

Human Resource Management in Social Business Enterprises of Bangladesh

JAHAN Sufia *

KHONDAKER Mizanur Rahman **

Abstract

The objective of this research is to examine the characteristic features of human resource management (HRM) in the social business enterprises (SBEs) of Bangladesh. In order to achieve this objective a questionnaire survey consisting of seventeen aspects of HRM was applied and an unstructured interview was conducted on 44 selected SBEs of the BRAC (abbreviated from Building Resources across Communities) and Grameen family of companies. In order to analyze and interpret research data a mixed research method is used. The seventeen aspects in the questionnaire included: 1) job title, 2) job description, 3) authority of the personal management section, 4) processes of recruitment, 5) methods of employee selection, 6) applicant's academic qualification, 7) certificate and evidence in the selection process, 8) employment types, 9) importance of job experience, 10) required skills, 11) training and education, 12) components of employee compensation, 13) process of employee placement, 14) opportunities to build up a career, 15) role of employee's performance appraisal, 16) incentives offered in the enterprises, and 17) recreational activities. Despite BRAC and Grameen SBEs giving emphasis on all HRM issues, it is found that most of the employees are dissatisfied with terms of remuneration and compensation. Most of their employees believe that SBEs pay standard salary to the higher-level employees. In contrast, low paid employees are common in the middle-and lower-level jobs that affect badly in motivating those employees for committing to the enterprises and their goals.

Keywords: Bangladesh, BRAC (Building Resources across Communities), Grameen family of companies, human resource management (HRM), social business (SB), social business enterprises (SBEs).

* 南山大学大学院社会科学部経営学専攻博士後期課程修了

** 南山大学経営学部教授

I. Introduction

Dessler (1994) defines HRM as the strategy of acquiring, training, appraising, and compensating employees, and paying attention to labor relations, health and safety, and fairness concerns. These include job analysis, recruitment, selection, orientation and training, performance appraisal, compensation, incentives, and benefits, and concentrate on employee relations in terms of interviewing, counseling, and disciplining. According to Storey (1995) HRM is directly related to employee management's aims to build up highly committed and skilled workforce in the organization through the strategic implementation of cultural, structural, and personnel techniques. Boxall, Purcell, and Wright (2008) make it clear that HRM is an indispensable component of evolving an organization. In fact, it is related to the management of work and people towards desired ends and considered as the core issue of management to improve employee's skills, knowledge, and organizational performance.

II. Literature on HRM

Kaufman (1994) confirms that the first HRM practices were found in the nineteenth century in England, France, Germany, and United States, and a decade later Japan initiated to practice HRM broadly. Eilbirt (1959) makes it clear that HRM has turned into mature shape through two phases. First phase in 1890s, a large number of companies started to do industrial welfare work for their employees. These initiatives (industrial welfare work) are lunchrooms, medical care, recreational programs, libraries, company magazines, and company-provided housing. German companies were considered as the pioneer of industrial welfare work. The second phase is known for practicing separate employment offices. In this phase, office staff, in particular clerks and supervisors became in charge of employment-related functions, namely hiring, payroll, and record keeping. Many European companies have initiated stand-alone employment offices during this time. One example is German steel company Krupp.

The first world war has played a vital role to spread out HRM practices in the industrial zone (Eilbirt 1959, Kaufman 1994). With a literary context of USA, it is found that initially USA emphasized two issues of HRM functions, namely welfare work and employment management and set up a new department with

the combination of these two issues named personnel management. Research found that “employment” and “service” both are practiced under the supervision of personnel management section. Niven (1967) confirms that in the early stage many European firms accepted the term “personnel management” except Britain. In 1913, Britain established the Association of Welfare Workers, later changed its name to Institute of Labor Management in 1931. In fact, the term “personnel” was not widely accepted until the second world war (Chartered Institute of Personnel and Development Annual Report 2007–08).

