# Thesis Paper on

## "Training and Development Practice in Bangladesh: A Case Study on Al-Arafah Islami Bank Limited"


**Submitted by:**

**MD. Akram Hossen**

**ID: 2102023014**

Program: Master of Business Administration (MBA)

Major**:** Human Resource Management (HRM)

Semester: Spring-2022


**Submitted to:**

**Department of Business Administration**

**Sonargaon University (SU)**

Dhaka-1215

Date of Submission

Date: 12-May-2022




# Sonargaon University (SU)
# Dhaka, Bangladesh

# Thesis Paper

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## Supervised by:

**Md. Rasel Hawlader**

**Lecturer**

Department of Business Administration

Sonargaon University (SU)


Date of Submission Date: 12-May-2022





# Sonargaon University (SU)

## Dhaka, Bangladesh

# Letter of Transmittal

May 12, 2022

To,
Md. Rasel Hawlader
Lecturer
Department of Business Administration
Sonargaon University, Dhaka.

Subject: Submission of Thesis paper on **"Training and Development Practice in Bangladesh: A Case Study on Al-Arafah Islami Bank Limited"**

Dear Sir,

With due respect, I would like to submit my thesis paper on **"Training and Development Practice in Bangladesh: A Case Study on Al-Arafah Islami Bank Limited"** I am very much thankful to you for giving me the opportunity to do the report on this topic. The thesis paper has been completed by the knowledge, wisdom as well as practical assignment that I have gathered from the course of MBA.

I have tried my level best to complete this thesis report meaningfully and correctly, as much as possible. I hope you would be kind enough to accept my report. I will be very much happy to provide further clarification regarding this report.

Yours Sincerely,

_____

**MD. Akram Hossen**
MBA
ID: 2102023014
Department of Business Administration
Sonargaon University, Dhaka

# Student's Declaration

I am **MD. Akram Hossen,** MBA, ID: **2102023014**, Department of Business Administration, Sonargaon University, hereby declare that the report entitled on "Training and Development Practice in Bangladesh: A Case Study on Al-Arafah Islami Bank Limited" has been done by me.

I also declare that this paper is my original work and has prepared for academic purpose which is a part of MBA.

Yours Sincerely,

_____

**MD. Akram Hossen**
MBA
ID: 2102023014
Department of Business Administration
Sonargaon University, Dhaka

# Letter of Authorization

I, Mr. Md. Rasel Hawlader, Lecturer, Faculty of Business Administration, Sonargaon University (SU) hereby certify that the Thesis work entitled as "Training and Development Practice in Bangladesh: A Case Study on Al-Arafah Islami Bank Limited" has been prepared by MD Akram Hossen, ID: MBA-2102023014, Department of Business Administration, Sonargaon University (SU) and submitted as a requirement for the partial fulfillment for the degree of the Master of Business Administration (MBA) with major in HRM. To the best of my knowledge, the above-mentioned work has been conducted by the student himself. Any option and/or suggestion made in this study are entirely that of the author of this thesis paper. The report is an original work and prepared as a partial requirement of the degree the Master of Business Administration (MBA).

_____

**Md. Rasel Hawlader**
Lecturer
Department of Business Administration
Sonargaon University

# Acknowledgement

At the very beginning I would like to express my deepest gratitude to almighty Allah for giving me the strength and the composure to finish the task within the scheduled time. At the beginning of this report, I deem it is my duty to record my appreciation & gratitude to few persons who made my journey smooth and helped me to prepare this report in many ways. I am deeply grateful to my academic supervisor Md. Rasel Hawlader, Lecturer, Department of Business Administration, Sonargaon University for his whole-hearted co-operationand supervision to me during the preparation of the report. His suggestions and comments to make the report a good one was really a great source of spirit for me. I would like to express my deep gratitude to the Sonargaon University for arranging such an interpretive practical field related study to overcome the deficiency of experience. For this reason all credit of this report titled **"Training and Development Practice in Bangladesh: A Case Study on Al-Arafah Islami Bank Limited"** goes to the Department of Business Administration, Sonargaon University.

I am grateful to Managing Director Mr. Ekramul Haque of "Human Research Training and Development of Al-Arafah Islami Bank Limited" For his support throughout my thesis work period on this thesis and provide me with necessary instructions.

Finally I want to convey special message of gratitude to all the faculties & admin people for always being there with me and for his whole hearted cooperation. In addition, I would like to thank all of the remaining executives, officers& staffs for their kind co-operation. Last of all, I would like to thank from bottom of my heart to my friends and well wishers for helping me every moment that encourage me to make this study successfully. Despite of my hard works & my efforts, all errors, of course, remain to me and I seek excuse for that.

# Executive Summary

Al-Arafah Islami Bank Limited is a fully commercial Bank based on Islamic shariah. The incorporation of AIBL on May 1995 is the true reflection of this inner urge of its people, which started functioning with effect from June 18, 1995. It is committed to conduct all banking and investment activities on the basis of interest-free profit-loss sharing system. In doing so, it has unveiled a new horizon and ushered a new silver lining of hope towards materializing a long cherished dream of the people of Bangladesh for doing their banking transactions in line with what is prescribe by Islam. The main responsibility of Human Resource Department of Al-Arafah Islami Bank is hiring competent people, training them, helping them perform at high levels and mechanisms to ensure that these employees maintain their productive affiliation with the organization. Methods are the ways through which employees are trained. Al-Arafah Islami Bank Ltd. uses several methods of training depending on the situation and training objectives. However, the main method of Al-Arafah Islami Bank Ltd. Training programis on-the -job Training means having a person learn a job by actually doing it. Every employee, from mailoorm clerk to company president, gets on the job training when he or she joins a firm. In many firms, OJT is the only training available.

The most familiar type of on the job training is the coaching or understudy method. Here, an experienced worker or the trainee's supervisor trains the employee. At lower levels, trains may acquire skills by observing the supervisor. But this technique is widely used at top-management level too. A potential future CEO might spend a year as assistant to the current CEO, for instance. Job rotation, in which an employee (usually a management trainee) moves from job to job at planned intervals, is another OJT technique. Some development of an individual's abilities can take place on the job. Al-Arafah Islami Bank Limited review several methods for Development, three popular on-the-job developments are Job rotation, Assistant-to position, Committee assignments.

In a populous and economic growing country like Bangladesh the demand for Bank is on rise. This is true that if we practice useful training and development program on banking sector then we get valuable skilled and effective employees that are needed for the sustainable development of the banking sector.

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# Chapter One:

# Introduction

## 1.1 Introduction

Bank is a financial organization. There is a great supportive role of banking system in human society. It plays a vital role for the economic development of a country. The Banking system in Bangladesh is backward, compared with many other nations. There are some private commercial, multinational and joint venture Banks, which have established state of the art services for their clients. Al-Arafah Islami Bank Limited is one of them.

Al-Arafah Islami Bank Limited (AIBL) has been set up with the noble objective of bringing the fruits of Islamic economic system to the masses by broadening the ways of implementing this economic system to solve the present day economic crisis of the country. The aim and objectives of Al-Arafah Islami Bank Limited are income generation, service to the Distress, promotion of people oriented mass education system and creation of facilities for productive self-employment through human resources development.

Al-Arafah Islami Bank Limited is a fully commercial Bank based on Islamic shariah. It is noticeable that the Bank does not provide any interest on deposit, rather it runs its business through various kind of investment, such as-Musharaka (partnership), Mudarabah (once capital and others labor), Bai-Murabaha, Bai-Muajjal, Bai-salaam, Hire purchase/ installment purchaseand so on.

## 1.2 Objectives of the Study

Every research work is conducted to achieve some objectives. The primary objective of this report is to fulfill the requirement of the Thesis Paper. The secondary objective of the report is to evaluate the "Human Resource Training and Development Practice in Bangladesh: A Case Study on Al-Arafah Islami Bank Limited". This report has been prepared primarily for the fulfillment of the Human Resource Management course, which is an essential part of the MBA program of Sonargaon University (SU).

The objective of this report is:

- To share the lesson learns.
- To inform about the progress.
- To analyze the inputs against the outputs.
- To communicate the changes.

- Risk reduction preparation.
- To plan accordingly for up-coming period.
- To know about the Al-Arafah Islami bank and its HR practice.
- To find out the kinds of training provided by Al-Arafah Islami bank to its employees.
- To look on the frequency of training provided by Al-Arafah Islami bank to its employees.

And finally, whether the training provided by the organization has any impact developing the employee.

## 1.3 Methodology of the Study

In order to complete this report personal visit and discussion with executives and top-level management of "Square Group" become conversant with the company's philosophy, working procedures, management system, and decision-making process of the company. The details of the work plan are furnished below:

### Data Source

The information and data for this report have been collected from Primary Source as well as Secondary Sources but emphasis has been given more on Secondary Sources.

### Primary Source

Primary Sources mean the sources of data which were never used in anywhere and which data are presented first time. This information is collected from.

- Practical desk work
- Face to face conversation with the officer
- Direct observation
- Face to face conversation with the client

### Secondary Source

Secondary Sources mean the sources of data which were already existed and used. Many journals, books and data from websites are used here as a source of secondary data. This report will be basedon theoretical and practical information gathered from Secondary Sources e.g.

- Books, manuals,
- Journals,
- Publications,
- Web sites,
- Back-office management on the related field.

Apart from these I will try to induce my practical experience what I have gathered while working as athesis and my leanings what I have learnt from my university.

## Data Analysis, Classification, & Presentation

Relevant data for this report has been collected through practical orientation, personal interview, and observation in the organization etc. The interviews were administered by formal and informal discussion. No structured questionnaire has been used. Secondary sources of information include the annual report of the company. Data collected from secondary source have been, processed manually and qualitative approach has been used throughout the study. Qualitative approach has been adopted for data analysis and interpretation taking the processed data as the best. So, the report primarily onan analytical judgment and critical reasoning. After gathering all the prime and secondary data I collected, corrected, organized, analyzed, and integrated to draw some findings.

## 1.4 Limitations of the Study

A primary limitation of the report is that it is based on facts, accumulated from word of mouth, while consulting secondary data. Some information presented in the report may be biased, as people tend to avoid their own limitation regarding their job and tend to hold other departments responsible for drawbacks of their own. As the report is not a comprehensive one, rather based on a single facility of Square Group of Companies and also based on a limited number of department employees so any ultimate decision may not be drawn about the whole organizations training facility.

