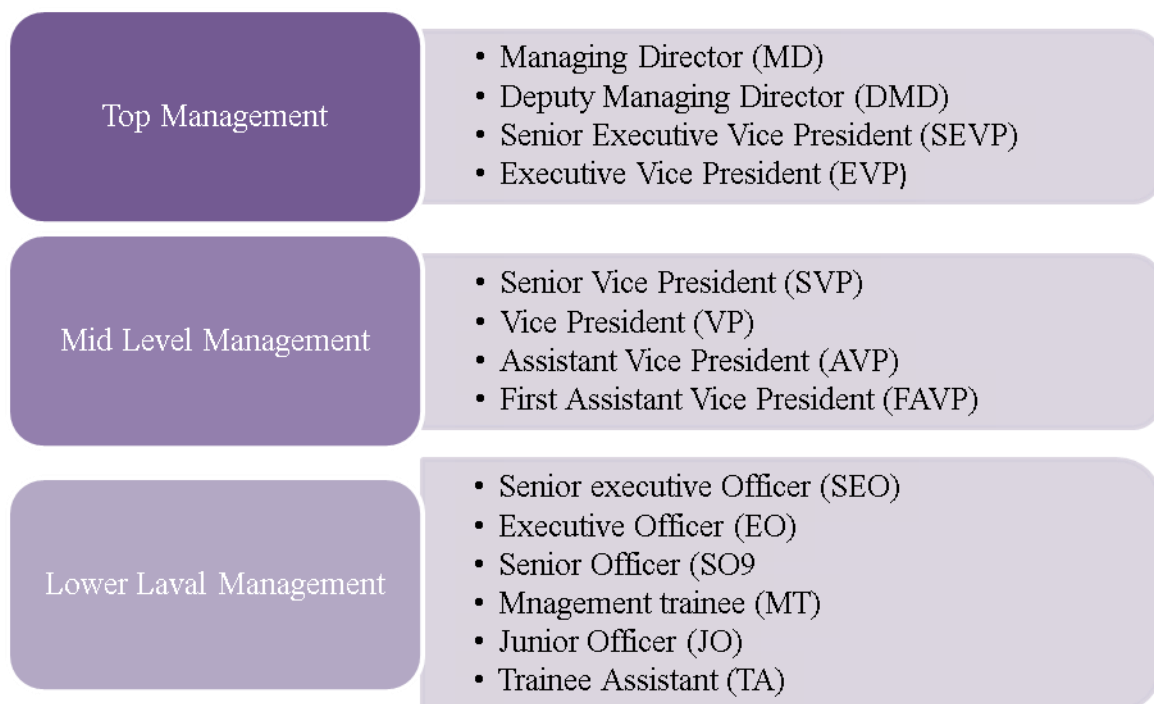


Figure 3.3: Organization Chart of MTBL

3.8 Human Resource Department of MTB

The Human Resources department of MTB contributes to the organization's future development by motivating its personnel. This humanitarian role is guided by their in-house ideology. By demonstrating organizational excellence, Mutual Trust Bank is establishing a welcoming working environment in which MTB can move forward and ensure their shareholders and make people trust them with their capitals.

MTB's strategic priorities are as follows:

- a) To contribute to sustainable organizational growth, success and performance.
- b) To be utilized the MTB's human capital expertise on more effectively to support business divisions and operational operations.
- c) To be an effective provider of MTB's control function for dealing with human capital hazards and risks.
- d) To communicate and make the system more transparent.
- e) To promote a performance-based and merit-based incentive culture.

Performance Management System of MTB:

MTB, like other progressive organizations in our nation, motivates its staff to do their best by adhering to their performance management system. They are assisting in the development of a SMART performance management system.

- S=Sustainable, M=Measurable,
- A=Applicable,
- R=Realistic,
- T=Time bound.

Their programs and policies for every single movement or branch across the country adhere to tight laws and regulations, from appointing a person to any little transaction.

CHAPTER 04

ANALYSIS AND FINDINGS

4.1 Data Analysis

In my internship report, the topic is “An analysis of Performance Management System of Mutual Trust Bank Limited.” In order to better understand and analyze the topic, a survey questionnaire has been designed that includes 15 statements about the current performance evaluation system of City Bank Limited.

The questionnaire was in the form of a Five Likert Scale with a response range of 1 to 5. In addition, some pie charts and graphs have been included for the purpose of data analysis.

4.1.1 Sample Size (n)

To conduct this survey, 55 respondents were selected from among those who work in various departments at the City Bank Limited (Mohammadpur Branch) in Dhaka, Bangladesh. Google Forms was used for conducting the survey.

Sample Size (n) = 55

4.1.2 Demographic Characteristics

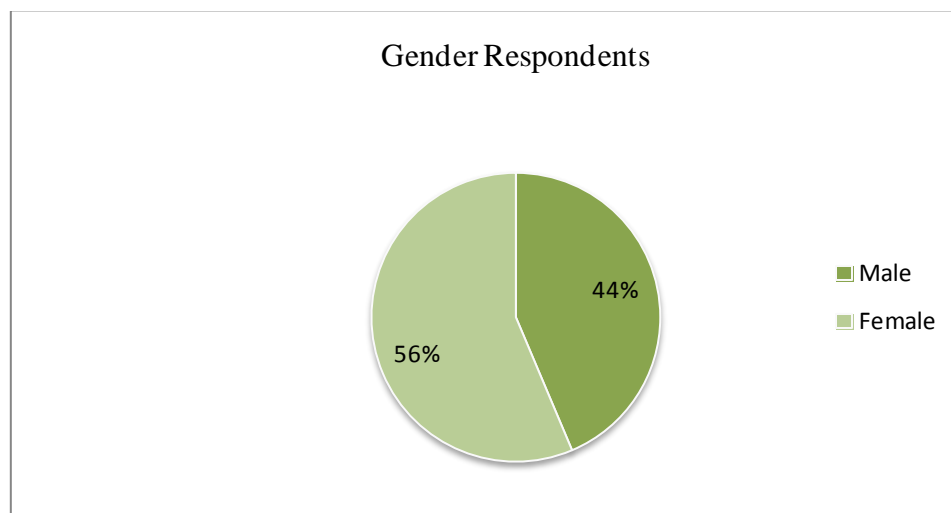


Figure 4.1: Gender Respondents

Gender: A total of 24 men (44%) and 31 female (56%) actively participated in the survey.

Figure 4.1 show that female respondents outnumber male respondents by a large margin. As a result, female make up the majority of those who answered this survey.

