A STUDY OF HUMAN RESOURCE PRACTICES IN PAKISTAN TOBACCO COMPANY.

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Executive Summary

The increasing trend of globalization in the past two decades has moved companies beyond their domestic operations into the international markets. This dramatic change in international businesses require a dynamic workforce as such managers have a challenging role in facing complex issues of managing people to gain or sustain a competitive advantage. Some key issues need to be given special attention. There will be more human resource activities involved in international operations than that in the domestic context. A broader perspective is required to manage people not only from home countries, but also from host countries and even from the third countries.

PTC is a subsidiary of British American tobacco (BAT) group, which is the second largest international tobacco group and has its business in 180 countries all over the world. BAT holds 94% shares in PTC. Pakistan Tobacco Company was the first multinational to set up its business in 1947 in Pakistan. It took over business from Imperial Tobacco Company that was operating since 1929.

A detailed analysis of the HR practices of the company has been conducted by the group to highlight the salient features of the HR policies practiced by the organizations.

Introduction and Objectives of Study:

The basic objective of the study is to understand the HR practices and procedures followed at PTC. The reason for choosing PTC for this project is mainly that it is one of the leading Tobacco Companies operating in Pakistan and we want to have greater insight into the management practices regarding human resources followed there. The reason is to learn about the mission, vision, goals and objectives of the organization. This includes both the overall goals and objectives and goals and objectives relating to Human Resources.

OVERVIEW OF ORGANIZATION & ITS HR DEPARTMENT:

Pakistan Tobacco Company

British American Tobacco:

British American Tobacco is one of the world's most popular international tobacco company with an impressive market position in Latin America and a robust position in all the other regions including North America, Asia-Pacific, Europe, Africa and Middle East (AME). For 100 years, British American Tobacco has been building an international reputation for producing high quality tobacco products to meet the diverse preferences of consumers. Leading edge manufacturing BAT focuses on quality and excellent distribution capabilities enabling BAT to consistently deliver premium products in 180 markets.

Vision:

"To achieve leadership of the global tobacco industry in both a quantitative and qualitative sense."

BAT has 15% of the global market and is the second largest international tobacco company and the market leader outside the US. For BAT leadership is about being recognized as a high quality business with excellent people and products and being seen as a benchmark company.

Introduction to PTC:

As stated earlier, Pakistan Tobacco Company was the first multinational to set up its business in 1947 in Pakistan. It took over business from Imperial Tobacco Company that had been operating in this region since 1929. A Pilot production plant was set up in a warehouse near Karachi port with a monthly production of 30 million cigarettes, which by 2002, is over 2 billion cigarettes per month. The rapid expansion in the cigarette market over the years led to the establishment of their state of the art manufacturing facilities in Jehlum and Akora Khattak.

PTC is a subsidiary of British American tobacco (BAT) group, which is the second largest international tobacco group and has its business in 180 countries all over the world. BAT holds 94% shares in PTC.

PTC produces high quality tobacco products to meet the diverse preferences of its consumers, works in all area of the business “from seed to smoke”. The company’s principal activities are manufacturing and selling of cigarettes and edible oils (Sundrop).

Pakistan Tobacco Company has come a long way from being just a single factory operation to a company, which is involved in every aspect of cigarette production, from tobacco cultivation to packaging but what is really significant about these fifty-five years is the tremendous effort that Pakistan Tobacco Company has played in the development of the country.

By spear heading the campaign for modern agriculture and industrial practices, they have been instrumental in the development and progress of the agriculture and industrial sector in the country.

PTC has been the leader in innovative marketing campaigns, which brought a whole new competitive edge to Pakistan’s business world. Over the last half –century PTC has been extremely supportive in giving donations to various causes of national interest, educating growers in the latest techniques and technology in agriculture, forestation and sponsorship of sports.

Through these fifty-five years, PTC’s continual investment in people, brands, technology innovation and the communities in which it operates has borne fruit in the form of transforming into a company strong enough to go through thick and thin with the country.

PTC believes in its people as being the most important asset of business.

“Our people are the heart of our business and these world class people work as a team to meet challenges in an ever changing environment .We believe in open and honest communication and this belief has harnessed an open and transparent culture within the company”.

