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REVIEW ARTICLE

Promoting Bangladesh Labor Law to Managing Human Resources in Enterprises- Perspectives & Challenges

Mohammad Shariful Islam*1, Md. Mizanur Rahman²

¹Human Resources Professional at Expo Freight Limited & Ex-Faculty at IIUC, Dhaka, Bangladesh.

²Department of Management Studies, Jagannath University, Dhaka, Bangladesh.

*Corresponding Author: Email: sharifuli@expofreight.com

Abstract

Bangladesh Labor law have a strong impact on industrial-economy growth and managing work forces among the enterprises in Bangladesh. By dint of exploring and emerging role of human resources management functions the implications of the law has been a big challenges to managing human resources in view to resulting a win-win situation between employer-employees. Now a days, the regulatory bodies, local-international stakeholders, chambers, development partners-donors, regional bodies, home countries-principles, development charters has been strongly focused on ensuring the implications labor as well as employment law in all enterprises within Bangladesh territory. At the same time the entrepreneurs has also been comprehended the necessity of managing-retaining-developing human resources through providing the best possible financial-non financial scopes & rewards. In view of that, the government has adopted Bangladesh Labor Act 2006 and Bangladesh Labor rules 2015. The article has focused on the perspectives to promote Bangladesh labor law that may aligned with the key functions of human resources management i.e. Recruitment, leave and working hours, compensation& wages, work safety, health-hygiene, employment separations & benefits, disciplinary process, right to form associations, right of expressing grievance & dissatisfactions in broader aspects. Furthermore, it depicts the impacts & practical challenges that enterprises may face with managing human resources. The methods of presenting the article content is a literature based analysis with some secondary data sourced from periodicals and reports of local and international bodies.

Keywords: Labor law/employment law, Human resources management, Challenges, Impacts, Labor.

Concepts, Objectives, Scope of Bangladesh Labor Law

Labor Law means those rules & customs of state by which the relation of employer. Labor is regulated in order to secure peace in the Industrial arena. The modern Labor law is compiled by the state where the basic purpose of labor law is to create exclusive relation between capital &labor. Also referred to as labor law, these rules are primarily designed to keep employees safe and make sure they are treated fairly, although laws are in place to protect employers' interests as well.

In another meaning, Labor law also meant "employment law" concerns the inequality of bargaining power between employers and employees that governs the rights and duties between employers and employees-workforces. It depicts the body of laws, administrative rulings, and precedents which address the legal rights of, and restrictions on, working human resources and their organizations. As such, it mediates many aspects of the relationship

between employers and employees-workforces and unions. In Author view, employment law is a bridge between the employer-employees that ensure a win-win employment relationship formal governed executed by contract. Henceforth, governmental organizations, autonomous bodies, corporations own employment law approved respective authority.

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Objects & Scope

The Bangladesh Labor Law adopted in 2006 as Bangladesh Labor Act 2006, mainly deal with the workers employed in the formal sectors. A vast majority of the workers employed in informal sector remain outside of the ambit of the labor laws of the country. This deals with the employment of labour, relations between workers and employers, determination of minimum wages, payment

of wages and compensation for injuries to workers, formation of trade unions, raising and settlement of industrial disputes, employee settlement and separations, health, work place safety, welfare and working conditions as well as environment of workers, and apprenticeship and matters ancillary thereto.

This labor law has been emphasized for manufacturing, newspapers & Print media, trading concern, ship-building shipyards, tea gardens, marine, ship building. Actually, the key focus has been given the category of the employee rather than the industry. The key objects of the law is to establish a continuous process of harmonious relationship between the employers and employee-workforces. They have another object of fastening together both the labor and capital in order to create an atmosphere that they are an indivisible whole in production. The ultimate object of labor/employment law is to maintain peace, employment security and steady growth of production of the enterprise conducting business in Bangladesh territory. Definitely, it is the great tool to settlement of dispute amongst the 4 tier relations employer-employee-regulatorpersisting society.