Female Respondents > Male Respondents

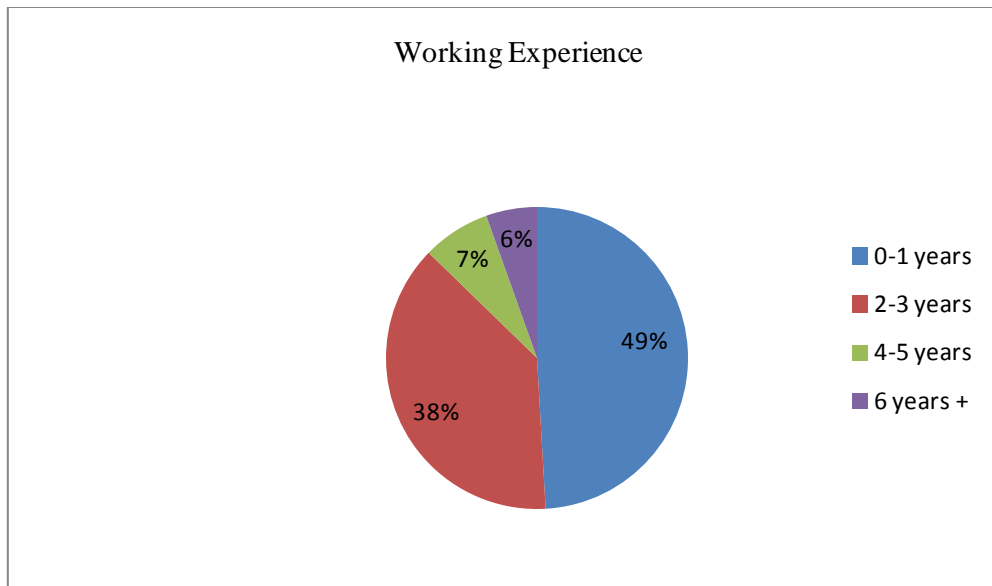


Figure 4.2: Respondents of Working Experience

Working Experience: 27 participants are 0-1 years of experience make up 49% of the 55 respondents; 21 participants are 1-3 years of experience make up 38%; 4 participants are 4-5 years of experience make up 7%; and remaining 3 participants of above of experience make up 6 %.

Figure 4.2 shows that the proportion of participants with 0-1 years of experience is higher than that of participants with 1-3 years of experience. There are more employees with 0-1 years and 1-3 years of experience in Mutual Trust Bank Limited than any other working experience bracket.

Working Experience

0-1 year > 1-3years > 3-5years > above 5years

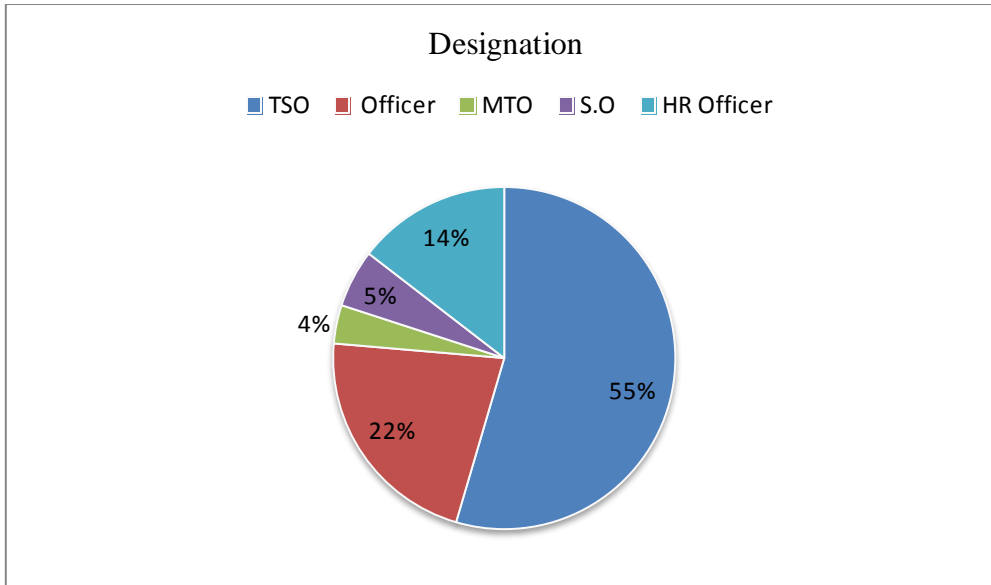


Figure 4.3: Respondents of Designation

Designation: 30 participants are in the post of TSO make up 55 % of the 55 respondents; 12 participants are in the post of Officer make up 22 %; 2 participants are in the post of MTO make up 4 %; 3 participants are in the post of Senior Officer make up 5 %; and remaining 8 participants are in the post of HR officer make up 14 %.

Figure 4.3 shows that the proportion of participants of TSO post is higher than that of participants Officer and HR officer post. There are more employees are TSO, Officer and HRM officer in Mutual Trust Bank Limited than any other post bracket.

Designation

TSO > Officer > HRM/HRD > S.O > MTO

4.2 Descriptive Analysis

1. **Statement:** Organization's present performance management systems are effective.

