Thesis Report

On

Human Resource Management Practices of Pharmaceutical Industry in Bangladesh: A Case Study on Aristopharma Ltd.

Submitted To

Department of Business Administration
Faculty of Business
Sonargaon University (SU)
Dhaka-1215

Submitted By

Md. Ibrahim Hossain Rakib
ID: RMBA2102023004
Program: RMBA
Major in Human Resource Management
Semester: Spring 2023
Department of Business Administration
Faculty of Business
Sonargaon University (SU)
Dhaka-1215

Date of Submission: 11th May, 2023

Thesis Report

On

Human Resource Management Practices of Pharmaceutical Industry in Bangladesh: A Case Study on Aristopharma Ltd.

Submitted To

Department of Business Administration
Faculty of Business
Sonargaon University (SU)
Dhaka-1215

Submitted By

Md. Ibrahim Hossain Rakib
ID: RMBA2102023004
Program: RMBA
Major in Human Resource Management
Semester: Spring 2023
Department of Business Administration
Faculty of Business
Sonargaon University (SU)
Dhaka-1215

Date of Submission: 11th May, 2023

Thesis Report

On

Human Resource Management Practices of Pharmaceutical Industry in Bangladesh: A Case Study on Aristopharma Ltd.

Submitted To

Ashik Das
Lecturer
Department of Business Administration
Sonargaon University

Submitted By

Md. Ibrahim Hossain Rakib
ID: RMBA2102023004
Program: RMBA
Major in Human Resource Management
Semester: Spring 2023
Department of Business Administration
Faculty of Business
Sonargaon University (SU)
Dhaka-1215



Date of Submission: 11th May, 2023

Letter of Transmittal

11 May, 2023

To,

Ashik Das

Lecturer

Department of Business Administration

Sonargaon University

Dhaka-1215.

Subject: Submission of Thesis Report on "Human Resource Management Practices of Pharmaceutical Industry in Bangladesh: A Case Study on Aristopharma Ltd."

Dear Sir,

With due respect, it is my great pleasure to submit the Thesis Report. The report entitled "Human Resource Management Practices of Pharmaceutical Industry in Bangladesh: A Case Study on Aristopharma Ltd." which is a partial requirement for the completion of RMBA degree. I have left no stone unturned to collect data about HRM practices of pharmaceutical industries in Bangladesh. I have furnished all the things what I have learnt during the thesis program at Aristopharma Ltd, HRM division. I hope that this report will meet the standards of your judgments. I have tried my best to make this report interesting, informative and better one. Any mistake or shortcoming in this report would be apologetically considered as my fault.

I, therefore, pray and hope that you would kindly accept my report and oblige thereby.

Sincerely your

Md. Ibrahim Hossain Rakib

RMBA2102023004

Department of Business Administration

Sonargaon University.

Preface

Today we are very much involved in the business era. Only book-based knowledge is not enough to cope with real business environment. Effective combination of theoretical knowledge with practical experience is the key to success. Considering this, Thesis program is included in the degree Regular Masters of Business Administration (RMBA) from the Department of Business Administration, Sonargaon University.

I have selected the Human Resource Management as my field to conduct my thesis program which runs for three months only. I am an articled student of **Aristopharma Ltd.** also. I tried my best to collect relevant and significant data as much as possible and prepare the report with my best effort. I regret for any undue mistakes in this report. If the report do little support to any student, teacher, researcher or analyst, I may consider my effort does not go in vain.

Student's Declaration

I, **Md. Ibrahim Hossain Rakib,** a student of RMBA, Department of Business Administration, Sonargaon University, do hereby declare that the thesis report titled **"Human Resource Management Practices of Pharmaceutical Industry in Bangladesh: A Case Study on Aristopharma Ltd."** is the outcome of three months research work on the topic mentioned above under the supervision of **Ashik Das,** Lecturer, Department of Business Administration, Sonargaon University, Bangladesh.

I also declare that this report is an original work and no part of this report has been copied from elsewhere. In addition I would also like to mention that this report has not been published or submitted for being published or submitted for awarding any degree, diploma or recognition.

Sincerely Yours

Md. Ibrahim Hossain Rakib

RMBA2102023004

Department of Business Administration

Sonargaon University.

Letter of Acceptance

This is to certify that **Md. Ibrahim Hossain Rakib**, ID No: RMBA2102023004, Department of Business Administration, has completed his thesis report titled on **"Human Resource Management Practices of Pharmaceutical Industry in Bangladesh: A Case Study on Aristopharma Ltd."** under my supervision as a part of partial requirement for obtaining Regular Masters of Business Administration (RMBA) degree in Human Resource Management Major. This report can be accepted for evaluation.

Ashik Das

Lecturer

Department of Business Administration

Sonargaon University

Acknowledgement

In every scene of one's life there are some persons who make other's life precious. They provide inspiration support, and maximum effort to help in different way to make other's smile at the end of an event. In same manner to completion of this thesis report, I cannot deserve all the praise. There were lot of people who helped me by providing valuable information, guidance and their valuable time.

At first, I would like to express my gratitude to almighty Allah for enabling me the strength and opportunity to complete the report within the schedule time successfully. It was a great pleasure to prepare thesis report titled **"Human Resource Management Practices of Pharmaceutical Industry in Bangladesh: A Case Study on Aristopharma Ltd."**

I have benefited from the cooperation of some people during the preparation of the report. First of all, I would like to tender my gratitude to my esteemed Mr. **Ashik Das, Lecturer, Department of Business Administration** for his sincere guidance about how to prepare the report. Without his guidance, it would very difficult for me to complete the report.

I express my deep gratefulness to **Md. Shahed Ahmed**, HR Manager, Aristopharma Ltd. for supporting me with valuable information and guiding me throughout the study.

Last but not least, I am fortunate to have had the guidance of all the faculties and mentors throughout my 2 years Regular Masters of Business Administration (RMBA) program at Department of Business Administration, which helped me to shape my perception and understanding for facing the real-world career challenges. It also helped me to prepare a fruitful report.

Abstract

Now-a-days pharmaceutical industry is going through an intense competition. In order to gain competitive advantage industry must have to focus on customer satisfaction as well employee satisfaction. Because employees are the direct service provider to the customers. So, the success of any industry largely depends upon the service of employees. It is a great challenge for any organization how efficiently they manage their human resource. This report has emphasized the human resource management practices at Aristopharma Ltd. Aristopharma Ltd performs several tasks in order to properly manage its employees. They start their HRM practices with HR planning by which they define their current manpower and future need of manpower. They select employees both from internal sources and external sources. Most of the cases they prefer to recruit lateral employees. Aristopharma Ltd has its own HR training and development center to train up the employees. Sometime they hire trainer from other training institutions. In the case of foreign training they maintain training bond. Aristopharma Ltd follows 360-degree performance appraisal method which is based on ratings system. They use the appraisal result for promotion, incentives, and punishment. They score the appraisal on 100 marks. On the basis of these score performance appraisal is given. Along with the highly attractive compensation package Aristopharma Ltd provides some other benefits like, provident fund, gratuity, death benefit, retirement benefit and so on. By properly performing these tasks HR division of Aristopharma Ltd plays a vital role on the progress of the industry.

Table of Contents

Acknowledgement vi

Abstract vii

Chapter ONE: Introduction 1

1.1 Introduction 2

1.2 Origin of the Study 3

1.3 Objectives of the Study 4

1.4 Scope of the Study 4

1.5 Methodology 5

1.5.1 Primary Sources 5

1.5.2 Secondary Sources 5

1.6 Limitations of the Study 6

Chapter Two: Industrial Overview 7

2.1 Pharmaceuticals Industry 8

2.2 History of Pharmaceutical Industry in Bangladesh 8

2.3 Regulatory regime 9

2.4 Government Incentive 10

2.5 Products of the Pharmaceutical Industry 10

2.6 Local Market Overview 11

2.7 Export 11

2.8 Import 11

2.9 Foreign Competitions 12

2.10 Quality of available drugs 12

Chapter Three: Organizational Overview 13

3.1 Company Profile 14

3.2 Corporate Profile of Aristopharma Ltd. 16

3.4 Quality Policy of Aristopharma Ltd. 17

3.5 Global Presence of Aristopharma Ltd 18

3.6 Organogram of Aristopharma 20

3.7 HR Division Structure of Aristopharma Ltd. 21

Chapter Four: Literature Review 22

4.1 Human Resource Management 23

4.2 Major Functions of Human Resource Management 24
4.3 Importance of Human Resource Management 24
4.4 Human Resource Planning 25
4.5 Recruitment 25
4.6 Selection 26
4.7 Training & Development 26
4.8 Performance Appraisal 27
4.9 Compensation 28
Chapter Five: Human Resource Management Practices at Aristopharma Ltd. 30
5.1 Human Resource Division at Aristopharma Ltd. 31
5.2 Functions Performed by HR Division at Aristopharma Ltd. 31
5.3 HR Planning at Aristopharma Ltd. 32
5.3.1 HR Planning Process Followed by Aristopharma Ltd. 32
5.3.2 Job Analysis of Aristopharma Ltd. 33
5.4 Recruitment Practice at Aristopharma Ltd. 34
5.4.1 Types of Recruitment 34
5.4.2 Points of Recruitment 36
5.4.3 Sources of Recruitment 36
5.4.3.1 Internal Sources 37
5.4.3.2 External Sources 37
5.4.4 General Rules followed by Aristopharma Ltd. for Recruitment 37
5.5 Selection Practice at Aristopharma Ltd. 40
5.5.1 Selection process of Internal Recruitment 40
5.5.2 Selection process of External Recruitment 40
5.5.2.1 For Fresher 41
5.5.2.2 For Lateral 42
5.6 Training and Development at Aristopharma Ltd. 43
5.6.1 Training Need Identification 43
5.6.2 Types of Training 45
5.6.3 Training Planning, Designing and Implementation Process 46
5.6.4 Training Evaluation Process 47
5.7 Performance Appraisal at Aristopharma Ltd. 47
5.7.1 Key Performance Index in the Appraisal System 48

5.7.2 Brief Explanation of Rating Standard 49
5.7.3 Aristopharma's Performance Bonus policy 50
5.8 Employee Compensation & Benefit at Aristopharma Ltd. 50
5.8.1 Provident Fund 51
5.8.2 Gratuity Benefit 51
Chapter Six: Findings, Recommendations and Conclusion 53
6.1 Findings 54
6.2 Recommendations 55
6.3 Conclusion 56
References 57

List of Figures

Figure 1: Organogram of Aristopharma----------20
Figure 2: HR Division Structure ----------21
Figure 3: HR Planning Process----------32
Figure 4: Section of Recruitment ----------35
Figure 5: Types of Recruitment ----------35
Figure 6: Sources of Recruitment----------36
Figure 7: Types of External Recruitment ----------41
Figure 8: Selection Process of Fresher's ----------41
Figure 9: Types of training need identification ----------44
Figure 10: Training evaluation process ----------47

List of Abbreviation

HRM	Human Resource Management
MNC	Multinational Company
DGDA	Directorate General of Drug Administration
PCB	Pharmacy Council of Bangladesh
BPS	Bangladesh Pharmaceutical Society
GMP	Good Manufacturing Practices
IMS	Intercontinental Marketing Services
DDA	Department of Drug Administration
BAPI	Bangladesh Association of Pharmaceutical Industries
WHO	World Health Organization

Chapter ONE

Introduction

1.1 Introduction

Human Resource Management (HRM) is vital part of any organization. HRM is the strategic and coherent approach to the management of an organization's most valued assets. Globalization has exposed the corporate business organization to worldwide competition, mobilization of professional manpower and modern quantitative management practice. With the increase in the size and complexity of business organization, man has become the most important factor in business. Organizations need people to make them operated. An organization is nothing without human resource. Of all the resources, the most important one is human resource, because human beings play a dual role- as resource, as well as a motive force for all other resources by manipulating them, by the way of developing, utilizing, commanding and controlling.

