The effects of culture and leadership behaviour on ethical practices in managing labour within the UK and Bangladesh- readymade garment industry

A Thesis Submitted in Partial Fulfilment of the Requirements of the Degree of Doctor of Philosophy

by

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I dedicate this thesis to my family (my parents, brother and sisters, my wife and my son) who continuously gave me moral and spiritual support to accomplish this project
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ABSTRACT

During the 21st century there has been a rapid globalization. Consequently, numbers of multinational companies in developed countries are outsourcing many industrial production and services to developing countries. In the clothing sector of UK, businesses source textile products from Bangladesh due to lower material and labour costs in this country. Cultures and leaders’ leadership behaviour of these countries are not same. For that reason, both countries have different labour management system in their readymade garment industry. In UK, rules and regulations are very strict, employee safety is very important, and employees get a fixed national minimum wage or more in every sector including textile industry. But records from last few decades show in Bangladesh who supplies a huge amount of readymade garment product to UK, thousands of garment workers have been killed in unsafe workplace. In 2012 there was a fire in a clothing factory and a building collapsed in the year 2013, in Bangladesh. This led to number of deaths of the people who worked in these factories. These workers were actually producing clothings for retailers those who are from countries such as U.S., Canada and Europe. Eighty percent of the workers were young women, 18-20 years of age, toiling 90 to 100 hours a week with just two days off a month and their monthly salary is not more than £60. From these incidents, ethical practices in managing labour and the total HRM issues need to be focused on. Also, there is an effect of cross-culture and leadership behaviour in RMG industry of UK and Bangladesh. Therefore, this study intends to investigate whether there are effects of culture and leadership behaviour on ethical labour management in the readymade garment industry of Bangladesh and UK.

This research will analyse and compare the interrelationships between UK and Bangladesh, their cultures and leaders’ leadership behaviour and consider how they influence businesses (Readymade Garment sector’s) in terms of ethical practices in managing labour. The study carried out with a mixed method research design considering pragmatism philosophical view and has taken case study research strategy. To construct the research questions and develop the hypotheses, both countries’ culture and leadership behaviour of leaders in the readymade garment industries are observed, as well as staff and leaders have been interviewed which also led to set up the case studies and questionnaire to collect quantitative data. The studied clothing retails from UK include Arcadia, F&F-Tesco, George-Asda, M&S, Next, Primark, and River Island. Studied factories from Bangladesh include Sailor Moon Sweater Ltd, Trims Zone Ltd, Aviator, Epyllion Group, Palmall Group, Hannan Fashions, New Age Ltd, Jeans Express Ltd, Devine Garments, Fahim Fashion World. Bangladesh case studies also include, Rana Plaza incident, Fire in Tazreen Fashions, and Fire in Smart Export Garment. Collected empirical data were analysed statistically, graphically and narratively to compare HR practices, leadership behaviour, the cultural differences and perceptions of organizations with regard to ethical labour management in RMG industry of Bangladesh and UK.
Findings of the study provides how culture and leadership behaviour affects the ethical labour management in RMG industry of Bangladesh and UK. The study investigates the cultural differences between these two countries which have effects on leaders’ leadership behaviour. In the same time leadership behaviour affects the organizational and national culture. National and organizational culture as well as leaders’ leadership behaviour in these two countries’ RMG industry directly influence how ethically to operate labour management. The study shows that in UK’s RMG industry, ethical labour management is strongly active because of the effects of national and organizational culture and leaders’ leadership behaviour but in Bangladesh which is very less active for the same reason. Also, as a buyer country UK can play a significant role to ensure the ethical labour management in Bangladeshi RMG industry. Thus, the study identifies some changes of organizations, culture and leadership behaviour within both of these countries’ textile industry. Therefore, the study recommends government and non-government organizations of Bangladesh should emphasize on their human resource management system and more transparency on fair trading is needed from UK organizations to ensure employees are fairly treated in Bangladeshi RMG industry. Also, UK can assist to form a proper HR body in Bangladesh.
# Table of Contents