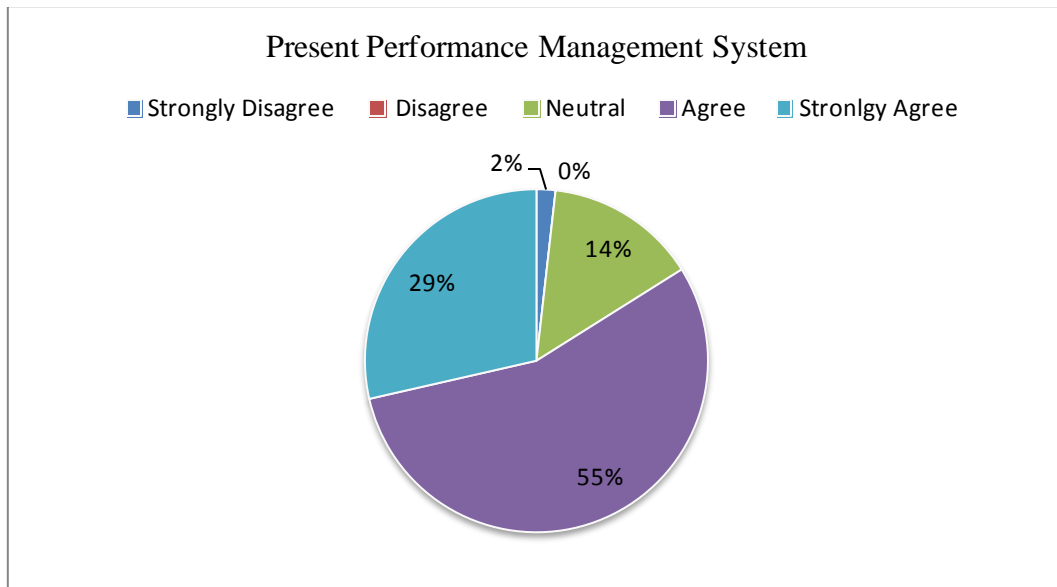


Chart 4.4: Current Performance Evaluation System

According to the Chart 4.4, 55% of the employees of MTBL are satisfied with the organization's present performance management system (PMS). A whopping 29% of employees are ecstatic with their current performance management system, while the remainders are content with it. A total of 14% of employees are either indifferent or dissatisfied with the organization's current performance evaluation system, whereas 2% percent of employees are disagreed on this statement because during the pandemic situation, in order to secure a high level of performance from employees, it is important to empower, motivate, and reward them, but these employees have not get this facilities from the organization.

2. **Statement:** The raters are not biased in evaluating performance of the employees.

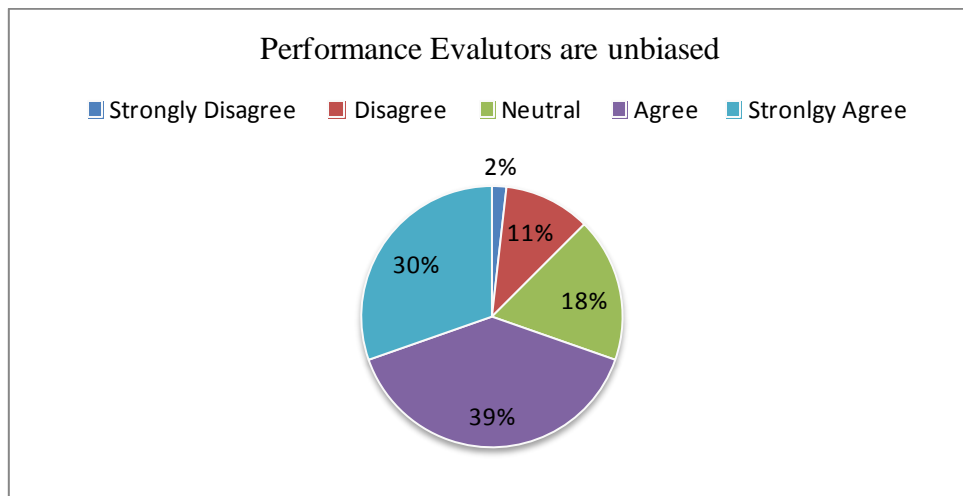


Chart 4.5: Raters are not biased in evaluating performance

Employees at MTBL are certain that in Performance appraisal stage, the raters are objective and devoid of prejudice. According to the chart, around 39% of total employees strongly agreed with this, with the remaining 30 % of employees agreed on this statement. In regards to the performance assessment system, 18% percent of total employees express neutrality, while 11 % expresses disagreement, and the remaining employees express complete opposition to it.

3. **Statement:** Employees are not discriminated against during the evaluation of the performance.

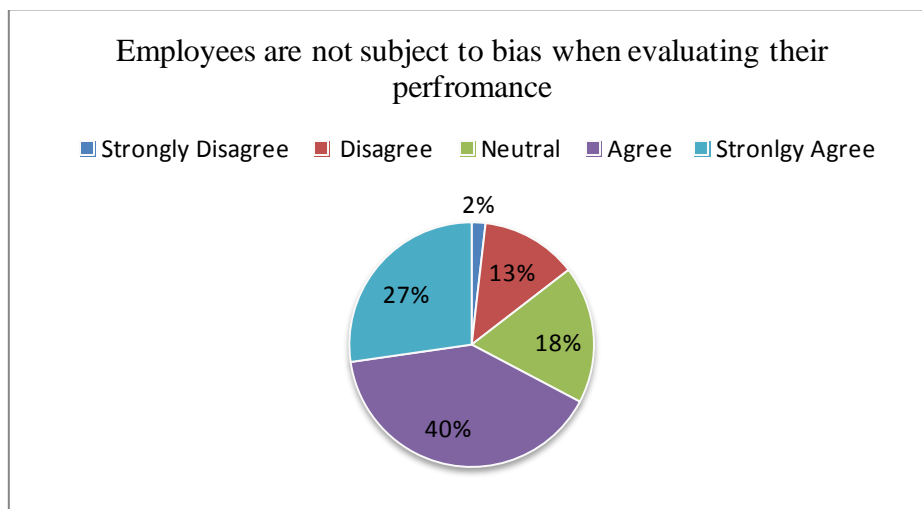


Chart 4.6: Employees are not subjected to discrimination during performance evaluations.

The majority of employees at MTBL agreed with the assertion that their supervisor does not discriminate against them when it comes to performance appraisals. According to the survey results, around 27% of employees strongly agreed with the statement, and approximately 40% of employees agreed with the statement. Approximately 18% of the workforce expresses neutrality on the statement. Beside, 13% of the workforce disagreed with the statement, with the remaining 2% of employees completely and strongly disagreed with the assertion.

4. **Statement:** Organization has a satisfactory “Peer Review” method for evaluating performance of the employees.

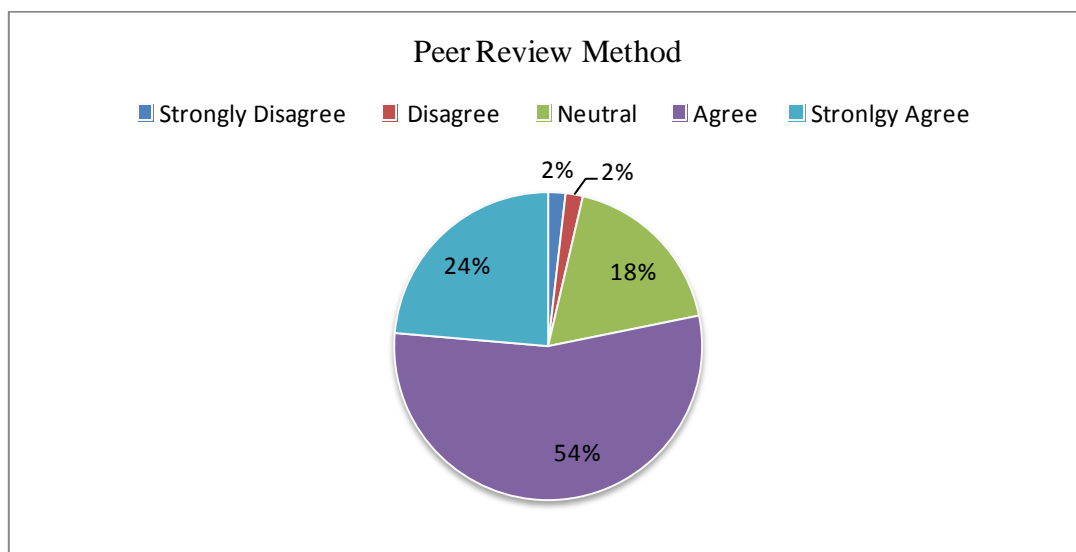


Chart 4.7: Organizations use a satisfactory peer review mechanism to assess performance.

