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Recruitment Procedure of State-Owned Enterprises: A Case Study on Bangladesh Forest Industries Development Corporation (BFIDC)

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ABSTRACT

Recruitment and selection of personnel is of vital for any organization. For this every organization should have its own recruitment policy. Officers and staff are the life blood of an organization. Bangladesh Forest Industries Development Corporation (BFIDC) is very much aware for recruiting competent and efficient personnel. The recruitment system and related issue have been focused in this paper. The data used in the preparation of this paper are from both primary and secondary sources. BFIDC is a commercial organization established in 1959. In the beginning it was named as "East Pakistan Forest Industries Development Corporation". During post independence period it was named as "Bangladesh Forest Industries Development Corporation". It has been working for supply of quality furniture to Government Offices, Educational Institutes, Autonomous bodies and many other organizations. Efforts are on the way to enhance rubber production in 17 rubber garden for meeting up domestic demand as well as for catching hold of export market in near future. Seven Industrial units are running on full swing with a view to supplying quality furniture and other wooden products to different organizations of the country. Important findings of the study include decentralization of administrative power and its subsequent withdrawal, shortage of manpower, absence of updated knowledge due to lack of training and arrangement for recruitment through IBA. Recommendations have been put forward for the improvement of administration and management. The major recommendations include strict adherence of 1989 service rule, training of personnel, and placement of efficient people in various positions and urgent recruitment of personnel. Fairness and transparency in the recruitment of right personnel have highlighted.

Keywords: *Recruitment, Enterprises, Forest Industries, Bangladesh, Development, Corporation.*

1. INTRODUCTION

Recruiting and selecting the right people is of superseding importance of the continued success of any organization. By recruitment, it is meant the process of discovering potential job seekers and attracting them to apply for actual or anticipated organizational vacancies. The policy is a consistence guideline as to be followed under a given set of circumstances. So a recruitment policy is the recognized specific guidelines on the proper

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methods of recruiting applicants for available or foreseen job position in an organization. In contrast, by recruitment and selection procedure, it is meant the mythological steps through which appropriate human resources are identified, branded, scanned and offered for employment. Employees are the lifeblood of any organization. Recruiting and selecting competent conscientious employees is of great importance for attainment of organizational mission, vision, goals and objectives. Recruitment and selection policy of an organization is linked with the HR Planning of any organization. Recruitment and selection are important tools for procuring and effectively using human resources in an organization. While recruitment involves employing suitably trained workforce, selection helps in choosing the right candidate for the right job. For increasing importance of human resources, it is now imperative for all organizations to retain the manpower and at the same time to recruit and select best possible talents in the country. Most of the organization is now facing technological changes, resulting the radical change in the recruitment process. Therefore, a properly written and consistently enforced recruitment policy and procedure on hiring and retaining employees is more than a means of ensuring that only the most competent people are hired; it is an absolute indispensable for every employer striving to comply the equal employment opportunity laws and regulations. This is why Bangladesh Forest Industries Development Corporation (BFIDC) is looking for candidates who are enable to face the global change. BFIDC have their own personnel policies consisting of recruitment, placement, promotion, transfer and termination. The components of personnel policy are briefly discussed thereafter. About five thousand workers including officers and staff are working in the BFIDC. The corporation rules, as well as Government laws and regulations directly control them.

2. OBJECTIVES OF THE STUDY

The main objective of the study is to gather practical knowledge regarding the recruitment procedure of Bangladesh Forest Industries Development Corporation. The other objectives of this study are as follows-

- i. To analyze the present recruitment procedure of BFIDC;
- ii. To identify the problems, related to recruitment procedure faced by BFIDC;
- iii. To recommend BFIDC in solving those problems.

3. METHODOLOGY OF THE STUDY

For smooth and accurate study every one have to follow some rules & regulations. The study inputs were collected data and information from two sources:

a) Primary Sources

- (i) Face-to-Face conversation with the officers and staff.
- (ii) Direct observations.

b) Secondary Sources

- (i) Annual report of BFIDC

- (ii) Files and Folders
- (iii) Memos and circulars
- (iv) Various publications of the corporation
- (v) Websites
- (vi) Different rules, regulations, gazettes and circulars issued by the Ministry of Environment & Forest Ministry and other Ministries.

4. LIMITATIONS OF THE STUDY

A few problems were faced while conducting the study. A wholehearted effort was applied to conduct the study to bring a reliable and fruitful result. In spite of that there exists some limitations, which acted as a barrier to conduct the study.