ACKNOWLEDGEMENTS .................................................................................................................. 3
ABSTRACT ........................................................................................................................................ 5
Table of Contents ............................................................................................................................. 7
List of Figures .................................................................................................................................... 11
List of Tables ..................................................................................................................................... 13
List of Abbreviations ....................................................................................................................... 14
Chapter 1: Introduction ................................................................................................................... 16
  1.1 Background of the Study ........................................................................................................... 16
  1.2 Rationale of the Study ............................................................................................................... 18
  1.3 Contribution of the Study ......................................................................................................... 18
  1.4 Research Gap .......................................................................................................................... 19
  1.5 Research Aims and Objectives ................................................................................................. 19
  1.6 Research Questions and Hypotheses ....................................................................................... 20
  1.7 Research Methodology ........................................................................................................... 22
  1.8 Thesis Structure ....................................................................................................................... 24
Chapter 2: Culture and Leadership .................................................................................................. 27
  2.1 What is Culture? ....................................................................................................................... 27
  2.2 National Culture ...................................................................................................................... 34
  2.3 Organizational culture ............................................................................................................. 40
    2.3.1 Characteristics of Organizational Culture ........................................................................ 40
    2.3.2 Components of Organizational Culture ........................................................................... 41
    2.3.3 Types of Organizational Culture ...................................................................................... 43
  2.4 Increasing Importance of Organizational Culture .................................................................... 46
  2.5 Effects of Organizational Culture ............................................................................................ 47
  2.6 Emerging Cultural Mandates ..................................................................................................... 49
  2.7 Cross-Cultural Studies ............................................................................................................. 49
  2.8 Leadership ............................................................................................................................... 51
  2.9 How Leadership Styles Are Influenced by Culture ................................................................. 54
  2.10 Relationship Between Organizational Culture and Leadership ............................................ 56
Chapter 5: UK Case Studies .......................................................... 128
5.1 History of Human Resource Management in UK ................................ 128
5.2 Labour Law in United Kingdom .................................................... 130
5.3 Civil Servants in UK ................................................................... 131
5.4 UK Government and Independent Bodies ....................................... 132
5.5 Ethical Practices in Managing Labour of Big Brands and Multinational Companies ............................................................ 137
5.6 Culture of United Kingdom.............................................................. 143

Chapter 6: Bangladesh Case Studies ...................................................... 146
6.1 History of Human Resource Management in Bangladesh ..................... 146
6.2 Rana Plaza Incident .................................................................... 148
6.3 Fire in Tajreen Fashions ................................................................. 151
6.4 Fire in Smart Export Garment ....................................................... 155
6.5 Labour Law in Bangladesh .............................................................. 156
6.6 Government and Independent Bodies ............................................. 159
6.7 Ethical Practices in Managing Labour of Big Companies ..................... 165
6.8 Culture of Bangladesh ................................................................. 166
6.9 Summary .................................................................................... 168

Chapter 7: Questionnaire Analysis ......................................................... 169
7.1 Fieldwork Experiences ................................................................ 169
7.2 Questionnaire Analysis ................................................................ 171
7.3 Cultural Differences Between UK and Bangladesh ............................. 187
7.4 Summary .................................................................................... 192