The 'Peer Review System' is used by MTBL to assess the performance of its employees. Employees may rate and defend their performance evaluations via the use of this approach. Peers may defend their ratings by performing the review, and they have a remark box for this purpose. According to the statement, 24% of total employees of MTBL strongly agreed with it, and 55 % of total employees agreed with the statement, which is a significant number. However, 18% of total employees answered that they were indifferent, 2% of total employees claimed that they disagreed with this statement, and the remaining 2% of total employees severely disagreed with this statement.

5. **Statement:** Organization provides financial rewards on the basis of year-end performance.

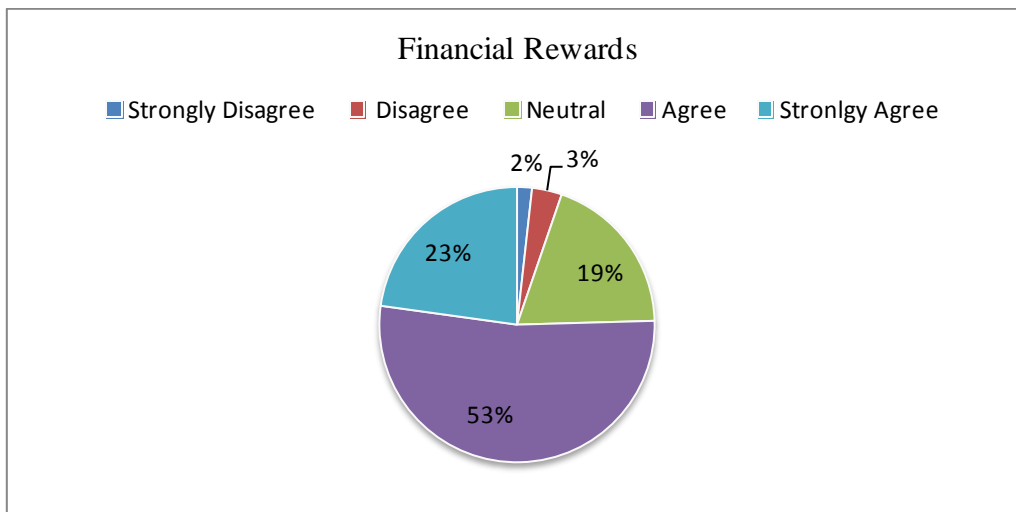


Chart 4.8: Financial Reward on the basis of performance of the year

This bank provides a handsome amount to employees based on their year-end performance. Only 2% of total employees disagreed with that statement, 3% of total employees are stated to disagree, and the remaining 19% of total employees are stated to be neutral.

However, the majority of employees in MTBL, or 53% of total employees, agreed with this statement, with 23% of total employees stating that they strongly agreed with this statement.

6. **Statement:** Employees are satisfied with the performance based promotional policy.

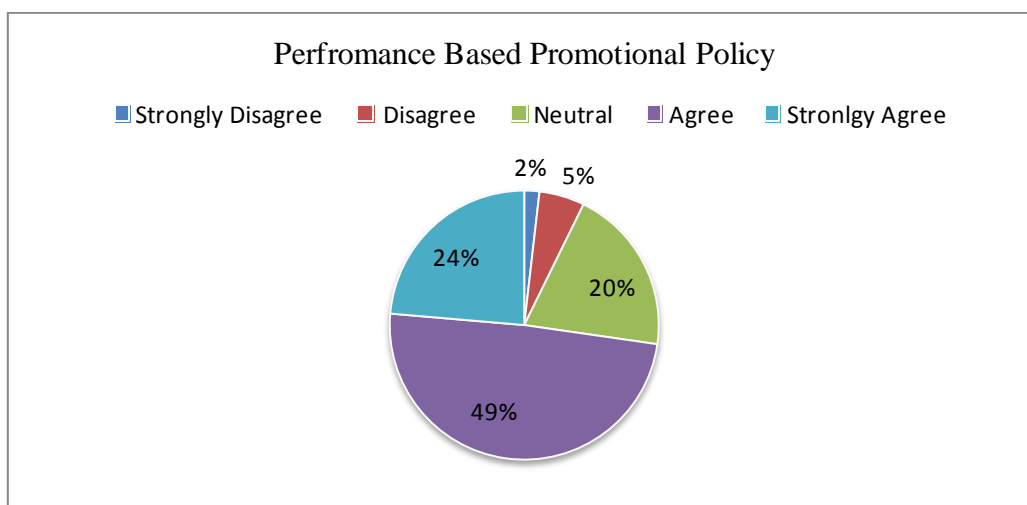


Chart 4.9: Performance Based Promotional Policy

MTBL not only provides financial incentives, but they also provide opportunities for advancement depending on employee success. This is done in order for workers to feel satisfied at work, which is essential for them to perform successfully. This data clearly demonstrates that 49% of total workers agreed with this statement, and 24% percent of total employees strongly agreed with it. The majority of workers (73%) agreed with the statement, whereas just 5% of the overall workforce answered that they disagreed, and the remaining 2% of employees strongly disagreed with the statement.