Milestones:

PTC has come a long way from being just a single factory with restricted operations .The role it has played in the economic development is commendable. From the spearheading of modern machinery and industrial practices to incorporating the global standards within the structure of the company, PTC has contributed a lot in both monetary and non-monetary terms.

- It became the first company in Pakistan, which was awarded class A as part of the international total business excellence programm MRPII audited by the international consultants.
- Further more both the factories and the leaf areas were awarded ISO 9001 and 1400 certification proving the world-class standards of the company.
- The SA8000 is the largest feather in the cap awarded to the company for the best employee practices, which include issues of child labor, health and safety, freedom of association and right to collective bargaining, discrimination, disciplinary practices, working hour’s compensation and management systems.

Mission Statement:

The mission statement of PTC

“Transform PTC to perform with the speed, flexibility and enterprising spirit of an` innovative, consumer focused company”

“Together we will be the best in everything we do”

Vision of PTC:

"First Choice for Everyone"

- Regaining volume and value leadership by positioning viable brands in all relevant segments.
- Driving world-class standards in products processes and service through passionate, skilled and confident people.
- Striving to meet stakeholders' expectations.
- Create an open, empowered and fun loving culture.
- Becoming the preferred consultants on industry issues.

Motto of PTC:

Dare to be different --Dare to dream --Dare to try --Dare to fail --Dare to Succeed

HRM DEPARTMENT AT PTC:

HR Mission Statement at PTC:

“To lead the organization in enhancing its human capital and creating a winning environment where everyone enjoys contributing to the best of one’s ability.”

PTC will achieve this by:

- Inspiring and motivating its people.
- Developing its people to strive for higher standards.
- Driving an open minded and enterprising corporate culture where people through leadership at all levels dare to dream, dare to try, dare to fail and dare to succeed.
- Attracting and recruiting the best talent.

Human Resource Strategies:

Human resource department will continue its effort towards nurturing a winning corporate culture and building organizational capabilities by ensuring that its people at all levels are both able and willing to perform at consistently exceptional levels. At PTC the people have been empowered to a large degree by minimizing out dated rules /regulations and plan to further eliminate the bureaucratic barriers to capitalize on their ingenuity and talent .The top team continue to play its role in providing the guidance and support to people at all levels.

The HR (people’s) function ensures that it leads the transformational change by nurturing a climate, which would help in converting the huge potential at disposal of the company into world-class performance.

The active and effective role played by HR in people development at different levels organizational, departmental and individual is considered in PTC to be one of the most critical factors leading to the development of a winning corporate culture. The effort continues to be directed towards developing the skills of the shop floor employees, improving competencies of Business Support Officers (BSOs), and enhancing the leadership qualities of managers.

Different HR Practices at PTC:

These are few of the HR practices that I have learned at PTC from my resource person.

- Recruitment & Selection process
- Performance appraisal
- Training & Development
- Reward Management
- Employee Discipline.

Recruitment and Selection at PTC:

In PTC, the activity to fill a vacancy or a new job starts with the requirement communicated by the respective managers to the HR department. The HR department then looks for the possibilities of internal and external recruitment.

Internal Recruitment:

In PTC, internal recruitment is done for the managers of the higher grade and directors. When a position is vacant, the HR department views the past performance of the people working at lower levels than the vacant position and chooses the right person who is promoted to that position.
At the director level, the internal recruitment process is from PTC or from any other subsidiary of BAT. The decision of recruiting a director from a subsidiary of BAT is not in the hands of the HR department of PTC or any of the PTC executives. The directors are allocated from the Asian office of BAT.

External Recruitment:

For external recruitment in PTC, the line managers are required to make a requisition form for the job in which they have to mention their need taking in account the budget for establishment and salaries for the position of Management, Business Support Officers and Workers. Role profile for the specified job is also prepared matching up the requirement and the grade of the job. Training period is also specified on the requisition form. This Process is given a total of 7 days.

The requisition form along with the role profile is sent by the line manager to the functional director for his approval and then forwarded to HR Manager. The HR manager confirms the availability of budgets required for establishment, salaries and cost of advertisement for the job. After all this, the requisition form along with the job profile and the budget forecast is sent to the HR Director for his final approval. This process if required to be done in 2 days time.

