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CURRENT STATUS OF ETHICAL HR PRACTICE IN AUTOMOBILE IN INDUSTRY OF BANGLADESH

**Contents:**

|  |  |  |
| --- | --- | --- |
| **Chapter** | **Details** | **Page** |
| 01 | Introduction | 02-04 |
| 02 | Professional and Academic Research | 05-15 |
| 03 | Methodology  | 16-17 |
| 04 | Data Findings, Analysis & Interpretation | 18-39 |
| 05 | Recommendations and Conclusions | 40-43 |
| 06 | Bibliography | 44-46 |

**Chapter 01: Introduction**

**Introduction:**

Bangladesh’s human resource management department is now quite emerging in the corporate world. Earlier, various organizations did not pay much attention to the human resource department, but now all the organizations are emphasizing human resource management. It always has been seen that the most important resource of a company is human resource. Therefore, it has become an important responsibility of the organizations to take care of these resources. And, through this, the success of the company can be ensured. Through this study, I would like to find out how human resource management is practiced in Bangladesh’s two-wheeler automobile industry. In my Internship Report, based on the secondary data collection sources, I’m going to unfold the world of HR practice of Bangladesh’ two-wheeler automobile industry with its four main HRM functions including how they recruit and select employees, their training and development procedure, compensation management according to employee’s performance and frequent feedbacks practice as well as two-wheeler companies details and HRM structure. This study is going to be beneficial for HRM practitioners and researchers about Bangladesh's two-wheeler automobile industry.

Bangladesh has been trying since independence to become a high-growth-oriented developing country. To fulfill the country’s dream of 2021, the two-wheeler automobile industry makes the path easier by contributing to economic development. According to The World’s Largest Research, Market Research Store published on 30th December 2020, the Bangladesh two-wheeler market is expected to witness more than 6% growth in term of CAGR in the time period of 2021 to 2025 which is the significant part of the automobile industry for the last decades. (Dublin, 2020) This statistical data shows the adoption of the two-wheeler increasing in the Bangladeshi market. Major two-wheeler companies like Bangladesh Honda Private Limited, Bajaj Motorcycles (Uttara Motors), TVS, Hero Motor Corporation Bangladesh, Runner, Yamaha (ACI motors).

Due to the competitive two-wheeler market, these major companies HR practice is highly noticeable. However, more work should be done in the HRM department as the practice of human resource management is still below average in many automobile organizations in Bangladesh. As well as, there are many organizations where the owner tries to implement the human resource policies as he/she wishes. Meanwhile, organizations that have foreign clients, focus on the organization’s overall policies before making any deal with the organization. Foreign clients are concerned whether the organization they are working with ensures the safety of the employees, a nice working environment, and so on. A lot of research has shown that when the working environment is good and a decent salary is given to the employees, the productivities of employees increase which helps the organization to make more profit.

**Chapter 02: Professional and Academic Research**

**Literature Review**

This study has showed the interrelation between theory and practical understanding about human resource policy. his report is going to be helpful to bridge the connection between theoretical and practical knowledge through the thesis activity. The reviewed literature is searched from Acts, Books, Journals, Newspapers, Booklets, and the Internet. Which are also searched from foreign research works, articles, available on this topic. Some important decisions of relevant cases of the court of home and abroad will also be reviewed to complete this report. There don't have any works on the topic of the nominee in the Bangladesh perspective. Very few works are present of foreign but they are not available to indicate the problem properly. So, it is very much essential to find out the position of nominees in Bangladesh by conducting a new study. A Study on Human Resource Management Practices is ready as an integral part of the thesis report back to complete the MIHRM program in the department of Business Administration, United International This research has examined the connection between theory and practical understanding about human resource policy. This report will be helpful to bridge the relationship between theoretical and practical knowledge through the project activity. The core objectives of the study focused on the ethical human resource practice in the automobile industry in Bangladesh. I tried my best to seek out the practices done by the HR department within the organizations.

**Study Objectives:**

The main objectives of the study were-

* To identify the recent HR policies and practices in automobile industry in Bangladesh
* To determine company’s alignment with the business strategies
* To understand the problems of implementing the effective HR practices and policies and to analyze whether the HR practices and policies really attract and motivate employees.
* To examine how the HR policies and practices impact on company employees, working environment and overall business strategies to build a value-based automobile dealership.
* To check and identify the topic related to lacking of HR practice and policy
* To suggest them about restructuring, redesigning if required.
* To setup or help them to make the parameters and measure the performance of HR department and its impact on the overall business.