7. Statement: In order to evaluate performance, organization conducts satisfactory annual feedback session.

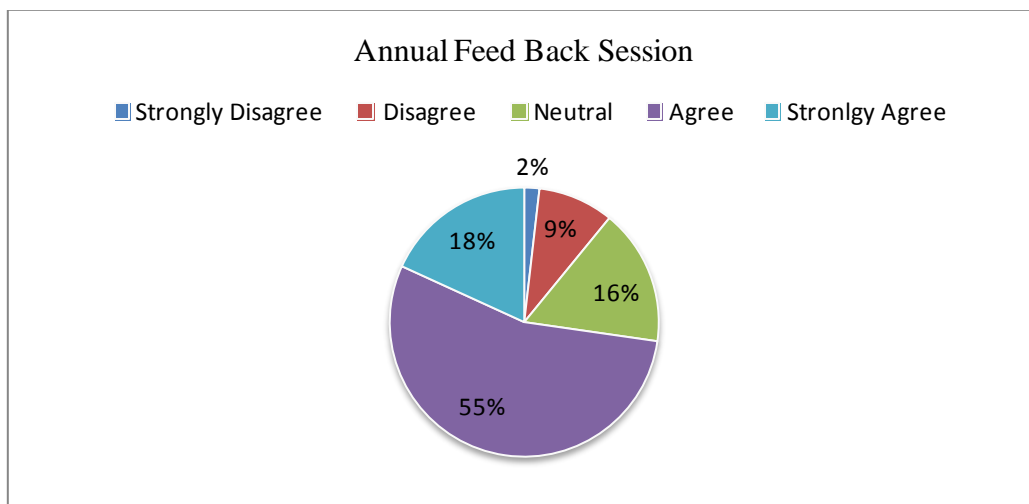


Chart 4.10: Conducting Satisfactory Annual Feed Back Session

Whenever MTBL conducts a performance review, they ensure that the yearly feedback session is acceptable.

55% of all workers agreed with this statement, and 18% of total employees strongly agreed with this statement. While around 16% of workers are reported to be neutral, the remaining employees are said to be in disagreement with this specific remark.

8. **Statement:** For the purpose of performance evaluation, organization maintains regularly HRIS system.

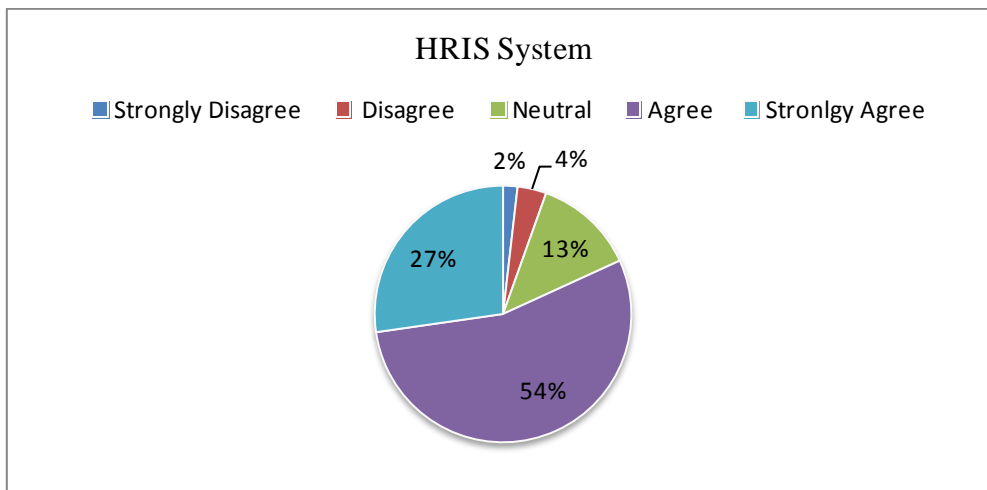


Chart 4.11: Maintenance of HRIS system for performance evaluation

MTBL, a well-known banking institution, maintains a regular overtime, attendance, leave, system for the purpose of measuring employee performance. According to this data, around 54% of total workers are in agreement with their attendance system for performance assessment, and approximately 27% of total employees are strongly in agreement with their HRIS system. Neutrality is said to be represented by just 13% of the whole workforce. Rests of the employees are completely opposed to this remark.

9. **Statement:** Employees are satisfied with the organization's assigned working hours.

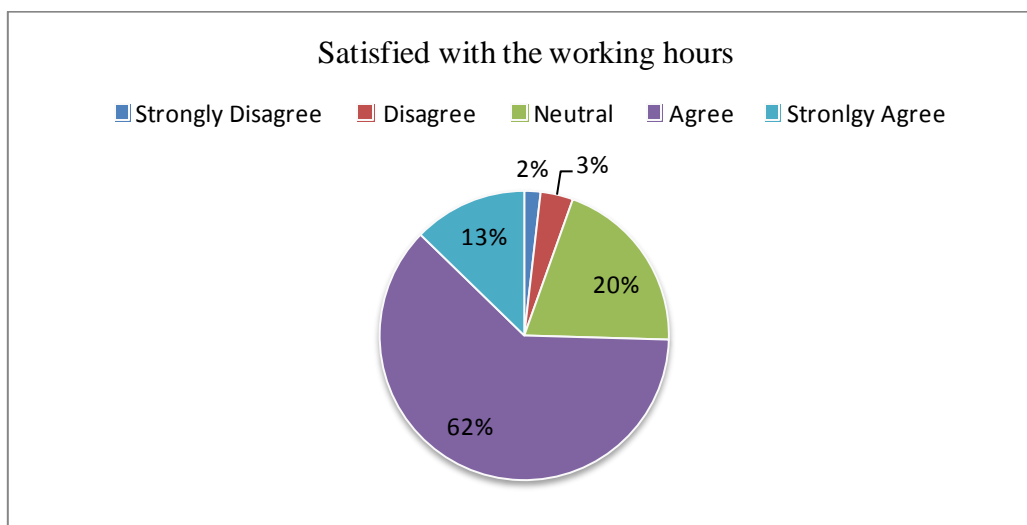


Chart 4.12: Satisfied with the working hours by setting the organization

Employees are pleased with the working hours that have been established by the organization. This data clearly demonstrates that 62% of total workers agreed with that statement, with 13% of total employees strongly agreed with the statement. The majority of workers at MTBL think that their assigned working hour is genuinely ideal. And with just 20% of the overall workforce stating that they are indifferent. The remaining 3% of all workers disagreed with that assertion, with about 2% of employees strongly disagreed with that statement. They think that their assigned working hours are sometimes not acceptable.