Employees are the core resources of any organization, without them, one cannot run their organization. Human resource is conducted with the growth of development of people toward higher level of competency, creativity and fulfillment. It keeps employees become 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 leads directly to the improvement of operating effectiveness.

Skilled human resources are the key driving force of Aristopharma's growth. Our success is based on attracting, developing & retaining talented & motivated human resource. They share both our desire to excel & our commitment to improve the lives of the people.

The employees of Aristopharma believe in collaborative spirit. They appreciate that working as a team multiplies the strength of the individuals involved as well as the impact of the results.

Skill acquisition & development of all staff is the key to a company's growth, we believe. In this regard, we are always on the look out to identify training needs of our employees in order to enable them to carry out the entrusted responsibilities. Training programs undertaken, address not only skills relating to the specialty of the individuals concerned, but also their improving leadership & management skills.

The total no. of employees in Aristopharma is around 7000 and around 60% of them are white-collar employees. Among them there are-

- Pharmacists
- Chemists
- Biochemists
- Microbiologists
- Engineers
- CMAs
- CAs
- MBAs
- Doctors
- PhD
- Business economists
- Others (Graduates)

1.2 Origin of the Study

As a student of RMBA, it is mandatory to engage in an organization as intern to know more about the corporate world in order to increase business knowledge. In this thesis program, I got the opportunity to do my thesis at Human Resource Division, Aristopharma Limited, head office, Dhaka. During this thesis program, I have to prepare a thesis on a specific topic related to the organization, which is assigned by my supervisor. My honorable supervisor has assigned me the topic **Human Resource Management Practices at Aristopharma Limited.** This thesis program have familiarized me with the practical implementation of the knowledge which I have learnt during my BBA program. In this thesis I have written the HRM practices which are followed by Aristopharma Ltd and on the basis of my theoretical knowledge and practical observation I have written the findings.

1.3 Objectives of the Study

The objective of the study can be broadly be classified into two branches as General objectives and specific objectives. Achievement of the specific objectives will automatically lead to the achievement of general objectives.

- **General Objective**

The main objective is to compare the theoretical knowledge with the practical aspects of HRM practices.

- **Specific Objectives**

  - ❖ To know the HRM practices at Aristopharma Ltd.
  - ❖ To know about management system of Aristopharma Ltd.
  - ❖ To get idea about the pharmaceutical scenario of Bangladesh.
  - ❖ Find out the acceptability of Aristopharma Ltd to the employees.
  - ❖ Find out the existing problem of Aristopharma Ltd related to human resource management.
  - ❖ To gain the experience of corporate life.

1.4 Scope of the Study

The scope for this thesis basically surrounded with Aristopharma Limited. This thesis has been prepared through extensive discussion with company's employees and practical observation. HR policy and annual thesis of the company also helps to prepare this thesis. As I was doing my thesis at Human Resources Division, Aristopharma limited, so at the time of preparing this thesis I had a great opportunity to know in depth knowledge of all the HRM activities practiced by Aristopharma Limited. This thesis has emphasized with all the information and activities that I assigned by my supervisor. I have tried to collect all the HR related information from the employees of that particular division. When I started doing this thesis, I have focused on areas which are as follows:

- HR planning
- Recruitment and Selection process
- Performance Appraisal
- Rewards and development program
- Employee benefit program
- Employee separation process
- and Recognition Process
- HR training

1.5 Methodology

The methodology of this thesis is different from the conventional theses. I have emphasized on the practical observation, though I need some primary and secondary data. Nevertheless, eventually almost the entire thesis consists of my practical observation.

Source of Data Collection

Most of the necessary information has been collected from the personal observation and one to one discussion with relevant officials. Throughout the tenure of my study, I have to discuss in different areas of HR division and that gives me a great opportunity to collect information and learn more.

1.5.1 Primary Sources

- Face to face conversation with the employees of the division.
- Direct observations are another important way to aid myself in learning more about the topic.

1.5.2 Secondary Sources

- Annual thesis of Aristopharma Limited.

- HR policy of Aristopharma Limited.
- Related articles about Aristopharma Limited.
- Some hard copy of thesis.
- Publications obtained from the internet and from the website of Aristopharma Limited.
- Office circulars and other published paper, documents and thesis.

1.6 Limitations of the Study

The thesis is written mainly on the basis of face to face conversation with the officials of the company. So, no perfect study is conducted to measure the viability of the thesis. Though I try my level best to make this thesis based on facts and complete information available, there are some limitations that are unavoidable. The following are some limitations-

- The main obstacle while preparing this thesis was time. As the tenure of the thesis program was only three months, it was not possible to highlight everything deeply.
- As, I had more dependence on the primary sources, so there might be some level of inaccuracy with those collected information.
- Confidentiality of information was another important barrier that was faced during the conduct of this study. Every organization has their own secrecy that cannot be revealed in publics.
- Preparing this thesis required lots of work. After doing fulltime office, it was tough to do the thesis. That was another limitation of the thesis.

Chapter Two

Industrial Overview

2.1 Pharmaceuticals Industry

The pharmaceutical industry discovers, develops, produces, and markets drugs or pharmaceutical drugs for use as medications to be administered to patients (or self-administered), with the aim to cure them, vaccinate them, or alleviate symptoms. Pharmaceutical companies may deal in generic or brand medications and medical devices. They are subject to a variety of laws and regulations that govern the patenting, testing, safety, efficacy using drug testing and marketing of drugs.

2.2 History of Pharmaceutical Industry in Bangladesh

In Bangladesh, the pharmaceutical sector is now one of the fastest growing sectors. The history of Pharmaceuticals industry dates back to 1950s. Over the years, the industry has gone through some significant changes. In the early post-independence period of Bangladesh, multinational companies (MNCs) dominated the pharmaceutical sector. According to Bangladesh Tariff Commission, 2010 eight leading MNCs enjoyed 75% of the total domestic market. In 1982, a defined guideline for the development of the industry was created through the formulation of national drug policy (NDP), and drug control ordinance. Under the NDP, only local companies were allowed to produce vitamins, enzymes, and cough syrups. This led to the formation of local pharmaceuticals companies and an increase in domestic production. And Bangladesh, which was once a drug-importing country, became a drug-exporting country by the late 80s. In 2004, it was estimated that the total size of the pharmaceutical market in Bangladesh was Tk. 28.416 million. With an annual growth rate of around 10%, the Bengali pharmaceutical industry is now moving towards self-sufficiency to meet local demand. The Bangladeshi pharmaceutical industry is the second largest contributor to the national treasure after garments, and is the largest sector of intensive employment of white-collar workers in the country. IMS (2015) report shows that the market size has reached $ 1.6 billion. This industry serves almost 98% of demand through local production. The domestic market of pharmaceutical products has shown a tremendous growth over the last few years and the industry recorded 17.6% average growth between the years 2011-2015. Pharmaceutical industry has been ranked second in terms of gross value addition for many years after Readymade Garments (RMGs) and the sector has the potential to top the list. The imported medicines mainly include anticancer drugs, vaccines against viral diseases, hormones, etc. Indeed,

the true growth of local pharmaceutical industries began after the promulgation of the "Drug Control Act" in 1982 in Bangladesh to limit the massive import of drugs and encourage local drug production. Many multinational companies (MNCs) were dissatisfied with this development. Category of the generic product prices are competitive, Bangladesh mainly concentrated this type of product about 80% drug because as labor cost is one of the lowest in the world. Bangladesh's pharmaceutical sector has been growing steadily over the last twenty years.

2.3 Regulatory regime

There are 3 regulatory regimes in Bangladesh for the pharmaceuticals industry. They are-

1. **The Directorate General of Drug Administration (DGDA):** DGDA is the drug regulatory authority of Bangladesh, which is under the Ministry of Health and Family Welfare. DGDA regulates all activities related to import and export of raw materials, packaging materials, production, sale, pricing, licensing, registration, etc. of all kinds of medicine including those of Ayurvedic, Unani, and Herbal and Homoeopathic systems.
2. **The Pharmacy Council of Bangladesh (PCB):** PCB was established under the Pharmacy Ordinance in 1976 to control pharmacy practice in Bangladesh.
3. **The Bangladesh Pharmaceutical Society (BPS):** is affiliated with international organizations International Pharmaceutical Federation and Commonwealth Pharmaceutical Association. The National Drug Policy (2005) states that the WHO's current Good Manufacturing Practices (GMP) should be strictly followed and that manufacturing units will be regularly inspected by the DDA. Other key features of regulation are restrictions on imported drugs; a ban on the production in Bangladesh of around 1,700 drugs which are considered nonessential or harmful; and strict price controls, affecting some 117 principal medicines.

2.4 Government Incentive

This sector has been considered as a thrust sector in the export policy since 2006. Customs duty on 40 basic raw materials used in medicine manufacturing were reduced to 5% from 10%-25% rate. Customs duty on 14 items used in anti-cancer medicines have been withdrawn. (Budget 2014-15). Government has been facilitating this industry through reducing customs duty on raw materials. The government recently gave 200 acres of land for the API Park in Munshiganj. It is also planning to give 10% cash incentives to boost the pharmaceutical sector.

2.5 Products of the Pharmaceutical Industry

The Directorate General of Drug Administration under the Ministry of Health & Family Welfare, Govt. of Bangladesh, is the Drug Regulatory Authority of the country. This Directorate supervises and implements all prevailing Drug Regulations in the country and regulates all activities related to import and procurement of raw and packing materials, production and import of finished drugs, export, sale, pricing, etc. of all kinds of medicine including those of Ayurvedic, Unani, Homoeopathic and Herbal systems (Web DGDA).

- **UNANI:** At present, there are 295 Unani companies operating in Bangladesh.
- **AYURVEDIC:** At present, there are 201 Ayurvedic companies operating in Bangladesh.
- **HERBAL:** At present, there are 15 Herbal companies operating in Bangladesh.
- **HOMEOPATHIC:** At present, there are 79 Homeopathic companies operating in Bangladesh.
- **ALLOPATHIC:** At present, there are 258 Allopathic companies operating in Bangladesh.

