

COST- BASED PRICING APPROACH AFTER BREAK-EVEN IN MARKETING FOR SMALL & MEDIUM ENTERPRISES (SMEs)

Dr. Uttam Kumar Datta ¹

ABSTRACT

This study is an attempt to introduce a new pricing approach under cost-based pricing approach and break-even analysis by redefining the fixed costs. It is observed by analysing secondary data, expert opinions of some academics and discussion with some marketing executives in different business organizations that fixed costs can be divided into static fixed costs (land, plant, machinery, office equipment and furniture etc) and presently considering fixed costs can be called running fixed costs (rent, utilities, salaries of indirect labour, holding tax, depreciation etc.). A pioneer marketer out of the capital market can apply cost-based pricing approach to get the break-even revenue for recovering the initial investment by considering per unit static fixed costs with per unit running fixed cost plus mark-up. After the break-even, the marketer can reset cost-based price maintaining almost same profit without considering per unit static fixed cost to face the new entrants and potential competitors. Therefore, an organization out of capital market should treat its initial investing assets as the static costs in cost-based pricing to recover the investment risk. On the other hand, after break-even, it would be justified to treat these static fixed costs as assets and use this cost area as the range of price strategy for competitiveness.

Keywords: static fixed cost, running fixed cost, recovering investment, pricing approach, competitiveness

INTRODUCTION

This paper is about to introduce a new pricing approach for price setting in marketing named “Cost based Price after Break-even.” at the time of introducing a new product for a pioneering marketer in a marketplace. A firm (sole trader, partnership, and private limited) must set a price for the first time when it develops a new product (Kolter, 2004). Actually, a marketer wants to recover the initial investment costs like buying land, plants, machinery, furniture etc. to avoid investment risk. Those organizations that have public offerings in capital market treat these costs as the assets because the shareholders are the owners of the initial investment. In fact, these are of course the initial investment costs or static nature of fixed costs. Therefore, these static natures of costs should

¹ Senior Management Counselor, & Head of Marketing Management Division, Bangladesh Institute of Management (BIM)

be treated as assets after achieving break-even for initial investment return revenue to treat it as the organizational assets. The most elementary pricing method is to add a standard mark-up to the product's cost. Lawyers and accountants typically price by adding a standard mark-up on their time and costs. Still, cost-based mark-up pricing approach for the setting price, especially for a new product, remains popular because of its simplicity. The simple formula of setting a cost-based price setting is per unit fixed cost + per unit variable cost + expected of suitable mark-up over a market condition. A long traditional going back to (Viner, 1931) considers that fixed costs correspond to the cost of fixed inputs. However, splitting the whole set of inputs into two disjoint sets (with either fixed or variable inputs) do not provide a faithful description of many economically interesting techniques. In target return pricing under cost-base pricing approach, a marketer determines the price that would yield its target rate of return on investment (ROI) to avoid the investment risk (Kotler, 2004). In fact, after achieving the break-even quantity revenue to recover the investment (static fixed costs like the buying land, plants, furniture, machinery etc.), most of the marketers continue the pricing strategy considering the fixed costs in appropriate market condition. In effect, this pricing strategy does not support the cost-based pricing approach because major fixed costs like buying land, machinery, plant, official equipment have already been recovered through obtaining break-even revenue. Only some fixed costs that are needed to continue production like salaries of indirect labour, utilities, depreciations etc. can be charged to continue cost-based pricing strategy. Therefore, charging per unit fixed cost after achieving break-even is not justifiable from the viewpoint of consumer rights. On the other hand, cost management is one of the most important issues of company performance and company financial management also the issue of the costing systems; methods and techniques are one of the important features of cost management (Popesko, 2014). New challenges and expectations of the consumers force the companies to develop and introduce policies which foresee their strategy for dealing with social ecological and other problems. On the other hand, such actions of the companies positively influence their image, increase competitiveness and lead to higher market value (Bilan, 2013). In analysing this statement, a marketer can differentiate its offerings by lowering the price without per unit static fixed cost to maintain social responsibility. The single most important decision in evaluating a business is pricing power if you got the power to raise the

prices without losing business to a competitor; you have got a very good business (Campbell, 2011). The author in this article states that pricing is an important tool for business success. Therefore, after break-even revenue, it is an endeavour for resetting price for competitiveness for becoming a successful marketer. In this context, a new pricing approach may be introduced on the basis of secondary and primary data in setting price strategy named “Cost-based Pricing Approach after Break-even Point.”

LITERATURE REVIEW

1. Pricing Approaches

There are three approaches to set price in marketing. They are; (1) Cost-based mark-up and target profit maximization through break-even analysis, (2) Value based pricing approach, and (3) Competitive pricing approach or going rate approach. (1) Cost pricing or cost-plus pricing is the practice of adding some percentage to known costs to arrive at the offering price (Anderson & Narus, 2004). While costs must be taken into account in pricing decisions, the cost plus price often uses an inefficient chronology of steps in the pricing process (Nagle & Holden, 2002). The method involves setting a volume first and constructing a cost-based price from that. A more efficient method is to begin by determining a value that customers can accept and build the market and quantity numbers from there. In the cost-based pricing, decisions are influenced primarily by accounting data, with the objective of getting a certain return on investment or a certain make-up on costs. Typical examples of cost-based pricing approaches are cost-plus pricing, target return pricing, mark-up pricing or break-even pricing. The main weakness of cost-based pricing is that aspects related to demand (willingness to pay, price elasticity) and competition (competitive price levels) are ignored. The break-even analysis and target pricing are used by General Motor which prices its automobiles to achieve a 15 to 20 percent ROI. This method is also used by public utilities, which need to make a fair return on their investment (Kotler, 2004). Suppose the toaster manufacturer has invested BDT (Bangladesh Taka) 1 million in the business and wants to set a price to earn a 20 percent ROI, (BDT 200,000). The target return price is given by the following formula:

Target – return price

$$= \text{unit cost} + \frac{\text{desired return} \times \text{invested capital}}{\text{unit sales}}$$

$$= \text{BDT } 16 + \frac{.20 \times \text{BDT } 1,000,000}{50,000} = \text{BDT } 20$$

The manufacturer will realize this 20 percent ROI provided its costs and estimated sales turn out to be accurate. But what if sales do not reach 50,000 units? The manufacturer can prepare a break-even chart to learn what would happen at other sales levels. Fixed costs are \$ 300,000 regardless of sales volume. Variable costs are not shown, rise with volume. Total costs equal the sum of fixed costs and variable costs. The total revenue curve starts at zero and rises with each unit sold. The total revenue and total cost curves intersect at 30,000 units. This is the break-even volume. It can be verified by the following formula:

$$\text{Break – even volume} = \frac{\text{fixed cost}}{(\text{Price} - \text{variable cost})}$$

$$= \frac{\text{BDT } 300,000}{(\text{BDT } 20 - 10)} = 30,000 \text{ Units}$$

(2) Competition-based pricing approach uses competitive price levels or on anticipated or observed actions of actual or potential competitors as a primary source to determine appropriate price levels. The main advantage of this approach is that the competitive situation is taken into account, and the main disadvantage is that it ignores demand functions.

(3) Customer value-based pricing uses data on the perceived customer value of the product as the main factor for determining the final price. This approach asks “How can we create additional customer value and increase customer willingness to pay despite intense competition?” The big advantage of this approach is that data on customer preferences, willingness to pay, price elasticity and size of different market segments are usually found and interpreted. Furthermore, customer value-based pricing approaches may lead to relatively high prices, especially for unique products. It is observed in the above section that the specific pricing approach is suitable in specific market condition and marketing strategy.

2. Cost Classification, Nature of Fixed Costs and Setting Competitive Pricing Strategy

(Dant & la puka, 2008) Nagle and Holden go as far as saying few professional managers consider pricing sense. (Synek, 2011) defines the

five major natural types of costs : material, labor, depreciation, external services, and financial costs. But he did not consider the buying cost of land, developing costs of the plant, buying costs of machinery and furniture as the initial investment costs that an investor or marketer wants to recover from the business operation. (Drury, 2007) defines that direct costs are those costs that can be specifically and exclusively assigned an identified with the particular cost object, while the indirect (overhead) costs cannot. (Wagner, 2012) states, that the determination of all cost drivers affecting the development costs of a business is usually very difficult, This is due to, for example, to weak intensity of its effects as compared with the other relational values. We can speak about purely variable costs; purely fix costs, purely fixed and semi-variable and semi-fixed costs (Drury, 2007). In this statement, the initial investment (buying land, developing plants, office equipment and furniture etc.) should be included in purely fixed costs and semi-fixed costs should be treated as running fixed costs (depreciation, rent, utilities, salaries of indirect employees, holding tax etc). It is also possible to evaluate costs variability also from the viewpoint of the time influence. As for example (Hansen, 2009) states, according to economies, in the short run, some costs may be fixed but in long run, all costs are variable. In that context question related to the exact length of the short term time period arises. (Weil & Maher, 2012) states, in the vast majority of the literature, is the issue of variability of costs examined only from the perspective of a relationship quantities for which the volume is considered performance (outputs) volumes of output as the fundamental cost driver. As (Landa, 2012) specifies, the core of the problem is whether we use total costs or partial types of costs for the identification of the variable and fixed cost components by using synthetic or analytic cost models. Another approach is to divide costs into variable and fixed in terms of their relation to the final performance sold. An alternative view of the variability of costs is through tying costs to the length of the period. The length of time is determined as a factor that determines the possibility of adapting the costs to input volume performance. Therefore, long-term investment cost in the land, establishing the plant, buying office equipment and furniture can be renamed into static fixed costs and the running fixed costs during the operating marketing activities can be called running fixed costs. All of these approaches can be termed as justified. However in changing conditions these are inadequate because significant part of the company's costs is due to the additional non-production processes associated with the formation of values for the

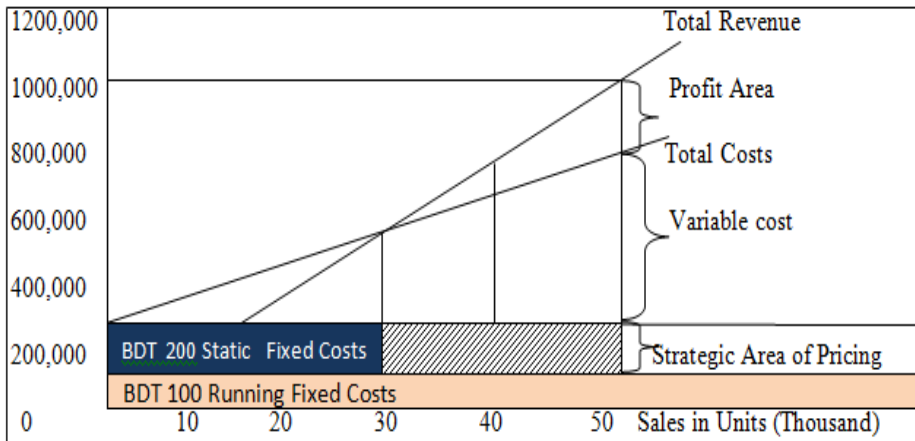
customer (marketing, distributing etc), and these costs may show variability in relation to the volume of output (Doyle, 2006). Various types of the product costing system and methods are defined by the academics and practitioners. According to traditional management accounting (Shim and Siegel, 2009; Garrison et. al., 2010, Weygandt et al., 2010, Van Derbeck, 2013 etc.) to provide management with the data needed for effective cost control. Two basic types of the cost system. Both systems are used to gather cost data and to allocate costs to goods manufactured. According to this statements and management accounting, a marketer or new investor should allocate its initial investment costs to goods or services manufactured to recover all investment costs through break-even sales volume and revenue. After this marketing performance, an investor should treat its static fixed costs as the organizational assets in the accounting system. At this stage, a marketer may face some new competitors and potential competitive attacks that can be strategically faced by resetting cost-based pricing on the basis of per-unit running cost plus appropriate markup. Because new entrance of competitors may set price without considering per unit static fixed cost to win competitiveness with high risk to face the pioneer investor or market leader's pricing strategy.

3. Concept of the Study

Pricing strategy is the most important strategy in creating demand, increasing demand, profit maximization, and protecting competitors' attacks. A successful marketer should handle it strategically and carefully. A marketer should be more careful in setting price strategically in a different situation and market conditions. In traditional pricing, marketers often set the price based on their production costs and percentage of mark-up for profit. In this connection, first of all, a market estimates the per unit fixed cost and variable costs to set price by adding a percentage of mark-up or profit. In effect, after reaching the break-even, the organization should not charge the per unit fixed cost because fixed costs have already been recovered by obtaining the break-even revenue. But practically, charging per-unit fixed cost in pricing is continuing traditionally which is not justified especially in cost-based pricing approach. In this new concept of this paper, fixed costs can be divided as its character into two parts; (1) static fixed costs (land, plant, machinery, furniture etc.); these costs occur one time and do not continue over a long duration except depreciations and holding tax. (2) running

fixed costs (salaries of indirect labour, rent, utilities, depreciation, holding tax, etc.) is continuous in nature. The static fixed costs do not run after a production like onetime plant cost, land cost. But running fixed costs continue along with the production process like salaries of executives, utilities. Therefore, a marketer can charge only the per-unit running fixed costs with variable costs to apply the cost leadership strategy after achieving investment return at the break-even revenue in setting a price for competitiveness in the market. All the competitors' entrance and performance are not the same. Therefore, the first break-even achiever can apply the cost leadership strategy to reset its price lower after getting break-even revenue for competitiveness. The concept can be shown in the following figure;

Figure 1 Conceptual Model of Cost-based Pricing Approach after Break-even in Marketing



In the above figure of the break-even analysis, a marketer is being able to recover the fixed investment 300,000 BDT (static fixed costs 200,000 BDT + running fixed costs 100,000 BDT) by obtaining 30,000 units (break-even quantity) sales volume. At this point, a marketer charged $(300,000 \div 30,000) = 10$ BDT. per unit fixed costs (static + running fixed costs) and the return on investment (ROI) price is BDT 20 here including per unit variable cost and percentage of mark-up. But after break-even, a marketer charges the same price considering the per unit fixed cost. This attempt is not supported by cost-based pricing approach after the target profit $(1,000,000 - 800,000) = 200,000$ BDT. In fact, at this level of sales revenue, the actual profit should be $200,000 + 200,000$ (converted static fixed costs into profit) = BDT 400,000 and all static

fixed costs or one-time costs should be treated as the assets at this level. As the cost-based pricing means costs plus mark-up, a marketer should reset price by reconsidering the per unit running fixed cost plus variable cost plus a percentage of markup. In effect, the amount of revenue in the strategic area of pricing of the figure should be treated as profit because this static fixed cost is already been recovered and the cost has been converted into organizational assets. According to the figure 1, if the sales volume is 60,000 units after achieving target profit, the per unit running fixed cost should be $(100,000 \text{ BDT} \div 60,000 \text{ units}) = \text{BDT } 1.67$. In this context, conceptually the cost-based price after break-even should be reset as BDT 1.67 plus per unit variable cost plus market condition based percentage of mark-up without any per unit static fixed cost. In the given break-even analysis, the per unit return price has been set BDT 20 per unit considering per unit variable cost BDT 10 plus mark-up BDT 4. But at this stage of pricing, the per unit cost will be (per unit running fixed cost BDT 1.67 + per unit variable cost BDT 10 + mark-up BDT 4) = BDT 15.67. This price is lower BDT 4.33 than BDT 20. Therefore, hence the marketer can reduce price within the range of 4.33 for competitiveness. This is an opportunity for competitive pricing strategy for a marketer by increasing and decreasing price settings.

OBJECTIVE OF THE STUDY

The main objective of this study is to identify the justification for charging per-unit fixed cost after obtaining break-even point or return on investment (ROI) and target profit to introduce a new cost-based pricing approach for competitiveness by using price strategy. The specific objectives are;

1. To identify the scope of dividing fixed cost into static and running fixed costs.
2. To develop a cost-based new pricing approach after break-even and target profit.
3. To find out a new pricing strategy for the competitiveness of a pioneering marketer in a new market.

METHODOLOGY

The main problem of this study is that a pioneering marketer out of the capital market is charging per unit fixed cost in setting cost-based

pricing approach for a new product in a new marketplace in spite of achieving the break-even revenue where fixed costs are recovered. It is an exploratory research. This paper has been written using both primary and secondary data; Primary data have been gathered by Focus Group Discussion with a sample of ten executives from the post graduate diploma participants, batch PGDMM-2016, of Bangladesh Institute of Management and eight academicians in accounting, finance, and marketing of World University, Dhaka University, Tejgoan College, Bangladesh Institute of Management (BIM), and Delhi School of Professional Studies and Research (DPSR), India. The author personally collected data by telephone interview from the expert respondents. Additionally, online and published articles and books are also reviewed to make the paper more informative. This paper has tried to establish a new cost-based pricing approach after break-even revenue and target profit for a new opportunity for competitiveness only for the marketers who have no involvement in the capital market. The Small & Medium Enterprises (SME) and individual marketers can use the new pricing approach to formulate competitive marketing strategy.

FINDINGS AND DISCUSSION

1. Discussion with Experts

On the research concept, eight expert opinions have been collected as the primary data from some educational and training institutes in Bangladesh and India over telephone. The expert respondents expressed their views about the current practice of treating initial investment costs, classification of costs and the process of cost-based pricing approach for competitiveness for introducing a new product in a market. Most of the experts said that they did not consider the buying cost of land, setting the cost of the plant, the cost of office equipment and furniture etc as the fixed costs. They consider these costs as the organizational assets. Because, over long term, the values of these assets increase and the shareholders of a public limited company are the actual owners of these assets. In their views, fixed costs mean the running fixed cost (rent, salaries of indirect labour, depreciations, utilities, marketing promotional expenditure etc.) Therefore, presently, marketers or investors set price without considering the static fixed costs. They charge the per unit fixed cost as the per unit running fixed cost plus an appropriate percentage of mark-up based on the market conditions in a competitive market. At this

stage, they do not consider the initial investment return in the target duration. But the marketers, who have no market share in capital market (sole traders, partnership, cooperative, private limited companies or Small & Medium Enterprises), they have the intention to recover the said static fixed costs as soon as possible through cost plus markup price. In the new marketplace, a pioneering marketer can follow the new pricing strategy to protect the potential entrance of the competitors in a monopoly market. In this connection, they can also follow the given conceptual model of new pricing approach after break-even as a competitive pricing strategy to face the competitors.

2. Focus Group Discussion (FGD) with 10 Marketing Executives

The participants of the Focus Group Discussion were 10 marketing executives from different marketing organizations in Dhaka. In the summary of the discussion, they said that most of the private limited companies, sole traders are gaining profit after reaching the break-even point where the fixed costs are recovered. One executive gave an example; Bangla-Link Mobile Company has obtained break-even revenue after a long time of its launching in the market. Most of the participants said that the pioneer investor or first marketer in a new market for a new product sets cost-based pricing by analysing break-even to recover the initial investment costs within a certain period of time as the rapid skimming pricing. They said that the first marketer in a market can apply the proposed “cost-based pricing approach after break-even in marketing” to recover the static fixed costs and reset the competitive cost-based pricing strategy to face the new entrants and potential competitors. Some executive said that the initial investment (buying land, establishing the plant, office equipment and furniture etc.) of course costs. Very often, marketers (sole traders, partnership, private limited company, cooperatives) get the needed finance from bank loan, personal savings, relatives, partners, and other financial institutes. That is why they want to recover the initial investment through marketing as soon as possible. These capitals are invested for buying land, establishing the plant, infrastructure, machinery, furniture, and other necessary equipment for marketing. In effect, they want to return their investment by setting cost base pricing as soon as possible before the potential competitor's entrance in the new market. Therefore, theoretically, all investors or marketers (sole traders, partnership, and private limited companies) should focus on analysing break-even to

recover static fixed costs for doing marketing profitably and apply the cost-based pricing after break-even for competitiveness to face the new entrance in a new market.

RECOMMENDATIONS AND CONCLUSION

On the basis of secondary data from the literature review and telephonic key interview with some academics and top executives from different organizations, some recommendations can be drawn for the practical implications at the commercial organization level. The major recommendations are;

1. At the starting point of any business, buying land, developing plant, buying office equipment, and furniture for marketing operation should be treated as static costs; these costs would be converted as assets only after obtaining break-even revenue.
2. All semi-fixed costs can be called as running fixed costs by nature in maintaining an accounting system and continue it to charge per unit running fixed cost in cost-based pricing approach in any marketing organization without a capital market.
3. A pioneer marketer should recover static fixed costs as soon as possible before new entrants or potential competitors in the market by setting cost-based pricing approach and break-even analysis.
4. After achieving target profit by break-even analysis, the marketer should re-set price without charging per unit fixed cost. At this stage, a marketer can reset price only considering the per-unit running fixed cost plus an appropriate percentage of profit as per market condition as it is followed in the conceptual model figure-1.
5. Pioneer marketers out of the capital market in different industries can follow this new pricing approach “Cost-based Pricing Approach after Break-even in Marketing” applying the following formula:

After Break-even Price = Per unit Running Fixed cost + Per unit Variable Cost + Appropriate Percentage of Mark-up.

CONCLUSION

In this study it is found that commercial organizations are not considering the initial investment costs of land, plant, machinery, office

equipment and furniture etc. as the organizational costs. They treat these costs as the organizational assets. But in industrial practice, investors often borrowed money from different financial institutes, relatives and selling share and securities to buy land, developing plants, machinery, office equipment and furniture. In the observation of this study, these costs can be considered in setting cost-based pricing as per-unit static fixed cost with the running fixed costs to recover the initial investment costs. Practically, an organization becomes profitable after returning the fixed costs amount through the break-even sales volume revenue earning. In this connection, fixed costs should be divided into two parts; (i) static fixed costs (land, plant, machinery, office equipment, furniture etc.) (ii) running fixed costs (depreciations, holding tax, interest, utilities, salaries of indirect labor, marketing promotional expenditure, rent etc.) It is found that an investor always wants to recover the initial investment costs through break-even sales volume as the pioneer in a new market before the new entrance of the potential competitors. In this connection, a marketer can reset price on cost-based pricing approach after break-even for competitiveness. Because, at this stage of break-even analysis, the marketer can re-set price without charging any per static fixed cost after returning the initial investment by maintaining the given range of profit level as it is followed in figure no.1. In effect, the new competitors cannot do that. Therefore here is a strategic pricing area as per the break-even analysis and target profit maximization [figure-1]. On the other hand, the static fixed costs would be converted into organizational assets after the break-even point of sales. On the basis of this study, a new pricing approach has been introduced under cost-based pricing approach as a new pricing approach named “Cost-based Pricing approach after Break-even Sales and Target Profit Maximization.”

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JOB SATISFACTION OF FEMALE EMPLOYEES IN PRIVATE BANKS OF BANGLADESH

Md. Khalilur Rahman¹

Dil Afrin Swarna²

Dr. Md. Abud Darda³

ABSTRACT

The aim of the study is to examine the level of female employee satisfaction and focus the various influential factors regarding their job satisfaction in private banking sector. The study is based on a number of 100 female employees who were purposively selected from five commercially established private banks in Bangladesh. Data have been collected through a structured questionnaire survey. A multiple regression model is postulated to explain the relationship among the considered factors and job satisfaction. Employees' satisfaction was observed for five different dimensions and results revealed that female employees in private banks are not very much satisfied in general. It has been found that some variables such as- performance based salary increment, available opportunities for promotion, good job environment, colleagues help during huge workload, opportunity to interact with other employees on a formal level, use of skill, experience & qualification, availability of welfare fund & retirement benefits, recognition for good work, and learning opportunity have significant impact on female employees' satisfaction to the bank. In order to increase the level of female employee satisfaction, those identified factors should be carefully studied. Moreover, financial benefits and opportunities, decision making participation and job security should be perfectly maintained for the female employees in the private banking sector for a sustainable job environment.

Keywords: Bangladesh, Female Employee, Financial Benefits, Job Satisfaction, Private Banks,.

INTRODUCTION

Job satisfaction is the encouragement feelings that motivate the employee for better involvements to his position and give spirit of career development. Job satisfaction plays a vital role for improving productivity, efficiency and performance individually and organizationally. A satisfied employee tends to be missing less often, to make optimistic assistance and to stay with the organization very willingly (Hakim, 1993). Competent human resource administration and

¹ Assistant Professor of Accounting, National University, Bangladesh

² Dil Afrin Swarna, Lecturer, Institute of Tourism and Hospitality management
Dhanmondhi, Dhaka-1209.

³ Associate Professor of Statistics, National University, Bangladesh

maintaining higher job satisfaction level in banks establish not only the performance of the bank but also influence the expansion and performance of the whole economy (Thakur, 2007).

Banking is one of the most sensitive businesses. In view of the importance and role, banks are considered as the backbone of an economy. For more than a decade banking sector in Bangladesh is experiencing a remarkable growth. Recent technological development and changing consumers attitude, the firms involve in the banking business are faced with growing competition. New entry of firms with various offering opportunities for its tentative market is making new challenges and competition. Therefore, the firms have to focus on the provision of enhanced quality banking services at cheaper prices for their survival. In such competitive environment, the retention of well trained and skilled workforce is the major issue of the rising banking sector in the country. In today's highly competitive world, success of any organization depends on its human resources. A satisfied, happy, and hard working employee is the main asset of any organization, especially for banks. Job satisfaction of bank officers becomes an important issue to achieve ultimate goals of the banking sector in Bangladesh. If workers or employees work properly, the organization can easily achieve the target (Karim, et al., 2014). In addition, job satisfaction positively influences the effort, capability and ability of employees and dissatisfied employees may cause difficulties such as increasing cost and decreasing profits and consequently dissatisfy customer (Davis, 2000).

Recent socio-economic advancement consequences in Bangladesh results an increasing trend of female participation at every aspect of development initiatives. Female participation is encouraged in workplace, especially in the financial institutions like banks where suitable environment has been perceived. To uphold the increasing part of female employees parallel to the goal of women empowerment it becomes important to measure the job satisfaction of these employees.

The focus of this study is to determine the impact of various factors that affects the job satisfaction of the female employee in Bangladeshi private banks and also examine the level of job satisfaction of employees. The study will not only provide the insights to the practitioners but also will pinpoint the variables important for the female employee's job satisfaction. The next section provides a short review of existing literature related to the employees' job satisfaction. Objectives,

conceptual framework are discussed in Section 3 and 4. In section 5 a brief of research methodology of this study have been discussed. Results of the study and an overall discussion of obtained results is the subject matter of section 6. Some criticism and suggestions are also provided at the end.

REVIEW OF LITERATURE

Numerous studies have been done for investigating employees' job satisfaction, impact of job satisfaction on firms business and related factors. In this section some of the existing literature and research findings have been discussed.

French (1982); Tziner & Vardi (1984) explained job satisfaction as an effective response or attitude to a wide range of conditions or aspects of one's work such as pay, supervision, working conditions. Job satisfaction includes multidimensional psychological responses to an individual's job, and that these personal responses have cognitive (evaluative), affective (or emotional), and behavioral components (Hulin & Judge, 2003). Moreover, Spector (1997) lists 14 common facets of job satisfaction: appreciation, communication, coworkers, fringe benefits, job conditions, nature of the work, organization, personal growth, policies and procedures, promotion opportunities, recognition, security, and supervision.

Previous studies revealed that professional relationship with colleagues, working environment, relationship with supervisor, social relationship with other faculties, independence of work and freedom of work are important job satisfaction factors (Faruqui & Islam, 2005). Results from a study on female employees' of private commercial banks of Bangladesh indicate that the female overall job satisfaction is associated with adequate remuneration for work , available opportunity for promotion, job evaluated rewards, recognition for good work, satisfied provision salary increment, satisfied incentives & benefits, salary increases on performance, motivation to work, satisfied available opportunity, training program regularly, satisfied space available lunch, breaks and prayer, environment (Rahman, et. al., 2012). In addition, Hoshi (2014) found that there is a positive relationship between the level of job satisfaction and reward, salary, security of job, promotional opportunities and good relationship between the co-workers. The result

also showed that most of the bank's employees are satisfied with their job. Furthermore, Monga, et al. (2015) stated that salary, inter-personal relationship, communication, attitude of superiors, working conditions and team work have more effect for determining the job satisfaction of bank employees than the factors of training and development, rewards and compensation, nature of job, job security, morale and role clarity. Vallejo, et al. (2011) stated that the most important factors determining the subordinates' job satisfaction were linked to the branch manager's assumption of the role, their esteem, mobility, representation and tolerance towards uncertainty. Islam & Saha (2001) conducted a study on the job satisfaction of bank officers in Bangladesh. Their study suggests that salary, efficiency in work, co-worker relation, facilities and supportive work environment are the important factors for the job satisfaction of bank employees.

Rana (2015) found a positive and significant link between job satisfaction and human resource management practices like team work environment, job autonomy and behavior of leadership. The result also indicates a significantly different level of job satisfaction for males and females. Another researcher found that recognition, reward, task significance, pride in work, goal ambiguity, workload, promotion, and smooth communication are the factors that associated with the overall job satisfaction (Rahman, et al., 2009). Also, Alam (2003) conducted a research on career satisfaction of female workers in different garment factories in Dhaka city. Results indicate that the level of career satisfaction is positively correlated with the level of wages the workers receive.

Job satisfaction balance varies in the degree to which they assess the emotional feelings about the job or the cognitive appraisal of the job. Affective job satisfaction is a subjective construct representing an emotional feeling individuals have about their job (Thompson & Phua, 2012; Moorman, 1993 and Kalleberg, 1977). Saner & Eyupoglu (2012) found in their research female employees have a higher level of job satisfaction. On the other hand, job satisfaction level of males is higher than that of female (Kumari, et al., 2014).

The survey of the literature implied that various studies attempted to investigate the job satisfaction in different sectors with distinct point of view. In Bangladesh few studies have been done on job satisfaction of

female employees working in private banks. Job satisfaction measures can be proven vital in understanding the female employee's attitude towards their job. This study is designed to focus on female employees in banks mainly to specify the variables related with job satisfaction measures.

OBJECTIVE OF THE STUDY

The main purpose of this study is to investigate the job satisfaction level of female employees in the private banks of Bangladesh. Following are the specific objectives-

1. Identify the characteristics of female bank employees.
2. Identify the level of satisfaction of female banker.
3. Identify the most important factors of job satisfaction of female employees in the private banks of Bangladesh.

CONCEPTUAL FRAMEWORK

A conceptual framework is an analytical tool with several variations and contexts. It is used to make conceptual distinctions and organize ideas referring to the theoretical and empirical studies; it can be argued there is causality among financial benefit, work environment, decision making, job security, training and resources on job satisfaction. Therefore, the conceptual framework for the present study is postulated and shown as figure-1.

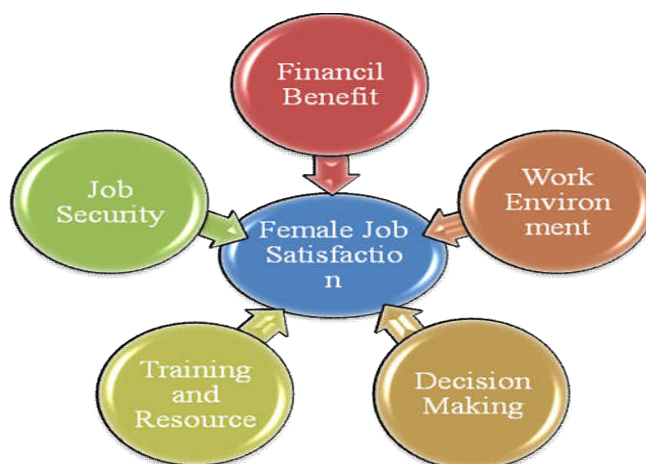


Figure 1: Conceptual framework of Female Employee job Satisfaction.

