# PRIORITY BASED ANALYSIS OF SPECIFIC HUMAN RESOURCE MANAGEMENT PRACTICES BY HUMAN RESOURCE PROFESSIONALS: A STUDY ON PRIVATE SECTOR ORGANIZATIONS IN BANGLADESH

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## ABSTRACT

The aim of this study is to make a priority based analysis of the specific human resource management activities practiced by the human resource professionals in the private sector organizations in Bangladesh. To conduct the study, both primary and secondary data have been used. To collect primary data, a structured online questionnaire was used and secondary data were collected from different sources like journals, books, websites and newspapers. To analyze the primary data collected from the respondents, SPSS software has been used. However, the sources of secondary data have been duly mentioned both through reference and in-text citation. This study revealed that the human resource professionals of Bangladesh do not provide equal importance to all specific activities rather a priority based trend has been found there. It is hereby anticipated that the students, teachers, researchers as well as the human resource professionals of Bangladesh and rest of the world will get an in-depth priority based understanding of the specific human resource management practices.

**Keywords:** Human resource professionals, private sector, specific human resource practices.

## INTRODUCTION

Human resource management is the process of managing the people of an organization by considering them assets/resources/capital that brings sustainable competitive advantage (Pfeffer 1995). Human resource management is one of the functional areas of management that aims at ensuring the optimum utilization of human resources which ultimately results in the utilization of other resources like physical resources, financial resources, and information resources of an organization (Akkas 2015). To bring excellence in organization through competing with the competitors in the global competitive market place, organizations are focusing on developing the human capital (Armstrong 2008). The impact of human resource management is now well-established throughout the world (Guest 1997). Human resource (HR) specialists around the world including Bangladeshi HR professionals especially in the private sector organization are nowadays much more concerned about getting, developing and retaining the quality people in the organizations. To ensure these objectives of the organizations, HR professionals have to perform a bunch of good practices related to HR management (Mello 2011; Dessler 2013).

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However, various scholars focus on various activities as per their research objectives and problems. Fatema (2018) mentioned recruitment and selection, training and development, compensation management, organizational culture, employee engagement, performance appraisal, employee motivation, employee empowerment, and organizational justice as specific HR activities. Tiwari and Tiwari, (2018) suggested recruitment, participation to decision making process, training and development, performance evaluation, working conditions and compensation management as specific HR activities. A relatively bigger list of specific activities has been referred by Armstrong (2008) in his book Strategic Human Resource Management. The list of specific HRM practices given by Armstrong include 11 specific human resource management which are human capital management, high-performance management, corporate social responsibility, organization development, engagement, knowledge management, resourcing, talent management, learning and development, reward, and employee relations. Further, Al-Kahtani (2018) provided another list of specific list of specific HR activities that contains 10 functions like job analysis, recruitment and selection, training & development, performance appraisal, compensation and benefits, working condition, security and health, communication, co-worker relations, and intention to stay. But still any of the lists can be taken as a complete one. Because different researches found different lists of HR activities. Nwachukwu and Chladkova (2018) identified human resource planning, training and development, employee compensation and work environment as specific HR activities. Aktar and Pangil (2017) mentioned KSA enhancing practices (recruitment and selection, training and development), motivation enhancing practices (job security, career advancement, stock options, performance bonus and profit sharing) and empowerment enhancing practices as specific HR activities. Uzair et al. (2017) identified training, recruitment and selection, performance appraisal, compensation, employee loyalty, job satisfaction, and employee commitment as specific HR activities. Aybas and Acar (2017) identified selective staffing, internal career opportunities, extensive training programs, results oriented appraisals, incentive and fair compensation, employment security, clear job descriptions, participation, information sharing, empowerment, and working conditions and Raineri (2016) also identified personnel selection, performance evaluation and training, job descriptions, compensation and incentives, and empowerment practices as specific HR activities. Piyasena and Kottawatta (2015) identified recruitment and selection, training programs, performance evaluation, compensation and benefits, innovative practices, employee participation, empowerment, grievance handling, industrial relations, job design, leadership and working environment and Majumder (2012) also identified recruitment and selection systems, compensation package, job security, career growth, training and development, management style, job design and responsibilities, reward and motivation and working environment as specific HR activities. Again Kulik (2006) identified workers compensation, human resource planning, remuneration and benefits, equal opportunity, diversity management, leadership development, induction process, grievance process, culture, occupational health, training, succession planning, recruitment and selection, career planning and development, termination decisions, job design, employee disciplinary action, coaching, performance management and promotion decisions as specific HR activities.