10. Statement: The estimated KPI is satisfactory for all levels of the employees of the organization.

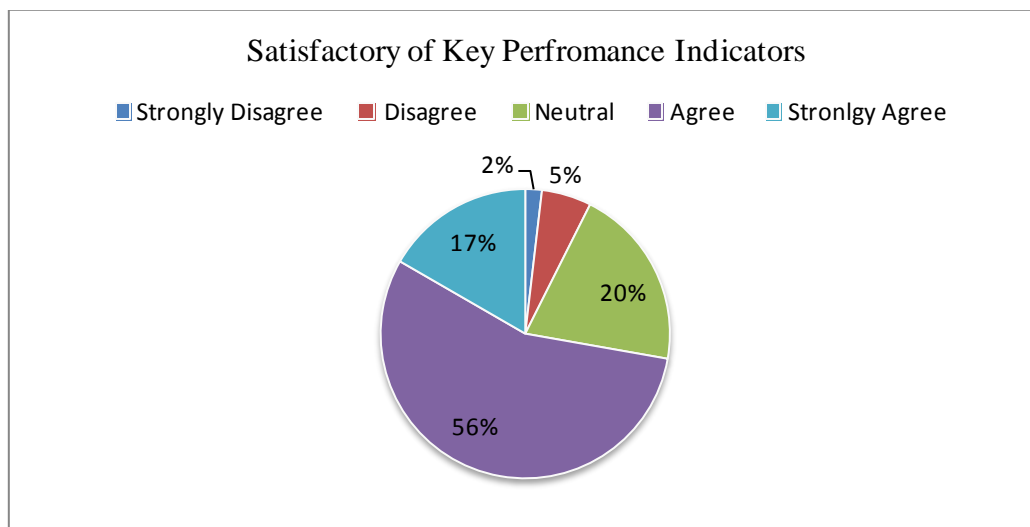


Chart 4.13: Satisfied with the KPI

From the chart, it is shown that the determined KPI in MTBL is acceptable for all levels of workers, with 56% of total employees stating that they agreed with the statement and around 17% of employees stating that they strongly agreed with it.

Approximately 20% of workers are completely neutral, while 5% of the whole employees disagreed with the statement, and the remaining 2% employees strongly disagreed with it.

11. **Statement:** For determining the employees' performance, BARS system is useful.

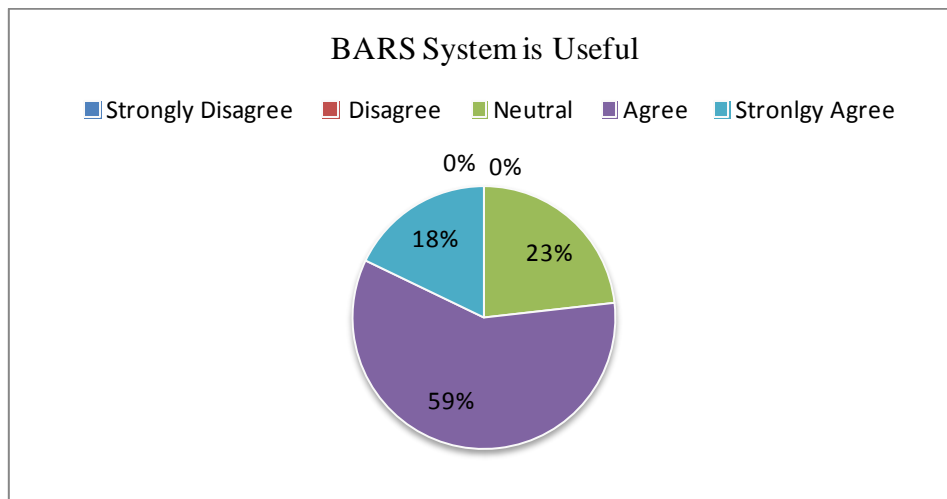


Chart 4.14: BARS System is useful for determining employees' performance

When it comes to determining performance appraisals, MTBL uses the BARS approach. According to the statement, 18% of total workers strongly agreed with the statement, and 59% of total employees agreed with it, while 23% of total employees are neutral and there are not employees who disagreed on this statement.

12. **Statement:** Based on situation, other performance appraisal methods (like- Graphical Rating Scale and 360 degree feedback) are also used and followed by the organization.

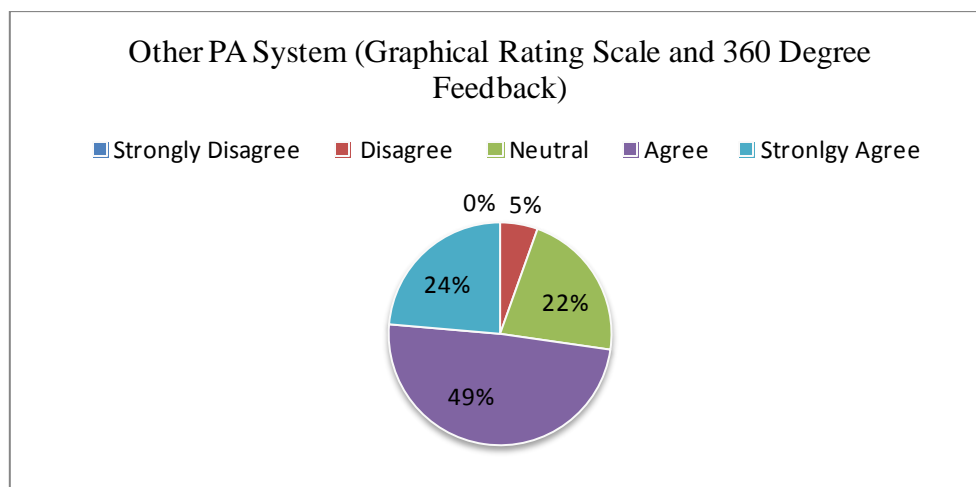


Chart 4.15: Other performance appraisal methods (like- Graphical Rating Scale and 360 degree feedback)

MTBL follows other PA systems, such as graphical rating scale and 360-degree feedback, depending on the circumstance. The BARS and 360-degree feedback systems, as well as a graphical rating scale are used whenever an organization's evaluation of performance makes a mistake. There are 24 % of total workers who strongly agreed, 49% who agreed, 22 percent who are neutral and the remainder who strongly disagreed with this statement in this chart.

13. **Statement:** Organization’s predetermined time frame (duration/period) is appropriate for evaluating performance of the all employees.