The formations of causalities between/ among variables refer to the results of previous studies. Studies revealed that there is a significant effect of financial benefit on employee performance (Khorshidi & Panji, 2012). Work environment is believed to be one of the key factors determining the success of organizational performance (Black & Gregersen, 1997). Such things as providing spacious work areas rather than cramped ones, adequate lighting and comfortable work stations contribute to favorable work conditions. Providing productivity tools such as upgraded information technology to help employees accomplish tasks more efficiently contributes to job satisfaction as well. Participation in decision making is the way to provide an opportunity and give importance to their employee thinking whether they are unequal hierarchy. High level of job satisfaction can be gained from participation in decision making (Cotton, et al., 1988). Training program is significant for the satisfaction for the female employee in the financial institutions of Bangladesh (Rahman, et al., 2012). Job satisfaction and security of job of the commercial banks employees have a positive relationship (Hoshi, 2014). If the female employees of a bank feel satisfied with their financial benefit, work environment, decision making, job security, training and resources the overall job satisfaction level will be increased and the profitability of the bank should also be increased.

METHODOLOGY

The study followed quantitative research methods for the purpose. Considering the overall objective of the research, five private banks have been chosen for the study. They are, Dutch Bangla Bank Ltd., Dhaka Bank Ltd., Exim Bank Ltd., Mercantile Bank Ltd., and Prime Bank Ltd. The sample respondents were also purposively selected. The study is based on a representative random sample after considering 95% confidence interval and with 10% maximum allowable errors. The required sample size has been computed by using the formula:
$$n = \frac{z^2 \cdot p(1-p)}{d^2} \cong 97$$
 (here 'p' is the perception of satisfaction of employees and for an unknown situation it can be considered that $p=0.5$). Thus, a number of 100 female employees have been selected and considered as a representative sample from the female employees in the private banks.

A questionnaire survey was conducted for data collection where respondents were asked to react on their perception on job satisfaction

related factors. A structured questionnaire, using a five point Liker Scale ranging from ‘1’: very dissatisfied (VDS) to, ‘5’: very satisfied (VS) has been developed for the purpose. Bipolar scale has been selected because of its widespread appropriateness of measuring attitude. Questionnaires are framed in a way that the answers reflect the ideas and thoughts of the respondents with regard to level of satisfaction on various factors of employee satisfaction. Variables and related questions are enlisted with the heading of work profile of employee, financial benefits, working environment, engagement of decision making, job security, and training. Collected data were organized and data compilation has been done in Statistical Package for Social Science (SPSS), version 20.0 data editor. Statistical tools like percentage, mean and standard deviation have been used for descriptive analysis. Later, a multiple regression model is postulated to explain the relationship among the considered factors and job satisfaction of female bank employees.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots + \beta_k X_k + \epsilon$$

Where, ‘Y’ represent the dependent variable (perception on job satisfaction). Coefficient ‘ α ’ represents the intercept or constant, and ‘ β ’ share partial regression coefficients related with respective variables. The partial regressions coefficient represents the change in dependent variable by one unit change of the related variable considering others held constants. The object ϵ represents the random errors such that, $\epsilon \sim NID(0, \sigma^2)$.

RESULT AND DISCUSSION

Descriptive analysis

The descriptive analysis is the first step of data analysis. It provides a short scenario of some background characteristics of selected respondents as in Table 1.

Table 1: Profile of respondent

	Frequency	Percentage
<i>Bank Classification</i>		
Prime Bank Ltd.	30	30.0
Dhaka Bank Ltd.	14	14.0
Dutch Bangla Bank Ltd.	20	20.0
Mercantile Bank Ltd.	22	22.0
Exim Bank Ltd.	14	14.0

Total	100	100%
<i>Age Category</i>		
22-27	9	9.0
28-33	60	60.0
34-39	22	22.0
40 and above	9	9.0
Total	100	100%
<i>Educational Qualification</i>		
Graduates	42	42.0
Post Graduates	58	58.0
Total	100	100%

Results in Table 1 show that most of the respondents have been included from Prime Bank (30%) and the least respondents from Dhaka Bank as well as EXIM Bank (14%). Most of the respondents belong to the age group 28-33 years (60%). Young women are very much interested in this sector to build their career and banks also interested to employ young females for obtaining their organizational goal. Majority of the respondents (58%) have post-graduate degree and there are some graduates.

Measurement of Satisfaction Level at Different Dimension:

Respondents' attitude and ratings for different dimension of satisfaction perception has been discussed in this Section. Statement of five point Likert scale and respective score range for illustration has also been considered. If the average score for a certain statement is above 3, the perception is labeled as 'Satisfied'. Whereas, average score exactly 3 and below 3 are labeled as 'Neutral' and 'Dissatisfied' respectively.

Satisfaction on Financial Benefits

A number of four structured items included in the questionnaire in order to investigate the respondent's attitude and level of job satisfaction on financial benefits. Obtained results are illustrated in Table 2.

Table 2: Female Employee Satisfaction on Financial benefits

Variable	Mean	SD	Level of agreement
Salary increase on the basis of performance	3.20	1.10	Satisfied

My job is evaluated by giving rewards	2.74	1.24	Dissatisfied
I am satisfied with the provision for salary increment	3.00	1.23	Neutral
There are available opportunity for promotion	3.09	.93	Neutral
Overall financial benefits satisfaction	3.01	.99	Neutral

Table 2, shows Mean, Standard Deviation of Female Employee Satisfaction on Financial benefits. Highest mean is observed for the item “Salary increase on the basis of performance” is 3.20 that means employees are satisfied at amount of basic salary. Lowest mean is observed for the item “job is evaluated by giving rewards” is 2.74 means employees are dissatisfied. Overall mean is 3.01 means they are neutral.

Satisfaction on Work Environment

There are eight number of structured items included in the questionnaire in order to investigate the respondent’s attitude and level of job satisfaction on work environment .Obtained results are illustrated in Table 3.

Table 3: Female Employee Satisfaction on work environment

Variable	Mean	SD	Level of agreement
I am flexible with my working hours	2.03	.98	Dissatisfied
I am satisfied with the space available for lunch, breaks & prayer	1.92	.84	Dissatisfied
I am satisfied with surrounding environment	2.05	.85	Dissatisfied
Colleagues helps during huge workload	3.21	1.27	Satisfied
Bank provide opportunities for attending family and other programs	2.32	.97	Dissatisfied
I receive enough opportunity to interact with other employees on a formal level	3.45	.97	Satisfied
My supervisor care me deeply	3.14	1.05	Satisfied
I enjoy relationship with my colleagues	3.21	1.23	Satisfied
Overall satisfaction on work environment	2.67	.89	Dissatisfied

Table 3, shows work environment satisfaction of employee. The highest mean 3.45 is observed for the item “opportunities to interact with other employees on a formal level” indicates that employees are satisfied with the opportunity they received to interact with other employees. The lowest mean 1.92 is observed for the item “space available for lunch, breaks & prayer” show that employees are dissatisfied with benefits. Overall mean 2.67 is evident that the female employees are dissatisfied on their work environment.

Satisfaction on Decision Making

A number of three structured items are included in the questionnaire in order to investigate the respondent’s attitude and level of job satisfaction on decision making participation facilities. Obtained results are illustrated in Table 4.

Table 4: Female Employee Satisfaction on Decision making

Variable	Mean	SD	Level of agreement
Management believes that employees are the most important assets for the organization	3.03	1.08	Neutral
I get the chance to take decisions on the performance of my job role	2.55	1.06	Dissatisfied
I can use my skill, experience & qualification regularly	3.02	1.13	Neutral
Overall decision making satisfaction	2.87	1.09	Dissatisfied

Table 4 shows decision making satisfaction of employee. The highest mean 3.03 is observed for the item “management believe that employees are the most important assets for the organization” indicates that employees are neutral with this statement. The lowest mean 2.55 is observed for the item “I get the chance to take decisions on the performance of my job role” show that employees are dissatisfied with benefits. Overall mean is 3.02 evident that the female employees are neutral on decision making participation facilities.

Satisfaction on Job Security

A number of three structured items are included in the questionnaire in order to investigate the respondent’s attitude and level of job satisfaction on job security facilities. Obtained results are illustrated in Table 5.

Table 5: Female Employee Satisfaction on Job Security

Variable	Mean	SD	Level of agreement
My job requirements are clear.	2.84	1.01	Dissatisfied
Have enough fund & pension or after retirement benefits	2.86	.96	Dissatisfied
Your job is meaningful	3.30	.95	Satisfied
Employee got recognition for good work	2.77	.73	Dissatisfied
Overall job security satisfaction	2.94	.09	Dissatisfied

Table 5 shows the female Employees satisfaction on Job security. The highest mean 3.30 is observed for the item “Your job is meaningful” indicates that employees are satisfied with this statement. That means they believe that their job is meaningful. The lowest mean 2.77 is observed for the item “I get the chance to take decisions on the performance of my job role” show that employees are dissatisfied with statement. It points out that the female employee’s feels that they are not recognized for their good work. Overall mean 2.94 is evident that the female employees are dissatisfied on Job security facilities.

Satisfaction on Training Facilities

A number of three structured items is included in the questionnaire in order to investigate the respondent’s attitude and level of job satisfaction on Training facilities. Obtained results are illustrated in Table 6.

Table 6: Female Employee Satisfaction on Training Facilities

Variable	Mean	SD	Level of agreement
My job gives me the opportunity to learn	3.07	1.21	Dissatisfied
Bank arrange training program regularly	2.61	1.21	Dissatisfied
Overall Training and resources satisfaction	2.76	1.05	Dissatisfied

Table 6 shows the satisfaction on training facilities of employees. The highest mean 3.07 is observed for the item “my job gives me the opportunity to learn” points out those employees are dissatisfied with

this statement. The lowest mean 2.61 is observed for the item “bank arrange training program regularly” indicate that employees are dissatisfied with this statement. It means that employees feel that their training programs are not arranged regularly. Overall mean is 2.76 indicates that employees are dissatisfied with their training facilities.

Overall Job Satisfaction

There are three number of structured items included in the questionnaire in order to investigate the respondent’s attitude and their overall job satisfaction. Obtained results are illustrated in Table 7.

Table 7: Overall Job satisfaction of Female Employees

Variable	Mean	SD
I am satisfied with the incentives and other benefits	2.66	1.01
Ecological comfort feel in the work place	2.75	1.15
I feel proud of my job	2.52	1.03
Overall Satisfaction	2.64	0.57

Table 7, shows the overall Job satisfaction of Female Employees. The highest mean 2.75 is observed for the item “Ecological comfort feel in the work place” points out those employees are dissatisfied with this statement. The lowest mean 2.52 is observed for the item “I feel proud of my job” indicate that employees are dissatisfied with this statement. Overall mean is 2.64 indicates that employees are dissatisfied with overall job satisfaction.

Rank of average satisfaction level at different items

Table 8: Satisfaction Rank of items

Group-I (Satisfaction level more than Neutral)	Mean	Rank
I receive enough opportunity to interact with other employees	3.45	1
Your job is meaningful	3.30	2
I enjoy relationship with my colleagues	3.21	3
Colleagues helps during huge workload	3.21	4
Salary increase on the basis of performance	3.20	5
My supervisor care me deeply	3.14	6
There are available opportunity for promotion	3.09	7
My job gives me the opportunity to learn	3.07	8

Management believes that employees are the most important assets for the organization	3.03	9
I can use my skill, experience & qualification regularly	3.02	10
I am satisfied with the provision for salary increment	3.00	11
Group-II (Satisfaction level almost Neutral)	Mean	Rank
Have enough fund & pension or after retirement benefits	2.86	12
My job requirements are clear.	2.84	13
Employee got recognition for good work	2.77	14
Ecological comfort feel in the work place	2.75	15
My job is evaluated by giving rewards	2.74	16
I am satisfied with the incentives and other benefits	2.66	17
Bank arrange training program regularly	2.61	18
I get the chance to take decisions on the performance of my job role	2.55	19
I feel proud of my job	2.52	20
Group-III (Satisfaction level less than Neutral or Dissatisfied)	Mean	Rank
Bank provide opportunities for attending family and other programs	2.32	21
I am satisfied with surrounding environment	2.05	22
I am flexible with my working hours	2.03	23
I am satisfied with the space available for lunch, breaks & prayer	1.92	24

Table 8 shows the satisfaction rank of items. Here mainly exhibit three groups of factors that directly and indirectly affect female job satisfaction. Group- I represent that factors those satisfaction level is more than neutral. Group-II represent that factors those satisfaction level almost neutral. Group-III indicates factors those satisfactions level less than neutral or dissatisfied.

Multiple Regression Analysis

Multiple regression analysis has been used to determine the significant factors influencing the perception of job satisfaction among the selected female bank employees. Considered independent variables are

performance based salary increment, available opportunities for promotion, satisfaction on job environment, colleagues help during huge workload, opportunity to interact with other employees on a formal level, use of skill, experience and qualification, availability of welfare fund & retirement benefits, recognition for good work, and learning opportunity.

For the analysis we consider the variables, X_1 : Salary increases on the basis of performance, X_2 : There are available opportunities for promotion, X_3 : I am satisfied with surrounding environment, X_4 : Colleagues help during huge workload, X_5 : I receive enough opportunity to interact with other employees on a formal level, X_6 : I can use my skill, experience & qualification regularly, X_7 : Have enough fund & pension or after retirement benefits, X_8 : Employee got recognition for good work and X_9 : My job gives me the opportunity to learn that are influencing the dependent variable Y : Job satisfaction of female employees. The result of multiple regression analysis is presented in Table 9.

Table 9: Results of Regression Analysis

Model Variables	Coefficients		t	Sig.
	β	$SE(\beta)$		
(Constant)	3.065	.527		
Salary increases on the basis of performance	.149	.057	3.856	.004**
There are available opportunities for promotion	.121	.064	2.327	.044*
I am satisfied with surrounding environment	.124	.171	3.174	.024*
Colleagues help during huge workload	.127	.048	3.638	.005**
I receive enough opportunity to interact with other employees on a formal level	.195	.057	2.669	.009**
I can use my skill, experience, qualification regularly	.115	.051	2.118	.006**

Have enough fund & pension or after retirement benefits	.164	.163	3.007	.007**
Employee got recognition for good work	.190	.081	2.345	.021*
My job gives me the opportunity to learn	.025	.047	2.528	.032*
$R^2 = 0.55, SE(R) = 0.549, F = 5.765 ***$				

* p -value<0.05, ** p -value<0.01, *** p -value<0.001

Table 9 shows that beta values of opportunity to interact with other employees on a formal level ($\beta = .195$) is the highest among beta values of other variables. If the opportunities of interact with other employees is increased then the level of female employee job satisfaction will be also increased. Beta value of recognition for good work ($\beta = .190$) is the 2nd highest among beta values of other variables. This means that employee got recognition for good work make the strongest unique contribution to explain the variation in female employee satisfaction. Beta value of availability of welfare fund & retirement benefits ($\beta = .164$) is the 3rd highest beta values of other variables. It explain that this variable make the strongest unique contribution to enlighten the variation in female employee satisfaction. Beta value of performance based salary increment ($\beta = .149$) is the 4rd highest beta values of other variables. The result indicates that if salary is increase on the basic of performance then the level of employee satisfaction will be increased. Beta value of colleagues help during huge workload ($\beta = .127$) is the 5th highest beta values of other variables. This means that this variable make the strongest unique contribution to explain the variation in female employee satisfaction. So if colleagues help during huge workload then the level of employee satisfaction will be increased. Beta value of satisfaction on job environment ($\beta = .124$) is the 6th highest beta values of other variables. This means that this variable make the strongest unique contribution to explain the variation in female employee satisfaction. So if employees satisfied with surrounding environment then the level of employee satisfaction will be increased. Beta value of available opportunities for promotion ($\beta = .121$) is the 7th highest beta values of other variables. So if there are available opportunities for promotion then the level of employee satisfaction will

be increased. Beta value of use of skill, experience & qualification ($\beta = .115$) is the 8th highest beta values of other variables. This means that this variable make the strongest unique contribution to explain the variation in female employee satisfaction. It revealed that if employees can use their skill, experience, qualification regularly then the level of employee satisfaction will be increased. Beta value of learning opportunity ($\beta = .025$) is the least beta values of other variables. This means that this variable make the strongest unique contribution to explain the variation in female employee satisfaction. So if employees have the opportunity to learn then the level of employee satisfaction will be increased.

Table 10: ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	15.618	9	1.735	5.765	.000
Residual	27.106	90	.301		
Total	42.724	99			

In table 10 ANOVA shows that a very high value of the F- statistics (F=5.765) is observed for the model. A very smaller p-value (p-value<0.001) validates the regression model with a higher significance level. ANOVA tells us whether the regression equation is explaining a statistically significant portion of the variability in the dependent variable from variability in the independent variables. Therefore we can execute that it accurately explains that the overall job satisfaction of the female employees of private commercial banks depends on the factors that have entered in the model. Coefficient analysis shows the relationship between dependent and each of the independent variable. Therefore, it can be concluded that, the regression model with those nine independent variables is suitable in explaining the variation in female employee satisfaction.

CONCLUSION AND RECOMMENDATIONS

Result of the study indicates a positive association of job satisfaction and a number of variables. Such important variables are: opportunity to

interact among the colleagues, recognition for good work, welfare fund & retirement benefits, salary increment based on performance, colleagues help during huge workload, job environment, opportunities for promotion, use of skill, experience & qualification and learning opportunity. It can be concluded from the obtained results that the female private commercial banks employees' overall job satisfaction is associated with 9 distinct variables. Therefore, it can be concluded that, in order to increase the level of female employee satisfaction and for the development of the organization, employers should ensure job security, comfortable work environment, and should provide a standard pay structure. As a result, employees would try to their best for the development of organization. Thus the growing Banking sector of Bangladesh would become a role model of female employee satisfaction and a good workplace for new graduates.

There are several sectors on which Bangladesh can be proud of and undoubtedly the banking sector is one of them. Employees play a vital role to the development of this industry. Employees, especially female employees are very important for overall development of the banking sector in Bangladesh. Based on the analysis it is evident that the present scenario of female employees of private banking sector in Bangladesh is not so good. The selected employees are not very much satisfied with their salary structure, work environment, job security, decision making and training and resources. Following factors can help to the bank in order to increase their female employee satisfaction.

1. Salary increment of female employee should be performance based.
2. Work environment must be neat and clean and also comfortable where female employees feel comfortable and treated fairly.
3. There should be available opportunities for promotion of female employees.
4. Communication system should be improved to make good relationship and open communication with supervisors and colleagues.
5. Employers should give the opportunities to interact with other employees on a formal level, use of skill, experience & qualification.

6. Employers should give the opportunities to participate in the decision making system and their decisions should implement in the organization.
7. A standard level of job security should be ensured for female employees so that they feel secured in their job.

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MAKING LECTURE METHOD EFFECTIVE

Dr. Parveen Ahmed¹

ABSTRACT

Lecture is the oldest and most basic method of learning. The use of lecturing depends on the subject matter, the teaching philosophy of the instructor or training organization, and the over-all learning situation. The lecture has its roots deep in history. From that time on lecturing become an integral part of the scholastic process. The lecture is a real display of learning. When delivered by a master, it is an experience never to be forgotten. In the lecture method the lecturer has to be sensitive to the audience as because he has little opportunity to clarify meanings, to check on whether or not the students really understand what is being presented, or to handle the wide diversity of abilities and attitudes which they represent. So, lecturer should consider some basic components of effective processing which are: attention, interpretation, elaboration, generation, and retrieval practice. This research suggested ways to make the lecture a more effective setting for learning, given what is known about the fundamental properties of humans as learners. Lecture presentations need to trigger in students the types of processes known to enhance the encoding and subsequent retrieval of the information that is to be learned. The potential to invigorate the lecture is limited only by our creativity and our commitment to our students.

Keywords: Lecture method, lecturer, students, and trainees, effective.

INTRODUCTION

Lecture is the oldest and most basic method of learning. The use of lecturing depends on the subject matter, the teaching philosophy of the instructor or training organization, and the over-all learning situation. Formal lecturing has been used largely to build up basic theoretical knowledge which must be gained before practice. If there are large numbers of people to be trained, scarce teaching resources, or few hours available for instruction, lecturing may be the only alternative. A certain amount of informal lecturing is inherent in the conduct of any course, to set out the course objectives, motivate trainees, provide explanation and analysis relevant to study exercises.

¹ Director (Training), Bangladesh Institute of Management (BIM)

The lecture has its roots deep in history. It is reasonable to suppose that as soon as man developed language, he began to pass on his knowledge to the young by telling; this devolved into preaching and became tied to the priestly role in early societies. In the classic societies the lecture became formalized as the art of rhetoric and of oratory under such greats as Aristotle and Cicero who gave us the idea that the perfect orator is the perfect man. From that time on lecturing became an integral part of the scholastic process. With the growth of universities from the thirteenth and fourteenth centuries the formal lecture came into its own, and we can picture the professor of that time behind his elevated lectern reading from his own writings or speaking loftily on the writings of the ancients. Needless to say this form of teaching with all its inherent shortcomings has endured to the present day! If history can be said to teach us anything it must be that the formal "lecture" has by its nature a propensity for corruption; it is and has been too easily turned from a means of conveying, interpreting, and inspiring with the thinking, teachings, writings, and character of great minds into a sterile exposition, and end in itself. The lecture is a real display of learning. When delivered by a master, it is an experience never to be forgotten.

The lecture is defined loosely as a continuing oral presentation of information and ideas by the professor; it is presumably a synthesis of his/her own reading, research, and experiences, interpreted in light of his/her own insights.

LITERATURE REVIEW

There are three parts in a lecture, such as, introduction, body & conclusion. An effective lecture requires both extensive research and preparation and effective delivery skills to maintain students' attention and motivation.

The introduction usually is the first three to five minutes of the lecture. This time is crucial in determining how well students learn and retain the information to be presented. The main purpose is to provide a framework for students' learning, providing the structure for the lecture's content information. If lecture fail to capture students' attention during the introduction, it is unlikely that he/she will retain it during the rest of the lecture. The introduction should do the following:

1. Announcing the lecture topic as a title.
2. Making a statement about the topic and how it will be developed.
Making a generalization about the topic or simply list the objectives.

(Bjork, 1979, is one of the first attempts to apply the research literature to the enhancement of teaching). The fundamental goal of the lecture is to increase the learning of students beyond what they can learn from reading a textbook. In different courses or in the same course at different times, the learning objectives may differ, ranging from the memorization of facts, to a change in students' structuring of knowledge, or even to increase students' enthusiasm for the subject, but the overarching goal is to increase learning. With that basic goal in mind, there exists a large body of research that is relevant to effective lecturing, specifically, research on the processes that enhance learning. We outline here what this research consider some basic components of effective processing and then suggest tasks or ways of presenting information during the lecture that we think can induce such processing by students.

Components of Effective Processing

Some basic components of effective processing are: attention, interpretation, elaboration, generation, and retrieval practice.

Attention. (Griffith, 1976; Rabinowitz, Craik, and Akerman, 1982; Tyler, Hertel, McCallum, and Ellis, 1979). In a typical lecture, students must divide their attention between the verbal and visual information, provided by the instructor, In addition, other activities, such as daydreaming, thinking about irrelevant information, or other "elemental psychic forces," to use Einstein's words, may compete for students' attention. It has been known for decades that divided attention results in poorer memory than full attention does. (Idaka and others, 2000; Naveh-Benjamin, Craik, Gavrilescu, and Anderson, 2000). Recent research shows divided attention to be most detrimental during encoding having little or no impact during retrieval lectures represent one of the primary encoding opportunities for students and the only encoding opportunity that an instructor controls (the other encoding opportunity is during subsequent study). Because divided attention is particularly detrimental to encoding, and lectures represent the first and perhaps

best opportunity to encode information, focusing students' attention during a lecture on the information to be encoded is a prerequisite for the other components of effective processing. (see Bjork, 1999, and Jacoby, Bjork, and Kelley, 1994, for reviews of the literature on illusions of comprehension and remembering). Dividing students' attention during a lecture poses a double threat. First, information is learned less well when attention is divided. Second, one's feeling of knowing or processing facility remains unaffected by divided attention, which may result in the assumption that information is learned well enough and no further study time is needed

Interpretation and Elaboration. Focusing students' attention during lectures is a necessary but not sufficient condition for effective learning. Learning requires accurate interpretation and, thorough elaboration. Interpretation occurs when new information fits with what is already known. Once the additional information is known, the figure can be understood as showing that interpretation and elaboration lead to better memory than does interpretation alone and that complete interpretation leads to better memory than partial interpretation, An interpreted figure is one that is easily remembered. Indeed, any information that can be interpreted through associations with preexisting knowledge, schemas, or structures will be easier to learn than noninterpreted information.

Elaborative processing and variable encoding allow students to apply what they learn during lectures to other contexts within courses, perhaps even to real-life situations. Elaborative processing deepens understanding, and processing information in a number of different ways results in more retrieval routes to the information, Students may fail to access their memory for a verbal statement made in lecture, for example, but succeed at accessing the visual information that was provided to support or illustrate that statement.

Generation and Retrieval (Slamecka and Graf, 1978). Information, whether it is the information to be learned or the reproduction of information that has already been learned, is a powerful method of learning. The generation effect, which refers to the finding that producing information leads to better learning than being presented with that information, is one of the most robust findings in the experimental psychology literature.

(Cull, 2000; Bjork, 1988). Whereas generating refers to producing new information, associations, or interconnections from cues or partial information, retrieval practice refers to retrieving-from memory-information presented earlier. Retrieval practice has been shown to be a powerful learning tool.

Etkina (2000). In a report on one application of incorporating retrieval practice into lectures, also describes benefits to the instructor, such as becoming aware of what his or her students as a group do not know, enabling the allocation of more time to that information in future lectures.

Engaging Student in Effective Processing:

Lecturer can promote long-term retention of information presented in lectures by using strategies that require a high level of student engagement. The spacing effect-that long-term recall is enhanced by distributing rather than massing the presentations of to-be-remembered information-is one of the most robust and general effects in experimental psychology.

(Shebilske, Goettl, Corrington, and Day, 1999). The content from statistic lectures was remembered better when the lectures were spaced over four days rather than massed on the same day. Practice sessions also have been found to enhance the acquisition of complex skill. Grouping lectures by content, or blocking or massing the coverage of a point within a lecture, seems eminently sensible, yet the research on spacing effects suggests that doing so is far from optimal in terms of students' learning.

In sum, instructors should consider structuring courses with information presented across a number of lectures and intervening unrelated topics. Structuring a course with spaced repetitions of information across lectures may seem disjointed, but the likely benefits of spacing presentations are large. At a minimum, the most difficult and central topics in a course should be covered more than a single approach.

In principle, the combination of-spacing and variation in the presentation of key concepts should enhance not only student's long-term retention of those concepts but also their ability to see the broader

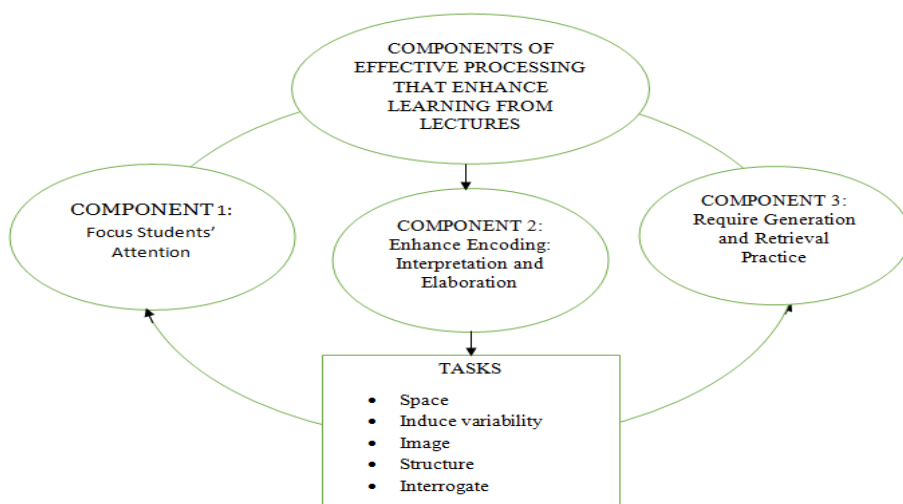
relevance of the concepts. In an effort to maximize spacing and encoding variability, Robert Bjork once taught an honors introductory psychology course twice in one term up to the point of the midterm. The goal was to have key concepts come up in each half of the course (spacing) and from a different standpoint (variation). That is, the first half of the course may have facilitated students' perceived ease of understanding and comprehension during the second half of the course, which they may have then misattributed to the instructor and the textbook used in the second half.

In the body of the talk, main theme is developed in logical steps so that the most important points will be remembered. One step should quite naturally stem from the previous one so that the listeners are carried forward. As lecture introduces new concepts, link them together into principles, and then into generalizations, each time adding concrete examples as lecture develop these relationships.

Providing Structure.(see Bower, Clark, Lesgold, and Winzenz, 1969, for a classic study demonstrating the benefits of presenting information in a way that activates existing knowledge structures). Spacing repetitions of information applies to the overall structure of a course across several class meetings. In addition to this type of cross-lecture structure, one must think of the best way to provide structure within a lecture to facilitate learning.

One of the easiest ways to add structure to a lecture is to provide an outline. Kiewra and others (1995) found that taking notes on an experimenter-provided outline resulted in better notes, better performance on a relational test, and more ideas recalled from a lecture than did note taking without an outline. Outlines containing only headings and subheadings are maximally effective in that they encourage note taking, whereas outlines that provide too much detail inhibit note taking (Morgan, Lilley and Boreham, 1988). Another way of adding structure is to provide a knowledge or concept map. Hall and O'Donnell (1996) found that providing students with knowledge maps not only facilitated learning but also increased motivation and attention during learning. Even simply providing a title (or topic of focus) has been shown to facilitate the processing of text by reducing the number of eye movements to previously attended material and by facilitating the processing of ambiguous words (Wiley and Rayner, 2000).

Such findings suggest that instructors can enhance student learning by making the topic of the day's lecture explicit and then providing an outline or knowledge map of the lecture. To optimize note taking, the outline or knowledge map should include the key words for each heading and subheading. Teaching students how to generate their own outline or knowledge map of the lectures is important, because additional benefits are realized when learners generate their own outlines.



Allowing students to listen during some or all parts of the lecture, deferring note taking until later, enhances students' learning. Posting outlines in the library or on the internet provides access to lecture information, allowing students to feel less anxious about deferring note taking during the lecture.

Using Visual Images, Mental Imagery, and Other Mnemonic Techniques to Enhance Effective Processing.