Another new term of HRM is industrial relations practiced in the USA and Canada in 1919–20. It is considered as a more strategic approach of labor management and includes workforce governance, industrial relations, and employment function of personnel management. Kennedy (1919) states that employment management is and always must be a subordinate function to the task of preparing and administering a genuine labor policy, which is properly the field of “industrial relations”.

It is said that the country outside the USA that was considered the most significant and advanced in HRM practice during the 1920s was Japan. Research found that Japan firmly adopted Taylor’s credo of scientific management and implemented it in the workplace like England, France, and Germany (Merkle 1980, Tsutsui 1998). In the 1920s, a huge number of Japanese company employers and government-sponsored business groups visited the USA with the purpose of observing American industrial practices and trained and brought back a lot of issues of HRM to Japan. Moreover, Japan formed an association of academics, business managers, and government officials called *kyochokai* (Society for Harmonious Cooperation) aimed at improved industrial relations practices and the first labor management consultants appeared during this period (Gordon 1985, Kinzley, 1991). Furthermore, Japanese companies started to implement HRM practices robustly in terms of recruiting job candidates, hiring tests, incentive wage plans, job evaluation programs, and shop committees (Dore 1973, Hazama 1997, Jacoby 1991). Later, Japan included lifetime employment, seniority wages, extensive job rotation, and enterprise unions as its HRM practices (Shirai 1983). Gradually, Japanese personnel departments have found more authority and range of responsibilities than the personnel departments of the leading American companies in Japan (Hirano, 1969). In the 1990s, HRM practices also spread quickly to continental Europe, Asia, Latin America, and Africa. Lately, a huge number

of articles and books related to HRM is available all over the world which helps promote HRM practices widely.

III. General Framework of HRM

A general framework of HRM provides the essential and current information to the employees in the workplace. According to Dessler (2013), the core concept and tools of HRM are as follows:

- a) First of all, staffing, personnel management, or HRM includes recruiting, selecting, training, compensating, appraising, and developing employees.
- b) Managers' responsibility is one of the vital points of HRM and generally company managers are authorized persons for the two types of work. One is line authority, and the other is staff authority. The major responsibilities for this position are making decisions, giving orders, and directing the work of others. In order to achieve organizational goals, the line manager creates a superior-subordinate (order giver-order receiver) relationship whereas the staff manager (advisory) particularly advises other managers or employees.
- c) HRM plays a strategic role to bring the changes in the work environment which includes workforce diversity, rapid technological change, globalization, and changes in the nature of work, such as the movement toward a service-oriented society and put emphasis on education and human capital.
- d) HRM policies and practices prevent discrimination in the workplace in principle. These occur because of race, color, religion, sex, and national origin among others. One example the Fifth Amendment to the U.S. Constitution (ratified in 1791) states that no person will be deprived of life, liberty, or property without due process of law.
- e) HRM emphasizes staff-train-reward activities as part of talent management in the workplace which includes the integrated process of planning, recruiting, developing, managing, and compensating employees.
- f) HRM positively encourages employee training and employers arrange training for new employees in order to provide skills and knowledge which they need to perform their jobs. In general, a business organization provides two types of training, namely on-the-job training and off-the-job training. In detail, on-the-job training refers to employee training at the workplace and off-the-job training refers employee training which are arranged far from the workplace.

- g) Performance appraisal is an essential element of the HRM, and company manager evaluates subordinates' performance based on performance standards which helps for raising promotion and compensation. The performance appraisal is generally conducted using one or more popular appraisal methods, namely graphic rating scales, alternation ranking, paired comparison, rating scales, and web-based appraisal to name a few.
- h) HRM puts emphasis on employee compensation and benefits. The components of compensation are divided into two: i) direct financial payments, namely wages, salaries, incentives, commissions, and bonuses, and ii) indirect payments which include financial benefits like employer-paid insurance and vacations.
- i) HRM arranges many activities for improving employee's morale and dedication to the workplace. Moreover, HRM not only works for managing labor relations it also focusses on protecting employee's safety and health as well.