Graduate Recruitment teams are made which have the responsibility of recruiting new personnel to PTC. These teams are also responsible for the Campus Marketing Campaigns. Each team has a leader and the HR managers are responsible to provide administrative support to the recruitment team leaders and are HR managers themselves are the members of these teams.

For business schools, the recruitment team leader is a grade 36 manager from Marketing or Finance department. For UET Lahore and NUST, the Factory Manager of the Jhelum

factory is made the team leader and for UET Peshawar the Factory Manager of Akora Khattak Factory is made the team leader. In the same way for GIK Topi, the IT Manager, for Agriculture University Faisalabad, the Crop Manager and for Agriculture University Peshawar the Leaf Manager are made the recruitment team leaders respectively.

A two year marketing plan for each campus is made in which different strategies are formulated to attract different target audiences. PTC has different marketing plans for the

- Faculty
- Student Organizations
- Prospective MBAs

The marketing plan covers the following activities

- Company and career presentation
- Internships
- Sponsorship Student events
- Campus Advertising in magazines, journals and graduate directory to establish PTC and BAT employer brand name
- Organizing Lectures and Training Programs
- Direct mail shots
- Awards

PTC makes sure that the candidates reporting for test from out side the city are reimbursed air, train or bus fares.

In case of workers, HR administers written aptitude and mechanical comprehension tests in conjunction with line managers. Management focuses to finish all this in 15 days.

After all the tests, the candidates are again short-listed for the final interviews. The short-listing of the candidates is based on their performance on the secondary stage of the recruitment and selection procedure. Date and

time for the final interview is fixed with the selection board and call up letters are sent to the candidates.

Candidates reporting for the final interview from out side the city are reimbursed air, train or bus fares where considered appropriate. The final interviews take a total of 7 days.

The candidates selected after the final interview are referred to PTC’s nominated doctor for medical examination. The doctor sends his medical report directly to HR department. Candidates declared medically fit are made an offer. The HR department provides details of remuneration package and terms and conditions of service. The HR department also prepares appointment letter, service agreement and finalizes other documentation for service record.

Managing Performance at PTC:

Performance management has three parts: Defining the performance, measuring or appraising performance, and finally feedback for the performance.

Purpose of Performance Management System in PTC:

The Performance Management system of any company is to check whether the employee performance is aligned with strategic goals. PTC claims to be value leaders in the cigarette industry and future goal is to transform PTC to perform with speed flexibility and enterprising spirit of being an innovative, consumer focused company.

Furthermore, the employees who perform well are given opportunities to further develop themselves. Normally the weak points are pin pointed so that the employees can improve themselves.

Performance Management in PTC:

At PTC, the process of performance management starts by defining performance. Performance cannot be defined without a clear knowledge of the job that is to be performed by the employees. At the managerial level, it is very difficult to define performance of the employees keeping in view their quantitative aspects. Due to large variety of managerial jobs at PTC, the performance of managers is analyzed on a qualitative measure.

At PTC, jobs are analyzed after every two years or when ever there is a need of job analysis and performance is

defined. After that, this definition of performance is communicated to all the employees and it is made sure that they work on these measures as they are also appraised on the same measures.

After performance has been defined, all the required behaviors for the managers are studied in detail and some indicators are developed which are necessary to judge whether the employee is performing good or bad. The indicators that are in favor of the required performance are called "**Positive Indicators**" and the indicators against it are called "**Contra Indicators**."

Given below are the behaviors with their required performance for managers PTC:

1. Managing work:

Manages own work in the most efficient and effective way

- Plans and prioritizes own work, breaking down the task.
- Uses available resources effectively (own time, systems, finances, people, information)
- Prepares well and has everything at hand.
- Has an organized approach to work.

At a supervisory level:

- Delegates tasks effectively
- Coaches subordinate(s) to achieve tasks

2.Analyzing and understanding:

Understands own role, responsibilities, tasks and solves problems.

- Seeks clarification by probing, questioning and challenging
- Anticipates and thinks around problems / issues
- Recognizes own limitations and other resources - knows when help is needed.

