Human Resource Management (HRM) in Bangladesh: High Hopes and High Performance

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Abstract

A company's most valuable asset is its human resources (HR) department. There are four primary resources– human, physical, financial, and information that are crucial to any. Effective management of a company's HR is also essential to its success. It refers to the processes and techniques used to carry out the HR duties of the management function. Increasing employees' positive contributions to businesses is what HR management aims to do. Despite the fact that academics and professional are particularly interested in the HRM field in Bangladesh, There is no centralized database or electronic warehouse that restricts access to the current state of HRM practices in Bangladesh. This study also identifies the research gaps on Human resource management (HRM) in Bangladesh, as well as areas that could use more research
Key Words: *HRM practices, Literature Review, Bangladesh.*

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1. INTRODUCTION

Even though the economy is doing well, the idea of human resources (HR) is still relatively new in Bangladesh. Human resource management (HRM) has been a common practice for only the past decade or two, with virtually every major corporation now maintaining its own HR division. In the modern digitalized society there has been a growing emphasis on individuals and their acquired skills. Today's businesses face new difficulties as a result of factors including the war for talent, the rising cost of human knowledge, and the shifting tastes of the labor market. As a result, HR solutions that actually work are more important than ever.

This study was conducted to fill an incision in our present understanding of Human resource procedures as well as across industries and to assess the long-term consequences of adopting a systematic and high-performing approach to HR management in Bangladesh.

2. RATIONALE OF STUDY

HR professionals must examine social, economic, political-legal, and technical environment opportunities in order to rethink HRM processes and practices that are critical to the goal and objectives of the organization. HRM is the policies and practices that an organization uses to get the most out of its people in order to reach its goals. Several studies have shed light on the significance of HRM practices such as recruiting and dismissing employees, training and development, orientation, employee participation, career planning, and employee rewards. In addition, there were classes on the administration of human resources, labor relations, compensation and benefits, as well as the analysis and evaluation of jobs. The policies, methods, and processes that make up human resource management can have a direct impact on workers' attitudes, morale, and productivity. Because of these challenges, human resource management (HRM) has been forced to adopt new logics, and the majority of HR managers have been forced to discard obsolete ways of thinking and doing things. On the other hand, they ought to offer assistance to firms in the process of strategy formulation and the development of programs to enhance their human capital. Studies that particularly look at the methods, objectives, systematic approach, and high-performing HRM practices have not been conducted in great numbers in Bangladesh. Therefore, this research tries to reduce the gap by looking at these parameters employed by leading Bangladeshi companies.

3. OBJECTIVE

The primary objective of the research is to determine what the outlook is for well-organized and efficient HRM practices in Bangladesh in the future.

4. METHODS

The review of previous research served as the technique for this particular investigation. The findings of the study were entirely derived from a compilation of the findings of previous research on HRM practices in Bangladesh. The researchers went to a variety of libraries, universities, and book stores to physically collect the many studies that were available on HRM practices in Bangladesh. When conducting this review of the relevant research, we took into consideration both theoretical and empirical studies. There were a total of 19 studies that were

compiled. For the review, 10 of the investigations were conducted in other countries, while the other 9 were conducted in the United States. In terms of the most important HRM practices, the studies that were gathered were separated into six distinct categories. These categories include general HRM practices, HR planning, recruiting and selection, training and development, performance appraisal, and industrial relations. Because no individual study was located on job analysis or compensation, these two methods were not incorporated into the report. The findings provided the foundation for the necessary interpretations to be developed.

5. EMPIRICAL EVIDENCES

Human resource management best practices developed by a high-level committee can be implemented in a wide range of sectors, including the automotive industry (MacDuffie, 1995), the steel industry (Arthur, 1992, 1994), the nonprofit sector (Delaney & Huselid, 1996), the technology sector (Coolins & Smith, 2006), and the service sector (MacDuffie, 1996) (Harley et al., 2007). These studies show that compared to institutions characterized by a low level of commitment or control systems, those with high commitment systems are more productive, have better financial results, and are more successful overall. There is also substantial evidence that HCHRM plays a moderating role in predicting employee commitment of the organization (Agarwala, 2003; Kown et al., 2010; Macky & Amp; Boxall 2007; Pare & Amp; Tremblay, 2007; Ramsay, Scholarios, & Amp; Harley, 2000), and that a collection of HCHRM practices has a positive effect on job satisfaction, trust in management motivation, retention, and commitment of the organization (Whitener, 2001). The table (1) that follows provides a summary of early references to HPHRM techniques along with their results.

