

## “Employee Relations Practices in Bangladesh (private sector)”

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### ABSTRACT

Employee relations are important as they are concerned with people's commitment to achieving their organization's business goals and objectives and ensuring that organizational change is accepted. Maintaining effective relations between managers and employees are key to the success of any business or organization. This study traces the evolution of effective employee relation practices in the HRM domain as well as improper employee relations practices, to their present improved maintenance practices. They are now getting importance and doing their assigned job more effectively and efficiently. This paper highlights the relevant factors that have contributed to the rise of current improvised as well as improper employee relations practices, to their present improved maintenance practices. They are now getting importance and doing their assigned job more effectively and efficiently. This paper highlights the relevant factors that have contributed to the rise of current improvised employees. In recent management of diversity approaches, the necessity to adhere to the development of proper communication system by organizations, attached with enabling employee motivation such as attentiveness, devotion, lower absenteeism and enhanced human capital factors are the main causes of creating the effective employee relations. The study can be used to build effective HRM communication programs involves a few fundamental elements like top management commitment, effective upward communication, determining what is to be communicated, allowing for feedback and information sources in the organization and can be useful to the HR practitioners and policy makers.

**Key words:** HRM practices, employee relations, maintenance function, effective employee relations climate, Employee involvement, effective communication.

### INTRODUCTION

Employee Relations involves the body of work concerned with maintaining employer-employee relationships that contribute to satisfactory productivity, motivation, and morale. Essentially, Employee Relations is concerned with preventing and resolving problems involving individuals who arise out of or affect work situations. We know the people are the main concern of the organization, so this should be the most prioritised area for any organisation to have the special focus on the HRM practices more specifically on employee relations practices in private sector of any developing country like Bangladesh. For practicing effective Human relation, several programs should be initiated like; *Employee involvement*, *Rewards and recognition*, *effective communication*. *Employee involvement* refers to work systems that allow employees to systematically give their input into decisions that affect their own work. *Rewards and recognition* is a program that offers employees and associates incentives and awards for their performance and contributions to the organization. *Communication* is fundamental to the existence and survival of humans as well as to an organization. It is a process of creating and sharing ideas, information, views, and facts, feelings from one place, person or group to another. Communication is the key to the Directing function of management. Learning how to improve and maintain positive employee relations can help you create a healthy work environment that retains and attracts top talent. (Fundamentals of Human Resource Management, David A. Decenzo STEPHEN P. ROBBINS, SUSAN L. VERHULST. 11<sup>th</sup> ed.)