There is no study work which is free from defect. Such defects are known as limitations. As the report prepared with a short span of time, the report could not be made comprehensive and conclusive. Some usual constraints I did face during my investigation. Due to the company's policy of maintaining secrecy I did not get the opportunity to collect information regarding all departments.



The limitation of my study work is stated by the following:

- The data and information related with the topic was not easily available.
- The study also suffered from inadequacy of data.
- The study was not done very successfully due to inexperience.
- Supply of more practical and contemporary data is another shortcoming.
- Unwillingness to response of the interviewer is another limitation for this study work.
- Lacking young, energetic, and talented officers /staffs.
- Scarcity of pertinent information.
- Time Constraint.
- Lack of experience.
- Lack of knowledge about the functional aspect of capital market activities.
- Shortage of update data.

## Confidentiality of Data

Because of some divisional and confidential problem, I could not get enough information. Every organization has their own secrecy that is not revealed to others. While collecting data some company personnel did not disclose enough information for the sake of confidentiality of the organization.

## Budgeted Time Limitation

It was one of the main constraints that hindered to cover all aspects of the study.

## Data Insufficiency

There is a lack of information about the different costing methods applied by different companies andthe level of costing applications as well. Insufficient books published relevant to the topic and lack of availability of fact and figure has made an impact. These constrains narrowed the scope of accurate analysis. If these limitations had not there; the report would have been more useful attractive.

# Chapter Two:
# Profile of Al-Arafah Islami Bank Limited

## 2.1 Background of Al-Arafah Islami Bank Ltd

Al-Arafah Islami Bank Limited has been established and functioning with effect from 27th September 1995 as a schedules commercial Bank of Bangladesh strictly based on Islamic Shariah principles. Islamic Banking has been operating in more than 70 countries of the world including Bangladesh through 218 institutions. It has in the meantime established its beneficial approach and efficiency on operation. Islamic Banking system has its inborn inner strength as follows:

- It gives a fixed percentage of investment income to the depositors. Therefore, in order to give better rate of profit its investment portfolio is managed properly so that better investment income can be earned and paid to the depositors.
- The Management cost is to be borne out of a fixed portion of investment income and service charge earned by the bank. Therefore, efficient customer services and better portfolio management are required to be ensured by the management.
- The depositors can calculate their interest income to be earned from conventional banks and thereby make expenditure with consequential inflation which the depositors of Islamic Bank cannot do as they cannot foresee profit income.
- Since Islami Bank invests its fund in different Islamic Modes of Finance particularly in Mudaraba and Musharaka and also accepts deposits on Mudaraba principle, entrepreneurship as well as sense of belongingness to the Bank is developed.
- In buying &selling modes of financing like Murabaha, Bai-Muajjal, Izara, end users is ensured strictly as per principles of Islamic Shariah. Thus funds cannot be diverted for other purpose. Islami Bank attaches importance to human resources development. As such the employees are trained discreetly, in this regard on which the conventional Bank does not give much importance.

## 2.2 History of Al-Arafah Islami Bank Limited (AIBL)

Bangladesh is one of the largest Muslim countries of the world. The population of the country is deeply committed to Islamic way of life as enshrined in the Holy Quran and Sunni. Naturally it remains a deep cry in their hearts to fashion and design their hearts to fashion and design their economic lives in accordance with the precepts of Islam. Al-Arafah Islami Bank Limited. The prime objective of Al-Arafah Islami Bank Limited is to serve the people for attainment of their economic goal and success in life here and hereafter. AL-ARAFAH ISLAMI BANK LIMITED stands not only for material well being but also for ethical development of its customers. The incorporation of AIBL on May 1995 is the true reflection of this inner urge of its people, which started functioning with effect from June 18, 1995. It is committed to conduct all banking and investment activities on the basis of interest-free profit-loss sharing system. In doing so, it has unveiled a new horizon and ushered a new silver lining of hope towards materializing a long cherished dream of the people of Bangladesh for doing their banking transactions in line with what is prescribe by Islam. Alarafah Islamic Bank Limited has by now earned the unique position of a leading private commercial bank in Bangladesh.

"Al-Arafah Islami Bank Limited" offers the full range of banking services for personal and corporate customers, covering all segments of society within the framework of Banking Company Act and rules and regulations laid down by our central bank. Diversification of products and services include Corporate Banking, Retail Banking and Consumer Banking right from industry to agriculture, real estate to software and is backed by the latest technology.

The Bank is being managed by a group of highly experienced professionals with diversified experience in finance and banking The Bank has already achieved tremendous progress within only five years. The bank has already ranked as one of the quality service providers & is known for its reputation.

The Bank is managed by a Team of professional Executives and Officials having profound banking knowledge & expertise in different areas of management and operation of Banks. During the short span of time, Al-Arafah Islami Bank Limited so far introduced a good

number of attractive deposit products to broaden the resource base and also Investment products to deploy the deposit resources so mobilized. Some more schemes covering the deposits, Investments & Services will be introduced gradually in near future suiting to the taste and requirement of the clients. The Bank has a strong Shariah Council consisting of prominent Ulama, Fuquah & Economists who meet periodically to confer decisions on different Shariah issues relating to Banking Operation & to address them and to give necessary guidance to the management on Shariah Principle. Since inception, Bank has been performing in all the sectors i.e. general Banking, Remittance, Import, Export & Investment. All our branches are fully computerized having on line Banking facility for the clients.

## 2.3 AIBL at a glance

| ***AIBL AT A GLANCE*** | |
|---|---|
| **Name** | ***Al-Arafah Islami Bank Limited Limited*** |
| **Registered Office** | *36Dilkusha(6-9) ,C/A,Dhaka-1000* |
| **Legal Status** | *Public Limited Company.* |
| **Nature of Business** | *Commercial, Corporate, Investment & Retail Banking* |
| **First meeting of the promoters held on** | *4th September, 1995.* |
| **Date of Certificate of Incorporation** | *1st May, 1995.* |
| **Date of Certificate of Commencement of Business** | *27 September, 1995.* |
| **Banking License received on** | *18th April, 1995.* |
| **First Branch License received on** | *24th April,1995* |
| **Inauguration held on** | *27th September, 1995.* |
| **Authorized Capital** | *Tk.5000000000.00 crore.* |
| **Paid up Capital** | *Tk.4677280000.00 crore.* |
| **Number of Branches (as on 20.012.2012)** | *95* |
| **Auditors** | *Howladar Yunus & Company.* |

| | |
|---|---|
| **Board of Director** | *20* |
| **No. of Sponsor Directors** | *19* |
| ***Meeting of Board of Directors*** | *229.* |

**Branch Information of AIBL**

The Bank commenced its business on june 18, 1995 by opening its 1st branch is Dhaka Main branch at 36, Dilkusha, Dhaka obtaining the license from Bangladesh Bank, the central bank of Bangladesh. The bank opened 5 (five) branches in 1995, 6 (six) branches in 1996, 8 (eight) branches in 1997, 11 (two) branches in 1998, 4 (four) branches in 1999, 16 (sixteen) branches in 2002 & 2007. Up to September 31, 2008 AIBL established 27 branches and now 95 branches to all over the country to give a cordial service to their customers. Some of branches locations are given bellow.

**Branches Location**

| **SL. No.** | **Name of the Branches** | ***Location & Address*** |
|---|---|---|
| 1. | Motijheel Branch | *161,Motijheel C/A, Dhaka-1000.* |
| 2. | Moloby Bazar Branch | *3, Moloby Bazar , Dhaka-1000.* |
| 3. | VIP Road Branch | *86,VIP Road, Dhaka-1OOO.* |
| 4. | Motijheel Corporate Branch | *125,Motijheel, C/A,Dhaka* |
| 5. | Nababpur Road ,Branch | *85/87Nababpur Road, Dhaka ,1100* |
| 6. | North South Road Branch | *96,Saheed Sayd Nazrul Islam Sarani,Bongshal Dhaka – 1100* |
| 7. | Uttra Model Town Branch | *House 13,Road14/a,Sector-4, Uttra,Dhaka-1203* |
| 8. | New Elephant Road Branch | *91 New Elephant Road ,Dhaka 1205* |
| 9. | Banani Branch, | *16,Kamal Ataturk Avenue Banani, Dhaka* |
| 10. | Mirpur Branch- | *5/H.G.Daruls Salam Road,Mirpur-1Dhaka 1216* |
| 11. | Mouchak Branch | *76,D.I.T, Road,Malibhag Dhaka1217* |

| | | |
|---|---|---|
| 12. | Dhanmndi Branch- | *54/1Road4/1,Shat Mashjid Road, Dhaka 1209* |
| 13. | MohammadPur Krishi Market Branch- | *32/8 Tazmahal road,Mohammadpur, Dhaka1207* |
| 14. | Dilkusha Branch- | *63, Dilkusha C/A Dhaka 1000* |
| 15. | Islampur Branch | *29-31 Islampur Road, Dhaka-1100* |
| 16. | Progati Sarani Branch- | *133/3,Middle Badda, Dhaka-1212* |
| 17. | Jatra Bari Branch | *6 sahied Faruk Road,West Jatra Bari, Dhaka,1204* |
| 18. | Joydevpur Chowrasta Branch- | *Khaleque Complex (1st floor), Joydevpur Chowrasta, Gazipur* |
| 19. | Kawran Bazar Branch- | *T K Bhaban, 13 Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka* |
| 20. | Keranigonj Branch | *Ma Plaza (1st Floor), Shohid Nogar, Karanigonj, Dhaka* |
| 21. | Madhabdi Branch, Norsingdi | *Jalpotti Road, Vill-Choto Madhabdi,Pauroshava & P.S.- Madhabdi,Dist: Norsingdi.* |
| 22. | Mawna Branch | *N.S. Bhaban (1st Floor), Mawna Chowrasta, Sreepur, Gazipur* |
| 23. | Mirpur Branch | *230, Senpara Parbata, Mirpur-10, Dhaka* |
| 24. | Mohakhali Branch | *Ismail Mansion (Ground Floor), 32 Mohakhali C/A, Wireless Gate, Gulshan, Dhaka-1212* |
| 25. | | |
| 26. | Mymensingh Branch | *Noor Fatema Tower (1st Floor), 25, Swadeshi Bazar, Mymensingh* |
| 27. | Narayanganj Branch | *Osman Tower, 56/1, S.M. Maleh Road, Narayangonj* |