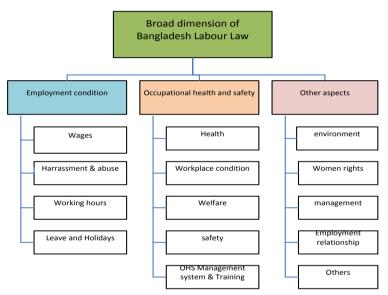


Figure 1: Broad spectrum of Bangladesh labor law

Rationale of Promoting Employment Law to Manage Human Resources in Organizations

It is obvious that, Human Resources are the key elements torun every organization. Today, this resource has been recognized as the human capital for achieving the ultimate goals of enterprise. In view of managing human resources in line with the need of organization most organizations having Human Resource management division, the main purpose of which is to manage HR in a more efficient way. In the eve of global transformation, Industrial economy Bangladesh have shown a tremendous growth over the last decadethat necessities a demand of efficient, competent, knowledgeable, energetic and enthusiastic and professional human resources to be

placed in right work place. Owner as well as employers has been realized the urgent need of capable workforce to ensure the productivity in right place and at the same time employee has also been realized the demand for proper employment benefits both intrinsic and extrinsic.

The Hygiene factors i.e status, job security, salary, fringe benefits, work paid conditions, good pay, insurance. that do not give positive vacations satisfaction or lead to higher motivation, though dissatisfaction results from their absence. The term "hygiene" is used in the sense that these are maintenance factors. These are extrinsic to the work itself, and include aspects such as company policies, supervisory practices, or wages/salary and

Motivators (e.g. challenging work, recognition for one's achievement. responsibility, opportunity to do something meaningful, involvement in decision making, sense of importance to an organization) that give positive satisfaction, arising from intrinsic conditions of the job itself, such as achievement. orrecognition. personal growth, has been catering the an equal importance in work place (Herzberg-two factor)

The idea of global labor standards has increasingly made domestic labour law to international dimensions. Besides pervading various areas of law, Labor Law can be said to be both multidisciplinary and interdisciplinary subjects as it relates to almost all areas of study and in particular it straddles the frontiers of human resource management, economics. sociology, psychology. medicine. politics and international relations among others [1].

In view of that, in Bangladesh this has become a high concern of ensuring and satisfying employee needs to keep them in right track of performances, retain them to optimize the productivity align with business goals of enterprises. The infusion of Bangladesh Labour law is a milestone for the entire human resources functions of enterprises to utilize and retain the productive human resources.

The labour law as a whole and its two important broad components (individual and collective labour law). Individual Labour Law is a body of rules concerned with the individual relationship between employers and employees and covers such areas of Labour Law as: (i) The different categories of employees like the blue-collar and whitecollar employees, the private sector and public sector employees, the regular and temporary employees, employees probation, employees with two employers; vulnerable groups including children and young persons, apprentices, women, aged, physically challenged and persons suffering from stigmatized health conditions such as HIV/AIDS (ii) The individual contract of employment: form and content, the legal capacity to conclude the contract,

termination of the contract and available remedies for wrongful termination of the contract.(iii) The implied rights and duties of parties in employment relationship (iv) Working time, rest, holidays, annual vacation and so on (v) Remuneration;(vi) The rules concerning incapacity to work: due to illness, an accident at work, election to a full-time union post and so on (vii) Job security (viii) protection against discrimination; (ix) Competition by former employees (x) Inventions by employees and (xi) Individual disputes and their settlement etc.

Collective Labour Law-on the other hand, is concerned with the aspects of the labour law such as (i) Freedom to form or belong to a trade union or the right to organize(ii) Relationship between trade unions and employers or their associations at plant, enterprise, industrial as well as at local and national levels (iii) Collective bargaining (iv) actions including Industrial picketing. strikes and lockouts (v) Collective industrial (vi) Settlement disputes of collective industrial disputes and (vii) The protection of essential needs etc [2].

In the year 2015-16, the government put greater emphasis in human resources development. It meant that, the government will give some extra efforts for further development of education, health and other social sector. From analyst views, these extra efforts means there would be more monitoring, bigger patronization in projects, effective affiliation of relevant organs of governmental system to flourish the area, infusion new policies as catalyst. Achieving higher growth in future on these indicators does certainly hinges human resources development [3].

The necessity of having a relevant and result worthy labor law to is an aim to support the strategies of vision 2021 to be a middle income status country by 2021 [4].

Analysis of Targeted Beneficiary of Bangladesh Labor Law

Apparently, the ultimate targeted beneficial of the labor law is all the work force involving in all non-governmental sector within Bangladesh territory. In recent

statistics by World Bank among south Asian countries shows that, Bangladesh is a

country where the number of employed work force is increasing every year. Amongst other countries of south Asian region, Bangladesh is the second largest in terms of work forces.