Some limitations are as follows:-

- (i) Extensive review of reports, publications and various literatures could not be made due to time constraint;
- (ii) Only a cross section of officials and staff have been interviewed;
- (iii) The duration of the study was very short.

5. PROFILE OF THE ORGANIZATION

5.1 History

To have a clear understanding about the activities of BFIDC as a commercial organization, a thorough study is necessary. BFIDC was established in 1959 in pursuance of ordinance No. LXVII of 1959, 3rd October 1959. Firstly it was known in the name of East Pakistan forest industries Development Corporation and then after renamed Bangladesh Forest Industries Development Corporation (BFIDC). Its head office is located at 73, Motijheel C/A, Dhaka-1000. This corporation was established for the purpose of promoting the development of industries based on country's forest resources. About five thousand workers including officers and staff are working in the various Industrial Units & Rubber Gardens of BFIDC. The corporation rules, as well as Government laws and regulations directly control them.

5.2 Vision

To ensure supply of quality furniture and other wood products to Government offices, educational institutions, autonomous bodies and to enhance BFIDC's rubber production and to boost up private rubber sector with a view to fulfilling country's demand as well as earning foreign currencies through export of rubber by 2020.

5.3 Mission

To supply Railway sleepers to Bangladesh Railway and Dunnage to Food Godown to meet up their demand and ensure all types of furniture supply to all educational institutes

and other organizations by 2010 and to reduce rubber import cost through augmentation of rubber production.

5.4 Objectives

BFIDC was established for achieving the following objectives:

- 1) Best utilization of forest products by creating employment opportunity;
- 2) Establishment of Factories / Industries to meet the growing need of wooden items by facing market competitiveness;
- 3) Raising of profitable & sustainable rubber gardens under BFIDC;
- 4) Promoting rubber cultivation in private Sector, creating employment opportunities to alleviate poverty of the rural poor, caring environment, protecting degradation & erosion of soil ;
- 5) Producing highest quality of natural rubber to meet up the local requirement of rubber based Industries to ensure value addition & creating indirect employment opportunities and
- 6) Taking part in macro economic activities of the country to play vital role in augmenting GDP by generating economic activities in producing natural rubber, addressing import & saving of foreign exchange.

5.5 Functions

Extraction of wood from the Forest Department, making of furniture & supply to the Government & Semi Government Offices and Autonomous Bodies & Institutions. Establishment of rubber and sell of rubber meets, plantations collections of latex from matured rubber trees & sell RSS are the important businesses of this corporation. The activity of the corporation is divided into two sectors: Industrial sector and Agriculture sector (Rubber).

Industrial sector

As many as 19 industries had been established by BFIDC, out of which 12 (twelve) units were disposed of or are waiting for selling to private sector-

One Industry (Sylhet pulp & paper mill) handed over to BCIC.

Three Industries namely (i) UBF, Narayangonj (ii) Rahimane Industries, Kalurghat, Chittagong and (iii) ITIU, Rangpur have been sold to the Private Sector by Ministry of Industry.

Seven Industries were declared pay-off by the Govt. of which 5 units have already been sold by the Privatization Commission and handed over to the Private Parties; rest three are in under process of sale / handover. Two other industries namely (i) PSO (ii) TEX Unit in Kaptai were already declared pay-off in 2005. Seven Industrial units are now in running conditions under BFIDC of which six units are running at profit.

Rubber Sector

Rubber sector comes under BFIDC after its establishment. For this reason its functions and mode of operation were not incorporated in Ordinance, 1959.

BFIDC, by establishing rubber gardens in the South East, North East and Northern-Central parts of the country has been playing a harmonious role in protecting environment, arresting degradation and erosion of land as well as creating employment opportunity, saving foreign currency and generating economic activities in the remote areas of the rural areas.

5.6 Designation of the Employees

5.6.1 Executives on Deputation

- Chairman (Additional Secretary)
- Directors (Joint Secretary)
- Secretary (Deputy Secretary)
- General Manager (Deputy Secretary)

5.6.2 Officer of the BFIDC

- General Manager.
- Deputy General Manager
- Asstt. General Manager
- Asstt. General Manager (Accounts / Audit)
- Manager
- Manager (Accounts / Audit)
- Asstt. Manager (Administration/ Production/ Sales/ Purchase/ Field / Marketing)
- Asstt. Manager (Accounts / Audit).
- Asstt. Engineer (Civil/ Mechanical/ Electrical).
- Security Officer.
- Statistical Officer.