| | | |
|---|---|---|
| 28. | Nawabpur Road Branch | *Fazlur Rahman Plaza(1st Floor), Holding No:-218, Nababpur Road, Dhaka.* |
| 29. | Panthapath Branch | *ENA Tower, Di-Olie (1st floor), 57/3, 57/4, Lake Circus Road, Kolabagan, Dhanmondi, Dhaka-1212* |
| 30. | Savar Branch | *Bismillah Super Market, 71/1 and 72/1, Bazar Road, Savar, Dhaka* |
| 31. | Shatmasjid Road Branch | *Khuda Buksh Foundation (1st Flr.), Road No. 11/A, House No. 99, Dhanmondi, Dhaka – 1209* |
| | | |
| 32. | Uttara Ladies Branch | *Solar Trade Center (1st & 2nd Floor), Plot # 16, Sector # 11, Garib-E-Newaz Avenue, Uttara,* |
| 33. | Vatara Branch | *311, Progoti Sarani, Nayanogor, Baridhara, Badda, Dhaka* |
| 34. | Sylhet Branch | *Al-Falah Tower (1st floor), Dhupadighir Purbopar, Kotowali, Sylhet* |
| 35. | Cox's Bazar Branch | *A. B. Super Market (1st Floor), 145 Laldighirpar, Cox's Bazar* |
| 36. | Comilla Branch | *Salahuddin Complex(1st & 2nd Floor), Monohorpur, Chowmuhoni, Laksam Road, Comilla* |
| 37. | Jessore Branch | *Sadhinata Bhaban (1st Floor) Holding no: 91, M.K. Road. Kotawaly, Jessore* |
| 38. | Khulna Branch | *United Tower(1st and 2nd Floor), 4 KDA Avenue, Khulna* |
| 39. | Kushtia Branch | *7 N. S. Road (1st & 2nd floor), Kushtia Sadar, Kushtia.* |
| 40. | Rajshahi Branch | *Habib Plaza (1st Floor), Holding # 111 Shaheb Bazar, Zero Point, Rajshahi* |

| | | |
|---|---|---|
| 41. | Rangpur Branch | ***Mr. Md. Abu Sayeed*** *Assistant Vice President M.H. Rashid Shopping Complex (2nd & 3rd Floor), 88 Station Road, Rangpur* |
| 42. | Bogra Branch | *Nurul Haque Tower(1st Floor), 357/395, Boro Gola Mor, Bogra* |
| *43.* | *Barisal Branch* | *Hawladar Plaza, 475 K. B. Hemayet Uddin Road (1st & 2nd floor), Barisal* |

## 2.4 Mission

- To provide quality services to customers.
- To set high standards of integrity.
- To make quality investment.
- To ensure sustainable growth in business.
- To ensure maximization of Shareholders' wealth.
- To extend our customers innovative services acquiring state-of-the-art technology blended with Islamic principles.
- To ensure human resource development to meet the challenges of the time

## 2.5 Vision

To be the unique modern Islami Bank in Bangladesh and to make significant contribution to the national economy and enhance customers' trust & wealth, quality investment, employees' value and rapid growth in shareholders' equity.

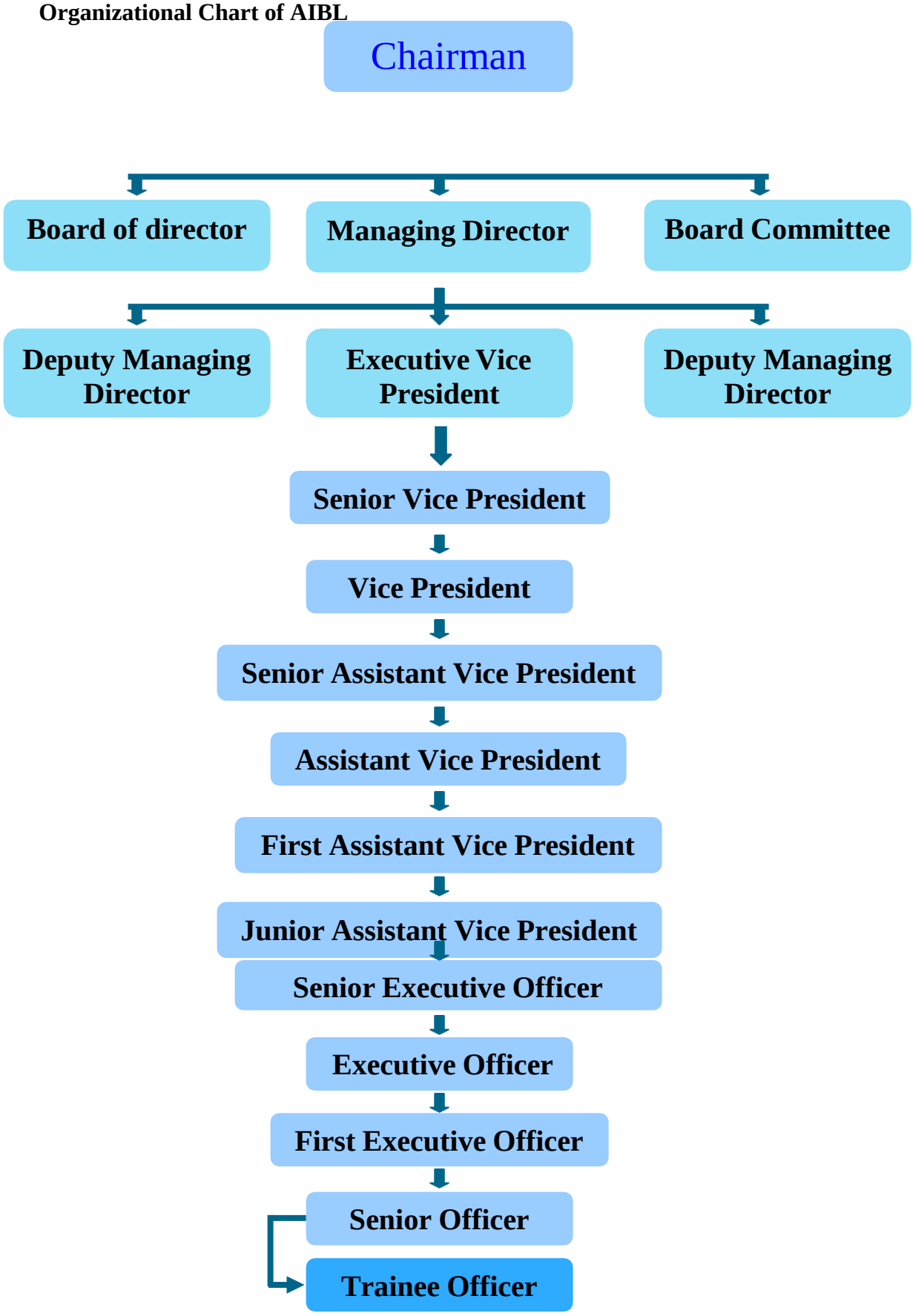
## 2.6 The organizational Structure of AIBL

The objective of organizational structure and corporate governance of Al-Arafah Islami Bank Limited. is to establish a strong, customer- oriented and transparent Management.

**Corporate Management of AIBL**

| | |
|---|---|
| **Top Management** | ➢ Chairman<br>➢ Vice Chairman<br>➢ Board of Director<br>➢ Managing Director<br>➢ Deputy Managing Director |
| **Executive Level Management** | ➢ Senior Executive Vice President<br>➢ Executive Vice President<br>➢ Senior Vice President<br>➢ Consultant<br>➢ First Vice President<br>➢ Senior Assistant Vice President<br>➢ Assistant Vice President |
| **Mid Level Management** | ➢ Senior Executive Officer<br>➢ Executive Officer<br>➢ Senior Officer |
| **Junior Level Management** | ➢ Management Trainee Officer<br>➢ Junior Officer<br>➢ Assistant Officer<br>➢ Trainee Assistant |

**Organizational Chart of AIBL**



- **Board of Director**

Al-Arafah Islami Bank Limited,,s Board of Directors consists of the following posts

2.6.1 Chairman- Badiur Rahman

2.6.2 Vice Chairmen- Sarker Md Shameem Iqbal

2.6.3 Managing Director- Ekramul Haque

- **Board of Director Shariah And Fatwa**

2.6.4 Chairman- Mufti Abdur Rahman

2.6.5 Total Member Five Of Shariah Council

- **Audit Committee:**

AIBLs audit committee is made up of 3 individuals Chairman and two members.

- **Shariah Council:**

Shariah Council of the Bank is playing important role in guiding and supervising the implementation and compliance of Islamic Shariah principles in all activities of the Bank since its very inception. The Council, which enjoys a high status in the structure of the Bank, consists of prominent ulema, reputed banker, renowned lawyer and eminent economist. Members of the Shariah Council meet frequently and deliberate on different issues confronting the Bank on Shariah matters. They also conduct Shariah inspection of branches regularly so as to ensure that the Shariah principles are implemented and complied with meticulously by the branches of the Bank.

## 2.7 Information of AIBL North South Road Branch

The branch was established 26th September, 2004, it is situated at the floor of Saheed Nazrul Islam Avenue, North South Road, Dhaka-1100. The bank is designed under one floor. It has been providing Islam Banking Services for the customers of North South Road, Bangshal, and area.

# Chapter Three:

# Literature Review

## Literature Review

Casse and Banahan (2007), the different approaches to training and development need to be explored. It has come to their attention by their own preferred model and through experience with large Organisations. The current traditional training continuously facing the challenges in the selection of the employees, in maintaining the uncertainty related to the purpose and in introducing new tactics for the environment of work and by recognizing this, they advising on all the problems, which reiterates the requirement for flexible Sapproach.

Usually the managers have the choice to select the best training and development programme for their staff but they always have to bear in mind that to increase their chances of achieve the target they must follow the five points highlighted by Miller and Desmarais (2007). According to Davenport (2006), mentioned in his recent studies that it‟s easy to implement strategy with the internet supported software.