• Considers and evaluates all options - is able to weigh things up

• Makes sound judgments and decisions.

• Is able to be discreet and maintain confidentiality.

3.Processing work:

Processes and produces work to meet all the deadlines.

• Follows appropriate procedures in a methodical and systematic way.

• Seeks appropriate approvals and authority

• Maintains routine tasks and systems - filing, info systems, diaries, etc...

• Monitors and reviews own tasks, makes appropriate checks

• Is accurate and pays attention to detail.

4. Adaptability:

Is flexible and responds positively to changes.

• Accepts changes enthusiastically

• Is willing to learn/change

• Is open to new / other ideas

• Is able to perform under pressure

5. Initiative:

Uses initiative and seeks improvement

• Is curious and inquisitive

• Generates ideas

• Develops and makes improvements

• Learns from experience

• Is able to work with minimum supervision / direction

6. Relationships:

Has a good working relationship with others, both within and outside the organization.

- Builds informal working relationships
- Co-operates with others, is a team player
- Understands and is sensitive to the needs of other people
- Persuades and negotiates - is able to gain commitment

7. Communication:

Communicates confidently and clearly with others

- Is clear and concise in communication
- Effectively communicates own needs
- Liaises and consults with others
- Is able to communicate effectively in writing

8. Commitment:

Displays commitment and self-motivation

- Completes and finishes tasks, not giving up
- Is conscientious and takes pride in their work
- Works to high standards
- Is reliable and consistent - not letting others down

Performance Appraisal:

Reviewing performance and taking positive steps to develop employees further is a key function of management and is a major component in ensuring the success of the company through effective employee performance.

A review is about ensuring people know what levels of performance are expected of them and then taking action to ensure they are trained and developed to perform effectively.

Performance Review at PTC:

At PTC a review is intended to be an open and frank discussion between an employee and their Team Leader/Manager. Generally there are two elements: first is

the element in which discussion takes place over the strengths and areas which need to be developed as displayed by the job holder over the past 12 months. The performance is of course judged comparing the performance against the core indicators of Job. The second element is concerned with discussing the training needs/inputs activities that are considered to be appropriate to help the jobholder overcome some of development areas discussed in the review and also those activities that are deemed appropriate to build upon their current strengths.

Competences:

At PTC, effective performance is considered necessary if the worker is deemed to be working at optimum effectiveness. The initial discussions on strengths and development areas provide a ‘benchmark’ on how the worker is performing at the moment against the competences. Only by carrying out this exercise is it possible to plan what training needs/inputs are necessary to help them develop further.

Will to Work:

PTC considers a person, an enthusiast who works at his own with initiative and resultantly inculcates a sense of ownership in him, which is always considered a basic facet for an individual performance. Despite the expertise in his area of work, company does not expect optimum effectiveness from a person without his will to work. Willingness is an efficient/effective response of an individual towards his work, which could not be achieved without interest and initiative. Will to work is basically related to “attitudes” of an individual towards work and his

relationship with peers, colleagues including seniors. Someone who removes faults of the machine at his own without waiting for instruction is considered to be an individual with positive attitude. The one who awaits call/order of his seniors or colleagues looking for excuses is considered an individual with not very good attitude and is not a willing worker.

Using the Behaviors to Aid Assessment:

The reviewer uses the behaviors identified in the competences as a guide to measure the job holder's actual behavior. The final grade given will be derived from the balanced view of the reviewer after taking into consideration whether the jobholder behaves more or less like the behaviors expressed in the competences.

The assessment is based upon evidence of skills and behavior relevant to each competence and evaluation is made against an 'ideal standard'. These are only indicators so if one feels that company does not take account of a specific behavior he has observed it is acceptable to grade accordingly as long as one is confident to justify it.

Allocating the Grades:

Allocating grades to indicate the level of performance/competence of jobholders is probably one of the most important aspects of the review process. All reviewers have a duty to ensure that the grades allocated are as objective, accurate and fair. The areas in which, the worker requires most development and his will to work should be addressed first in the sheet, so that the grades should support this view.

The reviewer should have an idea of the grades he will award prior to the interview using the behaviors and the rating system to measure actual behavior against.

