

HR practices of Tobacco Industry in Bangladesh



United International University

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Submitted to

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Letter of Transmittal

To,

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Subject: Submission of report on “HR Practices of Tobacco Industry in Bangladesh”

Dear Ma'am,

This is to inform you that I have completed the report that you had assigned me for the course, “Internship/Project” for the trimester of spring 2022.

I've followed the instructions you have given me in preparing this report, and I also incorporated relevant concepts I've learned during various major HR courses. In addition, I've obtained information from a variety of sources to support my report. Finally, I couldn't think of a greater way to express my gratitude for your deep reflections and thoughtful considerations.

Sincerely Yours,

Fahad Belaly

Acknowledgement

First and first, I want to thank Almighty Allah, the Most Merciful, for allowing me to complete the report properly and safely, as well as successfully prepare the report. I'd like thank British American Tobacco Bangladesh, Japan Tobacco International, Fahad Trade International, and Global Leaf Tobacco Company for their valuable information from their Human Resource Department. Finally, I'd like to thank my honorable advisor, *Ms. Piana Monsur Mindia*, Assistant Professor of the BBA Program at United International University's School of Business and Economics, for her wise counsel and diligent supervision. She has pledged her unwavering support and counsel to me.

Executive Summary

The purpose of this report is to understand how an organization in the tobacco industry of Bangladesh uses its HR practices to measure, motivate, and increase the performance of the employees. This report is done on the top four leading tobacco companies in Bangladesh. The companies are British American Tobacco (BAT), Japan Tobacco International (JTI), Fahad Trade International (FTI), and Global Leaf Tobacco Company Limited (GLTC). This report describes how these organizations use HR practices to apply HR planning, recruit and select employees, develop and train its employees with training programs, how they evaluate the performance by using performance appraisal, and types of compensation program they use. These organizations are using HR forecasting to understand the demand and supply of the labors and environmental scanning to understand the external environmental factors for its HR planning, recruitment and selection methods to recruit and select employees according to their policy, to pre-training and post-training for training and development process, using best evaluation methods to review the performance of the employees, and using compensation benefit programs to provide compensation to its employees for their great performance. All these HR practices are continual process that requires regular progress in abilities, knowledge, and work quality which is important for employees. As a result, these four great organizations are focusing on human capital investment since they believe it will benefit them in the long run. They're investing in human capital since, unlike physical assets, human capital cannot be replicated. The HR department of these organizations uses strategic human resource planning because it is a method of determining an organization's existing and future human resource requirements in order to fulfill its objectives. Human resource planning acts as a link between human resource management and an organization's overall strategic strategy.

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Chapter 1: Introduction

1.1 Background of the Study

This research is based on HR practices in the Bangladeshi tobacco industry, the top leading tobacco companies in Bangladesh, and their HR practices and policies as they apply to their internal human resources.

The companies that are included are British American Tobacco (BAT), Japan Tobacco International (JTI), Global Leaf Tobacco Company Limited (GLTC), Fahad Trade International (FT). The HR practices of HR planning, recruitment selection, training and development, performance appraisal, and remuneration are shown in this report. All of these companies are largely focused on their employees and workers in this study, as well as the tactical steps they should do and their basic point-to-point movement strategy. This study looks at how many employees they recruit and fire each year, as well as the resources they utilize to keep their current labor market in balance.



1.2 Objectives

Primary Objective

To identify oneself with the actual structure as well as to comprehend and see how the theoretical knowledge is put into practice.

Secondary Objective

- ❖ To learn more about HR practices of the tobacco industry in Bangladesh of the top companies.
- ❖ To recognize the underlying challenges and limits the top leading companies in tobacco industry encounters while participating in HR practices.
- ❖ To distinguish between theoretical and practical parts of HR practices in the tobacco industry.



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1.3 Limitation of the Report

The following are some of the study's limitations:

- The report lacks the most recent statistical data.
- I couldn't able to gather all of the complete information.
- The HR managers in these five companies are quite busy with their tasks; therefore, there wasn't much time for them to provide proper information.
- Some of the companies were adamant about not disclosing all of their information.
- Because cross-checking was not feasible, the correctness of the secondary data is dependent on the accuracy of the secondary source.
- Some of the companies' policy prohibits the disclosure of some vital data due to confidentiality concerns.
- Data deficiency necessary for the study.