Chapter 8: Conclusions ...................................................................... 193
8.1 Originality of The Study ................................................................ 193
8.2 Research Question - Answered ....................................................... 195
8.3 Reflections .................................................................................. 197
8.4 Recommendations ........................................................................ 200
8.5 Theoretical and Practical Contributions .......................................... 202
8.6 Limitations and Further Research ................................................ 203
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.7 Final Conclusion</td>
<td>205</td>
</tr>
<tr>
<td>Bibliography</td>
<td>206</td>
</tr>
<tr>
<td>Appendices</td>
<td>236</td>
</tr>
<tr>
<td>Appendix 1</td>
<td>237</td>
</tr>
<tr>
<td>Different Countries’ Score of Cultural Dimensions</td>
<td>237</td>
</tr>
<tr>
<td>Appendix 2</td>
<td>240</td>
</tr>
<tr>
<td>Key Points of The Labour Rules 2015, Bangladesh</td>
<td>240</td>
</tr>
<tr>
<td>Appendix 3</td>
<td>242</td>
</tr>
<tr>
<td>Overview of UK Employment Law</td>
<td>242</td>
</tr>
<tr>
<td>Appendix 4</td>
<td>244</td>
</tr>
<tr>
<td>Worker Appointment Rule 2015, Bangladesh</td>
<td>244</td>
</tr>
<tr>
<td>Appendix 5</td>
<td>246</td>
</tr>
<tr>
<td>Security Rules 2015, Bangladesh</td>
<td>246</td>
</tr>
<tr>
<td>Appendix 6</td>
<td>248</td>
</tr>
<tr>
<td>Fire extinguisher and water supply Rule 2015, Bangladesh</td>
<td>248</td>
</tr>
<tr>
<td>Appendix 7</td>
<td>250</td>
</tr>
<tr>
<td>Questions and Areas Covered in Unstructured Interview and Observation</td>
<td>250</td>
</tr>
<tr>
<td>Appendix 8</td>
<td>253</td>
</tr>
<tr>
<td>Questionnaire</td>
<td>253</td>
</tr>
<tr>
<td>Appendix 9</td>
<td>257</td>
</tr>
<tr>
<td>Consent Letter</td>
<td>257</td>
</tr>
<tr>
<td>Appendix 10</td>
<td>258</td>
</tr>
<tr>
<td>Demographics of The Sample</td>
<td>258</td>
</tr>
<tr>
<td>Appendix 11</td>
<td>260</td>
</tr>
<tr>
<td>Statistical Analysis</td>
<td>260</td>
</tr>
</tbody>
</table>
List of Figures

Figure 1: Outline of Research Objectives ................................................................. 20
Figure 2: Levels of Organizational Culture (Adapted from Schein 1980; Schein 1985) ...... 42
Figure 3: The Competing Values Framework (Quinn, 1999) ...................................... 44
Figure 4: Complex Systems Approaches (Malby and Fischer, 1996) .............................. 57
Figure 5: Ethical Theories .................................................................................... 60
Figure 6: Model of the Link Between HRM and Performance (Source: Guest et al., 2000) ... 84
Figure 7: The Research ‘Onion’ (Saunders et al., 2015) .............................................. 95
Figure 8: Kolb's (1979, p. 38) Experiential Learning Cycle (Cited in Kulatunga et al., 2006)... 100
Figure 9: Deductive and Inductive Research Approach ............................................. 101
Figure 10: Research Choices (Saunders et al., 2009) .................................................. 103
Figure 11: The Action Research Spiral (Saunders et al., 2009) .................................... 107
Figure 12: Types of Secondary Data, (Saunders et al., 2003) ......................................... 111
Figure 13: Cultural Dimension of UK (Hostede, 2016) ............................................... 144
Figure 14: Rana Plaza, Before the Incident (Source: bdnews24.com, 2015) ................. 149
Figure 15: Rana Plaza, After The Incident (Source: abnnews24.com, 2015) ................... 150
Figure 16: Fire Incidence at Tareen Factory, 2012 (Source: BBC, 2012) ....................... 153
Figure 17: Illustration of Tazreen Factory Fire Incidence (Debnath, 2012) ..................... 153
Figure 18: Cultural Dimension of Bangladesh. (Hofstede, 2016) ............................... 167
Figure 19: Main responsibilities of HR department of your organization are recruiting and dismissing, rostering and paying wages ......................................................... 172
Figure 20: Employee development training is provided by the company ....................... 172
Figure 21: HR department of the company ensures employee welfare and workplace safety ... 173
Figure 22: HR contributes in corporate responsibilities in all aspects of the business ....... 174
Figure 23: Employee safety is maintained by the organization because of government legislation. ...................................................................................................................... 175
Figure 24: Employee safety is supervised by the local authorities ............................... 175
Figure 25: National minimum wage is only applicable for garment operators but not for any other employees in the country .................................................... 177
Figure 26: National minimum wages meet the living wages ........................................ 178
Figure 27: The company recognises trade unions because it wants to work in partnership ...... 178
Figure 28: The company develops HR practices by observing foreign countries .......... 179
Figure 29: Organizational culture affects leadership behaviour ..................................... 180
Figure 30: Leaders can change organizational culture .................................................. 181
Figure 31: National culture affects organizational culture ............................................ 182
Figure 32: National culture affects ethical practices of organizations ............................ 182
Figure 33: You believe that, “employees are the main driver of the organization” .......... 183
Figure 34: You believe that, besides business leaders, HR leaders are responsible for driving and promoting corporate social responsibilities .............................................. 184
Figure 35: You motivate employees to perform better. ................................................................. 184
Figure 36: You learn from different cultures and leaders......................................................... 185
Figure 37: You implement or change your leadership behaviour depending on where you are. 186
Figure 38: You create learning and sharing opportunities for all leaders from different cultures.
...................................................................................................................................................... 187
Figure 39: Cultural Dimension of UK and Bangladesh (Hofstede, 2016). ................................. 188
List of Tables