So the Training theories can be effective immediately on the future of the skill and developments. The “content” and the “access” are the actual factors for the process. It is a representation itself by the Access on main aspect what is effective to the adopted practice in training development. As per the recent theories to access the knowledge is changing from substantial in the traditional to deliver the knowledge for the virtual forms to use the new meaning of information with electronic learning use. There is a survey confirmation for using classroom to deliver the training would drop dramatically, (Meister, 2001).

A manager is that what the other members of the organization wants them to be because it is a very popular trend of development training for the managers in the training for the management (Andersson, 2008, Luo, 2002). Most of the managers seems to reject a managerial personality in support of the other truth for themselves (Costas and Fleming, 2009).

## 3.1 Training & Development

**Training**

Training is the acquisition of new skills and knowledge relevant to a job.

- Induction training familiarizes new employees with their role and responsibilities. Colleagues are introduced, systems explained and the expectations of the job are clarified.
- On-the-job training is arranged in the workplace through instruction and observation.
- Off-the-job training takes employees away from the immediate workplace. It may be \'in-house\' using the employer\'s facilities or \'out-house\' and provided by another company or college/university.

**Development**

Development has a broader focus on learning and relates to a career rather than to a job. It emphasizes the employee\'s potential to acquire more capabilities.

## 3.2 Objectives of Training & Development

Needs result in training and development objective, which should state the desired behavior and the condition under which it is to occur. These stated objectives then become standards against which individual performance and the program can measured.

For example, the objective for airline reservationists might be states as follows:

3.2.1 Provide flight information to call in customers within thirty second.

3.2.2 Complete a one-city round-trip reservation in two minutes after all information has beenobtained from the customer.

Specific, measurable, time –targeted objectives like those listed above for a preservationist give the trainer and the trainee specific goals that can be used to evaluate their success .If the objective are not met, failure gives the HR department feedback on the program and the participants.

## 3.3 Importance of Training & Development

Optimum Utilization of Human Resources – Training and Development helps in optimizing the utilization of human resource that further helps the employee to achieve the organizational goals as well as their individual goals.

Development of Human Resources – Training and Development helps to provide an opportunity and broad structure for the development of human resources‟ technical and behavioral skills in an organization. It also helps the employees in attaining personal growth.

Development of skills of employees – Training and Development helps in increasing the job knowledge and skills of employees at each level. It helps to expand the horizons of

**Human intellect and an overall personality of the employees.**

**Productivity** – Training and Development helps in increasing the productivity of the employees that helps the organization further to achieve its long-term goal. Team spirit – Training and Development helps in inculcating the sense of team work, team spirit, and inter- team collaborations. It helps in inculcating the zeal to learn within the employees.

**Organization Culture** – Training and Development helps to develop and improve the organizational health culture and effectiveness. It helps in creating the learning culture within the organization.

**Organization Climate** – Training and Development helps building the positive perception and feeling about the organization. The employees get these feelings from leaders, subordinates, and peers.

**Quality** – Training and Development helps in improving upon the quality of work and work-life.

Healthy work environment – Training and Development helps in creating the healthy working environment. It helps to build good employee, relationship so that individual goals aligns with organizational goal.

**Health and Safety** – Training and Development helps in improving the health and safety of the organization thus preventing obsolescence.

**Morale** – Training and Development helps in improving the morale of the work force.

**Image** – Training and Development helps in creating a better corporate image. **Profitability** – Training and Development leads to improved profitability and more positiveattitudes towards profit orientation.

Training and Development aids in organizational development i.e. Organization gets moreeffective decision making and problem solving. It helps in understanding and carrying out organizational policies

## 3.4 Methods of Training

There are various methods of training which can be divided into cog native and behavioral methods .Trainers need to understand the pros & cons of each method also its impact on trainees keeping their background and skill in mind before giving training.

**Cognitive Methods**: This method is more of giving theoretical training to the trainees

The various methods under cognitive approach provide the rules for how to do something, or verbal information, demonstrate, relationships among concepts, etc., these methods are associated with changes in knowledge and attitude by stimulating learning.

The various methods that come under cog native approach are,

1. On the job training.
2. Apprenticeship training
3. Informal learning
4. Job instruction training
5. Lectures
6. Audiovisual- based training
7. Simulated training

**Behavioral Methods**: These methods are more of giving practical training to the trainees. The

Various methods under behavioral approach allow the trainee to behavior in a real fashion.

These methods are best used for skill development.

The various methods that come under behavioral approach are,

1. Games & simulations
2. Behavior-modeling
3. Business games
4. Case studies

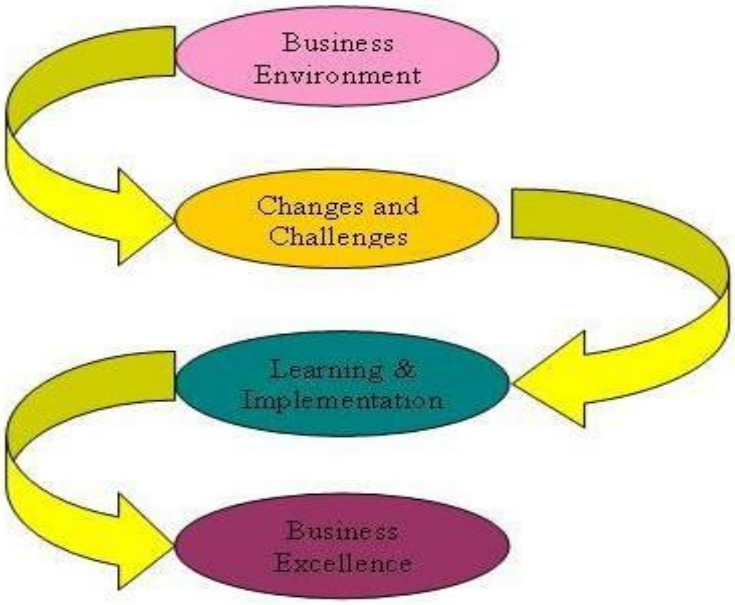
## 3.5 Managerial on-the-job training

a. Job rotation
b. Coaching
c. Action learning

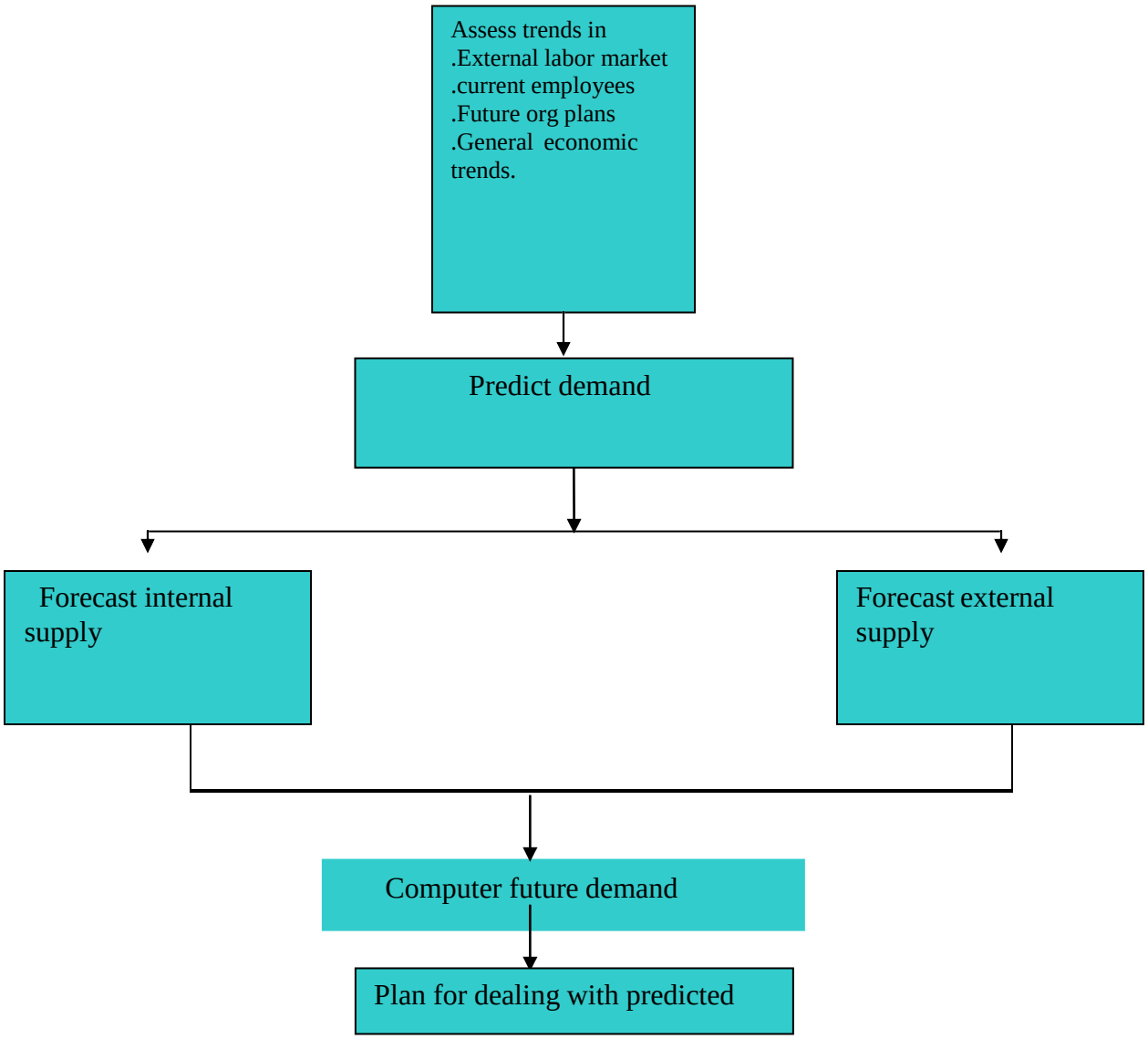
## 3.6 Off- the-job Management Training &Development

a. The case study method
b. Management games
c. Outside seminars
d. University –related programs

**ROLE OF TRAINING**



**The process of training & development**



## 3.7 Methodology of the Study

**3.7.1 Types of Research:** For my Dissertation report I am conducting **DescriptiveResearch.**

**3.7.2 Data Collection:**

a) Primary sources of data and information:

The primary sources of data are as follows:

- Client of the banks
- Employees of the Bank

b) Secondary sources of data and collection:

The secondary sources of data are as follows:

- Annual report of Al-Arafah Islami Bank Limited (AIBL )
- Brushier of the Al-Arafah Islami Bank Limited (AIBL )
- Web site of Al-Arafah Islami Bank Limited (AIBL )
- Books related with HRM.

