

Sonargaon University (SU)

Dhaka, Bangladesh

Thesis Paper on

Recruitment and Selection Process of Sonali Bank Limited

Submitted by:

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Letter of Transmittal

7th January, 2022

To
Md. Rasel Hawlader
Lecturer
Department of Business Administration
Department of Business Administration
Sonargaon University (SU)

Subject: Submission of Thesis Paper.

Sir,

With due respect, I state that, I have completed the Thesis Paper named "**Recruitment and Selection Process of Sonali Bank Limited**". I consider myself lucky for getting the chance of submitting the Thesis Paper which I have been assigned by you as a part of my Thesis program at Sonali Bank Limited.

I have found the study to be quite interesting, beneficial & insightful. I have tried my level best to fulfill all the requirements to make my Thesis Paper according to your expectation. Without the sincere co-operation and proper guidance of you, it was not possible for me to prepare the report.

So, I would like to request you to accept my Thesis Paper that is enclosed with this application for your kind consideration.

Sincerely yours

……..

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Certificate from the Supervisor

This is to certify that the report on **"Recruitment and Selection Process of Sonali Bank Limited"** is done by **Parvez Ahmed** as a partial fulfillment requirement of **"Master of Business Administration (MBA)"** degree from the Department of Business Administration, Sonargaon University.

Md. Rasel Hawlader

Lecturer

Department of Business Administration

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Preface

Thesis in MBA program is a scope of gathering practical knowledge on corporate environment by engaging in an organization for a certain period. This report is the result of a descriptive research that is conducted during the Thesis period in **Sonali Bank Limited**.

Sonali Bank Limited the biggest commercial bank in the country. It is a service oriented company and provides different customer services to its clients through its various operations. The management of the bank is aware that without providing qualified services the bank will not be able to survive in this competitive business arena. By providing better customer services the bank will be able to retain its existing customers and attract new customers..

Commercial banks play an important role in the economy. Skilled and efficient manpower is the key to run its activities smoothly. Effective recruitment and selection process is the precondition to that. The recruitment and selection practices in this bank give us a view about their performance efficiency. In this report, an attempt has been made to portray a picture on the recruitment and selection process of Sonali Bank Limited.

Acknowledgement

First I would like to express my deep sense of gratitude to Almighty Allah to give me the strength to complete the report within the stipulated time. The successful accomplishment of this project work is the outcome of the contribution of number of people, especially those who have given the time and effort to share their thoughts and suggestions to improve the report.

Completion of anything requires supports from various sources. I am very fortunate to get the sincere guidance and supervision from a number of people. First and foremost, I would like to convey my sincere gratitude to **Md. Rasel Hawlader** for his encouragement and cooperation in writing this report. I am also indebted to him for his constant guidance.

I am very much grateful to the official of Sonali Bank Limited who extended their enthusiastic cooperation during my Thesis period.

It is worth mentioning to utter the name of my all respectable teachers of my department from whom I have learned over the academic years.

Finally, I would like to thank all those people who have shared their views about my work, provided me with necessary information, criticized me, and congratulated me. This acknowledgment is not enough to tell them how profound the impact of their opinion is on this report, how indebted I am to them. I express my heartiest gratitude to all of them.

_____

Parvez Ahmed

Executive Summary

Sonali Bank Limited is the largest nationalized commercial bank in Bangladesh. Every person must have seen a branch of Sonali Bank in his/her local area. It is a service oriented company and providing different customer services to its clients through its various operations. The management of the bank is aware that without providing qualified services the bank will not be able to survive in this competitive business arena. By providing qualified customer services the bank will be able to retain its existing customers and attract new customers. It is the quality that determines the position and prospective of the bank. The objective of this report is to reveal feature of **Selection and Recruitment Process of Sonali Bank Limited** and find out the weak areas and recommendations to recover those.

The objective of this study was to gather knowledge about the recruitment and selection process of Sonali Bank Limited. The study was also done to gain in-depth knowledge about the HR Department of the bank and find out various limitations in the recruitment and selection process.

The study requires a systematic procedure from selection of the topic to preparation of the final report. To perform the study, the data sources were to be identified and collected, to be classified, analyzed, interpreted and presented in a systematic manner and key points were to be found out. The primary data was collected through face to face interview, observation, and by participation in the recruitment and selection process. The secondary information collected from website, magazine, annual reports, journals, books and some other relevant sources.

As an thesis scope was very limited and restricted. I had maintained some official formality for the collection of data for my report. This report mainly encompasses the Human Resource Practices of the Sonali Bank Limited. Sonali Bank Limited has lots of scope to improve in Human Resource department as they have some competitive advantages as the largest commercial bank in Bangladesh. It has the most number of branches around Bangladesh which can play an important role to create a positive impression in the market.

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Chapter 1

Introductory Part

1.1 Introduction

Banking is known as the backbone of the national economy. Banks play an important role in the business sector & promoting industrialization & economic development of the country. Banks provide necessary funds for the executing various program underway in the process of economic development. All sorts of economy & financial activities revolve around the bank. As the industry produces goods & commodities, bank creates & controls money market & promotes formation of capital.

Bank is a powerful medium to bring socio-economic changes in a developing country like Bangladesh. The three important sectors in Bangladesh like Agriculture, Commerce & Industry provide the bulk of the country's wealth. So the nourishment of these sectors is only possible through satisfactory banking facility. Development of banking system can provide the necessary boost for the rapid economy growth of a country.

Basically, Bank collects deposit from the customers at a lower rate of interest & lends it to the borrowers at a higher rate of interest considering the cost of fund. The difference amount indicates the operating profit for a bank.

Banks provide different services, credits to the customers. The customer comes from all walks of life, from a small business to a multi-national corporation having its business activities all around the worlds. The bank has to satisfy the requirements of different

customers belonging to various social groups. The banking business has therefore become complex & requires specialized skills. It functions as an agent for bringing about economic, industrial growth, & prosperity of the country. As a result different types of bank with various services have come in to existence to suit specific requirements.

The recruitment and selection processes of an organization are two of its most important HR activities. The basic purpose of recruiting is to ensure a sufficient pool of applicants from which the most qualified individuals will be selected. Effective recruiting is important because sufficient number of qualified applicants is needed to ensure that selection will be successfully accomplished.

1.2 Origin of the Study

To fulfill the requirement of the Thesis of MBA program it is a mandatory requirement of the program that require a student to work in a particular organization for minimum forty-five days. As a part of course requirement, every MBA student has to be attached with a business organization after completion of MBA examination for 45 days under Thesis program.

Earlier the topic of the report, along with other stuffs, was proposed to the Thesis supervisor, who subsequently permitted me to work on the topic suggesting some modifications and giving thorough guidelines. This report **"The Recruitment and Selection Process of Sonali Bank Limited"** is the output of the 45 days long Thesis program at Sonali Bank's Sadarghat Corporate Branch located at Dhaka, Bangladesh.

1.3 Objective of the Study

Primary Objective of the Report

To know overall about the company of Dhaka Bank Limited and also know each and every parts of the recruitment and selection process of that company.

Secondary Objectives of the Report:

- To gather knowledge about the function of human resource division.
- To identify the Recruitment Process of Sonali Bank Limited.
- To focus on the major elements of Recruitment and Selection process.
- To focus on the updated methods of modern recruitment and selection techniques.
- To identify the problem of human resource division of Sonali Bank Limited, especially Human Resource Planning and Sourcing.
- To recommend suggestions for the HR Division and HR Planning and Sourcing of the Sonali Bank Limited.

1.4 Methodology

The study requires a systematic procedure from selection of the topic to preparation of the final report. To perform the study, the data sources were to be identified and collected, to be classified, analyzed, interpreted and presented in a systematic manner and key points were to be found out. The overall process of methodology has been given as below:

• **Primary:** The primary information collected through face to face interview, observation, and by participation in the recruitment and selection process.

• **Secondary:** The secondary information collected from website, magazine, annual reports, journals, books and some other relevant sources.

Both primary and secondary data sources will be used to generate this report. Primary data sources are scheduled survey, informal discussion with professionals and observation while working in different desks. The secondary data sources are different published reports, manuals of Sonali Bank Limited.

1.5 Data Collection and Processing

Methods of Data Collection and data collection instruments:

The study is based on secondary sources and also primary sources. Secondary data works as accelerator of the primary data.

1. **Primary sources:** Primary data were collected through telephone and direct communication.
2. **Secondary sources*:*** Following were the secondary sources of data.
   a) Annual report of Sonali Bank Ltd.
   b) Different published articles published by Sonali Bank Ltd.
   c) Website of Sonali Bank Ltd.
   d) Different other articles and magazines.