Table 1: Exhibiting The Related Aspects/Concepts of culture ......................................................... 31
Table 2: Few Selected Countries’ Scores of Their Cultural Dimensions. (Hofstede, 2017.) ........ 37
Table 3: Similarities With and Differences Between Ethical, Spiritual, Authentic and Transformational Theories of Leadership .................................................................................. 65
Table 4: A Comparison of Three Models of Emergent Change, (Todnem, 2005) ....................... 77
Table 5: Comparison of Five Research Philosophies. ................................................................. 99
Table 6: Deductive Versus Inductive Approach ............................................................................. 102
Table 7: UK National Minimum Wage Rate 2017 (GOV.UK, 2017) .......................................... 130
Table 8: UK Pay Band and Pay Scale (GOV.UK, 2016) .............................................................. 132
Table 9: Historical Living Wage Rates (Living Wage Foundation, 2017) ................................. 134
Table 10: Skill Wise Minimum Wage in Bangladesh (Wage Indicator, 2016) ......................... 157
Table 11: Pay Scale for Public Servants in Bangladesh – Pay scale 2015 (bdnews24.com, 2016) ................................................................................................................................. 158
List of Abbreviations

BGMEA - Bangladesh Garment Manufacturers and Exporters Association
BSHRM - Bangladesh Society for Human Resources Management
CAP - Corrective action plans
CCTV - Closed-circuit television
CIPD - Chartered Institute of Personnel and Development
COP - Code of Practice
CSR - Corporate social responsibility
DIFE - Department of Inspection for Factories and Establishments
DWP - Department for Work and Pensions
ETI - Ethical Trade Initiative
EU - European Union
GDP - Gross domestic product
HR - Human Resource
HRM – Human Resource Management
HRMD - Human Resource Management and Development
HSE - Health and Safety Executive
ILO - International Labour Organization
LPC - Low Pay Commission
LTO – Long Time Orientation index
M&S - Marks and Spencer
MAS – Masculinity
NGOs - Non-Governmental Organizations
NLW - National Living Wage
NMW - National Minimum Wage
NTAP - National Tripartite Plan of Action on Fire Safety and Structural Integrity
OHS - Occupational health and safety
ONS - Office of National Statistics
PDI - Power Distance index
PFD - Procurator Fiscal Depute
RMG - Ready Made Garments
SCS - Senior Civil Service
SPFD - Senior Procurator Fiscal Depute
UAI - Uncertainty Avoidance Index
Chapter 1: Introduction