1.4 Methodology

The information in this study was gathered from a variety of sources. The sources are:

1.4.1 Primary Source

Primary data is information that was gathered with the intent of describing or assessing something. I've gathered data through having face-to-face, and on phone conversations with the staffs.

1.4.2 Secondary Source

Secondary Source is the information obtained for purposes besides the primary information is known as secondary data. An easy way to learn some background knowledge is through secondary data. In order to gather information, I've also consulted secondary data sources.

Chapter 2: HR Planning

2.1 Strategic Human Resource Management

The term strategic human resource management refers to a wide approach to managing human resources strategically in line with the organization's long-term goals and objectives. Long-term human resource issues are addressed, together with macro-concerns including organization, performance, environment, beliefs, devotion, and allocating resources according to anticipated demand. These entire five top companies in the tobacco industry invest in their human capital because investing in the human capital gives them long-term benefits. The work of employees cannot be replicated; therefore, the companies get the benefit in their performance compares to its competitors.

2.2 HR Forecasting

Forecasting is focused on tracking internal changes were brought on by the organizations' managers. It is at the center of the HR planning process. Identifying the net personnel requirement by analyzing the current and future demand for and supply of human resources. BAT and JTI has been actively forecasting their human capital. These two large multinational companies' HR departments are forecasting their human resources to better understand current and future demand and supply. The benefits of HR forecasting are listed below:

- ❖ It lowers HR expenses.
- ❖ The flexibility of the organization is increased.
- ❖ It guarantees a strong connection to the macro business forecasting procedure.
- ❖ It guarantees that organizational needs come before concerns about resource shortage and constraint.

2.3 Environmental factors

A study of the environment helps businesses identify internal and external elements that may have a positive or negative impact on their operations. By considering environmental elements, organizations can anticipate potential possibilities and difficulties.

- ❖ **Economic Climate-** Businesses are concerned about the unemployment rate since it affects their ability to choose. Concerned about the expense of fuel and the desire of employees to commute. The organizations concerned about the exchange rate's value since it affects the company's capacity to export products, and thus employment levels.

The organizations concerned about the quantity of open obligation since it affects corporate taxes and thus a company's ability to survive and grow. Interest rates are unpredictable because they influence how much an organization is willing to borrow to expand its business and hire new employees. FTI and GLTC are major exporters of unmanufactured tobacco products in Bangladesh. However, changes in economic climate affect their business operations dramatically. According to FTI, an increase in shipping cost globally has affected their business heavily in 2021.

- ❖ **Globalization-** Globalization has an impact on sovereignty, wealth, employment, compensation, and social policy. This has implications for global human resource recruitment and management. Currently, globalization challenges include crisis management and evacuation in times of terrorism, civil war, and the spread of infectious diseases like Covid-19. HR managers will have to develop global competences. According to BAT, it continues to navigate the pandemic's challenges with effective crisis management and risk management protocols in place, while remaining financially stable. They put their people's health and well-being first throughout the pandemic. As a result of the pandemic, they haven't lay off any employees or used any government programs.
- ❖ **The labor market-** The labor market is the most important demographic aspect that HR professionals should keep an eye on. The area from which an organization hires its employees is known as the labor market. The labor market has an impact on a company's ability to execute its strategy. An organization may decide to enter the high-tech industry only to discover that it is unable to hire enough employees to meet its workforce requirements, forcing it to reject that approach. Companies that want to grow are having trouble finding and keeping skilled staff. The division of labor is becoming a source of concern.
- ❖ **Political and legislative factors-** Government can influence the corporate climate through political programs that result in changes to laws and regulations. Governments that want to improve the climate for job development, for example, prioritize tax reduction, tax incentives for job creation, more job-training possibilities, and balanced work legislation. Governments can boost economic growth by lowering the national debt, modifying the budget, and lowering taxes. Such policies encourage firms to contribute

and customers to spend, resulting in the creation of new jobs. According to GLTC, government reduces the tax rates for the companies that are operating in Economic Zones. The company has setup its cigarette factory in the economic zone to enjoy lower tax from the government.

- ❖ **Technological factors-** The process through which inputs from an organization's surroundings are changed into outputs is known as technology. Devices, machinery, equipment, and software are all examples of technology. Technology has already had a significant impact on HR and is expected to accelerate even further. Every HR task has the potential to be managed digitally. Software is now being used to manage data and succession management information, which started with payroll and benefits. Managers can get online counseling and complete their performance appraisals in instantaneously. For example, BAT and JTI are heavily taking the advantage of technology. The HR departments of these large multinational companies are using modern technology such as management software to manage their data, and information.