**3.7.3 Methods of Primary Data Collection**

To collect primary data I had to follow the following methods

- **Questionnaire:**

1) Both open ended and close ended questionnaire is used.
2) Researcher administered questionnaire is used
3) It took average 20 min. for each interview.

- **Personal observation.**
- **In-depth interview.**

# Chapter Four:
# Analysis of the study

## 4.1 Introduction

Employees are the core resources of any organization, without them, one cannot run their organization, and human resources are conducted with the growth of development of people toward higher level of competency, creativity and fulfillment. It help employee's become better more responsible person and then it tries to create a climate in which they contribute to the limits of their improved abilities. It assumes that expanded capabilities and opportunities for people with lead directly to improvements in operating effectiveness. Essentially, the human resource approach means that people better result. Bank always determine what jobs need to be done, and how many and types of workers will be required.

Human Resource Department of AIBL is the main dimension of people of the organization. It is responsible for hiring competent people, training them, helping them perform at high levels and mechanisms to ensure that these employees maintain their productive affiliation with the organization. Human Resources Department of AIBL is solely responsible mainly for recruitment, training and development, ensuring compensation and benefits of staffs, performance appraisals and rewards. With all those core functions Human Resources Department linkage its operations meet the organization's objectives.

## 4.2 Human Resources Department of AIBL

Human resources Department of is one of the most valued departments with the responsibilities of staffing, training and development, organization development, performance appraisals, rewarding, control and maintenance etc. With the start of The Human Resources Department of experienced executives to carry out the whole responsibilities. The Human Resources Department of stands in its Head Office at Motijil, C'heni Shilpo Bhaban under the direct supervision of the top management.

## 4.3 Organization of the Human Resources of Bank

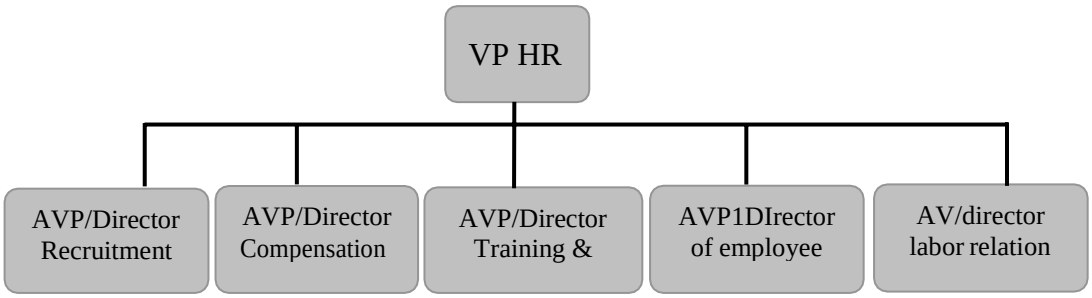



Fig: Structure of HR Department in AIBL

## 4.4 Objectives of the Human Resources Department of AIBL

The objective of HRM can be described as follows-

- To hire the right person for the job
- To reduce employee turnover
- To motive people to perform at high effort levels.
- Not to waste time with useless interviews.
- To remove unfair labor practices.
- To maintain a high morale & better human relations inside the origination.
- To maintain organizational peace.
- To attract competent people and retain them in the organization.
- To recognize and satisfy individual needs.

## 4.5 Basic Principles of HRM in AIBL

- Treat people with respect and dignity;
- Deal with people as complete individuals.
- Treat all employees with justice.
- Provide people with justice.
- Make people feel that they are most valuable asset for the organization.
- Rewards should be earned, not given.
- Not to underestimate the potentials of people.
- Provide people with all relevant information.

## 4.6 Functions of the Human Resource Department of AIBL

- To control the administration of human resources of the bank
- To access and collect compatible personnel who will be perfect for the bank
- To take program and implement for developing human resources.
- To make appointment, promotion and appraising skill of officer and stuff
- To maintain relationship with government and other institution
- To access and grant retirement facilities at the time of retirement
- To communicate with e union scrutinizing their demands
- To give loan for house building, car, motorcycle and ensure their proper utilization
- To give medical facilities to the staff.
- To maintain and grant leaves without regular leave
- To coordinate and evaluate the branch office
- To prepare and implementation policy about human resources and related activities.
- To perform the activities assigned by the department head

## 4.7 Core Functions of Human Resources Department in AIBL

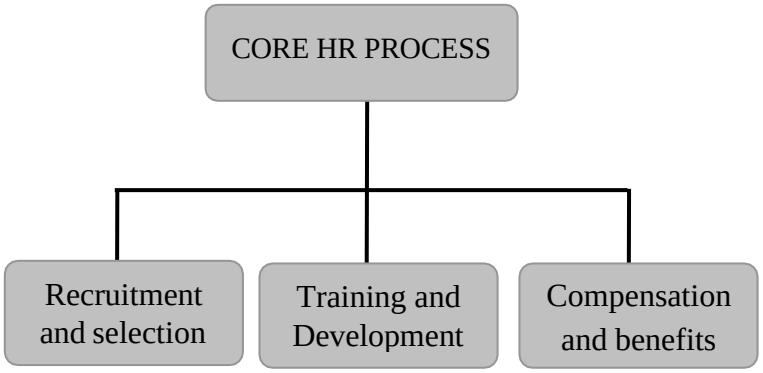



Figure: Core HR Process in HR department of backed by the Human Resources Manual.

## 4.8 Define Training and Development

Training to new employees is important for the reason that they need to acquire basic Skills related to the particular job in which he is employed and development means aims to increase abilities in relation to some future position or job-usually management.

## 4.9 Objectives of Training

Like every organization, Al-Arafah Islami Bank Limited and the employees or human resources of this organization have some objectives. The organizational and individual objectives are complementary. So a training program is directed toward the accomplishment of both organizational and individual objectives. We can classify the objectives in two major headings.

## 4.10 Objectives of Training Related to AIBL

- Achieving efficiency in operation.
- Improving knowledge on new method.
- Informing the banking policy
- Providing knowledge on bank-customer relationship.
- Change of attitude toward the job.
- Reduction of employee turn-over.
- Improving quality of work.

## 4.11 Objectives of Training Related to Individual

1. Reducing inherent fear about jobs: Training is reducing inherent fear about jobs.

2. Updating Knowledge: Technological advancement, business environmental changes and new management philosophies have now made it imperative for the organization to renew and update the knowledge and skills of the employees so that they do mil become redundant for obvious functional incompetence. The first and foremost need for manpower training therefore, is to renew and update knowledge and skills of employees to sustain their effective performance and so also to develop them for future managerial positions.

3. Avoiding Obsolescence: Recent economic liberalization programs of Government of India is necessitating Organizational restructurings, which inter alia, calls for training the employees, irrespective of their functional level, for their redeployment in restructured jobs. Therefore, the second important need for training is to avert functional obsolescence

## 4.12 Methods of Training Used by Al-Arafah Islami Bank Limited

Methods are the ways through which. Employees are trained. JAM I1Nn Bank Limited uses several methods of training depending on the situation and training objectives. However, the methods of training can primarily classify into two types. On-the -job Training (0.1T) means having a person learn a job by actually doing it. every employee, from mailoorm clerk to company president, gets on the job training when he or she joins a firm. In many firms, OJT is the only training available.

The most familiar type of on the job training is the coaching or understudy method. Here, an experienced worker or the trainee's supervisor trains the employee. At lower levels, trains may acquire skills by observing the supervisor. But this technique is widely used at top-management level too. A potential future CEO might spend a year as assistant to the current CEO, for instance. Job rotation, in which an employee (usually a management trainee) moves from job to job at planned intervals, is another OJT technique. There are some steps to help insured OJT Success

**Step: 1 Prepare the Learner:**

1. Put the learner at ease- relieves the tension.
2. Explain why he or she is being taught,
3. Create interest, encourage - encourage find out what the learner already knows about this or other jobs.
4. Explain the whole job and relate it to some job the worker already knows.
5. Plane the learner is dose is the normal working position as posAIBL e.
6. Familiarize the worker with equipment, materials, tools, and trade

**Step 2: Present the Operation:**

1. Explain quantity and quality requirement?
2. Go through the job at the normal work pace.

3. Again go through the job at a slow pace several times; explain the key points.
4. Have the learner explain the steps is you go through the job at a slow pace,

**Step: 3 Do a Tryout:**

1. Have the learner go though the job several times explaining: slowly, explaining each step to you. Correct mistakes and mistakes and, if necessary, do some of the complicated steps the first few times.
2 Run the job at the normal pace.
3. Have, the learner do the job, gradually building up skill and speed.
4. As soon as the learner demonstrates ability to do the job, let the work begin, but don't abandon him or her.

**Step: 4. Follow Up**:

1. Designate to whom the learner should go for help
2. Gradually decrease supervision, checking work from time to time against quality and quantity standards.
3. Correct faulty work patterns before they become a habit. Show why the learned method is superior.
4. Compliment good work; encourage the worker until he or she is able to meet the quality and quantity standards.

**1. Apprenticeship Training:**

More employers are implementing apprenticeship programs, an-approach that began in the middle Ages. Apprenticeship training is a structured process which people become killed workers through a combination of classroom Instruction and on-the job training. It is widely to train individuals for many occupations. It traditionally involves having the learner/apprentice study under the tutelage of a master craftsperson.

Several U.S. facilities currently use this approach. For example, the Siemens Stromberg-Carlson plant in Florida has apprenticeships for adults and high school students for electronics technician jobs.

**2. Informal Learning:**

Employers should not underestimate the importance or value of informal training. Surveys form the American Society for Training and Development estimate that as much as 80% of what employees learn on the job they learn not through formal training programs but through informal means, including performing their jobs on a dally basis in collaboration with their colleagues.

Although managers don't arrange informal learning, threes still a lot they can do the ensure that it occurs. Most of the steps are simple.