1.1 Background of the Study

Since the 1990s the Readymade Garment (RMG) industry has been playing a crucial role of the success story of Bangladeshi economy with a huge potential to perform the most important role towards the country’s goal to turn into a middle-income country by 2021. Bangladesh in 2011-12 fiscal year, was the world’s second largest exporter of apparel products and registered 19.1 billion US Dollar of ready-made garment exports. This amount was 13% of the country’s total GDP (Miah and Hossain, 2014). Over 3.5 million workers are working in more than 4,800 garment factories most likely the fastest developing export industry of the country (Burke, 2015). However, this industry engenders eighty percent of the total export revenue of the country, incidents are carrying on regularly and the worst accident ever of the world’s industrial upset people seen on 24th April of 2013 caused death of more than 1100 innocent people by collapsing an eight-storey garment factory (Kasperkevic, 2017). The eight-storey building named Rana Plaza in Savar district of Dhaka the capital city of Bangladesh had garment factories, other businesses such as, bank, shops and residential flats. The incredible truth is Rana Plaza incident happened just after a few months of another disaster in the Tazreen Fashions factory which was also situated in Dhaka. Fire occurrence in Tazreen Fashion caused death of approximately 112 innocent workers (BBC, 2017). Because of Rana Plaza incident Bangladesh became a bad example of exploiting labour in garment industry. It also affected foreign investors who get their garment products from Bangladesh. However, in last few decades economic growth of Bangladesh was noticeable, there is still lack of the infrastructure development. Political instabilities and corruptions are the main reasons among others for this circumstance. Average GDP has been recorded 5-6% from beginning of the century and population of urban area is increasing by 6% as all the development are city based and more job opportunities are there (Miah and Hossain, 2014). So, it seems that ruling party or any political party has no intention or maybe it is difficult for them to focus on particularly labour management system of RMG industry. In this situation Bangladeshi RMG industry needs attention of foreign investors such as UK who is one of the main investors who can play a very important role to make a better working environment for its workers.

After Rana Plaza incident, in last few years, factory rules and regulations have been changed, employee health and safety issues improved, employee management developed more than previous, minimum wages increased twice (Quadir, 2014). But there is a question that all these changes are made, are they enough? Poor infrastructure of the country is always an issue which increases the pressures and costs of a supply chain, moreover stress from buyers to deliver product in a tight schedule makes it worse. Corruption in top to bottom level of administration resulted in sub-standard construction and almost 90% of buildings are not following the building codes (CQ Press, 2014) which means laws are there, but they are not implemented. As a result,
the tragic industrial incidents such as Rana Plaza and Tazreen Fashion’s fire can happen again, and the risk is very high.

These have an effect on the long-term investments of brands which will drive them to find other countries to outsource. But this is not an ultimate solution for them as they have some responsibilities too. When big brands from first world countries are trading with third world countries they should make sure the fair-trade policies are followed and business ethics are maintained. Management leaders from buyers’ organizations should transform host countries’ leaders too. Rana Plaza incident can be a lesson from mistake for both Bangladesh and foreign investors. In order to evade a loss of future investment, to protect workers and to develop ethical labour management, this thesis suggests that the ruling party and other political parties of Bangladesh, associated by big clothing brands, the developed countries and leaders, set up a long term strategic plan to address these serious matters. Few new organizations in Bangladesh such as, The Alliance for Bangladesh is working for Worker Safety, the Accord is working on Fire and Building Safety and Labour Ministry of Bangladesh jointly working with representatives of Bangladesh employers’ and workers’ organizations as National Tripartite Plan of Action on Fire Safety and Structural Integrity (NTAP). It is necessary that they must coordinate and support each other in order to construct local accident prevention capacity towards a sustainable solution. And buyers have a responsibility to deal with the faults in their fair-trade policy. In a buyer driven market, they have strong influence on host organizations and they are able to enhance working standards if they create the right encouragement for suppliers. Continuous foreign investment is needed in their supply chain to develop workers’ skills and management systems and motivate more workforce representation. Corporate responsibilities, ethical labour management should be compared with developed countries such as UK to outline it properly and really need to mean those terms to local organizations and government as well as reintroduce if necessary to protect their manpower. Buyers started to focus more on Corporate Social Responsibility (CSR) into their trading policies and developing their auditing systems with human rights in RMG industries, frequent factory visits and setting up compliance offices. It is essential to have as clear as crystal supply chain to re-establish the confidence of suppliers, investors and customers in the ethical nature of production. This is why the objective of this thesis is to compare the employee management system of Bangladesh with UK, find the differences and similarities then suggest some recommendations for Bangladeshi Government, brands from UK and Bangladeshi clothing organizations to constitute safer and sound work environment which will protect the innocent lives. However, it is difficult to reform the existing regulatory and infrastructure instantly but in the long run it is possible and continue the process. Also, foreign investors are not bound to help Bangladeshi organizations but from the ethical point of view they have responsibilities to guide Bangladeshi RMG industry. Finally, for Bangladesh the readymade garment sector will carry on to perform an important part as a driver of economic growth and employment without facing any industrial tragic incidents again.
1.2 Rationale of the Study