2.6 Local Market Overview

The Bangladesh pharmaceutical marketplace is predominantly a branded generic marketplace. Pharmaceutical firms in Bangladesh can either sell to the private sector pharmacies, to the government and its public health care facilities, or to international organizations operating in Bangladesh (e.g. UNICEF). The top two domestic manufacturers, namely Square and Incepta Pharma are having a combined market share of near 30% of the total pharmaceutical market of the country. Bangladesh Association of Pharmaceutical Industries (BAPI) was instituted in 1972, since then BAPI playing a pivotal role in shaping up the industry (Janet et.al 2007).

2.7 Export

Export of pharmaceutical products of Bangladesh is still in infancy. But the rate of establishment of pharmaceuticals industries in private sector is increasing and they have already entered the export market with their finished products. In 2000, Bangladesh imported US$84,000,000 worth of medicinal and pharmaceutical products and had negligible exports and some recent statements by industry representatives suggest that exports will increase in the near future. Bangladesh is exporting their pharmaceuticals products to Vietnam, Singapore, Myanmar, Bhutan, Nepal, Sri Lanka, Pakistan, Yemen, Oman, Thailand, and some countries of Central Asia and Africa. It also has a large market in European countries.

2.8 Import

Bangladesh is importing the medicinal products from different countries, especially from India and China. Different organizations of this country are related to import the pharmaceuticals products and raw materials of pharmaceutical industries. Novo and Medintis are importing maximum amount of these types of products. Other organizations are engaging to import the pharmaceuticals products. They are- Sanofi, Aventis, GSK (now closing operation), Sandoz, Novartis, Roche, Unimed, Servier etc.

2.9 Foreign Competitions

At the beginning the foreign pharmaceuticals were dominating the market in our country. Still now, Pharmaceuticals industries are facing foreign competition. But our industry is not afraid of this foreign competition. There are many multinational pharmaceutical organizations which have established their plants in Bangladesh and importing their raw materials from abroad. Among these competitors, Roche, Glaxo SmithKline, Novartis are leading. In export market, the Novartis is playing the dominant role.

2.10 Quality of available drugs

Of the 300 pharmaceutical companies in Bangladesh, only the 20 to 25 top ones produce drugs of standard quality. Reports show that numerous small companies' market substandard drugs in the country. Fake or substandard medicines, including lifesaving ones, with an estimated worth of US$ 150 million per year, are flooding the domestic market. In its annual testing in 2004, the government laboratory detected 300 counterfeit or very poor-quality drugs out of 5,000 drug samples. A recent assay involving 15 brands of ciprofloxacin showed that 47 per cent of samples contained less than the specified amounts of the active ingredient. Another report noted that 69 percent of Paracetamol tablets and 80 percent of ampicillin capsules produced by small companies were of substandard quality. Good manufacturing practice (GMP) is a major criterion to maintain standard quality in drugs, and it was one of the principal objectives of the NDP to ensure standard manufacturing practices for drug manufacturers. But there are some 265 pharmaceutical companies in Bangladesh that do not follow or comply with GMP. It is widely alleged that adulteration flourishes in the country because of poor government vigilance and supervision over drug manufacturers and sellers. Unfortunately, a section of corrupt physicians and government officials is involved in these underhand dealings. The government states that it has limited manpower and facilities to cope with the country's fast expanding pharmaceuticals sector. In fact, the regulatory authorizes have given scant attention to quality matters in Bangladesh.

Chapter Three

Organizational Overview

3.1 Company Profile

Aristopharma Ltd. is one of the Top 10 pharmaceutical companies in Bangladesh. The company started its journey in 1986 with the honest promise to provide quality medicines at affordable prices to the countrymen.

Aristopharma now owns two plants- one at Shampur, Dhaka & another at Gachha, Gazipur. The Shampur plant is located at Shampur-kadamtali I/A, 10 km South-East from central Dhaka. Although it is the 1st plant of Aristopharma, with continuous expansion & upgradation, it is now equipped with highly sophisticated and advanced facilities. The facility is planned and designed to meet the local as well as international demand both qualitatively and quantitatively. Aristopharma manufactures medicines of wide range of therapeutic classes like antiulcerants, antibiotics, NSAIDs, antipyretics, vitamins & minerals, laxatives, cardiovasculars, antidiabetics, steroids, antispasmodics, antihistamines, antipsychotics, antiemetics, antiseptics etc. in different dosage forms starting from simple tablet, capsule, syrup, suspension, cream, ointment, gel to sophisticated injection, lyophilized injection, prefilled syringe, HFA inhaler, suppository, insulin & other biotech products. The WHO approved cGMP guidelines are strictly followed in every single operation of plant.

The Gachha plant is around 30 km North-West from central Dhaka. The plant is spread over more than 13 acres of land and contains dedicated & separate buildings for Cephalosporins, Ophthalmic & Herbal products. Another new facility for General Solid Products is also underway in this plant. All these facilities have been developed as per the guidelines of regulated markets like UKMHRA, USFDA etc.

It started manufacturing sterile ophthalmic products in 2002 and presently is maintaining no. 1 position in ophthalmic market in Bangladesh. In Aristopharma, quality is a journey, not a goal. It continuously sets higher standards and feels passionate to achieve that. The motto of Aristopharma's quality policy is "Quality – the unit we count" and by quality we don't mean only product quality rather it is infused in every activities that we do.

Aristopharma conducted bioequivalence study for its products like Omep (Omeprazole) Capsule, Metacard MR (Trimetazidine) Tablet, Lodipin-5 (Amlodipine) Tablet, AZ (Azithromycin) Capsule & Suspension, Aropen (Meropenem) Injection etc. The company also conducted clinical trials on Taxetil (Cefpodoxime), Afix (Cefixime), Metacard MR (Trimetazidine), Ipec-Plus (Iron Polymaltose+Zinc+Folic Acid) etc. and the results of these studies showed that they are as effective as innovators' brands. It may be mentioned that clinical trials on some other products are ongoing at different hospitals and universities.

With the aim to cope with the challenges of globalization, Aristopharma ltd. stepped beyond the boundary of Bangladesh in 2000, Vietnam being the first country to export. Today Aristopharma exports its quality medicines to 30 countries of 5 continents and is moving aggressively to expand and extend its export market. As a recognition to its Quality Management System, Aristopharma achieved ISO 9001:2000 certificate in 2005. The certificate was issued by Orion Registrar Inc. USA, one of the prime certification bodies in the world. Later on the certificate was upgraded to ISO 9001:2008 standard. Today around 7000 employees are relentlessly working for Aristopharma in its journey to build a healthier future.

3.2 Corporate Profile of Aristopharma Ltd.

Features	Particulars
Name	Aristopharma Ltd.
Registered Address	Aristopharma Ltd, 7 Purana Paltan Line Dhaka-1000, Bangladesh.
Legal Status	Private Limited Company
Chairman & Managing Director	M. A. Hassan
Date of Commencement	1986
Number of Plant	2
Number of Products	More than 470
Number of Employee	More than 7000
ISO Certified	9001:2008
Foreign Export	30 Countries of 5 Continents
Phone	+88-02-9351691-3
Website	aristopharma.com
Email	info@aristopharma.com

3.3 Vision, Motto & Strength of Aristopharma Ltd.

Vision

Is to provide better healthcare for the society by manufacturing & marketing quality medicines at affordable prices.

Motto

Is “Quality- the unit we count” and by quality we never mean only product quality, it extends to our all business activities as well.

Strength

Strength is the support that we have gained from our people, our customers and other stakeholders around us.

3.4 Quality Policy of Aristopharma Ltd.

In Aristopharma, quality is a journey, not a goal. Hence its efforts to improve quality never ends up. Aristopharma continuously sets higher standards and feels passionate to achieve all that. The motto of Aristopharma’s quality policy is “Quality- the unit we count”

The objectives of Aristopharma's quality policy are-

1. To maintain and improve status of an integrated healthcare company through acquisition of state-of-the-art skills and facilities and enhance competency of human resources through appropriate relevant training program.

2. To adhere strictly with WHO cGMP regulations in respect to Manufacturing, Quality Assurance, Marketing and Distribution of medicinal products and to keep compliance of regulatory specifications of local authority.

3. To practice and continually improve "Quality Management System (QMS)" in its totality to consistently meet customers' needs in the global context.

4. To review and upgrade "Quality Audit Program" to match with regulatory requirements.

3.5 Global Presence of Aristopharma Ltd

With the sincere promise to provide quality medicine at an affordable price, Aristopharma started international operations in the year 2000. In the following years, the company has expanded its business in 30 countries of 5 continents. Now it is one of the top exporters of generic medicines among the Bangladeshi companies. Aristopharma manufactures more than 470 products with various dosage forms covering a wide range of therapeutic areas.

Aristovision, the ophthalmic division of Aristopharma, is the number 1 ophthalmic manufacturer of Bangladesh since 2004 with almost 33% of market share. It has the largest portfolio, which covers almost all the therapeutic classes. The company has the largest dedicated ophthalmic products manufacturing plant with the most sophisticated and latest technology and machineries. Apart from Bangladesh, Aristovision is also the market leader in ophthalmic business in Myanmar.

The herbal division of Aristopharma has started its operation in 2021 with its dedicated plant with WHO-cGMP standard.

The company not only provides quality medicines to its partners, but also provides active assistance and advice to run promotional activities to establish its brands in the Global Market."

List of the countries

Singapore, Hong Kong, Philippines, Sri Lanka, Myanmar, Vietnam, United Arab Emirates, Uzbekistan, Azerbaijan, Nigeria, Ghana, Kenya, Dominican Republic, Jamaica, Yemen,

Cambodia, Afghanistan, Nepal, Maldives, Macau, Guatemala, Guyana, Barbados, Mauritius, Fiji, Kiribati, Tonga, Samoa, Solomon Islands & Vanuatu.