Most of the previous studies regarding the specific human resource activities cover names of the activities performed by the human resource management. Different theories and models have been made based on those studies. There are some similarities and dissimilarities among the specific human resource management activities suggested by different scholars. In some cases a certain activity has been titled differently in different studies. However, there is no complete list or package of human resource management activities and most important in the perspective of human resource management in Bangladesh. Moreover, it is found that all activities do not carries similar priority as mentioned by most of the HR practitioners of the

country. No such priority based list is also found neither in the context of Bangladesh nor other countries. By considering this circumstance and study gap, this paper focuses on serving the following objectives i) to prepare a relatively longer list of specific HR activities in the context of Bangladesh and ii) to make a priority based segmentation of specific HR activities (e.g. High priority HR practices, Medium priority HR practices and Low priority HR practices).

## MATERIALS AND METHODS

This study finds responses from HR professionals of Bangladesh working in different industries in Bangladesh. To conduct the study, a preliminary literature review was conducted and a list of specific human resource practices was prepared based on that. Then, several face to face interviews were conducted to make a relatively more meaningful list of activities. Finally, a list of 21 specific HR practices had been prepared and those were used to prepare the questionnaire. The structured questionnaire was sent to randomly selected 300 HR professionals of Bangladesh working in different private sector organizations. Out of those 300 questionnaires, 160 (53%) questionnaires were returned properly and out of those returned questionnaires, 144 (48%) questionnaires were found usable.

So the respondents (N=144) of this study are actively working in human resources management function in different organization having different identities, genders, age, experience level and so forth. However, this is to be noted that most of the respondents of this study are members of different HR bodies like Bangladesh Society for Human Resources Management (BSHRM) and Dhaka University Human Resources Professionals (DUHRP). In the survey, the respondents were asked one question for each specific HR practices to measure how much priority is given to each of the activities. So there were 21 questions related to priority analysis. Apart from that, they were asked some demographic questions too. The questions were like- How much priority does your organization gives in HR Planning? Responses were collected on a 5-point Likert scale where 5 = Very high, 4 = High, 3 = Medium, 2 = Low, and 1 = Very Low priority. To analyze the data, SPSS software has been used. Different statistical techniques like percentage, frequency, Cronbach's alpha, mean, standard deviation, and coefficient of variance have been used to make the information more meaningful to the readers.

## RESULTS AND DISCUSSION

To conduct the study different demographic variables were considered namely gender, HR designation, experiences of the HR professionals and different industry. After that reliability of the variables tested and different statistical tools were used to prepare the priority based list of specific HR practices. The result of Likert scale has shown in the appendix-2.

Table 1 described the demographic scenario of the respondents of the study. It is found that the 78% respondents are male and 22% are female. It can be apparently said that in HR profession, female participation is still low in Bangladesh. Executives, managers and officers are holding the most position in HR department. In contrast the senior managers are small in number. It also implied that working and efficient HR people are very much active in organization. In respect of experience, the study shown that half of the HR officials have less than 2 years' experience in HR department. The spectrum of the study was covered five industries like Garments industry, Information Technology (IT), Pharmaceuticals, and Fast Moving Consumer Goods (FMCG). Here pharmaceuticals and FMCG stand in larger in number. Equal number of respondents participated from the organizations of these industries.