Data Processing and Analysis Plan:

- Various procedures were applied on the data to get useful information. Data processing involves various processes, including:
- Data summarization
- Data aggregation
- Data validation
- Data tabulation
- Statistical analysis

1.6 Limitation of the Study

This report is subject to a number of limitations. These are:

- **Lack of Information:** As management systems and all employees are not clearly disclosed in a separate title in the annual reports, there is lack of sufficient information for analysis. For this reason it is difficult to analyze current situation of these reporting.
- **Confidentiality of data:** confidentiality of data is another important barrier that was faced during the preparation of this study. Every organization has their own secrecy that is not revealed to others. While collecting data on Sonali Bank limited, employees did not disclose enough information for the sake of confidentiality of the organization.
- **Inexperience:** Furthermore, I carried out such an Thesis program for the first time. So, inexperience is one of the main factors that constituted the limitation of the study.
- **Time limitation:** the time was not sufficient for such a study. The time period of the study is very short as I had only thirty-five days in my hand to work as an intern in SBL which was not enough to have a practical experience about HRD activities.
- **Non-discloser:** I have also information limitations because the people I have interviewed they did not disclose information as I needed. Moreover, they skipped much information technically like- internal and external recruitment budgeting process.
- **Unavailability of adequate resources:** Adequate book, publication and journals were not available.

Even I could not accumulate all the available information. However, I have tried my best to prepare my Thesis Paper as good as possible within these limitations.

Chapter 2

Company Profile

2.1 Overview of the Bank

Soon after independence of the country Sonali Bank emerged as the largest and leading Nationalized Commercial Bank by proclamation of the Banks' Nationalization Order 1972 (Presidential Order-26) liquidating the then National Bank of Pakistan, Premier Bank and Bank of Bhwalpur. As a fully state owned institution, the bank had been discharging its nation-building responsibilities by undertaking government entrusted different socio-economic schemes as well as money market activities of its own volition, covering all spheres of the economy.

The bank has been converted to a Public Limited Company with 100% ownership of the government and started functioning as Sonali Bank Limited from November 15 2007 taking over all assets, liabilities and business of Sonali Bank. After corporatization, the management of the bank has been given required autonomy to make the bank competitive & to run its business effectively.

Sonali Bank Limited is governed by a Board of Directors consisting of 11(Eleven) members. The Bank is headed by the Chief Executive Officer & Managing Director, who is a well-known Banker and a reputed professional.

The corporate head quarter of the bank is located at Motijheel, Dhaka, Bangladesh, and the main commercial center of the capital. It has eight GM offices in 6 Divisional Headquarters and 26 Principal Offices and 32 Regional Offices. The principal office is headed by DGM and each department is headed by AGM.

Principal office Headquarter has the jurisdiction over the entire area of a district. The regional offices are under the control of the principle office. Regional heads exercise control and supervision over all the branches within their jurisdictions and keep the head of the principal office informed.

2.2 Corporate profile of Sonali Bank:

Name of the Company	: Sonali Bank Limited
Chairman	: Dr. A.H.M. Habibur Rahman
CEO and Managing Director	: Pradip Kumar Dutta
Company Secretary	: A.K.M Sajedur Rahman Khan
Legal Status	: Public Limited Company
Genesis	: Emerged as Nationalized Commercial Bank in 1972, following the Bangladesh Bank (Nationalization) Order No. 1972(PO No.26 of 1972)
Date of Incorporation	: 03 June, 2007
Date of Vendor's Agreement	: 15 November, 2007
Registered Office	: 35-42, 44 Motijheel Commercial Area, Dhaka, Bangladesh
Authorized Capital	: Taka 6,000 core
Paid-up Capital	: Taka 3,120 core
Number of Employee	: 22,446
Number of Branches	: 1204
Phone-PABX	: 9550426-31, 33, 34, 9552924
FAX	: 88-02-9561410, 9552007
Website	: www.sonalibank.com.bd
SWIFT Code	: BSONBDDH
E-mail	: itd@sonalibank.com.bd

2.3 Vision and Mission

Vision

Socially committed leading banking institution with global presence.

Mission

Dedicated to extend a whole range of quality products that support divergent needs of people aiming at enriching their lives, creating value for the stakeholders and contributing towards socio-economic development of the country.

2.4 Organogram

The Board of Directors is the top of Management in the organogram which is constituted in teams of the Bangladesh Bank's Nationalization Order 1972. Management hierarchy of Sonali Bank is given blow:

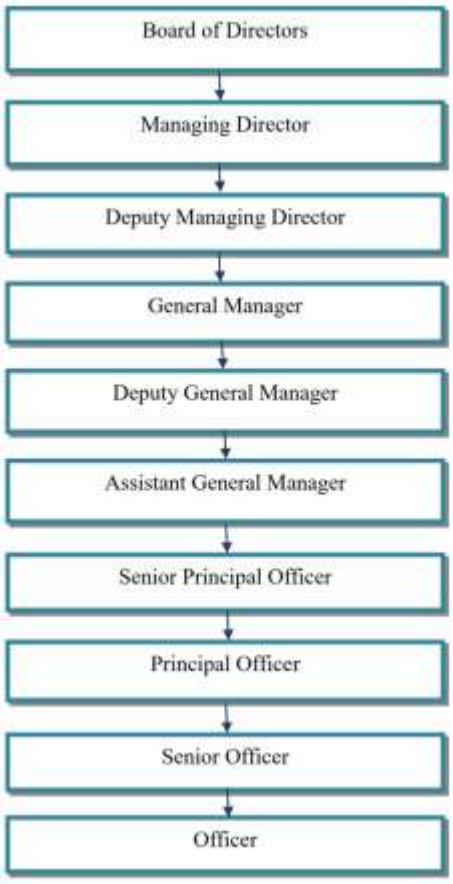


Figure: Organogram of Sonali Bank limited.

2.5 Functional Structure

Sonali Bank is the largest nationalized commercial bank of Bangladesh. It has 1187 branches throughout the country. It has also two overseas branches. The Head Office of the bank is located at the Motijheel commercial are, Dhaka. The Divisions are headed by the DGMs and the departments are by AGMs. There are also many sections under every department in the Head Office. A DGM is the chief of the Principal office and an AGM usually runs a regional office. Principal offices are the local points of the bank's administrative zone in the districts. The regional offices are under control and supervision of principal offices. The offices are situated at Thana level within the districts. The corporate branches are nearly equivalent to the GM office and usually headed by the DGMs. They provide all the banking services such as general banking, loans & advances etc.

Functional hierarchy of Sonali bank is given below:

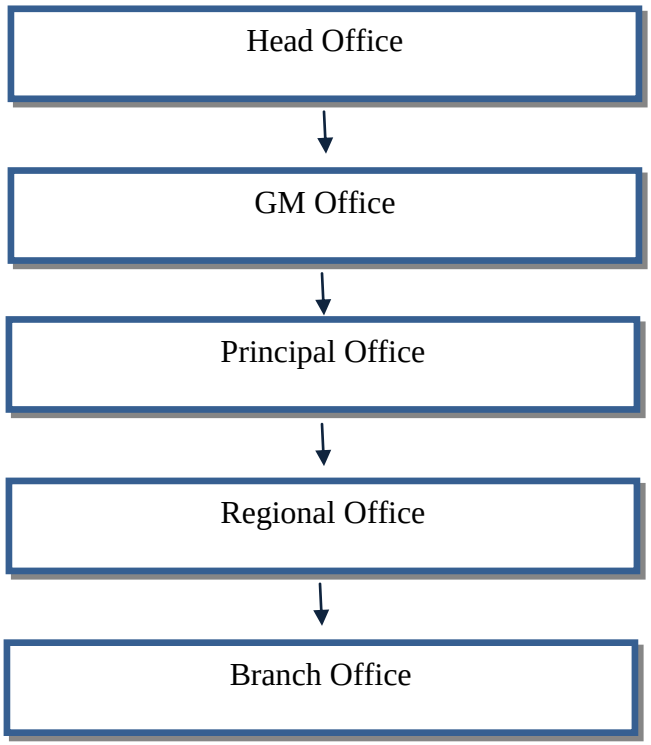


Figure: Functional hierarchy of Sonali bank Limited.

2.6 Board of Directors

Name	Position	Summary of Other Activities
Dr. A.H.M. Habibur Rahman	Chairman	▪ Honorary Professor, Department of Finance, Sonargaon University ▪ Former Chairman, BSRS, Govt. of Bangladesh
Ranjit Kumar Chakraborty	Director	▪ Additional Secretary, Finance Division, Ministry of Finance (On PRL) Govt. of the People's Republic of Bangladesh
Md. Nazibar Rahman	Director	▪ Former Director, Janata Bank Limited
Shekhar Dutta	Director	▪ President, Moni Singh-Farhad Smrity Trust ▪ Former Director, Agrani Bank Limited
Mrs. Selima Ahmad	Director	▪ Vice Chairperson, Nitol-Nilay Group. ▪ Former Director, BDBL ▪ Founder, Bangladesh Women Chamber of Commerce and Industry
Md. Mahboob Hossain	Director	▪ Former Joint Secretary, Govt. of the People's Republic of Bangladesh
Md. Shaheb Ali Mridha	Director	▪ Former Joint Secretary Govt. of the People's Republic of Bangladesh
Kazi Tariqul Islam	Director	▪ Former Joint Secretary Govt. of the People's Republic of Bangladesh

Md. Enamul Haq Choudhury	Director	▪ Former Managing Director, Sonali Bank, Agrani Bank, Shilpa Bank & BRAC Bank Limited
A.K.M Rezaur Rahman	Director	▪ Former Additional Secretary, Govt. of the People's Republic of Bangladesh
Pradip Kumar Dutta	M.D. &CEO	▪ Sonali Bank Ltd

2.7 Credit Rating of Sonali Bank Limited

As per Bangladesh Bank's mandatory requirement vide BRPD Circular no. 06 dated 5 July, 2006, credit rating of Sonali Bank Ltd. was done by The Alpha Credit Rating Ltd. on the audited balance sheet as on 31-12-2013 and other related information. The rating of that report is as under.