Table 1: Analysis of targeted beneficiary of Bangladesh labor law

Country Name	2011	2012	2013
Bangladesh	74,336,699	75,826,258	77,333,240
India	475,090,729	477,952,680	487,882,088
Pakistan	60,158,367	61,816,228	63,649,201
Srilanka	8,574,175	8,368,189	8,451,000
Bhutan	370,666	382,265	393,397
Nepal	14,433,982	14,816,575	15,201,036

Sources: The World Bank

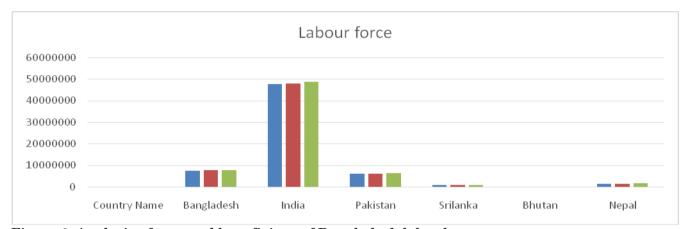


Figure 2: Analysis of targeted beneficiary of Bangladesh labor law

The table above shows that, starting from 2011 to the year 2013 total number of labor forces increased every year in Bangladesh. So it's become the employment law which needs to be ensured and give guarantee of sound and ethical dealing of employment towards the labor-workforces forces involved in the economy.

Bangladesh Bureau of Statistics (BBS) conducted periodic survey by at an interval of every 4-5 years. The latest report conducted in May, 2010 compared the statistics with the year 2002-2003 and 2005-2006. The survey of 2010 recorded labor force participation of all persons aged 15 years and above covering the whole geographic area of the country [5].

Table 2: Survey report

SL	Category	2002-2003	2005-2006	2010		
	Total	44.3	47.4	54.1		
1	Male	34.5	36.1	37.9		
2	Female	9.8	11.3	16.2		
BBS Labour force survey (15+poplutions), Report on Labour Force Survey 2010. Data: in Million						

Table 3: Survey report

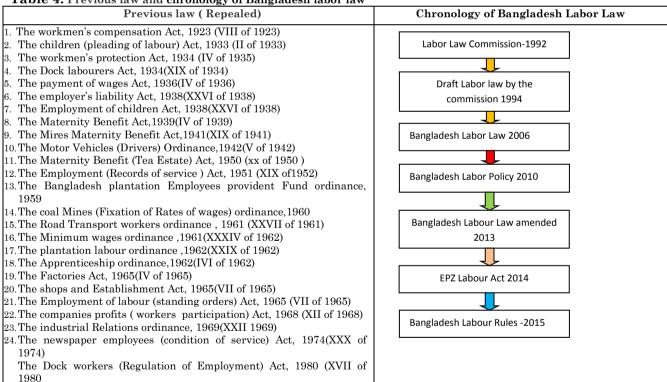
Industry-wise work forces	2002-2003	2005-2006	2010
Total	44.3	47.4	54.1
Agriculture, forestry & fisheries	22.9	22.8	25.7
Mining and quarrying	0.1	0.1	0.1
Manufacturing	4.3	5.2	6.7
Electricity, Gas and water	0.1	0.1	0.1
Construction	1.5	1.5	2.6
Trade, hotel and restaurant	6.7	7.8	8.4
Transport, storage & communication	3	4	4
Finance & business services and real estate	0.3	0.8	1
Health, education, public administration & defense	2.5	2.6	2.3
Community and personal services	2.7	2.6	3.4
Labour force survey (15+poplutions), Report on Labour	ır Force Survey 2010 b	y BBS. Data: in Million	

The Chronology of Development of Bangladesh Labor Law

It has been the talking fourteen years when the country started thinking of having a labor as well as employment law. Until 2006. there were more or less thirty separate laws which related to labor issues in the country. To simplify the labor laws and make a comprehensive single labor code. Government formed a commission namely the Labor Law Commission, 1992 with members from employers and workers, as well as Government representatives and legal experts. Based on the report submitted by the commission on 31st March, 1994 and followed by long discussions with the Employers and Workers, GOB passed the Labor Act, 2006 on the 11th October, 2006 repealing the existing 25 laws of the country [6].