**Limitations:**

* As the semester has been conducted under world pandemic the information of the companies was rare to gather.
* The vastness of the industry made it difficult to examine clear picture of the HR practices in the whole industry.
* Many companies refused to share their HR policies and employee management because they thought it was against their business policy.
* Due the pandemic situation many companies run their all the department over online thus information gathering was difficult.
* The report largely depended on secondary data which makes it difficult to come to an end of the findings of the analysis because secondary data were no enough.

**How two-wheeler industry evolves in Bangladesh:**

It cannot be ignored that Bangladesh has placed its position in the ranked of top 10 economy holding countries which are emerging in this 21st century. The GDP has increased by the 7% annually in the 180 million densely populated country for the last five years. The scenario of the last 5 years changed significantly with the increased number of per capita incomes. This development has created huge opportunities in the automobile industry. People in Bangladesh have been demanding personal motorbikes for day-to-day works.

As a result, the demand for a two-wheeler has been increasing with the growing income of the people. Thus, South Asian countries which are involved with two-wheeler manufacturing have been trying to come up with an efficient way to meet the growing demand of the market.

In the backdrop of Dhaka city’s fabled traffic mismanagement and congestion, motorcycles offer a cheaper alternative to their counterpart–cars. The rising bourgeoisie of Bangladesh has been a big driver behind the motorcycle industry’s phenomenal rise as bikes are cheaper, easier to take care of, and faster to navigate with than cars. Since 2010, the amount of motorcycles in Dhaka alone has quite doubled to roughly 469,888 units. 

According to IDLC Monthly Business Review in 2015, unit sales of the two-wheeler market was under 10,000 per year. With the growing number of per capita incomes, many brands in Bangladesh which are considered as local brands increased their investment in the industry. The national brands like Walton, Runner, Rahimafroz invested more in motorcycle manufacturing to grab the market share. On the other hand, foreign brands did not take their step back when they saw there is a bidding market for automobile selling. Brands including, TVS, Bajaj, Hero, Honda, Suzuki, Yamaha increased their investment 10 times of their previous manufacturing. Eventually, the automobile sales reached half a million in 2006. Furthermore, the new policy has been developed in 2017 by the government. The state cut off some taxes in many areas of automobile parts import exporting. The market became a hotcake since then. The selling units of the automobile reach half a million that year. And year after year the number has been increasing with almost 100,000. In the industry, Indian brands including Bajaj, Hero, and TVS have been doing great compared to the Japanese Suzuki and Yamaha with the 33%.



There are totally more than half a million bikes are sold every year. So here is the list of a top bike manufacturing company which are ranked based on the market share of each company. Suzuki Motorcycle India Private Limited it is a subsidiary of Suzuki Motor Corporation and it is a Japanese company the total production capacity of this company 7 lakh fifty thousand two-wheelers on the market share of the company is 2% percentage.

Yamaha motors which were incorporated in 1985 it is also one of the subsidiaries of the Japanese company Yamaha Motor Japan. This company has more than 500 dealers and 220 customer touchpoints and this company have a market share of 3.8 percentage and this company has three manufacturing plants in India.

Royal Enfield which is from each year motor it is one of the oldest bike manufacturing companies in India and this company was incorporated in 1982 and this company has a market share of around 1 percentage. The Royal Enfield made the first motorcycle in 1991 and it is one of the oldest tube bike manufacturing company and it is its production is concentrated in mid-sized motorcycle

Honda motorcycle and scooter Private Limited is a subsidiary of a Japanese company called Honda motor which was incorporated in 1999 and it is the second-largest two-wheeler company in India based on total turnover and the turnover of the company is twenty-six thousand seven hundred twenty-eight crore and the market share is 9% percentage and this company has the capacity of one more 1.2 million units in Bengaluru plant.

Bajaj Auto is the world's fourth-largest three-wheeler and two-wheeler manufacturer and this company has a presence in Latin America Africa Middle East South Asia Southeast Asia South Asia and this company was founded in 1926 and company has a total turnover of thirty thousand two hundred ninety-three crore. Their market share is 53%.

Hero MotoCorp limited it is the world largest two-wheeler manufacturer for 18 consecutive years and the company has a presence in 37 countries Asia Africa South and Central America and the company has a manufacturing facility in Colombia, Bangladesh, and five manufacturing plants in India and the total capacity of the company is nine million two-wheelers every year. Hero owns a market share of around 10%.

Local Runner and Walton grab 14% of the market share in the automobile industry in Bangladesh.