Presenting visual images, encouraging the use of mental imagery, and engaging other mnemonic devices increases encoding variability. A mnemonic device is, by definition, anything that assists memory. One way to encourage mental imagery is to enhance lectures with vivid examples; another is to instruct students in the use of a mental imagery technique, (Pavio, 1986; Weaver, Cotrell, and Michel, 1985). In addition to encouraging students to form interactive mental images,

instructors can provide actual visual images, such as graphs, figures, pictures, slides, or films, to enhance learning. It is perhaps optimal to provide access to complicated graphs and diagrams outside the classroom, because the burden on students to capture a complicated diagram or figure in their notes can detract from their ability to attend to what the instructor is saying.

(Donnelly and McDaniel, 1993; McDaniel and Donnelly, 1996). Bulgren, Deshler, Schumaker, and Lenz (2000) Another method of increasing encoding variability is to provide learners with analogies describe an easily learned routine for implementing analogical instruction during a lecture, requiring the construction of a table with the characteristics of the known concept (analogy), the characteristics of the new concept (target of instruction), and a list of shared characteristics. Note, however, that learning in a familiar domain may be interrupted by the use of analogies (Donnelly and McDaniel, 1993, 2000).

Even humor has been shown to be a mnemonic technique. Schmidt (1994) sentences written in a humorous style were remembered better than those same sentences written in a no humorous style. Kintsch and Bates (1977) found that extraneous comments made during a lecture (for example, jokes) were remembered better than topic statements, a result that suggests that if jokes are to be effective as a learning device, the material to be learned must be the focus of the joke.

Another useful mnemonic device is the strategic placement of enthuse placement of enthusiasm to refocus students attention on the lecture. Placement of enthusiastic comments is more important for student learning than the overall enthusiasm of the instructor.

Typical fifty-minute lectures-to say nothing of seventy-five-minute or two-hour lectures-can surpass students' ability to sustain focused attention. Including mnemonics, such as humor or strategic placement of enthusiasm, is particularly important during the middle of lectures when students may find it more difficult to sustain attention. One useful heuristic for the fifty-minute lecture is to lecture for twenty-five minutes; then-in order to energize students and refocus their attention-insert a five-minute demonstration, class exercise, or other mnemonic activity; and then lecture for the final twenty minutes.

Elaborative interrogation goes beyond simple questions and answers requiring students to explain the underlying reasons behind their answers.

Posing real questions (as opposed to rhetorical questions) and ensuring that all students at least attempt to answer the questions is a simple way to make a lecture an active learning experience. When feasible, instructors can facilitate student learning by requiring students to answer questions during lectures, produce or modify an existing outline of a lecture, generate specific terms, and make predictions.

The following are the basic advantages of the lecture method:

1. It provides an economical and efficient method for delivering substantial amounts of information to large numbers of student.
2. It affords a necessary framework or overview for subsequent learning, e.g., reading assignments, small group activities, discussion.
3. It offers current information (more up to date than most texts) from many sources.
4. It provides a summary or synthesis of information from different sources.
5. It creates interest in a subject as lecturers transmit enthusiasm about their discipline.

In addition, the lecture has other drawbacks:

1. It does not afford the instructor with ways to provide students with individual feedback.
2. It is difficult to adapt to individual learning differences.
3. It may fail to promote active learning unless other teaching strategies, such as questioning and problem-solving activities, are incorporated into the lecture. It does not promote independent learning.

OBJECTIVE

Objective of this research is to discuss understanding of the process of lecture method to make lecture more effective.

METHODOLOGY

At the beginning of the study an intensive literature review has been done. Focusing on the main objective a survey has been carried out. Total sample number was 50. Stratification of sample size is shown in the table no.1.1. This survey includes the issues concerning importance of contents of lecture materials; preparation of lecture delivering making lecture acceptable & attractive to the audience. Besides survey, interview of concerned company & corporate officers, bureaucrats, university teachers, trainers, and participants have been carried out to find out detailed and in-depth information relating to lecturer method. To collect sample, teachers, trainers participants at various levels have been provided close ended as well as open ended questionnaire. There are 20 questions in the each questionnaire. Among the sample 21 candidates are interviewed. This study also included discussion with persons who are motivated trainer and also demotivated trainers to understand the factual situation. As a result, possible in-depth analysis of the issue has been revealed in this study. It is notable that in some cases respondents did not provide any answer and documents.

Table No.1.1
Categories of Sample

Students/trainees		Teachers and trainers of universities and training institutions			Officers who are already trained			Total
Public	Private	Public	Private	Total	Public	Private		
25	25 = 50	10	10 = 20	15	15 = 30	100		

RESULT

Table showing the answers of questionnaire (Annexure-1) Answers:

Question No.	Yes	No	No response	
11	09	89	02	
12	91	08	01	
13	19	81	00	
14	Response to this question is given in table 1.2			
15	88	11	01	
16	79	19	02	

17	84	16	00	
18	56	43	01	
19	92	08	00	

Table No.1.2
Lecture's posture (standing or sitting)

Standing	Sitting	Total
91	09	100

FINDINGS

Nevertheless, the lecture method has its limitations. Since it does not demand the active involvement of participants, it is largely unsuited to the teaching of skills, which require practice. It is also of limited value in promoting behavioural or attitudinal changes, which is a large part of management development. It is very difficult to convince anyone by merely talking at them; attitudes are changed best when people convince themselves. Participative method is better for such purpose.

Apart from fact that sixty minutes of unrelieved talking is not easily assimilated or remembered, the major disadvantage of the lecture comes from the fact that it is one way communication. The listeners remain passive, for the most part. Unless the speaker is sensitive to his/her audience, he/she has no way of knowing whether or not they are taking in what he/she is saying. He/she has little opportunity to clarify meanings, to check on whether or not the trainees really understand what is being presented, or to handle the wide diversity of abilities and attitudes which they represent.

The lecturer, then, is bound to consider his/her communication problems before starting his/her lecture. He/she must study the nature of audience, adapting the topic to their interests and level of understanding; lecturer must organize material in the manner most likely to teach effectively, using aids where appropriate; must plan for variation in presentation, including time for questions and discussion which will involve the audience and reveal what learning is taking place. What follows is a review of these basic steps in improving the instructional value of the lecture.

In a lecture, the tendency might be to present one fact after another. This type of information giving is ineffective because students cannot see the relationship or organization of the new ideas. Instead, it is best to present a concept (one idea) by first defining it and then giving many concrete examples of the concept.

It is crucial to provide opportunities for active learning during any instruction, including a lecture. Active learning allows students opportunity to practice using the lecture information and obtain feedback on the accuracy of their responses. For example, during the lecture, questions should be asked or problem-solving activities should be given to the student to encourage them to use the information they should gain from the lecture.

RECOMMENDATION

Lecturer should prepare the notes before going to lecture and that should be easily readable and sequentially numbered to avoid possible confusion.

Lecturer should rehearse the lecture is an essential step, even for most experienced lecturers. If a rehearsal audience can be recruited, the speaker has an opportunity to check his speech and his delivery of it. This may reveal point at which he is unintentionally unclear, transitions that are made too abruptly for his listeners to follow, and other errors that can creep into even the best planned lecturer. Since the lecturer knows clearly what he means to say, he/she may be the worst judge of whether or not he/she has clearly said it.

The lecture material may be distributed to the audience before or after the lecture. Materials may be displayed on racks or tables in the room. Lecturer should remember to include audiovisual aids while delivering his/her lecture. Using Power Point slides, transparencies, or even the chalkboard will enliven and strengthen the presentation of ideas and, thus, assist students' learning.

Lecturer should establish a relationship with the audience. Lecturer should make warm-up comments and initiate rapport to set the tone of the class. He/she has to establish friendly communication to provide a positive learning environment in which students feel

comfortable. Lecturers must have to use an "ice breaker" to introduce him/her during his/her first meeting with students and maintain an approachable relationship with students in subsequent classes.

The introduction should be brief and to the point, presents the theme and objective of the talk in manner designed to arouse the interest and curiosity of the audience right from the start. Opening remarks need to be planned and rehearsed with some care, as it is very important to create largely that first impression which will motivate the audience to go on listening or to "switch off". Lecturer should try to avoid beginning with an apology. It is seldom necessary or relevant and it will not really help to achieve objective.

Lecturer should clarify the purpose of the lecture and describe how it is organized. Students will achieve at higher levels if they know what knowledge and skills they should gain from this instruction. This can be accomplished by doing the following:

Lecturer should use transitions or links ("therefore," "because," "as a result") showing how pieces of lecture information relate to each other. Verbal or oral cues also alert students to more significant information.

1. It is especially important to remember...
2. Please note the following...
3. You will need to memorize ...
4. will ask you to recognize ...
5. You should be able to apply...

The body of the lecture covers the content in an organized way. Since this component is allotted the greatest amount of class time, lecturer should include many more teaching procedures than the introduction and conclusion. This is where lecturer must consult his/her lecture notes while at the same time maintaining rapport with his/her students.

Lecturer should try to do the following in his/her lecture conclusion:

1. Lecturer should repeat and emphasize main points. Lecturer should summarize and reemphasize main points. Or, even better,

have several students summarized lecturer's main points. This procedure will help lecturer to get feedback as to whether or not students identified the important information. It is also helpful to rephrase information in order to clarify key ideas.

2. Lecturer should encourage questions from students. To allow students time to review their notes and thoughts, pause for a few moments after asking questions. Remember, however, that it is often difficult for students to respond to the vague "Any questions?" Instead, asking specific, leading questions. By doing so, lecturer will encourage his/her students to review their notes and formulate questions of their own. In this way, any misconceptions can be clarified, and understanding can be reinforced.
3. Lecturer should relate content to previous and subsequent topics. The last few statements in the conclusion should provide a connection between this lecture and previous lectures (as well as those to follow). As students see the relationship among major concepts presented in different lectures, they gain a sense of direction.
4. To communicate, lecturer must compensate for distance by employing larger gestures and more volume. Body movement and posture can convey messages to his/her audience. For example, slouching communicates disinterest or boredom, pacing aimlessly with head down indicates nervousness, and standing stiffly indicates tenseness. Being animated during his/her lecture helps convey his/her own enthusiasm and interest to students; they recognize that are not bored, nervous or tensed.
5. Lecturer should have facial expressions to tell students how lecturer feel about them and give students cues to help them interpret the content of the message. Regular eye contact helps lecturer establish credibility.
6. Lecturer should purposefully move their head, arms, hands and shoulders accentuate or dramatize ideas. Three characteristics of effective gestures include relaxation, vigor, and timing. Lecturer should use his/her body to indicate a change of topic or transition.
7. Lecturer should speak from a position that is comfortable but appropriate to the situation. The main advantage of standing is that everyone can see the lecturer; it is also the convenient position from which to manipulate most visual aids. However, with a small group seated around a conference table, the informality of sitting may be

describable.

8. Lecturer should have a look in the mirror. They should make sure that there is nothing about their personal appearance which is out of harmony with the occasion or which is likely irritate the audience or distract their attention. Clothes should be neat and suitable for the occasion.
 - a) Lecturer should speak loudly enough so that the audience does not have to strain to hear.
 - b) Lecturer should make an effort to speak crisply, avoiding slurring or skipping parts of words in order to limit the possibility of misunderstanding.
 - c) He/she should meet audience's expectations in regard to acceptable pronunciation.
 - d) Lecturer should vary the characteristics of his/her voice in terms of rate, pitch, stress, pauses, volume and inflection.
 - e) Lecturer should use everyday language, avoiding slang, which could be misunderstood, preferring short, familiar words and keeping sentences short. Be very careful with “funny” stories, or if the audience is unknown choose stories that are relevant to the point.

A successful lecture also includes the following:

1. Lecturer should present an outline of the lecture (use the blackboard, overhead transparency or handout) and refer to it while moving from point to point.
2. Repeat points in several different ways. Including examples and concrete ideas.
3. Use short sentences.
4. Stress important points (through lecture’s tone or explicit comments).
5. Pause to give listeners time to think and write.
6. Using lectures to complement, not simply repeat the text.
7. Learning students' names and make contact with them during the lecture.
8. Avoid racing through the last part of the lecture. This is a common error made by instructors wishing to cram too much information into the allotted time.
9. Schedule time for discussion in the same or separate class periods as the lecture.

10. Preparation reduces stress, frustration, insecurity and consequent ineffectiveness.

CONCLUSION

Lecturing has been criticized as ineffective relative to other methods of teaching that involve students as active participants in the learning process, not as passive observers. Lectures, though, are a fact of academic life. They are the most widely used method of teaching in colleges and universities (McKeachie, 1994) and likely-for practical and other reasons-to remain so.

Given that fact it is incumbent on those of us who lecture to consider ways that the lecture can be made more conducive to learning. This research suggested ways to make the lecture a more effective setting for learning, given what is known about the fundamental properties of humans

as learners. Lecture presentations need to trigger in students the types of processes known to enhance the encoding and subsequent retrieval of the information that is to be learned. The potential to invigorate the lecture is limited only by our creativity and our commitment to our students.

QUESTIONNAIRE (ANNEXURE-)

1. Should there be lecture planning before delivering lecture?
2. Do you think lecture method is more effective than other methods?
3. In lecture method whether trainees can participate in session?
4. Which posture is effective in lecture-standing or sitting?
5. Do you think learning will be more attractive if charts (graph /pie chart/bar graph etc) are used in lecture?
6. Do you think training aids are very much necessary for effective lecture?
7. Do you believe dress up, gesture and posture influence lecture to be effective?
8. Whether lecturer's voice plays any role to attract participants?
9. Do you think the content of the lecture to be distributed among participants before lecture?

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OPPORTUNISM AND ITS IMPACT ON TRUST: AN EMPIRICAL EXAMINATION IN THE TEXTILE INDUSTRY OF BANGLADESH

Dr. Partha Prasad Chowdhury¹

ABSTRACT

Despite the critical role of opportunism on trust, opportunism was not properly explained in the academic literature and it has been observed that the most studies were based on the Western market only. This study thus endeavours to fill the gap by investigating the impact of opportunism on trust in the textile industry of Bangladesh. A good number of books/past research studies between the years 1972 to 2016 are reviewed to prepare the literature review and to develop the hypothesis. This study is based on empirical findings of a quantitative research in which primary data is collected by using survey method with the help of a self-completion questionnaire and by applying personal interview technique. The study indicates that relationship between opportunism and trust is large and negatively associated in the business-to-business exchange relationship in the context of textile industry of Bangladesh. The study reviewed the findings of the prior studies and verifies the hypothesized relationship in the context of Bangladesh market. This study focuses on all important dimensions of opportunism and opportunism has emerged as a vital precursor of trust in the context of Bangladesh Market. The research contributes that opportunism reduces trust in the Business-to-Business relationship exchange. The study extends a direction for new research specifically in the context of developing countries and concludes with suggestions for further research.

Key words: Opportunism, Trust, Commitment, Business-to-Business relationship, Competitive advantage, Textile Industry of Bangladesh.

INTRODUCTION

Business-to-business (B2B) relationship has gained increased interest and acknowledgement in the field of marketing especially in marketing research as well as marketing practice during the last two decades. Strong and effective B2B relationships are effective for better understanding of business buyers' needs and requirements and are essential to firms' financial performance and hence regarded as one of the most important factors to gain competitive advantage. Morgan & Hunt (1994) suggested that trust is a key driver for developing and maintaining B2B relationship. Opportunism is selfishness and

¹ Associate Professor, American International University-Bangladesh (AIUB)

disregards for the impact of the firm's action on others as study (e.g. Lai et. al., 2005; Macnel, 1981; Williamson, 1975; Morgan & Hunt, 1994; Smith & Barclay, 1997) suggests that opportunism is negatively associated with trust. The economy of Bangladesh is growing as the GDP growth has been more than six percent during last five years (Bangladesh Bureau of Statistics, 2016). The textile industry which includes knitwear, ready-made garments and other specialized textile products is the highest revenue-earning sector and it contributed 80.7% of our total exports (\$28.1 billion out of \$35.125 billion) in FY 2016-17. This sector is one of the largest sources of employment with more than 4 million workers and contributing 12.36% of total GDP (Bangladesh Textile Industry, 2018). A total of 4300 garment factories out of which 40% are knit units and 60% are woven units; and more than 1200 buying houses which are parts of Garment industry of Bangladesh (BGMEA, 2018) are also involved in the textile industry of the country.

REVIEW OF LITERATURE

Opportunism is a key antecedent of trust. This literature review is structured in order to verify the impact of opportunism on building trust under the following sections with a view to establish the relationship as per the objective of the study.

Opportunism: Opportunity has been considered as an important factor in B2B relationship both in transaction cost economics (TCE) theory and social exchange theory (SET) of relationship marketing (Hawkins et al., 2009). Firms in the dyadic relationship often fail to subscribe to a classic win-win philosophy. Firms in a relationship, sometimes take a course of action that is not only self-serving, but also harmful to the partner firm. Such behaviour is called opportunism in B2B relations and negative association exists between opportunism and dependence (Hawkins et al., 2009). Opportunity is defined as "making false or empty, that is, self-disbelieved, threats and promises in the expectation that individual advantage will thereby be realized" (Williamson, 1975, p-26) and as "self-interest seeking with guile" (Williamson, 1985, p- 30,47). Opportunity consists of activities like stealing, cheating, breach of contract, dishonesty, distorting data, obfuscating issues, confusing transactions, false threats and promises, cutting corners, cover ups, disguising attributes or preferences, withholding information, deception,

and misrepresentation. There are four possible forms of opportunism: evasion of obligations, inflexibility or refusal to adapt, violation of explicit or implicit rules, and forced renegotiation aiming to gain concessions (Wathne and Heide, 2000).

In their KMV model of relationship marketing, Morgan & Hunt (1994) highlighted opportunism as an antecedent of trust and suggested that there exists significant negative relationship between trust and opportunistic behaviour. The study of relationship marketing also suggested that opportunism is an antecedent of buyer intrinsic motivation in buyer-seller exchange and motivation is negatively related with opportunism (Dahlstrom & Boyle, 1994); opportunism has negative relationship with performance and satisfaction (Gassenheimer et al., 1996); opportunism reduces relational exchanges (Lee et al., 2001) and is negatively associated with both functional conflict and future purchase intentions (Skarmeas, 2006). The study on relationship marketing pointed out that opportunism is negatively related with trust (Smith & Barclay, 1997; Ting et al., 2007; Lado et al., 2008; Barnes et al., 2010; Mysen et al., 2011) and barrier to commitment (Skarmeas et al., 2002; Mysen et al., 2011).

Macneil (1981) emphasised on violations of implicit relational norms to define opportunism. If any exchange partner violates explicit or implicit agreements concerning its appropriate or required role behaviour then opportunism occurs (Brown et al., 2000; John, 1984). Opportunism can take place under any circumstances like the existence of information asymmetry regarding the party's attributes and opportunism is negatively associated with trust (Barnes et al., 2010). If withholding information doesn't create any harm to the partner firm and if there is no norm to sharing such information then it will not be treated as opportunistic behaviour where opportunism is defined as the ability to capitalize for one's benefit to the detriment of partners in a relationship and hence opportunism reduces trust and enhances transfer of RSIs. (Wathne & Heide, 2000). Romar (2004) suggested that if someone adheres to the letter of an agreement, but not its spirit, may be acting opportunistically. He also suggested that opportunism occurs when an individual or a firm that agrees to one level of performance but delivers a lower level; intentionally misses contractual deadlines; promises a higher quality level than it delivers; or misrepresents its capabilities and hence opportunism is a critical issue which damages inter-firm relationship. .

Opportunism is defined as aggressive selfishness and disregards the impact of the firm's actions on partner firms (Lai, et al., 2009).

Opportunism is to go beyond the limits of the norms of an exchange context through the behaviors like escaping obligations, taking advantage of contractual loopholes, which imposes a personal, a social, and an economic challenge to relationships (Ganesan et al., 2010). Opportunism which plays a key role in the exchange process is not ubiquitous but not unusual (Morgan and Hunt, 1994; Hawkins et al., 2008). Williamson (1975) suggested that some humans behave opportunistically either due to their inherent nature or due to their limited awareness or knowledge which he defined as bounded rationality. Individuals behave opportunistically when they find a profitable opportunity (John, 1984). Recent examples include actions from executives at Enron and Arthur Anderson is the evidence of opportunistic behaviour in the real business firms (Hawkins et al., 2008).

Trust: Trust is a multifaceted concept (Zaheer et al., 1998). The Oxford English Dictionary defines trust as "confidence in or reliance on some quality or attribute of a person or thing. Dwyer et al. (1987) followed by Anderson & Narus (1990); Moorman et al. (1992); Morgan & Hunt (1994); McAllister (1995) established the foundation for research on trust in business relationship (Arnott, 2007) but researcher used different concepts and indicators for measuring trust (*see: Table 1*). If a party's promise is reliable and fulfills any obligations in an exchange context than the party is considered to be trustworthy by the exchange partner (Barnes et al., 2010). Trust is defined as a belief by one partner in a relationship exchange that the other partner will not act against their interests, where this belief is held without undue doubt or suspicion and in the absence of detailed information about the actions of the other partner (Laaksonen et al., 2008). Ganesan (1994) defined trust as the willingness to rely on a partner engaged in exchange in which one has confidence. Zaheer et al. (1998) defined trust as - 'Expectation that an actor can be relied on to fulfil obligations will behave in a predictable manner, and will act fairly when the possibility for opportunism is present'. Our focus here is about specific trust of firms engaged in B2B relationship which results mainly due to reasoning or buyers conscious experience with the supplier and hence generally cognitive in nature (Arnott, 2007; Kenning, 2008) and object of trust is the seller/partner

organisation (Zaheer et al., 1998). The different dimensions of trust are highlighted in table-1.

Relationship between Opportunism and Trust: Opportunism is termed as relationship-destroying factor as it has a corrosive effect on exchange performance (Gundlach et al., 1995; Morgan & Hunt 1994; Wathne & Heide 2000).

As “guile” is associated with opportunism hence channel members infer that seller could try to hide its action (Samaha et al., 2011). Future purchase intention, which is referred to the extent to which a firm intends to expand its current buying activities with a supplier in the near future (Doney & Cannon, 1997), is negatively related with opportunism. If a firm acts opportunistically in a way to increase its short-term unilateral gains, it not only erodes the long-term revenues potentially accruing to both parties in the channel relationship but results in a transfer of wealth from the relationship (Wathne & Heide, 2000). Buyer firm that perceives the seller takes advantage of its exchange partner whenever the opportunity comes is likely to consider seeking alternative supply sources in order to dissolving, rather than expanding, the existing relationship (Skarmeas, 2006). Opportunism eliminates the required behaviour which promotes adherence to relational norms among exchange partners. The study of opportunism (Morgan & Hunt, 1994; Dahlstrom & Boyle, 1994; Gassenheimer et al., 1996; Smith & Barclay, 1997; Wathne & Heide, 2000; Lee et al., 2001; Skarmeas et al., 2002; Romar, 2004; Skarmeas, 2006; Hawkins et al., 2008; Hawkins et al., 2009; Barnes et al., 2010; Mysen et al., 2011; Ting et al., 2007; Lado et al., 2008) suggested that opportunism has negative relationship with trust, conflict, dependence, cooperation, acquiescence, commitment, satisfaction, motivation, relational exchange and has positive relationship with relationship termination, and uncertainty. Dwyer et al. (1987) suggested opportunism as an explanatory variable to measure trust. Hence, the study suggested that opportunism creates feelings of betrayal which arises from breaking of norms of reciprocity and fair exchange. This is harmful for building relationships as the review of the literature above illustrated that the engagement of any firm in opportunistic behaviour leads to reduce trust between partner firms (*see: Table-2*). Hence our hypothesis is as follows:

H1: There is a negative relationship between opportunism and trust.

RESEARCH CONTEXT AND RATIONALE

Developing and maintaining successful long-term relationship in business-to-business exchanges is highly important for any manufacturer/supplier for creating sustainable competitive advantage (Ulaga & Eggert, 2006). The study on B2B relationship suggested that opportunism has important role on building trust which in turn plays key role to develop commitment in a relationship exchange and presence of opportunism in a dyadic exchange reduces trust (Dwyer et al., 1987; Morgan & Hunt, 1994; Smith & Barclay, 1997; Skarmeas et al., 2002; Skarmeas, 2006; Hawkins et al., 2008; Hawkins et al., 2009). The significance of trust in developing relationship commitment has also been widely reported in the academic studies on relationship marketing (Dwyer et al., 1987; Moorman et al., 1992; Morgan & Hunt, 1994; Gounaris, 2005; Frasquet et al., 2008). The study on B2B relationship suggested that long-term, committed, trusting, value-creating associations are difficult and costly to imitate. Hence, firms in this changing, chaotic, unstable, global and highly competitive marketplace (Trout & Ries, 1972; Hamel & Prahalad, 1989; Hamel, 1996; Day & Montgomery, 1999; Porter, 1996) could use B2B relationship as a differentiator in order to gain sustainable competitive advantage (Denize & Young, 2007; Ulaga & Eggert, 2006).

Gounaris (2005) pointed out that empirical evidence about the drivers that affect trust is limited. Opportunism has potential significance in channel relationship in present highly competitive market but opportunism is not properly explained in the study on B2B relationship and hence not understood (Hawkins et al., 2008; Brown et al., 2009). Most authors acknowledged trust as a critical factor for developing and maintaining long-term relationship directly and indirectly through commitment but used different determinants of trust (*see: Table 1*). Moreover the study on B2B relationship suggested that trust differed by country and industry (Seppanen et al, 2007) and on the specific relationship marketing strategy and the exchange context (Palmatier et al., 2006) and the significance of inter-organisational relationship varied between companies and markets (Athanasopoulou, 2006). A majority of the studies were conducted mainly at the national level in the USA. Some studies were also conducted in the Netherlands, United Kingdom, Canada, China, however, these are very much limited in other parts of the world (Seppanen et al., 2007). The review suggests that there is a gap

in our knowledge about the role of opportunism in developing trust especially in the context of a developing economy like Bangladesh. Hence, the purpose of the study is to address this gap in the literature by investigating the impact of opportunism on trust in the textile industry of Bangladesh, a high revenue-earning sector in Bangladesh.

METHODOLOGY

Research Problem: As the study regarding relationship between opportunism and trust in the context of Bangladesh Market is not available in academic literature and hence the purpose of the study is to fill in this gap of literature by verifying the impact of opportunism on trust in the context of Bangladesh Market. The literature review points out that opportunism has negative impact on developing trust in business-to-business relationship exchange. In order to verify the relationship buyers' attitudes on sellers' opportunisms are obtained from the different organizations in the textile sector of Bangladesh for statistical analysis to find out correlation coefficient.

Nature of the Study: A quantitative research is carried out as the study is empirical in nature where research approach is deductive, research style is descriptive and the objective is to verify and explain the relationship among variables in order to examine the relationship of the variables as per hypothesis developed.

Research Questions: The research questions of this study were as follows:

Is there any impact of opportunism on trust in the textile sector of Bangladesh?

Research Hypotheses: The hypothesis of this study is formulated for empirically testing of the relationship between the variables (opportunism and trust) with respect to some case hence these are relationship hypothesis. The hypothesis of the study was as follows (see: literature review):

Is there any impact of opportunism on trust in the textile sector of Bangladesh?

H1₀: Opportunism is positively related with trust.

H1_a: Opportunism is negatively related with trust.

Though as mentioned above generally null hypothesis is tested against alternative hypothesis but in this study in order to fulfil the objective of the study bivariate correlation is used to find out the relationship between opportunism and trust (different dimensions of trust) hence alternative hypothesis is tested.

Sampling Plan:

Sample structure: The author selected the textile industry because it is more structured and it contains a wide range of purchasing arrangements and provides a sampling frame of adequate size. Target population of this study was all organizations in the different types of textile sub-sectors of the country. The sampling unit includes individual organization that is involved in business in the textile industry in the greater Dhaka area.

Sampling technique: Convenience type non-probability sampling technique is considered to select the respondents from the sampling frame as this technique is considered to approach the most accessible members of the population of interest and relatively inexpensive and less time consuming (Wilson, 2011, p-205; Malhotra & Das, p-335).

Sample size: Roscoe (1975; cited by Lin & Chen, 2006) suggested that appropriate sample size is 30-500 and to analyse data by SPSS, sample size should be at least ten times the number of variables. Malhotra & Dash (2011, p-332) suggested that for conclusive research such as descriptive surveys, and to use sophisticated data analysis larger samples are necessary. Hence primary data have been collected from 220 respondents. Hence the sample size of this study is 220.

Questionnaire Design and Measures: Questionnaire is designed with simple structure in order to make it understandable to the respondents and to enhance the response rate. Measures of all constructs were developed based on the review of literature. Multi-item measure and seven points Likert-style rating scale anchored by ‘Strongly disagree’ (i.e., value 1) and ‘Strongly agree’ (i.e., value 7) have been chosen to operationalise all variables. A five-item scale has been chosen to capture buyer’s (distributor/dealer) perceptions of seller (manufacturer/supplier) opportunism during the administration of the exchange relationship. The items were derived from Gundlach et al. (1995) and Skarmeas et al. (2002). As mentioned before researcher used different dimensions for

measuring trust but integrity, reliability and benevolence are the three key dimensions whereas other dimensions are somehow related to these three dimensions. Hence these three dimensions each with two items have been chosen to measure buyer trust on seller. The two items for integrity were developed from Morgan & Hunt (1994) and Svensson (2005), items for reliability were developed from Moorman et al. (1992) and Svensson (2005), and items for benevolence were developed from Doney & Canon (1997) and Norman (2002). Dimensions, Conceptualization and Operationalization of Variables are highlighted in Table-3.

Questionnaire Administering Method & Data Analysis: This explanatory research to measure causal relationship between variables like opportunism and trust is conducted where primary data is collected by using survey method with the help of a self-completion questionnaire which was pretested before the field work. Personal interview technique is applied while administering the questionnaire on respondents in order to collect a large amount of information. Data was analysed by using SPSS to measure basic correlations among the variables as per the research objective.

Limitation: One limitation of this study is that as convenience type non-probability sampling technique was considered hence this study might suffer from some respondent bias caused by self selection and or construction of the sampling frame. The study also focused on established relationships based on findings from the previous studies in the context of the Western markets. Therefore, findings of this study might not be directly generalised to other institutional environments of Bangladesh beyond the textile industry. Data was collected from the buyer's side of the seller/manufacturer-buyer dyad only which might not be replicated for other side of the dyad (Anderson & Narus, 1990; Ganesan, 1994). Subsequent research could focus on both sides of the dyad. Moreover, in this study trust is measured just at one certain period of time. As suggested by Kenning (2008) further studies using some longitudinal data might add more value in this context.

OBJECTIVE

The perception of opportunistic behaviour by firm about its partner firm reduces trust (Dwyer et al., 1987; Morgan & Hunt, 1994; Smith &

Barclay, 1997). As mentioned above there is a gap in our knowledge about the role of opportunism in developing trust in a growing economy like Bangladesh. Hence the purpose of this study is to address this gap in literature by verifying the impact of opportunism on building trust in business-to-business exchange relationship in the context of textile industry of Bangladesh. The main objective of the research is as follows:

To examine whether opportunism has an impact on trust.

RESULTS/FINDINGS

Descriptive Statistics: As discussed in the methodology part, data was analysed by using SPSS to measure basic correlations among the variables as per the research objective. Descriptive statistics (*see: Table 4*) pointed out those std. deviations for the 11 scales range from 1.430 to 1.929 indicating a substantial amount of variance in the responses for most of the scales used in this research study. The Skewness values indicated that the scores do not fall in a nice, normally distributed curve where most scales are negatively skewed which indicated that clustering of scores at the high end. Kurtosis values of the most scales are negative. Hence distributions of most scales are flat. Mean values of scales (*see: Table 4*) suggested that there are reasonably average levels of seller (manufacturer) opportunism and high levels of buyer's trust on seller/manufacturers.