**3. Job Instruction Training;**

This is training through step-by-step learning. Usually steps necessary for a job are identified in order of sequence and an employee is exposed to the different steps of a job
by an experienced trainer.

## 4.13 Managerial on-the-job Training

On -the - job training is not just for non managers. Managerial on -the -job training methods include job rotation the coaching/understudy approach, and action learning.

**1. Job Rotation:**

Job rotation means moving management trainees from department to department to broaden their understanding of all parts of all parts of the business and to test their abilities. The trainee - often a recent college graduate may spend several months in each department. The person may just be an observer in each department, but more commonly gets fully involved in its operations. The trainee thus learns the department's business by actually doing it, while discovering what jobs he or she prefers.

**2. Coaching/Understudy Approach:**

Here the trainee works directly with a senior manager or with the person he or she is to replace, the latter is respond AIBL for the trainee's coaching. Normally, the understudy relieves the executive of certain responsibilities, giving the trainee a chance to learn the job.

**3. Action Learning:**

Action learning programs give managers and others released time to work full-time on Dissertation s, analyzing and solving problems in departments other than their own. The basics of a typical action learning program include. Carefully selected teams of five to 25 members;

Assigning the teams real world business problems that extend beyond their usual areas of expertise and structured learning through coaching and feedback. The employer's senior managers usually choose the Dissertation s and decide whether to accept the teams' recommendations.

## 4.14 Off the job Training Methods

**1. Lectures:**

Lecturing has several advantages. It is a quick and simple way to provide knowledge to large groups of trainees as when the sales force needs to learn the special features of a new product. You could use written materials instead, be they may require considerable more production expense and won't encourage the give-and-take questioning that lectures do.

**2. Programmed Learning:**

Whether the medium is a textbook, computer, or the Internet, programmed Leering (Or programmed instruction) is a step-by-step, self-leaning method that consists of their parts.

1. Presenting questions facts or problems to the learner
2. Allowing the person to respond
3. Providing feedback on the accuracy of answers.

Generally, programmed learning presents facts ad follow-up questions. The learner can then respond, and subsequent frames provide feedback on the accuracy of his or her answers. What the next question is often is often depends on the accuracy of the learner's answer to the previous question. Programmed learning's main advantage is that it reduces training. It also facilitates learning because. It lets trainees learn at their own pace, provides immediate feedback and (from the learner's point of view) reduces the risk of error.

**3. Audiovisual-Based Training:**

Audiovisual-based training techniques like, PowerPoint's, vide conferencing, audiotapes, and videotapes can be very effective and are widely used. The Ford Motor Company uses videos in its dealer training sessions to simulate problems and sample reactions to various customer complaints, for example.

Audiovisuals arc more expensive than conventional lectures hut offer some advantages. Of course, they usually tend to be more interesting. In addition, consider using them in the following situations:

1. When there is a need to illustrate how to follow a certain sequence over time, such as when teaching fax machine repair. The stop-action, instant replay, and fast- ar slow-motion capabilities of audiovisuals can be useful here.
2. When there is a need to expose trainees to events not easily demonstrable in live lectures, such as a visual tour of a factory or open-heart surgery.
3. When you need organization wide training and it is too costly to move the trainers from place to place.

Simulated training may take place in a separate room with the same equipment the trainees will use on the job. However, it often involves the use of equipment simulators. In pilot training, for instance, airlines use flight simulators for safety', learning efficiency, and cost savings, including sayings on.

**4. Case Study:**

Case study method helps students to learn on their own by independent thinking. A set of data or some descriptive materials are given to the participants asking them to analyze, identify the problems and also tc5 recommend solutions for the same.

**5. Role Playing:**

This training method particularly helps in learning human relations skills through practice and imbibing an insight into one's own behaviors. Trainees of such a programmed are Informed of a situation and asked to play their roles in the imaginary situation before the rest of the class. This therefore, helps in the enriching of interact Tonal skills of the employees.

**6. T-Group Training:**

T-group is sensitivity training, and takes place under laboratory conditions and is mostly instructed and informal kind of training. The trainer in such a training program is catalyst. He helps the individual participants to understand how others perceive his behavior, how here acts to the behavior of others and how and when a group acts either in a negative or in a positive way.

**7. E-learning:**

Training programmers delivered via intranet are now thought of as the most cost-effective route. It is not only cost effective but also caters to the real time information need of

employees. However, it involves convergence of several technologies, like, hardware, software, web designing and authoring, instructional design, multimedia design, telecommunications and finally internet-intranet network management.

## 4.15 Methods of Development of AIBL

Some development of an individual's abilities can take place on the job. We will review several methods, three popular on-the-job techniques

1) Job rotation
2) Assistant-to position
3) Committee assignments

And three off-the jobs methods:

1) Lecturer courses and seminars
2) Simulation exercise
3) Outdoor training.

**1) Job rotation:**

Job rotation involves moving employees to various positions in the organization in an effort to expand their skills, knowledge, and abilities. Job rotation can be either horizontal or vertical. Vertical rotation is nothing more than promoting a worker into a new position. We will emphasize the horizontal dimension of job rotation, or what may be better understood as a short-term lateral transfer.

Job rotation represents an excellent method for broadening an individual's exposure to company operations and for turning a specialist into a generalist. In addition to increasing the individual's experience allowing him or her to exposure new information. It can reduce boredom and stimulate the development if new ideas. It can also provide opportunities for a more comprehensive and reliable evaluation of the employee by his or her supervisors.

**2) Assistant-To positions:**

Employees with demonstrated potential are sometimes given the opportunity to work under a seasoned and successful manager often in different areas of the organization. Working as staff assistants or, in some cases, serving on "special board," these individuals perform many duties under watchful eye of a supportive coach. In doing so, these employee get exposure to a wide variety of management activities and are groomed for assuming the duties of the next higher level.

**3. Committee Assignment:**

Committee assignments can provide an opportunity for the employee to share decision making, to learn by watching others, and to investigate specific organizational problems. When committees are of a temporary nature, they often take on task-force activities designed to develop into a particular problem, ascertain alternative solutions, and make a recommendation for implementing a solution. These temporary assignments can be both interesting and rewarding to the employee's growth. Appointment of permanent committee increase the employee's exposure to other members of the organization, broadens his or her understanding, and provides an opportunity to grow a make recommendation under the scrutiny of other committee members. In addition on-the-job techniques described above, we will briefly discuss three of the more popular ones: lecture courses and seminars, simulations, and outdoor training.

**1) Lecture course and seminars:**

Traditional forms of instruction revolved around formal lecture courses and seminars. These offered an opportunity for individuals to acquire knowledge and develop their conceptual and analytical abilities. For many organizations, they were offered in house by the organization itself, through outside vendors, or both.

Technology is allowing for significant improvements in the training field. The use of digitized computer technology, a facilitator can be in one location giving a lecture, while simultaneously being transmitted over fiber-optic cable, in real time, to several other locations.

Over the past few years, we've witnessed an expansion of lecture courses and seminars for organizational members. This has been in the form of returning to college classes, either for

Credit toward a degree or by way of "continuing education" courses. Either way, the outcome is the same. Employees are taking the responsibility to advanced their skills, knowledge, and abilities in an effort to enhance their value-address to their current or "future" employer.

**2) Simulations:**

Simulations are probably ever more popular for employee development. The more widely used simulation exercises include case studies, decision games, and role plays.

The case-study analysis approach to employee development was popularized at the Harvard Graduate School of business. Taken from the experiences of organization, these causes represent attempts to describe, as accurately as pos AIBL e, real problem that managers have faced. Trainees study the case to determine problem, analyze causes, develop alternative solutions, select what they believe to be the best solution, and implement it.

Case studies can provide stimulating discussions among participants, as well as excellent opportunities for individual to defend their analytical and judgmental abilities. It appears to be a rather effective method for improving decision-making abilities within the constraints of limited information.

Simulated decision games and role-playing exercises put individuals in the role of acting out supervisory problem. Simulations, frequently played on a computer programmer, provide opportunities for individuals to make decisions and to witness the implications of their decisions on other segments of the organization.

Role playing allows the participants to act out problems and to deal with real people. Participants are assigned roles and are ask to react to one another as they would have to do in the managerial jobs.

**3. Outdoor Training:**

Outdoor training typically involves some major emotional and physical challenge. This could be whitewater rafting, mountain climbing, paint-ball games, or surviving a week in the 'jungle.' The purpose of such training is to see how employees react to the difficulties that nature presents to them. Do the face these dangers alone? Do they "freak"? Or are they controlled and successful in achieve their goals? The reality is that today's business environment does not permit employees "stand alone". This has reinforced the importance of working closely with

one another, building trusting relationship, and succeeding as a member of a group.

## 4.16 Benefits for Employees

- The opportunity for promotion and self-improvement;
- Improved job satisfaction through better job performance
- A challenge: the chance to learn new things;
- Adaptability: greater ability to adapt to and cope with changes
- Increase job scope and allow for job rotation

## 4.17 Benefits for the Organization

- Higher productivity through better job performance, more efficient use of human resources;
- Goals and objectives more effectively met;
- Reduced costs due to less labor turnover, errors, accidents etc.
- A more capable, mobile workforce;
- Existing staff more easily retained; An insurance policy; employees are better able to cope with organization

## 4.18 Training Institutes of Al-Arafah Islami Bank Limited

Al-Arafah Islami Bank Limited training institution was established in 1996. Since then, institute has been conducting various types of training programs on different banking affairs in order to develop knowledge, skip; and attitude of the employees of bank.

## 4.19 Objectives of Training Institutes of AIBL

The major objectives are:

- To enrich both theoretical and practical knowledge in banking and also developing managerial skills of the employees of bank.
- To impact training programs based can day-to-day banking needs.
- To raise the standard of performance of the work force employed in the bank.