Credit Rating Report (Surveillance Rating)

Surveillance Rating - 2013	Long-Term	Short-Term
With Government Support	AAA	AR-1
Without Government Support	BBB+	AR-3
Outlook	Stable	
Date of Rating	30 June, 2014	

Financial Institutions Rating Symbols of "Alpha Rating"

Long-Term Ratings	
Rating	**Definition**
AAA	An institution rated AAA has an exceptionally strong capacity to meet its financial commitments.
BBB+	An institution rated BBB+ has adequate capacity to meet its financial commitments.
Short-Term Ratings	
Rating	**Definition**
AR-1	An institution rated AR-1 has superior capacity to meet its financial commitments in a timely manner.
AR-3	An institution rated AR-3 has adequate capacity to meet its financial commitments in a timely manner.

2.8 Services Offered by Sonali Bank Limited

Sonali Bank Limited is the largest state owned leading commercial bank in Bangladesh. It provides the following services.

Core Services

- Corporate Service
- Project Finance
- SME Finance
- Trade Finance
- Loan Syndication
- Foreign Exchange Dealing
- Investment
- Government Treasury Function
- Money Market Operation

- Remittance
- International Trade
- Rural and Micro credit
- Lease Finance
- NGO-Linkage Loan
- Capital Market Operation
- Consumer Credit
- Merchant Banking
- Special Small Loan

Other Services

- Government Treasury Bonds
- A.T.M. Card
- Ancillary Services
- Locker Service
- Utility Bills Collection
- Merchant Banking

2.9 Islamic Banking

Sonali Bank Limited has started Islamic Banking Activities in consideration with the increasing demand & expectation of religious Muslims. It is completely based on Islamic Shariah. A high profiled Shariah supervisory committee consists of reputed Islamic scholars, Economists & Bankers, has been working for proper & fair Islamic Banking activities.

The objective s of Islamic Banking are as follows.

- To facilitate the online Shariah based banking at the door step of the religious Muslims.
- To establish an excellent Islamic Banking System by direct participation in sincere & public welfare Banking, ensuring a proper & developed financial Management, based on Islamic Shariah.
- To bring dynamism in Islamic banking by utilizing the well versed experience & good will of Sonali Bank Limited.
- To encourage the savings following direct Investment.
- To create more employment facilities by inspiring project Investment.

Chapter 3

Literature Review

3.1 Definition of Recruitment

Recruitment is a process of locating individuals with sufficient qualification and encouraging them to apply for jobs. From other perspective, it is a process of identifying and hiring the best-qualified candidate for a job vacancy, in a most timely and cost-effective manner.

According to ***Edwin B. Flippo,*** *"Recruitment is the process of searching the candidates for employment and stimulating them to apply for jobs in the organization."*

According to ***Robins,*** *"The ideal recruitment effort will attract a large no of qualified applicants who will take the job if it is offered. A good recruiting program should attract the qualified & not attract the unqualified. This dual objective will minimize the cost of processing unqualified candidates."*

So recruitment is a continuous process whereby the firm attempts to develop a pool of qualified applicants for the future human resources needs even though specific vacancies do not exist. Usually the process begins when new recruits are sought & ends when their applications are submitted.

3.2 Types of Recruitment Needs

There are three types of recruitment needs. They are as follows.

i) Planned: The employment needs arising from changes in organization and retirement policy.

ii) Anticipated: Anticipated needs are those movements in personnel, which an organization can predict by studying trends in internal and external environment.

iii) Unexpected: Resignation, deaths, accidents, illness give rise to unexpected needs.

3.3 Sources of Recruitment

Every organization has the option of choosing the candidates for its recruitment processes from two kinds of sources. They are

1. **Internal Sources**
2. **External Sources**

1. Internal Sources

The sources within the organization itself to fill a position are known as the internal sources of recruitment. In the following ways internal recruitment is done.

I) Promotion
II) Recommendation of employed personnel
III) Recommendation of trade union

2. External Sources

Recruiting candidates from all the other sources are known as the external sources of recruitment. In addition to looking internally for candidates, it is customary for organizations to open up recruiting efforts to the external community. Following are some external recruitment ways.

I) Advertisement
II) Employment agencies

III) Vocational training institute

IV) Educational institutions

V) Unsolicited applicants

3.4 Definition of Selection

Selection is the second stage of the recruitment and selection process. It may be defined as the process of choosing the best candidate from a number of applicants. There is always an element of prediction in selection, making an informed estimate as to which of the various applicants is most suitable for the job being filled.

According to ***Dale Yoder,*** *"Selection is the process by which candidates for employment are divided into two classes; those who are to be offered employment and those who are not."*

DeCenzo & Robbins said *"Selection activities follow a standard pattern, beginning with an initial screening interview and concluding with the final employment decision."*

However, we can define selection as a multi-stage process of selecting the suitable candidates for the advertised vacant positions of the organization.

3.5 General Recruitment and Selection Process in Bangladesh

Generally, recruitment and selection means selecting employees from external sources. However, most of the organizations in Bangladesh follow the same process of selecting and recruiting employees. They are as follows.

1. Steps Prior to Selection

This stage is also known as the recruitment stage. It is a process of discovering people for vacant post. It involves recruitment planning, job analysis and balancing between demand and supply of human resources. Recruitment is done in the following steps.

i) Collecting Departmental Requisition: This is the first step of the recruitment process. After getting requisition from the departmental heads, top management assesses the proposal and if it is seen reasonable and acceptable top management directs the HR department for recruitment.

ii) Determination of Sources: After getting the requisition the HR department decides from where to collect the employees according to the nature of the vacant post and required qualification. There are two sources of employees; external & internal.

iii) Inviting Applicants: After the assessment of requisition proposal of vacant job, the next step of recruitment is attracting applicants for vacant job through advertisement. The advertisement includes name of position, nature of work, qualities required for the job etc.

2. Steps Involved in Employee Selection

i) Receiving Application: According to the job advertisement applicants respond by sending their CV. All the job applications and CVs are then sorted out and selected applicants get call for preliminary test.

ii) Written Test: If selected in the primary selection applicants get call for written test. In the written test the following things are tested.

a) Efficiency
b) Intelligence
c) Aptitude
d) Personality

iii) Taking Interview: If applicants pass the written test they are then called for an interview. Sometimes these interviews are taken before the written test. Though these interviews are taken for a short time, selectors can know a lot about an applicant's intelligence, knowledge, personality etc. in this short time.

iv) Primary Selection: Those who pass the viva voce are primarily selected. In this case, candidates are selected based on both written exam and interview.

v) Enquiry of Personal History: The selectors then enquire for the personal history of a candidate. This includes checking permanent address, previous work place, educational institutes etc.

vi) Medical Test: In this case the physical ability and fitness are tested of a candidate. Here things like strength, stamina, diseases etc are tested.

3. Final Selection

This is decision making stage. The information furnished by the applicant and gathered by the organization is evaluated. If the information is favorable, a job offer is made; if the information is unfavorable, no job offer is extended. The tentative job offer is subject to a physical examination and a background investigation. If the candidate successfully completes these two final hurdles, a final job offer is made.