Chapter 3: Recruitment & Selection

3.1 Recruitment & Selection

Human resource management's process of recruiting and selecting potential employees remains a significant strategic area. The process of finding and acquiring competent job candidates in sufficient quantities and quality so that a business can select the best candidates to fill its vacant jobs is referred to as recruitment. Selection is the procedure used to gather data, evaluate candidates, and choose who will work in a given position. One of the most crucial functional divisions in the overall organizational functioning of these four outstanding tobacco organizations is the human resources department. These businesses manage recruitment and selection deliberately and systematically, which are two of the most crucial parts of human resource management.

3.2 International Recruitment & Selection

Recruitment and selection activities for a global organization are referred to as recruitment and selection in international business. Multinational companies such as BAT and have workforce issues that either don't exist domestically or are made worse by the globalized context that these operations are conducted. The following factors influence the decision to fill posts in the subsidiary:

- ❖ It's overall hiring strategy for key positions.
- ❖ Its ability to recruit qualified candidates.
- ❖ The host government's restrictions on hiring practices.

3.3 Staffing Methods Usually Involve:

BAT and JTI are multinational companies their staffing method is different than FTI and GLTC. These foreign companies follow the four methods which differ from the local tobacco companies. The multinational employment decisions tend to represent the top management's managerial mindset regarding foreign operations. These methods are listed below:

- **Ethnocentric-** An ethnocentric international human resource management attitude indicates that all areas of managers and trained workers tend to adopt the HRM procedures of the parent organization in their home country. These two large organizations follow the ethnocentric method by following the rules and regulation of their parent company in their home country.

- **Polycentric-** Firms consider each country level organization differently for HRM reasons under a polycentric human resource management perspective. BAT has been using this method since they came in Bangladesh; unlike, JTI for not using method has made them lost market share due to lack of understanding the Bangladesh tobacco industry.
- **Regiocentric-** Regiocentric HRM policies are implemented in a regiocentric human resource management mindset. The HR department of BAT is implementing this method regionally in Bangladesh because they want to hire people who have knowledge in particular region.
- **Global-** Recruiting and selecting the best managers from around the world and allocating them to international assignments regardless of country. BAT and JTI has been doing following this method in each country they're operating.

3.4 Local Recruitment Methods

If the recruiting strategies are properly chosen to fill the corresponding position, recruitment is said to be effective. With respect to the type of employment, certain recruiting strategies are more effective than others. The local tobacco organizations, FTI and GLTC have been using the following methods to hire people to work in their organization:

3.4.1 Advertising

Advertising is a valuable tool for attracting new employees. The HR department first frames the source before sending it to the appropriate functional employee. This allows them to provide feedback and, if necessary, make changes. The department creates a role profile that specifies the required work skills and responsibilities. Appropriate abilities are mentioned depending on the job for which the advertisements are placed. FTI has been hiring employees through advertisement online currently and a decade ago they used to post their advertisement on newspaper.

3.4.2 Recruiting

Fahad Trade International occasionally recruits employees and takes pride in their development. Often, such methods do not occur, and personnel recruiting are done through hiring. Such recruitment policies are typically utilized when a job demands used through or is overly specialized. Because the company wants to keep its distinct identity, it makes no compromises

when it comes to hiring the best people for the position. This goes same for Global Leaf Tobacco Company Limited.

3.4.3 Online Application

British American Tobacco and Japan Tobacco International have recently adopted this strategy to make it easier for applicants to apply and to keep up with globalization. Applications are received via the Internet via the organization's website in this process.



Chapter 4: Training & Development

4.1 Learning and development

Training makes it easier to learn the behaviors, skills, and information that are relevant to a certain profession. The systematic method of creating training programs known as the "training design process" is based on the concepts of instructional system design (ISD). Employee development and training programs are critical to the success of businesses all around the world. These programs not only allow employees to develop their abilities, but they also allow businesses to increase employee productivity and improve company culture. Employee development refers to ongoing approach to improve job performance through methods like as coaching, training sessions, and leadership mentoring. Training is a formal event that provides new information or skills to new or recently promoted employees. Both are important duties of company employees, who are usually in charge of planning and implementing these programs. The top four tobacco organizations spend money on training and development programs to improve the skills of its staff members, which raises the value of intangible assets and improves the performance of the company.