IV. Characteristics of HRM in SBEs of Bangladesh

Since gaining independence in 1971, Bangladesh has been progressing gradually towards its dream of a poverty free society. Initially, BRAC and Grameen Bank initiated to lift up destitute people's life and focused on entrepreneurship, competitiveness, and HRM. However, in the early 1990s Bangladesh entered a free-market economy and gradually achieved commendable economic growth, and today Bangladesh possesses an industry contribution to GDP of about 28.5 percent (ILO 2013, PwC 2015).

BRAC and Grameen Bank initiated nonprofit businesses and encouraged entrepreneurship in their second stage when Bangladesh also turned into industrialization. To contribute Bangladesh's economic development, SBEs realized that the country's limited natural resources, abundance of human resources, and the efficiency and efficacy of HRM practices could be pivotal and driving forces for its socio-economic development. During the field survey of this study, Grameen family of companies and BRAC confirmed their HRM practices as follows:

Grameen Bank SBEs follow government pay structure as well as provide per day 200 TK. for lunch to all Grameen Bank staff. All employees also get allowances for medical care, travel as well as the education of two children. Grameen Bank has arrangements for loans namely house building loan, medical loan, consumer loan, staff's welfare loan, and vehicle loan. Moreover, its employees get twenty

days casual leave per year, earned leave of one day for thirty-three working days and six months for maternity leaves as per the government rules.

Grameen SBEs also arranges education leave for employees with lean jobs. Employees get deputation facilities meaning transfer to another section and come back to their own working place, and they have also one year vacation for preparing to pre-retirement leave (PRL). Grameen SBEs employees get pension, gratuity, insurance, and death come retired benefits. In addition, Grameen bank has a recreation subsidy and two festival bonuses. Grameen Bank also arranges additional bonuses such as congratulation letters, encouragement bonus, and New Year bonus among others (Grameen Bank 2017).

In addition, to comprehend HRM practices in SBEs of Bangladesh this study focused on BRAC's HRM aspects. BRAC has established a separate department named Human Resource Department (HRD) which works as a strategic partner of BRAC's development programs, SBEs, and investments. HRD sets up a qualitative and strategic approach in managing the workforce. The key focus areas are procedural justice, transparency, equality, respect for diversity, freedom from discrimination, and recognition of human potential with a purpose to use its skilled and highly skilled workforce effectively (BRAC 2017).

The objectives of BRAC HRD are as follows: i) to establish BRAC as a right-based human organization by promoting its culture and values, ii) to develop employees knowledge and skills through BRAC and BRAC international activities, iii) to promote gender, justice, and diversity aims to encourage employees morale and dedication to the organization regardless of class, religion, ethnicity, caste, ability, age, and sex, iv) to develop performance appraisal system in order to recognize best performance as well as enhance quality and accountability, v) to keep updates of organizational management, and vi) to increase availability of HR information and employee services, and vii) to work for the revision, implementation, and monitoring of BRAC HR policies and practices (BRAC 2017). HRM activities in BRAC are organized under seven units as follows:

a) Recruitment, Deployment, and Appointment (RDA)

The major activities of RDA are as follows: i) to receive an approved official order from the programs, ii) to prepare and publish advertisement, iii) to receive application from the job candidates, iv) to select the CVs related to the criteria, v) to create database and plan for employee selection, vi) to make sure that the exam

center is based on the number of the candidates, vii) to coordinate with staff from other programs for invigilating, checking scripts, and viva voice, viii) to prepare the questionnaire and answer scripts, ix) to carry out the examination, make results, and announce the result, x) to declare selected candidates name for pre-service training, xi) to prepare deployment list for every selected candidate, and xii) to arrange the pre-service training (BRAC 2017).

b) Transfer Management Unit

This unit collaborates with the policy and communications development (PCD) division. It aims to work organizational development and staff development by promoting human resource policies and procedures (HRPP) and its proper implementation. Moreover, it creates awareness about rights, entitlements and responsibilities of staff, publication, communication, and presentation of HRD activities within and outside the organization as part its responsibilities.