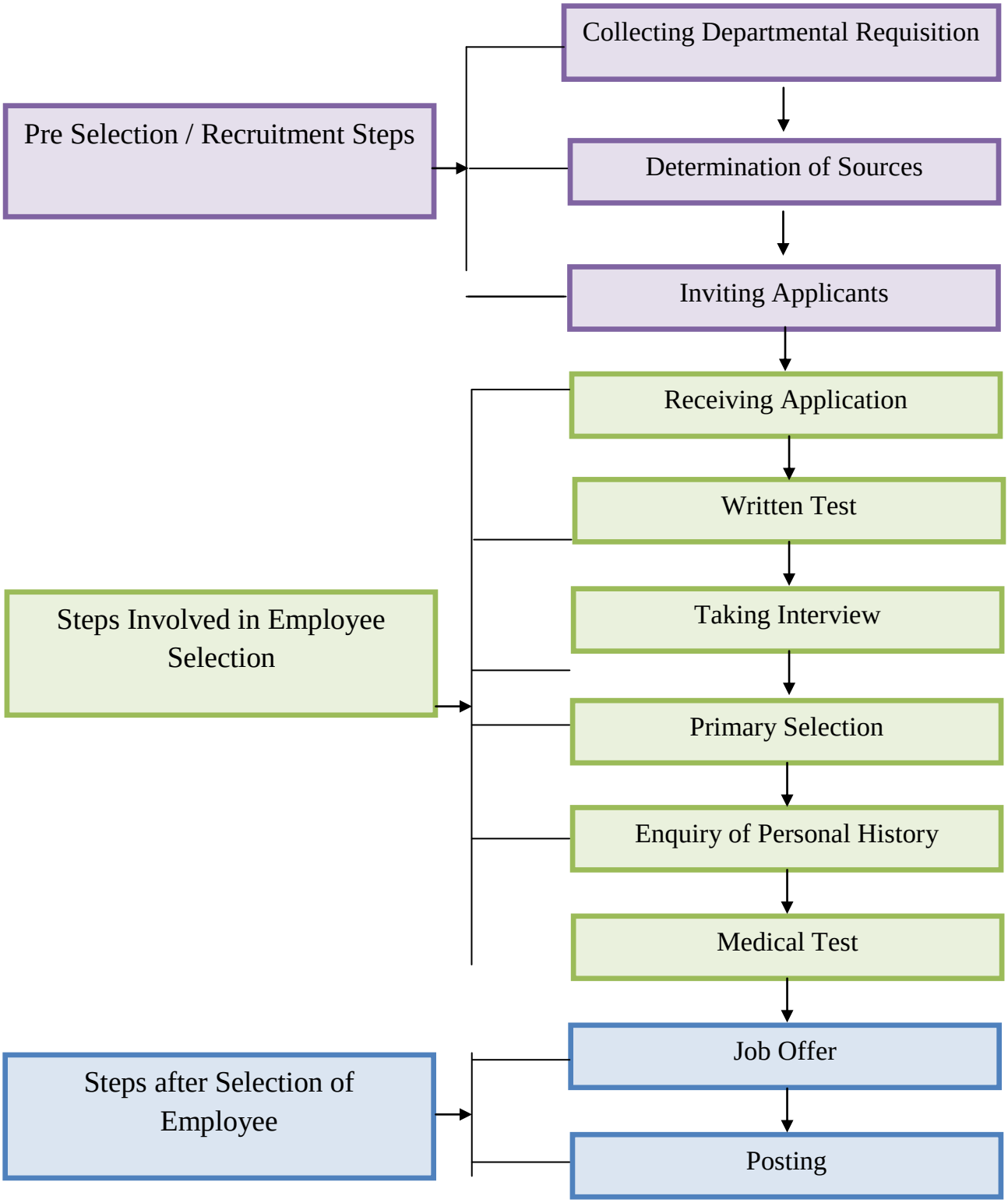


Figure: General recruitment and selection process of an organization.

Chapter 4

Conceptual Framework of Bank

4.1 Definition of Bank

The bank is the life blood of modern economy. A bank is a financial intermediary and money creator that create money by lending money to a borrower, thereby creating a corresponding deposit on the bank's balance sheet. In other words, an establishment authorized by a government to accept deposits, pay interest, clear checks, make loans, act as an intermediary in financial transactions, and provide other financial services to its customers.

Following are some definition of Bank stated various renowned economists.

"A bank is a financial intermediary, a dealer in loans and debts."

-Professor Cairncross

"Bank is an office or an institution for the keeping, lending and exchanging of money."

-Professor Chambers

"Bank is an institution, the principal task of which is to collect the utilized money of the people and to lend it to others."

-R. P. Kent

Banking in its modern sense evolved in the 14th century in the rich cities of Renaissance Italy but in many ways was a continuation of ideas and concepts of credit and lending that had its roots in the ancient world.

Banking in its modern sense evolved in the 14th century in the rich cities of Renaissance Italy but in many ways was a continuation of ideas and concepts of credit and lending that had its roots in the ancient world. Due to their importance in the financial system and

influence on national economies, banks are highly regulated in most countries. Most nations have institutionalized a system known as fractional reserve banking, central banking, under which banks hold liquid assets equal to only a portion of their current liabilities. In addition to other regulations intended to ensure liquidity, banks are generally subject to minimum capital requirements based on an international set of capital standards, known as the Basel Accords.

4.2 Objectives of Bank

Bank has various objectives as per other financial organizations. But banking organization view point is exceptional than others. The objectives of bank can be viewed from three different perspectives:

1. Objective from the View Point of Bank Owners

i. **Earning Profit:** Profit motive of the owners of the Bank acts as a driving force in engaging themselves in the business of banking like all other business.

ii. **Rendering Services:** Bank renders various services to the society as a part of their social commitment and this is a prime objective for engaging in banking business. Bankers are not only to make profit but also to do some good to the society.

iii. **Investment of Fund:** The owners of the bank treat the bank as a suitable sector to invest their accumulated saved money.

iv. **Earning Good Will**: The owners of bank take bank as a way of earning good will by enhancing the periphery of their banking business.

v. **Raising Efficiency:** The owners sharpen their managerial skill and efficiency by ensuring smooth operation of their banking business

2. Objective from the view point of the government

i. **Issuance of Notes:** Government issues notes and currency as a medium of exchange through banks.

ii. **Formation of Capital:** Government always encourages formation of capital in society through households and bank act as a catalyzing force in formation of capital in different sectors of the society.

iii. **Investment of Capital and Industrialization:** Bank helps investment of ideal money through its various asset products and expedites industrialization. Eventually this helps the growth of GDP, alleviating poverty and ensures equal distribution of wealth.

iv. **Control of Money Market:** Bank by its various products help in controlling money market (supply of money in the market) and guards against the economy to be inflated.

v. **Creation of Employment:** Bank to fulfill its human resource requirements and create a large employment opportunities.

vi. **Counseling in Financial Matters:** Banks sometimes put up effective suggestions to Government in financial matters from their part

3. Objective from the view point of bank customers

i. **Safe Custodian of Public Money:** Bank acts as a safe custodian of public money. By depositing own money into a Bank account people get rid of worries like theft, burglary and snatching.

ii. **Financial Advisor:** Sometimes bank acts as a financial advisers and counselor to its customers in various aspects.

iii. **Representative or Trustee:** Bank sometimes performs the role of a representative or trustee on behalf of its customers.

iv. **Providing Credit Facility:** Bank provides credit facility to its customers and makes opportunities to invest in profitable sector and by the process create income opportunities for customers.

4.3 Types of Bank

After the independence, the banking industry in Bangladesh started its journey with 6 nationalized commercialized banks, 2 State owned specialized banks and 3 Foreign Banks. In the 1980s the banking industry achieved a significant expansion with the entrance of private banks. Now, banks in Bangladesh are primarily of two types:

I. Scheduled Banks: The banks which get licenses to operate under the Bank Company Act, 1991 (Amended in 2003) are termed as Scheduled Banks. Following are some examples of Scheduled Banks in Bangladesh.

- Rupali Bank Limited
- Sonali Bank Limited
- Dutch Bangla Bank Limited
- Jamuna Bank Limited

II. Non-Scheduled Banks: The banks which are established for special and definite objective and operate under the acts that are enacted for meeting up those objectives, are termed as Non-Scheduled Banks. These banks cannot perform all functions of scheduled banks. Following are some examples of Non-Scheduled Banks

- The Rajshahi Bank Ltd
- The Comilla Co-operative Bank Ltd

Most of the banks in Bangladesh are privately owned. Only few banks are owned by the government. Banks can be also divided according to the ownership in the following two ways:

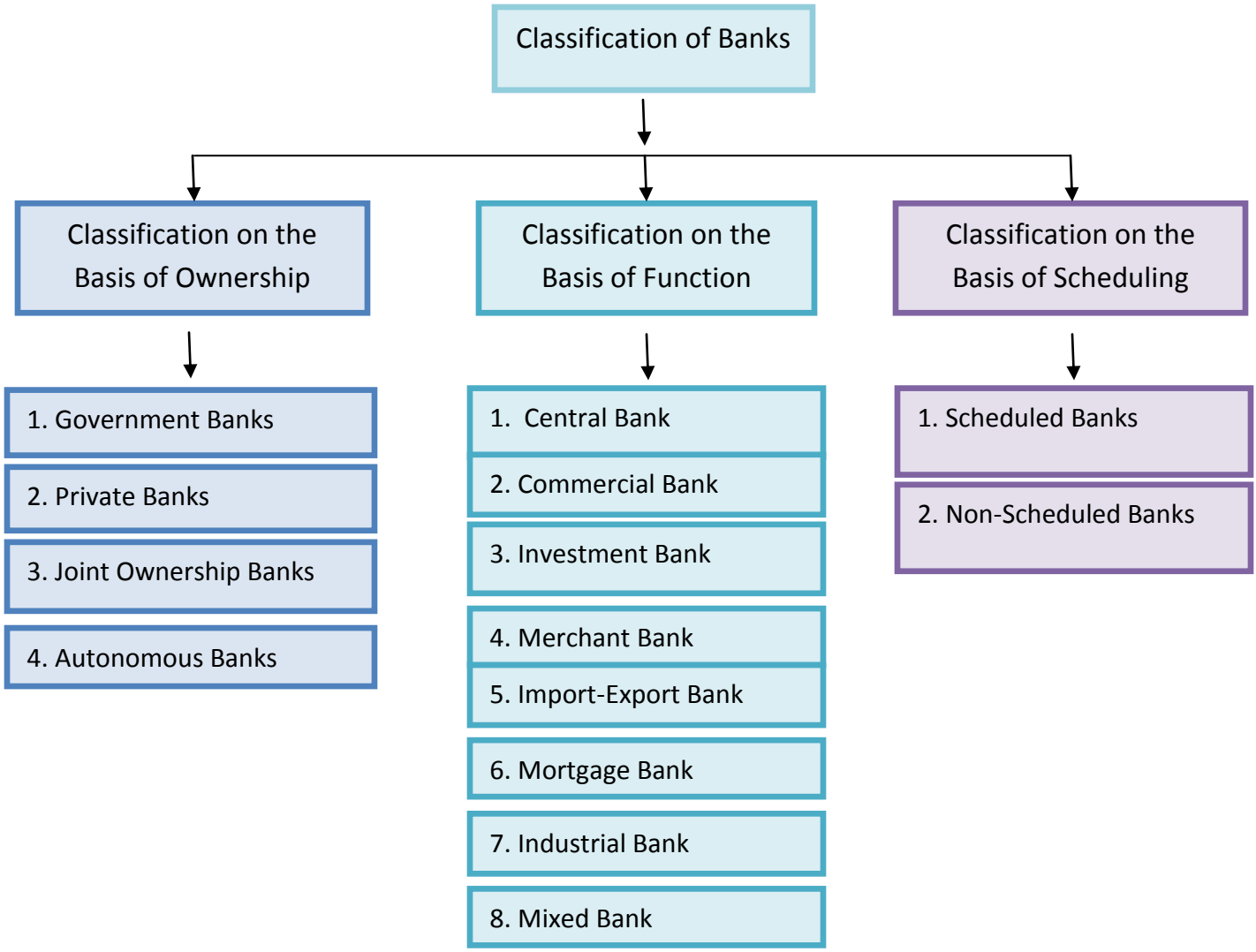
I. State Owned Bank: **State-owned** banks are banks that are **owned** by the government in which they operate. Following are some examples of state owned banks in Bangladesh.

- Agroni Bank Limited
- Janata Bank Limited
- Rupali Bank Limited
- Sonali Bank Limited

II. Private Commercial Banks: Privately owned financial institution which (1) accepts demand and time deposits, (2) makes loans to individuals and organizations, and (3) provides services such as international banking, trade financing etc. These banks are formed on private initiative and have the motive of earning profit. Following are some Private Commercial Banks in Bangladesh.

- Dutch Bangla Bank Limited
- Jamuna Bank Limited
- AB Bank Limited
- Bangladesh Commerce Bank Limited

The focus of banking is varied. There are various types of banks. The necessity for the variety among these banks is because each bank is specialized in their own field. Each bank has its own principles and policies. The vast classification of banks can be shown in the following diagram.



4.4 Role of Bank in the Economy of Bangladesh

Banking is a very vital part of an economy and plays very significant contribution towards socio-economic development of a country. This sector is considered to be like the life blood the economy as well. As one of the most important components of the financial system it forms the core of the money market and plays very pivotal role in mobilizing resources for productive investments in a country which in turn contributes to economic development.

The efficiency of this sector is very important for overall development of the country. Bank has various influences and plays the following roles in the economy of Bangladesh.

- Supply of Capital
- Increase of Investment
- Help in the Home Trades of Our Country
- Help in the Foreign Trades
- Industrial Development of Our Country
- Agricultural Development
- Credit Control
- Creation of Credit or Deposit
- Increase in the GDP
- Increase of Government Revenue
- Implementation of Economic Policies of Government
- Handling the Foreign Exchange
- Developing Living Status

The bank is the nerve center of modern business and it is no different for our country. For a developing country like Bangladesh the importance of bank is beyond description for the economic growth and overall development of this country.

Chapter 5

Recruitment and Selection Process of Sonali Bank Limited

5.1 Staffing Strategy of Sonali Bank Limited

To know the future demand of human resources, the HR division of Sonali Bank Limited usually provides all the other divisions and branches with a general form at the beginning of the year. From the information collected from these forms, the HR division gets an estimate of the human resource requirement for the year. No long term human resource forecasting is done in SBL.

The recruitment goals of Sonali Bank Limited are to attract and retain highly qualified human resources who will perform best in their respective areas. The bank not only tries to attract well qualified candidates but also tries to identify and recruit people who are really interested to work in the bank for an acceptable period of time.

Having good people in a team gives a competitive advantage to a business. Employing the right person for the role will positively influence the performance and productivity of the work team as a whole. Selecting the wrong person can result in lower performance, higher operating costs reduced morale and increased turnover among other staff members.

The only way to get good people on a team is to attract applicants through a well thought out recruitment process and then finding the best person for the role using sound selection techniques. The recruitment and selection process also provides a window into a business for job seekers. A professional approach to these processes reflects positively on the farm business.

5.2 Types of Recruitment in Sonali Bank Limited

Two types of recruitment are in practice in Sonali Bank Limited. They are as follows.

- **Yearly recruitment:** This is done each year, according to the HR plan.
- **Need-based recruitments:** This is done when there is a sudden vacancy.

5.3 Recruitment Sources and Methods of Sonali Bank Limited

Usually, Sonali Bank Limited promotes its employees to fill vacancies. External recruitment is also done for various kinds of empty post and beginning level job. **The external sources of recruitment** are

- Universities.
- Other organizations.
- Unsolicited applicants.

The HR Division will need to take a decision regarding the source of external recruiting considering variables like –

- Available spread of candidates
- Cost impact
- Time needed

The external recruitment methods are

- Advertising in newspapers & company website.
- Employee referrals.

5.4 Required Recruitment Qualifications of a Candidate in Sonali Bank Ltd.

I. Basic Qualification

Following are the basic qualifications that a candidate must have.

- He/she must be a citizen of Bangladesh.
- Third division/class in his/her academic attainment shall not be considered for employment in the Bank.
- He/she must be physically fit. All persons to be appointed by the Bank will have to undergo a medical test by the Bank's approved Physician/ Medical Officer so as to ascertain that they are physically and mentally sound health. No person shall be appointed in the service of the Bank unless he/she is declared physically and mentally fit by a medical officer of the Bank or by any other Medical authority specified by the Bank in this behalf.

II. Qualifications Checked on Various Stages of Recruitment

In different steps of recruitment, the following qualifications are looked for:

Stage of Recruitment	Tested Qualifications
Preliminary Screening	Age, academic qualifications and performance record
Critical Analysis Test	Meets minimum standards of mental alertness
In-depth Interview	Necessary innate ability, ambition, loyalty and interaction skills
Verifying Biographical Data from References	No unfavorable negative reports on past performance
Personal Judgment	Overall competence and ability to fit into the job position and the organization.

5.5 The Selection and Recruitment Policies of Sonali Bank Limited

Personnel Management is by far the most important element of an organization. This is particularly true for a service organization like a commercial bank. Progressive companies pay special attention to recruitment, selection, training, orientation, evaluation, promotion and compensation of all its Executives and Officers. The recruitment and selection policies are made based on the following categories.

5.5.1 Core Banking Cadre Service (CBCS)

- ⊡ CBCS will start with the recruitment of potential **Management Trainees (MTs)** fresh from the recognized & Sonali Bank listed Universities.
- ⊡ With MT concept in place, **normally**, there will be no recruitment at the Mid/Senior level management position except in special circumstances to meet dire needs.
- ⊡ MTs are the high potential fresh graduates/post graduates to be recruited in the bank management cadre service within policy.
- ⊡ MTs are the future leaders to move up to different leadership positions with gaining of experience & competence.
- ⊡ MTs are usually the FAST TRACKER – planned development, nursing and counseling for career growth is to be critically administered.
- ⊡ At certain a stage, there will be natural turnover of MTs and some will leave if blocked in the structure, then, bank will plan replacement with new MTs.
- ⊡ MT's career progression and development will be closely monitored and ensure growth in the succession ladder up to future TOP leadership positions in banking.

- ⊡ MTs recruited in core banking cadre, at times will be considered for other support service functions as required.

- ⊡ Employees/Executives in **'core banking cadre'** with professional competence & background may move to the **'banking support services cadre'** in the event appropriate positions in the job grade ladder are available to meet business needs.