4.2 Needs Assessment

The technique used to decide whether or not employees need training is known as needs assessment. To determine the requirements of the employees that need training, it involves a variety of analyses, including:

- ❖ **Organization analysis-** It assesses if training is suitable in light of the business plan and resources of the company.
- ❖ **Person analysis-** It evaluates which personnel require training and their preparation for it, as well as whether performance deficiencies are due to a lack of knowledge, ability, or competence.
- ❖ **Task analysis-** It highlights the crucial knowledge, abilities, and attitudes that must be stressed throughout employee training in order for them to successfully execute their responsibilities.

4.2.1 The Necessary of Needs Assessment

Because training could be applied inappropriately as a fix for a performance issue, needs assessment is essential. Secondly, training courses could be designed with the incorrect goals, techniques, or material. Thirdly, trainees could be sent to training courses for which they lack the

foundational knowledge, fundamental abilities, or self-assurance required to succeed. Training won't, however, result in the learning, behavior change, or financial outcomes that the organization hopes for. Money will be spent on ineffective training initiatives that have no bearing on the business objectives of the company. Therefore, these tobacco organizations go through needs assessment before training programs.

4.3 Training and Development Enhances Employees Performance

Organizations offer various types of training programs to its employees. A number of on-site and online training and development programs are available for employees to use. They can offer those options via internal training, external training, or off-site activities. Therefore, the training programs enhance the employees with great skills.

4.3.1 Training for New Responsibilities

Employees can prepare for extra responsibilities through training and development opportunities, whether they are cross-training to master several roles or transferring into new positions. Employees can benefit from training and development programs that teach them the skills they need in their current roles as well as leadership and software expertise that they will need in the future. Apprenticeship training allows employees to start as trainees and graduate to higher-level positions.

4.3.2 Learning about Industry and Technology Updates

Employee training and development programs can assist employees stay current on industry developments including ethics, safety, and quality requirements. They also can teach employees new ways to think and operate by implementing new technologies and processes and informing them about cyber security concerns. Using these new tools and methods in their day-to-day positions can help employees and employers achieve greater results.

4.3.2 Getting Used to Working from Home

Companies such as BAT and JTI and their employees have struggled to identify and adopt new tools and resources to fit this changing work environment because most employees historically worked on-site. This change can be aided by training and development centered on these new processes. These companies trained their workers in the pandemic online, so they can work from home effectively and efficiently.

4.3.3 New Employee Training Updates

As part of the onboarding process, new employees are frequently given training. However, refresher courses on the subject material in that training are beneficial. Employees who are more familiar with the organization and their own positions find it simpler to absorb the lessons. Employees are frequently required to complete annual training sessions on essential topics including anti-harassment and regulatory compliance.

4.3.4 Resolving Performance Review Issues

Training and development activities can help employees improve on their strengths and address any deficiencies that were highlighted in their performance reports. These assessments typically point out information or skills that an employee needs to gain, and training and development activities can help the individual achieve that need. Employees may be helped by training and development activities to pinpoint specific areas in which they could gain from further knowledge and support.

4.3.5 Soft Skills Training

Programs for employee training and development can assist staff members in acquiring the soft skills necessary to adjust to changes in both the workplace and society. Training that highlights instances of soft skills like persistence, emotional maturity, and flexibility in professional settings can promote productivity and teamwork.

4.4 Approaches of Learning and Development

Learning and development is a systematic procedure to improve a worker's abilities, information, and abilities in order to improve the employee performance going forward.

- **Traditional Approach:** Traditional Approach's refer to an instructor or facilitators who are involve face-to-face interaction between trainees. FTI and GLTC have never believed in training in the past. They were of the viewpoint that managers are born, not made. Some people believe that training is an extremely expensive program that provides no value and is therefore useless. Previously, these organizations placed a greater emphasis on executives pinching. However, the situation appears to be shifting presently.
- **Modern Approach:** Modern approaches is the latest and innovative way that the trainer and the trainee are involve through computer based training, Bangladeshi organizations

have understood the relevance of corporate training in the modern approach to training and development. Learning is increasingly seen as a retention strategy rather than a cost. The learning system has been changed to create a smarter employee and generate the best results. It embraces the latest and innovative technologies of the present day to impart training to employees. BAT and JTI has been using modern approach for training and development their employees. The other two Bangladeshi companies has been using this approach recently to train their employees; thus, it has been successful according to the GLTC and FTI.