The major activities of the PCD are as follows: i) to formulate new organizational policies and make revision of existing policies and procedures, ii) to organize orientations for the new employees, iii) to update employee's designation. iv) to organize meetings and keep records of the meetings, v) to organize social events, vi) to publish HR report and bulletin, and vii) to organize national and international training, travel, and higher study programs (BRAC 2017).

c) Compensation and Benefit Management Unit

This unit works for the salary, increment, adjustment, leave, loan, allowances, and staff welfare fund. There are seven types of loans offered by BRAC for the wellbeing of the staff, namely i) staff loan, ii) special loan, iii) higher education loan, iv) mobile phone loan, v) motorcycle loan, vi) car loan, and vii) loan from provident fund. All other types of loans are also managed by this division (BRAC 2017).

d) Performance Management Unit

The major activities of this unit are as follows: i) to set up the organizational performance appraisal system, ii) to make decisions with the help of performance management system advisory team and implement the decisions, iii) to organize employees promotion by following HR policy and procedure, iv) to design, prepare, and review of performance appraisal form and training module and materials as per need, vii) to prepare different types of report (routine and need base), and viii)

to give information related to staff performance appraisal issues (BRAC 2017).

e) Grievance Management Unit

The major activities of this unit are as follows: i) to disseminate sexual harassment elimination (SHE) policy, ii) to establish a free flow of information system, and iii) to follow up and monitoring grievance related decisions (BRAC 2017).

f) Staff Separation Management Unit

This unit executes five different types of activities as follows: i) resignation, ii) retirement and voluntary retirement, iii) termination, iv) final payment, and v) redundancy (BRAC 2017).

g) HR Field Operations Management Unit

The major activities of this unit are as follows: i) to coordinate HR activities with different programs. In fact, HR officers responsible to communicate with field management, participate in their meetings, visit field, and provide necessary information, ii) to organize recruitment and selection processes in the field offices, iii) to communicate and coordinate with the field staffs through attending meetings, workshops, and sharing information related to new changes in the organization, iv) to make orientation on HR policies and procedure and gender and SHE policy to the field supervisors, and v) to arrange training and workshops on gender policy in the field level offices (BRAC 2017).

V. Research Method and Organization

This research examines the characteristic features of HRM in the SBEs. In order to achieve this objective an unstructured interview was conducted on 44 selected SBEs in March 2017. Items included were i) job title, ii) job description, iii) authority of the personal management section, iv) processes of recruitment, v) methods of employee selection, vi) applicant's academic qualification, vii) certificate and evidence in the selection process, viii) employment types, ix) importance of job experience, x) required skills, xi) training and education, xii) components of employee compensation, xiii) process of employee placement, xiv) opportunities to build up a career, xv) role of employee's performance appraisal, xvi) incentives

offered in the enterprises, and xvii) recreational activities.

Research data was analyzed by using a mixed method - qualitative and quantitative analysis which tried to find out the level of frequency in each item. Percentages were then calculated. Finally, a quantitative inference was made to determine the nature of HRM in SBEs. In addition, in order to comprehend research findings many case studies of SBEs were used as qualitative analysis. The findings of this research are as follows:

Table 1: Findings on Human Resource Management (HRM) in SBEs ($N=44$)