Checking the Reliability of the Scales: Cronbach's alpha value of 0.782 (*see: Table 5*) verified the strong internal consistency in the five scales of opportunism and hence we reported the mean inter-item correlation for the items. Though the value of Cronbach's alpha coefficient should be greater than 0.7 to be acceptable but as suggested by Pallant (2007, p-95) the alpha value depends on number of items in the scale and in this case trust-integrity was measured by short scales with 2 items only and hence Cronbach's alpha of 0.620 for trust-integrity (*see: Table 5*) is considered to report the mean inter-item correlation for the items. Cronbach's alpha values of 0.826 (*see: Table 5*) and 0.886 (*see: Table 5*) for trust-reliability and trust-benevolence respectively verified the strong internal consistency in the respective scales and hence we reported the mean inter-item correlation for the items of these two dimensions as well.

Computing New Variables: Based on the findings from the above (i.e. checking the reliability of the scales) section new variables are inserted

to represent overall measure of opportunism, trust-integrity, trust-reliability and trust-benevolence with the help of transforming variables technique used in SPSS.

Std. deviations for the measure of all variables- overall opportunism, overall trust-integrity, overall trust-reliability and overall trust-benevolence range from 1.264 to 1.544 (*see: Table 6*) indicating a substantial amount of variance in the responses for most of the scales used in the bivariate correlation whereas mean values suggested that there exists reasonably moderate/average level of seller (manufacturer) opportunism and reasonably high levels of buyer's overall trust on seller/manufacturers in the studied dyads.

Finding the Relationship by Correlation Analysis

Finally, the direction of the relationship between the variables as per the hypothesis developed was tested with the help of bivariate correlation method, where the values of Pearson's r were considered to assess the strength of the relationship between interval variables and significance level (sig value) were taken into consideration to measure the level of statistical significance level. From the Correlation matrix (*see: Table 7*), the correlation between overall opportunism and overall trust-integrity was $r = -.532$, while the correlation between overall opportunism and overall trust-reliability was $r = -.631$ and the correlation between overall opportunism and overall trust-benevolence was $r = -.501$. The significance levels reported above for all cases were Sig. = .000. Sample size is large ($N=220$). Hence, with strong confidence it can be mentioned that the above mentioned correlations are statistically significant.

DISCUSSIONS

In order to interpret the relationship we followed the guidelines suggested by Cohen (1988; cited by Pallant, 2007, pp-132) as-correlation significance is small if $r = 0.10$ to 0.29 ; significance is medium if $r = 0.3$ to 0.49 and significance is large if $r = 0.5$ to 1.0 . Table 4.7 pointed out that the strength of the relationships of overall opportunism with all the three dimensions of trust are large and significant at the $p < 0.01$ level. The values of Pearson's r correlation coefficient between overall opportunism and overall trust-integrity; overall opportunism and overall trust-reliability; and overall

opportunism and overall trust-benevolence are -0.532, -0.631, and -0.501 respectively. Hence, it might be suggested that the relationship between seller/manufacturer/exchange partner opportunism and trust on exchange partner is large and statistically significant at the $p < 0.01$ level. Negative values of Pearson's correlation coefficient indicated the reverse relationship. Hence it might be suggested that the relationship between seller/manufacturer/exchange partner opportunism and partner's trust on seller/manufacturer/exchange partner is large and negatively associated.

Hence, the summary of key findings of the study is hypothesis (H_a : Opportunism is negatively related with trust) is accepted where correlation between opportunism and trust is strong.

The findings of the study pointed out that the hypothesized relationship is supported strongly at the $p < 0.01$ level. The study pointed out that there exists some opportunism in the textile industry of Bangladesh which is in line with the study of Morgan & Hunt (1994) and Hawkins et al. (2008). Moreover, the findings of this study that the presence of opportunism in a dyadic exchange relationship reduces trust are also in line with the previous findings (Morgan & Hunt, 1994; Smith & Barclay, 1997; Wathne & Heide, 2000). Despite presence of seller/manufacturer/exchange partner opportunism in a buyer - seller exchange relationship exchange partner/buyer's trust on seller is moderately high which might be due to the fact that opportunism is not uncommon in the textile industry of Bangladesh or might be part of culture of this geographical area. Out of three dimensions of trust, reliability dimension is more strongly associated with seller opportunism than other two dimensions.

The negative association between opportunism and trust is strong in the textile industry of Bangladesh and despite presence of some opportunism there exists moderately high level of trust but as mainly local manufacturers are dominating the market now and as Bangladesh economy is growing and hence, this growing economy might attract more local and overseas competitors and opportunism might play strong negative role during the period of intensive competition. Hence, the emphasis of the management of the manufacturer/seller firm ought to be on developing higher level of trust with lower levels of opportunism. Marketers could use this as a guideline for planning regarding buyer-

seller relationship management as trusted relationship lasts long. Marketers are suggested to reduce opportunism *to develop trust*.

CONCLUSION

The primary contribution of this study was to verify the impact of opportunism on trust in the Bangladesh market. This study was conducted within the context of seller/manufacturer-buyer relationships of the textile industry of Bangladesh. In order to achieve the objective of the study, one hypothesis was developed and examined. Consistent with the previous studies conducted in the context of western market (Morgan & Hunt, 1994; Smith & Barclay, 1997, etc.), this study also found that opportunism is negatively related with trust. Hence opportunistic behaviour of the sellers or manufacturers inhibits buyers' trust on the specific manufacturer they are dealing with. Hypothesis predicting a negative relationship between opportunism and trust is supported strongly in the context of Bangladesh marketplace. The findings of the study that the relationship between opportunism and trust is large and negatively associated suggest that managers in the textile industry of Bangladesh need to reduce opportunism to develop trust in their exchange relationship.

However, as discussed earlier, trust differed by country, industry, specific relationship marketing strategy and the exchange context. At present, there are no studies investigating the impact of opportunism in developing trust in the context of Bangladesh market. Therefore more research is required in other settings with different purchase categories, degrees of purchase involvement, and sample populations in order to verify and generalise the findings of this study and to determine other factors if any. In conclusion, this study could lead to further research on B2B relationship in the context of any developing economy.

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APPENDIX

Table-1: Dimensions of Trust

Author	Dimensions of Trust
Zand (1972)	Integrity, benevolence, credibility.
Morgan & Hunt (1994)	Reliability, integrity.
Ganesan (1994)	Benevolence, credibility.
Doney & Canon (1997)	Benevolence, credibility.
Zaheer et al. (1998)	Reliability, predictability, fairness.
Svensson (2005)	Reliability.
Kenning (2002; 2008)	Honesty, integrity, competence, goodwill, constancy.

Table-2: Relationship between Opportunism & Trust

Antecedents	Direction of Relationship with Trust	Source
Opportunism	Negative	Dwyer et al., 1987; Morgan & Hunt, 1994; Smith & Barclay, 1997; Skarmeas et al., 2002; Skarmeas, 2006; Ting et al., 2007; Hawkins et al., 2008; Lado et al., 2008; Hawkins et al., 2009; Barnes et al., 2010; Mysen et al., 2011

Table-3: Dimensions, Conceptualization and Operationalization of Variables

Variables	Dimensions	Conceptualization	Operationalization
Opportunism	-	Opportunity consists of activities like stealing, cheating, breach of contract, dishonesty, distorting data, obfuscating issues, confusing transactions, false threats and promises, cutting corners, cover ups, disguising attributes or preferences, withholding information, deception, and misrepresentation.	Opportunism is measured on five items.
Trust	Reliability	Trust is defined as willingness to rely on one exchange partner in whom one has confidence.	Credibility dimension of trust is measured on two items.
	Integrity	Trust is defined as the confidence the individual partners have in the integrity of each other.	Integrity dimension of trust is measured on two items.
	Benevolence	Trust is defined as an expectation that a trusted party will behave benevolently towards the trusting player.	Benevolence dimension of trust is measured on two items.

Table-4: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness	Kurtosis		
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Altering the fact	220	1	7	4.05	1.675	-.144	.164	-1.053	.327
Exaggerating the features	220	1	7	4.20	1.715	-.316	.164	-1.103	.327
Truthful picture during negotiation	220	1	7	3.14	1.430	.883	.164	-.335	.327
Benefit by detriment	220	1	7	3.60	1.929	.084	.164	-1.320	.327
Breach of agreement	220	1	7	3.65	1.848	.272	.164	-1.204	.327
Integrity-General	220	1	7	5.22	1.543	-.807	.164	-.254	.327
Integrity-Honesty during problem	220	1	7	4.69	1.721	-.504	.164	-.924	.327
Reliability-Confidence	220	1	7	5.50	1.479	-1.222	.164	.892	.327
Reliability-Dependability	220	1	7	5.14	1.610	-1.071	.164	.296	.327
Benevolence-General	220	1	7	5.15	1.583	-.884	.164	-.379	.327
Benevolence-Focused	220	1	7	4.49	1.676	-.399	.164	-.871	.327
Valid N (listwise)	220								

+

Table- 5: Reliability Statistics

Scales on	Cronbach's Alpha	N of Items
Opportunism	.782	5
Trust-Integrity	.620	2
Trust-Reliability	.826	2
Trust-Benevolence	.886	2

Table- 6: Descriptive Statistics of variables used in Bivariate Correlation

	N	Mean	Std. Deviation
Overall Opportunism	220	3.7282	1.26380
Overall Trust-Integrity	220	4.9545	1.39150
Overall Trust-Reliability	220	5.3159	1.42674
Overall Trust-Benevolence	220	4.8205	1.54411
Valid N (listwise)	220		

Table- 7: Correlation between Opportunism and Trust

+

		Overall Opportunism	Overall Trust-Integrity	Overall Trust-Reliability	Overall Trust-Benevolence
Overall Opportunism	Pearson Correlation	1	-.532**	-.631**	-.501**
	Sig. (2-tailed)		.000	.000	.000
	N	220	220	220	220
Overall Trust-Integrity	Pearson Correlation	-.532**	1	.747**	.777**
	Sig. (2-tailed)	.000		.000	.000
	N	220	220	220	220
Overall Trust-Reliability	Pearson Correlation	-.631**	.747**	1	.679**
	Sig. (2-tailed)	.000	.000		.000
	N	220	220	220	220
Overall Trust-Benevolence	Pearson Correlation	-.501**	.777**	.679**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	220	220	220	220

** Correlation is significant at the 0.01 level (2-tailed).

BARRIERS TO ENTREPRENEURSHIP CONFRONTED BY PERSONS WITH DISABILITIES: AN EXPLORATORY STUDY ON ENTREPRENEURS WITH DISABILITIES IN BANGLADESH

Saptarshi Dhar¹

Tahira Farzana²

ABSTRACT

This exploratory study attempts to provide an understanding of the barriers that persons with disabilities face while pursuing entrepreneurial activity in the context of Bangladesh. Although disability is widely prevalent in Bangladesh, review of the literature reveals that research on persons with disabilities and the problems they face pursuing entrepreneurship are yet to be explored. In this context, this study explores the entrepreneurial barriers faced by this population and attempts to contribute to the existing literature on persons with disabilities. The study is qualitative in nature and data were collected through in-depth interview (IDI) method using semi-structured questionnaire. Two separate groups of respondents participated in the interview – entrepreneurs with disabilities and disability experts. Referral sampling technique was adopted to identify the entrepreneurs with disabilities where each respondent recruited another respondent from their acquaintances and purposive sampling technique was adopted to select the disability experts. A total of 40 entrepreneurs with disabilities and 10 disability experts took part in the interviews during October – December 2017. Findings from the interviews reveal that barriers such as lack of working capital, lack of interest-free flexible business loan facility, lack of business knowledge, lack of access to information, lack of training, mobility barriers, operational barriers, inability to deliver quality product, limitations in understanding target market, lack of entrepreneurial traits and lack of business network are issues that persons with disabilities face while pursuing entrepreneurship. The paper also suggests recommendations to overcome these barriers.

Keywords: Disability, Entrepreneurship, Barriers to Entrepreneurship

JEL Code: J14

INTRODUCTION

Disability is a worldwide phenomenon that affects one out of every ten people and four of every five disabled people live in developing countries (WHO & The World Bank, 2011; ILO, 2011). Disabled World

¹ Lecturer, Institute of Business Administration (IBA-JU), Jahangirnagar University, Savar, Bangladesh

² Lecturer, Institute of Business Administration (IBA-JU), Jahangirnagar University, Savar, Bangladesh

(2010) refers to the disabled population as ‘the world’s largest minority group’. Around one billion or 15 percent of the global population suffers from some form of disability (WHO & The World Bank, 2011). It is now a commonly held belief that the number and the types of disabled people are increasing all over the world (Anderson & Galloway, 2012). However, this population lacks the much needed attention in academic literature, especially in economic activity and entrepreneurship literature. Persons with disabilities (PWD) have traditionally been perceived as non-participating members of society and have thus become socially and economically marginalized (Anderson & Galloway, 2012). De Vries (2003) states that persons with disabilities are excluded from the mainstream as they are kept separate from the world of economics, politics and social order. This knowledge gap perpetuates their exclusion from mainstream economic activity (ILO, 2015). In this regard, entrepreneurship is often seen as the means by which persons with disabilities can overcome economic exclusion. Pavey (2006) provides evidence that entrepreneurship as an economic activity can offer wealth generation among disadvantaged groups.

According to Bald ridge and Neubaum (2008), ‘an entrepreneurial path for a person with a disability can mean the difference between unemployment and severe underemployment and a truly exceptional and prosperous career’. Entrepreneurship is a good source of income for persons with disabilities (Noakes, 2006) and it is well suited for this population as they have experience of creative problem solving, persistence, grace under pressure and willingness to ask for help (Mathis, 2003). It has been suggested by Harper and Momm (1989) that persons with disabilities make natural entrepreneurs since having a disability can also be a stimulus for independent problem-solving and innovation. According to Handicap International (2004), persons with disabilities and the professionals working to help them report that the top priority for persons with disabilities is to be able to earn a living and take care of their families. In this context, entrepreneurship provides them the most convenient means of earning a livelihood and achieving economic prosperity. It offers an entry into the labour market as employer discrimination is frequently reported (Blanck et al., 2000; Boylan & Burchardt, 2002; Hagner & Davis, 2002). Sometimes entrepreneurship might offer the only opportunity for active labour market participation for this population and with it, improved income and living standard (Halabisky, 2014). Persons with disabilities utilize their mental strength,

passion, and dedication to start and run entrepreneurial ventures. Cooney (2008) cites research evidence from the UK and the USA which show that persons with disabilities pursue entrepreneurship in significantly greater proportions than their able-bodied counterparts. He suggests that this is likely due to factors such as convenience for the individual in terms of access, disadvantage in employment because of lower educational attainment and opportunities, and discriminatory practices in the labour market. For developing countries, it is estimated that for each person with disability employed by a company, four more generate their own income through entrepreneurship (Handicap International, 2006).

However, starting an entrepreneurial venture is not an easy job. For an entrepreneur with disability (EWD), such an attempt is even harder. Disabilities vary in types and in severity, and so do entrepreneurs' ambitions. Some simply wish to continue as a one-person offering a service that utilizes their particular skill and manage their work hours to accommodate their impairment; whereas some want to grow their modest businesses into larger enterprises by employing more people. No matter the goal, the barriers an entrepreneur with disability faces setting up and running a business can feel overwhelming. Research points out resource disadvantage as the primary barrier to entrepreneurship for persons with disabilities (Anderson & Galloway, 2012). Resource disadvantages include confidence, prejudice and physical barriers (depending on disability) (Roni, 2009) and education and training (ILO, 2008). Larsson (2006) noted that lack of knowledge, experience, and social networks are barriers that are widely in presence for persons with disabilities compared to others.

In this context, the focus of this paper is on the barriers that persons with disabilities face in pursuing entrepreneurship in the context of Bangladesh. Persons with disabilities face challenges in their businesses which are exceptional in nature due to their impairment conditions. The aim is to address the topic of entrepreneurship for persons with disabilities in order to open it up for wider consideration and analysis.

LITERATURE REVIEW

1. Defining Entrepreneur

The term "entrepreneur" comes from the French term "entreprendre" meaning to set about or to undertake (Edelman et al., 2016).

Entrepreneurs are people who are able to translate thoughts into action; they are dreamers and thinkers who do (Filion, 2011). An entrepreneur is an individual who puts into practice an idea possessing qualities such as creativity, innovation, risk-taking, and ability to plan and manage the activities to fulfil the proposed goals (Rusu et al., 2012). Dijkhuizen et al. (2016) as cited by Maziriri et al. (2017) state that an entrepreneur is a person who identifies gaps within the market environment and takes the advantage to fill the gap; a person with creative and innovative ideas of new products or services and of improving existing ways of production and service (Tehseen & Ramayah, 2015). Wenekers et al. (2005) say that the term entrepreneur is often associated with a company owner or being self-employed, however, in a broader sense, it is also a person who launches a new project or explores market opportunities. Shane (2003) as cited by Vaziri et al. (2014) is of the view that an entrepreneur makes discovery, evaluation, and exploitation of opportunities to introduce goods and services, processes and organizational structures that was not existent before. Anderson & Galloway (2012) define entrepreneurship as independent venture creation or self-employment.

2. Defining Disability

The World Health Organization terms disability as an umbrella term, covering impairments, activity limitations, and participation restrictions (WHO, 2017). A disabled person is defined as a person with a physical, mental or sensory disability, which may lead to physical, cultural or social barriers inhibiting from participating at an equal level with other members of society in activities (Mandipa, 2013; Viriri & Makurumidze, 2014) as cited by Maziriri and Madinga (2016). The social model of disability defines disability as a result of the limitations imposed by social, cultural, economic and environmental barriers (Albert, 2004). A disability is any continuing condition that restricts everyday activities. The Disability Services Act (1993) defines ‘disability’ as an intellectual, psychiatric, cognitive, neurological, sensory or physical impairment or a combination of those impairments which results in a substantially reduced capacity of the person for communication, social interaction, learning or mobility and in need for continuing support services.

In Bangladesh, The Disability Welfare Act (2001) states that a person with disability is one who is physically disabled either congenitally or as a result of disease or being a victim of accident, or due to improper or

maltreatment or for any other reasons has become physically incapacitated or mentally imbalanced, as a result of such disability or mental impairment has become incapacitated, either partially or fully and is unable to lead a normal life.

3. Disability in Bangladesh

There is no reliable, up to date nationwide statistics on disability in Bangladesh (SIDA, 2014). Data on persons with disabilities is hard to come by and the estimates of different agencies and organizations are contradictory. For example, Bangladesh Bureau of Statistics (2010) published a Household Income and Expenditure Survey (HIES) in 2010, where the disability prevalence rate stated was 9.01%. But the National Census of 2011 (Bangladesh Bureau of Statistics, 2011) data put a figure of 1.41% on the overall rate of disability prevalence in Bangladesh. In another survey by Bangladesh Bureau of Statistics (2016), the Education Household Survey stated 1.33% disability prevalence rate in 2014. Unnayan Onneshan (Titumir & Hossain, 2005) reported a disability prevalence rate of 5.6%. Action Aid-Bangladesh and Social Assistance and Rehabilitation for the Physically Vulnerable (SARPV) put the disabled population at 8.8% of the total population (Bangladesh Bureau of Statistics, 2015). Bangladesh Protibandhi Kallyan Samiti records 7.8% disability prevalence rate (Haque & Shahnaz, 1997). Experts working in the field of disability support and disability rights follow a 10% working estimate of disability prevalence in Bangladesh based on the estimates of WHO. According to Hussain (2008), the large number of people with disabilities in Bangladesh is enough to require special attention.

Although the government of Bangladesh has taken up a number of international and national policy steps to ensure the protection of the rights of PWDs over the years, 80% of the people with disabilities are unaware of any law or policy pertaining to disability in the country (Hussain, 2008). The government signed the United Nations Convention on the Rights of Persons with Disabilities (CRPD) in 2007 and passed the Rights & Protection of Persons with Disabilities Act in 2013. Under this act, the Ministry of Social Welfare has the responsibility for advancing the rights of persons with disabilities in Bangladesh. Within the ministry, Jatiyo Protibondhi Unnayan Foundation or JPUF works to raise

awareness, provide rehabilitation and education, run training centers and disburse grants and loans to persons with disabilities.

4. Barriers to Entrepreneurship for Persons with Disabilities

Several studies have been conducted by different researchers throughout the world in attempts to explore the entrepreneurial barriers that are confronted by persons with disabilities. Many of these barriers are deep-rooted social constructs, while others are more economic in nature. Stereotypes associated with the disabled negatively influence the perception of employers and thus reduce their opportunities for employment, paving way for entrepreneurial endeavors (Davidson, 2011). Starting up a business is typically a challenging process and is hard for both the nondisabled and the disabled (Cooney, 2008). Thus the barriers that entrepreneurs with disabilities face can create further challenges throughout the process (Renko et al., 2015).

In the paper “Entrepreneurial Barriers that are Confronted by Entrepreneurs Living with Physical Disabilities: A Thematic Analysis”, Maziriri et al. (2017) adopted an exploratory research approach to identify the barriers faced by entrepreneurs with physical disabilities within the Sebokeng Township in South Africa. The paper used a sample size of 35 respondents collected through snowball sampling technique. The methods of data collection were face to face semi-structured interviews and focus group discussions. The authors found that lack of equipment and machinery is one of the most significant barriers that hinder the entrepreneurial success of the disabled. Other recurring issues were discrimination, lack of business networking, hardships in obtaining start-up capital, lack of knowledge of support centers for entrepreneurs living with physical disabilities, and lack of education and training. The paper recommended that the government should enact schemes that help in providing tools and machinery, improving intellectual capacity through tertiary education and easing access to start up capital for the entrepreneurs with disabilities.

Ashley and Graf (2017) explored the process and experiences of self-employment among persons with disabilities in the USA. The study was exploratory in nature and data were collected from 18 EWDs from different states through an online survey. The challenges that the respondents faced were both external and internal in nature. External

challenges were bureaucratic hindrances, lack of familial support and lack of health need related services while internal challenges were lack of motivation, depression, fear of failing and self-doubt. Other challenges faced include the inability to manage time properly due to health issues; difficulty in networking as they feel they cannot communicate properly; insufficient funding and financing to sustain and grow the business and lack of mentorship.

Maritz and Laferriere (2016) aimed to explore the role of disability entrepreneurship and self-employment in Australia. The authors state that entrepreneurs with disability face three primary barriers: financial, societal and personal. In terms of financial barriers, the first problem is the access to capital as persons with disabilities are likely to be unemployed or underemployed resulting in a very little personal savings to fund their business. Another problem is ‘benefits trap’ where persons with disabilities do not want to risk losing their benefits when they start generating their own income. Society and social perceptions towards persons with disabilities in Australia also pose societal challenges where customers, suppliers and other stakeholders may not choose to purchase products or services offered by a PWD. Market prejudices create a low demand for the goods and services produced by the PWDs (Jones & Latreille, 2011). The authors also stated that lack of confidence in pursuing an entrepreneurial endeavor, lack of education, lack of business knowledge and lack of work experience work as personal barriers for the disabled. The paper recommended adopting policies to make the entrepreneurs with disabilities business ready, increasing their access to venture capital and business networking.

The paper of Caldwell et al. (2016) aimed at finding the motivational factors and attitudinal barriers that affect the social entrepreneurs with disabilities in Chicago, Illinois. The study was qualitative in nature and data were collected through focus groups and interviews of social entrepreneurs with disabilities and key stakeholders. Results found that the stigma associated with disability leads to attitudinal barriers of social entrepreneurship for the disabled. Prejudice results in discrimination for the disabled which disadvantages them in business development activities such as seeking finance and funds. Other attitudinal barriers were people perception that a disabled person cannot be a business owner; and disability disclosure where several social entrepreneurs did not disclose their disability to others due to fear of discrimination. An

existence of expectation barrier was also identified, where some people with disabilities felt they are not capable enough to start their own business, posing a significant psychological barrier. Other barriers found were barriers to housing, social network, and personal assistance.

Maziriri and Madinga (2016) adopted qualitative research approach to explore the challenges faced by the physically disabled entrepreneurs in Sebokeng Township in South Africa. The authors used qualitative research methods to analyze the data and convenience sampling to select the respondents. The methods for data collection were face to face semi-structured interview, focus group discussion and observation. A total of 30 respondents were interviewed for the purpose of the study. The authors identified that access to finance is the primary challenge faced by entrepreneurs with disabilities. Other findings were lack of commercial bank loans, lack of awareness about government support centers, lack of education and training, lack of confidence due to discrimination and lack of equipment are the challenges that impede the growth of entrepreneurs with physical disabilities. The authors recommended that the government of South Africa should focus on setting up a dedicated fund and develop policies that help the entrepreneurs with physical disabilities.

The paper of Hwang and Roulstone (2015) explored the nature, activities, and scope of enterprise for the disabled in South Korea. The study found that disability enterprises are predominantly home-based trading businesses that do not require a large amount of start-up cost, knowledge, and skills such as retail outlets, manufacturing units, and accommodation providers. It was also found that disabled men are three times more likely to be entrepreneurially active than their female counterparts. The reason for such gap is the social stereotype attached to women; the Confucian assumption that women will support their families, including their partner's parents which acts as a barrier to entrepreneurship. Moreover, in terms of finance and support, the government initiatives concentrate more on promoting and helping the business of "less severely" disabled and pay less attention to the "more severely" disabled such as people with epilepsy and developmental disability.

Mohammed and Jamil (2015) explored the barriers faced by the disabled in entrepreneurship and whether such barriers are more significant to

entrepreneurs with disability compared to other entrepreneurs in India. The study selected 150 entrepreneurs with disability and 150 other entrepreneurs through systematic random sampling. Binomial logit regression was used to find the probability of an entrepreneur facing problem due to a particular barrier. Results revealed that an entrepreneur with disability is significantly more likely to face barrier due to lack of access to finance, lack of experience, lack of self-belief and lack of government support, as compared to other entrepreneurs; the probabilities being statistically significant.

Kitching (2014) states that the persons with disabilities are likely to face specific barriers to starting and sustaining entrepreneurial business in addition to general barriers. The paper identifies several barriers such as difficulty in obtaining start-up financing; benefits trap; lack of business management, lack of legal and financial expertise as PWDs have limited access to education and work experience; lack of aspirations and confidence in sustaining a successful business venture; consumer discrimination and unhelpful attitude of business advisers. To tackle the barriers, Kitching suggested that policy for supporting entrepreneurs with disabilities should be formulated in such a way so that it incorporates enterprise awareness, financial support, non-financial support and advisor training.

Mwangi (2013) aimed to study the problems faced by physically challenged entrepreneurs in Thika Municipality in Kenya. The author adopted qualitative and quantitative research tools to triangulate the findings. The study found that the nature of problems primarily faced by the entrepreneurs with disability are access to start-up capital, lack of suitable premises where movement is restricted by the architectural designs of the buildings where their businesses are located, mobility barriers and lack of skills. The author recommended creating a barrier-free environment that would accommodate each person's disability and developing skills that would turn their businesses into bigger enterprises. Parker Harris et al. (2013) reveal that asset accumulation poses a significant barrier to the entrepreneurs with disabilities as they mostly rely on friends, family, and personal funds when starting a business. The authors stress that many entrepreneurs with disabilities do not manage their own funds and have limited financial literacy. Such limitations pose a significant obstacle to the growth of the business. The study of Yamamoto et al. (2011) analyzed and summarized the findings of

empirical research on self-employment of individuals with disabilities in the United States. The authors state that the primary challenge is the access to adequate capital and financing beyond individual and family resources. Moreover, there is the perceived risk of losing government benefits due to income generation, societal prejudice, negative public attitude, educational barriers in institutional vocational programs and technological barriers in access and use of devices that hinder the path to entrepreneurship or self-employment for the disabled.

According to Foster (2010), self-belief is the most significant barrier to entrepreneurs with disabilities as they are used to hearing they are not capable enough. There is also the fear factor of losing benefits allowance. The author identified that access to finance is another key issue. Entrepreneurs with disabilities require the support of their employees to work extensively during the starting of the business as PWDs themselves cannot work long hours. It was also noted that EWDs face more financial barriers than others, partly due to poor credit scores and the high cost of impairment support devices. In the paper of Boylan and Burchardt (2002), the purpose was to identify nature and extent of self-employment of persons with disabilities and the barriers that affect entrepreneurs with disabilities.

The study interviewed 24 respondents for this purpose and the location was scattered around England. The findings state that EWDs face difficulty in obtaining start up capital due to lack of personal funds, poor credit rating, the disinterest of banks and lack of access to information regarding sources of grants and loans. Fear of losing regular benefit income and unhelpful behavior from business advisers also posed problems for such entrepreneurs. Moreover, the authors found that the EWDs face lack of access to appropriate training and support due to lack of transport, lack of individually tailored materials (e.g., study materials not provided in braille) and lack of infrastructural support at the training premises.

It can be said from the above literature that persons with disabilities face various obstacles that are diverse in nature in running and managing their businesses. Although researchers have addressed and explored the entrepreneurial barriers that are confronted by persons with disabilities in different parts of the world, this issue is still unexplored in the case of Bangladesh. The present paper aims to add to the existing literature.

METHODOLOGY

The study is exploratory in nature, with an aim to understand the experiences and perspectives of entrepreneurs with disabilities. The rationale for adopting exploratory research is to gain a deeper understanding of the challenges the entrepreneurs with disabilities face in their business activities. To gather data, the authors used in-depth interview (IDI) method using a semi-structured questionnaire. Semi-structured questionnaires are organized around areas of particular interest, combines specific and open-ended questions and allows the investigator to add further questions as appropriate (Greeff, 2005; Maziriri and Madinga, 2015a, 2016b). In this study, data was gathered by interviewing the respondents at their respective business premises.

The nature of business for entrepreneurs with disabilities participating in the study comprised artwork, rickshaw painting, auto-rickshaw manufacturing, sewing, clothing, household decorative items, jewellery manufacturing, poultry farming, dairy farming, vegetable/fruit shops, tea stalls, gemstone trading and repair services. All the interviews were audio recorded with permission of the respondents and were noted on hard copy to increase the reliability of the answers. In the semi-structured questionnaire, the entrepreneurs with disabilities were asked questions that broadly included the types and nature of the business, the motivation behind starting business, how long the business has been in operation, how they cope with the challenges of managing resources, capital, operation and mobility, business knowledge and training taken and credit facilities availed. For the experts, the interview focused on expert opinion on the challenges faced by the entrepreneurs with disabilities based on their working experience.

As the present study focused on entrepreneurs with disabilities, the researchers were careful not to trigger emotional harm or stress to the respondents as the focus of the study was to explore the barriers the respondents encounter in their business operations as persons with disabilities. All respondents were contacted by telephone initially to explore if they would be interested in participating in the current exploratory research. The respondents were informed beforehand about the reason and the nature of the investigation to ensure that they were not misled. The credibility of the researchers was established through their current role as full time academic staff. The researchers ensured the

study acts in accordance with the ethical standards of academic research, which among other things, is protecting the identities and interest of respondents and assuring confidentiality of information provided by the respondents. All the respondents were asked in advance for their consent to be audio recorded during the interview. Each interview spanned for about 80 minutes.