Every different society has a unique culture. British and Bangladeshi culture is completely different. Bangladesh has a long historic cultural background. This region has a series of ruling by Indian empires. There was a continuous clash between Hinduism and Buddhism to dominate this area (Wadley, 2015). Islam became dominant gradually since the 13th century when Sunni missionaries arrived. Later, Muslim rulers advocated Islam by constructing mosques and Muslim religious schools (Chaudhury, 2013; Sinha, 2013). In 1947 this area parted from India and became East Pakistan as a part of the newly formed State of Pakistan because the people of East Pakistan wanted to be a part of a Muslim territory. And in 1971 it became an independent country after a nine moths’ war. There were few reasons including discrimination of ethnicity, culture and language behind this war (Tong, 2011). UK is a first world’s developed country and Bangladesh is third world’s developing country. In western Europe, the United Kingdom was an independent country. This country rapidly modernised its economy in the 19th century. The country also developed industry, trade, and finance by this century and largely ruled the world economy (Ray, 2014). Any organization operating in UK is linked with the country’s culture and traditions. National culture is associated with the organizational culture and leadership behaviours. Customs, law and orders, norms, values, responsibilities etc. make the management to function ethically. As a result, lack of fair-trade is very rare in this country. In a nutshell, businesses are ethically trading in this country. In Bangladesh, it is completely opposite scenario. Corruption, irregularities in laws and orders, discrimination etc. are resulting death of thousands. This discrepancy raises a matter of think in mind that as these two countries are trading enormously, there should be some outcomes. The motivation behind the chosen topic mainly came from this idea. Furthermore, the literature of cross-cultural studies, leadership behaviour, human resource management and business ethics acknowledges the importance of ethical labour management. Consequently, there is a need for comparison of ethical labour management considering culture, leadership and corporate social responsibilities of companies in Bangladesh and UK.

1.3 Contribution of the Study

With multifaceted international production networks and a labour-intensive manufacturing process in Bangladesh which is strongly influenced by buyers, the readymade garment industry has raised some controversies on the social responsibility, fair-trade practices and ethical issues of businesses. Cheap labour in Bangladesh attracts all the buyers from developed countries. Big brands are concerned about their employees in UK. Simultaneously they can develop the labour management in Bangladesh. There are a number of studies regarding cross-cultural studies, leadership behaviour, ethical supply chain and corporate social responsibilities but not enough investigations about effect of culture and leadership behaviour on ethical labour management in RMG sector of UK and Bangladesh. So, this study will contribute to the existing literature. For instance, beginning of this research author had a formal meeting with Dr John McGurk, head of CIPD, Scotland. He personally showed his interest about this study as there are no comparative
studies between Bangladesh and UK related to the human resource management. Moreover, comparing Human Resource Management and leadership behaviour between UK and Bangladesh will help the companies of these countries to continue the garments trade sustainably and ethically. At the same time, the whole RMG industry of the world will be able to get the knowledge of the effect of culture and leadership behaviour on ethical labour management within this industry. This study will also describe the importance of proper HR body in Bangladesh. At the end of the day which will help to improve the quality of living as well as save lives of innocent workers.