Recognitions-

- Food and Drugs Authority (FDA), Ghana
- Pharmacy and Poisons Board (PPB), Kenya
- National Agency for Food and Drug Administration and Control (NAFDAC), Nigeria
- Analytical Expertise Center, Azerbaijan
- Drug Administration (DDA), Nepal
- Supreme Board of Drugs and Medical Appliances (SBDMA), Yemen
- National Medicines Regulatory Authority (NMRA), Sri Lanka

3.6 Organogram of Aristopharma

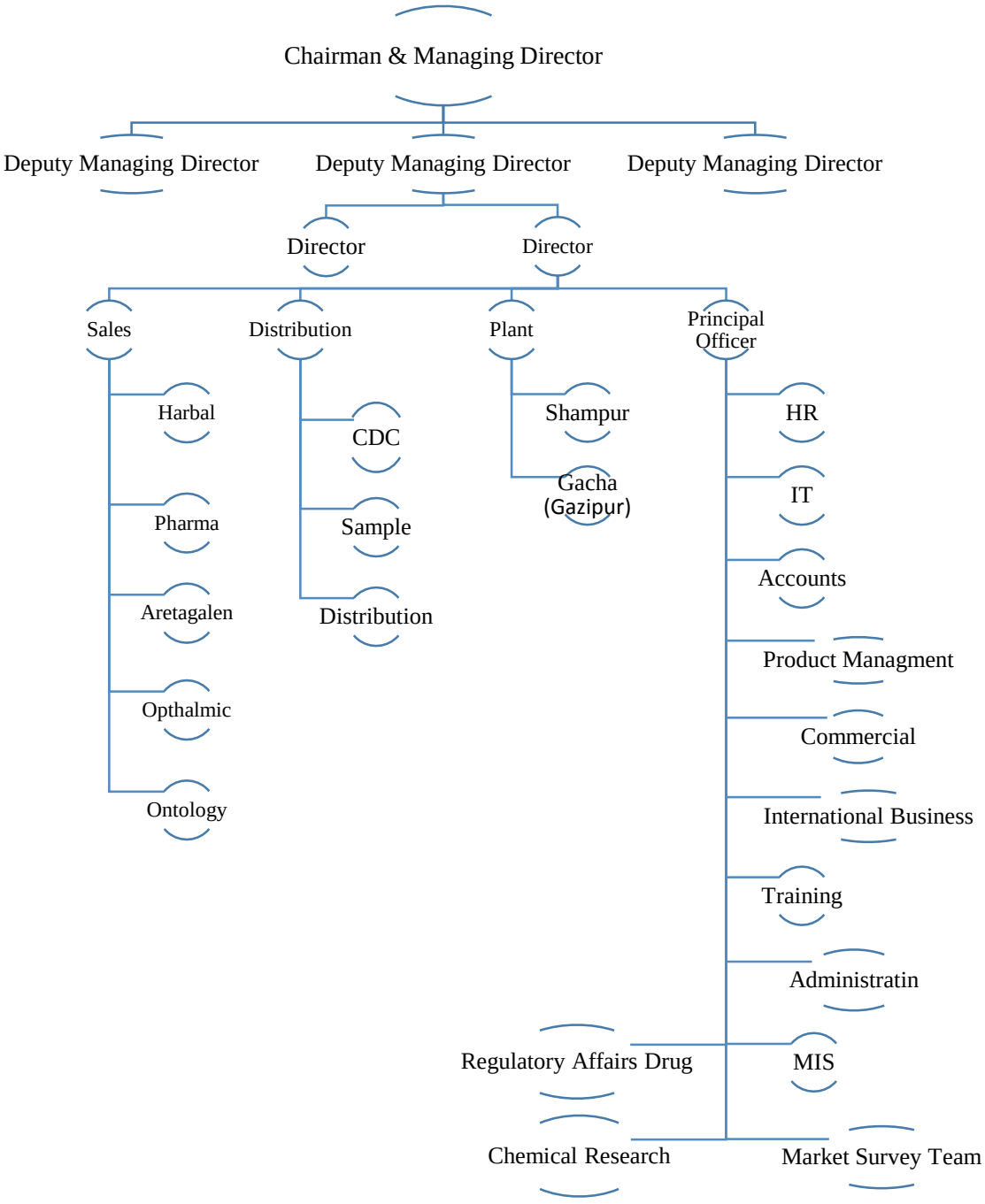


Figure 1: Organogram of Aristopharma

3.7 HR Division Structure of Aristopharma Ltd.

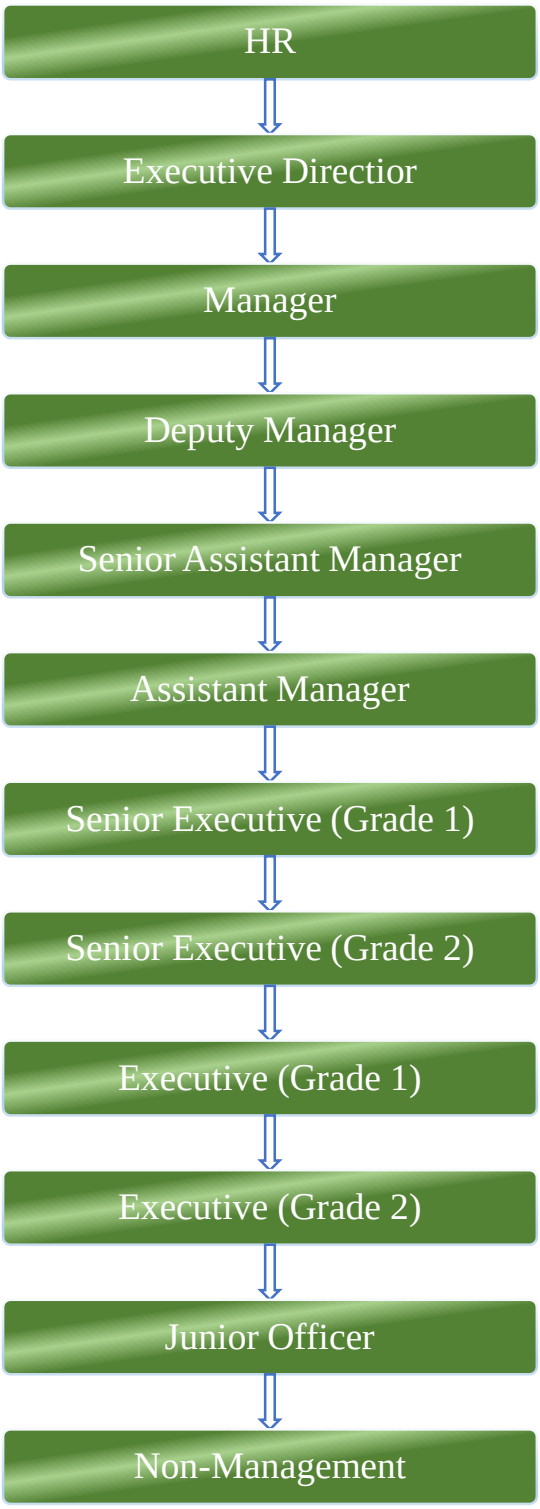


Figure 2: HR Division Structure

Chapter Four

Literature Review

4.1 Human Resource Management

"HRM is a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce, using an array of cultural, structural and personnel techniques." (Stirey, 2007). "HRM is a managerial perspective which argues the need to establish an integrated series of personnel policies to support organizational strategy." (Buchanan & Huczynski, 2004). "HRM is a strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving competitive advantage, this being achieved through a distinctive set of integrated employment policies, program and practices." (Bratton & Gold, 2012).

Parameswari & Yugandhar (2015) defined, "Human Resource Management can be defined as a strategic approach to acquiring, developing, managing, motivating and gaining the commitment of the organization's key resource – the people who work in and for it." DeCenzo & Robbins (2004) defined, "Human Resource Management is concerned with the people dimension." Flippo (1980) defined, (planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved." Graham (1978) defined, "The purpose of HRM is to ensure that the employees of an organization are used in such a way that the employer obtains the greatest possible benefit from their abilities and the employees obtain both material and psychological rewards from their work." Mathis & Jackson (2011) defined, "Human Resource Management as the design of formal system in an organization to ensure the effective and efficient use of human talent to accomplish organizational goal." Dessler (2005) defined, "Human resource Management is the process of acquiring, training, appraising, and compensating employees, and of attending to their labor relations, health and safety, and fairness concerns." Jucious (1959) stated that, "The field of HRM involves planning, organization, directing and controlling functions of procuring, developing, maintaining and utilizing a labor force." Yoder (1944) defined, "HRM is the provision of leadership and direction of people in their working or employment relationship."

Griffin & Fleet (2013) defined, "Human Resource Management is the set of organizational activities directed at attracting, developing and maintaining an effective workforce." Milkovich & Boudreau (1994) defined, "Human Resource Management is a series of decision that affect the

relationship between employee and employer: it affects many constituencies and is intended to influences the effectiveness of employee and employer."

4.2 Major Functions of Human Resource Management

DeCenzo & Robbins (2004) pointed out that, Human Resource Management is made of four activities. These are- (1) staffing, (2) Training and Development, (3) Motivation, and (4) Maintainance. Flippo (1980) defined that, the function of Human Resource Management is divided into two part. These are- (1) Managerial functions, and (2) operative functions. The managerial functions are: (a) Planning, (b) Organizing, (c) staffing, (d) Directin, and (e) Controlling. The operative functions are: (a) Procurement, (b) Development, (c) Compensation, (d) Maintenance, (e) Motivation, and (f) Integration. Dessler (2005) pointed out the major functions of Human Resource Management are- (1) Job analysis (2) Personal planning and Recruiting, (3) Employee testing and Selection, (4) Training and Development, (5) Performance management, and (6) Compensation.

4.3 Importance of Human Resource Management

Parameswari & Yugandhar (2015) stated that, the need for Human Resource Management are- (a) to provide, create, utilize and motivate employees to accomplish organizational goals. (b) To create opportunities, to provide facilities, necessary motivation to individual and group for their growth with the growth of the organization by training and development, compensation etc. (c) To employ the skills and ability of the workforce efficiently, i.e., to utilize human resources effectively. (d) To create a sense and feeling of belongingness team-spirit and encourage suggestions from employees. (e) To help maintain ethical policies and behavior inside and outside the organization. (f) To maintain high moral and good human relation within the organization. (g) To secure integration of individual and groups in securing organizational effectiveness. (h) To manage change to the mutual advantage of individuals, groups, the organization and the society. (i) To ensure that, there is no threat of unemployment, inequalities, adopting a policy recognizing merit and employee contribution, and condition for stability of employment. (j) To increase to the fullest

the employee‘s job satisfaction and self-actualization; it tries to prompt and stimulate every employee to realize his potential. They also pointed out 10 reasons for which Human Resource Department is important. These are: (1) Human Capital Value, (2) Conflict Resolution, (3) Budget Control, (4) Training and Development, (5) Employee Satisfaction, (6) Performance Improvement, (7) Cost Savings, (8) Sustaining Business, (9) Corporate Image, and (10) Reliability.

4.4 Human Resource Planning

Dessler & Varkkey (2009) affirmed that, ‘Personnel planning embrace all future positions and planning flows from the firm’s strategic plan.’ Cascio (2003) defined, ‘Workforce planning as a process in which an organization attempts to estimate the demand for labor and evaluate the size, nature and source of supply which will be required to meet the demand.’ Walker (2002) affirmed that, “Human Resource Planning is the process of identifying and responding to the issue of workers and charting new policies, systems and programs that will ensure effective human resource management under changing conditions.” Beach (1980) defined that, “Human Resource Management is a process of determining and assuring that the organization will have an adequate number of qualified persons available at the proper times, performing jobs which meet the needs of the enterprise and which provide satisfaction for the individuals involved.” Megginson (1985) defined, “Human Resource Planning is an integrated approach to performing the planning aspects of the personnel function in order to have a sufficient supply of adequately developed and motivated people to perform the duties and tasks required to meet organizational objectives and satisfy the individual’s needs and goals of organizational members.” Flippo (1980) defined that, ‘Human resource planning involves making an inventory of current human resources in order to determine the human resource status.’