## 4.20 Activities of AIBL in Dhaka

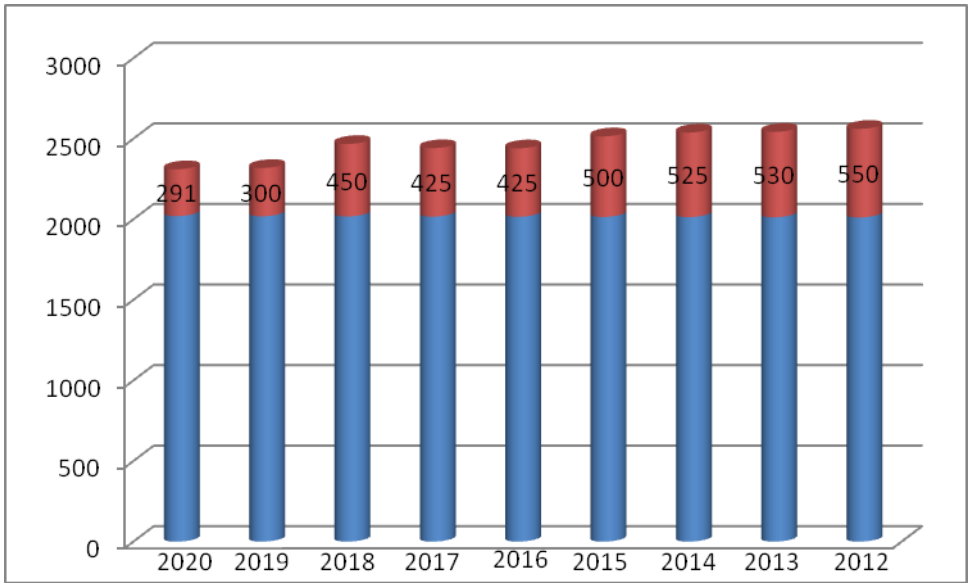
| Officers/staff trained since its inception | |
|---|---|
| **Year** | **No. of officers'/staff** |
| 2016 | 500 |
| 2017 | 1000 |
| 2018 | 1200 |
| 2019 | 1300 |
| 2020 | 800 |

Figure: Officers/staff trained since its inception Source: Annual course calendar 2020

## 4.21 Training Performance (2016-2020)

The Training Institution plays a significant role in the field of training of officers and staff members of the bank. Under different banner of the training courses in 64 batches a total number of 4399 Officers and Executives have already been imparted training

| Year | Number of courses | Number of participant (Yearly basis) |
|---|---|---|
| 2020 | 25 | 291 |
| 2019 | 32 | 300 |
| 2018 | 35 | 450 |
| 2017 | 39 | 425 |
| 2016 | 40 | 425 |
| 2015 | 40 | 500 |
| 2014 | 33 | 525 |
| 2013 | 42 | 530 |
| 2012 | 40 | 550 |
| **Total** | **326** | **3996** |




**Training Performance 2020**

| Sl. no: | Name of course | Level of participants | Frequency | Number of participants |
|---|---|---|---|---|
| 1 | Foreign Exchange & Foreign trade | Officer to SPO | 1 | 31 |
| 2 | Branch Management | Sr. Officer to SPO/Br. manager | 1 | 26 |
| 3 | Banking foundation Course | Officer | 2 | 66 |
| 4 | Human Relation & Communication Development | Sr. Officer to SPO/Br. Manger | 1 | 30 |
| 5 | Internal Control &Compliance | Officer to SPO | 2 | 60 |
| 6 | Credit Management | Officer to SPO/ Manager | 2 | 48 |
| 7 | Banking foundation Course (Newly-Recruited IT Personnel) | FT Personnel | 5 | 47 |
| 8 | Basic Accounting & Al-Arafah Bank Accounting Personnel | Officer to PO | 1 | 29 |
| 9 | Audit , Inspection & Implementation | Audit officer | 2 | 55 |
| | | Sub-total | 17 | 392 |

# Workshops

| Sl no. | Name of Workshop | Level of participants | Frequency | Number of participants |
|---|---|---|---|---|
| 1 | Money Laundering Prevention | Executives/ Br. Managers' Concerned Officers | 5 | 137 |
| 2 | Core Risk Management : Asset Liability Management | Selected Executives.' Officers | 1 | 34 |
| 3 | Core Risk Management : Internal Control & Compliance | Selected Officers | 1 | 3S |
| 4 | Core Risk Management :Credit Risk Management | Selected Officers | 1 | 40 |
| 5 | Recovery of Classified Advances. De-classification and Suit Settlement Techniques | Officers to SPO (Branch Manager Credit Officer) | 2 | 69 |
| 6 | Trade Financing : SME & Consumer Financing | Officer to SPO (Branch Manager Credit Officer) | 1 | S3 |
| 7 | International Accounting Standard (IAS-30) | Officer to SPO (Concerned Officer) | 1 | 26 |
| 8 | Management of non-performing assets & techniques of profitability | Officer to SPO( Branch Manager/Credit Officer) | 2 | 67 |
| 9 | Performance Management & Discipline : Conducting Inquiry | Selected Officers of Disciplinary Action Division. Zones Circles Corp.Br. | 1 | 28 |
| 10 | Reporting on foreign trade Transaction | ID & AD branch dealing officer | 1 | 57 |
| 11 | Name of Workshop | Level of participants | Frequency | Number of participants |
| 12 | Credit Risk Grading | Officer to SPO (creditofficer | 4 | 134 |
| 13 | Procedure of loan classification and preparation of cl statements | Officer to SPO (branchmanager) | 3 | 93 |
| 14 | Al - arafali bank audit implementation manual | Audit officer | 2 | 40 |
| 15 | BASEL- 11 ACCORD | Senior Executives (D.V1D. EVP,SVP,VP) | 1 | 25 |
| 16 | Short orientation course on Foreign Exchange &Foreign trade) | Concerned officer | 1 | 32 |
| 17 | Senior management development programmed | Senior Executives (DMD and EVP) | 1 | 13 |
| | **Sub- total :** | | **35** | **838** |

## Computer Course

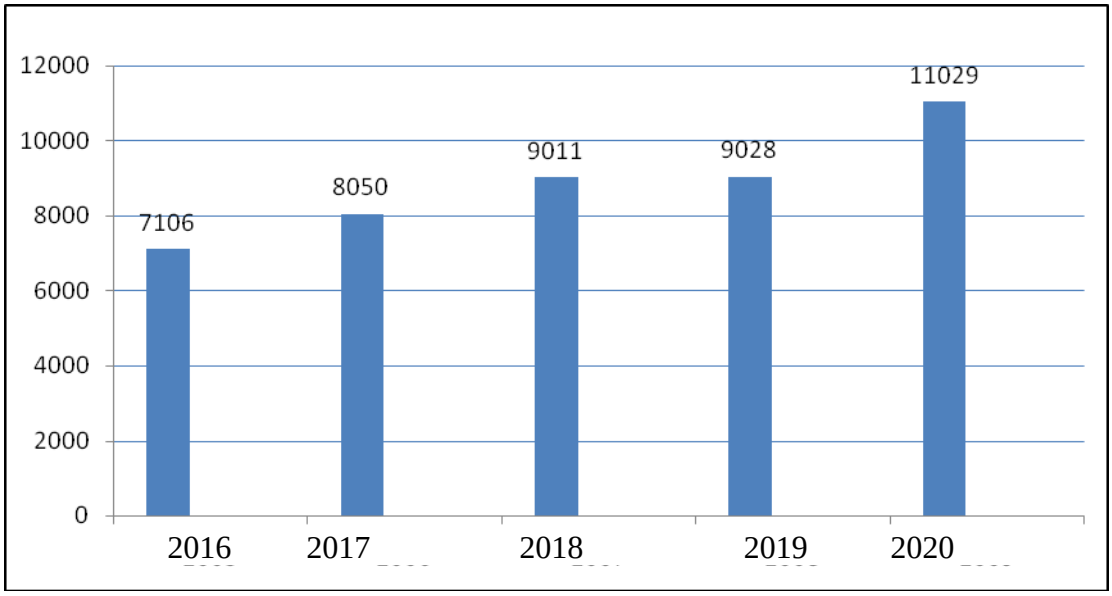
| Sl No | Name of course | Level of participants | Frequency | Number of participants |
|---|---|---|---|---|
| 1 | Computer : PC-MS Office (Officer) | SO/Officer | 3 | 81 |
| 2 | Computer Literacy and English language (clerical) | Clerical staff | 2 | 54 |
| 3 | Computer : Application and operation of branch banking software (Day) | Branch Manager Officer (Outside Dhaka) | 4 | 67 |
| 4 | Computer : Application and operation of branch banking software (Evening) | Branch Manager. Officer Dhaka | 6 | 55 |
| 5 | Computer : branch banking operation (Audit) | Audit officer | 2 | 36 |
| 6 | Computer : Application & operation of Zonal office software (Day) | Concerned officer (outside Dhaka) | 7 | 120 |
| 7 | Computer ; Application &Operation of Zonal office software (Evening) | Concerned officer (Dhaka) | | 35 |
| 8 | Computer : MIS in AL-ARAFAH bank (Day) | Concerned officer (outside Dhaka) | I | 1? |
| 9 | Computer : MIS in Al-arafah Bank (Evening) | Concerned officer (Dhaka) | 2 | 30 |
| 10 | Programming in COBOL (Evening) | Concerned officer | 1 | 16 |
| 11 | Zonal office solution | Concerned IT officer | 1 | 57 |
| | **Total** | | **88** | **568** |

Table: 6

## 4.22 Performance Evaluation and Performance Reward

The Human Resource Division plays strategic role in the development of Al-Arafah Islami Bank Limited and finds them focusing strategies that will align with the strategic business needs and priorities of the bank. HRD is managing a large number of employees which is a challenging task and requires efficient handling. HRD delivers day to day operational support to its employees so that employees are being satisfied and believe that as an employer "Al-Arafah Islami Bank Limited" do care to its employees". And later on they perform according to the business needs.

From the above data, it has been found that employees of Al-Arafah Islami Bank Limited Bangladesh are very much satisfied about training and development process provided by the bank. HRD always evaluate performance through observation, work output, strength and then reward employees according to their excellent performance. They select and reward employee on the basis of month and sometimes quarterly performance based. The following charts shows employee strength and trained up employee strength of the Al-Arafah Islami Bank Limited




Here, I have assumed a sample of 6000 employees of Al-Arafah Islami Bank Limited Day by day Al-Arafah Islami Bank Limited investing a huge amount of money to train their employees so that they can be more skilled, increase their strength and perform up to the mark. Here, each year employees strengths are increasing and this is fact they are performing outstanding than before.

## Rating Report

As per Bangladesh Bank Guidelines we have got rated by Credit Rating Agency of Bangladesh (CRAB). In the year 2007 the long term and short term grading were A3 and ST-2 respectively.