Chapter 5: Performance appraisal

5.1 Performance appraisal

A regular review of an employee's job performance and contribution to the organization is called a performance appraisal. Performance appraisals are used by companies to discover which individuals have contributed the most to the company's growth, to review progress, and to recognize high-achieving employees. BAT and JTI conducts its appraisal system three times a year on the other hand FTI and GLTC conduct appraisal system once or twice a year. The initial performance review of employees is carried out whenever a company provides promotions or increases wages. The accomplishment of the other two, such as production and skill improvement, results in a bonus. Those who do well and adhere to company criteria will receive rewards; however, employees who perform poorly will not receive rewards. The fundamental flaw in this strategy is that it recognizes employees on their performance rather than their achievements. The performance of the employee in the past is unimportant. Additionally, a lot of supervisors bias when doing performance reviews. The HR Department must address some loose groups in this system as a matter of importance.

5.2 Purposes of performance appraisal

Performance assessments are designed to improve organizational effectiveness and productivity. The most essential single aim of performance appraisals, however, is to inform employees of their status. Employees will have concerns about their performance if they do not have access to information. Performance appraisal has become more important in recent years. Performance appraisal have become an important component of disciplinary and dismissal procedures, as well as reorganizations. The common belief used to be that the organization was spending business money so that it could hire and fire anybody it wanted. Then followed regulations and court rulings prohibiting employers from hiring and firing as they wished; equal employment opportunity must be provided to all. Employment security is a right that cannot be denied without reasonable cause and due process, according to recent court decisions. In other words, a corporation cannot fire an employee without good reason and without following proper procedures.

5.3 Frequency of appraisal

Employees must be constantly motivated in order to achieve high performance levels. Every company should strive to guarantee that performance evaluations are conducted on a regular

basis. Regular employee evaluations have to be carried out. Prior to any annual review, frequent performance reviews should help with performance improvement and lessen the advantage of chance. Regular assessments also allow for unbiased clarification and correction. As a result, employees are more knowledgeable and more equipped to do their duties. Additionally, frequent reviews give managers more chances to make sure that developmental objectives are being accomplished. Employees are frequently unable to meet their goals due to job pressures. As a result, regular performance appraisal is a vital strategic management component for every organization's success, regardless of its perspective.

5.4 Maintaining records

Organizations are under increasing pressure to keep, preserve, and produce records and data in a timely and efficient manner. Failure to handle corporate records correctly can jeopardize an organization's ability to meet legal, regulatory, and compliance duties, as well as result in large unnecessary costs. A performance appraisal should ensure that accurate records of employee performance are kept and maintained. These organizations build patterns in an employee's conduct that are difficult to identify with traditional incident-by-incident supervision. A detailed analysis of the records helps to avoid selective memory and to plan appropriate actions.

5.5 Pay for performance

Except for top executives, most organizations now use some sort of pay-for-performance for employees and managers. Many performance evaluation methods try to link remuneration to performance. Pay for performance enables financial remuneration to be used as a strategic tool. Flexible compensation for managers and employees is required to allow for short-term alterations in compensation that can motivate employees to work toward long-term goals. BAT and JTI uses pay for performance for its employees and managers. However, this connection is frequently established in an unsatisfactory manner and even less frequently maintained to the satisfaction of employees and managers. Employees may ignore the appraisal process if their salary is not directly tied to their performance. Pay for performance is used by strategic management to assist organizations build solutions that help them respond swiftly to performance and employee motivation concerns. Adjustments to pay should be made as close as possible to the completed performance evaluation for an appraisal system to be truly effective in