**HR Practices**

when we go to work, when we are doing something for our companies, for our society obviously we want the compensation that is equitable for our work and for our services and contributions.

**Employee Compensation**

when it comes to compensation we need to have two different perspectives. there's the employer’s perspective and then there's the employee’s perspective. from an employer's perspective we can look at pay being critical in attaining the organization's strategic goals what impacts employees’ attitudes and behaviors. in other words what they do, how well they do it, how much effort they put into their work is related to compensation.

so, employee compensation is a significant organizational cost as well. in other words, for most companies a very large portion or percentage of their overall revenues or expenses.

On the other hand, when we look at things from employees view we need to keep in mind that policies regarding wages salaries and other earnings tend to have an impact on the overall income and standard of living. for us as employees or associates of an organization both the level of pay and fairness compared with other people's pay are important elements in us viewing our pay as either being equitable or perhaps not being just or fair.

so, employee compensation includes all forms of pay or rewards that are going to the employee which arises from our employment in the organization or in the department or in the community. so, compensation can be indirect financial payments or it could be in direct payments in the form of benefits and so on. so direct financial benefits are payments in the form of wages salaries and center commissions and bonuses that employees receive throughout their employment from daily to weekly to quarterly or to annual basis. indirect payments are payments in the form of financial benefits like employer paid insurance and vacation in other benefits that we tend to receive.

**Analyzing Benefits**

Human resource specialists can reduce the company’s costs related to turnover, attrition and hiring replacement workers. They are essential to the association since they have the right stuff and aptitude important to deal bunch advantage bundles for laborers, inside the association's spending plan and steady with financial conditions. They are also conversant in employee benefits presumably to draw in and retain workers. This can reduce the company’s costs related to turnover, attrition and hiring replacement workers.

**Safety and Risk Management**

Employers have an obligation to supply safe working conditions. Occupational Safety and Health Administration regulations through maintaining accurate work logs and records, and developing programs that reduce the amount of workplace injuries and fatalities. Workplace safety specialists also engage employees in promoting awareness and safe handling of dangerous equipment and unsafe chemicals.

**Limiting Liability Issues**

HR representative relations experts limit the association's openness and risk related with claims of unreasonable business rehearses. They recognize, research and resolve work environment gives that, left unattended, could twisting crazy and entangle the association in lawful issues concerning government and state hostile to segregation and badgering laws.

**Training and Development**

HR preparing and improvement experts organize new worker direction, a significant advance in fashioning a hearty manager representative relationship.

**Study Scope**

Here I’m going to explain current HR practices in Bangladesh's major automobile industry with the explicit breakdown of four generic HR functions as well as each of the two-wheeler company’s brief history and HRM structure. Profound HR practices increase the brands and company’s productivity and set a footprint to achieve the company’s goals. Without proper HR functioning companies faced hurdles over its upcoming years and ultimately lost the market and failed to achieve its objectives.



Figure: functions of HR to practice.

**Chapter 03: Methodology**

**Methodology**

I follow secondary methodology in this case, because I conduct my research on existing data of the topic over multiple sources. This methodology is effective, easier and time efficient for my topic to collect data and various information. I gather information from various automobile industry related papers and websites of different industries as well as collaborating with the HR department employees of some mentioned companies like Bangladesh Honda private limited.

**Chapter 04: Data Findings, Analysis & Interpretation**

**Data Findings, Analysis & Interpretation bases on Bangladesh’s two-wheeler companies HRM Practice:**

**Overview of HRM Practice in Yamaha (ACI Motors Ltd.):**

ACI Motors started their works with the agricultural equipment manufacturing creating a massive revolutionary concept in agricultural sector in Bangladesh in 2007. The vision of ACI Motors always been to provide a complete service to a farmer in Bangladesh with the umbrella of many agricultural machines including rice cutter, crop harvester, power tiller, weed removing machine, fertilizer sprayer and so on. Eventually, they gain trust of the people in the machine industry. They become sole distributer of famous Japanese brand Yamaha in 2016.

**Recruitment & Selection:**

The department of human resource in ACI motors follows a certain responsibility which instructed by the top management to meet the organizational goals and objectives collaborating with the other departments of the company keeping in all the resources are provide to them. There are plenty of instructions given to the human resource departments in ACI motors to meet them accordingly. They categorized them in 6 major areas.