5.6.3 Staff of BFIDC

- Sub Asstt. Engineer.
- Head Assistant
- Asstt. Accounts Officer
- Asstt. Field Superintendent.
- Technical Supervisor.
- Security Inspector
- Upper Division Asstt.
- Upper Division Asstt (Accounts)
- Store Keeper
- Cashier

Lower Division Asstt.
Lower Division Asstt. (A/cs)
Asstt. Store Keeper.
Jeep / Car Driver
Security Havilder
Security Guard
Record Keeper
Tally Clerk
MLSS
Sweeper.

5.6.4 Classification of the Posts

Class-1	Assistant General Manager.
Class-1	Manager
Class-1	Assistant Manager
Class-1	Assistant Engineer
Class-1	Private Secretary to Chairman
Class-1	Public Relation Officer
Class-1	Security Officer
Class-2	Sub Assistant Engineer
Class-3	Head Assistant Cum-Computer Operator.
Class-3	Stenographer Cum-Computer Operator.
Class-3	Stenotypist Cum-Computer Operator.
Class-3	UDA Cum-Computer Operator.
Class-3	LDA Cum-Computer Operator.
Class-3	Assistant Field Superintendent.
Class-3	Supervisor.
Class-3	Assistant Supervisor.
Class-4	Tapping Supervisor.
Class-4	Tapper.
Class-4	Driver.
Class-4	MLSS.
Class-4	Security Guard
Class-4	Sweeper.

6. LITERATURE REVIEW

Fowler, A (1987) in his paper mentioned that it is commonly known that employee referrals and internal job recruitment full-time teachers are chosen from among substitute teachers who are already employed with the district. This is generally a very reliable method if available, since it allows the HR professional direct access to the individual's

teaching record, and it is likely that the professional has already dealt with the individual in the context of hiring substitute teachers. There are situations in which such internal recruitment methods are not applicable, particularly when dealing with individuals qualified to teach high school. You have probably experienced, for example, the vacancy of a high-level mathematics position for which none of the current district employees are qualified. In this case, the HR professional must look outside the organization, and external selection can be notoriously difficult.

Galbraith, J R & Nathanson, D A (1978) in their research paper told that employee motivation and retention are complex issues and superficial solutions just don't work. Companies that take the easy way out will pay in the long run with high turnover costs. As a warehouse supervisor for Blue Grocery store Arthur Reed has been facing problems recruiting temporary workers during the months of summer when the regular staff either wants time off. This has proved to be a dilemma such that the general efficiency of the business is being affected. Arthur needs summer staff that is dependable, works for low pay and is temporary – not a very appealing combination for the prospective employees.

French, W (1974) in his articles explained that the legitimacy of examining the whole employee and not just a skill set when making hiring decisions, It examines this argument by looking at the stages of hiring, the necessity of examining employment and personal history, and concludes that the good hire is one that takes into consideration the whole person, not just the skills they possess.

De Cenzo, D A & Robbins, S E (1988) in their book mentioned that the process used by certain types of employments in seeking employees, the selective process and what media forms they utilize that is how to get or select the skilled manpower, how to train, how to motivate and retain them.

Beaumont, P B (1991) in his book told that globalization, technology, and diversity trends are just one of the many challenges that 7-Eleven HR, faces. Although these are a challenge, H.R. has been extremely successful managing these areas. In the past, 7-Eleven staffed its operation by running ads in the local paper or using an employment agency. This has changed significantly. The effectiveness of 7-Eleven's automated screening process has enabled applicants to apply within minutes, rather than calling a phone number out of an ad and waiting for an interview to be scheduled.

Armstrong, M (1987) in his writing explained that the undergraduate paper discusses how the Internet Technology has helped college and professional football recruiting. The Internet has made life simpler for people around the globe. Gaining information via the Internet is economical and convenient. Recruitment of football players had never been easier/ better before the advent of the Internet. It provides coaches a lot of choice in their search for good players. Sports fans are ecstatic about the Internet but there are some problems that people still have to deal with in this regard.

7. ANALYSIS AND FINDINGS

7.1 Recruitment policy and Procedure of BFIDC

7.1.2 According to the ordinance of 1959 and Service Rule of 1989 of BFIDC, “Board of Directors” is the appointing authority. But Board can delegate power to any authority or any “person” for appointment to any specific post. For direct promotion “Board of Directors” can form one or more selection committees. On the basis of the recommendation of the selection committee “Board” can appoint or promote a person.