4.5 Recruitment

DeCenzo, Robbins, & Verhulst (2013) defined that, “Recruitment is the process of discovering potential candidates for actual or anticipated organizational vacancies. Or from another perspective, it is a linking activity—bringing together those with jobs to fill and those seeking

jobs." Denerley & Plumbley (1968) defined, "Recruitment is a matching process and the capacities and inclinations of the candidates have to be matched against the demand and rewards inherent in a given job or career pattern." Flippo (1980) defined, "Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization." Yoder (1944) defined, "Recruitment is a process to discover the sources of manpower to meet the requirement of the staffing schedule and to employ effective measures for attracting that the manpower in adequate numbers to facilitate effective selection of an efficient workforce."

4.6 Selection

Yoder (1944) defined, "Selection is the process by which candidates for employment are divided into two classes those who will be offered employment and those who will not." Jucious (1959) has defined, "The selection procedure is the system of functions and devices adopted in a given company for the purpose of ascertaining whether or not candidate possess the qualifications called for by, a specific job." Koontz, Donnell, & Weihrich (1980) have defined, "Selection is the process of choosing form the candidates, from within the organization or from outside, the most suitable person for the current position or for the future positions." Decenzo & Robbins (2004) have defined "Selection activities follow a standard pattern, beginning with an initial screening interview and concluding with final employment decision." Flippo (1980) said, 'The selection is the process of choosing the most suitable candidate for the vacant position in the organization. In other words, selection means weeding out unsuitable applicants and selecting those individuals with prerequisite qualifications and capabilities to fill the jobs in the organization.'

4.7 Training & Development

Jucius (1959) defined training as, "A process by which the aptitudes, skills and abilities of employees to perform specific jobs, are increased." Flippo (1980) said, "Training is the act of increasing the knowledge and skills of an employee for doing a particular job." Beach (1980) referred that, "Training is the organized procedure by which people learn knowledge and/or skills for a definite purpose." Saiyadain (2009) defined, "Training is an activity aimed to improve the

performance of the existing staff to meet the future needs of the organization." Decenzo & Robbins (2004) stated training as, "A learning experience in that it seeks a relatively permanent change in an individual that will improve his or her ability to perform on the job."

Graham (1978) has described three elements of training such as purpose, place and time. Mathis & Jackson (2011) stated that, 'Training is related to improving upon the present job experience.' Chris (2011) stated that, "Training is a process through which the skills, talent and knowledge of an employee is enhanced and increased. He argues that training should take place only when the need and objectives for such training have been identified." Asha (2007) defined that, "The need for training and development can be emphasized in various work situations, such as in harnessing skills for existing jobs, planning out one's future job profile, elevating employee's performance and so on. The training and development function in an organization has gained a lot of importance due to advancement in technology and changes in market force." Bates & Davis (2010) stated that, 'Usefulness of training program is possible only when the trainee is able to practice the theoretical aspects learned in training program in actual work environment. They highlighted the use of role playing, cases, simulation, mediated exercises and computer-based learning to provide exposure to a current and relevant body of knowledge and real-world situations.' Graham (1978) described training by graphical representation, training cost and business benefits are drawn on X and Y axis respectively. Four quadrants were identified to highlight (i) strategic (Lower training cost and higher business benefits), (ii) Payback (Higher training cost and higher business benefits) (iii) Think (Lower training cost and lower business benefits) (iv)Drop (Higher training cost and higher business benefits).

4.8 Performance Appraisal

Dessler (2005) defined "Performance appraisal as means of evaluating an employee's current and or past performance relative to his or he performance standards." Weather & Davis (1989) defined "Performance appraisal is the process by which organization evaluate individual job performance." Beach (1980) defined, "Performance appraisal is systematic evaluation of the individual with respect to his or her performance on the job and his or her potential for development." Huber & Schuler (1993) stated that, "Performance appraisal is a formal, structured system of measuring and

evaluating an employee job, related behavior and outcomes to discover how and why the employee is presently performing on the job and how the employee can perform more effectively in the future so that the employee, organization, and society all benefit." Heyel (2012) defined that, "It is the process of evaluating the performance and qualifications of the employees in terms of the requirements of the job for which he is employed, for purposes of administration including placement, selection for promotions, providing financial rewards and other actions which require differential treatment among the members of a group as distinguished from actions affecting all members equally."

Yoder (1944) defined, "Performance appraisal includes all formal procedures used to evaluated personalities and contributions and potentials of group members in a working organization. It is a continuous process to secure information necessary for making correct and objective decisions on employees." Dessler & Varkkey (2009) pointed out several method of performance appraisals. These are: (a) Graphic rating scale method, (b) Alternation rating method, (c) Paired comparison method, (d) Forced distribution method, (e) Critical incident method, (f) Narrative forms, (g) Behaviorally anchored rating scale, (h) Mixed standard scale, (i) Management by objectives, (j) Computerized and web-based performance appraisal, and (k) Electronic performance monitoring. Megginson (1985) defined, "Performance appraisal is the process an employer uses to determine whether an employee is performing the job as intended." Cascio (2003) defined, "Performance appraisal as the systematic description of an employee's job-relevant strengths and weaknesses."

4.9 Compensation

Flippo (1980) defines "The function of compensation is defined as the adequate and equitable remuneration of personnel for their contributions to the organizational objectives." Yoder (1944) defines "Compensation is paying people for work." Dessler (2005) defined employee compensation as "All forms of pay or rewards going to employees and arising from their employment." Decenzo & Robbins (2004) stated, 'Employee benefits as a whole have no direct effect on employee performance, however, inadequate benefits do contribute to low satisfaction level and increase absenteeism and turnover in employees.' Cascio (2003) stated that, 'Compensation provides competitive base salary levels necessary to attract and retain talent and

compensates for day-to-day responsibilities performed at fully acceptable level and above.' Milkovich & Boudreau (1994) stated that, "Compensation" is based on the symbols for logs and water; compensation provides the necessities in life."

Chapter Five

Human Resource Management Practices at Aristopharma Ltd.

5.1 Human Resource Division at Aristopharma Ltd.

Human Resource Division of Aristopharma Ltd exists to help employees and organization to reach their goals. Along the way, they face many challenges arising from the demands of the employees, the organization, the society. The domestic and international environments are the particularly turbulent because of the growing challenges also result from ever changing laws, especially laws that address the need for equal employment opportunity. Within these constraints, the Human Resource Division of Aristopharma Ltd. must contribute to the organization in ways that are both ethical and socially responsible.

5.2 Functions Performed by HR Division at Aristopharma Ltd.

Aristopharma Ltd. has a fully functional Human Resource Division (HRD) supported by manpower. The HRD of the Aristopharma Ltd. performs the following functions-

- HR Planning
- Recruitment
- Selection
- Training and Development of Employees
- Performance appraisal of employees
- Compensation and Benefits Planning
- Promotion & Up gradation Planning
- Reward and Recognition
- Leave management
- Transfer & Posting
- Separation & Resignation

5.3 HR Planning at Aristopharma Ltd.

Aristopharma Ltd. performs the HR Planning in order to identify current and future human resource need to achieve its goals. Human resource planning should serve as a link between human resources management and the overall strategic plan of an organization. In order to evaluate the requisition from branch or divisions with their job load they maintain a proper human resource planning. The HR division must have to give report about the current manpower to the top management in every month. It is a continuous process of systematic planning ahead to achieve optimum use of an organization's most valuable asset—quality employees.

5.3.1 HR Planning Process Followed by Aristopharma Ltd.

Aristopharma Ltd. performs their HR Planning task by the following way-

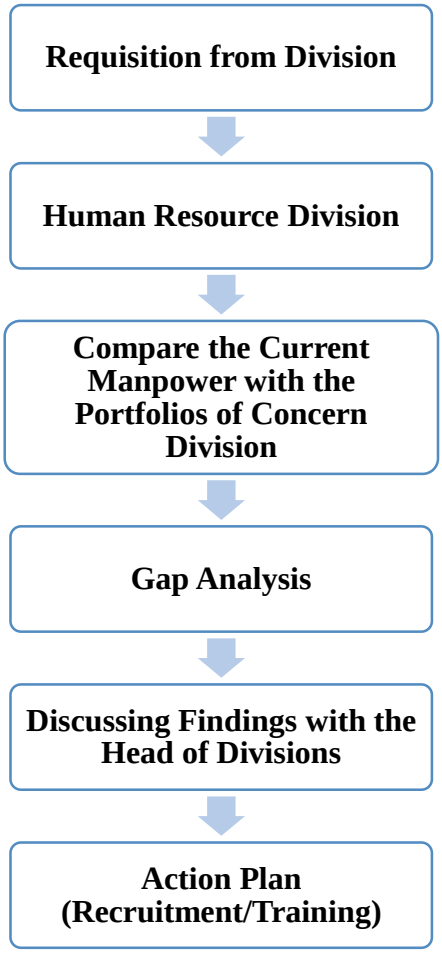


Figure 3: HR Planning Process

5.3.2 Job Analysis of Aristopharma Ltd.

Aristopharma Ltd performs the job analysis in order to identify and determine in detail about the particular job duties and requirements and the relative importance of these duties for a given job. This is done by three functions-

- Job Description
- Job Specification
- Job Evaluation

Job Description: Aristopharma Ltd. clearly states the essential job requirements, job duties, job responsibilities of a particular job. Job description provides the clear idea about the portfolio of an employee and his/her specific responsibility. Aristopharma Limited has used a written and specific job description for their each and every circular. In circular they try to clarify the following things like what would be-

- Job Title
- Job location
- Job Summary
- Reporting to
- Working Conditions
- Job Duties

Job Specification: Aristopharma Ltd. defines the job specification to hire the right employee for the right position. In order to accomplish this task Aristopharma Ltd. basically focus on educational qualifications, specific qualities, level of experience, physical, technical and communication skills required to perform a job. It also includes general health, mental health, intelligence, aptitude, memory, judgment, leadership skills, emotional ability, adaptability,

flexibility, values and ethics, manners and creativity etc. The experience required for the employee may vary from position to position.

Job Evaluation: Aristopharma Ltd. practices the job evaluation for determining the value/worth of a job in relation to other jobs in an organization. It tries to make a systematic comparison between jobs to assess their relative worth for the purpose of establishing a rational pay structure.

5.4 Recruitment Practice at Aristopharma Ltd.

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

- Aristopharma Ltd. usually promotes from within the organizations, but when the need arises, the company also hires from outsides for vacancies at all levels.
- Aristopharma Ltd. always emphasizes on hiring for a long period of time. The company tries to attract and select those candidates who will move through the organizational hierarchy to the senior level positions in the future.
- Aristopharma Ltd. has developed a corporate culture where employees are not treated as mere employees. They are treated as associates of the company. Together, they form a family and all associates are the members of the families.