Respondent Type and Inclusion Criteria

The study included two types of respondents – entrepreneurs with disabilities and disability experts. The EWD respondents were working age (18 to 60 years old) and self-identified as having a disability, which spanned a wide variety of disability categories from visual, physical, hearing or speaking and communicating impairments. The disability experts included disability advocacy organizations and service providers; social entrepreneurs in the disability sector; social workers and disability activists.

Sampling Technique

Referral sampling technique was adopted to identify the entrepreneurs with disabilities where each respondent recruited another respondent from their acquaintances. Purposive sampling technique was adopted to select the disability experts.

Sample Size

The study is based on a total of 50 respondents. The respondents comprised 40 entrepreneurs with disabilities and 10 disability experts. The 40 EWD respondents were located in Dhaka, Savar, Manikganj, Pabna, Tangail, and Gazipur. The disability experts were located in Dhaka and Savar.

Data Collection Method

In-depth interview (IDI) method using a semi-structured questionnaire was designed to collect data from the entrepreneurs with disabilities and disability experts.

FINDINGS

Any person who attempts to start an entrepreneurial business has high chances of facing barriers. For those with disabilities, such barriers are more pronounced and complex in nature. The present study used an

exploratory research design, with the key focus on entrepreneurial barriers from the perspective of (a) entrepreneurs with disability and (b) experts.

DISCUSSION WITH THE ENTREPRENEURS WITH DISABILITIES: ENTREPRENEURIAL BARRIERS FROM THEIR PERSPECTIVE

Lack of Working Capital

Lack of working capital emerged as one of the most important barriers during interviews. Entrepreneurs with disabilities stated that they face challenges in managing working capital properly. According to them, this is due to the fact that EWDs generally cannot afford to issue credit transaction to their clients/customers. One of the respondents, Selina, who is the owner of a clothing shop, pointed out that clothing-based businesses require credit transaction. This is a big challenge for her as she hardly owns sufficient liquid money to facilitate a credit sale. She said that when she failed to offer credit sales to her customers, she lost the customers to the competition.

Lack of Interest-Free Flexible Business Loan Facility

Another recurring issue that emerged during the interviews is that the financial institutions do not offer interest-free flexible business loans for entrepreneurs with disabilities. According to the EWDs, financial institutions prefer safe investments. These institutions consider EWDs as poor credit prospects, thus limiting the availability of interest-free flexible loan offerings. Through the interview, it was also found that although there is a circular by the central bank (Bangladesh Bank) directing all the scheduled banks to offer credit facility in favor of entrepreneurs with disability (SMESPD Circular No 03/2015), our participants were not particularly aware of any such facility.

“When I started my business, acquiring the capital was a huge challenge. Banks ask for aver yhigh interest rate which I cannot afford. The repayment schedule is also not easy. They require lots of regulation and paperwork, which I had difficulty to understand. I am not aware of any special facility offered by Bangladesh Bank.” (Abdul Aziz, Poultry Farm Owner).

Lack of Business Knowledge

The barriers include poor knowledge of cost management, sourcing of raw materials, and credit management. EWDs reported that they face great difficulty in operating business as they lack sufficient academic knowledge on how to run a successful business. The education level for the 50% of the respondents was up to primary level schooling; 25% up to the secondary level and the rest did not receive any kind of schooling at all. The only business education and knowledge they acquire is through trial and error while running the business.

“I have never gone to school. I often make mistakes in keeping track of my income and expenditure transactions. My business is too small in size to offer payment on credit to customers.” (Md. Forkan, Tea Stall Owner).

Lack of Access to Information

A successful business is dependent upon the availability of proper and timely information. Access to information has been made easier with digitalization. However, in the interviews, it emerged that the entrepreneurs with disabilities struggle to capitalize on digitalization due to their limited educational background and limited usage of modern technology (personal computers, smart phones, and internet). As a result, they are not fully aware of different government and non-government support initiatives and market opportunities. Moreover, they are yet to take the advantage of e-business/e-commerce/e-banking opportunity which could be a great addition to their business endeavours. Parker Harris et al. (2013) and Vaziri et al. (2014) also state that the lack of access to information poses a barrier for the EWDs.

Lack of Training

Another recurring challenge that emerged from the interviews is the lack of training facilities for the entrepreneurs with disabilities. Training is not only important for developing their technical or vocational skill but also for entrepreneurial skill development. However, it is mostly urban-centric, thus acquiring the training to learn or upgrade skills becomes challenging especially for those in semi-urban/rural area.

According to Marium, the owner of a dairy farm at Char Ruppur village in Pakshi Upazila of Pabna, getting the required training to run and administer the farm business requires her to travel to the Upazila on a frequent basis as no training facility is available at her village. She states

that even the veterinarian doctor also needs to be called from the Upazila to treat the livestock. With her physical impairment, it becomes very difficult for her to travel to the Upazila on a regular basis.

Mobility Barriers

Data from the study also reveal that mobility barriers pose a significant challenge for the entrepreneurs with disabilities. Infrastructural support for people with disability is still limited in Bangladesh. Mass transportation and architectural design of buildings are not disability friendly. Moreover, they are often forced to hire other people to do the work as the EWDs cannot travel themselves or cannot access buildings without help, which in itself presents a barrier to running a business. This finding supports Mwangi (2013), who also states that mobility barriers are a significant problem for the EWDs.

“I am a person with a wheelchair and my business requires me to travel and meet vendors at different places. I cannot get on a bus, car or any other vehicle by myself. Moreover, unless there is a lift, I cannot access buildings without somebody constantly helping me. This is a great challenge I face on a daily basis in running my business.” (Karim, Auto-Rickshaw Shop Owner)

Operational Barriers

Limitations in Managing Hard Deadlines: Respondents in the study identified managing deadlines as one the significant challenges they face in their business operation. Data from the study reveal that due to their disability, it becomes very difficult for an EWD to meet a deadline as efficiently compared to a person without disability. EWDs are mostly comfortable with relatively flexible deadlines where they do not have to face the pressure of meeting a tight schedule. In this competitive era, managing deadline is crucial for survival. Because the EWDs face difficulty in doing so, a lot of the times their business is negatively affected.

Kalam, who owns a tailoring shop in Savar Bazaar area, said that during the Pohela Baishakh he received a lot of orders from customers. However, due to his impairment condition, he could not manage to meet all the customer deadlines and could not manage additional help either. As a result, he lost some valuable customers who no longer place orders with him.

Limitations in Large Production Volume: Another recurring issue that emerged in the interviews were limitations in producing large volumes of product. Due to the severity and nature of disability, the participants face extreme difficulty in bulk production.

High Manufacturing Cost: For an entrepreneur with disability involved in manufacturing, one major challenge is the high manufacturing cost of products. Man-days for order increases as the EWDs cannot work long hours and have slower working speed. As a result of that, the overall cost of manufacturing becomes high, leading to high selling price which decreases market demand for their products.

Munia, a handicrafts maker and seller based out of Manikganj, stated that to prepare each piece of handicraft item, she and her workers need double the time than their able-bodied counterparts. Because of the time delay, and slow speed of working, operating costs keep increasing. So, the total cost of manufacturing increases. The final price of her products is high and expensive compared to similar products in the market. She said that the high price decreases the sales demand as customers choose the competing products.

DISCUSSION WITH DISABILITY EXPERTS: ENTREPRENEURIAL BARRIERS FROM THEIR PERSPECTIVE

Inability to Deliver Quality Product (Against the Offerings of General Competition)

Experts interviewed in the study identified that entrepreneurs with disability face a major challenge to deliver the finest quality product as opposed to general competition. Moreover, the rate of defect in the finished product is comparatively higher as well. To overcome this barrier, regular training is crucial.

Limitations in Understanding Target Market

Another issue pointed out in the expert interviews was that the EWDs have limited understanding of their target consumer, their needs, and preferences. The Project Director of an NGO that focuses on entrepreneurship development for the disabled stated that such limitation is due to the lack of business education and lack of social and market exposure. She said that the EWDs who are in the semi-urban or rural area face this challenge more often than others.

Lack of Entrepreneurial Traits

According to Westhead et al. (2011), certain personality characteristics direct an individual toward entrepreneurial behavior. Need for achievement, need for autonomy, risk-taking propensity, creativity, self-confidence are some of the most discussed personality traits that lead to entrepreneurship (Chell, 2008; Dollinger, 2008; Kuratko & Hodgetts, 2007). Entrepreneurial traits such as passion, reliance, a strong sense of self, resilience, vision, decisiveness, risk-seeking are traits of successful entrepreneurs (Price, 2013; Rampton, 2014). Although entrepreneurs with disability are very passionate about their work, they lack self-confidence in undertaking risks. There is also a lack of management skills (mostly due to their physical limitation). In most cases, it was also found that they are introvert in nature which creates a challenge in developing networks and managing resources, especially people.

Lack of Business Network

The final barrier to emerge from the expert interviews was the lack of business network development. Networking is crucial for getting regular business from clients and forming business relationships. In the interviews, a renowned social entrepreneur specializing in disability development stated that networking helps in recognizing and capitalizing on business opportunities and seeking potential ventures. However, he has observed that entrepreneurs with disabilities are not very confident in developing business networks. Two other social entrepreneurs and several disability advocacy experts also supported this statement.

CONCLUSION

The main objective of this study was to explore the entrepreneurial barriers that are faced by persons with disabilities. It was found that "desire to create an individual identity" was the main motivation that propelled persons with disabilities toward starting and managing their own business. These people are highly committed to being active contributors to the society and economy. From the study, it was found that the entrepreneurs with disability struggle to manage working capital, lack business knowledge, lack of access to information and training and face mobility and operational barriers. In order to attain financial and non-financial support, they need cooperation from public and private sector. Flexible loan facilities and training on fund management can help

them overcome financial challenges they face in their business. Operational barriers can be minimized by ensuring training on quality management and time management. Moreover, they need to boost their entrepreneurial confidence and create business associations which can help them engage in business networking. Participation of EWDs in international, national and local fairs and exhibitions, the establishment of product display hubs will promote them to a wider market. Ministry of Social Welfare under The Government of Bangladesh is the concerned authority for persons with disabilities in the country. The ministry organizes state level exhibitions featuring products made by the EWDs on an occasional basis. However, the scope and reach of this exhibition are very limited as it is not promoted widely. This exhibition could act as a product display hub which might increase the mass awareness needed in society for entrepreneurs with disabilities. Bangladesh ranks 133rd position globally and 24th regionally in entrepreneurial activity (Global Entrepreneurship and Development Institute, 2017). The government is actively pushing increased entrepreneurial engagement. Yet, the entrepreneurs with disability in Bangladesh are still left behind. It is relatively an unexplored subject in Bangladesh and thus requires additional empirical research to help policymakers make informed decisions to support the entrepreneurs with disabilities and increase entrepreneurial opportunities for them.

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AN EVALUATION OF RISK MITIGATION STRATEGIES OF PROCUREMENT PROCESS OF DIRECTORATE OF PRIMARY EDUCATION, BANGLADESH

Md. Aminul Islam ¹

ABSTRACT

The Directorate of Primary Education (DPE), one of the largest government organizations in Bangladesh, used three Procurement Guidelines such as GoB, ADB and WB for procurement of multifarious types of Goods and Services for implementation of the Third Primary Education Development Program (PEDP-3). The current study was carried out to compare the procurement activities of three consecutive years followed by DPE for its PEDP-3's procurement processing with the provision of the Public Procurement Act 2006. Primary and Secondary data were collected through random sampling from a huge population and analyzed by the quantitative and qualitative methods. DPE's procurement processes were evaluated only based on the risk issues as per the Public Procurement Act 2006 and the Public Procurement Rules 2008. CPTU identified 13 indicators for measuring the performance of all procuring entities. A questionnaire was prepared centering those 13 indicators for collecting Primary Data to compare DPE's performance in light with the Risk Mitigation tools and techniques. In the current study it was found that a number of unwanted incidents created by the local people which sometimes jeopardized the procurement processes followed by DPE. DPE's procurement process was transparent, and efficient in a large scale with a very little and unavoidable deviation. By transforming from the manual systems to the e-GP, DPE can ensure more transparency and efficiency in procurement process with the risks arisen from the corruption, fraudulent, coercion and collusive practices at a minimum level for further procurement processes. DPE's procurement division took all the trouble to implement a gigantic project providing thousands of goods and services. Other government organization(s) may learn from DPE's experience of procurement processes.

Key words: PPA, 2006; PPR, 2008; Risk Mitigation

INTRODUCTION

The Public Procurement Act 2006 (PPA, 2006) is the strategic framework for implementing procurement activities by different sectors of Government of Bangladesh (GoB) using public funds. In 2006, OECD and ADB profusely praised The Public Procurement Regulation 2003

¹ Senior Management Counselor, Bangladesh Institute of Management (BIM)

(PPR, 2003) of GoB for inclusion of different mechanism as the risk mitigation tools and techniques. After enactment of the PPA, 2006 the GoB promulgated the Public Procurement Rules, 2008 (PPR, 2008) in accordance with the Section 70 of the The Public Procurement Act, 2006. The Public Procurement plays a pivotal role in the economy of the country because government organizations creates a big market within the country by procuring multifarious Goods, Works and Services from national and international sources as well as the public staffs can make themselves as experts or can enhance their professionalism in this sector. The PPA, 2006 was enacted for ensuring transparency, accountability, equitable treatment and free and fair competition among all persons wishing to participate in the public procurement of goods, works or services using public funds.

The Directorate of Primary Education (DPE), one of the big government organizations of Bangladesh implemented Third Primary Education Development Program (PEDP-3) as a main stream project in the primary sector of Bangladesh from 1st July 2011 – 30 June 2017 with a Gross Total of BDT 76,50,000.00 Lakh equivalent to US\$ 9,808.00 million and was financed by the Government of Bangladesh and 10 other Development Partners (DPs). More than 60% of the total amount was earmarked for procurement of Goods, Works and Services for the program. As per loan agreement signed between the GOB and DPs, DPE followed the Public Procurement Act 2006 and the Public Procurement Rules 2008 for procurement of Goods from national sources and the Procurement Guidelines of World Bank (WB) for Goods from International sources through International Competitive Bidding (ICB) processes. Asian Development Bank's (ADB) Procurement Guidelines was followed by DPE for procurement of Services.

DPE also followed the WB and ADB's procurement Guidelines for procurement of PEDP-3. DPE had to take prior permission from the WB and ADB in every step for its procurement processes. So, DPE complied the ADB and WB's procurement provisions before signing the contract. As a result, DPE's procurement processes were not evaluated with provisions of ADB and WB's guidelines. Consequently, DPE's procurement processes were examined only on the basis of the provisions laid down in the PPA, 2006 in light with the Risk Mitigation Strategies in the present study.

The Central Procurement Technical Unit (CPTU) categorized 13 Indicators for measuring the performance of procuring entities from the procurement process such as Invitation for Tender, Tender Submission, Tender Opening Committee (TOC) and Tender Evaluation Committee (TEC), Tender Evaluation, Tender Evaluation Report (TER) approval, Contract Award, Delivery/Completion, Payment, Complaints, Contract amendments, Contract dispute resolution, Fraud and Corruption (F & C) and Procurement Management Capacity from each of which risk may arise. The risk in the public procurement may originate from a simple error in the development and administration of the procurement processes or from the set legal provisions violated intentionally (Ioana Livia *et al.*, 2010).

The Public Procurement Act 2006 encouraged the Procuring Entity as well as the tenderers to observe the highest standard of ethics during implementation of procurement proceedings and the execution of contracts under public funds with strictly prohibition of Corruption, Fraudulent, Collusive and Coercion practices (CFCC) for avoiding risks in the public procurement process. Risks can occur from a simple error in the activities of development and administration of procurement process or an intentional deviation from the existing legal provision (Ioana Livia *et al.*, 2010). The Public Procurement Act 2006 with the provisions of prohibiting the Corruption, Fraudulent, Coercion and Collusive (CFCC) in the procurement process in any sector of GOB mitigates the risks. DPE's procurement activities were examined in the present study on the basis of the risk mitigation strategy as per the Public Procurement Act 2006.

Some potential risks may occur in the public procurement activities mentioned below are either arise from the activities of corruption or Fraudulent or Collusive and Coercion (CFCC) practices by the involved parties and or socioeconomic or sociopolitical conditions. There are three major areas of corruption risks such as a) Pre-tendering phase; b) Tendering phase and c) Post Contract Award phase (Kari Heggstad *et al.*, 2010).

METHODOLOGY

Problem identification

The Directorate of Primary Education (DPE) implemented a gigantic development project named the “Third Primary Education Development

Program (PEDP-3)”. It is a sacred duty for all the government officials to use the tax payers’ money for conducting the procurements activities. DPE used a huge amount of public funds for procurement of different types of Goods and Services for PEDP-3 from National and International sources. Being a Government organization, DPE followed the Bangladesh Government Procurement Guidelines (the Public Procurement Act 2006 and Public Procurement Rules 2008) for procurement process. DPE had to follow the Procurement Guidelines of The World Bank and Asian Development Bank for procurement of Goods from International Competitive Bidding (ICB) method and Services respectively. The current study identified whether DPE followed the provisions of Public Procurement Act 2006 for dealing with all the procurement of Third Primary Education Development Program (PEDP-3).

Nature of the Research

In the current study, both Primary and the secondary Data were used. A total of 40 people were surveyed by questionnaire method for collecting the primary data of whom 10 people were government officers who were either involved in the PEDP-3’s procurement process or involved in financial or contract management activities directly or indirectly and 30 people were supplier, consultants or service provider to the PEDP-3 procurement process. All types of data were processed by Quantitative and Qualitative methods.

The Research Question

The research questions for the present study were:

- How the risk mitigation tools of PPA 2006 act to reduce the risks in the public procurement process?
- Are the risk mitigation tools in PPA 2006 adequate to ensure mitigating the risks in public procurement?

Population, sampling technique, sample size

In current study it was found that PEDP-3 has been implementing since 1st July 2011 to 31 December 2017. In this duration DPE completed more than 1 thousand of procurement packages. DPE has been keeping all types of procurement records properly in line with the provisions of Public Procurement Rules 2008. In addition, Some 120 National and International Suppliers and Consultants signed contracts for supplying of goods as well as providing professional services to PEDP-3. DPE had

Three years' Post Procurement Review (Audit Reports) done by the Audit Authority of GOB. Website, news paper information were the population of the present study. From the population we selected all the procurement packages done in three consecutive Financial Years i.e., 2012 – 2013, 2013 – 2014, 2014 – 2015 to compare with the provisions of PPR, 2008. Consequently, 310 files of procurement packages, Audit Reports, website, news paper information were reviewed as well as 30 suppliers and consultants were surveyed and 10 DPE people who deal with procurement activities was also surveyed with a Questionnaire as sample of the present study.

Questionnaire development and data collection

A Questionnaire was prepared based on the 13 Indicators indentified by the Central Procurement Technical Unit (CPTU) to cover all types of information needed for analysis under the study. A total of 40 people directly or indirectly related to the DPE's procurement processes were engaged for collecting Primary data. Secondary Data were also collected from the records, procurement related files, websites, paper records and audit reports.

Data analysis technique and statistical tools used

Data of three consecutive years and a number of audit reports were visited with the prior written permission of the authority of the DPE. The qualitative and quantitative data were used in this study, based on the both necessary primary and secondary sources. A questionnaire has been prepared and used to collect the primary data covering in all the events or stages of the public procurement activities. It is mentionable here that the activities of the Open Tendering Method have been considered the ideal one in accordance with the Public Procurement Rules 2008 (as it said the Open Tendering Method is only preferred method). "T" test were also done for testing the variances between two different means.

Limitations

The current study was conducted only for the requirement of the partial fulfilment of the degree of "Master of Procurement and Supply Management" under the BRAC University. So, time was not unlimited and it was the prime limitation out of a number of limitations. The second limitation was the study area. Only Procurement activities of Financial Years of 2012-2013, 2013-2014, 2014-2015 of PEDP-3 were

considered under the study. Only 40 People were surveyed for Primary source of data.

OBJECTIVE OF THE STUDY

The objective of the current study is as follows:

To compare the procurement process followed by the Directorate of Primary Education (DPE) with the PPA 2006 provisions of risk mitigation tools and to reduce the Risks in the DPE's process.

RIVEW OF LITERATURE

Corruption, Fraudulent, Collusive and Coercion (CFCC) were considered as the potential risks in the current study. The public procurement and corruption, fraudulent practices are reported in a large scale by the different researchers. Reviewed Literatures are mentioned below.

1. There are 4 stages such as a) the specification of procurement contracts, b) the bidding process, c) Selection and d) delivery where fraud and corruption can be originated from the public procurement process (Sean Fitzpatrick, 2003).
2. In 2006, OECD and ADB mentioned that the Open Tendering is a standard procedure. Restricted tendering or direct procurement applicable for low-value and emergency procurements are also discussed in the PPR. They also praised the PPR for its provision of elaborative description of conditions for other than open tendering methods which provision indicates that all these terms and conditions are against corruption. The PPR provision of Publishing procurement opportunities in at least one Bengali and one English language national daily and widely circulated news papers which ensures wide participation of the tenderers and consequently reduces the risks of collusion or failure of the tenderers to submit tenders/ bids. In addition to that criteria if any goods and works procurement exceeds BDT 1 crore (more than 50 lakh or 0.5 crore for service procurement), then it also needs to publish mandetorily in the website of the Central Procurement Technical Unit (CPTU). CPTU website having information about relevant regulations and

guidelines, is contributing rigorously to the transparency of the regulatory framework.

Each Procuring Entity (PE) must form committees of at least 5 members, two of whom should be procurement experts from different ministries of PE. The PPR has provision to impose mandatory disqualifications for the submission of any false information. Actually this rule deters the dishonest bidders which lead to their abuse by corrupt procurement agents to disqualify unwanted suppliers. There is a general code of conducts for public officials to procurement personnel which prohibits government staff from accepting any advantage of gift from the tenderers. It is also praised by ADB & OECD as the safeguard and intensifies in the public officials. The PPR also has a number of mechanisms of curbing corruption and fraudulent activities in the public procurement process such as PE's have the authority to debar tenderer(s) from accessing to the government procurement for a particular tender or all tenders in a year or infinitive time. Although this punishment may be abusively imposed by the PE as there is no any further specific penalize guidance/ criteria in the PPR. There PPR also includes a complaint mechanism so that the aggrieved tenderers may complain directly to the PE. Procuring Entities are bound to reply any sorts of complaints within 5 calendar days. A separate and judicial Review Panel (RP) possible for procurement decision out of the PE's control. For supporting and Review Panel's work and also for the Post Procurement Review by the auditors, the PE are obliged to keep records at least 5 years.

3. Public Procurement process has 3 pillars such as Procurement Planning, Solicitation and Award and Contract Management from where the risks arise. They mentioned that planning stage can minimize risks from ill-conceived solicitations. Based on the degree of effective of risks, any organization can efficiently accept and /or avoid risks related to the procurements. If the organizations have a concrete/ strong procurement planning policy which also helps to make a clear decision, then the procurement risks do not arise. Solicitation and Award, the second pillar of the public procurement process is involved to ensure fairness, objectivity and best value. The study mentioned that public procurement attentively focus on this stage which is also involved with the ethics. The ethical standard in

the public procurement can ensure the Supplier interest in furnishing supplies and services which finally goes to foster a bigger competitive environment in the Public Procurement Process. The objectivity conception in the Public Procurement ensures the equal opportunities for tenderers/ bidders (companies) to obtain public business. In the last pillar of the procurement Risk management is contract Management which ensure the legal dimension of change in the development, proper communication and waver. The appropriate management of contracting relationships between the commercial (tenderers/ bidders/ suppliers and so on) and the Public Entities is another important area of risk management (Richard Pennington *et al.*, 2007).

4. Worldwide governmental organizations have started to introduce e-GP system as a tool to modernize and improve their public procurement systems (Knut Leipold, 2007). Actually, for accelerating the management of the public procurement process through the electronic means is a core component of the public sector as the electronic means has potential development impact. He described the usefulness of the e-GP as a close relation to the objectives of internationally recognized public procurement systems: enhanced transparency & compliance, increased performance & quality, and economic development. The public procurement systems in low- and middle-income countries are typically far away from spending money in a transparent and efficient way mainly because of adopting manual procurement process. So, the application of digital technology offers the opportunities for improvements in the procurement process to spend money more transparently and efficiently.
5. The Risk may turn into certainty either because of a simple error in the development and administration of the procurement process, or because of a deliberate deviation from the existing legal provisions (Ioana Livia Manea *et al.*, 2010).
6. The policy makers, professionals and academics have started to realize the importance of Public Procurement in facilitating Government operation in both development and developing countries (Mahmood, 2010). In his systematic review from 1999 – 2010, he termed the corruption as an unmanageable problem in many

developing countries. In developed and developing countries the public procurement framework alike are considered as being characterized by a continuous tension between the tax payers expectations of transparency and accountability and of efficiency and effectiveness of resource management. This situation (conformance and performance tension) exists throughout a complex procurement environment. This tension as consequently damaged by conflicting stakeholder interests at the political, business, community and management levels and exacerbated by competing claims between executives, lawyers, technologists and politicians for lead roles in this arena (Schapper & Paul, 2006).

7. E-procurement is the online publishing of goods and services through electronic channels (Parida & Parida, 2005). E-procurement systems can be used helping purchasing goods and services most reasonably (Mi Jung Jee, 2010) using Electronic devices for publishing, processing, exchanging and storing all the information related to institutional purchases in public organization (Asser & Boughzala, 2008). Public e-procurement is an important stage in e-government development and its economic stakes are considerable. Thus, public procurement systems must consult dualistic systems for two customers- government and companies (Mi Jung Lee, 2010).
8. The WB group is transforming its former, highly manual process of selecting consulting services into a robust e-procurement solution as part of its procurement simplification and modernization agenda (Mahmood, 2010), categorically mentioned that). The e-procurement can increase transparency and competition, and minimize processing time and effort (Leipold & Kunt, 2004).
9. Government procurement represents 18.42% of the world's Gross Domestic Product (GDP) (Auril, 2006; Singer *et al*, 2009). Public Procurement is an influential factor in the national economy and important function of government (Mi Jung Lee, 2010). The Korea e-procurement system is recognized as a successful example of substantially enhancing procurement process efficiency by making it transparent and professional and it is recognized in the 2005 UN reports for the best practices of e-government (Albano & Dae, 2010).

10. The United Nations Procurement Capacity Development Centre, Discussion Note (2012) mentioned two sources of public procurement Risks such as Strategic and Operational. In the Strategic source the Political: associated with a failure to deliver government policy; Economic: affecting the organization's ability to meet its financial commitments; Social: relating to delivery of organization's services; Technological: relating to organization's technological capacity; Legislative: associated with current or potential changes in the law; Competitive: associated with the cost, quality or competitiveness of a service; and Customer/citizen: associated with the failure to meet the needs or expectations of customers or citizens. Actually the strategic risks are related to the constitution of the procurement is legal framework.
11. The effects of fraudulent Procurement Practices on Public Procurement Performance in the context of Uganda (Kalubanga Mathew *et al.*, 2013). In the study they included but not limited to a) Cost / Labour mischarge; b) Defective Pricing; c) Defective Parts; d) Price fixing and Bid rigging. The Price fixing and Bid rigging is further categorized by the study such as i) Bid Suppression; ii) Complementary Bids also known as cover or courtesy bidding iii) Bid rotation; iv) Subcontracting; v) Market division; vi) Product Substitution and vii) Spare Parts over Pricing. They also described occupational Vs Organizational fraud and Input Vs Output fraud in the procurement process with definition. They tried to distinguished fraudulent practice from the corruption practice in the Public Procurement Process. They also mentioned some Motivational and a number of Organizational/ Environmental factors that generally underline the commission/occurrence of fraud or corruption in the Public Procurement Process.
12. In 2014, The African Development Bank (AFDB) and African Development Fund (ADF) jointly reviewed the AFDB's procurement policy and procedures comprehensively. Fraud & Corruption in Public Procurement – Comprehensive Review of the AFDB's Procurement Policies and Procedures mentioned that as the corruption can occur at any stage, consequently, risk measures should be taken to tackle the attendant risks within the whole procurement cycle, irrespective of its form or degree. They also

mentioned some Mechanisms/Symptoms observed during each stage of cycle.

RESULTS / FINDINGS

The Central Procurement Technical Unit (CPTU) identified a total of 13 Indicators in the public procurement process for measuring performance of Procuring Entities. A Questionnaire was prepared with 23 questions centering those 13 Indicators and surveyed 40 people directly or indirectly related to the PEDP-3's procurement process for collecting Primary Data. In addition, DPE's procurement related files, records, audited reports and websites were also studied as Secondary source of Data under this study. It was found in the present study that different types of results were observed.

DPE started to receive the tenders arranging the Tender receiving boxes in its premise from the starting period of PEDP-3. But, DPE shifted the arrangement of Tender receiving boxes from its premise to the Bangladesh Secretariat gate after regular snatching of the Tender receiving boxes by the local people. So, Socio-political conditions play a vital role for implementing the public procurement activities for ensuring the Value for Money.

It was found that DPE arranged Tendering Boxes for receiving the tenders only in the morning of the day of deadline for submission instead of arranging Tender Boxes from the day of publishing Advertisements. From the calculated 'T' value is greater than the tabulated value. The 'T' test was carried out for measuring the differences between the number of Tender Document sold and the number of submitted Tenders. In the present study, it was found that the calculated 'T' values were greater than those of tabulated values.

Consequently, DPE could not meet the target of expending the money allocated for the procurement of 3504 Laptops and 3504 Multimedia Projectors packages in the Financial Year of 2013 – 2014 completing the processes. It was found that the 5 months were elapsed after the bids were opened for approving the package by the competent authority. Consequently DPE failed to complete the procurement activities in the same financial year as per APP.

In the present study it was revealed that DPE also could not maintain the scheduled time evaluation of the Bids/ Tenders or proposals as per provision of the PPR, 2008. DPE took 5 to 7 months time period for evaluation and approval of the received Bids/ Tenders or proposals in case of four large procurement processes. Two procurements were completed in the next financial year. Consequently, DPE could not achieve the Disbursement Linked Indicator (DLI) set by the Development Partners for more financial aids.

It was observed in the present study that DPE significantly exceeded the annual cumulative limit beyond the PPR provision for procuring goods through the Request For Quotation (RFQ) method in all three financial years under study.

The current study was conceived to see how DPE applied the LD provision in its procurement packages among other provisions. In doing so it was found that DPE rigorously imposed LD to curb the bad practice adopted by the tenderers/ Bidders/ Suppliers. DPE imposed LD as per PPR, 2008 provision to mitigate the risk in the Public procurement process which is a laudable work for DPE.

Other findings are also presented below:

Findings on APP

1. DPE prepared, approved and published the Annual Procurement Plan (APP) in its Notice Board as per PPR for all the procurements of three financial years.
2. DPE published all of its procurement opportunities in the widely circulated daily news papers and respective websites in compliance with the PPR, 2008 provisions ensuring the Free and Fair competition.
3. DPE made available all the Bidding Documents available for selling to the potential Bidders in all the ICB procurements. But, in nominal cases it was found that DPE could not prepare the Tender Document for selling to the prospective tenderers with the publication of procurement opportunities in the news papers.
4. DPE was in line with the PPR, 2008 provision for the preparation of technical Specifications for its all types of procurement packages.