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## LITERATURE REVIEW

Employee relations (ER) are the administration and control of work relationships, encompassing elements such as participation, communication, and dispute resolution. Effective ER practices are critical for organizational success and overall socio-economic growth in Bangladesh, as the private sector is a major contributor to the nation's economic development. Bangladesh's colonial past, evolving sociopolitical landscape, and economic growth have all impacted the country's ER practices. Significant changes were made to Bangladesh's labor market after independence, most notably the adoption of the Bangladesh Labour Act 2006, which established a thorough framework for employee rights and obligations (Ahmed, S., & Akter, S., 2015). In Bangladesh, the private sector has been implementing formal human resource management (HRM) practices more frequently in an effort to improve ER. Systems for performance management, employee development initiatives, and organized hiring procedures are some examples of these procedures (Rahman, M. M., & Kamruzzaman, M., 2020). Employers are putting more of an emphasis on employee engagement to boost output and contentment. Employee surveys, feedback channels, and recognition programs are examples of engagement initiatives Islam, (M. S., & Siengthai, S., 2010). Sustaining positive ER requires effective communication. To promote feedback and information flow, private sector businesses use a variety of communication channels, including intranet systems, newsletters, and regular meetings (Hossain, M. M., & Ahmed, F., 2017). Conflict resolution mechanisms within the private sector frequently involve mediation and arbitration. These practices help to resolve disputes effectively and maintain industrial harmony. (Zohir, S. C., & Paul-Majumder, P., 1996). In collective bargaining procedures, trade unions are important players. Unions have been successful in securing improved pay and working conditions for workers despite obstacles (Rahman, M. A., & Islam, R., 2013). ER practices are impacted by competitiveness and economic instability. Employer well-being and cost containment are difficult concepts for businesses to reconcile (Bhuiyan, M. F., 2012). Cultural values and norms have an impact on ER procedures. Workplace dynamics and employee relations can be impacted by hierarchical structures and traditional gender roles (Mahmood, M., & Absar, M. M. N., 2015). Private sector companies face significant challenges in compliance with the labor laws and regulations. For maintaining good employee relations it is mandatory to follow Bangladesh Labor Act and other legal requirements (Hossain, J., & Sarker, A. R., 2020). Technological advancement have brought significant changes in employee relation practices. Automation, digitalization require new skills and competencies, necessitating ongoing training and development (Rahman, M., & Bhattacharya, D., 2017). For improving employee relation skill development can be considered as a crucial part. In order to adapt to the changing markets and improving employees capabilities companies must invest in training and development programs (Ali, M. A., & Islam, M. T., 2018). The trends in employee relations include the importance of remote work, variation in workforce, innovative decision making, interactive working environment and adapting to the sustainable business practices (Uddin, M. N., & Habib, M. W., 2021). For employee relation improvement, companies can focus on a culture that assures continuous learning, involves employees' interaction and complies with the existing laws and regulations. Policy makers can take necessary steps to ensure a more secure and supportive work environment for a sustainable relationship among employees and policy makers. (Khan, M. A., & Islam, M. S., 2020). It is observed by the literature that significant progress has been made in employee relation practices in private sector in Bangladesh while there are some challenges still exist. For resolving those challenges a combined effort from both employers and policymakers can be taken to create a more equitable and supportive working environment.

## METHODOLOGY

This will be a theoretical research. Basically, based on secondary sources, we will explain the Institutional contexts of the maintenance function of HRM. The methodological approach is a review of research studies and theoretical arguments in management journals, company reports and HR magazine over the last few years. We have to go through several books, journals and articles both hard copy and internet to complete this study. This study will be ended up after completion it and it will not be used in further researches.

### Analysis:

The role of a manager in employee relations:

As a manager in employee relationships, your role is to ensure there's a regular system to strengthen interpersonal relationships within the organization. Regular meetings can be formal or casual. For example, employees might meet once a month to relax, have fun and discuss things unrelated to work. <https://uk.indeed.com › career-development › role-in-ma>

The job description of employee relations:

Employee relations focus on creating and delivering people practices which develop and maintain positive working relationships between an organization and its people. They also support and advise managers on difficult people issues, and are experts in employment/labor law. <https://www.cipd.org › the-people-profession › careers>

Employee Relations Manager skills and qualifications:

Strong understanding of labor and employment law and employee relations.

- Exceptional interpersonal skills,
- Natural problem-solving ability to improve situations for employees,
- Ability to create effective programs.

<https://www.indeed.com › hire › employee-relations-man.>

### **An Employee Relations Specialist's role:**

An Employee Relations Specialist is responsible for providing counseling services to employees, participating in recruitment and dismissal processes, and performing employee background checks. They also communicate HR policies, collect and analyze employee data, and oversee employee training. Their role is crucial in maintaining a productive work environment and ensuring compliance with regulatory standards.

### **Requirements and skills**

- Proven work experience as an Employee Relations Specialist or similar role
- Demonstrated knowledge of employment law
- Outstanding interpersonal skills
- Exceptional written and verbal communication
- Excellent organizational skills and attention to detail
- Strong problem-solving ability
- Relevant training and/or certifications as an Employee Relations Specialist

<https://resources.workable.com/employee-relations-specialist-job-description>

### **The present state of HR practice in Bangladesh**

A blend of traditional approaches and modern influences by socio economic factors and global trends is found in the current HR practices in Bangladesh.

#### **1. Regulatory Framework:**

a) Labor laws: The HR view is governed by several labor laws including the Bangladesh Employment of Labor (standing Orders) Act, 1965 which sets standards for job duties, disciplinary procedures, working hours and objection handling. The Labor Registration and Welfare Act, 2015, mandate registration of establishments and compliance with health and safety provisions, insurance, and social security benefits.

b) Minimum wage and safety regulations: The Factories Act of 1965 (HR and Payroll BD) requires safe working conditions, and the government updates minimum wage rates periodically across industries to ensure equitable compensation.