**Table 1.** Demographic summary of the respondents

|  | Frequency | Percentage |
|---|---|---|
| **Gender** | | |
| Male | 112 | 78% |
| Female | 32 | 22% |
| **HR Designation** | | |
| Officer | 32 | 22% |
| Executive | 40 | 28% |
| Senior Executive | 8 | 6% |
| Assistant Manager | 24 | 16% |
| Manager | 32 | 22% |
| Senior Manager | 8 | 6% |
| **Experience** | | |
| 10 to 15 Years | 8 | 6% |
| 5 to 10 Years | 40 | 28% |
| 2 to 5 Years | 24 | 16% |
| Less than 2 Years | 72 | 50% |
| **Industry** | | |
| Fast Moving Consumer Goods (FMCG) | 40 | 28% |
| Garments and Textile | 24 | 17% |
| Information Technology (IT) | 8 | 6% |
| Pharmaceuticals | 32 | 22% |
| Others | 40 | 28% |

**Table 2.** Reliability of the variables

| **Reliability Statistics** | | |
|---|---|---|
| Cronbach's Alpha | Cronbach's Alpha based on standardized items | No. of items |
| .832 | .841 | 21 |

The Cronbach's alpha of the study is 0.832. According to Wong (2013) and Cronbach (1951), observed as the internal consistency coefficient is well-accepted and widely used to measure the reliability of measurement model. The composite reliability and Cronbach's alpha values of 0.70 or more are acceptable. Cronbach (1951), The composite reliability and Cronbach's alpha values below 0.60 indicate a lack of internal reliability (Hair Jr et al., 2016).

**Table 3.** Factor loading of items

| Items | A8 | A1 | A14 | A7 | A11 | A19 | A17 | A16 | A10 | A18 | A3 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Extraction** | 0.85 | 0.92 | 0.84 | 0.83 | 0.86 | 0.93 | 0.89 | 0.83 | 0.77 | 0.94 | 0.69 |

| Items | A2 | A13 | A12 | A4 | A5 | A21 | A20 | A9 | A6 | A15 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Extraction** | 0.91 | 0.59 | 0.95 | 0.87 | 0.86 | 0.71 | 0.87 | 0.89 | 0.69 | 0.85 |

**Table 4.** Mean Standard deviation and Coefficient of Variance of the respective HR activities

| | | | | | | |
|---|---|---|---|---|---|---|
| HR Planning | 3.62 | 0.90 | 25% | 8 | 28.500 | .000 |
| Recruitment and Selection | 4.61 | 0.49 | 11% | 1 | 7.111 | .008 |
| Employee Orientation & Socialization | 3.00 | 0.94 | 31% | 14 | 33.778 | .000 |
| Training and Development | 3.72 | 0.93 | 25% | 7 | 23.111 | .000 |
| Employee Motivation | 3.06 | 0.71 | 23% | 11 | 17.375 | .000 |
| Talent Management | 2.67 | 0.88 | 33% | 19 | 113.778 | .000 |
| HR Analytics | 2.72 | 1.28 | 47% | 17 | 82.667 | .000 |
| Leadership Development | 2.78 | 1.18 | 43% | 16 | 38.222 | .000 |
| Employer Branding | 3.11 | 1.24 | 40% | 10 | 47.111 | .000 |
| HR Corporate Social Responsibility | 2.72 | 0.88 | 32% | 18 | 122.181 | .000 |
| HR Compliance | 4.01 | 1.00 | 25% | 3 | 50.722 | .000 |
| Health, Safety & Work Environment | 4.17 | 0.90 | 22% | 2 | 51.556 | .000 |
| Employee Retention | 3.01 | 0.89 | 29% | 13 | 118.847 | .000 |
| Employee Engagement | 3.06 | 0.70 | 23% | 12 | 136.889 | .000 |
| Performance Management | 4.00 | 0.88 | 22% | 4 | 37.333 | .000 |
| Compensation and Benefits Management | 3.95 | 1.13 | 29% | 5 | 53.833 | .000 |
| Succession Management | 2.50 | 1.01 | 41% | 21 | 91.556 | .000 |
| Knowledge Management | 2.56 | 1.21 | 47% | 20 | 33.778 | .000 |
| Organizational Development | 3.61 | 1.01 | 28% | 9 | 78.222 | .000 |
| Absenteeism & Leave management | 3.94 | 1.22 | 31% | 6 | 73.778 | .000 |
| Employee Relations | 2.89 | 0.94 | 32% | 15 | 44.444 | .000 |