* Employee demand measurement
* Process of recruitment
* Process of selection
* Orientation program
* Ensuring safe environment for work
* Train them for development

**Employees Benefits:**

Department of human resources considers it as their fundamental duty to encourage and motivate the workers to achieve their pre-planned organizational goals and objectives. On the other hand, to inspire the employees and keep them motivated in their work places, they provide different benefits. The workers of ACI Motors Limited enjoys the benefit of gratuity and provident fund which secure their lives at the time of retirement. ACI Motors Limited also pays that money before retirement if some specific conditions are fulfilled to make the lives of its workers easier.

|  |  |  |
| --- | --- | --- |
| SL | Financial Benefits | Non-Financial Benefits |
| 1 | Medical insurance | Promotion in job |
| 2 | Share of profit | Decision making participation |
| 3 | Special Increment | Lunch and another break |
| 4 | Group Insurance | Meal |
| 5 | Gratuity | Rolling of Job |
| 6 | Plenty bonuses | Lesson for knowledge |
| 7 | LFA | Program of loan |
| 8 | Paid leave | Transparent communication |
| 9 | Regular Increment | Support through technology |
| 10 | **-** | Paid leave for study |

**Table: Benefits for employee.**

ACI Motors Limited also offers many other attractive opportunities and benefits including festival bonus, medical facility, insurance benefit, accommodation allowance, sick leave, annual leave etc. ACI not only offers financial benefits but also various non-financial benefits are offered and recreational programs are arranged by them very often. HR department of ACI arranges different cultural programs with its workers on various occasions. Sports and club facilities also make the lives of the employees more and more enjoyable. Sports programs like cricket and football tournaments are very well enjoyed by the employees. All these efforts of ACI Motors Limited in turn motivates the workers in their jobs and they become satisfied in life.

**Technological Training:**

As we all know that due to new technologies, workplaces are continuously evolving. As a result, employees need to be familiar about new knowledge and skills and home at applying those skills in workplaces. So, training and development has become a driving force for achieving and continuing success in business. Keeping that in consideration, ACI Motors Limited also gives very much significance to that fact and that’s why they always try to quickly recognize training necessity and then train and inform the employees using modern scientific methods of training about that technology or skill. That’s why the employees of ACI Motors Limited are very up-to-date which also helped ACI to achieve huge success in business. And lastly in case of performance appraisal there are lots of ways and practices.

**Performance Appraisal:**

The HR department of ACI Motors Limited mostly follows appraisal methods like field review method, management by objectives and psychological appraisals. In case of field review method, workers or employees are appraised not by his superior from the same department, usually someone superior from another department especially HR department evaluates the works of the employees. ACI Motors Limited also follows that method of appraisal because using that method, they get the objective or neutral knowledge without any bias regarding employees work performance and take necessary steps accordingly. It is a traditional method. But ACI Motors Limited also follows Psychological Appraisal. In that MBO method, ACI Motors Limited determines plans and objectives to be achieved during a particular time period through coordinated discussion among employees and managers. They sit down together after a particular period usually in quarterly, half-yearly or annual basis and observes the advancements of the work according to the set targets and objectives. If any deviation found during that process, they jointly try to find ways to solve it. Once that review period has come to an end, ACI motors provides promotion or salary benefits to whom are able to meet the target sets or expectation set by the departments. That method has been very effective method in case of ACI Company Limited and using that method ACI has improved the performance of the workers a lot. It has successfully also been used for measuring the performance of senior management like directors and executives. And now the method of Psychological Appraisals, which ACI Company Limited is using for the development of future leadership and strengthen the leadership pipeline. ACI Motors analyzes the workers skills, weakness, what are their strengths and provides rewords accordingly. And this comes from the appraisals from the workers. It also helps the employees to improve his or her work performance as he or she gets regular feedback from senior managers or directors.

**Feedback:**

At the end, it can be said that the recruitment and selection process through which ACI Company Limited recruits its employees, is highly organized and well managed but it takes a very long time to recruit them. The employees and the workers have lots of advantages and benefits and that’s why workers are very motivated and happy. And lastly, among the performance appraisal methods the field review method is not effective in case of senior employees but it can be very effective for general workers and employees. And also, the MBO (Management by Objectives) and psychological appraisal methods are very useful for the office employees, senior managers, directors etc. not for general workers.

**Overview of HRM Practice in Walton Motors:**

Walton group started their journey in 1977 which immediately manufactured automobile as their product. They are the pioneer of the two-wheeler manufacturer in the early 80s. this group has started producing 80cc motorbike in the beginning and eventually they upgraded their models. They contributed in exports by delivering their product to many countries.

Its excessive presence in the remote and the countryside has made it a popular brand across the country. It produces international level products. But it has to compete with Honda, Bajaj and ACI motors in case of motorcycle market.