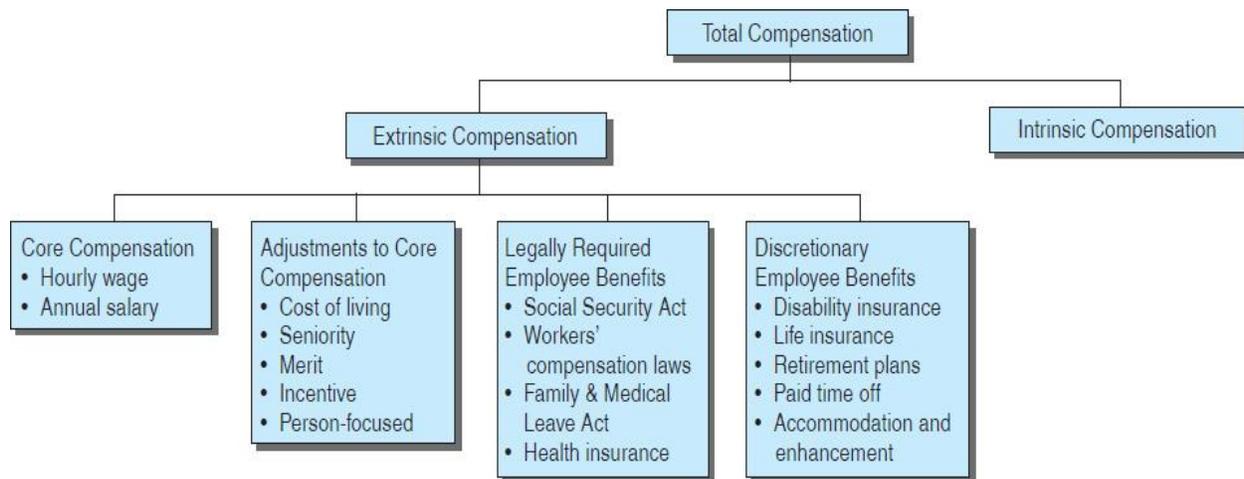
a pay for performance context. This immediate effect encourages the employee to participate in the appraisal process.



PERFORMANCE REVIEW

Chapter 6: Compensation

6.1 Building Blocks and Structures of Strategic Compensation Systems



6.1.1 Extrinsic Compensation

Extrinsic compensation includes physical rewards given to employees by management. The following elements make up the majority of it. Deferred payments (pension plans, supplemental income plans, and so on), services and benefits (housing, medical benefits, group insurance, transportation, and so on), and money for completed work (gazette holidays, leaves, and so on). There are several sorts of compensation that fall under extrinsic compensation, including:

- **Core compensation-** Hourly wages are one type of core pay, while monthly salary is another. Those who work for FTI and GTLC in positions such as HR manager, export manager, and supervisor are paid monthly. And those who work on an hourly basis are paid wages; such as, labors.
- **Adjustment to core compensation-** There are numerous compensation costs of living, seniority, merit-based pay incentives, and personal focused pay under compensation. When the cost of living rises, the wage rises as well. When you have more experience, your value will increase, and your wage will rise as well. Fahad Trade International employs this policy, with senior and experienced employees receiving seniority pay.
- **Legally required employee benefit-** Running a company is a demanding task, especially in today's fast-paced economic world. The law is constantly changing, and with so many options for providing employee benefits, it can be difficult for business owners to keep

up. How are business owners supposed to keep track of what benefits are required by law, such as health insurance, tuition reimbursement, paternity leave, and retirement plans? Some companies provide insurance, while others provide child care for their employees' children. These four organizations provide insurance coverage.

- **Discretionary Employee Benefit-** There are numerous benefits available under the discretionary benefit category, including life insurance, retirement programs, and accommodation upgrades. Employee benefits are crucial advantages that have a positive impact on people's lives, as their name implies. Organizations run into a severe fairness problem when they start delivering varied levels of bonuses to individual employees, but depending on how they categorize people while making those offers, they might be discriminating without even realizing it.

6.1.2 Intrinsic Compensation

It includes any acts that affect an employee's mental, emotional, or physical well-being but are not covered by the extrinsic compensation scheme. It is one of the organization's cheapest and most effective incentives. It might be as simple as patting the employee on the back and thanking them for their contributions. This form of praise gives employees a sense of self-worth and contentment with their work. It can be accomplished by creating a healthy and safe working environment for employees. More attention should be placed on improving the quality of employee work life. Employees have the option to choose how they want to work, and the ability to work from home is considered a benefit.

6.2 Bases of pay for the organization

The way a business or its management decide how much an employee must be paid is through a wage structure. It depends on things like how often the employee has employed for the company, their position there, merit, and the kind and level of work they do.

Many firms adopt a pay grade-based salary structure, which helps employees understand the salary range they might anticipate for their position. Because they lack seniority and may begin in a non-management position, new hires to an organization may begin at the bottom of a pay range. While still new to the company, other new hires might have a wealth of expertise and hold a leadership role, in which case their pay might start off further up the salary scale. We will thus examine several base salaries.