- ⊡ Inter – bank transfer and between Head office & banks both in core banking jobs and banking operation services jobs would be the common phenomenon.

5.5.2 Banking Operation Cadre Services (BOCS)

- ⊡ Since **'banking operation jobs'** are of routine, repetitive and clerical in nature, in this segment, our recruitment sourcing will start with **Trainee Assistant (TA)** concept fresh from Universities.

- ⊡ Operation jobs are normally confined between TA and SO(Senior Officer) job grade in the operation cadre service. Employees with mediocre potential are the target group for recruitment.

- ⊡ Only employees with extraordinary achievements in job grade SO, may be considered up to PO/EO job grade through interview process. An employee in SO job grade, if found 'Very good' (VG) or 'Excellent' (Ex) for last 3 consecutive years coupled with strong behavioral competence & knowledge, will qualify for promotion interview to the next job grade of PO. Same principle will apply for employees move from PO to EO level.

  However, not more than 15% of the total population will be considered for next promotion from SO to PO or from PO to EO level at any given point of time.

- ⊡ Inter-cadre transfer only in operation jobs across the functions would be considered.

5.5.3 Banking Support Service Cadre (BSSC)

There are two segments of jobs in the BSSC category.

(I) **Operation Jobs -** ranging from TA to PO/EO level where employees will be limited in terms of potential.

(II) **Executive Jobs -** starting normally with potential **'Probationary Officer'** with requisite job requirement & competence fresh from the recognized & listed Universities. MT at times will be recruited sourced through the recruitment process in the **'Core Banking Services Cadre'** within policy.

Following are the policies regarding BSSC.

- ⊡ **Executive jobs** will also be manned through recruitment from the market, candidates having required professional experience, competence & background as well as through internal transfer of professionals from the 'Core banking Cadre Service' depending on the availability of resources.
- ⊡ Inter-transfer both in executive and operation jobs would be considered.
- ⊡ Normally no transfer from BSSC to CBCS would be considered. However, executives having core banking professional competence may be transferred to CBCS in the event positions are available in job grade ladder and the bank management considers it fit and appropriate to do so in the interest of business.
- ⊡ High potential executives may move up to SEVP level / functional heads in BSSC.

Given the Banking Cadre Services structure as above, for Sonali Bank, recruitment should be made in the following three Categories:

i. **Trainee Assistant**
ii. **Management Trainee**
iii. **Experienced Officers**

Recruitment processes on the basis of these categories are described in the following readings.

5.6 Recruitment of Trainee Assistant

Trainee Assistant (TA) for operation jobs as defined earlier shall be recruited either:

a. Through press advertisements in at least 2 (two) national dailies.
b. Directly through talent hunting but not more than 50% of the yearly recruitment/requirement under this grade.

- Every candidate who applies in response to the press advertisement shall have to appear at a written test & appear before the Selection Committee for an interview. Candidates who are selected by head hunting will have to appear before the Selection committee for evaluation.
- Candidates must not be over 30 years of age and should have minimum 8 points based on educational qualification & no 3rd class/division in any examination.
- The candidate should also have minimum computer knowledge on the following:
  - **Operating System**: Windows.
  - **Word Processing**: MS Word.
  - **Spread Sheet**: MS Excel.
  - **Typing speed**: 40 words per minute.

5.6.1 Written Test and Interview Model for TA

Content for the written test (100 marks) should be as follows:

- Ability to write both in Bengali & English
- General arithmetic
- General knowledge
- Test organized by bank management or outsourced (IBA/BIBM/Others)
- 60% marks will qualify a candidate to appear before interview/viva

In the face-to-face interview, the following are taken into consideration:

- Verbal communication
- Appearance
- Spoken English (moderate)
- Attitude
- Etiquette & mannerism
- Family background & need
- Willingness to stay longer in routine operation job /cash

5.6.2 Interview Committee and Interview Rating Sheet

An interview committee not less than 4 members consisting of executives SVP & above will conduct the face to face interview / Viva for final selection of TA.

Interview evaluation sheet in respect of each candidate will be in place considering all the factors above and will be put on record.

5.6.3 Probationary Period and Confirmation of Service of TAs

Trainee Assistants will be on probation for a period of 01 (one) year, which may be extended by the competent authority if an officer, fails to show satisfactory performances during the period of probation. On satisfactory completion of probationary period their service will be confirmed as **Assistant Officer** in the following manner:

a. TA(s) will pass through an evaluation process during probation. A separate **'Performance Evaluation Form'** will be in place. **Minimum G+** would be desired rating for confirmation as AO job grade.
b. For the TA(s) who will score **less than G+ rating**, the probation period may be extended for improvement not exceeding 06 (six) months or may be terminated.
c. Subsequent growth in career **limited to PO/EO** level will depend on the job performance and demonstration of skill, knowledge & behavioral competence.

5.7 Recruitment of Management Trainee

Management Trainee shall be recruited either through:

a. Press advertisement in at least 2 (two) national dailies.
b. **Directly from amongst the interns** (business graduates/post graduates) at Sonali Bank.

- The candidates for the post of Management Trainee must not be over 30 years of age on the date of application.
- The candidates must have at least two first divisions in their academic feat in public examination. No 3rd Class/Division.
- Have minimum computer knowledge of the following:-
- **Operating system:** Windows.
- **Word Processing:** MS Word.
- **Spread Sheet:** MS Excel.

5.7.1 MT Category, Requisite Qualifications and Placement Status

There are two categories of MT recruitment and placement profile:

a. Graduate MT cadre.
b. Post Graduate MT cadre.

5.7.2 Period of Probation

MT will pass through a period of probation for two years and successful completion of probationary period will be confirmed in service according to category. The graduates will be placed as senior officers and the post graduates will be placed as principal officers after two years of probation.

5.7.3 MT Exposure on the Job and Performance Evaluation

MT will be exposed during 24 months traineeship period in the following portfolios in the manner as follows besides training & monthly counseling in group.

- ⊡ **General banking management** 8 months
- ⊡ **Credit Management** 8 months
- ⊡ **Foreign exchange management** 8 months

Performance Appraisal and interview by the MC will be conducted at least a month before completion of 24 months and only VG & Excellent rated trainees will be confirmed in substantive positions.

Subsequent career progression depends on Performance, Potential & Merit of the individual candidates.

5.7.4 Confirmation in Service

Performance appraisal and interview by the management committee will be conducted at least a month before completion of 24 months and only **VG** and **E** rated trainees will be confirmed in substantive positions approved by MD within policy framework.

5.7.5 Mode of Recruitment for MT:

a) **Recruitment through Press Advertisement:** Every candidate will appear for a written test. The subject matter of test should be General Knowledge, Arithmetic, English, Economics/ Banking as may be decided by the Management from time to time. For this purpose Sonali Bank Limited may take the help of outside experts for setting the questions, supervising the examination work and marking the scripts.

A candidate must secure minimum 60 % mark in written Test to be eligible for VIVA/interview as Management Trainee.

b) Recruitment from the Interns: They will be recruited based on their performance during Thesis period, evaluation report of their supervising officials and performance in the interview with the Selection Committee. However in no case more than **fifty percent** of the interns will be eligible for appointment. Interns selected under this criterion should join within one month of completion of his course.

An internee who has completed his internee more than six months ago will not be eligible under this criterion. The appointment will be made according to requirement on the basis of a panel to be prepared in order of merit by the Interview Committee and after approval of the authority.

While interviewing the candidates for final selection, due weight should be given on the educational background, professional excellence and technical skill in the appropriate field.

5.7.6 Grading/Marking for MT

The Selection Committee will follow a grading system as follows:

(a) Education:	16 Marks
(b) Interview Performance:	24 Marks
(c) Written Test:	60 Marks
Total	100 Marks

5.7.7 Interview Committee, Evaluation and Final Selection of MT:

An interview committee consisting of the MD, all DMDs and Head of HR Division will conduct the face to face interview/viva for final selection of MT. Interview evaluation

sheet in respect of each candidate will be in place considering all relevant factors and record will be maintained for reference.

5.8 Recruitment of Probationary Officers

The following are the salient features in the recruitment process for Probationary Officers:

(a) Direct entrants in the "Officer" Job Grade are termed as the "Probationary Officers", specially meant for the "Banking Support Services Cadre" (BSSC).

(b) Probationary Officers are the people of strong potential with their post graduation in various disciplines who will be recruited from the bank's listed universities only. There are usually the consistent "VG (Very Good) & E (Excellent)" performers who after entry as probationary officers will gradually succeed in executive jobs in BSSC and ultimately move to leadership positions through proven track record of performance on the job with gaining of experience & competence.