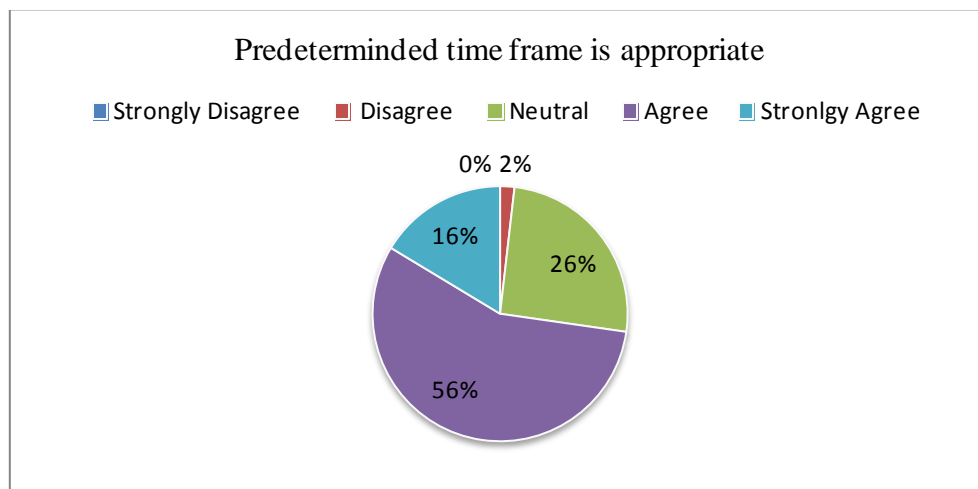


Chart 4.16: Pre determined time frame is appropriate

Analysis: Performance evaluations are ideal for the predetermined time frame of six months. According to the chart, around 16% of MTBL employees strongly agreed with the statement, while the majority of employees or 56% of total employees agreed. Only 2% of workers disagrees with this assertion, with 26% said they were neutral.

14. **Statement:** Incentive Payment System of the organization is satisfactory.

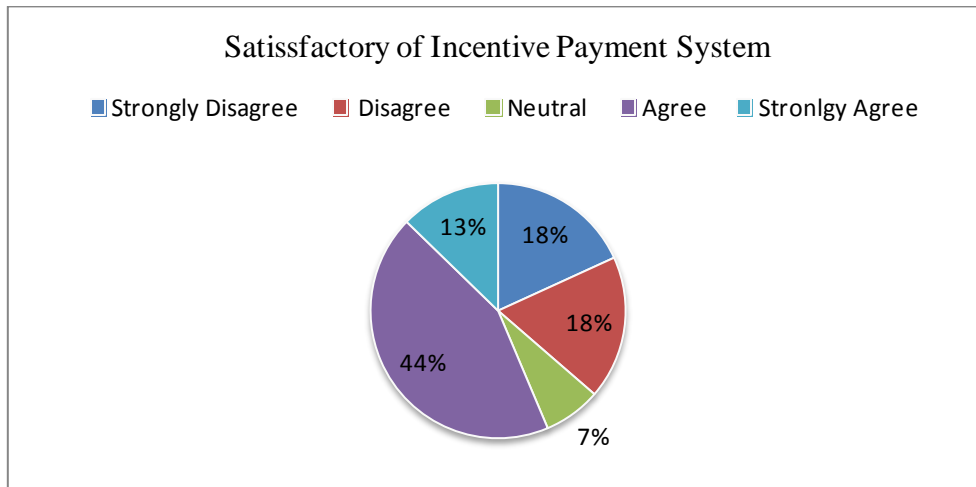


Chart 4.17: Satisfactory of Incentive Payment System

At the end of the year, MTBL’s personnel get bonus rewards. This graph shows that 44% of total employees agreed and 13% of total employees strongly agreed with this statement; while 7% employees remain neutral and the rest of them like 36% percent (18percent, 18percent) of employees are totally disagreed with that statement.

15. **Statement:** For selecting best performers, organization follows “Employee Focused Pay” approach which is satisfactory.

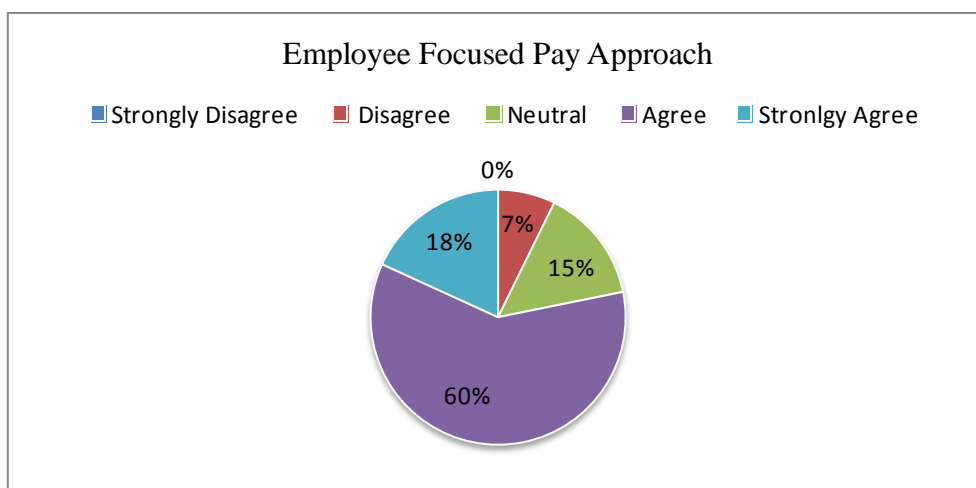


Chart 4.18: Following Employee Focused Pay Approach

Analysis: MTBL uses an 'Employee Focused Pay' approach for awarding its top performance of the year. The top performance will get an additional financial reward under this payment structure. Most employees, 60 percent of them, agreed with this statement, and 18 percent

strongly agreed, as seen in the graph. Only 7 percent of the workforce disagreed with the 15 percent of workers were neutral.

4.3 Findings of the Study

Performance appraisals are one of the most significant aspects of human resource management, which is why every business considers them to be a required and important part of the organization's operations. Every year, Mutual Trust Bank Limited devotes a significant amount of work to the design and implementation of this system. According to the analysis and on the basis of primary and secondary sources of data, some of the findings are listed below which are based on the current performance management system of Mutual Trust Bank Limited:

- a) First and first, I would like to point out that Mutual Trust Bank Limited evaluates its staff in a variety of methods depending on their position. Ariful Islam Sumon, Senior Officer of HR department of MTBL said that, the employees who work in the cash collecting department may be assessed using numerical ratings, while employees who work in the human resources department, whose job cannot be stated numerically and they are evaluated in a different method than the employees of cash collection department.
- b) Jakariya Hossain, Head of Accounts of MTBL mentioned that it is simple for them to assess employees on the basis of financial components, but it is more difficult for them to evaluate employees on the basis of nonfinancial components. And this is one of the limitations for the current PA system of MTBL.
- c) In most cases, supervisors do not retain a written record of their employees' performance, which creates a problem since, when it comes time for the final assessments; the supervisor will be unable to recall all of the information regarding the employee's performance. The reason for this is because there are so many employees that it is difficult to recall every single detail of each employee's performance and behavior.
- d) According to the employees of MTBL, the performance appraisal is very important, which implies that the performance appraisal has a significant impact on the employee's performance. In addition, it is a reliable indication since the more the seriousness with which employees approach the evaluation process, the more effective their performance will be. Furthermore, the results of the analysis show that the majority of employees of MTBL employees are satisfied with their employer. It is important to maintain employee satisfaction with the PA in order to boost their productivity.