1.4 Research Gap

Several potential research problems are identified, such as the limitations of prior empirical work, the adoption and knowledge of HRM concept in Bangladesh, the knowledge of corporate social responsibilities, national and living wages. Based on the research on compliance practices in garment industry of Bangladesh there are numbers of studies found but most of them are not current. Most recent study is on 2010 exactly related to compliance practices in readymade garment industry (Rahman and Hossain, 2010) of Bangladesh however that one covers the organizations are based in the capital city Dhaka not whole Bangladesh. Another research by Haque and Azmat in 2015 which examined the state of corporate social responsibility (CSR) in labour-intensive industries in developing countries in the context of economic globalization considering the case study of Bangladeshi readymade garments (RMG) industry. This study mainly highlighted the challenges and key issues related to CSR. Regarding Human Resource Management practices in Bangladesh, again few scholars have done some research and they do not explain the present situation. There are some latest researches on leadership and corporate culture (Ahmad et al., 2015). An investigation of minimum wage for the garment workers is found which is done by Moazzem et al. in 2013. That is the only one research which recommended in 2013 the minimum wage is essential for the garment workers. On the other hand, there are lots of recent studies regarding ethical trade practices in UK, function of human resource management in UK organization, impact of culture and leadership on organizational management in UK but effect of culture and leadership behaviour on ethical labour management and comparing between Bangladesh and UK is not available. Last but not least, effect of culture on leadership behaviour and vice versa is described so many times in so many studies but the effect of culture and leadership behaviour on ethical labour management in the RMG industry of Bangladesh and UK is not illustrated yet which is investigated by this study.

1.5 Research Aims and Objectives

From the research gap this is evident that there is no investigation yet regarding the effect of culture and leadership behaviour on ethical labour management in the readymade garment industries of Bangladesh and UK. Therefore, the researcher sets out the following aims, objectives and questions in an attempt to address the identified gap in the literature as well as to contribute in practical life. Aims of this study are to investigate:
• Effect of Culture and Leadership behaviour on each other in garment industry of Bangladesh and UK.

• Whether there are effects of culture and leadership behaviour on ethical practices in managing labour in those countries’ (Bangladesh and UK) readymade garment industry.

To meet the research aims, this research will analyse and compare:

• The business relation between UK and Bangladesh.

• Cultural dimensions and leaders’ leadership behaviour of UK and Bangladesh.

• Businesses’ ethical practices and labour management of Bangladesh and UK in RMG sector.

Figure 1: Outline of Research Objectives

1.6 Research Questions and Hypotheses

With reference to the aims and objectives above, author identified three main areas to cover, they are; culture, leadership behaviour and labour management within Bangladesh and UK with regards to the RMG industry of these two countries. As the study investigates the effect of culture and leadership behaviour on ethical labour management in the RMG industry of UK and
Bangladesh, it is necessary to find out the effect of culture and leadership behaviour and their differences in Bangladesh and UK. So, the first two research questions are:

- What are the effects of culture and leadership behaviour in RMG industry of Bangladesh and UK?
- How the culture and leadership behaviour differ in RMG industry of Bangladesh and UK?

UK and Bangladesh, two different countries from two different parts of the world. So, it is quite presumable that, in these two countries culture, individuals’ working style and behaviour are also different which have effect on the business organizations. As the investigation is particularly about the RMG industries of these two countries, the study hypothesizes;

RH1: Culture of UK and Bangladesh is different.

RH2: Leadership behaviour of leaders in UK and Bangladeshi RMG industry differs because of the cultural differences of these two countries.

To answer these first two research questions and justify the hypotheses, culture and leadership behaviours related literatures are deeply reviewed in chapter 2. This chapter initially discussed basic concepts of culture and leadership behaviour. Then the discussion carried on with organizational culture, national culture to examine their relationship. The study context is two different countries. So, cross-cultural studies are also discussed in this chapter. To examine some secondary data and fill the research gaps, from UK and Bangladeshi RMG sector empirical primary data are collected and analysed numerically as well as narratively.