Sources of Performance Appraisal:

At PTC the primary sources of performance appraisal are the managers and secondary sources are employees themselves. Though the peers also give their opinion but it usually does not have any weightage unless a conflict arises between the manager and the employee.

Feedback:

Workers at PTC are informed of their performance and given the opportunity to express their opinion over their own level of performance against each competence. This serves the following two main purposes:

- It enables the reviewer to redefine whether the initial assessment was correct, as circumstances may exist that the reviewer is unaware of.
- By asking the worker what he sees to be his own strengths and development areas often help to reduce negative responses and makes planning training needs/inputs activities easier if the person is able to express for himself the areas in which he feels he can improve.

Following the review the final grades are allocated and the issues/points that were discussed at the review are included in the sheet. When the sheet is complete, at the first instance it is sent to the immediate manager who if required adds his comments, and then it is sent to Employee Relations Department.

All jobholders are entitled to have a copy of their sheets if they so wish and this is encouraged to ensure that the system is perceived as being ‘Open and Fair’.

Performance Measurement System at PTC—Strengths:

Though the management claims that their Performance Measures are congruent to strategies, reliable and acceptable but they emphasized that the main strengths of their systems are the validity and specificity.

Validity:

The performance measurement systems used at PTC are valid. As stated by the management, the core job areas extensively. They are not only aligned with the company’s strategic objectives but are also free from deficiency. Contamination is acceptable as a few things extra from the actual job requirements are expected.

Specificity:

The performance measure used at PTC has a very high specificity because it guides the employees as to where they lack and how can they improve.

Training & Development:

Training is a planned effort by a company to facilitate employees learning of job-related competencies. These competencies include knowledge, skills or behaviors that are critical for the successful job performance.

At PTC, there is a continuous assessment of the technical and managerial skills. For the further enhancement of these skills formal training programmes are offered at all levels. The employees are provided with opportunities to put these skills into practice, in preparation for the move to a managerial role. Training is viewed at PTC as a way of creating intellectual capital. Employees are expected to acquire new skills and knowledge, apply them on job and share this information with other employees. The training is cross-functional for sharing of skills. The training programmes also include International Seminars.

Attitudinal Programs:

- NLP
- Caring Leadership
- Emotional Intelligence

In-house Courses:

- Leadership
- Influencing
- Creative Problem Solving

DEVELOPMENT:

Plan for People Development:

- Continue to nurture strong, open minded and caring leadership at all levels with an enterprising spirit of “Dare to dream… Dare to try to try…dare to fail …and dare to succeed”.
- Ensure to develop people at all levels, both in terms of skills to undertake challenging assignments and the “will” to take greater responsibilities.
- People at all level take charge for their development and constantly look for opportunities to enhance their knowledge, skill and leadership attributes.
- Ensure that PTC becomes a learning organization where knowledge management becomes an established way of developing people.
- As far as possible, match the individual aspiration with the organizational needs to encourage personal fulfillment.
- Ensure transparency in career management to encourage and recognize talent as well as performance.
- Prepare and develop the line managers to take ownership of the “HR Tools” e.g., developing people, more active involvement in career management (CDM), Sharing of learning (HR Intranet).
- To enhance the employability of employees for keeping them motivated and secured.
- Integration of training activities throughout the company

1. Career Management:

Strengthen the Career Development Management (CDM) process to bring more transparency and commitment to career management and development plans and as far as possible will match the aspiration and capabilities of individuals with the needs of the business with a view to ensure personal fulfillment. Pushing down the involvement of line managers so that they manage careers with the advice and tools provided by HR.

CDM feed back to be shared with the individuals without holding any bars. This would bring more authenticity to the process where career moves will take place as far as possible in a planned way.

2. Embed Coaching And Mentoring Culture:

Create an environment where people development is one of the key drivers for success. Develop emotional and professional maturity of managers to enable them to demonstrate inspiring leadership traits.

Training inputs on leadership, emotional intelligence and lateral thinking. Top team to act as role model and encourage people below to demonstrate and inculcate coaching culture for coaching.

Emphasizing to people that through coaching others will also develop themselves. Incorporate people development in principal accountabilities of each jobholder.

Top team gives more focus to the mentoring process of selected managers.