5. DPE did not keep the provision of Multiple Dropping Center to create a congenial and hassle free environment for the potential Bidder/ Tenderers for submission of Bids/ Tenders. It is mentionable here that there is no provision of Multiple Dropping Center in the WB's Procurement Guidelines.
6. DPE held pre-tender meeting for highly technical procurement packages. But sometimes it could not prepare the pre-tender meeting minutes and consequently could not distribute in time. So, tender submission times were extended which made the Lead Time lengthy.
7. DPE applied prudently the Delegation of Financial Power (DoFP) for approving the Tenders /Bids / Proposals before Awarding the Notifications/ Contracts for all the packages.
8. DPE invariably applies its professionalism for receiving the goods and services as per Technical Specification and Standard.
9. DPE was very strong applying its judgment to reduce the risk related to the warranty period and always tries to keep the supplier under observation with a provision of depositing 10% Performance Security in its custody.
10. DPE was very careful of preserving the records and files of the Procurement procedures in its custody safely.

DISCUSSION/RECOMMENDATION

In the current study a Questionnaire was prepared centering the 13 Indicators identified by CPTU for measuring the performance of Procuring Entity (PE) and surveyed 40 people directly or indirectly related to the procurement processes followed by the DPE for Primary Data. After getting the permission of DPE the procurement related files, records, websites, news papers and the audit reports were also went through as the source of secondary data.

In accordance with the results in the current study some recommendations are mentioned below

- 1 DPE regularly publishes Annual Procurement Plan (APP) in its notice board. It means that DPE prepares, approves and publish the APP to disclose the information for transparency as per Public Procurement Rules 2008 provision. The corruption Prevention Guidelines in Public Procurement (Published from the Kenya) supported that there are

some risks in the Planning Stage of Public Procurement in 2009. To avoid the risks and successful execution of the project (timely & perfectly) a detailed and good Procurement Planning is essential for monitoring in accordance with the Planning to a) boost up the procurement process & reduces project implementation delays, b) minimizes the possibility of error & reduces subsequent work, c) contributes to enhanced project quality & efficiency. It is recommended that DPE should carry out the process as it was done.

- 2 DPE used Request For Quotation (RFQ) method for procurement of low value, readily available and off the shelf standard goods in compliance with the Rules 69 – 73 of the PPR, 2008. It was observed in the present study that DPE significantly exceeded the annual cumulative limit beyond the PPR provision for procuring goods through the Request For Quotation (RFQ) method in all three financial years under study. The Public Procurement Rules 2008 provisions but not limited to- A Procuring Entity may undertake Procurement by means of the RFQ for readily available in the market standard off-the-shelf Goods and related Services, low value simple Works and physical Services, provided that the estimated value of such Procurement shall not exceed the threshold separately specified for revenue and development budget in Schedule II. It was observed that DPE could not maintain this provision to meet its huge need for successful implementation of the program. It had to exceed the Annual Cumulative Limit for all three years. DPE is a very big government organization that needs huge amount of money for procurement of goods through RFQ method. But, DPE should not carry out the process exceeding the Annual Cumulative Limit year after year. So, DPE should work on inclusion of procurement objects in the Open Tendering Method instead of using RFQ method. PEDP-3 is a giant project (actually a program with a hundreds of thousands of activities). Annual Cumulative Limit may be different based on the project nature or project value.
- 3 DPE published all kinds of Invitations For Tenders (IFT) as per Public Procurement Rules 2008 provision without any deviation. DPE should proceed with the process as it was done. There are risks in the publication of invitation notice (Kari Hegstad, *et al.*, 2010). That is why he proposed to introduce the e-GP system which can reduce the risks of publication ensuring wider competition.

- 4 DEP prepared and made tender documents available to sale to all the potential tenderers as per Public Procurement Rules provision. Moreover, DPE made all tender documents available in its website for purchasing easily by the tenderer which was a very appreciable step for DPE. It was recommended that DPE should continue with its activities.
- 5 DPE kept records (register) of selling Tender Documents (TDs) and regularly deposit the money of selling Tender Documents to the government exchequer since it is treated as government money after the deadline of the particular procurement process.
- 6 DPE constituted three Standard Technical Specification Preparation Committees in three different areas for preparing Technical Specifications. It was found that DPE's Standard Technical Specification Committees prepared un-bias and wide range of specifications for procurement of Goods and Services. DPE should continue this process. The Kenyan based Corruption Prevention Guidelines in Public Procurement and Guidance Note of South Australian Government mentioned that the risks are very potential at the technical Specifications area.
- 7 DPE followed World Bank's (WB) Procurement Guidelines for WB's funded procurements through International Competitive Bidding (ICB) process. In accordance with the WB Procurement Guidelines there is no option to submit the Bids/ Tenders in more than one place. The WB's same guidelines are being used in at least 70 countries across the world. That is why the WB, Dhaka Office cannot permit DPE for arranging a number of bid submission centers (Multiple Dropping Center provision). The provision of Multiple Dropping Centers in the public procurement process should be an essential and obligatory option for all the PEs considering the sociopolitical aspect of Bangladesh, where the muscleman resist other people to submit the tender(s) after only his/her tender submission. Knut Leipold (2007) supported the sociopolitical pressure on the public procurement process in his study of Electronic Government Procurement (e-GP) Opportunities and Challenges. He mentioned that without strong political will only adopting e-GP cannot give assurance for reducing corruption.

- 8 It was observed that DPE sold the tender documents in a large scale. But the number of tender received was very poor in many cases for three consecutive years. DPE as a Procuring Entity should make a hassle free and a congenial environment for submission of tenders by the potential tenderers on or before the deadline to reduce the CFCC practices.
- 9 For the procurement of highly technical item DPE arranged pre-tender meeting. Although, the arrangement of pre-tender meeting is an optional event, but DPE took a long time for distributing the decision of the pre-tender meeting. Consequently, DPE had to extend the tender submission deadline failing the lead time for the expected goods in planned time resulting incurring loss.
- 10 DPE evaluated tenders based on the pre-disclosed criteria (mentioned in the Tender Data Sheet (TDS) or in the Evaluation section or other part of the document). But, DPE took 5 to 7 months time for evaluation and approval by the competent authority for some big procurement packages. In those cases, DPE requested the tenderers/ Bidders to extend their Tender/ Bid validity period for two to three times in a single evaluation process that elapsed a long time for taking decision or recommendation in the tender evaluation process by the TEC. Consequently, DPE could not meet the target of expending the money allocated for the procurement of 3504 Laptops and 3504 Multimedia Projectors packages in the Financial Year of 2013 – 2014. It was recommended that DPE should strictly follow the PPR, 2008 provision as stated in the Schedule III of PPR, 2008 for evaluation of the received tenders.
- 11 DPE approved evaluation reports from the competent authority in accordance with the Delegation of Financial Power set by the government invariably in all the cases. The United Nations Office on Drug and Crime (2013), profusely praised the Public Procurement Rules provision for the approval procedures as it has kept an opportunity to the Cabinet Committee on Government Purchase (CCGP) for big procurement packages exceeding certain amount. The inclusion of the Delegation of Financial Power in the Public Procurement Rules 2008 was also praised by the ADB, OECD (2006).

- 12 DPE applied Liquidated Damage (LD) clauses for minimizing the risk related to the delivery period of the goods. The provision of Liquidated Damage (LD) is a very influential and useful tool for curbing the corruption and fraudulent practice by the supplier during the delivery of goods with inferior quality and less quantity than mentioned in the contract agreement. PPR framed it to curb the bad practices in the contract management stage of public procurement processes. It is mentionable here that the extension of time period of delivery of the goods is also related to the LD clauses upon satisfactory convincing ground based on the terms and conditions of the contract and other situations. The current study was conceived to see how DPE applied the LD provision in its procurement packages among other provisions. In doing so it was found that DPE rigorously imposed LD to curb the bad practice adopted by the tenderers/ Bidders/ Suppliers. DPE imposed LD as per PPR, 2008 provision to mitigate the risk in the Public procurement process which is a laudable work for DPE. DPE should proceed with imposing LD provision for further procurement processes.
- 13 Without any deviation DPE received Performance Security before signing the contract agreement in all cases for ensuring the successful performance by the contract signing persons as per provision of the Public Procurement Rules 2008. The Performance Security shall be in the amount specified in the Contract conditions, issued by a bank acceptable to the Procuring Entity, and denominated in the currencies in which the Contract Price is payable. Performance Security shall be valid until a date twenty eight (28) days beyond the delivery period. It was found that DPE also deducted some portion of the performance security (as the penalty measured) to meet the defect found in the warranty period of supplied goods. In case of goods procurement process a Security (other name guarantee) that would ensure the warranty period of the supplied goods must be kept as per PPR provision so that the supplier ensures the smooth services needed after the delivery of the goods. It was also found that DPE regularly penalized the suppliers for supplied goods found defective in the warranty period, which were appreciable practice of DPE. DPE must proceed with this practice in line with the Public Procurement Rules 2008 provision.

- 14 DPE ensured the Accountability in its procurement process by arranging the Post-Procurement Activities (Audit) which was done by the Government. As per loan agreement Development Partners' Audit Teams also scrutinized DPE's procurement documents. It was also found that DPE helped the audit team and audited files and records were also seen keeping safely in DPE. Files and records for the past several years' were also found in DPE. DPE maintained all the records and files of the procurement packages and its related files like Annual Procurement Plan (APP), Public Procurement related committee formation records and other records were kept safely in the finance and procurement division.
- 15 DPE shifted the arrangement of Tender receiving boxes from its premise to the gate of Bangladesh Secretariat after being regularly attacked by the local people that made chaotic environment resulted in non-submission of the tender. DPE can arrange receiving tenders in more than one place instead of receiving only at the secretariat gate and only in the morning of the deadline to create congenial environment for smooth dropping of tenders. DPE can introduce the electronic Government Procurement (e-GP) system to uphold its reputations in the field of public procurement in the country.

CONCLUSION

The Directorate of Primary Education (DPE), one of the largest Government Organizations of Bangladesh, have just successfully completed a gigantic development project titled "Third Primary Education development Program (PEDP-3)" as its main stream project with the financial assistance of Government of Bangladesh (GoB) and other 10 Development Partners (DPs). DPE procured multifarious types of goods and services for its head office and for the thousands of field level offices to meet the requirement of the project. DPE followed all its procurement activities as per provision of the Public Procurement Act 2006 and the Public Procurement Rules 2008. DPE's procurement processes were examined only on the basis of the provisions laid down in the Public Procurement Act 2006 in light with the Risk Mitigation Strategies in the present study. When juxtaposed with the provisions it was found that DPE followed almost all the processes as per provisions of Public Procurement Act 2006 deviating in nominal cases.

In the Bangladesh context the Coercion is treated as the very important risk in the manual public procurement process as it is the main obstacle to submit tenders by the potential tenderers. Consequently, Free and Fair Competition was not ensured in the procurement process with Tax Payers' money. The four purposes of the Public Procurement Act 2006 are transparency, accountability, equitable treatment and free and fair competition among all persons wishing to participate in the public procurement of goods, works or services using public funds.

DPE received all tenders only one day in the gate of Bangladesh Secretariat at least 6 km far from its office instead of making safe and congenial environment for submitting tenders by the potential tenderers that caused a significantly low rate of tender submission for many of the procurement packages.

It was found in the present study that DPE significantly exceeded the annual cumulative limit beyond the PPR provision for procuring goods through the Request For Quotation (RFQ) method in all three financial years under study. It was also observed that DPE could not maintain this provision to meet its huge need for successful implementation of its giant program for procurement of goods through RFQ method. But, DPE should not exceed the Annual Cumulative Limit year after year. So, DPE should exercise on inclusion of procurement objects in the Open Tendering Method instead of using RFQ method on the basis of the previous years' need. In addition, the Annual Cumulative Limit may be different based on the project nature or project value.

The current study was conceived to see how DPE applied the LD provision in its procurement packages among other provisions. DPE rigorously imposed LD to curb the bad practice adopted by the tenderers/ Bidders/ Suppliers. DPE imposed LD as per Public Procurement Rules 2008 provision to mitigate the risk which is a laudable work for DPE. DPE should proceed with imposing LD provision for further procurement processes.

It was also observed that more than 100 numbers of procurement packages were included in Annual Procurement Planning (APP) for five consecutive financial years. It was huge activity for a procurement entity to complete 100 numbers procurement packages in a financial year. For successful completion of all the procurement packages with the same

financial year DPE can arrange receiving tenders in more than one place instead of receiving only at the secretariat gate and only in the morning of the deadline to create congenial environment for smooth dropping of tenders. DPE can introduce the electronic Government Procurement (e-GP) system to uphold its reputations in the field of public procurement in the country.

The current study was conducted only on Procurement activities of Financial Years of 2012-2013, 2013-2014, 2014-2015 of PEDP-3. DPE is a good source of Data and Information on the public procurement arena which can be selected for further study.

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Annexure-1

Questionnaire

Title of Dissertation: **An Evaluation of Risk Mitigation Strategies through prohibiting Corruption, Fraudulent, Coercion and Collusive Practices in Public Procurement Act, 2006; A Study on Directorate of Primary Education.**

Name: Md. Aminul Islam, Management Counsellor, Bangladesh Institute of Management (BIM), Ministry of Industries, The Government of the People's Republic of Bangladesh.

[This survey questionnaire is prepared to conduct an academic research. It is a partial requirement for the fulfillment of the Degree "Masters in Procurement and Supply Management" at the Institute of Governance Studies (IGS), BRAC University, Bangladesh. This work will be conducted under the direct Supervision of Dr. Ferdous Sarwar (Assistant Professor), IPE, BUET, Dhaka-1000. Your honest response is valuable for the research work. I do assure that the information given by you will be used only for the academic purpose.]

A: General Information

1. Designation:.....
.....
2. Name of the Project/ GoB/
Organization:.....
3. Age:.....
4. Gender:.....
5. Year of experience in procurement
activities:.....
6. Please mention your responsibility in relation to procurement (please identify only one):
 - a. I deal the tendering process with DPE on behalf of my organization.
 - b. I perform in the development of specification and bid document.
 - c. I act as Chairperson/a member of Bid /Tender Evaluation Committee.
 - d. I monitor and supervise the procurement practices
 - e. I approve the Bidding process.

- f. I handle the contract with DPE on behalf of my organization.
- g. Others (please specify).....
.....
.....
.....

B: Data from Tendering Stage

Q.1. Does DPE prepare, approve and publish the Annual Procurement Plan (APP)?

- a) Yes
- b) No

If no, please mention the rationality behind it.

.....
.....
.....

Q.2. Does DPE apply the RFQ method unnecessarily that could be avoided?

- a) Yes
- b) No

Q.3. Does DPE publish Request For Quotations (RFQ) notice in DPE's website?

- a) Yes
- b) No

Q.4. Does DPE publish Invitation For Tenders (IFT) /Procurement Opportunity in the Newspapers as per Rule-90 of PPR,2008?

- a) Yes
- b) No

Q.5. Does DPE ready Tender Document prepared to sale with the publications of invitations and keep register for selling Tender Documents?

- a) Yes
- b) No

Q.6. Do you think that DPE's Standard Technical Specification Committee prepares un-bias/ wide range of specifications?

- a) Yes
- b) No

Q-7: Does DPE apply the provision of Multiple Dropping Centre for submission of tender(s) or Bids? a) Yes b) No

Q.8. Do you think that the provision of Multiple Dropping Centre can reduce Coercion Practice?

- a) Yes
- b) No

Q.18. Does DPE ensure post –qualification for all packages as part of the evaluation process?

- a) Yes b) No

D: Data from Contract execution/Management Stage

Q-19. DPE procures different types of goods and services. Do you think DPE can apply its proper judgment / professionalism for receiving goods/ accepting services deliverables?

- a) Yes b) No

Q.20. Does DPE take no objection from the Good receiving Committee or from user departments about the quality of the goods/ services before paying the bills to the supplier?

- a) Yes b) No

Q.21. Does DPE apply Liquidated Damage clause for late delivery?

- a) Yes b) No

Q.22. Does DPE penalize the supplier/ services provider for not meeting the warranty period by the performance provider (supplier/ service provider) not as per the contract?

- a) Yes b) No

Please put your valuable opinion (if any) in this regards

.....

Q. 23: Does DPE maintain records of procurement and make available records of procurement proceedings?

- a) Yes b) No

-Thanks for Your Cooperation-

Annexure-II

Response of surveyed people

A total of 40 people directly or indirectly related to the DPE’s procurement processes were engaged for collecting Primary data. The summery of the responses from the 40 people is described in the following table:

Question Number	Response Categories (Digits expressed Number of surveyed people)		Remarks
	Yes	No	

1	40	0	
2	9	31	
3	40	0	
4	40	0	
5	40	0	
6	37	03	
7	0	40	
8	40	0	
9	0	40	
10	40	0	
11	21	19	
12	0	40	
13	40	0	
14	40	0	
15	40	0	
16	40	0	
17	40	0	
18	40	0	
19	40	0	
20	40	0	
21	40	0	
22	38	02	
23	40	0	

LEARNING ORGANIZATION: A Case Study in BRAC

Mohammad Mainul Islam¹

Faisal Ahammed²

ABSTRACT

The Organizational learning has become a tremendously important topic of interest in recent years. There are considerable positive research findings regarding the importance of organizational learning and its impact on the performance and competitive advantage of the organization. BRAC Learning Division has collaboration and team learning among employees. After analysing the data it is found that both the employers and employees are interested to adopt the learning environment to foster innovation, productivity and performance at individual, group and organizational level. There is a healthy relationship between the peers, subordinates, superiors. In this organization maximum numbers of employees are satisfied with the recognition they get from their work. Employer takes care of employee's ideas and suggestions.

Keywords: Organizational Learning, organization, team learning, competitive advantage, performance

INTRODUCTION

Human Resource Management can't expect an unchanging work environment. Change is continuous and HR of an organization must ensure that they become adept at managing transformations in organizations and translating it to what action they need to take to ensure their people are prepared for this change. In a constantly changing world, which requires flexible responses, with strong competition from nearly every continent, due to increased globalization, it is important for organizations to have some kind of competitive edge. In order to survive in the highly competitive environment, organizations must find ways to become agile, flexible depending on situation. If the organization demonstrates bureaucratic character, it can never compete in the market. To survive in the market the organization must have competitive advantage over its competitors. The ability to learn faster than your competitors is the only way to achieve competitive advantage. But the competitive advantage should be sustainable. To achieve sustainable

¹ Senior Management Counselor, Bangladesh Institute of Management (BIM)

² Associate Manager, HR & Learning Division, BRAC

competitive advantage organizations should learn continually. The organizations, where people have opportunity to learn continually and have the opportunity to apply those knowledge is called Learning Organization.

The emergence of the concept of the 'Learning organization' is wrapped up with the concept of 'Learning Society'. Donald Schon (1973) has made a seminal contribution in this area. His work included studying how to enhance the learning ability of large organizations, institutions and governments, which, he classified as learning systems. Peter Senge's work on 'The art and practice of the learning organization' through his book 'The Fifth Discipline' (1990) popularized this concept to a large extent. However, there is no single definition of learning organization that integrates all knowledge about learning organizations.

In a learning organization, employees continually create, acquire, and transfer knowledge helping their company adapt to the unpredictable faster than rivals can. Companies need to learn faster than their competitors and to develop a customer responsive culture. Argyris identified that organizations need to maintain knowledge about new products and processes, understand what is happening in the outside environment and produce creative solutions using the knowledge and skills of all within the organization. This requires co-operation between individuals and groups, free and reliable communication, and a culture of trust. According to Peter Senge, a learning organization exhibits five main characteristics: systems thinking, personal mastery, mental models, a shared vision, and team learning.

This paper proposes a study that aims to determine the issues involved in the utilization of learning in BRAC Learning Division for an effective change management. The purpose of this paper is to identify the existence of learning organization in BRAC Learning Division. It also identify the learning scenario in individual level, group level and organizational level and make comparative analysis of utilization of learning tools in those organizations with the performance, type of business and size of the organizations(based on number of employees). Furthermore, the barriers on effective implementation will be explored as well as how they can be overcome.

The study explains the significance of Learning Organization concept at individual level, group level and organizational level. How Learning

Organization motivates behaviour of the employees and brings positive change in the organization. It also tries to identify the retention level of employees of those organizations that practice LO concept. It will examine the role, usefulness and influence of Learning Organization in the sustainable competitive advantage. It will also identifies the characteristics of employees and employer of a LO.

LITERATURE REVIEW:

At first we will summarize and comment on two conceptions of LO's, the first from Senge, and the second, from Arie de Geus: Peter Senge was the main disseminator of the concept of LO (Senge, 1992) (Senge et al., 1994), and his conception is the best known in the academic and business world and the most quoted in the literature on the subject. Everyone knows the five disciplines that Senge proposed to create a Learning Organization: Personal Mastery, Mental Models, Building Shared Vision, Team Learning and Systems Thinking.

Learning Organization requires Knowledge Management, which in turn is dependent on a LO. KM and LO cannot survive without the other. KM can be regarded as a subsystem of LO; changes in KM results in changes in the organization and vice versa. He articulates this vision in The Fifth Discipline where he defines the essential characteristics of a learning organisation, namely the five disciplines

1. Team learning is a tool for raising the collective IQ of an organisation above that of anyone in it. This discipline includes dialogue and talking and thinking together. Senge says team learning is vital because teams, not individuals, are the fundamental learning unit in an organisation. Unless the team can learn, the organisation cannot learn.
2. Shared vision binds people around a sense of destiny. A genuine shared vision tends to cause people to do things because they want to, not because they have to.
3. Mental models are deeply ingrained assumptions and generalisations that influence how we see the world and how we take action. In organisations such mental models control what people think can or cannot be done. Changes rarely take place unless people change their shared mental models.

4. Personal mastery is a discipline of continually clarifying and deepening our personal vision, of focusing our energies, of developing patience, and of seeing reality objectively.
5. Systems thinking are a framework for seeing interrelationships and patterns rather than things and snapshots. It does away with boundaries that we invent and find ourselves trapped inside. Applied in organisations it cuts down on complexity and stops people from saying "there's nothing I can do about it, it's the system".

Transformational leaders use organizational learning to achieve continuous performance improvements in their organization. Meanwhile underperforming organizations don't even have processes in place to learn from their mistakes. They keep repeating the same mistakes over and over. This leads to recurring performance issues such as product quality problems, delayed product introductions and operational inefficiencies that diminish the return on investment. In his book, "*The Fifth Discipline*" Senge makes it clear that the ability to learn faster than your competitor may be the only sustainable advantage for your organization in the long run. Learning Organization helps an organization adapt to a changing environment. LO helps the employees to adjust to a new organizational structure and to new working relationships within and outside the organization. Learning is the way to address change and to explore new ideas.

BRAC Learning Division

BRAC achieves large scale and rapid change by working with individuals, families, communities and institution to overcome poverty. Their approach is comprehensive – with financial services, capacity building and livelihood development as well as health, education and social justice – enabling people to realize their potential. Through continuous innovation to introduce more cost effective solutions and adapting them for greater effectiveness, BRAC scale up for immediate and lasting change. BRAC strongly believes that training is a key element of the development approach which focuses on human capacity and their participation. For that very reason, BRAC Training Program commenced since 1973 which was subsequently renamed as BRAC Training Division (BTD) in 1993. Over time, BTD feels the need for further change in its nomenclature and has been appeared as BRAC Learning Division since August 2011. The strong view of this virtual paradigm shift is its existing learning principles, activities and

practices which are perfectly in line with a learning division. BLD also believes like Peter Senge that it is such a division where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free and where people are continually learning how to learn together. This way, BLD emerged and is responsible for augmenting the capacity and professionalism of BRAC staff and programme participants through a wide range of training and learning, and also contributing to other organizations as GOs and NGOs over the country and abroad who are working in development arena.

BRAC Programmes:



Well being and resilience

Disaster, environment and climate change
Health, nutrition and population
Water, sanitation and hygiene



Expanding horizons

Education
Migration



Economic development and social protection

Agriculture and food security
Integrated development
Microfinance
Enterprises and investments
Targetting the ultra poor

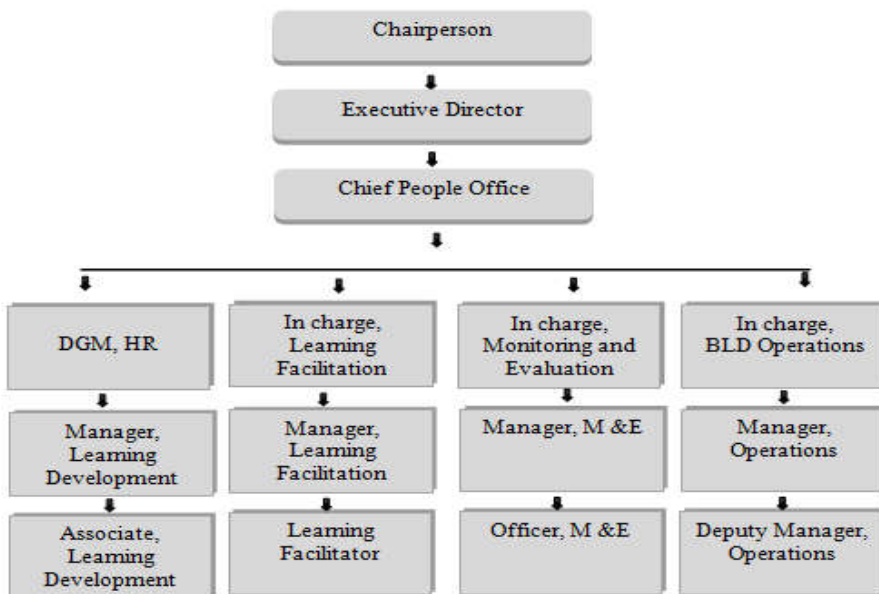


Empowerment

Community empowerment
Gender justice and diversity
Human rights and legal aid service



Organogram of BRAC HR and Learning Division



Existence of ‘Learning Organization’ in BRAC Learning Division

Employer may think that getting their organizations to learn is only a matter of articulating a clear vision, giving employees the right incentives, and providing lots of training. This assumption is not merely

flawed-it's risky in the face of intensifying competition, advances in technology, and shifts in customer preferences.

Building Blocks of BRAC Learning Division as Learning Organization

BRAC Learning Division has a supportive learning environment, concrete learning processes and practices, and leadership behaviour that provide reinforcement and these are the building blocks of BRAC Learning Division.

Building Block 1: A supportive learning environment.

An environment that supports learning has four distinguishing characteristics.

Psychological safety:

In BLD, employees cannot fear being belittled or marginalized when they disagree with peers or authority figures, ask naive questions, own up to mistakes, or present a minority viewpoint. Instead, they must be comfortable expressing their thoughts about the work at hand.

Appreciation of differences:

Learning occurs when people become aware of opposing ideas. Recognizing the value of competing functional outlooks and alternative worldviews increases energy and motivation, sparks fresh thinking, and prevents lethargy and drift.

Openness to new ideas:

Learning is not simply about correcting mistakes and solving problems. It is also about crafting novel approaches. Employees should be encouraged to take risks and explore the untested and unknown.

Time for reflection:

All too many managers are judged by the sheer number of hours they work and the tasks they accomplish. When people are too busy or overstressed by deadlines and scheduling pressures, their ability to think analytically and creatively is compromised. They become less able to diagnose problems and learn from their experiences. Supportive learning environments allow time for a pause in the action and encourage thoughtful review of the organization's processes.

Building Block 2: Concrete learning processes and practices

BRAC Learning Division arises as a ‘Learning Organization’ from a series of concrete steps and widely distributed activities, unlike the workings of business processes such as logistics, billing, order fulfillment, and product development. Learning processes involve the generation, collection, interpretation, and dissemination of information. They have included experimentation to develop and test new products and services; intelligence gathering to keep track of competitive, customer, and technological trends; disciplined analysis and interpretation to identify and solve problems; and education and training to develop both new and established employees.

For maximum impact, in BLD knowledge has been shared in systematic and clearly defined ways. Sharing can take place among individuals, groups, or whole organizations. Knowledge can move laterally or vertically within a firm. The knowledge-sharing process can, for instance, be internally focused, with an eye toward taking corrective action. Right after a project is completed, the process might call for post-audits or reviews that are then shared with others engaged in similar tasks. Alternatively, knowledge sharing can be externally oriented—for instance, it might include regularly scheduled forums with customers or subject-matter experts to gain their perspectives on the company’s activities or challenges.

Learning Needs Assessment process of BRAC:

Learning Needs Assessment is a tool to identify what training courses or activities should be provided to employees to improve their work productivity. Focus should be placed on needs of employees or participants.



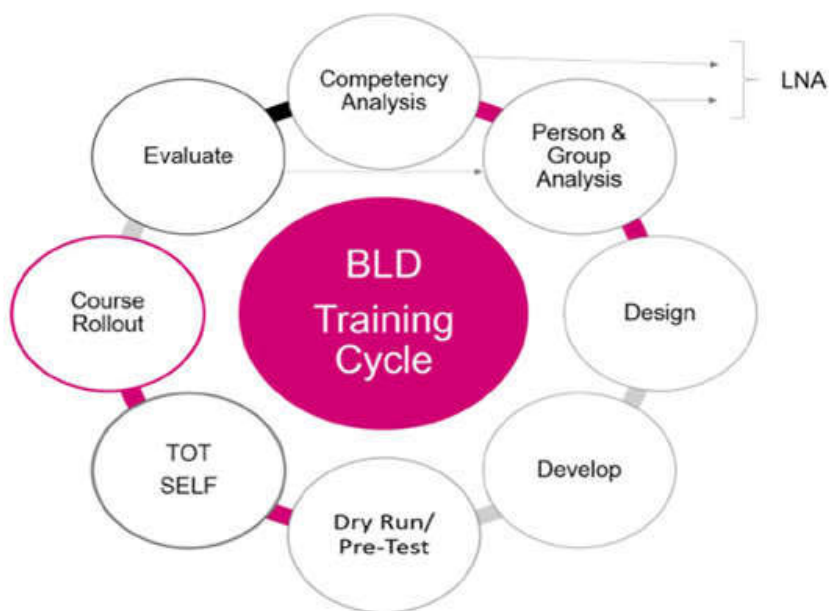


Fig: Learning Cycle of BRAC Learning Division

Methods of the training provided by BRAC Learning Division:

On-the-job Training:

The two most frequently used kinds of training are on-the-job training and lectures, although little research exists as to the effectiveness of either. Thus on-the-job training often supplements other kinds of training, e.g., classroom or off-site training; but on-the-job training is frequently the only form of training. It is usually informal.

Computer-Assisted Instructions (CAI):

These devices systematically present information. Many systems have electronic blackboards and slide projection equipment. The use of techniques that combine audiovisual systems such as closed circuit television and telephones have spawned a new term for this type of training, tele-training.

Simulations:

Training simulations replicate the essential characteristics of the real world that are necessary to produce both learning and the transfer of new knowledge and skills to application settings. Both machine and other

forms of simulators exist. The main purpose of simulation, however, is to produce psychological fidelity, that is, to reproduce in the training those processes that will be required on the job.