The Bangladesh labor code is one of the very recent laws with major overhauling changes in the field of labor legislation. The law governing labor relations is one of the centrally important branches of the law the legal basis on which the very large majority of the people earn their living. The level of the wages-nominal or real which is the vital issue can only be marginally influenced by rules and institutions. Marginal influence of the law on the people's welfare depends on the products of people's labor which in turn in very large extent the result of technical development. In the second place, it depends on the forces of the labor market on which the law has only a marginal (tough not a negligible) influence and thirdly on the degree of effective organization of the workers in trade union to which the law can again make only a modest contribution.

Table 4: Previous law and chronology of Bangladesh labor law



In scholarly thoughts, Bangladesh Labor Law follows that the sources of the law are basically rooted in the English law which is predefined in Indian subcontinents. Customary law has not significantly contributed to the development of the rules guiding the employer and the employee

relationship and thus is not regarded as a source of the Bangladesh labor law. The other sources include the constitution, legislation, common law, collective agreements and rules of work, custom and practices and international sources

The labor courts play an important role for maintenance of industrial peace through settlement of issues on labor management and hence they enjoy problems. confidence of both the employers and the workers. The labor court acts as civil court as well as criminal court and tries offences punishable under labor laws. The Labor law also provided for establishment of a Labor Appellate Tribunal for entertaining appeals against awards of labor courts on industrial disputes. The Labor Act 2006, provided for a grievance procedure for redress of individual grievance of any particular worker in respect of their employment or conditions of work or infringement thereof. This widened the scope of the Labor Court and its jurisdiction to look into the grievances of individual workers in respect of their rights arising out of any matter covered by the said Act. This covers cases of illegal dismissal, discharge, lay off, retrenchment or termination of service by victimization for trade union

activities or infringement of their rights covered by the said Act, and the Court as such was vested with jurisdiction to provide effective remedy to the workers for any wrong done to them by the employer.

The Role of Human Resources Department as Propeller

After adopting the labor law there is much of concern of its implementation by the human resources department. Most of the cases it has become a challenge for the human resources managers to ensure the win-win situation between the employee employers. The recent incidences among the garment industries are the live. Indeed, there is strong presence and role for the human resources management department to ensure the adoption of the law through incorporating all the guidance and elements as per the labor law as propeller.

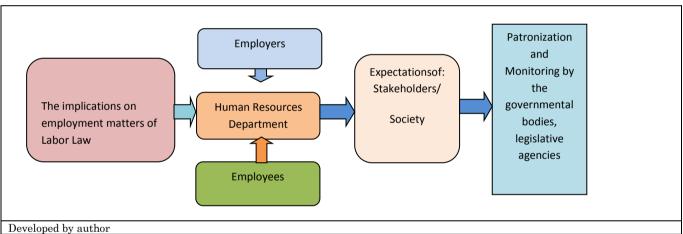


Figure 3: Model of role alignment between stakeholder and human resources department

The above chart shows that, the position of department human resources implementing the employment matters of labor law is in the middle as propeller. It is the role of human resources department to ensure the interest of employer, employees and meet the expectations of stakeholders, society, regulators on complying all the implications reading employment matters of labor law. Finally, there is governmental bodies who must patronize and monitor the activity taken. Some particular role can be launched by human resources department as below:

In particular we can identify following key role to manage the human resources in organizations though the adaptation of prescriptions of the law:

- Be ethical in employee recruitment, employment letters with disclosures all terms and conditions there to.
- Be rational, fair enough in deciding the nature of employee i.e contractual, permanent
- Be rational in fixing the types of employment i.e Seasonal. Badly, causal, temporary, apprentice
- Be specific in fixing remunerations, compensation and benefits parks which must adhered to an approved policy
- Make sure the salary and allowances are paid at the time mentioned the law.

- Be make sure that, employee has been given the right nature of job
- Be guarantee that, employee has been given right number of leaves (Casual, Earn, sick, festival) and holidays, compensatory holidays, overtime and all allowances as prescribed with regards to the nature of industry.
- Be confirm that, employee has been given sound working environment, health-safety.
- Be guarantee that, female employees getting right maternity benefits, working hours, baby care facilities.
- Be confirm that, employers has to ensure the subsidize lunch, canteen, rest facilities
- Be ethical enough that, employee provident fund, service benefits has been rightly taken care by trustee board
- Be transparent in separation from services whatever the mode of separation is guided circumstances as per law.
- Be transparent enough to ensure the settlement of employee benefits, released papers, clearance at the time of release from the job.
- Be open in transferring employees within the group of companies.
- Be transparent enough to ensure the disciplinary process, (general and misconducts) going in right directions as per the process mentioned in the law.
- Make sure that, the insurance, medical treatment facilities are on boarded.