**Structure of the organization:**

In Walton group directors are the decision makers and considered as the top-level management of the company. This company now has board of directors of five and one CEO.

The board of directors have huge experiences in the department of Human resource management, financial management and marketing, Sourcing Engineering, IT, Electrical, Electronic and Automobile, Walton Hi-Tech Industries Limited etc.

**Mission and Vison of Walton Motors:**

**Mission:**

* + - To build Bangladesh’s most desirable two-wheeler brands.
		- Continual Improvement
		- Passion for Quality
		- Attract and retain skilled employees
		- Sustainable growth strategy
		- Advanced Customer Service
		- Committed to the Nation

 **Vision:**

* + - To become an exclusive institution in Bangladesh
		- Communicate simple truth that customers understand.
		- To become the market leader in related field.
		- To become globally recognized
		- To develop an environment where all can contribute

**Recruitment process:**

Walton Motors recruitment process divided into two-

**Internal Recruitment**

Walton group appoints all the job placement with proper strategy. The job structure rotates into four phases.

* Promotion of the employees:

When it happens, employee gets more pay structure and benefits. The job responsibilities also change with the position he or she gets.

* Transfer of the employees

Company sometime shuffles employees to inter-department. It usually happens when company has to fill any vacant position. When it needs to run all the department with full pace employees are transferred.

* Demotion of the employees

Sometime employees have not done their job above average what company wants. His or her failing in achieving target cause demotion in position.

* Referrals

Walton gives priority on recommendations of the existing employees. These recommendation works greet for new aspirant of the job.

**External Recruitment**

The company also recruits people in different position from outside of the Walton group. The recruitment occurs via social medias, job portals, newspapers, walk-in-interviews and so on.

**Walton Motors Selection Process:**

**Figure: Well-structured recruitment and section process of hiring human resource.**

|  |
| --- |
| At first demands arise from the department, which is known as manpower requisition with the recommendation of Head of the department and concern admin officer. Then the demand is sent to the System Development Department.  |
|  |
| System Development analyzes the demand on the basis of the nature of the work, work pressure and current manpower. If the department thinks there is necessity of staffs then they forward the requisition to HRM department.  |
|  |
| The human resource department examines the company requirement on the job post including information of the post, responsibilities and the evaluation process. If the HR department considers the demand as appropriate, then the demand is sent to Management approval |
|  |
| After getting approval from management, HR department circulates advertisement in different sources like Company’s own job portal or BD jobs, Newspaper, Internal circular through the mail.  |
|  |
| In this pool, those applicants are gathered who are primarily selected for the interview and passed the first phase. The interview process and primary selection is done only by human resource department. The department organize interviewer panel and other meetings.  |
|  |
| In this phase selected aspirants of the job are offered for the joining. The human resource department looks after the salary information, conditions, policies, deeds another necessary document.  |

WALTON Motors has started their E-recruitment which is known to as I-recruitment in the WALTON Motors since 2016. They started this process by taking help from Oracle database and launched with their Human Resource Management System (HRMS) Software. They took around One thousand employees in a year. Walton has stopped this phase recently for its internal reason. However, Walton Motors has plan to start it again in future.

The aim of I-recruitment of WALTON Motors is given below:

* Hiring the right person within shortest possible time.
* Reducing Recruitment Cost.
* Paperless work.
* Transparency in Recruitment.
* Accountability.

**Overview of HRM Practice in Bajaj (Uttara Motors Limited):**

Bajaj is selling highest number of bikes in Bangladesh just like India as its Price is reasonable and people getting quality support from this company. Indian renowned brand Bajaj appointed Uttara Motors as its sole distributor and assembling organization in this automobile industry.

In the two-wheeler industry Uttara Motors is the key player because it has almost 40% share of the market. That is why Uttara Motors is called giant importer of two-wheeler. This company also assembles the automobile in Bangladesh. This company established year after independence of the country. It runs a smooth operation of automobile importing, assembling, foreign deals and what not.

**Recruitment:**

The company established a new system of hiring employees for their job positions. They formed a human resource team for the selection and recruitment of the people. This whole process is conducted with cross department strategies where R & D and the other departments helps them getting the best candidate of position so that right people is appointed for the right job. This strategy is implemented to reduce the failure of suitable employee placements. Recruitment this way also ensures that knowledge, skills and experience is not wasted. All the department work together to get desired employees of a position and he or she can provide maximum output to the company. All the employees are categorized in five natures. They included-

* Regular employees
* Contractual employees
* Employees for project
* Part time employees
* Temporary employees

The company uses both internal and external recruitments sources for new employee selection. But the organization gives priority to the existing employees for selection for the higher-level post. Mostly entry level posts are open for the external sources. They believe existing employees are adapted with the corporate culture of the company. The top management believes existing employees can be easily managed and instructed but the new ones. As a result, interdepartmental promotion is often occurred when it comes for recruitment.