Job Rotation:

Under this method, employees are rotated among different managerial jobs. This is not only broadened and enriches his experience as a manager but also enables him to understand inter-departmental relations and the need for co-ordination and co-operation among various departments.

Assignment of special Projects:

Sometimes, as a method of training some special project is assigned to a trainee executive. For example, he may be asked to develop a system of cost allocation in the production of certain goods for which an order has been received by the company. While working on such project, the trainee not only acquires knowledge about them, but also learns how to work with and relate to other people holding different views.

Conference and Seminars:

Often employees are deputed to attend a conference, seminar or workshop to receive a quick orientation in various areas of technical and soft skills with which he might be unfamiliar. One advantage of this type of training is that all the participants coming from different organizations get an opportunity to pool their ideas and experience in attempting to solve mutual problems. The attitude is one of joint exploration. This encourages cross fertilization of ideas.

Case Study:

A case is a written account seeking to describe an actual situation. A good case is the vehicle by which a chunk of reality is brought into the class room to be discussed over by the class and the instructor. The advantages of this method are more depth of thinking, more perception in a situation, greater respect for and consideration for the opinion of others.

Incident Method:

In the incident method only a brief incident is presented to provoke discussion in the class. The group then puts questions to the instructor to draw out of him the salient facts and additional information, needed to

arrive at a reasonable solution or resolution of the case. A unique advantage of this method over the case method is the procedure of obtaining information by questions, one that often must take place in actual business situations.

Role playing:

In this method, the instructor assigns parts taken from case materials to group members. The situation is usually one involving conflict between people. The role players attempt to act the parts as they would behave in a real life situation, working without a script or memorized lines and improvising as they play the parts. The development of empathy and sensitivity is one of the primary objectives of role playing.

Orientations for new Employees:

The first several days on the job are crucial in the success of new employees. This point is illustrated by the fact that 60 percent of all employees who quit do so in the first ten days. Orientation training should emphasize the following topics:

- The company's history and mission.
- The key members in the organization.
- The key members in the department, and how the department helps fulfill the mission of the company.
- Personnel rules and regulations.

Audiovisual methods:

Audiovisual methods which include television, videotapes and films are the most effective means of providing real world conditions and situations in a short time. One advantage is that the presentation is the same no matter how many times it's played. The major flaw with the audiovisual method is that it does not allow questions and interactions with the speaker, nor does it allow for changes in the presentation different audiences.

Apprenticeships:

Apprenticeships develop employees who can do many different tasks. They usually involve several related groups of skills that allow the apprentice to practice a particular trade, and they take place over a long period of time in which the apprentice works for, and with, the senior

skilled worker. Apprenticeships are especially appropriate for jobs requiring production skills.

Lecture Method:

The lecture is best used for creating a general understanding of a topic. Several variations in the lecture format allow it to be more or less formal and/or interactive. In the pure lecture, communication is one way—from trainer to trainees. It is an extensive oral presentation of material. A good lecture begins with an introduction that lays out the purpose, the order in which topics will be covered, and ground rules about interruptions (e.g., questions and clarification).

Discussion Method:

The discussion method uses two-way communication between the lecturer and the trainees to increase learning opportunities. This method uses a short lecture (20 minutes or less) to provide trainees with basic information. This is followed by a discussion among the trainees and between the trainees and the trainer that supports, reinforces, and expands upon the information presented in the short lecture.

Behaviour model:

Behaviour model is used primarily for skill building and almost always in combination with some other techniques. Interpersonal skills, sales techniques, interviewee and interviewer behaviour, and safety procedures are among the many types of skills that have been successfully learned using this method. While live models can be used, it is more typical to video tape the desired behaviour for use in training.

Apprenticeship Training:

The typical apprenticeship program requires two years of on-the-job experience and about 180 hours of classroom instruction, though requirements vary. An apprentice must be able to demonstrate mastery of all required skills and knowledge before being allowed to graduate to journeyman status. This is documented through testing and certification processes.

Coaching:

Coaching is a process of providing one-on-one guidance and instruction to improve the work performance of the person being coached in a specific area. It differs from other OJT methods in that the trainee already has been working at the job for some time.

Usually, coaching is directed at employees with performance deficiencies, but it can also serve as a motivational tool for those performing adequately. Typically the supervisor acts as the coach. Like the OJT trainer, the coach must be skilled both in how to perform the task(s) and how to train others to do them.

Mentoring:

Mentoring is a form of coaching in which an ongoing relationship is developed between a senior and junior employee. This technique focuses on providing the junior employee with political guidance and a clear understanding of how the organization goes about its business. Mentoring is more concerned with improving the employee's fit within the organization than improving technical aspects of performance, thus differentiating it from coaching. Generally, though not always, mentors are only provided for management-level employees.

Job-Instruction Technique (JIT):

The JIT was developed during World War II and is still one of the best techniques for implementation of On the Job Training (OJT) nearly forty years later. It focuses on skill development, although there are usually some factual and procedural-knowledge objectives as well. There are four steps in the JIT process:

- a) Prepare
- b) Present
- c) Try out.
- d) Follow up

Learning Evaluation process in BRAC Learning Division

Purpose of Evaluation

- Stimulate trainee thinking about personal learning.
- Participants ideas/questions about the programme can be checked out with others
- Aside from the personal learning, ideas for programme improvement can be obtained
- If the programme training is highly participative, evaluation procedures that involve participants are a logical way to conclude the training effort.
- To justify how changes in behaviour are a result of training. To show how the investment of financial resources into the training have a measureable payoff.

Classic Four Level Model of Training Evaluation (Kirkpatrick2)

- Reaction: Participant satisfaction level
- Learning: Observable change.
- Behaviour: New or changed job performance.
- Results: Return from investment

Level 1	Reaction Evaluation	⊕ End of Training ⊕ 1st Impressions ⊕ Happiness Index/Customer Satisfaction ⊕ 'Smiling' faces
Level 2	Learning Evaluation PGO's met? Did Ps move?	⊕ Skills demonstration/application simulation ⊕ Discussion (all within learning environment)
Level 3	Behavioural Evaluation	⊕ Using on job or in life ⊕ Future application ⊕ Commitment for new learning
Level 4	Impact Evaluation	⊕ Impact KSA learned in training and application to Job profits



Statements	% Response of employees
Induction training is given adequate importance.	86% Very Good
Training programmes are well planned.	89% Very Good
Norms and values of the organization are clearly explained to new employees during induction training.	90% Very Good
Employees acquired technical knowledge and skill through training.	80% Good
Training and development is based on genuine needs.	79% Good
Employees participate in determining the training needs.	65% Good
T&D satisfy the ego of employees	79% Very Good
T&D enhance the efficiency and effectiveness of the work being performed by employees.	78% Very Good

Table 1: Effectiveness of training and development programmes for employees

There is enough evidence to show that employees who were trained on a regular basis are the ones who provide a higher quality services to the customers. To develop an integrated and proactive training and development strategy there is requirement of coherent corporate culture rather than ad-hoc programs. In a service oriented industry, people are among the most important assets and the organization must efficiently manage its employees during every phase of employment in this competitive arena.

Building Block 3: Leadership that reinforces learning

BLD's learning is strongly influenced by the behaviour of leaders. When leaders actively question and listen to employees-and thereby prompt dialogue and debate-people in the institution feel encouraged to learn. If leaders signal the importance of spending time on problem identification, knowledge transfer, and reflective post-audits, these activities are likely to flourish. When people in power demonstrate through their own behaviour a willingness to entertain alternative points of view, employees feel emboldened to offer new ideas and options.

METHODOLOGY

Research methodology requires gathering relevant data from the specified documents and compiling databases in order to analyse the material and arrive at a more complete understanding to achieve sustainable competitive advantage by Learning Organization strategy. Evidences on few situation reflects that employees learning from the organization not always showing the ideology of the organization in same directions. Traditional statistical tools, pie chart used to analyse the data. Data collection consisted of surveys and interviews with managers in organization. Multiple interviews are planned with each participant in order to provide more in-depth data collection and opportunities for follow-up. The goal is to interview approximately 30 participants who embody a range of identity positions in organizations. Sets of questionnaires prepared for conducting the survey reflecting individual level, group or team level and organization level. Researcher conducted this survey and before conducting this survey required training session were taken.

Population of the study: BRAC Learning Division.

Sample size: 30

Data collection sources: The study input was collected from two sources:

a) Primary Sources

Practical desk work

Face to face conversation with the officer

b) Secondary Sources

The secondary data has been collected from different conceptual matters & the sources include:

Internal Sources

Prospectus and other documents of BRAC Learning Division

Prior research report

Any information regarding the Education/training sector

External Sources

Different books and periodicals related to the Education/training sector.

Sampling Technique

Convenience sample selection technique is used. Convenient 30 samples are taken of employees across the division and to question them on various grounds to assess the existence of 'Learning Organization'.

Data Collection Methods

For preparing this report following data collection methods are used:

Interview Method: Data and information are collected by face to face interview. Interview is taken from concern managers, associates and other employees of BRAC Learning Division.

Questionnaire Method: A questionnaire method is an efficient data collection mechanism. Questionnaire method is used for collecting information from employees.

Following Tools have been used to analyse the Data

Tabulation representation

Pie Chart

Data Processing and Analysis

Primary data is gathered from the practical work in the BRAC Learning Division. The BLD officials also cooperate and help us to get necessary information by answering our several What, When, How questions. Written notes are maintained to process the data in later on.

Secondary data needs less processing efforts. This data is more formal and highly identified. They need analysis for appropriate positioning in this report. Here, an attempt is made to keep this data more understanding and informative to present the report statements more familiar with bank features & more supportive with internship purpose.

Limitations of the Study

Limitation comes automatically in the way of doing something. A task large or small must have to face some limitations in its completion. They are as follows:

- i. Due to time and cost restrictions, the study was bound to be concentrated in selected persons of the division. To continue study in such a vast area requires a big deal of time. To prepare this report we got three weeks time this is not sufficient enough to complete it.
- ii. As an organization BRAC Learning Division maintain confidentiality of their information.
- iii. It is very difficult to verify the accuracy of the collected data.
- iv. BRAC Learning Division as a development organization is very busy and the personnel engaged in learning division are unable to spare much time for discussion about various topics. As a result we got a short time for direct conversation with them for our queries.

OBJECTIVE

The primary objective of the study is to identify the existence of 'Learning organization' in BRAC Learning Division.

The secondary objectives of the study are as follows:

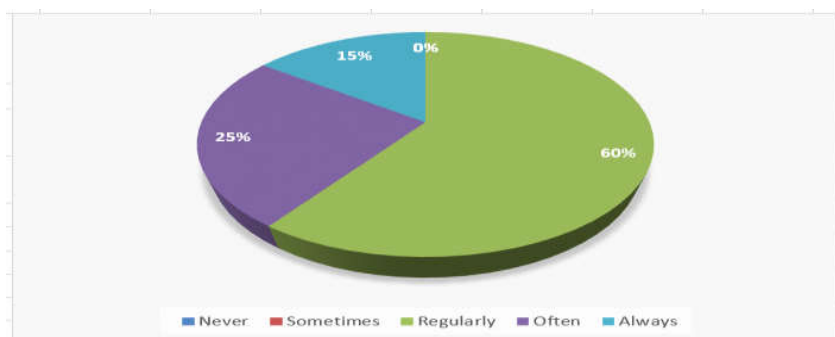
1. To identify to what extent BRAC Learning Division use the concept of Learning Organization at individual level, group level and organizational level.
2. To identify the use of Learning Organization concept in the strategic decision making.
3. To identify employer and employees preference or level of acceptance regarding establishment of Learning Organization.
4. To find out whether Learning Organization motivate the employees and bring change in the performance?

5. To identify barriers in fully adopting the learning organization concept and to recommend how these barriers can be overcome.

RESULTS:

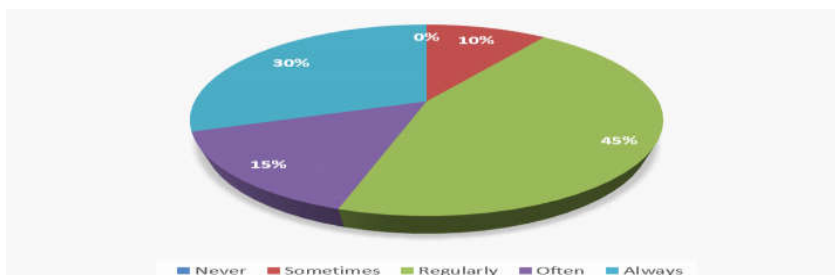
Existence of Learning Organization features

A. There is a shared vision of the organization.
Most of the employees of BRAC Learning Division agreed that there is a shared vision of the organization. 60.0% chose “Regularly” and 25.0% chose is “Often” rest 15% chose “Always”.



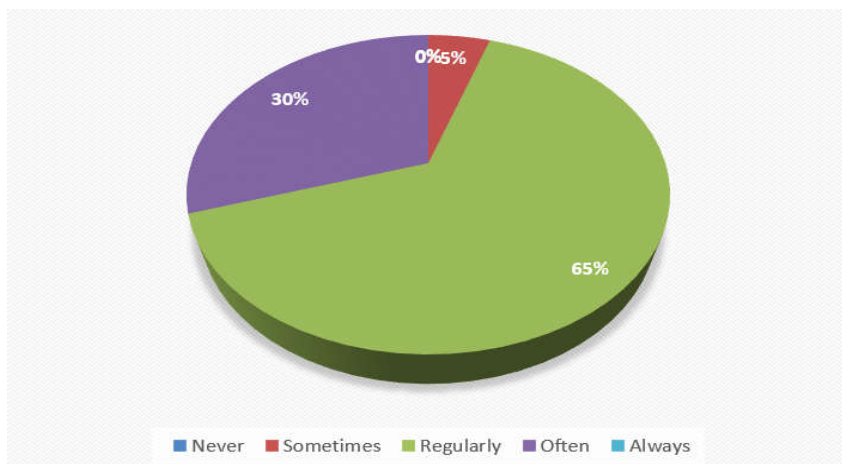
B. There is a Human Resources strategy aligned with organizational aims and objectives and apply in strategic decision making.

Most of the employees of BRAC Learning Division agreed that human resources strategy is aligned with organizational aims and objectives and apply in strategic decision making. 45.0% said “Regularly” and 30.0% said “Always”, rest 15.0% said often and 10.0% said sometimes



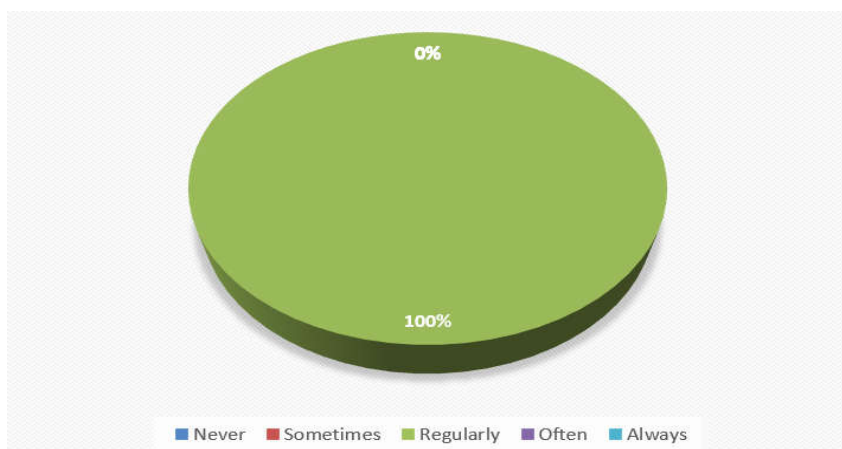
C. Communication channels are clear, accessible and used effectively.
Most of the employees of BRAC Learning Division agreed that communication channels of the organization are clear, accessible and use

effectively. 65.0% opined as “Regularly” and 30.0% opined “Often” and rest 5.0% responded sometimes



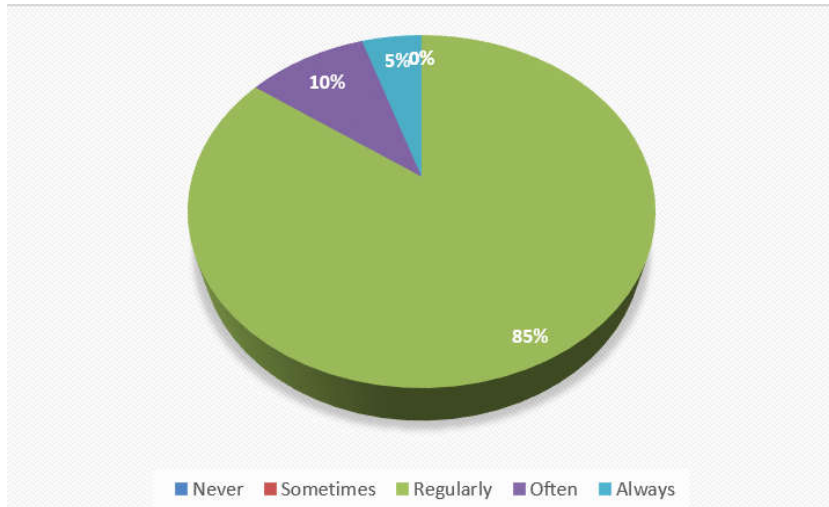
D. Departmental staff at all levels meet regularly in order to improve inter-departmental operations.

All the employees of BRAC Learning Division agreed that departmental staff at all level meet regularly in order to interdepartmental operations . Here, 100.0% chose “Regularly”.



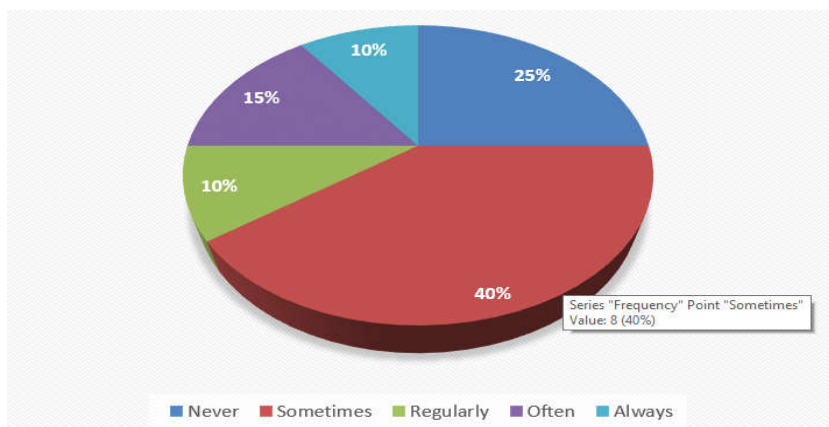
E. There is a culture of continuous improvement where people are always trying to learn how to work better and improve operating practices.

A majority of the employees of BRAC Learning Division agreed that the organization has a culture of continuous improvement where people are always trying to learn how to work better and improve operating practices. Here 85.0% said “Regularly” and 10.0% said as “Always”.



F. Organizational knowledge, learning and ways of working are captured and stored in an accessible way.

Some of the employees of BRAC Learning Division agreed that organizational knowledge, learning and ways of working are captured and stored in an accessible way. 40.0% opined “Sometimes” and 25.0% opined “Never” and rest 10.0% opined “Regularly” and 15% opined as “Often”.



DISCUSSION AND RECOMMENDATIONS:

Learning organization is where opportunity for continuous learning is available. Organizational learning is a principal tool in achieving long-term survival and sustainable competitive advantage of an organization. The Organizational learning has become a tremendously important topic of interest in recent years. There are considerable positive research findings regarding the importance of organizational learning and its impact on the performance and competitive advantage of the organization. BRAC Learning Division has collaboration and team learning among employees. BLD should connect the organization to the external environment. The organization should give focus on the dimension of “promotion of inquiry and dialogue” which promotes people’s productive reasoning skills, encourages them to express their views and supports questioning and feedback. BLD should give focus on following issues:

- Shall maintains an up-to-date data base of employee’s skills
- Shall identify skills they need for future work
- Systems thinking should encourage in the organization
- Different and creative thinking should respect at all level in the organization
- Organizational knowledge, learning and ways of working are captured and stored in an accessible way

In this organization both the employers and employees are interested to adopt the learning environment to foster innovation, productivity and performance at individual, group and organizational level. There is a healthy relationship between the peers, subordinates, superiors. Employer listens to the ideas and suggestions given by employees. In this organization maximum no of employees are satisfied with the recognition they get from their work.

Organizational learning is an ongoing, dynamic process and should become part of the organization’s DNA. A learning culture supports a community of learners, as a total organization, where everyone teaches, everyone learns, everyone shares knowledge. Individual and collective learning is encouraged and rewarded. And those companies that embrace these values will be able to gain and sustain competitive advantage over competitors who do not.

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ABSENTEEISM & ITS IMPACT ON EMPLOYEE TURNOVER: A STUDY ON RMG INDUSTRY OF BANGLADESH.

Shaikh Sajibur Rahman ¹

ABSTRACT

Absenteeism and turnover is a major challenge for any organization in the current competitive world. Curbing absenteeism and turnover helps organizations achieve their targets and increases productivity. The Study helps to identify reasons for employee absenteeism and turnover in production division. A Sample of 400 employees and their responses were considered for the study from the 03 factories of Dhaka division and the data were analyzed, statistically. The study shows that the major factors like wages, other source of income, and bad relationship with supervisors were contributing to the major absence of employees from work. This clearly indicates that work environment, relation and co-operation, facilities provided by the organization and job satisfaction were the main components which are causing the employee absenteeism and turnover.

Keywords: absenteeism, turnover, readymade garments, job satisfaction and working condition.

INTRODUCTION

Employee absenteeism and turnover is a common problem in the apparel sector in Bangladesh. There are many research studies done at the organizational level. However, there are no proper studies done to reveal the real problem of the employee absenteeism and turnover in this sector. Therefore, the problem of study is: what are the sources of employee absenteeism and turnover in the apparel sector. The employee absenteeism and turnover has always been a critical problem. It has a great number of negative effects in the organization particularly where the whole business depends on the worker. The major industries in Bangladesh include cotton textiles, jute, garments, tea processing, cement, chemical fertilizer, and sugar. Beginning in the late 1970s, Bangladesh focused on its fledgling garment industry, and it is now the eighth largest garment exporter to the U.S. The ready-made garment (RMG) sector is by far the largest export sector in Bangladesh. The sector contributes an estimated 76 percent of the country's export earnings and provides direct employment to an estimated two million people. A major factor affecting the Bangladeshi garment industry has been the dismantling of the global apparel trade quota system that had

¹ Senior Management Counselor, Bangladesh Institute of Management (BIM)

protected the industry for decades. The old system created national quotas for exporting garments and textiles to rich countries, virtually guaranteeing that all production up to the quota would be sold. The system had no incentives for factory owners to improve productivity, however, since these gains could not be realized through increased export sales and bigger profits. With the phase, out of the quota system, garment factories in Bangladesh are competing more directly for the first time against countries with higher labor productivity, such as China and Thailand.

Absenteeism and employee turnover are critical issues that significantly affect worker productivity in Bangladesh, where average turnover is 8 percent per month in the garment sector. Negative effects of high absenteeism and turnover include loss of output (both directly and indirectly), cost of employee recruitment and replacement, additional management and staff time needed to cover the work of absent employees, the lower quality of work due to lack of needed skills of absentees, and a loss of competitiveness when companies fail to meet production deadlines due to lack of staff.

LITERATURE REVIEW

The major industries in Bangladesh include cotton textiles, jute, garments, tea processing, cement, chemical fertilizer, and sugar. Beginning in the late 1970s, Bangladesh focused on its fledgling garment industry, and it is now the eighth largest garment exporter to the U.S.¹ the ready-made garment (RMG) sector is by far the largest export sector in Bangladesh. The sector contributes an estimated 76 percent of the country's export earnings and provides direct employment to an estimated two million people, most whom are 15-30-year-old women. Factory pay, which is a source of labor unrest in Bangladesh, is very low and often below a living wage.

The empirical evidence, as available in the academic literature, concerning the trade and growth relationship is mixed. Nevertheless, when it comes to the question of poverty alleviation, the role of trade driven by the RMG export sector of Bangladesh cannot be overemphasized. This is mainly because of the nature of operation of the export-oriented RMG firms. Although a significant portion of RMG exports is critically dependent on imported inputs, making its domestic

value added relatively low, it's extremely labor intensive mode of production process has an enormous role in poverty alleviation.

Present health care facility and overtime benefits. It is known that job satisfaction is a matter of perception and that perception may or may not be accurate. The worker's satisfaction regarding working environment does not reflect the true picture because in the organizations where trade unions are discouraged by the employers (although forming trade union is a legal right of the workers) and where employers have become cost effective mainly by lowering labor standards worker cannot get satisfactory work environment. This satisfaction is due to the workers' lack of awareness regarding the standards of working environment.

Khan (2001) in his study mentioned that there is deliberate feminization of the workforce of the garment industry in Bangladesh and there are three reasons behind this deliberate feminization. These are: Garment factory owners perceived that like the poor women workers of other Asian NICs who had been socially and economically oppressed for so long and who have low aspirations for wages, teen age girls and young women from rural areas of Bangladesh should have same low aspiration for wages. So, they appointed mainly unskilled teen age girls or young women mainly from the rural areas, Since they are already in a susceptible socio-economic condition, as compared to their male parts counter, will agree to work for extra hours and if situation demands it will be easier to dismiss them, most garment factory owners perceived them as docile, trustworthy and manageable. The author also mentioned in his study that most Bangladeshi garment factory owners have failed to see any causal relationship between labor standards and productivity outcomes. Therefore, many of them have become cost effective mainly by lowering labor standards and taking opportunities for low-wage employment due to the profusion of a young female labor force.

Islam and Swierczek (2003) analyzed the impact of technological change on job satisfaction of women garment workers in Bangladesh. The specific relationship between job satisfaction and the overall impact defined in socio economic terms shows that fair pay; task significance, bureaucracy, conflicts and information sharing are significantly related. Task significance and information sharing are positively related to the overall impact. Unfairness in pay, high bureaucracy and higher level of conflicts cause a limited positive overall impact on women workers. The

RMG industry is a low-technology and labor-intensive industry. Being labor-surplus economy Bangladesh always enjoy low wages. Regarding price, Bangladesh can beat most of its competitors. Prices are related to the cost of production which in case of apparel marketing is greatly determined by the labor costs. The pressure of the unemployed labor force and the very low standard of living allow the garments wages in Bangladesh to be kept at a level that is one of the lowest among competing countries.

That Bangladesh has a tremendous labor advantage can be seen by looking at the comparative hourly wages. Three factors have been primarily responsible for the lower labor cost in the garment industry compared to most other industries in Bangladesh (Mondal 2003). First, the garment industry is characterized by a predominance of female workers who are prepared to accept lower wages than their male counterparts due to their opportunity cost of time. Second, the minimum wage fixed by the government has been lower for the garment industry compared to other industries. Third, garment entrepreneurs have succeeded in reducing labor costs by generally depriving workers of “decent” working conditions.

Siddiqi (2004) in his book ‘The Readymade Garment Industry of Bangladesh’ discusses the importance of RMG industry in the national economy and notes, the RMG industry has become so important that the future of the economy of Bangladesh is greatly dependent on this single sector. Any slowdown in this sector will slow down the economic progress of Bangladesh. He analyses the strength and weakness of RMG industry of Bangladesh and suggests how to ensure its better future in the context of changing global apparel market. He explains why the problems caused by the phasing out of MFA will continue to be a matter of great concern. He argues that the industry would survive and can thrive in the post-MFA era if appropriate strategies on capacity building through backward and forward linkages, cost reduction, market diversification, product differentiation, infrastructural development, reduction of lead time etc. are implemented. To substantiate his position, he draws insights from the experience of many countries. However, issue of labor unrest in this sector has not been discussed.

Mr. Elyus Rahman, 2006 In July 2001, the government declared a minimum wage structure for the private sector workers fixing 1350 taka

as the minimum monthly salary, but the employers rejected the proposal of the government. A member of the federation moved to the High Court and the High Court declared the government order illegal on technical grounds.

Per Amin (2009), Coordinator of the Bangladesh Garment Workers Unity Council (BGWUC), “The garment workers of Bangladesh may be the most deprived labor force in the world. Most are paid between US\$14 and US\$16 per month, the lowest salary in the world.” He also added “Only a few factories here maintain international standards, and many of them do not implement any worker health and safety measures.” The Financial Express (2008), a daily English newspaper of Bangladesh, referred to a recent study conducted by a local think tank that has revealed that investors in the RMG sector have more than doubled their earnings in the past seven years. Despite this increase, however, it is a remorse that many owners are not paying their laborers regularly and all sorts of extraneous arguments are put forward for non-payment of their salaries. New Age (2009), another prominent daily English newspaper, reported that the majority of garment factories do not yet comply with many wage and workplace standards specified in the tripartite agreement of 2006.

At the global level, campaigns have drawn attention to abuses of workers' rights in global supply chains and put pressure on international corporations to take greater responsibility for employees through corporate codes of conduct. Local employers in the Bangladesh garment industry must now demonstrate compliance with these codes to win orders from international buyers (UNIFEM 2008).

As per the International Labor Organization (2010), buyers make sourcing decisions based on four factors: price, quality, how long it takes to get produce to the marketplace and social compliance, including compliance with labor standards. To export readymade garments, it is not only the quality parameters that are important towards acceptance of the product as per the intended end use, but also the working environment, in which the garments are to be produced, is equally important so that sweatshop concept is totally taken care of and the code of conduct must be stretched towards achieving the objectives of social compliance issues (Das 2008).

Mr. Haider published in 2007 in his study stated that the social dimensions of the RMG industry are getting more attention from consumers, social workers, welfare organizations and brand name international buyers. International buyers are very particular about compliance with codes of conduct. Currently, many international buyers demand compliance with their “code 74 Journal of Business and Technology (Dhaka) of conduct” before placing any garment import order. The factory working environment is not very satisfactory. So in order to sustain in the industry, Bangladesh needs to improve the factory working environment and various social issues related to the RMG industry. Informal recruitment, low literacy level, wage discrimination, irregular payment and short contracts of service are very common practices in the RMG factories in Bangladesh.

German Embassy (2010) stated that PROGRESS, a joint project of the Bangladesh Ministry of Commerce and the German Federal Ministry, has consequently turned its full attention to the area of social compliance and assisting the government in the following areas: implementation of the new labor law, media campaigns, training and retraining measures for compliance inspectors, advisors, and the introduction of a new monitoring and evaluation system. It is also a fact that RMG producers from Bangladesh have been rather late in waking up to these issues on which depend the sustainability of their export activities. But it is also not wholly true that they are quite stranger to the issue of awareness and there are many RMG units which have taken comprehensive measures recognizing that this is indispensable for the secured growth of their exports

SSM Sadrul Huda, Nargis Akhtar and AfsanaAkhtar (2011) found that workers of garment sector in Bangladesh are not satisfied with wage; safety facilities; leave policy; promotion policy and behavior of the owner. These findings show the true picture because these are in line with the various previous findings of study conducted on the garment workers’ wages and working conditions. Besides, the two resource persons of this study also passed the same comment. The study also found that the workers in garment sector of Bangladesh are not satisfied with working environment;

Islam and Hossain (2015) also stated that besides, a common compliance standard need to be established which would take care of domestic

legislation as well as buyers' requirement (code of conduct) which would be enforced through the monitoring agency. The government of Bangladesh could set up 'Compliance Up Gradation Fund' in support of developing compliance standard where buyers also could contribute.