(c) Sourcing of the candidates will be done through campus contact with all listed universities/institutions. The process is summarized below for clarification.

i. Contact listed universities and collect CVs of the potential post graduates as per job profile (education and other competence) and prepare the short list.

ii. **Written Test – 60 marks**: Eligible short listed candidates will appear for a written test. The subject matter of the test should be general

knowledge, arithmetic, English, economics/banking, as maybe decided by the management from time to time. For this purpose, Sonali Bank Limited will organize written tests with its own resources or may take the help of outside experts, e.g., IBA, BIBM or any other suitable agency for setting the questions, supervising the examination work and scoring the scripts. A candidate must secure minimum 36 out of 60 (60%) in the written test to be eligible for viva/interview for the post of Probationary Officer within policy.

iii. **Viva/interview – 40 marks**: A candidate must secure minimum 24 out of 40 (60%) in the viva/interview to qualify for the final selection as Probationary Officer within policy.

iv. A four-member interview committee consisting of the concerned functional heads, DMD and Head of HR Division will conduct the face to face interview/viva for final selection of Probationary Officers. The MD will finally examine the recommendations; if he wishes, he may personally meet the candidates and accordingly may approve or disapprove recommendations for appointment.

Interview evaluation sheet in respect of each candidate will be in place considering all relevant factors and record will be maintained for reference.

5.8.1 Period of Probation and Confirmation in Service of Probationary Officer

The Probationary Officer will pass through a probationary period of 1 (one) year from the date of joining. Performance appraisal and interview by the management committee will

be conducted at least a month before completion of 12 (twelve) months and only **VG (Very Good)** and **E (Excellent)** rated officers will be confirmed in substantive positions approved by the MD within policy framework. Subsequent career progression depends on performance, potential & merit of the individual candidates.

5.9 Recruitment of Experienced Executives/Officials

Sonali Bank will pay attention to develop its own manpower through training process. It must, however, need quality human resources to run its operations and expansion program through continuous training and development strategy. Recruitment of experienced Bankers from other banks will however, continue till the time MT process is geared up in core banking leadership positions.

Accordingly, as per requirement of the bank experienced Executives/ Officers may be appointed from time to time strictly in accordance with the job profile of the positions. After proper scrutinizing of the application received from the eligible candidates, they will be interviewed by the Management Committee. The Management Committee should ensure that the minimum qualifications, experience and competence required for a given job is rightly matched. Exceptions may, however, be made in case of extra ordinarily capable candidates. This means that for such cases educational qualification may be relaxed and similarly length of experiences may also be reduced considering candidates' special training and experiences in particular field of banking business.

The cases of selected candidates will be placed before the competent authority for approval. There will be no probation period for experienced Officers/Executives, who join from other Banks, if their services were confirmed by their earlier employers.

5.9.1 Recruitment Criteria for Experienced Executives/Officials

The bank will prepare **"Job Profile"** against each job available in the job grade ladder covering three service cadres in functional areas and all recruitments will be made according to the respective job profile.

There will be a separate **"Job Profile Manual"** for the bank to be maintained and followed for recruitments. Experienced Officials from the market meeting the bank's job profile will be recruited within policy.

In case of candidates having high potential, not more than one job grade up in the job grade ladder will be considered.

The following table shows the recruitment criteria for Executives/Officials summarized on the basis of the post and required experiences, qualifications etc.

Serial No.	Name of the Post	Requirement With minimum qualifications (B.A. / B.Com. / B.Sc.)	Requirement With higher qualifications
1.	DMD	5 years as GM or equivalent position in any scheduled Bank & minimum length of service 28 years.	4 years as GM or equivalent position in any scheduled Bank & minimum length of service 25 years.
2.	SEVP	4 Years as GM or equivalent position in any scheduled Bank & minimum length of service 25 years.	3 years as GM or equivalent position in any scheduled Bank & minimum length of service 22 years.
3.	EVP	7 Years as DGM/3 years as GM or equivalent position in any scheduled Bank & minimum length of service 22	5 years as DGM/2 years as GM or equivalent position in any scheduled Bank & minimum length of service 20 years.

		years.	
4.	SVP	5 Years as DGM/1 year as GM or equivalent position in any scheduled Bank & minimum length of service 20 years.	3 years as DGM/1year as GM or equivalent position in any scheduled Bank & minimum length of service 18 years.
5.	VP	2 years as DGM/5 years as AGM or equivalent position in any scheduled Bank and minimum length of service 18 years.	1 year as DGM/3 years as AGM or equivalent position in any scheduled Bank & minimum length of service 16 years.
6.	SAVP	3 years as AGM or equivalent position in any scheduled Bank & minimum length of service 16 years.	2 years as AGM or equivalent position in any scheduled Bank & minimum length of service 14 years.
7.	AVP	2 years as AGM/4 years as SPO or equivalent position in any scheduled Bank & minimum length of service 14 years.	1 year as AGM/3 years as SPO or equivalent position in any scheduled Bank & minimum length of service 12 years.
8.	FAVP	3 years as SPO or equivalent position in any scheduled Bank & minimum length of service 12 years.	2 years as SPO or equivalent position in any scheduled Bank & minimum length of service 10 years.
9.	SEO	3 years as PO or equivalent position in any scheduled Bank & minimum length of service 10 years.	2 years as PO or equivalent position in any scheduled Bank & minimum length of service 8 years.

10.	EO	3 years as SO or equivalent position in any scheduled Bank & minimum length of service 8 years.	2 years as SO or equivalent position in any scheduled Bank & minimum length of service 6 years.
11.	PO	4 years as Officer in any scheduled Bank & minimum length of service 6 years.	3 years as Officer in any scheduled Bank & minimum length of service 5 years
12.	SO	3 years as Officer in any scheduled Bank & minimum length of service 4 years.	2 years as Officer in any scheduled Bank & minimum length of service 3 years.
13.	Officer	2 years as Junior Officer in any Scheduled Bank & minimum length of service 3 years.	2 years as Junior Officer in any Scheduled Bank & minimum length of service 3 years.
14.	JO	Minimum 2 years as Assistant Officer in any Scheduled Bank.	Minimum 2 years as Assistant officer in any Scheduled Bank.
15.	AO	Direct recruit.	Direct recruit.

5.10 Selection Process of Sonali Bank Limited:

Selection is the part which carries an extra weight for any organization because the organizational performance, cost issues regarding recruitment and selection, and legal obligations depends on it. Realizing the importance of careful selection Sonali Bank Limited practices a well-organized selection process for all type of employees but the process varies for different positions. Focusing on the selection process for the

management trainee/ External/Internal candidates of Sonali Bank Limited, the summarized selection process of the organization is explained below:

1. Receipt of Application

Once the recruitment process is completed, this is the first selection hurdle to join SBL. Candidates either send their CVs in application for a specific vacancy, or they send unsolicited CVs for any suitable position. The HR division collects job applications against each job vacancy. In case of newspaper advertisements, the applicants are given at least 3 weeks to apply. After a specific period, each and every job is closed for applying.

2. Sorting out of Applications

The next step is the short listing of CVs. Usually the HR division is engaged in the short listing. But the HR division may delegate this step to the respective divisions (for which the selection is being carried out) to save time.

To recruit experienced bankers, CVs may be sorted out from the collection of unsolicited CVs received. Or, another possibility is to find out experienced and competent bankers in other banks. Once potential candidates are thus found out, they are contacted and called for an interview.

3. Informing Candidates

After short listing of the CV and choosing the suitable candidates, HR division inform the candidate over phone about written test (Entry level) or interview (upper-level). For written tests, the bank issues admit cards through courier services seven to ten days prior to the exam.

4. Assessing Candidates through Written Tests

After screening out the applicants from the previous phases, the chosen candidates sit for the written exam known as the aptitude test. The abilities the written test measures are:

i. Analytical ability
ii. Logical reasoning ability
iii. Numerical ability

The test question contains math based and analysis based questions where processing information from data and forming relationship ability among the clues of given problem are required to answer them. The exam committee checks the answer scripts. According to the top marks candidates are invited for interviews.

5. Interview

Candidates who qualify in the written test are called for an interview. The candidates are informed about the interview time, date and venue. The interview board consists of the MD, DMDs and the Head of HR. Even in the selection of fresh graduates for TA or MT positions, those top level and executive level managers are present. Usually only one interview is conducted for selecting a candidate for a position. But in case of recruiting experienced bankers, more than one interview is conducted if required.

In case of evaluating a candidate, the following competencies are evaluated.

- Appearance: Dress up, grooming, body language and eye contact.
- Communication Skills: communication with the interviewer, expressiveness.
- Confidence: enthusiasm, personal selling.
- Assertiveness: positivity attitude.
- Creativity: think out of the box.
- Resourcefulness: Basic knowledge about job and theoretical knowledge
- Management skills.

- Planning & organizing skills.
- Commitment/ Loyalty: Dedication towards jobs and organization.
- Customer Satisfaction Ability.

6. Reference Check

When a candidate is selected for the job, his or her given reference has been checked by HR. The candidate must give at least two references. If the candidate is fresh, then he or she has to have one reference from his educational institute. But if the candidate was previously employed, must have one reference from last organization, preferably the supervisor. Subject to satisfactory response will get job offer.