Table 1: HPHRM Practices in Different International Studies

Authors	HPHRM Practices	Findings
Arthur (1994)	Employee participation in managerial decisions, formal participation programs, training in group problem solving, and socializing activities, as well as the preservation of talented personnel and average wage rates, are all vital to an organization's continued success.	Systems with strong commitment have higher levels of productivity, reduced rates of scrap, and lower rates of personnel turnover.
Huselid (1995)	HRM factors: selection, appraisal, compensation, design, grievance, sharing, attitude, labor participation, recruiting, training, promotion.	High-performance work cultures decrease employee turnover, boost productivity, and ultimately improve a company's financial performance.
Whitener (2001)	Careful hiring, in-depth on-the- job instruction and evaluation, regular performance reviews, and fair	The use of HPHRM techniques helps to control the correlation between employees' perceptions

	internal and external compensation structures.	of their organization's support and their level of commitment to the company.
Agarwala (2003)	Recruiting, hiring, retaining, compensating, and incentivizing employees, Services and advantages, Incentives and acclaim, Skills development, Training for Managers, Methods of professional advancement and career planning, Evaluations of work performance, Possibility of progress, Strategy for the future, Humane approaches to employee interactions, Administration of Employee Separations, Taking on accountability for problems that matter to society.	The HR practices that are on the cutting edge are the best indicators of employee loyalty.
Gould-Williams (2004)	Collaborative effort, employee input, authority, compensation, education, and safety in the workplace are all desirable.	In government agencies, HCHRM has an effect on workers & feelings of contentment, drive, loyalty, and resignation.
Harley et al. (2007)	Participation in making choices, competitive remuneration, pay tied to performance, training, input into team operations, and participation in autonomous teams are all essential features.	In the service industry, HPWS benefit low-skilled employees more than high- skilled individuals.
Kown et al. (2010)	Job design, engagement in decision making, training and development, high level pay, pay based on performance, and performance appraisals all have a role.	High-performing employees have a stronger positive correlation with HPHRM practices than low-performing employees do with emotional.
Chiang, Han, and Chuang (2011)	a careful hiring process, extensive training and development opportunities, an emphasis on personal growth through evaluation, and remuneration that is both competitive and fair.	HCHRM practices dominate knowledge-sharing behavior via perceived organizational support (POS) and organizational commitment.
Wei et al. (2010)	High-performance human resource methods include providing career	HPHRPs define workplace mood. Happy workers do more for their

|	opportunities within the organization. Opportunities, extensive training, employment security, participation and communication, sensitive selection, and incentive compensation,	company. HPHR practices at plant level boost job satisfaction.
Sun et al. (2007)	Selective staffing, extensive training, internal mobility, employment security, broad job design, results-oriented appraisal, rewards, and participation.	Helpful behavior at work links to better turnover and productivity through service-oriented OCB.