**Recruitment process for staffs:**

* Human resource department requisites the job opening.
* Human resource planning is started just after the job opening
* They analyze how many posts are open
* In the next step HR department and team start creating advertisement and plan on posting them
* They collect resumes and start screening them accordingly
* Interview session is about to planned after the cv sorting.
* After the interview all the examination stuffs is collected for evaluating the interview session.
* Human resource department calls the selected candidates then using mobile or email invitation.
* The departments then arrange the meeting with candidate and top management along with preparing the interview test question and materials.
* After that the job is offered to the desired candidates
* Selected candidates go for training and other necessary sessions.
* After the training they are appointed for the works.

##### **HR Functions in Two-Wheeler Industry in Bangladesh:**

##### **Recruitment and selection:**

Most of the motorbike manufacturing companies are privately owned organization in Bangladesh. It has been seen that top management of those company often select candidates of their own without following any structure of policy of the company. Most of the sources is informal for sure. As the private sectors is not controlled by any regulation or bindings, company owners can use any sources for recruitment whenever they want. It this case recruitment or selection process has not priority at all. They appoint any employees whenever they feel to do so and whomever they want to. Even many times skills are ignored or other qualifications of candidates are overlooked. Sometimes they are influenced by many other factors or group for smooth business run. Unlike any other private sector most of the top management is recruited if they are friends or families of the business owners. It is often seen that transfer, promotion, demotion or any other job rotation is done according to the manipulation of contacts, relations or intention of the owners. Though companies post their higher-level job advertisement in media, journals or newspaper but at the end it is used for the promotion of the company.

However,in recent years**,** this recruitment and selection process has changed. They are now following the standard procedure of recruitment and selection process. Nowadays maximum automobile industries try to build a HR policy where they believe in opportunity for all policy.

The company does not discriminated employees based on their age, sex, color, race and beliefs.

The sources of their **recruitment process** depend on both internal and external structures. In case of internal recruitment promotions and retirement of employees plays a big rule. On the other hand, for external recruitment they advertise for the vacancies in press media as well as into their website’s career section. Also, they circulated their recruitment advertisements over the internet in some popular job finding sites like Bdjobs and linked In.

For the **selection process** based on the requirement conditions they verify the shortlisted candidates who fulfill the requirement conditions. Then they asked those shortlisted candidates for an interview. For some positions in the company, physical examination is taken too. After the interview process Checks reference validation and if the candidate references and background experience validation get approved. Finally, candidates selected for employment. Sometimes local two-wheeler companies don't follow recent recruitment standards.

Exceptional Multinational companies like Honda private limited and Hero motor crops. Bangladesh have extensive recruitment and selection process which maintain following criteria:

1. Preliminary Interview
2. Shortlist the Candidates
3. Selected Test
4. Selection Interviews
5. Physical Examination
6. Reference Check and Experience Validation Check
7. Final Approval
8. Employment

**Training and Development**

Hero motor corps Bangladesh, Bangladesh Honda private limited doesn’t follow this tradition. Their HR policy follows training and observatory developments. Runner, Uttara motors, Yamaha (ACI motors) these companies new employees tend to learn systematic work procedures from the immediate senior colleagues. In some cases, they organized a 3 days training session for the new employees. Determining priorities in terms of skill development is another important hurdle for Bangladesh two-wheeler industries. In the two-wheeler industry there always has been a scarcity of skilled labor because very few organizations provide proper training to the labor sector.

On the other hand, top rated multinational two-wheeler companies provide proper training to their employees so that they can work effectively and efficiently as well as they can take out the best performance from every employee. Which will eventually help these companies to get a healthy uprising growth in the market.