Lorenz Simon Noe (2009); US-Bangladesh Trade Relation and the RMG Sector: The summary of this article is the USA is the second most important export destination for clothing made in Bangladesh. Despite its sustained growth, the RMG sector's capacity to take a bigger share of the U.S market is hindered by the high tariff rate levied on Bangladeshi apparel. This situation is due to several factors, which are reviewed in this paper.

As a committed developmental partner to Bangladesh, the USA has undertaken several legislative and other initiatives aiming to lift trade barriers. They provide insights into what US policy makers consider critical issues and this and this working paper offers an overview of current and past initiatives. This paper also suggests several areas to be considered by the Government and the RMG industry of Bangladesh. These include lobbying, actively pursuing a US-Bangladesh bilateral agreement, improving the RMG,s social compliance record and investing in backward linkages.

Comparative Analysis between the Bangladesh Labor Law 2006 and 7 General Codes of Conduct: Ameena Chowdhury and Hanna Denecke (2007); This study is a comparative analysis of the Bangladesh Labor Law 2006 and seven internationally recognized codes of conduct (SA8000, SAI, ETI, FLA, FWF, BSCI, WRAP and JO-IN). It reveals that the Bangladesh Labor Law 2006 significantly covers most of the requirements of the seven solid platform for meeting internationally defined working codes of conduct.

THEORETICAL FRAMEWORK

The Concept of Absenteeism: Absenteeism is the temporary leaving of workers from the working place. It is the failure to report on the job when they are scheduled to work. Absenteeism is a broad term which is applied to time lost because of sickness or accident or any other reason, which prevents a worker from being on the job. Workers who quit job without notice who quit job without notice are counted as until from the

payroll. The phrase scheduled to work is meant for any employee who is normally attached to the labor force of a plant. Excused absences should also be included in the absenteeism figures as unauthorized time off. The absenteeism rate is, therefore, defined as the total man shifts lost because of absence as a percentage of the total number of man shift scheduled, with a view to calculate such rate. So, we require the number of workers scheduled to work and the number present. A worker who reports any part of a shift is to be considered as present. Absenteeism is the rate found out by way of dividing the man-days lost by man-days scheduled. To find out the figure in terms of percentage, the result should be multiplied by 100. Every plant keeps time cards of days worked. A simple count of these punched cards will show the number of employees absent. The employer can then find out the rate by using a formula as follows:

$$\text{Absenteeism} = \text{Man-days lost} / \text{Man-days Scheduled} * 100$$

GENERAL CAUSES OF ABSENTEEISM

There are several causes of absenteeism. The most important causes are stated as follows:

Lack of housing facilities: Every human being irrespective of race, color and profession is required to have his housing facilities. Industrial workers are neither exception nor immune to the need for housing requirement and now days nobody lives under trees or caves as the ancient and uncivilized people used to do. Industrial housing means providing accommodation for workers and staff within the industrial area or place of work lacking which absenteeism become a natural phenomenon.

Industrial Unrest: Unrest has been defined as activity arising out of basic drives which does not satisfy these drives. it tends to spread rapidly within a group by a sort of social contagion, as it is communicated to others. It is the opposite of morale. When unrest is, widespread morale is presumably low. For this reason, industrial unrest has become to be regarded as a sort of employment relation fever, valuable as symptom of employee dissatisfaction. Unrest expresses itself in desire to more along, to migrate, to keep going, vague indisposition to work. Evidence of such unrest may be found in excessively high absenteeism and labor turnover.

Strikes: Strikes may be defined as a concerted and temporary cessation of work by workers with a view to protecting their interests and rights in

general and securing a fulfilment of their specific demands. Strikes are the most obvious spectacular form of industrial unrest. Management has remained concerned with such strikes as these affect their employees. So, absenteeism can also cause due to strike.

Sickness: Sickness is also a noticeable factor for absenteeism. Sickness keeps no siren, it is natural. Due to physical sickness, sometimes labors remain absent from their work.

Sex: Woman is the weaker sex. It has been observed that the tendency of absenteeism is more among the female workers rather than the male. Especially when the female workers become pregnant. So, they keep themselves absent from the working place. '

Transport: If the organization lacks transport facilities, the workers may remain absent from work. Because, in the rainy days or like that the workers do not intend to go the office due to non-availability of transport.

Occupation: The Nature of work is different. There are some risky jobs in the industry like machine operating etc. Labors tend to keep themselves absent from working if it is monotonous, laborious.

Age: Naturally old men are physically weak. Young people have more spirit and energy to get work done. That is why absenteeism is found more among the old aged labors in comparison to young workers.

Working Conditions: if the working condition is favorable in the organization workers get interest in working. But if the working environment is the unhygienic then the labors do not get interest in task. That is why; they may remain absent from work

Industrial Relation: industrial relation means the relationship between employees and employers in an organization. It also means the union-management relation. But poor industrial relation causes “conflict, stoppages of work, low morale and indiscipline resulting in low production, low profit low wages”’.

Concept Of Turnover: Turnover is a measure of the extent to which old employees leave and new employees enter the service concern just as the

high reading on a clinical thermometer, is a sign to the physician that something seriously wrong with the human organism, so is an index of labor turnover, working to management that the something is wrong with the health of the organization. But just as the clinical thermometer merely indicate that something is wrong not what is wrong so does the turnover rate merely warn, not diagnose. A high temperature may mean pneumonia or mumps. A high turnover rate may mean poor personal practice, poor supervisory practices or poor company polices. Nor should we forget that too low a rate of turnover, like a below normal reading on the thermometer, can also be danger signal.

Moreover, turnover is the interfere mobility of labor. It is the extent of shift and replacement of labor accruing in the maintenance of the working force. The net employee turnover rate is the rate of gain or loss per 100 workers in the average work force. it is the accession rate minus the separation rate. Labor turnover confronts managers with many interrelated personnel problems. A certain amount of turnover is unavoidable because of inevitable viz death, permanent disability, retirement marriage and change of residence.

MEASUREMENT OF EMPLOYEE / LABOR TURNOVER

The rate of labor turnover is usually expressed as the ratio between the number of separation and the average labor force for a given period. The formula can be constructed as:

$$T = S/F \times 100$$

White, T = The rate of labor turnover

S = The number of separations

F = The average labor force.

TYPES OF LABOR TURNOVER

Labor turnover can be categorized under the following categories: -

Accession: Accession means the appointment of new employees in place retired old employees. Accession rate can be found out by dividing the no. of an accession for the month by the average employment.

Separation: Separation is termination of employment. This point may be subdivided as under:

7(a) Quit: Separation of employees for unauthorized absence of seven (7) consecutive days.

(b) Lay-off: It is a kind of termination of employment initiated by the employer. It means the failure, refusal of an employer because of shortage of raw material or the break-down of machinery to give employment to a worker.

(c) Discharge: Discharge is also a kind of termination initiated by the employer because he is not satisfied with the employees' performance. A worker may be discharged on the ground of physical or mental incapacity.

However, absenteeism and labor turnover rate is a kind of industrial barometer. When high in any given plant, they are storm signals pointing to unrest, serious production delays and increase costs. Low turnover, on the other hand, indicates job satisfaction which ensures industrial peace, increased production and reduced cost.

GENERAL CAUSES OF TURN OVER:

A lot of causes influence the organization workers or employees to leave the present organization. The most important factors are stated below:

Low salary structure: The salary that is paid to a worker is not enough to enable the employee to enjoy an adequate standard of living. Therefore, they leave the organization, for other jobs. Thus, unequal salary structure influences worker to turnover.

Length of service: Duration of service or employment. Often used to indicate how long an employee has worked at a company or an individual has belonged to an organization..

Age: The youth is more reckless and because he has fewer responsibilities, he can express his dissatisfaction with a job by quitting the present job.

Marital status: Although the proportion of married man increases with age, a separate analysis of the data in terms of marital status shows that it is one of the factors which influence the age trend in turnover rate.

The Bangladesh garments manufactures and exporters association (BGMEA) is the trade body that represents the export oriented woven, knit and sweater garments manufacturers and export of the country. Readymade Garments (RMG) is the leading sector of Bangladesh in terms of employment, production and foreign earnings. RMG sector alone accounts for around 80% of the yearly foreign exchange earnings of the country. About 4 million people are employed in this sector. The

importance of garments sector can be hardly being over emphasized. There has been a steady growth in the field of RMG during last two decades. The RMG industry enjoyed a meteoric rise from 30 enterprises in 1980 increased to about 4222 in 2013-14 fiscal years. For our research of “Labor Law Implementation in RMG Sector of Bangladesh” I have chosen 03 readymade garments localize in Dhaka Division to collect data for our research purpose.

The RMG industry involves various stakeholders covering from public, private and international organizations. Ministry of Labor and Employment and its sub-ordinate offices, Ministry of Home Affairs and various law enforcing agencies, political leaders of central and local government, local administration comprise the public side whereas factory owners, managers, officers, garments workers, BGMEA, workers’ association, member of civil society organizations, NGO activists fall in private sector. In respect of production, export, earning foreign exchange, contribution to GDP, employment, investment and business mobilization, RMG sector of Bangladesh has been a flourishing industry. Its importance has crossed geographical boundary of the country. Garments business of many international markets in Europe and North America depends on production of garments factories of Bangladesh. It involves stakeholders from various corners covering public, private and international organizations. Given the fabulous volume of trade of the industry, the increasing trends of declining the labor rights regarding wage, safety and security, welfare etc. in the RMG sector has been a matter of serious concern. Solving labor above problem in this sector is nearly impossible by a single agency like government or BGMEA or a civil society organization. If private sector (garments factory owners, managers, officers, work-force, labor leaders, BGMEA, civil society organizations) with their first-hand knowledge and experience cooperate with public agencies having power and authority, labor rights in the RMG sector is supposed to be solved by effective application of labor law in the RMG sector.

The objective of this section is to develop a framework for analysis. This section is divided into two parts. The first part deals with concept of existing labor law provisions, its implementation in the RMG sector of Bangladesh. The second part of this chapter deals with analytical framework. The analytical framework comprises of a dependent variable and nine independent variables. RMG sector has been taken here as

dependent variable while nine areas such as service rule and policy, maternity benefits, wage and overtime, compensation for injury by accident, provident fund, health and hygiene, safety and security, welfare and working hours, leaves and holiday provision have been taken as independent variable.

The research plan is to analyze the research questions based on survey data analysis using the statistical method. In the report body, I also discuss in details the relevant factors of analysis and fix my critical alpha level. The researcher has adopted the survey type of research in which a sample from the target population will be used for the study. Details of the sample are as follows: The sample is 400 workers. The study has adopted a multistage stratified sampling method to select elements. A structured questionnaire should be developed and is used as the survey tool for the study. Most of the questions were the closed-ended type.

METHODOLOGY

This research aims to study the Causes of Employee Absenteeism and Turnover of RMG industry of Bangladesh. Data is collected through structured questionnaire, organization visit, group discussion, personal interview. Data is collected from HR Department, Planning & Industrial Engineering department. The reasons to choose this sector are that they have a very strong and unique human resource management system. As it is a RMG is an export oriented factory based on Compliance and Buyer COC requirement it has maintained and followed the Bangladesh Employee law 2016.

Phase- I:

In the first phase, theoretical study is carried out to understand the Causes of Employee Absenteeism and Turnover of RMG industry of Bangladesh. The factor that influence the absenteeism & turnover like job satisfaction, their perspective regarding job environment and unique cultural practices.

Phase- II:

With the theoretical understanding some employees is interviewed with selected questionnaire to know the Causes of Employee absenteeism and turnover of RMG industry of Bangladesh. The participants of this survey are answering some close ended questions. These arranged questions will automatically find out the satisfaction level of the participants on their job.

After collecting their opinions through the questionnaire, some open-ended questions are asked for own understanding of the surveyor.

Sampling: The researcher has adopted the survey type of research in which a sample from the target population will be used for the study. In total, a sample of 21 elements should be selected from a targeted population. Details of the sample are as follows:

The sample is 400 workers (20 from each garments factory).

The study has adopted a multistage stratified sampling method to select elements.

Source of Data: Source of data is mainly face to face interview of the garments worker and various journals and BGMEA website. A secondary research also conducted in the study. Sources in secondary research include previous research reports, newspapers etc.

Data Collection Tools and Techniques:

Primary and secondary research must be conducted in the study. Before the actual data collection, I have collected introductory letter from the Bangladesh Institute of Management (BIM) to the sampled institutions. The initial visit to the selected institutions are therefore be to introduce himself, familiarize himself with those institutions as well as seek their consent for the study. This study has used both primary and secondary data collection techniques. The major research techniques employed are as follows:

OBJECTIVE OF THE STUDY

Major objective: Assessing the “Causes of Employee Absenteeism and Turnover” in RMG Industry of Bangladesh.

Specific objectives:

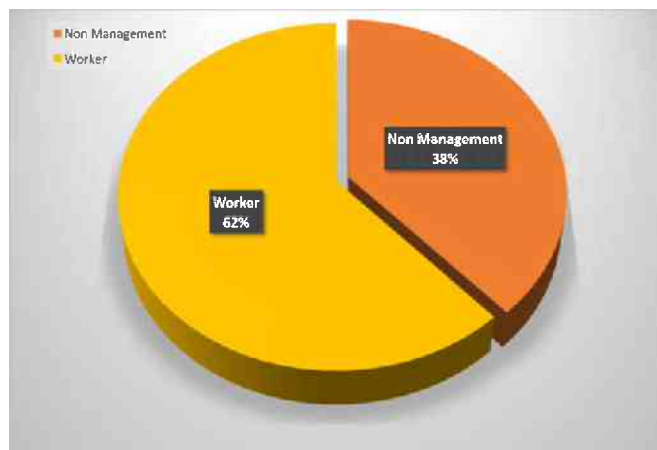
1. To identify the factor that influences the absenteeism & turnover
2. To evaluate about worker conditions prevailing in the industry.
3. To determine how the RMG industries deal with absenteeism.
4. To measure the impact of reduction of absenteeism & turnover.

RESULTS OF THE STUDY

The survey method was used to collect the primary data. The sample of the study was drawn from the apparel industry and it was limited to 400

operational level workers. The study sample was consisted of 03 apparel companies which are medium and large scales and locates at Gazipur, Tangail & Tongi. Twenty one (21) Close ended questions were asked from the sample and all questions were asked with mixed scales. Below are the findings of the study.

Nature of Respondent's Job:



Graph-1: Nature of respondent job

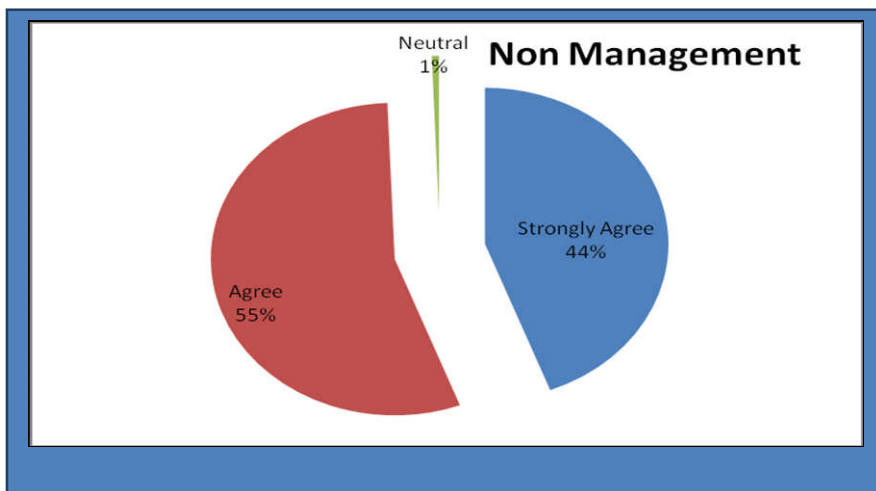
Education of employees of RMG Sector:

Most of the workers educational backgrounds are below high school level which constitutes about 56% of the sample population. The other population belongs to high school pass(34%),technical school pass (12%) and bachelor level pass (3.7%).it is to be mentioned here that of the total sample female workers comprise 66.7% whereas workers comprise 33.33% only.

Age of employee of RMG Sector:

The study finds that maximum workers of RMG sector in Bangladesh aged in the level of 20-29yrs. But also another age's people are work there. The workers between 50-59yrs are very rare. The above figure shows that workers less than 20yrs are 1.5%, between 20-29yrs are 72.4%, between 30-39yrs are 22.7%, between 40-49yrs are 2.3%, and between 50-59yrs are 0.02%

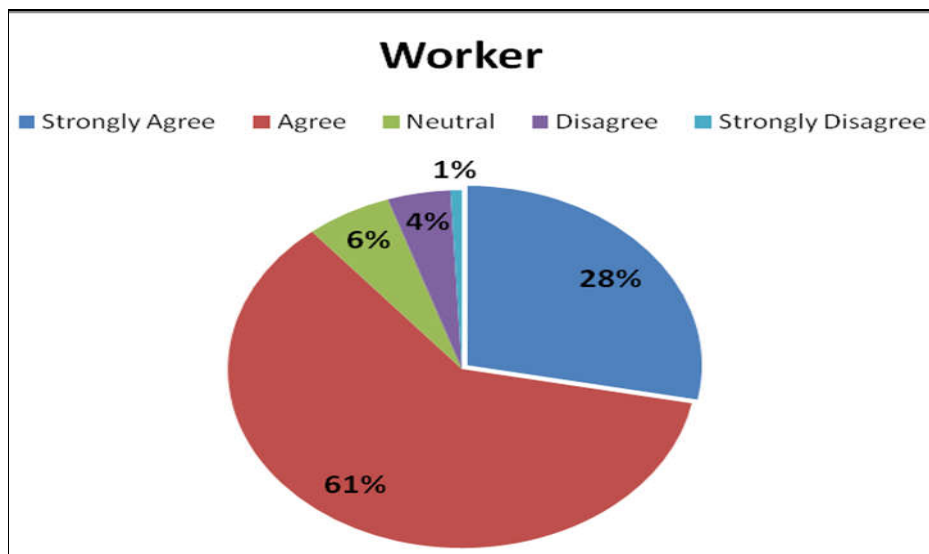
Job Satisfaction

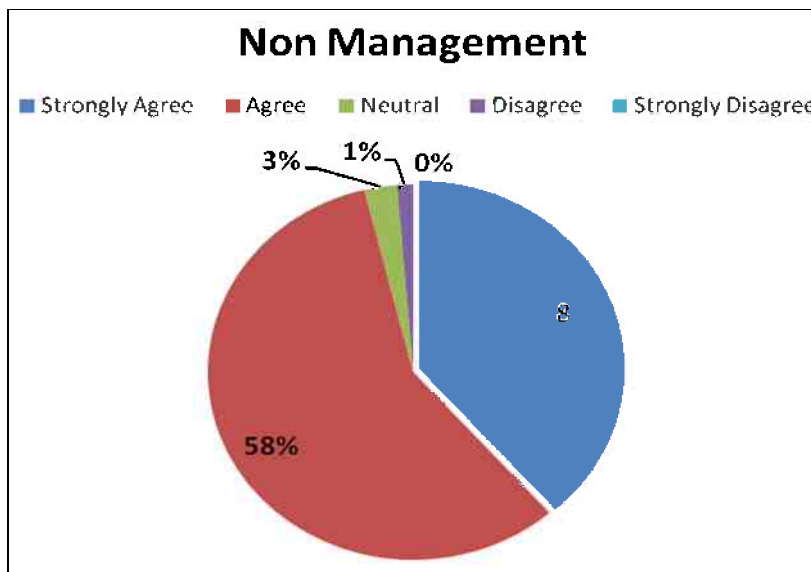


Graph-2: Satisfaction with Current Job.

Most of the workers of RMG sector are satisfied with current job. The above graphical presentation shows that around 43% workers said strongly satisfied, 54% are satisfied and 3% did not give any comments.

Satisfaction with Total Compensation





Graph-3: Satisfaction with Current Total Compensation.

Maximum number of worker and staff are satisfied with their present total compensation. This means that compensation has a positive effect on job Satisfaction. The above graph represent that around worker of total sample population strongly satisfied are 28%, satisfied are 61% and did not give any comments are 6%, dissatisfied are 4% & strongly dissatisfied are 1% with the current total compensation. On the other hand among the Non-management staff of total sample population strongly satisfied are 38%, satisfied are 58%, dissatisfied is 1% with the current total compensation.

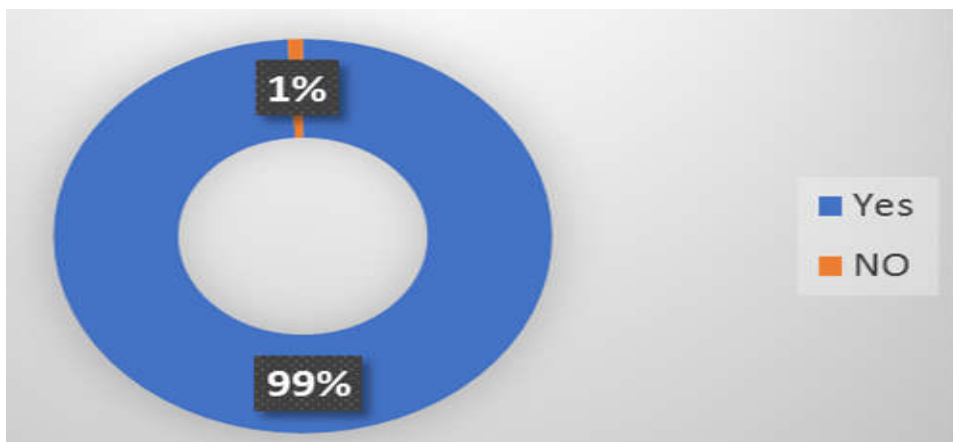
Health Care facilities

The workers of total sample population are satisfied 95% with their current health care facility. Non-management staff not satisfied is 1.5 % with the current company health care facility whereas worker not satisfied are 2.4% with the current company health care facility.

Availability of Materials and Equipment For job

Most of the worker of the sample population gets available materials & equipment in the workplace. Among the worker strongly satisfied are 43%, satisfied are 54% with availability of materials and equipment

,did not give any comments are 2.4% & did not get availability of Materials and Equipment are 1%.



Graph-4: Company care and concern for its employees

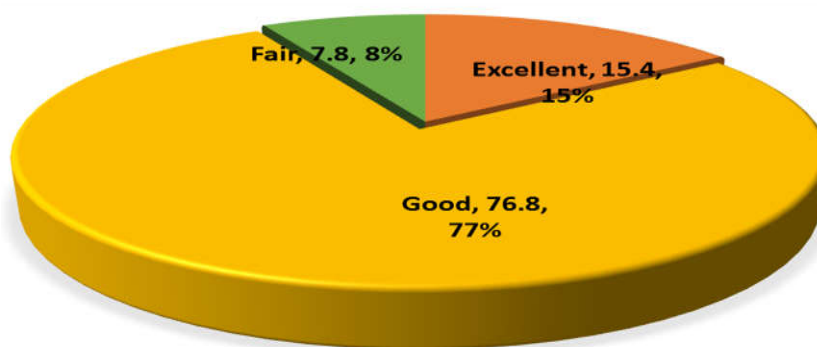
Working Hour

Maximum numbers of people of the sample population are happy with their work schedule and time. The result shows that happy workers are 99% and dissatisfied worker are 1% only with the current working hour.

Performance Reward

Recognition of performance encourages the continuous improvement of performance. The outcome regarding performance rewarding indicates that rewarded & recognized workers are 98% and didn't appreciated their ideas and work are 2%.

Relation with Co-worker/Superior

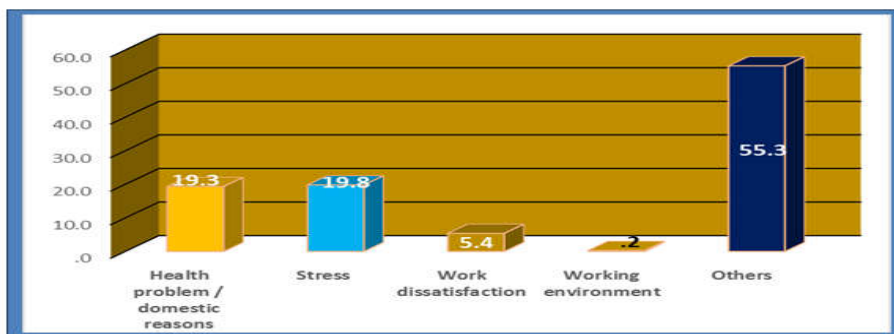


Graph-5: Relation with Co-worker/Superior.

Harmonious relationships in workplace have a positive influence on the performance of worker and employee. The consecutive result on relation with co-worker or supervisor is workers excellent relationships are 78%, workers good relationship are 77% and workers fair relationship are 8%.

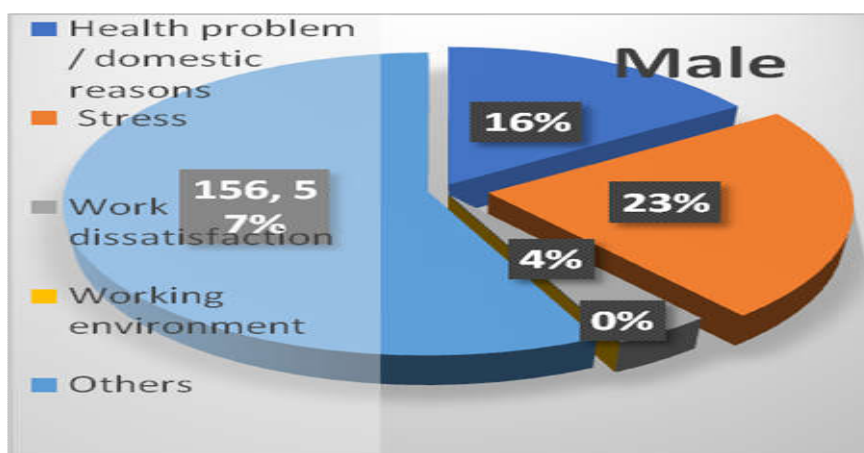
Reason for employee’s absenteeism /turnover

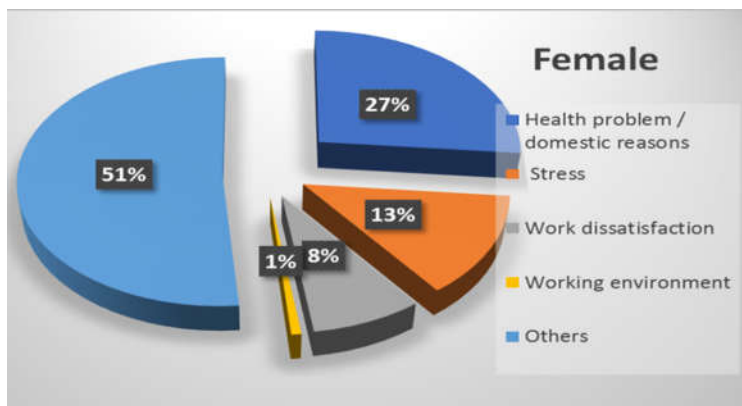
The major causes of absenteeism according to the response of the sample population are health problems, stress, work dissatisfaction and working environment. The outcome on causes on absenteeism represents in the graph mentioned below workers remain absent due to health problems are 19.3%, workers remain absent due to stress are 19.8%, workers remain absent due to work dissatisfaction are 5.4%, workers remain absent due to working environment are 0.2% and for others reason are 55.3%.



Graph-6: Reason for employee’s absenteeism /turnover

Gender based Causes of absenteeism

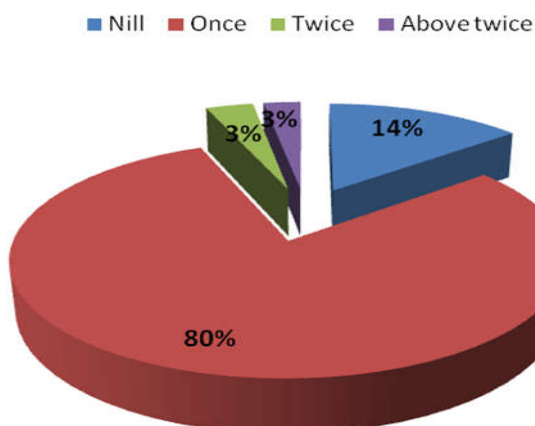




Graph-7: causes of absenteeism based on Gender

Among the male respondents of the total sample population the main backdrop of their absenteeism due to health problems are 57%, workers remain absent due to stress are 23%, workers remain absent due to work dissatisfaction are 4%, workers remain absent due to working environment are 0% and for others reason are 16%. Whereas among the female respondents of the total sample population the main causes of their absenteeism due to health problems are 51%, workers remain absent due to stress are 33%, workers remain absent due to work dissatisfaction are 8%, workers remain absent due to working environment are 1% and for others reason are 51%.

Monthly Absenteeism



Graph-8: Frequency of absenteeism

The above graphical presentation illustrate the monthly absenteeism that workers remain absent for single time are 80%, workers remain absent

twice in a month are 3%, workers remain absent more than twice in a month are 3% and do not absent are 14%.

CONCLUSION

Turnover & Absenteeism is a burning issue for any organization. For the steady productivity of an organization it is essential to maintain its skilled workforce. But most of the times it is very difficult to control the Turnover & Absenteeism rate. There are so many factors that affect Turnover & Absenteeism. Solutions to reduce Turnover & Absenteeism have been discussed below. First, satisfactory salary structure helps to reduce Turnover & Absenteeism though job security is also an important issue too. But it is not the only and always the solution for the authority. A person does not stay in an organization only for salary but he/she may stay for many other reasons such as, rearranging employees, good stream relation, better working environment, preferable job location etc. Productivity of an organization depends on the skills or expertise of its workforce. A skilled worker may be an asset for any organization. If a skilled person leaves an organization, the effects will be very high whereas in case of a semiskilled or un-skilled person the effect will be less. Thus, a vacant place of a skilled labor may be filled by another new worker but production falls due to their skill difference. Most of the work of this paper is obviously theoretical but a complete mathematical model to measure this Turnover & Absenteeism rate can be done in future research. If the skill of the employee or worker is expressed in terms of weight or in percentage, a mathematical model then could be possible to measure the direct relationships of Turnover & Absenteeism and productivity. To develop such model, we should consider so many factors such as; relationships among wage and salary structure, compensations, fringe benefits, location advantage, job security, social and economic factors to Turnover & Absenteeism etc.

RECOMMENDATIONS

However, per the research findings, there are many factors which are averagely significant factors on employee Absenteeism & Turnover. Therefore, organizations in the apparel industry should consider minimizing the effect of those factors on employee Absenteeism & Turnover. Clear policy of disciplinary actions and addressing to Absenteeism & Turnover are two factors which should be considered by

any organization to minimize the employee Absenteeism & Turnover Need pointed out few guidelines to minimize the excessive employee Absenteeism & Turnover, which are 1) develop an appropriate attendance policy, 2) communicate clear expectations, 3) apply company policy consistently, 4) handle attendance issues properly Thirty-three strategies were introduced to minimize the employee Absenteeism & Turnover, which are; be aware of problems that may affect employee attendance or performance.

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