6. GENERAL HRM PRACTICE
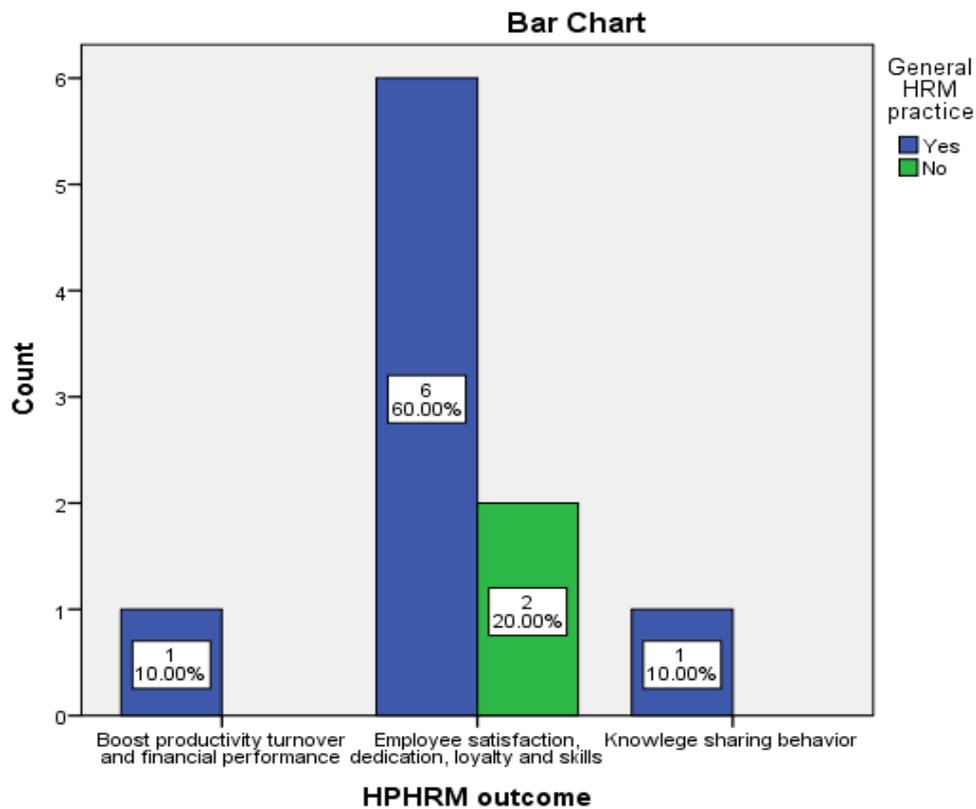
Figure 1: The Outcome of General HRM Practice

Among the 10 selected studies highest (60%) studies had a general HRM practice which HPHRM outcome was employee satisfaction, dedication, loyalty and skills followed by boost productivity, turnover and financial performance (10%) and knowledge sharing behavior (10%).

Table 2: Findings of HPHRM Practices in Different International Studies

HP HRM Practice	Outcome %		
	Employee satisfaction, dedication, loyalty and skill	Boost productive, turnover and financial performance	Knowledge sharing behavior
General HRM Practice	60%	10%	10%
HR Planning	60%	10%	10%
Recruitment and Selection	80%	10%	10%
Training and Development	80%	10%	10%
Performance Appraisal	70%	10%	10%
Industrial Relations	20%	5%	5%

HRM in Bangladesh: Human Resource Management (HRM) in Bangladesh is imperfect, and Siddiquee (2003) analysis of the system shows where improvements are needed. The current HRM failures, bureaucratic corruption, and growing politicization all contribute to a decline in the quality and efficiency of public services. Public sector human resource management (PHRM) in Bangladesh has structural and managerial issues, as discussed by Ehsan (2008). Using the theoretical perspective and associated themes from the 2005 World Public Sector Report (WPSR) by the United Nations Department of Economic and Social Affairs (UN/DESA), titled Unlocking the Human Potential for Public Sector Performance, Ehsan creates a model for PHRM with a wide variety of suggestions for improving the PHRM system. Businesses in Bangladesh are still at an immature stage of growth (Absar, Nimalathasan & Mahmood, 2012). Human resource management and its function inside private companies are largely underappreciated (Mahmood & Akhter, 2011). Bangladesh is witnessing progressive economic development with increasing FDI inclusion and corporate expansion, but managers there need to be ready to implement systematic human resource management in order to successfully attract, motivate, and retain personnel as the economy expands (Absar et al., 2012). Researchers in Bangladesh have proposed various ways in which private commercial banks (Billah & Islam, 2009; Islam, Mohajan, & Datta, 2012; Rahman & Iqbal, 2013; Newaz, Ali, & Akhter, 2007); Islamic banks (Rahman & Shahid, 2009); a pharmaceutical company (Ahmed, Tabassum, & Hossain, 2006); a private university (Joarder & amp; Sharif, 2011 (Hossan, Sarker & Afroze, 2012). The following table (2) summarizes research works on HRM practices in the organizations of Bangladesh.