## 2. HR Policies and Practices:

a) **Recruitment and Selection:** Thorough job analyses, strategic recruitment planning, and a mix of tests, interviews, and background checks to guarantee the right fit for roles are all components of effective hiring practices.

b) **Talent Management:** The importance of attracting, nurturing, and retaining talent is rising. In order to close skill gaps and increase productivity, businesses are investing in the training and development of their workforce (HR and Payroll BC).

**3. Technological Integration:** Digital tools like Human Resource Information Systems (HRIS) are increasingly being used, which helps decision-making in HR and Payroll BD by streamlining procedures.

**4. Employee Engagement and Performance Management:** In order to match individual efforts with organizational objectives, organizations place a strong emphasis on goal-setting, frequent feedback, and performance reviews. Systems for rewards and recognition are also in place to encourage top performers (HR and Payroll BD).

**5. Challenges and Future Directions:** Qualification gaps, low labor productivity, and unsafe working conditions continue to be problems despite advancements. To tackle these, education, training, and improved HR practice alignment with industry requirements must be the strategic focuses. Changes in demographics, globalization, and Industry 4.0 all have an impact on HR practices, which means they must adapt as well (GlobalEDGE).

## Focus Areas for Improvement

1. Improving worker safety and health regulations, especially in high-risk sectors such as ship recycling and ready-made clothing (RMG).
2. Encouraging specific training and development programs to close the skill gap is known as skill development.
3. Women's empowerment, gender equality, diversity, and inclusion in the workplace are all being promoted.
4. The goal of public sector HRM is to improve service delivery and efficiency by enhancing HR practices (GlobalEDGE).

## Top 10 HR trends in Bangladesh

### 1. Maintaining a safe and healthy environment

Employers are currently facing a pressure point to maintain a work environment that is safe and healthy. At a time when employers are being watched for how they respond to such a turbulent environment, it is not only important for them to legally meet the health requirements, but must also do their part in being socially responsible.

### 2. Training employees to be digitally savvy

Technology, digitalization and innovation has always been on the table for many organizations, but the pandemic has only made the need to adopt it more urgent. A virtual company culture and online presence has become the new normal, and remote working a necessity.

### 3. Bringing HRM to the corporate board

The role and importance of Human Resource Management Practices in Bangladesh is on the rise. Several companies have established separate HR departments and hired professionals with the relevant knowledge, skills, and experience. The HRM department has taken a seat at the table of the corporate board.

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In addition, most public and private universities in Bangladesh are now offering courses with specialization in Human Resource Management, which only asserts the point of its the role's ascent.

#### **4. Shift in recruitment and selection practices**

Organizations in the private sector are beginning to emphasize on competency-based approaches in their recruitment and selection practices. They are also moving away from the traditional view of educational qualifications and experience and focusing more towards individual achievements and skill-related competencies.

#### **5. Talent sourcing through social networking**

In this major HR trend in Bangladesh, we see organizations gradually moving towards social networking platforms like Face book and LinkedIn and away from being dependent of traditional medias and notice boards for their talent sourcing requirements.

#### **6. Increasing investments in employee training and development**

Automation and technological changes have placed increased pressure on organizations to up skill and train employees in order to compete in the globalized market of Bangladesh. Rapid industrialization has also intensified competition for talent. With the talent war, organizations are now realizing the importance of employee retention techniques such as training and development activities and establishing HR departments for improved communications.

#### **7. Mental awareness and empathy**

Job cuts and downsizing where at their high during the pandemic, but was also a necessary measure for an organization's survival. Changes such as these not only causes mental distress among those who have lost their jobs, but also affect employee morale.

#### **8. Outsourcing the HR function**

Some matured organizations are also using the HR outsourcing strategy to enable their internal teams to focus on organizational tasks that cannot be outsourced. Solutions such as developing custom systems for managers and employees are helping organizations streamline their functions with the help of coordination and the right expertise.