Components	No. of SBEs	%
1. Job title		
i. Job title is given	44	100
ii. Job title is not given	0	0
2. Job description		
i. Job description is given	44	100
ii. Job description is not given	0	0
3. Authority of the personal management section		
i. Administration division	29	65.90
ii. Human resource department	15	34.09
4. Processes of recruitment		
i. Ads in the newspaper	44	100
ii. Notification in the office notice board	44	100
iii. Notification in the website	22	50
iv. Oral communication	10	22.72
5. Methods of employee selection		
i. Written exam	44	100
ii. Interview	44	100
iii. Short listing and interview	22	50
iv. References	15	34.09
6. Applicants' academic qualification		
i. Specific education level	44	100
ii. Specific major (subject)	44	100
iii. Specific training and certificate	22	50
7. Certificate and evidence in the selection process		

Human Resource Management in Social Business Enterprises of Bangladesh

i. Curriculum Vitae	44	100
ii. Academic qualification certificates	44	100
iii. Photograph	44	100
iv. National ID card	44	100
v. Experience certificate	20	45.45
8. Employment types		
i. Long-term/permanent	30	68.18
ii. Contractual and extendable	15	34.09
iii. For the duration of a project	4	9.09
9. Importance of job experience		
i. Experience in similar jobs	44	100
ii. Experience of jobs in NGOs	40	90.90
iii. Experience of jobs in government organizations	31	70.45
iv. Experience of jobs in private sector organizations	20	45.45
10. Required skills		
i. General skill	44	100
ii. Computer skill	44	100
iii. Communication skill	40	90.90
iv. Language skill	35	79.54
v. Mental readiness	30	68.18
vi. Job specific skill	15	34.09
11. Training and education		
i. Orientation	44	100
ii. Given on the job as needed	40	90.90
iii. Training on grassroots level activities	38	86.36
iv. Staff/employees go for own training	35	79.54
12. Components of employee compensation		
i) Basic salary, annual increment, and provident fund	44	100
ii) Festival bonus	44	100
iii) Casual leave and earn leave	44	100
iv) Medical loan and allowances	44	100
v) Maternity leave	44	100
vi) Staff welfare loan and insurance	44	100
vii) Vehicle loan	44	100

viii) Pension/gratuity/final payment BRAC	44	100
13. Process of employee placement		
i. Frequently transferable job	35	79.54
ii. Fixed place and clearly mentioned	9	20.45
14. Opportunities to build up career		
i. Promotion facilities	44	100
ii. New contract is available at the end of tenure	36	81.81
iii. Job term finishes if a project ends	4	9.09
15. Role in employees' performance appraisal		
i. Always improve employee's performance and job skill	40	90.90
ii. Sometimes improve employee's performance and job skill	10	22.72
iii. Never improve employee's performance and job skill	2	4.54
16. Incentives offered in the enterprises		
i. Happy New Year bonus	44	100
ii. Promotion at regular intervals	35	79.54
iii. Congratulate bonus	29	65.90
17. Recreational activities		
i. Annual picnic	44	100
ii. Festival dinner	44	100
iii. Annual sports	20	45.45
iv. Monthly get together	10	22.72

VI. Data Analyses and Interpretation

Job title is an identity where individuals recognize themselves with their job designation and performance in the workplace, for example, foreman, supervisor, engineer, etc. and derive motivation from its uniqueness. This research found that 100 percent of SBEs prioritize job title for the employee selection and recruitment process.

Job description is a list of a job's duties, responsibilities, reporting relationships, working conditions, and supervisory responsibilities which consider one product of a job analysis (Dessler 1997). It is found that 100 percent of SBEs put emphasis on giving job description during job advertisement.

Yunus center (2017) confirms that the administration division is in charge of

HRM of the Grameen family of companies including SBEs and it is found that HRM of all the sample SBEs (66 percent) is managed by the administration division. On the other hand, BRAC runs a human resource department (HRD) to manage and supervise HRM of the whole organization including SBEs. It is evident that HRM in all sample SBEs of BRAC (34 percent) is controlled by the HRD.