- e) Approximately some of employees of MTBL did not understand the performance evaluation process, according to their opinions. It is the responsibility of the organization to ensure that every employee is well educated on this subject.
- f) There is one significant problem that has come to the forefront after conducting personal interview with employees of MTBL and that the issue is some of the employees do not feel motivated to perform more effectively & efficiently even after getting financial rewards, which is a significant concern. It is one of the objectives of performance evaluation to motivate workers. In the absence of it, performance evaluation would be ineffective.
- g) As far as other findings go, the majority of employees agreed that they are receiving the constructive feedback, according to the survey results. They are able to improve their performance with the aid of the outcomes of the PA evaluation. And their training and development opportunities can be designed to meet the requirements of the personnel.

Finally, it seems from the results of the study that the process of performance evaluation has met the majority of the Performance Management System of Mutual Trust Bank Limited's goals. The fact that employees are satisfied and that PMS is meeting its goals shows that MTBL's performance evaluation system is adequate.

CHAPTER 05

RECOMMENDATIONS AND

CONCLUSION

5.1 Recommendations

Performance Managements System is a key component of any organization to increase the productivity of the employees as well growth of the organization; therefore I conducted a survey to better understand the level of employee satisfaction with the performance evaluation process at Mutual Trust Bank. And the effectiveness of performance appraisal system has the connection with the effectiveness of performance management system. Some of the recommendations are listed below:

- a) Every employee's performance information should be recorded in a record on a weekly basis by the rater or by the supervisor who is conducting the evaluation process. It will assist the supervisor in recalling key events when the employee performed admirably as well as the overall performance of the employee during the assessment time period. If the rater does not write down significant information about the performance, it is likely that he may forget key information about the performance throughout the rating process.
- b) Employees should be provided with weekly feedback so that they can keep track of their own performance and so that they may be given the opportunity to make improvements as soon as feasible. The effectiveness of performance appraisal will be greatly enhanced if the supervisor provides feedback whenever it is necessary, and if it is important to provide feedback quickly, the supervisor should not wait for a set period.
- c) Performance evaluation training should be provided to the raters who rate the employees' performance. As a result, the raters' mistake rates will be reduced. Their understanding of the PA should be clearly communicated to them.
- d) It is necessary to implement a peer review system in all departments or divisions, in which one colleague rates another colleague's performance. Generally, evaluations conducted by only managers are not as effective as peer reviews because they are conducted from a single point of view, while peer reviews are conducted from numerous points of view. Furthermore, since their colleagues work with them and in front of them on a regular basis, they have a better understanding of their colleague's strengths and shortcomings. Employees will be considerably more productive and cooperative as a result of this.
- e) The organization should work to improve their benefits package, and they should also make an effort to provide sufficient incentives to encourage employees to remain with

the organization and not consider switching to another. Employees will be more motivated if their benefits package is improved, and their salaries are raised in entry-level roles, according to experts. As well as providing a competitive wage for entry-level employees, they must give excellent benefits.

- f) Participants in the suggestions box said that the MTBL's payroll system is entirely based on numbers, which they thought should not be the case. It should be a combination of numerical data and subjective judgments. That is, they desire a PA system that will be based on both quantitative and qualitative data.
- g) The organization's management must implement a rating system, in which employees will score their supervisors on a variety of factors, including their conduct and other characteristics. As a result, employees desire a method through which they may review their managers.

5.2 Conclusion

Mutual Trust Bank Limited is the most renowned banking or financial institution in the country, acknowledged as a dynamic, creative, innovative and client-focused organization that provides a diverse variety of products and services in highest standards and outstanding economic value. In this study, this is based on the analysis of Mutual Trust Bank Limited's performance management system. Performance management is linked to performance appraisals since performance assessments are the most often utilized instrument for this purpose. Accurate methods for measuring and monitoring employee performance are needed in performance management. Performance evaluations enable management to properly assess performance while also giving the employee with goals and objectives to improve future performance. Human resources (HR) experts then use this evaluation for performance management.

After doing the study, we can conclude that the overall performance management system and the performance evaluation is effective in MTBL, but that the incentives system has to be changed since it is not effective enough in motivating the staff. One of the most major components of an effective Performance appraisal is its ability to motivate staff. Further, according to the findings of the analysis, performance evaluation system is effective since workers get necessary feedback, there seems to be no bias, and there are less possibilities of making a mistake. Furthermore, the research revealed that when employees take the PA seriously, they are given the option to debate their own performance review.

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Appendix

With the Zihadur Rahman, Senior Officer, Mashfik Shikder, Senior Officer, Rezoana Mosaddeque, Customer Service Officer at Mutual Trust Bank Limited (Mohammadpur Branch)



Survey Questionnaire

Current Performance Evaluation System of Mutual Trust Bank Limited (MTB)

Dear respected respondent,

The following questionnaire is to collect information from employees who are working in MTB and it's about the employee satisfaction which is based on their current performance evaluation system of the employees in the context of Bangladesh. The information will be kept confidential and be used only for academic research purposes.

Name:				Gender:	Female	Male
Working Experience	0-1 year	2-4 years	5-7 years		8 years and above	
Designation:	TO	Officer	MTO	S.O	HR Executive	

Particulars		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	Organization's current performance evaluation systems are effective.					
2.	The raters are not biased in evaluating performance of the employees.					
3.	Employees are not discriminated against during the evaluation of the performance.					
4.	Organization has a satisfactory "Peer Review" method for evaluating performance of the employees.					
5.	Organization provides financial rewards on the basis of					

	year-end-performance.					
6.	Employees are satisfied with the performance based promotion policy.					
7.	In order to evaluate performance, organization conducts satisfactory annual feedback session.					
8.	For the purpose of performance evaluation, organization maintains regularly HRIS system.					
9.	Employees are satisfied with the organization's assigned working hours.					
10.	The estimated KPI is satisfactory for all levels of the employees of the organization.					
11.	For determining the employees' performance, BARS system is useful.					
12.	Based on situation, other performance appraisal methods (like – Graphical Rating Scale and 360 degree feedback) are also used and followed by the organization.					
13.	Organization's predetermined time frame (duration/period) is appropriate for evaluating performance of the all employees.					
14.	Incentive payment system of the organization is satisfactory.					
15.	For selecting best performers, organization follows "Employee Focused Pay" approach which is satisfactory.					