- Be persuasive to establish the CBA, employee participatory fund as mentioned (80/10/10) rule
- Be confirm that there is no child labour and if any must ensure the prescribed working hours of the law.
- Be careful on every types of retrenchment ensuring benefits and reemployment conditions.

Impacts Indicators among Stakeholders

Study shows, because of having different different laws and types implications it effects in overall employment practice which directly influence enterprise market context and internal processes. On the top, having multiple employment laws raises firms' labour costs and adds to their administrative cost burdens. Big sized firms though manage some way but the impacts on small-mid scale firms may be particularly their limited administrative acute for resources and their economic vulnerability [7].

Though Employment law is designed to protect the rights of the employee and covers almost all aspects of the employer/employee relationship but the key impact is to be indicated by the 3 broad segment of the areas i.e to employees 2) to employers 3) to the governmental bodies/regulators:

Table 5: Impact analysis

To the employees To the government bodies To the employers A unique employment lawas a Ensure policies and procedures comply Ensure adequate monitoring, follow up& source ofinspiration inthe with current employment law/Labor inspections through work team. recognition of jurisprudential Law. Met the charter of international bodies principles Reviewing policies and procedures in and agendas. the light of forthcoming changes of Employee got the assurance on ■ Encourage foreign investment through protecting their employment rights, legislation& its compliance ensuring best working and employment Stav up-to-date with the latest trends interest. culture Scope of Legal right to be addressed and developments in employment law Emphasis on human resources in any cases of exploitation Understand the impact of new development legislation and adopt all rules within A secured way to ensure job Confirming the directives International commitment toward organizations the business premise. Labor law correspond to geography. An assurance and safeguard of A key drivers to do good business best ■ Be a strong affiliate of ILO, world bank, employment on each right and though talent work forces. IMF and other regional and global Permit to form CBA, trade unions privilege. charters ■ Formation of wages commission, labor court, appellate tribunal.

Critical Challenges ahead to be addressed

Immediately after independence of the country there were about 80% workers in

the public sector and 20% in the private sector. The figure for the public sector is now about 5-6% and 93-94% in the private sector. In both the industrial and the agriculture sectors there are about 6 million workers,

and many workers from informal sectors should remain under the jurisdiction of this law, but the new law did not make this clear. Statistics show that the majority of workers are engaged in the private sector [8].

The law may have considered a positive step towards making the labor law even handed well-timed but in reality and implementation of some of the provisions still remain reliant to the succeeding framing of rules by the government. Finally, government has made rules September 2015 to strengthen and implementation of the law.

Though it is name as Bangladesh labor law but the uniformity is still a big questions. Apparently, they law has been emphasis the garments industry and its work nature. Apart from that, the law has been categorized the employee level which creates practical challenges to ensure the equal treatment and parity of the law. Following challenges has been identifies.

- It does not apply to many categories of workers, such as domestic workers, managerial and administrative.
- The only focus is RMG though there are a good number of human resources working in banks, insurance, NGOs, hospitals, academic institutions, and some other informal sectors.
- Too much botheration of paying compensation on time. Still, it took a huge pressure by governmental, buyers. Victims of Tazreen Fashions Ltd Fire 24 Nov 2012 112, Smart Export Garments Fire 26 Jan 2013 8, Rana Plaza, Building Collapse 24 Apr 2013 didn't their benefit on time.
- Most of the garments industries still not paying festival bonus, salaries to the employees immediately before festivals as a result the it causes extreme frustration the employees who started agitations, vandalism.
- There are less number of work forces in labor ministry to look after the implementations of the law which causes a big pitfalls to ensure the right monitoring by regulators.
- Political influence by the ruling party businessman to protect their owned business houses.