7.1.3 In BFIDC, HRD has a vital role for developing skilled, efficient and dynamic manpower through recruitment by giving advertisement in different national Dailies and taking written test and viva voce examination. BFIDC’s goodwill for impartial recruitment process is well recognized. For proper teaching / training of field staff, BFIDC has established a training institution, namely TTU (Technical Training Unit) at Dantamara, Fatickchari, Chittagong.

7.1.4 BFIDC assessed their needs for manpower recruitment based on Corporation’s organizational goals. Open positions are advertised in the national Dailies. The advertisement mainly provides a description of the positions, scale of pay, age, nationality, educational qualifications, experience and other terms and conditions related to the applicants and service. Employees already in service may apply to fulfill the advertised positions. In terms of age of a candidate, normally one shall not be less than eighteen years and more than thirty years of age at the time of application for direct recruitment as an officer and staff. In terms of nationality, BFIDC does not appoint any person to any post unless he is a citizen of Bangladesh. Physical fitness is another important factor in the recruitment of personnel at BFIDC. Thus an applicant must be declared physically fit by the Medical Officer of the BFIDC or some other appropriate Medical Authority specified by the BFIDC on their behalf. There is a quota for female, freedom fighter, tribal people and handicapped person as directed by the Government. In spite of that merit and district quota are also maintained.

7.2 Advertisement for recruitment

A clean advertisement process through the national daily newspapers has been followed for the recruitment in BFIDC. For any departmental purpose, whenever recruitment is needed, HRD prepares advertisement paper mentioning the requirements for the candidates with the approval of Board of Directors. Without advertisement no employee can be recruited in BFIDC.

7.3 Interview

A process of interview has to be followed for the selection of right persons. There is written test and viva examination systems in BFIDC. In written test there are two separate parts like general knowledge and post-related knowledge.

7.4 Selection

After completing interview, final selection is made for appointment by the approval of Board of Directors on the basis of recommendations made by selection committee.

7.5 Quota

According to BFIDC service rule of 1989 quota for direct recruitment and promotion varies from post to post for same posts it is 50 : 50 ; for others the ration is 67 : 33. In case there is no suitable candidate for direct appointment, such posts may be field up through promotion. Further, for each and every posts certain qualifications and experience are specifications and experience are specified.

7.6 Change or alternation

The employees of the BFIDC have been classified and designated shown in and included the schedule of BFIDC service rule. Any change, addition, alteration in the classification and designation shall require prior decision of the Board and approval from the Government.

7.7 Nationality

No person shall be appointed to any post in the service of the BFIDC unless he is a citizen of Bangladesh.

7.8 Age

A candidate shall generally not be less than eighteen years and more than thirty years of age at the time of appointment by direct recruitment as specified in the BFIDC's service rule. But for some posts exceptions have been noticed. For example Max. age limit of 45 years. Having specific experience is mentioned for the posts of Deputy General Manager, Assistant General Manager, Executive Engineer, Manager, and Security Inspector.

7.9 Physical Fitness

No person shall be appointed in the service of the BFIDC unless he is declared physically fit by the Medical Officer of the BFIDC or any other appropriate Medical Authority specified by the BFIDC in this behalf.

7.10 Method of Appointment

- Appointment to the post of Officers and other employees shall be made by direct recruitment or by promotion as per promotion criteria laid down in the schedule of BFIDC's Service Rules, 1989.
- All appointments of officers and other employees shall be made by the Board or by any authority empowered by the Board in this behalf.

7.11 Pay and Allowances

The Scales of pay and allowances of officers and employees of the BFIDC are by the Government from time to time. However, a good number of works are under wages commission.

7.12 Qualifications for Recruitment

- Minimum Qualification and experience for each post is specified in the BFIDC's Service Rules, 1989.
- For Industrial Units and Rubber Gardens qualification and experience of some field staffs are determined by the Board of Directors.

7.13 Selection Procedures

7.13.1 Advertisement

- The first and foremost step for employment in any post is to make an arrangement for advertisement in the national dailies.
- Advertisement may be made in the prominent and widely circulated national dailies at least two dailies of the country one month before the last date of submission of application.