The research found that the highest frequency in 100 percent SBEs not only give advertisement in the newspaper, but also give recruitment notice in the office noticeboard (100 percent). Moreover, in the sample SBEs 50 percent go through online recruitment process. There are also practices of oral communication (23 percent) for recruitment. The research result showed that 100 percent of the SBEs arrange written exam and interview as a method of employee selection. It is also found short listing, interview (50 percent), and references (34 percent) are used for selecting employees. It is also found that 100 percent SBEs focus on specific standard education and major subject in terms of applicant's academic qualification. In addition, specific training and certificate are considered as applicant's academic qualification in some sample SBEs (50 percent).

The research findings provide further evidence that 100 percent of SBEs prioritize curriculum vitae (CV), academic certificates, photograph, and national identification number as the evidence in the selection process. Moreover, some enterprises (45 percent) require experience certificates. The research also shows that 68 percent of sample SBEs emphasize long-term or permanent employment. There also exists contractual and extendable employment (34 percent) system. Moreover, some SBEs (9 percent) have employment practices for the entire duration of a project.

It is found that 100 percent of SBEs prioritize experience in similar jobs in terms of the importance of job experience. 91 percent of SBEs prefer work experience with NGOs. Moreover, the research also shows that 70 percent of SBEs are interested in government job experience. 45 percent give emphasis on experience of jobs in private sector organizations. However, the entire sample confirms that experience in similar work considers an employee as a skilled worker.

All sample SBEs (100 percent) confirm that general skill in terms of education, manner, and attire are very important in the working place. Likewise, SBEs (100 percent) put emphasis on computer skills. In general, the SBEs consider communication skills as social capital. It is found that 91 percent of SBEs put emphasis on communication skills in the enterprises. Language skill is very

important for doing certain level of work. Therefore, 80 percent of SBEs focus on language skill. In addition, SBEs work for the poor people, in other words, grass root people and employees must go to remote areas for their work. Here, mental readiness is immensely important and research results found that 68 percent of SBEs concentrate on the topic of employee's mental readiness. Moreover, it is found that 34 percent of SBEs emphasize job specific skills, which could be professional or technical work.

Orientation plays a crucial role for specific job positions, and it is found that 100 percent of SBEs arrange orientation for the new employee's training and education. Moreover, it was found that 91 percent of SBEs give training and education to their employees on-the-job as needed. Furthermore, 86 percent of SBEs give training to their employees on grass-root level activities. Apart from this, 80 percent of SBEs employees go for their own training to develop their particular skills.

It is interesting that various components of employee compensation, namely basic salary, annual increment, provident fund, festival bonus, casual leave and earn leave, medical loans and allowances, maternity leave, staff welfare loan and insurance, vehicle loan, pension, and gratuity are available to all the sample (100 percent) SBEs. This research shows that 80 percent of the samples practice frequently transferable jobs in terms of employee placement. On the other hand, there are some enterprises (20 percent) that practice fixed places and clearly mention job position. The findings showed that 100 percent of SBEs practice promotion facilities to build up employee's career and new contract is available (82 percent) at the end of a tenure. Apart from this, it is found that 9 percent of SBEs finish the job term if a project ends.

The research result further shows that 91 percent of SBEs agreed with the concept that performance appraisal helps to improve employee's performance and job skill. It is also found that 23 percent of SBEs admit that performance appraisal sometimes improves employee's performance and job skill. Moreover, 5 percent of SBEs mentioned that performance appraisal never improves employee's performance and job skill. As found incentives offered in the enterprises include Happy New Year bonus, job promotion at regular intervals (80 percent), and congratulatory bonus (66 percent). SBEs pay congratulatory bonuses to employees to thank and congratulate them on meeting and achieving specific goals. These result in positive motivations for the enterprises, employees, and customers.

This research also focused on recreational activities in SBEs and found that

all the sample SBEs (100 percent) arrange annual picnics and festival dinners. Moreover, it is found that 45 percent of samples prioritize annual sports as recreational activities in the enterprise. 23 percent of them arrange monthly get together as recreational activities in the enterprises and all such activities increase employee's motivation and commitment to the enterprise.