7. Job Offer

After the interview is conducted and the interviewees are evaluated, the management committee decides who is to be selected and who is to be rejected. After this final decision, an 'Offer Letter' is made for each selected candidate. Once the candidates accept this offer, they are given the 'Appointment Letter'. The candidates that are rejected are not informed.

An approval needs to be taken from the MD for all permanent position and temporary position and the approval is given by Deputy Director of HR. If a candidate successfully reaches the final stage then candidates are given a job offer. Individuals joining as MTO have a probation period of twelve months.

8. Medical Test:

After the appointment letters are printed, the candidates are given one month for joining. First, the candidates have to go through physical examinations. If the result of these physical examinations is satisfactory, then the candidate is eligible to join the bank.

To measure the applicant's health and fitness for the job effort they investigate following test:

- General Physical Checking (blood pressure, breathing, pulse etc.)
- X-Ray Chest (Standard)
- Microscopic Urine Analysis/ Urine routine
- Blood Checking (Blood grouping, Hepatitis-B, Blood Sugar)
- ECG

9. Joining and Placement

After the physical examination, the candidate needs to bring the result of the medical tests along with all the necessary documents and academic certificates for joining. After going through the formal joining and placement process, the candidates are finally employees of Sonali Bank Limited.

5.11 Sonali Bank Limited Training Institute

There is one college named Sonali Bank Staff College situated at Uttara Model Town and five training institutes of Sonali Bank Limited in the Chittagong, Khulna, Mymensingh, Rajshahi and Bogra district. All the year, the staffs of SBL train-up here and complete different types of banking related courses. Among these training institutes, the largest is Sonali Bank Staff College (SBSC). The members of the SBSC are: a principal, assistant general managers, senior faculty members and faculty members.

Chapter 6

Problems of Sonali Bank Limited in the Selection and Recruitment Process

6.1 Problems of Sonali Bank Limited in the Selection and Recruitment Process

For several years, Sonali Bank Limited is facing difficulties to employ appropriate personnel for it. There are many reasons behind the challenges which are described below.

1. Conventional Recruitment and Selection Method

The main problem of the recruitment and selection process is that the process itself is very old. Compared with some private commercial banks, it is clearly visible that the conventional recruitment and selection process are no longer effective in the modern time. For example, taking 'hard copies' for CVs and less use of IT in the process makes it more time consuming compared to some other private banks. Other problems in the conventional method are

- Manual CV evaluation.
- Traditional written examination.
- Delay in publishing result.
- Ineffective communication system etc.

2. Time Consuming

The recruitment and selection process is very much time consuming. To get recommendation from division or to sort out application, to call for a written test or for an interview it takes much more time than most of the private commercial banks. Again, the

main reason behind this is the conventional process that Sonali Bank Limited follows for recruitment and selection. Also, inefficient personnel conducting the whole task make it worse.

3. Political Influence

As politics is the main problem for many industrial sectors in Bangladesh, it is no different in the banking sector. Especially in the government banks it is in a critical situation. Political influence over the bank and its selection and recruitment process make it difficult to select the right personnel. Because of it, well qualified people are left out and less qualified people are getting selected. It has been a major issue for the bank and it also seems to become worse day by day. If this problem continues to prevail over the bank, it cannot fix its other problems.

4. Less Use of Technology

As this has been the problem with most of the government institutions Sonali Bank Limited is no different. The less use of technology on the selection process makes it more time consuming and less effective. Also it makes the whole recruitment and selection process prone to fault. As the whole banking industry, especially the private banks, are opting with latest technology, Sonali Bank Limited must adopt with latest technology to keep pace with other banks.

Another point to note is that many of its employees are not familiar with many technologies. Also it does not have a proper communication system. Sending paper documents in various departments make it more difficult and time consuming.

5. Corruption in Promotion

For internal recruitment promotion is one of the ways. But many times promotion is given on the basis of ‘good relation’ with the upper level employees and not on the base

of performance. Thus many effective and deserving employees lose motivation and focus on his relation with superiors instead of performance.

Above were the main problems regarding the recruitment and selection process of Sonali Bank Limited. Apart from those problems there are some more problems which make the process less effective. Some of those problems are summarized below.

- Sonali Bank Limited's HR planning can be made more effective if it is revised more often according to the change in this fast moving industry.
- There is no feedback system established to find out the efficiency of the system and correct its drawbacks.
- No study is conducted to justify the effectiveness of the recruitment tests.
- Regret letters are not sent to the candidates who are not selected after joining of the finally selected candidates.
- SBL does not always check references properly, which may lead to a grave problem for the organization.

Chapter 7

Suggestion and Conclusion

7.1 Recommendations to Deal with the Problems

The success of a commercial bank depends largely in the quality of service rendered to the clients. Quality of service depends on the competence and the quality of the employees of the organization. Therefore, the authority of SBL has to be careful in recruiting the right person for each job.

Sonali Bank follows the conventional Selection and Recruitment process system. To have a sound and bold selection and recruitment process it must overcome its faults in the process. The bank should try to arrange more training programs for their officials. Following are some recommendations for the betterment of its selection and recruitment process.

1. Technological Advancements

Sonali Bank Limited has to be more technologically advanced with its selection and recruitment process. More efficient personnel should be used in the process. The amount of paper work must be reduced and the internal communication system can be digitalized. By using technology more often it can make the process faster. To keep pace with its competitors it must have a sound selection process.

To do so, the HR department must communicate their needs with upper level and allocate the necessary resources. There has to be some time saving and cost effective way for proper recruitment ways and the increase in the use of technology can be a great help in this regard.

2. Make It Less Time Consuming

The recruitment and selection of Sonali Bank Limited is a time consuming procedure. More specifically, the selection process because of all the process go through the decentralized decision making process that takes more time to complete the whole selection process. To perform an entire recruitment and selection session HRM needs minimum 5 months and maximum 6 months in case of MTO / TO/ TCO placement. Therefore, when the selection take place Sonali Bank Ltd loses more qualified candidate because within this time most of the candidates join in another organizations. So, the ultimate result does not become fruitful.

So from this prospect, Sonali Bank Limited has to complete the entire process as early as possible in order to grab the qualified employees before entering elsewhere. Short duration of recruitment and selection procedure would not only increase the HRM's efficiency, by employing qualified employees but also increase the organization's effectiveness.

3. Reduce Political Influences

This might be the hardest part to do but it is a must. If the political pressure is not removed it will not be possible to employ the actual qualified employees. To do so honesty among workers is necessary. They must be vigilant about facing the political pressure.

If this problem is not dealt immediately this problem will rise and bring on more problems. Delay will make it tough to reduce those problems. Workers will not work properly and the efficiency will get worse.

The top management should also be honest about the internal recruitment. They should focus on the performance of an employee and not his 'relationship'. It will be the right

thing to do as the right employee will get promotion. It will also lead to more job satisfaction.

Sometimes applicants who are referred by the top level management gets more favor form the recruiting board. It is not fair because the organization may overlook the qualified employees who are really fit for the organization. In case of selection process nepotism should be strictly forbidden. Afterward, this malpractice has been continuing in many selection programs.

So from this prospect, for the welfare of Sonali Bank Limited, nepotism has to be stopped and the management bodies have to give more emphasis on conducting a fair recruitment and selection program.

4. Proper Budgeting

There is no proper guideline in The Sonali Bank Limited regarding the recruitment budget. In the beginning of fiscal year, a certain amount of budget is disbursed to resource planning unit on basis of assumption but whether the budget is reasonable or not; it is not verified. If the recruitment budget covers the cost, it is all right. But when the budget is not sufficient, in that case, the resource planning unit has to ask for additional amount of money through a formal application with proper reasons which delays the overall recruitment and selection process.

From this prospect, there should be proper budget for recruitment and selection purpose so that the recruitment and selection process is not hampered any way. If possible, the Managing director may discuss with recruitment manager about the amount of budget when it is disbursed.

All these above mentioned recommendation can make the recruitment and selection procedures more effective and efficient.

7.2 Conclusion

Human Resource Management always acts to bring out potentials, to develop quality and to also meet all the demand of the work force. The study of the recruitment and selection process of Sonali Bank Limited revealed that employees are the most valuable resources for the progress of the organization. For the development of these valuable resources there are many factors involved. In this regard "Recruitment and Selection Process" play the most important role. To increase the productivity of an organization effective & dynamic recruitment and selection procedure is essential.

The success of a commercial bank depends largely in the quality of service rendered to the clients. Quality of service depends on the competence and the quality of the employees of the organization. Therefore, the authority of SBL has to be careful in recruiting the right person for each job. As has been seen, the recruitment and selection process of Sonali Bank Limited has rooms for improvement. The policy and process should be revised. So although the process they have been adopting so far has been somewhat effective, to adapt to the changing times, the process should be revised and developed.

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