Types of training methods some renowned companies follow in their HR systems-

**On the job**

**Off the job**

Every HR manager always concerns about development of skills, skill upgradation of the employee because when new technology emerges employees also need to embrace that technology to contribute to work more effectively and efficiently. Development process in this case helps to increase the employee’s skill development process by arranging effective training and development sessions. Honda Private Limited follow some unique way to ensure employee get all the knowledge from the training and development sessions. These followings are-

* Individual-Owned Learning - "DO IT IN OWN WAY": Employees builds up one's own learning plan, in view of commonly recognized competency holes, in present and tried occupation in profession way.
* Native User Learning Management Software: They give self-guided and site free learning by offering 24X7 single window stage for all learning intercessions like teacher made modules, e-programs and others.
* They urge Their representatives to investigate the obscure and inside the colleagues, make an incentive for the corporate. Idea Management and different Knowledge Sharing gatherings ensure that they hear their workers and channelize their inventiveness towards products advancement.
* Be at the front line of Technological Innovation: Their energetic designing personalities reliably conceptualize groundbreaking thoughts, taking care of advancement and imaginative patents at their in-house R&D Center.
* Culture of Empowerment: They offer their employees with serious level of self-sufficiency in their everyday choices and to follow up on the thoughts.
* Employee amicable work rehearses: Their strategies and frameworks like SAP and ESS, give value-based straightforwardness all together that the dreariness doesn't guarantee some time and leaves them liberal to take on testing targets.

**Payment Structure of the employees**

There are many similarities in those two key players in automobile industries in term of employee pay structure. They follow two categories of pay structures which are divided into managerial and controlling staff pay structure. typically, the top of the organization decides the regular payment of the social control staff Due to this pay structure problem there are always yearly wage increase issues found in the local automobile industry. Huge differences in pay structure are likely to be found in various same categorical automobile industries. Local two-wheeler companies have tendencies about not to follow the elements of a pay system rather than they follow arbitrary contract systems most of the time.

Apart from local two-wheeler automobile industries policy, multinational two-wheeler companies maintain a fixed pay structure. And employees get familiar with the pay structure and future incentives when joining the company. Here is a short summarization of "Elements of a Pay System". In renowned two-wheeler automobile industries HR police for pay structure follows the Direct pay, Basic pay, Incentives pay. These multinational companies ensure that employee gets health insurance along with occasional bonuses. But this indirect compensation is rarely adopted in the two-wheeler automobile industry. Renowned companies like Honda private limited, Yamaha (ACI motors), Hero Motor corp. Bangladesh optimally follows the basic pay, incentive pay and bonuses.

Performance scheme compensation policy can play an important role to encourage the employees to accelerate their performance. Having fair compensation schemes in terms of market rates is vital for attracting and recruiting top talent, and reducing turnover. Performance based reward systems also are an excellent thanks to incentivizing employees and reward those who go the additional mile. an employee is incentivized to strive for better performance and business outcomes when there is a link between higher business outcomes with individual rewards. Bangladesh Honda motors limited and Yamaha (ACI motors) heavily practice this policy to get the most from their employees.

Performance appraisals system and new policy of Hero motor Corp Bangladesh is showing in a structure:

**Performance appraisals system**

**Feedbacks**

In any organization, giving feedbacks to employees plays crucial roles in term of increasing their productivity. It also helps to ensure great psychological mind at work which ultimately lead to meet the organizational goals. Any works information or data which seems hard to understand to an employee should be explained in such way so that he or she can feel emotional safety in the workplace. It is always good to be clear by asking their feedbacks while training or meeting session. It certainly boosts their confidence at work as well as themselves.

When there is a frequent feedback industry and workers serve better. Employees can learn from their mistakes and take necessary steps to improve their performance. Managers and higher administrations will have a great idea over frequent feedback about employee’s capability and skills.



All two-wheeler automobile industries organize an annual feedback and performance review. Honda motors limited, TVS and Hero motor corp. Bangladesh organize biannual (2 feedback meetings in a year) feedback meetings. Where they discuss more about the company's future set of goals and measures. Maximum time these feedbacks have lack in optimal depth and clarity because when you compress entire year feedback in an hour. Employees don’t get the proper performance review thus their performance changes slowly. In the feedback process for hardworking and motivated employees sometimes top-class two-wheeler companies HRD organize an award ceremony so that everyone gets encouraged to do their best for the company. Last 5 years this profound HR practice in the two-wheeler automobile industry is increasing which is a good indication of maximizing company’s performance and outcomes.