6.2.1 Traditional Base pay

A little distance separates each range in traditional payment structures, which have many levels and range structures (also known as pay grades). Employees can rise from one pay grade to the next thanks to the hierarchical framework of traditional institutions. Annual salaries or hourly wages are common forms of traditional remuneration. Increased on a regular basis based on seniority or merit. It is frequently given to employees who have greater experience and have worked for the company for a longer period of time. As they give more to the organization, their pay rises. For the first 15 years, earnings were increased every year and were added to the base pay. After that, it is not much increased, but it will be after an evaluation. It is later paid as a bonus rather than a base wage for seniority. However, it is not related to the productivity or creativity of the employee so they know that they will be paid each year regardless of their work or productivity. It leads to no motivation whatsoever.

6.2.2 Incentive base pay

An incentive pay plan is a bonus pays that an employee can earn in addition to their hourly rate if they achieve specific pre-determined conditions or criteria. Incentive compensation might be based on productivity, quality, or safety, among other factors. It refers to rewarding employees with bonuses or other types of compensation for going above and beyond their regular responsibilities. It is used to motivate people to keep doing good work. Employers might also use casual incentives to recognize employees who perform well. It serves as a motivator for employees who are primarily motivated by productivity and creativity.

Employee motivation is enhanced by incentive compensation. Variable pay supplements fixed salaries, enhancing and rewarding the employee's individual and collective performance. Higher incentive compensation follows higher earnings. Employee productivity and performance are influenced by the efficiency of the company. Employers must provide greater incentives and bonuses to attract high performers and reward them based on their success.

Their main focus is that incentives are paid as long as goals are met and quality and quantity of the output as well as work attendance. Customer satisfaction, material and labor cost savings, efficiency, service quality, operational measures, and revenues are some of the things that are taken into consideration when determining incentive base pay.

6.2.3 Person focus pay

Rather of showing good job performance, this strategy rewards employees for obtaining job-related information, skills, or competences. Person-focused compensation compensates employees for the promise of future performance; merit and incentive pay compensate employees for promises kept. A person-based evaluation system is customized to each and every employee. It considers the employee's prior knowledge, skills, and abilities, as well as what he or she learns over the rating period.

Two of the most prevalent types of person-focused pay programs are pay-for-knowledge, skill-based pay, and competency-based pay.

- ❖ **Pay for knowledge-** Reward management, service, or professional employees for completing certain courses.
- ❖ **Skills based-** It's mostly for employees who do physical work, and it raises their income as they learn new abilities.
- ❖ **Competency based-** Refers to a person's capacity to consistently organize and apply combinations of knowledge and abilities to complete work successfully in the required job conditions over time. The strategic statements of the organization are used to determine core competencies.

Chapter 7: Finding & Analysis

7.1 Findings

According to the data found by taking interviews from these four reputed tobacco organizations in Bangladesh. This report states all these companies using HR practices effectively and efficiently; therefore, it has increased the performance of these companies.

- These organizations are using HR planning to encounter environmental factors and HR forecasting.
- The organizations are using local and international recruitment and selection methods to hire employees. Moreover, some are using advertising and online application to let the people know they are hiring people to work in their organization.
- Needs assessment takes place when these organizations think which employees needs training and development.
- Some are using modern approaches for learning and development and others are using traditional approaches.
- These organizations are maintaining records of its employees and frequently evaluate their employees to understand which employee is performing better.
- Some of these organizations are using traditional base pay as compensation and some are using incentive base pay or person base pay for compensation.

7.2 Analysis

According to the research that has found while collecting data from these organizations it is found that the research attempted to identify the optimal collection of complementary HR practices that will actually improve performance as well as provide solutions for various HR systems to fulfill organizational goals. The acceptability of some innovations has been constrained by a number of limitations, including those related to different analytical levels, business size, organizational labor status, and the economic environment, requiring a situational analysis such as this one. Therefore, the goal is to determine whether high-performance HR practices will increase productivity. Additionally, it investigates whether enhancing high-performance HR practices will increase productivity for these organizations in the industry.

Chapter 8: Appendix

Conclusion

British American Tobacco, Japan Tobacco International, Fahad Trade International, and Global Leaf Tobacco Company Limited are one of the top tobacco organizations in the tobacco industry in Bangladesh. Unlike BAT and JTI, FTI and GLTC exports unmanufactured tobacco products to Europe, South Asia, Middle East, and North America. These organizations are heavily investing on its employees to gain long term competitive advantage in the industry. BAT and JTI are world's largest tobacco organizations and their HR department is using modern technology and various HR strategies to make their employees increase their performance, motivation, and providing various training and development programs to increase their skills and knowledge etc. These organizations' HR department is focused on collaborating with other departments to improve HR practices in order to deliver better services to management and help the organization achieve its goals and objectives.