3. Developing Business Managers:

To reduce silo thinking and develop “Business Managers” they create more awareness and appreciation about how various functions contribute to the overall objectives of the company. This will support efforts for enabling people to understand the impact of their role on other functions and overall business.

T&D will provide a platform to get one/two day’s courses organized each year. e.g

- CORA Appreciation
- Leaf Appreciation
- Language of finance for non-finance managers
- Winning through consumer focus
- HR processes
- Product knowledge
- Management Development Courses etc

4. Re-Engineering the Human Capital (Attitudinal Change):

Focus on individual to inspire them and provide them with tools to pursue personal excellence without getting bogged down through self-imposed limitation in thinking and actions.

Supporting people to learn from mistakes in pursuit of business excellence. Encourage people to think differently.

5. **Learning and Knowledge Management:**

To nurture an environment where all people are allowed and encouraged to develop them and give willingly their very best without fear. Provide the necessary platform to develop and inspire individuals and teams to share rapidly and effectively their knowledge /success and failure to enhance team potential and competence. Develop a system for knowledge management and resource allocation in the form of personnel to facilitate. Learning resource center to cater for the self-learning opportunities e.g., e-based training.

6. **Reduce Emphasis On Training Only Approach:**

Create an understanding that “Training Only “would not be sufficient to develop people and that other development opportunities should be identified and agreed by the individuals and line managers e.g.,

- On the job development
- Special projects
- Short-term assignments
- Short-term attachments with other functions/sections
- Cross –functional projects / teams etc.

7. **Retaining Talent:**

PTC aim to be the most attractive employer in local job market, this is done through,

- Annual survey of job market (comparative companies) to remain competitive.
- Expanding the base of comparator companies.
- Ingenuity in use of Merit Matrix, giving more freedom to the line managers when reviewing the salaries of their teams
- Raising bar by moving up from the 75^{th} percentile for specialist jobs.
- Further, improve the concept of performance-linked bonus.

Keep reviewing organization structure, on need basis, for right sizing. Constant review of role profiles through job evaluations.

A flexible approach in designing the remuneration package for the new generation managers who are more interested in higher take home pay rather the retirement plans.

Reward Management:

PTC considers its employees not just as a cost but also as a resource in which the company has invested from which it expects valuable returns. Pay policies and programs are one of the most important human resource tools for encouraging desired employee behaviors. The advantage of paying above the market average is the ability to attract and retain the top talent available, which can translate into highly effective and productive work force. Salary increment for those with “A” rating is 17% higher than those with “C” ratings whilst no salary increment was granted to those with “D” ratings. Still planning to widen the gap between excellent, satisfactory and weak performers to appropriately incentives high performance .The incentive schemes and incentive objective have been clearly communicated to all individuals and weekly progress report is also communicated to all concerned.

Extra Pay for Overtime:

If a worker works for more than nine hours in any day or for more than 48 hours in any week in a non –seasonal or seasonal factory, he shall be entitled in respect of overtime worked to pay at the rate of twice of his ordinary pay.

Promotions:

Promotions are also reward management technique to motivate employees. In PTC promotions are based on the merit and seniority (experience) basis. The one who performs well consistently over time gets reward in the form of promotion.

Employee discipline:

It is the company policy to ensure that the required standards of performance and conduct are maintained. The disciplinary procedure is intended only as a statement of Company policy and management guidelines. It does not form part of the contract of employment or otherwise have contractual effect.

Disciplinary Procedure for Managers:

It is the company's policy to ensure that the required standards of performance and conduct are maintained. In some cases it will be necessary to take formal disciplinary action, which could range from a verbal warning to dismissal, and it is the company's policy to implement effective and equitable arrangements for handling such matters to ensure fair treatment of all employees.

The Disciplinary Procedure is intended only as a statement of company policy and management guidelines. It does not form part of the contract of employment or otherwise have contractual effect.

There are four stages to the Procedure for permanent employees. The company reserves the right to initiate the Procedure at any stage, or to jump stages, depending on the seriousness of the conduct/performance.

Employees may be accompanied at disciplinary meetings or at any appeal, if they wish, by a fellow work colleague, provided that their attendance is reasonably practicable. It is the employee's responsibility to secure the attendance of such a colleague, and the colleague has the right to decline to attend. Employees are not entitled to be accompanied by an individual not employed by PTC.