## 4.23 Staff and Welfare Dissertation

The Bank always keeps a careful eye on the economic security and benefit of its staffs & officers. The Bank operates a contributory provident fund a social security & benevolent fund and gratuity fund for its employees.

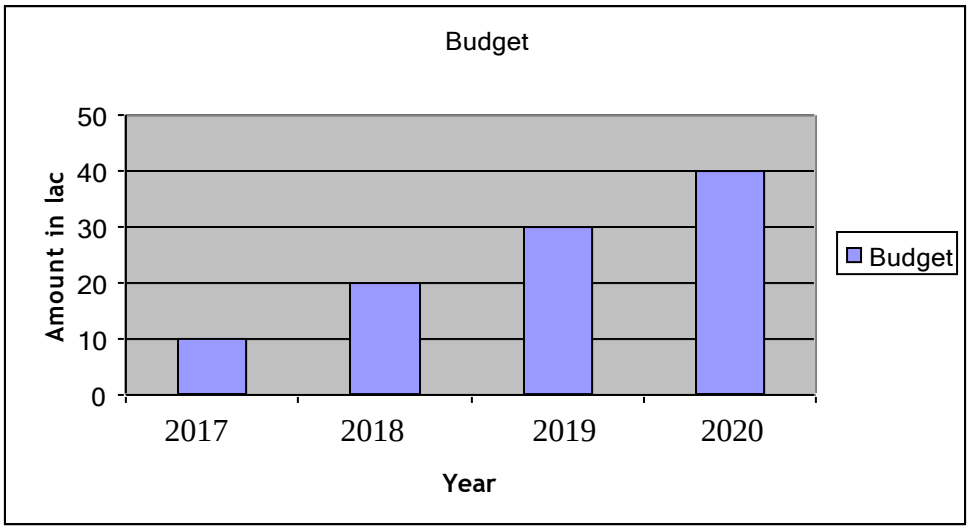



***Figure: Budget of Welfare Division***
***Source: welfare Division***

## 4.24 Training and Motivation

Training and Motivation are utmost important to bring about positive change in the outlook of the manpower and to increase efficiency. Sets of trained and efficient workforce are indispensable for any commercial bank and they are the fundamental strength of the bank. Well trained and highly motivated personnel are a prerequisite for running Islami Bank in a traditional society like Bangladesh. Keeping this view in mind training program on banking and motivational programs are being implemented in 2006.

We have trained a total number of 361 trainees through 11 training courses consisting of 46 working days in 2006. In these training programs special guest from Bangladesh Bank, BIBM, and many other government and private Bank and financial institutions have directed the classes, besides Banks own speakers. As a general member of Bangladesh Institute of Bank Management (BIBM) 70 officers and executives have got training from that institution on different courses. At the same time, some other 20 officers and executives of the Bank have been trained in several training institutes including Bangladesh Bank Training Academy and others. Since every branch and head office have arranged regular program on Dars-e Quran and Dare Hadith. The total manpower of the Bank, clients and the wishers are being trained. This training are motivational activities are ultimately resulting an team spirit increasing efficiency sense of discipline and the revival of moral values among the employees officers and

executives as well. Inshallah, in the coming years the overall programs of the training will get an increased shape.

Training is one of the most effective and well recognized weapons in developing human resources. Training programs are being carried out for the Probationary Officers. Assistant Officers, Junior Officers, Branch Managers and Officers of different grades and Executives by Al-Arafah Islami Bank Limited Training & Research Academy from its very Inception. AIBIRA sets training-plans from the early hours of the year and every year a training calendar is prepared and approved by the Board of Directors of Al-Arafah Islami Bank Ltd. Training Academy conducts training Courses / workshops simultaneously of Dhaka as well as outside Dhaka. Training Courses, workshops, in-house training etc. are tabled and conducted on current day updated banking aspects concerning new ideas, procedures and techniques of banking. In the training sessions lecture methods as well as discussions, group-discussions, case study, exercise, practical work. Simulation methods etc. are follow.

Moreover, 3 executives of the Bank participated in training courses in Iron and Malaysic in the year of 2009.

Ate used For the purpose of assessing trainees‟ knowledge and skill pre-course and post

Course evaluations are done. Evolution of the trainers is also conducted secretly by the participants for making training more effective.

In 2009 Total number of 530 trainees were trained at training Academy through 42 training

| SL No | Subjects | Number | Number participants |
|---|---|---|---|
| 1. Training Course: | | | |
| a. SME & Micro Finance | | 1 | 30 |
| b. Induction/Foundation Orientation Course | | 2 | 40 |
| c. Foreign Exchange & Foreign Trade | | 2 | 30 |
| d. Investment Operations and Management | | 1 | 20 |

| | | |
|---|---|---|
| e. Refreshers Course on General Banking | 1 | 20 |
| f. Audit, Internal Control & Compliance | 1 | 15 |
| 2. Workshop: | | |
| a. Managerial Supervision and Internal Control & Compliance. | 1 | 22 |
| b. Prevention of Money laundering | 2 | 40 |
| c. Foreign Exchange Risk Management & UCP-600. | 1 | 20 |
| d. Foreign Remittance & FC Acconts. | 2 | 40 |
| e. Business Communication & Negotiation Technique. | 1 | 20 |
| f. Preparation of SBS, F.Ex Reurns, CIB,CL. | 2 | 40 |
| g. Security Documentation Suit Handling | 1 | 20 |
| h. BASEL-II Implementation | 1 | 20 |
| j. Customer Service & Cash Handling. | 1 | 20 |
| k. Investment Risk Management. | 1 | 27 |
| i. Shanah Compliance. | 1 | 20 |
| m. Consumers Financing. | 1 | 24 |
| n. Working Capital Need Assessment. | 1 | 22 |
| 3. Outreach Workshop | | |
| a. Prevention of Money laundering. | 1 | 20 |
| b. Shariah implementation | 1 | 20 |
| 4. In-house training | | |
| **Total** | **42** | **530** |

# Chapter- Five

# Findings

## 5.1 Major Findings

This study is focused on training and development program of Al-Arafah Islami Bank Ltd. After analyze the whole report some positive and also some negative some are identified. These are:

1. AIBL arrange the necessary training for enhancing the skills and knowledge to keep pace with the technological change and customer service
2. AIBL has own training institute
3. Al-Arafah Islami Bank Ltd. arrange training for general employees and development program for executive
4. Al-Arafah Islami Bank Ltd. identifies the deviancies of performance level of employees by training need assessment, which is very crucial for identifying training need and species the training need area
5. Al-Arafah Islami Bank Ltd. generally provides on the job training for employees and executives and also offered off the job training and development program for the employees and executives
6. As Al-Arafah Islami Bank Ltd. arrange training and development program regularly, others banks have different training and development idea
7. As Al-Arafah Islami Bank Ltd. is not fully equipped
8. The allocation of training and development budget of AIBL is not fully satisfactory
9. Employees of AIBL are not fully satisfied with the overall training facilities that are offered by the bank.

# Chapter- Six

# Conclusion and Recommendations

## 6.1 Recommendations

In order to get competitive advantage & to deliver quality service, top management should try to modify the services. For the improvement of the service the following measures should be taken:

a. **Enhance Training Facilities:** AIBL must be increase their training facilities for gaining qualified employees
b. **Arrange Seminar, Workshop about Training and Development:** AIBL should arrange more Seminar, Workshop about Training and Development

**Customer's Convenience:** For customer's convenience, AIBL should provide more personnel to deliver faster services to their honorable customer.

**Human Development:** Development of human resources should be ensured to increase efficiency in work.

**Communication System**: Ensure proper communication system and maintenance of files & machineries should modernize.

**Interest:** More interest should be paid on deposit account so that customers are convinced to deposit their money in bank.

**R & D**: Research & Development wing must be more extensive & rich.

**Strategy:** Effective strategies must be undertaken against defaulter.

**Dissertation Management:** Dissertation Management‟ must be practiced in case of investing in the Dissertation. Feasibility study of the Dissertation, Dissertation planning, monitoring & evaluation should be undertaken.

**Managerial Function:** AIBL must have to follow the management functions (from planning to control) strictly in all of their business activities and also operation the bank.

**Financial Analysis:** Branch should have a separate section to analyze the financial statement for fining its liquidity, profitability & ownership ratios.

**Strict Rules for arrival and departure for the employee**: Management should strict about the arrival and departure time for the employees.

**Job Rotation:** In AIBL job rotation is fully absent job rotation is very important to make the entire employee efficient for all departments.

**Appreciation:** No doubt that in AIBL female employees is more efficient and hard working than male employees. It is very important to appreciate them and give them proper respect. Because if they get the appreciation then they can increase their volume of work. It is not only for the female it is also important both for male and female employees.

**Image:** Office should be fully redecorated to attract people to conic into it.

**Some other important factor that should be focused on the development**

**Process:**

- Time consumed at service level should be minimized at optimum level.
- Evaluates customer's needs from their perspective and explain logically the shortcomings.
- Improve office atmosphere to give customers better feeling.
- Use of effective MIS (Management Information System).
- To deliver quality service top management should try to mitigate the gap between customer's expectation & employee's perception.

## 6.2 Conclusion

As an organization the Al-Arafah Islami Bank Limited has earned the reputation of top banking operation in Bangladesh. The organization is much more structured compared to any other bank operating local or foreign in Bangladesh. It is relentless in pursuit of business innovation and improvement. It has a reputation as a partner of consumer growth.

With a bulk of qualified and experienced human resource, Al-Arafah Islami Bank Limited can exploit any opportunity in the banking sector. It is pioneer in introducing many new products and services in the banking sector of the country. Moreover, in the overall-banking sector, it is unmatched with any other banks because of its wide spread branch networking thought the country.

This report tries to figure out most of the training and development practice of Al-Arafah Islami Bank Limited as a valid pretender in the competitive banking sector of Bangladesh. A severe cut throat competition is going on currently in this sector and that's why Al-Arafah Islami Bank Limited has to work out with different dimensions like – set up fully digital training center, arrange work shop, seminars about employee development, enhance training facilities, product diversification, market forecasting, proactive activities undertaken by Al-Arafah Islami Bank Limited and some suggestion to get rid of the predicaments that exist.

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