Table 3: HRM Practices of Bangladesh

Authors	HPHRM Practices	Findings
Siddiquee (2003)	Management of human resources in government agencies, including but not limited to planning, staffing, promotion and transfer policies, as	In the public sector, the HRM practices that are now in place are woefully inadequate when it comes to encouraging employee

	well as the evaluation and compensation of personnel.	performance and ensuring future merit, professionalism, and integrity.
Ehsan (2008)	Activities related to human resource management (HRM) that are carried out in the public sector. These activities include hiring procedures, salary structures, performance evaluations, career counseling, and merit increases.	Errors in the administration of human resources that improve the way the government provides services.
Ahmed et al. (2006)	A pharmaceutical company's Human Resources (HR) strategy, employee orientation, hiring, on boarding, training, evaluation, advancement, and compensation, among other HR-related topics.	A company's HRM practices are not able to provide a lasting competitive advantage for the business.
Joarder and Sharif (2011)	The private university provides highly competitive salary, supportive management, and work that is guaranteed to continue.	The HRM policies and practices now in place have a significant bearing on the decision of the professors to resign.
Islam et al. (2012)	The compensation, the role in decision making, and the marketing philosophy of PCBs all need to be discussed.	The HRM procedures of a bank have a significant impact on the job satisfaction and morale of its employees.
Rahman and Iqbal (2013)	PCBs offer advantages in terms of employment stability, professional progression, promotion possibility, level of independence in the workplace, quality of life while working, compensation, and other monetary rewards.	The HRM policies and procedures are directly connected to the levels of worker satisfaction and turnover rates.
Newaz et al. (2007)	Chances for PCBs in terms of their careers, including job recognition, income, bonuses, and training chances.	Managing human resources involves procedures such as employee turnover.
Rahman Shahid (2009) and Zaman (2011)	PCBs must adhere to the Islamic Shariah in terms of performance evaluations, compensation, and employment practices. The hospital's process for hiring new	Except for recruitment, every HRM operation has an effect on the level of commitment shown by employees. When it comes to hiring new employees,

	employees	Bangladeshi hospitals have a terrible policy and practice overall.
Hossan et al. (2012)	Pay, hours worked, evaluations of performance, and financial incentives in the RMG industry.	In a manufacturing organization that relies heavily on manual labor, tactics for managing human resources are ineffective at increasing productivity.

HR Attribution Theory: This research examines the impact of high-performance work systems (HPWS) on HRM practices, employee attitudes, and organizational performance at federal-level public sector businesses using data from the 2011 Federal Employee Viewpoint Survey (FEVS). Human resource management (HRM) techniques have been shown to affect employee attitudes and behaviors, which in turn impacts organizational performance (Colakoglu, Lepak & Hong, 2006; Azmi, 2011). (Allen, Shore & Griffeth, 2003; Bowen & Ostroff, 2004). Nishii, Lepak, and Schneider (2008) use this idea to develop HR attributions theory. According to the central tenet of human resources management, performance at work may be affected by workers perceptions of the motivations behind HR policies and procedures. Employees attribute HRM practices like staffing, training, benefits, pay, and performance evaluations to (1) improving (service) quality, (2) reducing costs, (3) fostering a positive work environment, (4) extracting maximum productivity from workers, and (5) meeting the demands of labor unions, as examined by Nishii et al. (2008). The HRM practices and employee attitude and behavior link is connected to HRM practices as management aim to increase employee service quality and well-being. On the other side, there is a connection between HRM practices and workers attitudes and behaviors when those people see HRM rules as management attempt to save costs and exploit employees. There is no statistically significant correlation between employees attitudes and behaviors and their perception of HRM procedures as management acquiescence to the pressure of union. Nishii et al. (2008) validate their hypotheses by conducting tests of the theory in a service setting. The authors discover that different workers attribute various outcomes to the same HRM procedures, leading to variable degrees of commitment and happiness on the job. Individual attribution is communicated within units and has an impact on both operational cash flow and customer happiness at the organizational level.

7. DISCUSSION

HR attributions are "employees' causal explanations for HR practices to which they are exposed on a continual basis," as defined by Nishii et al. (2008), the authors of the HR attribution theory. In this paper, we explore how employees' attributing management's purpose to adopt various HRM techniques to their own actions affects the HRM effects on those employees. The current researchers believe that HPHRM practices can increase employee engagement, satisfaction, and retention if employees link HPHRM practices to improving the quality of their services or performances and their overall well-being, as proposed by the HR attribution theory. The current model seeks to fill the vacuum in the literature by investigating the influence of HR attribution on the link between HCHRM and HR outcomes (satisfaction, motivation, and retention).