- In RMG, the GSP has been cut by US on 2013 on the ground of improving labor and safety standards, which needs to turn back by the government.
- Over the years, employment sector tremendously improves but the life style of the blue color employee does not develop.
- Formation of industrial police has become a psychological threats to the employees for the industrial premises.
- In the RMG sector workers constantly feel that they have been largely deprived of the rights and benefits in the existing labour laws, especially the rights and benefits related to issue of appointment letters, job security, provident fund, gratuity and working hours.
- In Manufacturing industry, most of the trading houses do not practices HR and IR issues and have no well-defined HR or Personnel unit. In the RMG are controlled workers by a supervisor who works on behalf of the factory owner. But the typical work supervisor has no training in leadership, human policies, law resource and legislation, and health and safety policies.
- The human resources or personnel managers are not adequately qualified and handle the issues professionally and efficiently.
- In fact, the Infrastructure of most privately owned enterprises in Bangladesh is poor due to a lack of financial support as well as government and policymaker's inadequate attention to this sector. Assuring job satisfaction, over the long-term, requires careful planning and effort both by management and by workforces.

Recommendation to Ensure Right Uses of the Law for Managing Human Resources

Studying above, following recommendation need immediate attentions to all respective concern with a view to optimize the effective uses of the law to managing human resources.

• A well-Functioning employee relations system must contain the following components with their key characteristics.

- In view of that, the Human Resources management department can arrange periodic audit on the implementation of directives.
- Labor laws and regulations that protect fundamental rights provide for appropriate remedies and penalties and that establishes institutional roles and responsibilities with public reporting requirements
- There needs to be extensive training, education to the user employees on the outcome and comfort.
- Importantly, strict and timely monitoring of the compliance including factory inspection shallhave to be ensured and a new provision of stringent punishment for the delinquent officials.
- To reduce the incidents of workers unrest inthe factories, the adjustments of their salaries in view of the inflation of every year is alsoneeded.
- Efficient and effective labor administration that educates about the labor law and what is required for compliance enforces the laws and verifies compliance and promotes common rights and interests
- Efficient and effective dispute resolution that uses a system of adjudication, that employs respected professional judges and members that apply the rule of law principles with due process in a user friendly manner, and applies appropriate penalties in a reasonably timely manner.
- Role of Ministry to Inspect at any reasonable time a working premise; require the production of records kept pursuant to the BLA's requirements; Interview witnesses; and Demand an explanation from an employer about their records.
- Civil society organizations could use both e-organizing and other community based forms of alternative organizing to educate workers about their rights, build awareness of trade unions, and link workers to service delivery organizations.
- Approaches may include establishing a labor management award. The award could exist in coordination with an initiative to share information and provide advice to employers on best practices in the areas of profit sharing and other types of services or benefits to employees.

- Behavior through positive reinforcement and peer pressure effectively engaging Employees.
- Research suggests that the RMG sector would benefit by the introduction of modern HR and IR activities through the establishment of HRM or personnel management functions unit in the industry.
- As a powerful stakeholder, the Bangladesh government can put pressure on garment manufacturing enterprises for the working improvement of conditions through best practice of HRM and IR activities. This provided a mandate for all public sector employers to develop and implement policies aimed at promoting best practice HRM practices in the four functional areas of health and safety, training and development. egual employment opportunity (EEO), and recruitment and selection as per labour
- At last not least, the proposed amendment needs to be intensely discussed as an attempt to have the amendments flawed free and pragmatic for betterment of all concerned [9-12].

Concluding Thoughts

Bangladesh is committed to becoming a middleincome country by 2021by its 50th independence.Bangladesh vear of employment market is successfully making transition from low productivity agriculture sector work to more productive non-farm work in both rural and urban areas. The infusion on new business trade lane, foreign and local investment has become tremendously growing every years.

Achieving sound employment growth in Bangladesh is a crucial policy issue for the nations as a whole. This may be accompanied by increasing and persisting income inequality, polarization between good jobs and bad jobs. Also there is a larger question of providing job security to the workers employed in the organized sector and protection of the vast informal labor force.

Emerging trends in labor law with particular reference to Bangladesh is the

quest by the country to attain international best practice in retaining workforces and industrial relations practice at all levels. This is sought to be achieved through legal and regulatory frameworks that aim at the attainment of the international labor standards set out by the ILO.

The conclusion of this paper is that there is generally conducive legal and regulatory environment for the practice of labor-workforces in Bangladesh that can be said to

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have met the minimum International labor standards. This coupled with right attitude on the part of the judiciary and by the agencies charged with the responsibilities of the implementation and enforcement of labor law in the country will no doubt cure the seeming lapses in the environment and enable the country to join countries with developed and good labor-workforces and industrial relations practice in the near future.

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