This research attempted to comprehend characteristics of HRM in SBEs and found that all the sample SBEs (100 percent) had given job title and job description in their job advertisement. Moreover, it was found that 66 percent of SBEs possess administration divisions as their authority of the personal management section whereas 34 percent SBEs set up separate human resource department. 100 percent SBEs emphasized ads in the newspaper and notification in the office notice board in terms of means of recruitment and 100 percent chose written exam as well as interview as their methods of employee selection. In addition, the entire sample (100 percent) focused on specific education level and specific major for the applicant's academic qualification. Also, all (100 percent) SBEs emphasized curriculum vitae (CV), academic qualification certificates, photographs, and national ID cards as candidate's evidence in the selection process.

Apart from this, a high frequency of 68 percent samples gave emphasis on long term employment, 100 percent on experience in similar jobs, all samples on employee's general skill and computer skill. Orientation is considered as employees training and education. It was found that all sample SBEs prioritized components of employee compensation. It is also found that a high number of SBEs (80 percent) address frequently transferable jobs in the process of employee placement. Promotion facilities are considered as an opportunity to build up a career. 91 percent of SBEs admitted that performance appraisal helped to improve employee's performance and job skills. All samples are offered New Year bonus as incentives. The annual picnic and festival dinner are arranged (100 percent) as recreational activities. However, despite giving emphasis on HRM issues, it is found that most of the employees of BRAC and Grameen SBEs stated their dissatisfaction in terms of remuneration and compensation. Most of the employees of BRAC and Grameen SBEs think that they should pay a standard salary to the higher-level employees. In contrast, those who work in the middle and lower levels get a very poor salary.

The findings have summarized the characteristic features of HRM in SBEs as follows: i) HRM in SBEs induces job title and job description to their employees selection and recruitment process, ii) Orientation is considered as the major training

and educational place for the new employees, iii) recreational activities motivate employees to work collectively and become more committed to the work, iv) HRM in SBEs strongly practices employee compensation, namely basic salary, annual increment, provident fund, festival bonus, casual leave and earned leave, medical loans and allowances, maternity leave, staff welfare loan and insurance, vehicle loan, pension, and gratuity to name a few, and v) performance appraisal is considered to have positive effect on employee's performance and skill.

All these findings prove that SBEs in Bangladesh firmly practice HRM components in a similar way to commercial business enterprises (CBEs). However, it is found that SBEs give more focus on social issues through their HRM practices. SBEs HRM attempts to establish social justice, transparency, and gender equality among others and accept these issues as core business values which make real differences from traditional businesses.

VII. Conclusion

The objective of this paper is to examine the characteristic features of HRM in SBEs of Bangladesh. In order to achieve this objective, the study has examined seventeen characteristic features of HRM in SBEs. The findings showed that SBEs in Bangladesh firmly focus on HRM practices related to employee's selection, recruitment, training, compensation, motivation, performance appraisal, incentives, and among others. SB in Bangladesh expands its operation across the country with its social mission. SB contributes to building strong ties in society. Therefore, success of SBEs is expected by the general mass, in particular the poor people. Efficient HRM helps SB to achieve their success. HRM in SBEs promotes equal opportunity and affirmative action, employees' health, and safety as well as handling of grievances and promoting solid employee relations.

All SBEs give job titles and job descriptions in ads in the newspaper and notifications in the notice board and websites as process of recruitment. Moreover, written exams, short listing, and interviews are done, and sometimes only references are used as methods of employee selection. Furthermore, the administration division of the Grameen family of companies and HRD of BRAC work as authorities of the personal management section and examine applicants' academic qualification, certificate, and evidence in the selection process. In addition, long-term or permanent employment ratio is high in the SBEs. In general,

similar job experience, general skills, computer skills, and communication skills are important components of recruitment. Apart from these, SBEs focus on training and education, employee compensation and incentives, recreational activities, employee placement, and opportunities to build up career and performance appraisal to improve employee's performance and job skill.