5.4.1 Types of Recruitment

Aristopharma Ltd separates its recruitment system in 4 sections. Its recruitment system is done according to its divisions. Divisions working ability and development or vacancies are main cause of recruitment.

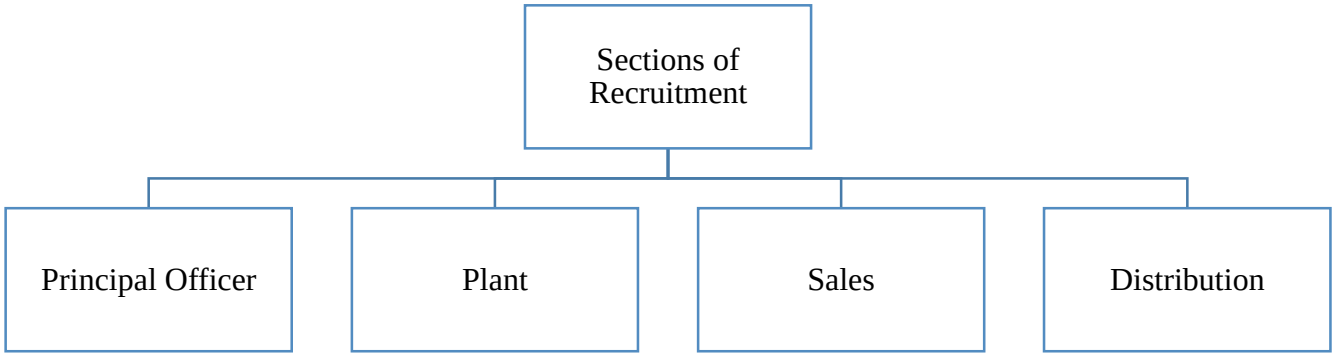


Figure 4: Section of Recruitment

Aristopharma Ltd Limited Practices two types of recruitment. These are-

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

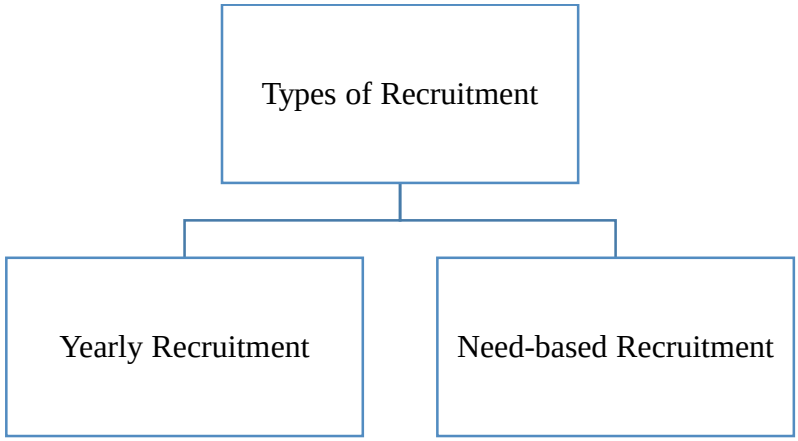


Figure 5: Types of Recruitment

5.4.2 Points of Recruitment

1. Hiring for Management (Experienced/ Fresh)

- Junior Officer (JO)

2. Hiring for Plant (Experienced/ Fresh)

- Engineers
- Managers
- Trainee Assistant
- Workers

3. Hiring for Sales (Experienced/Fresh)

- Sales Officer

4. Hiring for Distribution Hub (Experienced/Fresh)

- Employees
- Workers

5.4.3 Sources of Recruitment

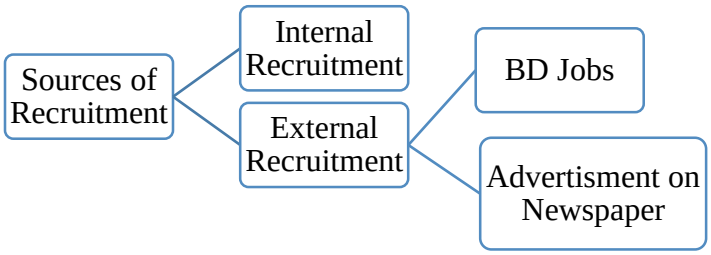


Figure 6: Sources of Recruitment

5.4.3.1 Internal Sources

Where appropriate, at the request of the hiring division, the company will advertise vacancies internally as per criteria and other terms and conditions set by Management including but not limited to the following:

- As per the requirement of the position, posting will be executed considering the recommendation of the respective division/department.
- Employees cannot use the internal job vacancy to change their current stream (e.g. shift from day to night or from sales to distribution or other division). Job stream change must follow board approved policy.
- Up gradation, promotion and compensation would be as per broad banding Pay Structure policy.

5.4.3.2 External Sources

External sources are used both for fresher and lateral employees. The channels that may be used to source external candidates depends upon the time, job designation and cost of sourcing. Company provides circular to many sources. These are given below-

- Advertisement on newspaper
- BD Jobs

5.4.4 General Rules followed by Aristopharma Ltd. for Recruitment

- Every recruitment should be as per manpower planning approved by the MD/DMD/ Functional Heads.

- Employees who have been dismissed by any previous organizations on disciplinary grounds and/or have any pending charges or who are dismissed/ terminated will not be considered for hiring.

- No person shall be appointed to any post in the services of the Company unless he/she is a citizen of Bangladesh/or has valid work permit.

- At the time of joining, every incumbent must complete the necessary forms and documents and sign the declaration of fidelity and secrecy as part of joining formality as prescribed by the Company.

- In case of fresh entrants, candidates must not be over 30 years of age on the date of application closing for press advertisement or on the date of Written Test for direct recruitment. In case of Lateral Entrants (other than Fixed Term employees), age limitation is not applicable but no full-time employee aged more than 57 years or have at least 3 years of service length before retirement shall be employed by the Company on regular service.

- Employees must submit a formal Release Order/ Acceptance or received copy of Resignation from the immediate past employer before accepting the Appointment Letter from Aristopharma Ltd. If any certificate or supporting document submitted by the candidate as evidence in support of his/her candidature as mentioned in his/her CV is found fake/false/fabricated/forged, may necessitate disciplinary action or the employment contract of that employee shall stand cancelled and may lead to termination of contract.

- Candidates who have been convicted of any criminal or anti-social activity will not be considered for hiring.

- Internal source, where appropriate and if required, the company will advertise vacancies internally.

- Upon receiving approval for the vacant position, Human Resources Division may advertise the available position internally. All internal applicants should forward an "Application for Internal Vacancy" to the Head of HR for acknowledgement, consideration and processing.

- The service under the company shall commence from the day on which an employee reports for joining at the HRD and time intimated to him/her by the competent authority if he/she reports before noon (12 PM).

- There should not be any conflict of interest in the recruitment of an employee. An employee must declare prior to joining the company if they have any blood or any relation in the Company and they cannot be placed in the same division/department/branch.

- The Company reserves the right to amend or cancel any appointment letter issued to an employee at any time without stating any reason.

Documentation requirements: Candidates are required to submit the following documents/papers and certificates in original and photocopies (Originals will be returned after verification). However, Management has the discretion to change/modify the requirement of documents as and when necessary:

- ❖ All academic certificates.
- ❖ Training certificates (if any).
- ❖ National Identity card/ Passport.
- ❖ Release Order/Experience certificate/acceptance or received copy of Resignation from present employer along with Experience Certificate and Last Salary Certificate (all in original) (if applicable).
- ❖ Copy of latest tax return (if any) / TIN certificate.
- ❖ 1 copy passport size photograph of nominee for Provident Fund, Welfare Fund and Gratuity benefits duly attested by themselves.

5.5 Selection Practice at Aristopharma Ltd.

Managing human resource is one of the priorities of Aristopharma Ltd in which **'Selection'** receives critical attention. The success of business depends mostly on the quality of services rendered to the customers both internal and external. Quality depends on competency of the employees recruited and retained. So, Aristopharma Ltd commitment is to handle all selection with fairness and objectivity. Aristopharma Ltd ensures objectivity, transparency, diversity and also accountability in the selection and appointment process of all employees in the company

5.5.1 Selection process of Internal Recruitment

The selection process of internal recruitment starts with job analysis. The duties and responsibilities of particular post are identified by job analysis. They mostly select the experience employees. At first the recruitment team sorts out the database and summarized the curriculum vitae. Then they call those employees for interviews and select them who passed the interview session. As the internal recruitment does not take any written test for the proposed post. After selecting the employees, the company places the employees to the proposed post. Sometimes job rotation takes place to fulfill the particular branch/division need.

5.5.2 Selection process of External Recruitment

The Selection Process of external recruitment consists of two types. They are-

A. For Fresher

B. For lateral

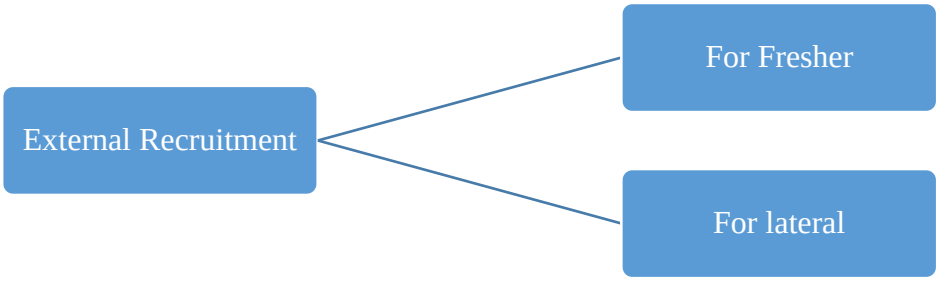


Figure 7: Types of External Recruitment

5.5.2.1 For Fresher

Aristopharma Ltd has standard process for selecting fresher for the post. Mainly they follow this process for the Junior Officer (JO) and Sales Representative.



Figure 8: Selection Process of Fresher's

1. **Initial Screening:** After collecting CVs from the applicants, they start sorting them. The screening process is mainly based on some criteria like educational background, skills, extra curriculum activities, age and so on. For example, For the JO age limit is thirty years and the candidate should complete his/her graduation from a reputed university.

2. **Written test:** After screening CVs, they take written test of the applicants who survive through screening test. Based on the result of screening test they sort out few applicants and processed for taking interview.

3. **Interview & Final Selection:** Those who passed the written test are called for interview. Interview will be conducted by the Management Selection Committee. They take face to face interview of the applicants and the interview play crucial part as it helps the company to know about the applicants. The personnel are selected based on the outcome of face to face interview.

4. **Negotiation:** The appointed personnel are negotiate about the remuneration.