7.13.2 Acceptance Procedure

- All applications are scrutinized and accepted after fulfillment of applications criteria;
- The following information are verified and a list of valid applicant are prepared ;
 - Academic qualification;
 - Age;
 - Experience;
 - Approval of authority (in case of applicants already in service);
 - Pay order or Bank Draft (as required);
 - Applications submitted in time or not ;
 - Photograph of applicant (duly attested)(if any, as per advertisement) ;
 - Other required information.

7.13.3 Scrutinizing of applications, listing of valid applicants and approval of the authority are completed within 2-3 weeks.

7.13.4 Only valid listed candidates are called for interview. Interview card are dispatched to call for interview setting time and date.

7.13.5 Generally for recruitment of candidates two types of examination are conducted. One is written test and another is viva-voce. For written examination multiple choice questionnaire (MCQ) and descriptive type of Questions are set. For technical post MCQ system is not followed. But descriptive type of questionnaire and practical demonstration is a must.

7.13.5 Both Written and Viva Voce Tests for the direct recruits are arranged by the BFIDC itself or through any other competent organization capable of undertaking the responsibility subject to the approval of Board of Directors. Such test may be held in Dhaka and / or elsewhere as may be deemed convenient.

7.13.7 The Board shall decide policy and procedure regarding preparation of question papers and examination of answer scripts and the systems/ modes of written Test in the entry as well as in lateral entry grades.

7.14 Important Findings

7.14.1 The administrative powers delegated to General Managers of Rubber Division and Unit Heads of Industrial Units have not been judiciously applied. The decentralization of administrative power did not bring positive result in respect of recruitment as well as running of field administration. The decentralization ultimately affected the production adversely due to failure in the placement of right man in right place. As a result delegation of administrative powers has been withdrawn.

7.14.2 On the basis of the recommendations made by selection committee for transparent recruitment, arrangement was once made to conduct written and practical examinations by Institute of Business Administration (IBA). The system proved to be quite successful.

7.14.3 Positive impact of fair selection & recruitment of personnel has been noticed both in the production units and offices.

7.14.4 There exist two schools of thoughts within BFIDC regarding the procedure for conducting examination in the selection of candidates. One is in favor of conducting examination by BFIDC itself and other favors the procedure involving IBA.

7.14.5 Due attention has not been given for training of officers and staff. So, lack of updated administrative and technical knowledge is an obstacle in the smooth administration of the organization.

7.14.6 BFIDC's activities have been badly suffering due to shortage of manpower.

8. RECOMMENDATIONS

For any development or production “man behind the gun” is very important. To put right people in the right posts there should be transparent and fair recruitment procedure. BFIDC's recruitment system is not free from questions. In the past recruitment on Master Roll basis had been practiced without due considerations to rules and regulations. The System did not result in maintaining quality of recruited personnel. While promoting personnel of BFIDC, cent percent promotion system was followed violating the quota for promotion and direct recruitment specified in the BFIDC's service rule, 1989. Further due to absence of updated approved Organogram, recruitment procedure is delayed. This is adversely affecting the administrative and production system of BFIDC. With this background the following recommendations are furnished below:

- BFIDC's Service Rules of 1989 should be strictly adhered to;
- Training of Personnel should be ensured.
- Right persons should be placed in right positions with due consideration of qualification, experience & efficiency.
- As a commercial organization, personnel's welfare should be given due attention with a view to augmenting production.
- Recruitment of personnel should be expedited immediately after approval of the proposed organogram submitted to the Ministry on 7th February, 2010.
- Deputation of experienced senior level officers should be continued.
- CBA should play positive role in the control of labour unrest;

9. CONCLUSION

BFIDC is a state-owned enterprise. Administration and Management of the Organization is going on as per Ordinance of 1959. Service Rule was framed in 1989 and is still in force For any recruitment “Board of Directors” is the appointing authority. Board of Directors can delegate this power to officer or committee for recruitment of personnel in the organization. Delegation of administrative powers to field level officers did not bring any fruitful result both in the recruitment of field level staff and management of field administration. Field management had to face a number of hurdles and pressures from many corners in exercising the delegated powers. As a result adverse impacts on production could not be avoided. To get rid of the problem, delegated powers were withdrawn. Currently all administrative powers are exercised from BFIDC's, head quarter. Manpower is strength for any organization. It is, therefore, of utmost importance that existing vacancies should be filled in after approval of the organization. This will greatly help in regaining BFIDC's strength and enhancing production. It is very important to ensure fairness and transparency in the recruitment of right personnel.

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