HRM plays an important role in all business enterprises including SBEs and encourages companies to think of employees as human assets rather than liabilities to the enterprises. A productive, thriving workforce is considered the key to the competitive advantage of successful business enterprises. On the backdrop of this situation, this study concludes that HRM is an immensely significant management practice in SBEs. If SBEs firmly practice HRM, it can bring positive changes to employees and enterprises. It is strongly expected that SBEs in Bangladesh forcefully focus on HRM aspects strategically to add value to the enterprises.

References

- Boxall, P., Purcell, J., Wright, Patrick M. (eds) (2008). *The Oxford Handbook of Human Resource Management*, USA, Oxford University Press.
- BRAC (2017). "Human Resource and Learning Division Booklet", BRAC, Dhaka, Bangladesh.
- Chartered Institute of Personnel and Development (CIPD) (2007–08). *CIPD Annual Report 2007–08*, https://www.cipd.co.uk/Images/annual-report_2007-8_tcm18-11764.pdf, retrieved on July 26, 2018.
- Dessler, G. (1997). *Human Resource Management*, New Jersey, Prentice-Hall, Inc.
- Dessler, G. (2016). *Fundamentals of Human Resource Management*, New Jersey, Pearson.
- Dessler, G. (2013). *A Framework for Human Resource Management*, New Jersey, Pearson.
- Dore, R. (1973). *British Factory-Japanese Factory: the Origin of National Diversity in Industrial Relations*, Berkeley and Los Angeles, University of California Press.
- Eilbirt, H. (1959). "The development of personnel management in the United States", *Business History Review*, Vol. 33, No. 5, pp. 345–364.
- Gordon, A. (1985). *The Evaluation of Labor Relations in Japan: Heavy Industry*, Massachusetts, Harvard University Press.
- Grameen Bank (2017). "Grameen Bank Booklet", Grameen Bank Bhaban, Dhaka, Bangladesh.
- Hazama, H. (1997). *The history of labor management in Japan*, London, Macmillan.
- Hirano, R. (1969). "Personnel management in foreign corporations", in Ballon, R. (ed.), *The Japanese Employee*, Tokyo, Sophia University.
- International Labor Organization (ILO) (2013). *Bangladesh: seeking better employment condition for better socio-economic outcomes*. Studies on Growth with Equity Report, ILO Dhaka office, Bangladesh.

- Jacoby, S. (1991). *Employing Bureaucracy: Managers, Unions, and the Transformation of Work in American Industry*, New York, Columbia University Press.
- Kaufman, David H. (1994). *Japanese Corporate Governance: A Comparative Study of Systems in Japan and the United States*, New York, The Pacific Institute.
- Kennedy, D. (1919). "Employment management and industrial relations", *Industrial Management*, Vol. 58, No. 5, pp. 353-358.
- Kinzley, W. (1991). *Industrial Harmony in Japan: Invention of a Tradition*, London, Routledge.
- Merkle, J. (1980). *Management and Ideology: the Legacy of the International Scientific Management Movement*, Los Angeles, University of California Press.
- Niven, M. (1967). *Personal Management 1913-63: the Growth of Personal Management and the Development of the Institute*, London, Institute of Personal Management.
- PwC (2015). *The World in 2050: Will the Shift in Global Economic Power Continue?* London: Price Waterhouse Coopers.
- Shirai, T. (1983). *Contemporary Industrial Relations in Japan*, Madison, University of Wisconsin Press.
- Storey, J. (1995). *Human Resource Management: A Critical Text*, UK, Routledge.
- Tsutsui, W. (1998). *Manufacturing Ideology: Scientific Management in Twentieth Century Japan*, Princeton, Princeton University Press.
- Yunus Center (2017). "Questions by critics on Grameen Bank and the facts", Grameen Bank Bhaban, Dhaka, Bangladesh.