#### **9. The introduction of performance-related pay (PRP)**

Private sector organizations, such as multinationals and leading local organizations in Bangladesh have introduced performance-read pay as their criteria for pay and promotion. However, public sector organizations still lag behind in implementing these progress practices because of legal complexities.

#### **10. Installing modern technology and adopting Human Capital Management systems**

Technology has brought renewed HR trends in Bangladesh and has changed everything to a great extent, such as the process of recruitment and training techniques. These are being increasingly leveraged to train young & educated workers. Banks and private institutions are increasingly adopting Human Capital Management systems (HCMS) which is marked shift towards a great and promising change.

<https://www.peoplehum.com/blog/top-10-hr-trends-in-bangladesh#>:

#### **Winning employee relations strategies**

Ensuring effective communication, supporting employee well-being, and cultivating a positive work environment are all necessary for developing and sustaining successful employee relations strategies. These are a few thorough strategies:

## **1. Create an employee relations policy:**

An inclusive policy on employee relations is necessary to create a courteous and effective work environment. It contains rules for work-life balance, performance management, equal opportunity, respectful behavior, honest communication, and conflict resolution. Improved morale, fewer disputes, more output, and legal compliance are among the advantages. The steps involved in implementation are planning, approving, communicating, training, and overseeing.

## **2. Effective Communication:**

**Open channels:** Establish a variety of channels for communication, including internal social networks, suggestion boxes, and regular meetings.

**Transparency:** To foster trust, inform staff members of company objectives, developments, and successes.

**Feedback mechanisms:** Consistently solicit and respond to employee input to enhance procedures and resolve issues.

## **3. Employee Empowerment:**

**Training and Development:** Through seminars, classes, and mentorship initiatives, offer chances for professional development.

**Autonomy:** Promote employees' decision-making within their roles and encourage them to take ownership of their projects.

**Career Advancement:** Provide resources for skill development and clearly defined routes for career advancement.

## **4. Recognition and Reward:**

**Performance Recognition:** Consistently recognize and honor staff members' efforts and successes by giving those prizes, bonuses, and public acknowledgement.

**Incentive Programs:** Put in place initiatives that honor creativity, cooperation, and exceptional achievement.

**Personalized Appreciation:** To increase the significance of recognition initiatives, customize them to each person's preferences.

## **5. Work-life Balance:**

**Flexible work arrangements:** To meet a range of needs, provide flexible work arrangements such as compressed workweeks, flexible hours, and remote work.

**Wellness programs:** Offer tools to support both physical and mental well-being, like gym memberships, wellness seminars, and counseling.

**Paid Time Off:** It has to be assured that there are ample leave options available for personal, sick, and vacation days.

## **6. Inclusive Culture:**

**Diversity Initiatives:** Encourage diversity and inclusivity in hiring procedures, employee resource groups, and training.

Equitable Opportunities: Guarantee that every worker has an equal chance to utilize resources and opportunities. Create inclusive policies that uphold diversity, such as anti-discrimination laws, parental leave, and accommodations for people with disabilities.

### **7. Employee involvement:**

Team Building and Employee Engagement: Plan occasions and pursuits that promote cooperation and camaraderie.

Decision-Making Involvement: Involve staff members in the processes of strategic planning and decision-making.

Engagement Surveys: Regularly survey your staff to determine their level of engagement and satisfaction. Then, act on the results.

### **8. Better working environment:**

Ensure a safe and healthy physical work environment: Ensure a safe and healthy physical work environment by implementing the appropriate safety precautions and ergonomics.

Promote a supportive work environment: Promote a respectful, cooperative, and supportive work environment among your staff members.

Resolution of Conflicts: Establish impartial and efficient procedures for resolving conflicts in the workplace to quickly resolve issues.

### **9. Equitable Remuneration:**

Provide remuneration packages that are commensurate with the contributions made by employees and industry norms. Reward packages should be extensive and include retirement plans, health insurance, and other benefits. Make sure that compensation practices are transparent and equitable in terms of pay.