At each stage of the Procedure, the employee will be informed of the nature of the complaint against him/her and shall have an opportunity to state his/her case before a decision is taken.

No disciplinary action will be taken against an employee until the matter has been fully investigated and the manager involved in taking the action has considered any explanation given by the employee.

Disciplinary action at stages 1 and 2 of the procedure may be taken by the employee's immediate manager. Disciplinary action at stages 3 and 4 of the procedure may only be taken by the Head of Department or a manager of equal or higher organizational level.

The Human Resources Department is the reference point on questions of consistency or interpretation of the Disciplinary Policy and Procedure and must always be involved prior to dismissal action.

The Head of Department should maintain direct control of all disciplinary records. A copy of all records must be placed on the employee's personal file in the Human Resources Department. All warnings will remain upon the employee's personal file indefinitely, but will normally be disregarded for disciplinary purposes after the following periods:

- Stage 1 - Verbal warning: 03 months
- Stage 2 - Written warning: 06 months
- Stage 3 - Final written warning: 12months
- Stage 4 - Dismissal

These time periods may however be extended in appropriate circumstances taking into account the nature of the offence.

The time period will commence from the date of the letter/memorandum confirming the warning, even though any specified time for improvement has expired.

Required Performance for Workers at PTC:

At PTC, workers are mainly judged on their skills and the roles that they need to exhibit during a job. As most of the jobs at the worker level are repetitive, that management has a clear analysis of the job and the expected outcomes. So at the worker level, a simple grading criteria is maintained and workers are appraised according to that criteria.

Given below is the rating system to judge the performance of the workers against the core job areas.

Rating System against the Core Job Areas:

Rate	Demonstration against the core job areas
1	Demonstrates a low skill / knowledge level in

	most of the core priority area for the job. Highly intensive training or re-education is required.
2	Demonstrates some effective skill / knowledge in the competence area for the job but there are some important core skill gaps to be developed.
3	Demonstrates effective skill / knowledge in majority of the competence area for the job. Has attained standards expected of the target group given the constraints of the environment and the job areas. The are still some area that need to be developed.
4	Demonstrates highly effective skills / knowledge in all the core priority areas of the job. Is performing above the standards expected in the role. There are some minor areas that need to be developed.
5	Is extremely effective in all the skill / knowledge areas required in the job. Is performing at the highest standards expected in the role.

List of Misconduct for the workers:

The following acts come under the category of misconduct by the workers:

i. Willful insubordination or disobedience, whether alone or in combination with others, to any lawful and reasonable order of a supervisor.

ii. Theft, fraud, or dishonesty in connection with the employers business or property.

iii. Willful damage to or loss of employers' goods or property.

iv. Taking or giving bribes or any illegal gratification.

v. Habitual absence without leave or absence without leave for more than 10 days.

vi. Habitual late attendance.

vii. Habitual breach of any law applicable to the establishment.

viii. Riotous or disorderly behavior during the working hours at the establishment or any act subversive of discipline

ix. Striking work or inciting others to strike in contravention of the provisions of any law, or rule having the force of law.

Conclusion.

PTC has been operating for a long period of time and has been able to adjust with the changing environment because of its effective, Human Resource Management. PTC has the latest employee training and development approaches.

PTC hires the most highly qualified and exceptionally intelligent and energetic people. This results in lesser HR problems as people are willing to change take constructive criticism and focus on personal and professional development by focusing solely on achieving their work.

The company has a very well balanced and realistic incentive program. This results in employees giving their “Heart and Soul” in working for their employer.

The HR practices of PTC greatly enhance its image as a company that wants to contribute towards the society in every possible way. As the main focus is on developing better people not just better employees.

Because of its effective, Human Resource Management.PTC adapts to all sorts of change bring immediate improvement in work practices whenever the need.

Recommendations

PTC should reconsider its recruiting policy for the middle and upper level managerial positions.

Company should stop employees to smoke in the offices as by doing this image of the PTC can be affected badly.

PTC should imply external recruitment for the middle and higher level of managerial positions.