8. PROPOSED RESEARCH MODEL

This study's author suggests a research framework on HPHRM practices to be piloted in Bangladeshi businesses. The HPHRM literature review is used to identify HPHRM practices. There is a correlation between these HPHRM principles and the way businesses in Bangladesh now handle human resources. Organizations, according to the model, should implement HPHRM practices (such as rigorous staffing, training and development, development-oriented performance appraisal, competitive and equitable compensation, career development, and job design) to improve the quality of their workers' work and their own well-being. In this context, learning how workers feel about HPHRM practices is crucial for making those changes and bringing about the desired results. The HPHRM model (Figure 1) is what has been suggested. The techniques of HPHRM are summarized with some of their earliest references shown in Table 3.

Figure 1: Proposed HPHRM Model
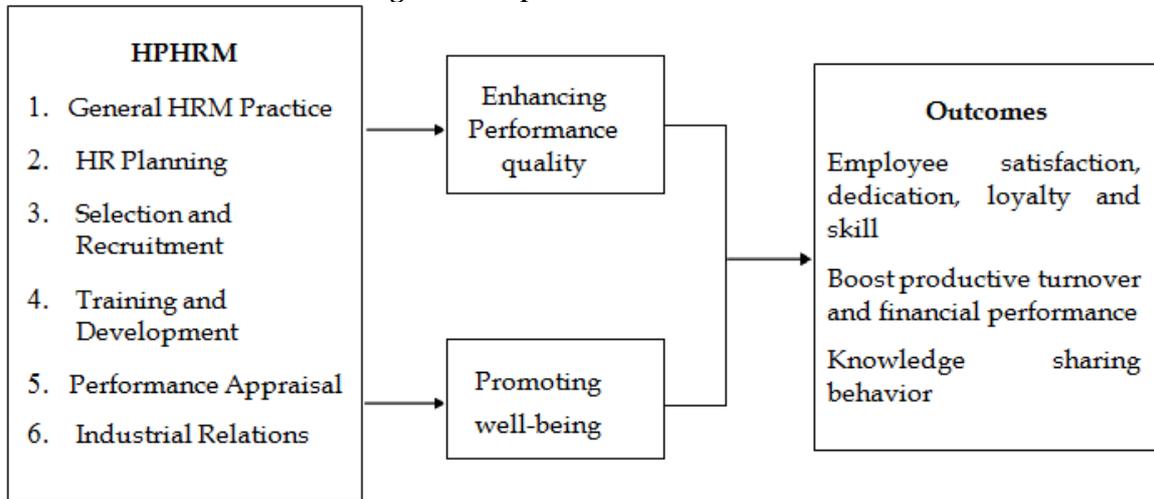
Table 4: Different HRM Practices Included in the Present HPHRM Model

HPHRM Practices	References
Staffing	Huselid, (1995); Whitener, (2001); Agarwala (2003); Chiang et al. (2011).
Training and Development	Huselid, (1995); Whitener, (2001); Harley et al. (2007); Kown et al. (2010); Chiang et al. (2011).
Performance Appraisal	Huselid, (1995); Whitener, (2001); Agarwala (2003); Harley et al. (2007); Kown et al. (2010) Chiang et al. (2011).
Competitive and Equitable Compensation	Huselid, (1995); Whitener, (2001); Harley et al. (2007); Chiang et al. (2011).
Career Development	Agarwal (2003); Wei et al. (2010).
Job Design	Kown et al. (2010); Sun et al. (2007).

Propositions: The proposed research paradigm allows for the development of the following hypotheses:

Proposition 1: There is a favorable correlation between HPHRM and employee job satisfaction, commitment, and retention if workers view it as improving the quality of their work.

Proposition 2: High-performance human resource management (PHRM) is associated with increased job satisfaction, loyalty, and longevity among current workers.

9. CONCLUSION

People at work should be treated with special care and not be treated as unimportant or left to chance. All Directors and other executives at different levels do HR tasks that have effects on HR. practices. So, HR practices should be made official and allowed to spread through all levels of the organization. Organizations should try to get rid of or cut down on all kinds of self-made human nature problems that could affect how they manage performance. Also, all problems that make employees less interested in and committed to the organization need to be fixed. Workers shouldn't be seen as the only way to make something or get something done. The gap between management and employees should be narrowed a lot in order to improve communication.

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