Note: N = 144. Columns 2–4 report the mean, standard deviation, and coefficient of variance (CoV) of the respective HR activity. These columns represent the mean effectiveness ratings, the scattering of the responses and their degree of variation.

This tabular analysis of specific human resource management practices depicts that 4 activities have mean value of more than 4.00 having very highly significant impact on HRM. On the contrary, 7 specific human resource management practices show relatively lower importance in human resource management in Bangladesh having mean value of less than 3.00.

By analyzing the data collected from respondents, the following ranking has been found. The cumulative score in the table refers to the sum total of all scores given by the respondents to each of the specific HR practices. The maximum possible score in a specific HR practices activity is 720 (5×144), where the minimum possible cumulative score can be 144 (1×144). Score in percentage is the ratio between maximum score and obtained cumulative score. Ranking has been done based on the cumulative score. In this table (Table 5) HR activities having score of more than 500 have been marked as high priority HR practices, activities having score of less than 500 but more than 400 and equal have been marked as medium priority activities whereas the HR activities securing cumulative score of less 400 have been listed as low priority HR activities.

**Table 5.** The priority based list of specific HR Activities in the context of private sector organizations in Bangladesh

| Ranking | Specific HR Practices | Cumulative Score |
|:---:|:---|:---:|
| | *High Priority HR Practices* | |
| 1 | Recruitment and Selection | 664 |
| 2 | Health, Safety and Work Environment | 600 |
| 3 | HR Compliance | 577 |
| 4 | Performance Management | 576 |
| 5 | Compensation and Benefits Management | 569 |
| 6 | Absenteeism and Leave management | 568 |
| 7 | Training and Development | 536 |
| 8 | HR Planning | 521 |
| 9 | Organization Development | 520 |
| | *Medium Priority HR Practices* | |
| 10 | Employer Branding | 448 |
| 11 | Employee Motivation | 441 |
| 12 | Employee Engagement | 440 |
| 13 | Employee Retention | 433 |
| 14 | Employee Orientation and Socialization | 432 |
| 15 | Employee Relations | 416 |
| 16 | Leadership Development | 400 |
| | *Low Priority HR Practices* | |
| 17 | HR Analytics | 392 |
| 18 | HR Corporate Social Responsibility | 391 |
| 19 | Talent Management | 384 |
| 20 | Knowledge Management | 368 |
| 21 | Succession Management | 360 |

## CONCLUSIONS

Human resource management performs a good number of specific activities such recruitment and selection, training and development, leadership development, talent management, succession management, HR analytics, HR compliance and so on. However, this study shows that human resource professionals of Bangladeshi private organizations do not provide equal importance to all specific human resource activities. Among that 21 specific human resource activities discussed in this paper, a priority based trend has been observed. The result of the study depicts that the human resource professional of the country give maximum priority in

recruitment & selection, and minimum priority is given to succession management. The interpretation of this trend indicates that in Bangladesh still the primary responsibility of HR team is to ensure right person in the right place at the right time. Moreover, HR compliance, Health, Safety & Environment have got higher priority as some of the emerging issues in human resource management. After all, this study provides a strong direction to the learners as well as the practitioners in the field of human resource management.

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