5. **Approval:** Upon completion negotiation process if recommended by the management selection committee MD / Board approval is taken.

6. **Offer & Appointment Letter:** Offer letter, pre-employment, background test and finally appoint letter is issued.

7. **Joining:** The personnel join the Aristopharma Ltd based on the appointment letter's mention date. As a fresher join to the company, they have to pass probation period to recruit as a permanent employee of Aristopharma Ltd.

5.5.2.2 For Lateral

Aristopharma Ltd select experienced employee for specific purpose. In case of lateral entrants, the company follows some steps, these are: inviting application, CV screening, face to face interview, selection and offer letter, and joining. The company assesses the CV from the internal and external sources and direct call interview. As lateral entrants, the company does not take any written test

for the proposed post. Sometimes job rotation take place to fulfill the particular division need where few employees perform the operations from where abound of employee available in the division.

5.6 Training and Development at Aristopharma Ltd.

Aristopharma Ltd upholds a learning environment and prepares the employee as future business leaders. In line with this, the company shall develop required knowledge and skill-set of the employees by identifying the learning needs, providing the required learning interventions and assessing training effectiveness through standard process to perform their roles effectively and efficiently. Aristopharma Ltd provides a basic training to all of their employees in the following areas-

- Pharmacist and Engineering
- Sales Representatives
- Personnel

5.6.1 Training Need Identification

All permanent employees of Aristopharma Ltd are eligible to undertake any functional, general, soft skill and any other training initiative provided he/she has the own division's approval. There are four types of training need identification. These are-

1. Company need identification
2. Individual need identification
3. Latest instruments and product need identification
4. Policy or compliance or other need identification

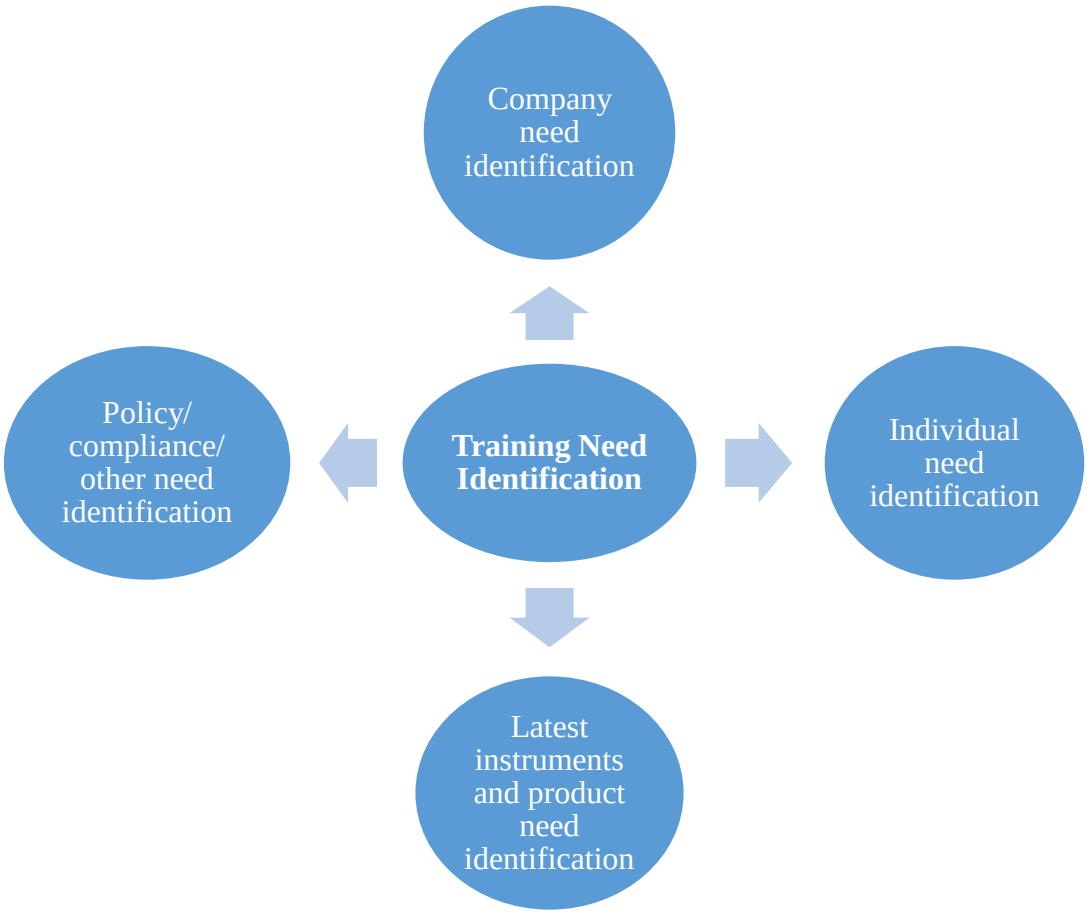


Figure 9: Types of training need identification

Company Need Identification: The key development areas (Engineering, Pharmacy, Sales, Personnel soft-skill) of employees are being identified through the recommendations of the division / department (for some special cases), Supervisors as per approved company strategy. Divisional head shall submit a 'Divisional Development Plan' / filled up training need requirement form to HR training and Development team by the described deadline each year.

Individual Need Identification: The identification of individual training need occurs through the annual performance process. The individual's need is identified in the line with the performance gap in the current role and future career aspirations. It is the primary responsibility of the line managers to identify individual training needs for their employees with the agreement of the employees and the divisional head.

Latest instruments and product need identification: HR Training and Development arranges workshops on the latest instruments and product recommended by the regulator with the guidance of head of HR, MD and CEO as well as senior management.

Policy / Compliance Need: Policy related training needs are identified according to assessment of different compliance issues or as per different regulatory body of the company.

5.6.2 Types of Training

In-house: The Company may initiate, manage and provide training to the employees by using knowledge and skills of the employees of the company or external resource personnel at HR Training and Development premises or any other venue of Dhaka city.

Other Institute: Any learning initiatives conducted by other organization/ other training institute inside Bangladesh will be known as "Other Institute Training". Employees may be sent for different learning initiatives conducted by other organizations or other institutes based on the need of the Stakeholders. Aristopharma train up their employees from Training Institute of Chemical Industries, and others institute.

Foreign: Any learning initiatives conducted by the other organization / other training institute outside Bangladesh will be known as "Foreign Training". Foreign Training shall be entirely need based. Foreign Training will be under the delegation of Managing Director and CEO of the company.

E- Learning: E-Learning is utilizing electronic technologies to access learning curriculum outside of a traditional classroom. It refers to a course, program or degree delivered completely online. It includes the delivery of content via internet, intranet /extranet, audio visual or more.

E- Learning can be arranged in two ways-

In- House: For any in- house E- Learning course, HR training and development team will design, manage and provide training to employees. However, concerned departments shall provide contents of those courses for development purpose.

External: Employees can apply for E- Learning Courses from listed vendors through proper channel.

5.6.3 Training Planning, Designing and Implementation Process

Training Calendar and Budget preparation: Once training need identification is completed, HR training and development team then compile and prepare a yearly training calendar along with the budget and submit to the management for approval. If any change required to the training calendar, it requires to be done during approval.

Circulate Training Calendar: After management approval, training calendar will be circulated by HR training and development within the prescribed schedule.

Training Coordination Process: Once the training is designed and developed, the next stage will include coordinating other operational activities, executing the training and collecting feedback.

Training Implementation Process: Aristopharma Ltd executes their training program by three ways. They take decision about the training process on the basis of training need identification. The training process are-

- In-House training process
- Other institute training process
- Foreign training process

5.6.4 Training Evaluation Process

To maintain an effective and competent training process, Aristopharma Ltd maintains an evaluation and feedback analysis of all trainings being conducted. This will help constantly improve the quality of training provided and assessing whether the training fulfilled the requirements.

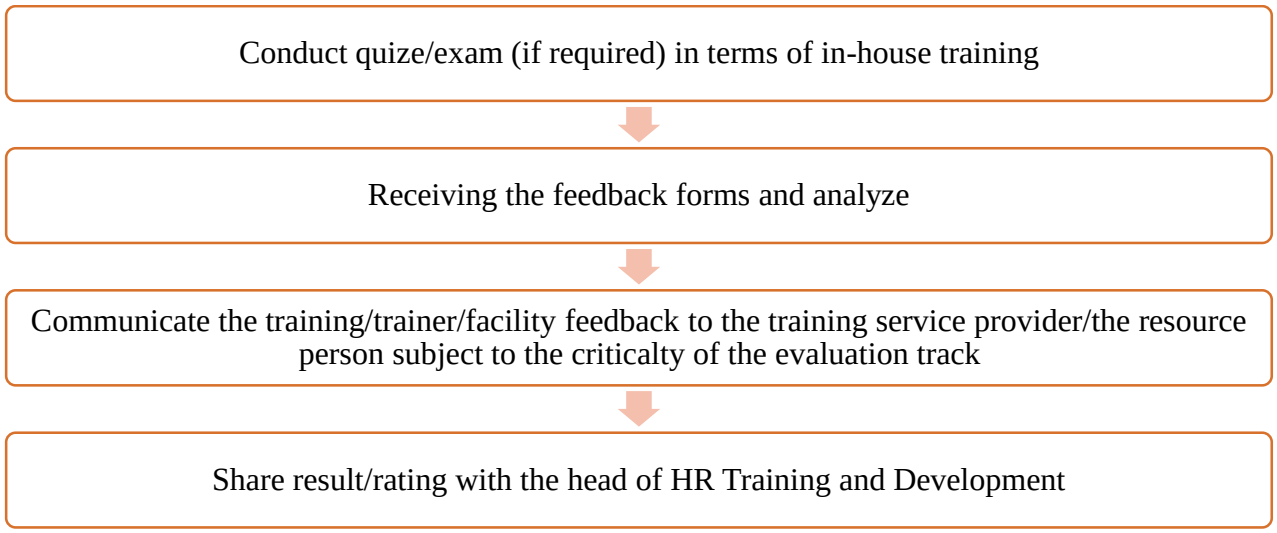


Figure 10: Training evaluation process

5.7 Performance Appraisal at Aristopharma Ltd.

Aristopharma Ltd conducts performance appraisal annually. In their performance appraisal they use the 360-degree performance appraisal method which is based on rating system. All the appraisal result is recorded as 'Annual Performance Appraisal Document'. On the whole, their objective is to shape outstanding performance in a competitive way to ensure sustainable profitable growth in business. Therefore, Aristopharma Ltd appraisal system takes care of the following-

- Job performance (on the job accomplishment in terms of work plan)
- Depth of skill & knowledge
- Width of behavioral competencies
- Individual personal development plan