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Appendix A. Questions asked

HR Planning

- 1) What is human resource management system and what is its relationship to HR planning?
- 2) How is human resource planning linked to overall strategic planning?
- 3) Can you suggest some ways of making human resource planning more effective?
- 4) What human resource functions need to be planned?
- 5) What is succession planning?
- 6) Are there any best practices for succession planning?
- 7) Can you suggest a process to use for human resource planning?
- 8) Is strategic human resource planning the same as human resource planning?
- 9) When doing an external scan of the environment for purposes of human resources planning, what things should do you look at?

Recruitment & Selection

- 1) What strengths qualify you as a good recruiting assistant?
- 2) What do you mean by the term recruitment?
- 3) What is a recruitment policy?
- 4) Differentiate between internal and external sources of recruitment
- 5) What are the main features of an effective recruitment strategy?
- 6) What is selection and what are the steps involved in selection process?
- 7) How will you screen the resumes? What is your policy for storing and referencing resumes?
- 8) Do you have a job application/procedure/form?
- 9) Do you have a Selection Interview plan? How are those conducting the interviews prepared? Have they done any interviewing training? Has everyone been told which questions may cause legal issues?
- 10) Will you conduct second interviews? How will you decide which candidates make it to this step?

11) Do you have an idea of whom you want to recruit? Do you know if they will fit your profile of success?

Training and development

- 1) What is your company's training and development system like?
- 2) How does your organization's training system work?
- 3) Do you believe your organization's training and development system is serving its purpose? Is there any part of the training and development system that you believe should be prioritized?
- 4) In a year, how many training systems were developed?
- 5) In your company, what kind of training methods is used?
- 6) Is the Training program beneficial in terms of self-improvement?
- 7) Do you believe your company provides adequate training opportunities?
- 8) In your company, how long does each training session last?
- 9) Who is responsible for staff training?
- 10) Is your trainer providing you with enough assistance during your training?
- 11) Is there a training system in your organization that is appealing to the employees?
- 12) What if the Training program is biased? How does your company deal with/prevent it?
- 13) Could you please inform me about your company's "on-the-job and off-the-job training"?
What is your HR department's approach to these issues? Off-the-job training is substantially more expensive and primarily mechanical.
- 14) Name some of the training programs that have helped you improve your job performance?
- 15) What is the status of your organization's training armament?
- 16) Are there a sufficient number of opportunities for trainees to apply training content?
- 17) Is your company's training program meeting your expectations?

Performance Appraisal

- 1) According to you, a performance appraisal is?
- 2) Which performance appraisal technique is used in the organization?
- 3) Do you receive a pay raise following a performance appraisal?

- 4) Do you believe that performance appraisal contribute to a culture where employees are encouraged to share each another's burdens?
- 5) Do you believe that establishing and achieving meaningful goals is helped by performance appraisal?
- 6) Do you believe that a performance appraisal offers helpful, encouraging critiques?
- 7) Do you believe that following the performance appraisal system, employee performance has improved?
- 8) Do you believe that raising motivation in the workplace through performance evaluation?
- 9) Is the performance appraisal biased against top-level management?
- 10) Do you believe that employee performance appraisal influence how they behave?
- 11) Which of the following, in your perspective, is connected to your organization's performance appraisal system?
- 12) Your performance has improved since your performance appraisal?

Compensation

- 1) Who makes decisions about raises?
- 2) When do you adjust salaries?
- 3) Do you do market adjustments to give people raises if the industry salary for this job increases? What's the process for that?
- 4) Is there a salary range for your level? What is it approximately?
- 5) Does the company actually stick to its salary ranges? Or does it often make exceptions? What's the process for getting paid higher than the range? Who can decide to make an exception?
- 6) Which other companies are we trying to be competitive with when we make job offers?
- 7) How is compensation split between salary/equity/bonus?
- 8) Is it possible to get more vacation?
- 9) How do bonuses work exactly? Is it tied to company performance? Individual performance? Level? Are bonuses targeted to be a percentage of salary?
- 10) Is it possible to take unpaid time off?