### **HR Guidelines in Multinational Two-Wheeler Companies:**

Companies insist that their seriousness is interlinked with the prosperity of all segments of the market environment. Most of the multinational organizations that increasingly has senior management that is embracing a global view that understands that you need to be culturally adept. and there are local managers executives who still embrace and hang on to very local customs and business practices. it's interesting to watch these two different models. if you will come together and collide from time to time. there's one particular management who's responsible for a small country in Bangladesh and their perspective is their backyard is the most important. and anything outside of that you know its kind of secondary. yet that's kind of the antithesis of what we're trying to do. we're trying to build a Sumitomo community, a learning community in many ways and introduce common talent management platforms throughout the company.

for designing human resources for local organization that started small and becoming bigger their human resource designing has really evolved into from simple to a matrix organization. and right now, most of their experience is really more of cascaded down as part of a multinational directive where they follow what their mother company state says. they have different training programs ranging from beginners for those who joined the organization and then also on leaders. but what they've done was to also divide those programs for leaders to into high potential ones and then the traditional kind of leadership programs help to develop.

**Chapter 05: Recommendations and Conclusions**

The analysis of this reports shows the summery of the HR policies and practices in the automobile industry in Bangladesh. Bangladesh automobile industries HRM practice is still far away from world standard but there is a lightning hope that the way its HRM practices changes in the past 5 years, very soon two-wheeler automobile industry will fulfill the world standard HRM practice.

**Recommendation:**

when we're thinking about the basics of human resource management, one of the first things is recruitment and selection finding the right people and getting them on board. people who can come on board and understand your strategy and make it happen. so many good things flow from having the right people in your organization. they bring with them the right skills, they bring with the values that fit with your organization and they really start to enthuse other people around them. and so many bad things so many frustrations come from having the wrong people in your organization. they might be the wrong people because their values don't fit with the organization. they may be not suited to their role because of their skill set they may have all the skills and the values but they're just not motivated. they are not actually doing anything wrong.

recruitment and selection are so important that some people actually suggest you shouldn't come up with a strategy and then trying to get people on board with it. you should just get good people first and then work out your strategy. If we can get good people into organization we can forget about our strategy. once you've got that team then work out your strategy from there. because the right people will know where to go either way. finding the right people needs to be very high on the agenda of your organization. that's going to have a lot of implications. it's certainly going to mean that the recruitment and selection process needs to be very thorough and very careful. and it's going to involve some patience. not only do you want to have a couple of rounds of interviews with careful questions you might want to think about some psychometric testing. and you also want to set up a few situations with this person like drinks or dinner or golf where you can actually relate to them in a broader context and see what really makes them tick, what do they like outside of the interview room to make sure that they are the right person for your organization. sometimes all of this is going to mean long delays because if you can't find the right person you're almost always better off having no one do that role. it might be frustrating and disruptive to have no one doing the role. but it's going to be even more frustrating and disruptive to have the wrong person doing that role especially for those higher level more influential roles. sometimes finding the right people can mean profound changes for your business. if you're having trouble attracting the right people to your city, you might choose to move cities. the reason that places like Silicon Valley have become the focal point for a whole industry is that it's easy to find the right people there. there's a whole ecosystem of universities and funding institutions and human resources that make the high-tech industry thrive. whatever the implications are for your business it's important to be as careful and as patient

1. HR should be more concern about recruiting the best person who is fit for the job as jobs in automobile industry needs dynamic persons
2. HR should understand the employee expectations.
3. For long run HR evaluation and appraisal process should be fare and clean.
4. All the Two wheeler company should follow the fixed HR strategy.
5. Payment of entry level should be fixed in terms of payment and other facilities.
6. HR training & development process should be more understandable.

**Conclusion**

Human Resource is a combination of the business’s expectations meeting the employee’s expectations. All the organizations in Bangladesh are doing career planning, succession planning and there are certain business needs that need to be addressed and people will be asked to go and do a job because of those business. but at the same time, we would always consider the feedback of the employee and what it is that that person would like to do expatriation can be for two reasons. one is we would send someone on expatriation where we don't have a particular skill in a country or as a job that's a vacancy which we perhaps can't feel within the country. the second reason for expatriation is sending someone for their development so that they can be developed to do a bigger job. so, it's a combination of business needs meeting employee expectations. human resource departments face different challenges ranging from a constantly changing workforce to ever-present government regulation, technology changes, and economic conditions. The company should provide environmental safety to make employees enjoy good health are more likely to be productive. Another important part is Labor Relations. in countries where businesses are required by law to recognize a labor union and bargain with it in good faith. the role of HR managers has evolved over the years into a very strategic one since talent is the most important asset of any business. good HR practices need to be continually reviewed and adjusted to meet the changing demands of today's fast-paced business environment. remember to win in the marketplace you must first win in the workplace. Bangladesh government recently focused on this market HRM policy and Regulations to make its standard unified and structural. which will be a good initiative for the country's two-wheeler automobile industry.

**Chapter 06: Bibliography**

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