5.7.1 Key Performance Index in the Appraisal System

There are 2 key elements included into the annual performance appraisal system-

1. Job Performance – 70 Marks

2. Managerial Responsibility – 30 Marks

Particulars	Remarks
Excellent	90+
Good	80+
Fair	70+
Modest/Poor	<70

Use of Performance Appraisal System-

- Payment of incentive bonus
- Promotion & Merit incentives
- Punishment

5.7.2 Brief Explanation of Rating Standard

Particular	Explanation
Excellent	• Knows the job having full & updated knowledge & skills and demonstrates strong behavioral competencies-Leadership, exceeds targets usually and meets job objectives constantly, Multi-skilled, team workers, creative, have passion to win • Helps other within function & cross function, address their concerns, give time to coach & develop people, demonstrates high integrity / honesty, commands respect from others and a person to follow as role model at the given level of job
Good	A good all-round employee, well-suited to his/her work and of the standard expected. Potential may be limited, but, capable to move up the ladder of higher responsibilities. Such employee must have at least 65% + of the attitude & quality of a dynamic manager as stated in the excellent grade
Fair	Work is not considered fully satisfactory owing to one or few deficiencies or weakness in the standard of work, but, considered acceptable. Such employee must have at least 50% + of the attitudes & qualities a dynamic manager as stated in the excellent grade
Modest/Poor	Work is purely unsatisfactory far below standard expected, necessary to take a call placement after one or two changes or immediately

5.7.3 Aristopharma's Performance Bonus policy

Performance bonus for sustainable profitable growth

- Providing TOP level reward to the Top performing team which meets or beats targets/work plan
- Setting SMART targets/objectives (WP) and holding the team leader accountable to deliver through the team
- Strong differentiation in rewards based on individual performance of the team members with a realistic performance appraisal system
- Valuing short- & long-term performance, leadership and team behaviors- people's development

5.8 Employee Compensation & Benefit at Aristopharma Ltd.

Aristopharma Ltd provides highly attractive compensation package to their employee comparative to other organization in that industry. The elements of compensation are given below:

Earnings	Deduction
Basic Salary	Income Tax
House Rent	P.F. (own contribution)
Medical Allowance	Welfare Fund Contribution
Conveyance Allowance	Benevolent Fund Contribution
Leave Fare Assistance	

Moreover, Aristopharma Ltd provides some other benefits to their employees. These are-

- Provident fund
- Gratuity benefit
- Death benefit
- Disability benefit

5.8.1 Provident Fund

- Each member contributes to the fund a sum equal to 10% of the basic salary payable to him/her per month and such contribution is deducted by the company from the salary of the employee at the time of payment thereof and is paid by the company to the trustees account.
- The company contributes to the fund equal to the contribution of each member and the total amount so contributed is deposited to the P.F. company account.
- The account of each member is credited with interest every year at such rate as the trustees fix from time to time having regard to the income earned on investments from the fund and the market value of investment and the redemption period of investment and on the interest earned on the money deposited with the company

5.8.2 Gratuity Benefit

- All employees, who have been in the service of the company for a minimum period of 5 years without break, are eligible to have the benefits under the gratuity scheme. It is equal to the 1 time of basic pay (drawn in last month) for each year of the service.
- For all employees who have completed more than 5 years of service but less than 10 years in this company are entitled for 1.5 times of basic pay (drawn in last month) for each year of service.

- For all employees who have completed more than 10 years of service but less than 15 years in this company are entitled for 2 times of basic pay (drawn in last month) for each year of service.
- For all employees who have completed more than 15 years of service but less than 20 years in this company are entitled for 2.5 times of basic pay (drawn in last month) for each year of service.
- For all employees who have completed more than 20 years of service in this company are entitled for 3 times of basic pay (drawn in last month) for each year of service.

Chapter Six

Findings, Recommendations and Conclusion

6.1 Findings

HR Planning: Aristopharma Ltd performs HR planning in order to identify their current manpower number and the need of future manpower. The decision is taken against any requisition by comparing the portfolio and the current manpower of that particular division or branch. The result of analysis is discussed with the head of division.

Recruitment: Aristopharma Ltd practices two types of recruitment. One is yearly based recruitment and another is need based recruitment. They use both internal sources and external sources for their recruitment. They basically prefer lateral employees for recruitment. However, they recruit JO and Sales representative as a fresher.

Selection: In the case of lateral employees Aristopharma Ltd does not take any written test. Employees are selected on the basis of interview / viva. The company puts much importance on experience of an employee regarding pharmaceutical industry. On the other hand, in the case of fresher they take written test as well as viva for selecting the candidates.

Training: Aristopharma Ltd follows training need identification process in order to identify employees for training. Employees are provided in-house, outreach, other institute, foreign and e-learning training. In the case of foreign training, Aristopharma Ltd keeps training bond from the employees. But the numbers of trainers are not sufficient enough to train up employees. For that reason, they hire trainer from other institution.

Performance Appraisal: Aristopharma Ltd conducts performance appraisal annually. They follow the 360-degree performance appraisal method which is based on rating system. They evaluate employees on the basis of 100 marks which are divided into two segments. They use the outcome of performance appraisal in payment of bonus, promotion & merit incentives and punishment.

Compensation & Benefit: Aristopharma Ltd provides highly attractive compensation package to the employees. They also provide provident fund, gratuity benefit, death benefit, and disability benefit. Aristopharma Ltd does not provide any provident fund benefit to employees unless his/her tenure of service is 3 years and does not provide any gratuity benefit unless his/her tenure of service is 5 years.

6.2 Recommendations

Firstly, Aristopharma Ltd. should provide more opportunity for the fresher. Because every year a large number of students complete their graduation and post-graduation. They have no job experience to get entered as a lateral employee.

Secondly, Aristopharma Ltd. should extend the scope of on the job training so that employee can develop skills from their day to day task. The company should make an arrangement of training session about up-to-date technology and methods in order to make sure the product satisfaction with high efficacy.

Thirdly, Members of training team should be increased so that the employee may take support whenever they required. There should start supervision span under the trainer in order to monitor the progress of employees.

Fourthly, Training options in the case foreign training should make flexible and employee friendly so that employee can easily avail the training opportunity. Because, company must have to ensure employee betterment.

Fifthly, In the case of Key Performance Index (KPI), the evaluation should take written exam/interview to justify employee's knowledge regarding their job. Because, without proper knowledge employee cannot give better service to the company.

Finally, In the case of gratuity benefit and provident fund Aristopharma Ltd. should comply with the "Bangladesh Labor Law, 2006". Because, it ensures a better labor practice.

6.3 Conclusion

Now-a-days, Pharmaceutical industry has become more competitive. The success of a company highly depends upon the customer's satisfaction as well as employee's satisfaction. HR division plays a vital role from the very beginning of operation of Aristopharma Ltd. Human resource division of Aristopharma Ltd. ensures their best services to all the employees. In order to keep pace with the global competitive environment, HR division of Aristopharma Ltd. takes proper initiatives to make the employees a competitive work force. They believe by making the employees satisfied, it is possible to take the best output from the employee. That's why they are always trying to take initiatives which are beneficial for the employee's career as well as company. As the pharmaceutical industry in our country are highly competitive so it is a great challenging for Aristopharma Ltd. to retain expert employees. HR division of Aristopharma Ltd. is much conscious about that. So, from my opinion HR division of Aristopharma Ltd. plays the vital role in the success of Aristopharma Ltd.

References

Aristopharma Limited, Retrieved from https://aristopharma.com/

Asha, S. (2007). Psychological dimension of training and development. *Human Resource Management Review*, 22(3), 52-59.

Bates, D.L., & Davis, T.J. (2010). A model for improving trainee engagement in the training process. *International Journal of Management*, 27(2), 770-776.

Beach, D.S. (1980). Personal planning and job analysis*: The Management of People at Work* (4th ed.). Macmillan Publishing Company, New York.

Bratton, J., & Gold, J. (2012). Talent management: *Human Resource Management Theory & Practice* (5th ed.). Palgrave Macmillan Publication.

Buchanan, D. & Huczynski, J. (2004). A study of psychological contracts. *American journal of Industrial and Business Management*, 33(4), 180-192.

Cascio, W. F. (2003). Productivity, Quality of life, Profits*: Managing Human Resources* (10th ed.). Irwin Professional Publication.

Chris, O. (2011). Employee training and development in Nigerian Organization. *Australian Journal of Business and Management Research*, 1(9), 82-91.

DeCenzo, D.A., & Robbins, S.P. (2004). Managing human resource in organization: *Fundamental of Human Resource Management* (6th ed.). John Wiley & Sons.

DeCenzo, D.A., Robbins, S. P., & Verhulst, S.L. (2013). Employee testing and selection: *Human Resource Management* (11th ed.). John Wiley & Sons.

Denerley, R.A., & Pumbley, P.R. (1968). Interviewing candidates: *Recruitment and Selection in a Full- Employment Economy* (5th ed.). Tata McGraw-Hill.

Dessler, G. (2005). Personal Planning and Recruiting*: Human Resource Management* (15th ed.). Prentice Hall.

Dessler, G., & Varkkey, B. (2009). Human Resource Management Strategy and Analysis: *Human Resource Management* (12th ed.). Pearson Education India.

Flippo, E.B. (1980). Managing Career and Retention: *Personnel Management* (8th ed.). McGraw-Hill Publication.

Graham, H. T. (1978) Equal opportunity and the law: *Human Resource Management* (7th ed.). Prentice Hall.

Griffin, R.W., & Fleet, D.V. (2013). Management skills, assessment and development: *Human Resource Management* (8th ed.). Cengage Learning.

Heyel, C. (2012). Management for modern supervisors: *Personnel Management* (4th ed.). Greenwood publishing Group.

Huber, V.L., & Schuler, R. S. (1993). An integrative framework of strategic human resource management. *Journal of Management*, 19(2), 419-459.

Jucius, M. J. (1959). Managing human resource in organization: *Strategic Human Resource Management* (6th ed.). McGraw-Hill Company. Boston, USA.

Koontz, H., Donnell, C., & Weihrich, H. (1980). An analysis of managerial functions*: Principles of Management* (5th ed.). McGraw-Hill Company.

Mathis, R.L., & Jacson, J.H. (2011). HR concept & HR practices: *Human Resource Management an Essential Perspective* (6th ed.). Cengage Learning.

Megginson, L.C. (1985). Personnel strategic planning: *Human Resource Management* (12th ed.). McGraw-Hill / Irwin.

Milkovich,G.T., & Boudreau, J.W. (1994). Compensation and Benefit Program: *Human Resource Management* (9th ed.). Irwin Professional Publication.

Parameswari, B.N., & Yugandhar, V. (2015). The role of human resource management in organizations. *International Journal of Engineering Technology, Management and Applied Science*, 3(7), 58-63.

Saiyadain, M.S. (2009). Rewarding ethical behavior: *Human Resource Management* (3rd ed.). Tata McGeaw-Hill / Education.

Stirey, J. (2007). Managing employee at work: *Human Resource Management* (3rd. ed.). Cengage Learning EMEA.

Yoder, D. (1944). Managing human resource: *Personnel Management and Industrial Relations* (15th ed.). John Wiely & Sons.