## **FINDINGS**

Here are the key findings and insights based on this research:

1. It becomes evident that keeping a positive work environment requires a focus on employee involvement, rewards and recognition, and efficient communication. Enhanced productivity, morale, and organizational effectiveness are all benefited by these practices.
2. Strong labor laws that regulate working conditions, workplace safety, and minimum wage requirements have an impact on Bangladesh's HR practices. HR practices and policies are shaped by industry compliance with these laws.
3. Requirements for improvement are highlighted by issues like low labor productivity, safety concerns in particular industries like RMG, and skill gaps. Prospective HR strategies must prioritize initiatives such as skill development programs and gender equality efforts.
4. Decision-making and operational efficiency in HR departments are being improved by the use of HRIS (Human Resource Information System) and other digital tools. Global HR management trends are reflected in this technological integration.
5. HR practices in Bangladesh are changing, as evidenced by trends like the promotion of remote work, digital up skilling, and a greater focus on the mental and physical health of employees.
6. Encouraging work environments and raising employee engagement requires a variety of tactics, including good communication, employee empowerment, rewards and recognition, work-life balance programs, and the development of an inclusive culture.

With a focus on both present practices and potential directions for future research, these findings offer a comprehensive examination of many aspects of HRM in Bangladesh. Using a holistic approach, organizations can adopt HR strategies that are both globally best practice-aligned and effectively tailored to local contexts.

## RECOMMENDATIONS

It provides comprehensive recommendations based on research and findings on HR practices and employee relations in Bangladesh.

1. Enforce existing labor laws such as the Bangladesh Employment Act. The Labor and Construction Act improve work practices and safety standards in all industries. Periodically review and adjust minimum wage rates to reflect the rising cost of living and ensure fair wages in all sectors.
2. Expand recruitment, selection and retention strategies that focus on potential opportunities rather than patrimonial signal. Address skills gaps through training and development programs to improve workforce capabilities and adapt to technological advances.
3. Reintegrate human resource information systems (HRIS) and other digital platforms to streamline HR processes, such as improving decision-making and improving organizational efficiency.
4. Adopt remote work options and flexible hours to support work-life balance and meet the diverse needs of the workforce. Promote diversity, equity, and inclusion through inclusive hiring practices, employee resource groups, and policies that support underrepresented groups.
5. Improve occupational health and safety standards, focusing on high-risk areas such as marine recycling and garments (RMG). Offer wellness programs that include physical and mental health support to nurture the healthcare workforce.
6. Encourage clear communication through regular updates, feedback processes, and employee engagement surveys. Develop effective conflict resolution processes to resolve conflicts and maintain a positive work environment.
7. Monitor HR performance through performance reviews, employee satisfaction surveys, and compliance reviews to identify areas for improvement and adjust strategies. Stay competitive and attract the best talent by identifying global HR best practices and adapting to local trends.
8. Invest in leadership training programs that foster positive employee relations and provide managers with leadership skills needed in diverse groups.
9. Implementation of these recommendations will help organizations in Bangladesh strengthen HR practices, improve employee relations, and create a positive work environment that promotes employee productivity, innovation, and well-being.

## CONCLUSION

Industrial relations in the private sector in Bangladesh have evolved significantly in response to changes in socio-economic conditions, labor laws and global HR trends. This research highlights the importance of effective communication, employee involvement, rewards and recognition, and maintaining a positive work environment as key factors in the success of employee relations efforts. Research shows that while significant progress has been made, challenges such as low employee productivity, safety concerns and skills gaps remain. To address these issues, the study proposes to enforce existing labor legislation, strengthen recruitment and retention strategies, introduce digital HR platforms, promote diversity and recruitment, improve occupational health and safety standards, and promote transparency and continuous monitoring of HR Activities. I recommend doing this. Leadership training and the adoption of international best practices that match local conditions are also important in improving employee relations. Implementation of these recommendations will help organizations in Bangladesh to create a supportive, fair and productive work environment. This will improve employee morale, motivation and efficiency of the entire organization and contribute to the socio-economic growth of the country. This research provides a comprehensive road map for HR professionals and policy makers to build and maintain effective employee relations to ensure that the private sector remains competitive and resilient in the face of change and challenges.



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