After investigating the effect of culture and leadership behaviour and their differences it is important to find out their effects on ethical practices in managing labour within the RMG industry of Bangladesh and UK. Therefore, the next research question is:

- What are the effects of culture and leadership behaviour on ethical labour management in RMG industry of Bangladesh and UK?

UK is a developed country and recently or even in last couple of decades there is no big accident or incident regarding unfair trading or unethical labour management in the RMG industry within this country. On the other hand, in Bangladeshi RMG industry employees are less paid, workplaces are not safe and every year 71 workers died before 2013 in different accidents which is now about 17 people annually after 2013 (The Guardian, 2018). So, this can be assumed that in UK RMG industry employees are fairly treated but not in Bangladesh and culture and leadership behaviour have effects on it. Therefore, the study hypothesizes;

RH3: There are significant effects of culture on ethical labour management in RMG industry of Bangladesh.
RH4: There are significant effects of culture on ethical labour management in RMG industry of UK.

RH5: There are significant effects of leadership behaviour on ethical labour management in RMG industry of Bangladesh.

RH6: There are significant effects of leadership behaviour on ethical labour management in RMG industry of UK.

Chapter 3 gives a wide description about organizational management, employee management and their relationships with culture and leadership behaviour. In chapter 2 ethical leadership has been taken into account to see its theoretical underpinning and to find out the general effect of culture and leadership behaviour on ethical practices in employee management. Then collected empirical primary and secondary data from UK and Bangladeshi RMG industry’s retails, factories, staff, workers and managements are statistically and narratively analysed to see whether there are any effects of culture and leadership behaviour on ethical labour management in RMG industry of Bangladesh and UK.

Finally, the research has examined one of the most important things that if culture and leadership behaviour have effects on ethical labour management in RMG industry of Bangladesh and UK then do they have any effect on their fair-trade policy in their RMG sector. Thus, the final research question is:

- How culture and leadership behaviour have effects on fair trade policy of Bangladesh and UK in RMG sector?

Every buyer companies of UK have their codes of conduct for their supplier companies which are based on the ILO convention. Supplier companies are bound to follow those requirements. Supplier companies from Bangladesh are committed to follow their buyers’ codes of conduct to continue manufacturing the products. But, still accidents were happening one after another and innocent people were sacrificing their lives. This means that definitely something is/are not going in a proper way. Current studies, news from different sources, labour codes from ILO and different companies and different case studies are collected to find the lacking between these countries’ ethical supply chain commitments that where is the actual problem. Narrative analysis of the UK and Bangladesh case studies in terms of fair trade policy of Bangladesh and UK in RMG sector have identified the effect of culture and leadership behaviour on these countries’ fair-trade policy.

1.7 Research Methodology

Research Methodology is one of the most important chapters of a study. This chapter describes methods of the investigation. It also explains research approaches and designs emphasising those used through the investigation and validating the choice of researchers by illustrating advantages and disadvantages of all the approaches and designs considering their practical applicability to
their research. The research philosophy of this study tries to combine both subjectivism and objectivism. The first and main reason is the complex nature of business and management studies, and last but not least reason is the research aims, objectives and questions (Saunders et al., 2000) are defined in previous sections, which explore culture, leadership behaviour and employee management in readymade garment industry of UK and Bangladesh, are related to subjective functions for example, attitude, peoples’ feeling, emotion, observation, opinion etcetera by which subjectivism draws attention to obtain an understanding of the meanings that attached with human being related events (Easterby-Smith et al., 2001). At the same time comparative study of UK and Bangladesh and finding out the existence of effect of culture and leadership behaviour on ethical labour management in RMG industry, these two countries are linked to the objectivism (Saunders et al., 2015). For that reason, this research tries to reconcile both subjectivism and objectivism which lead to consider the pragmatism philosophical assumption. For the same reason both inductive and deductive research approach has been taken into account for this study (Gilbert, 1993). With regard to the strategy of the research, multiple case study approach is taken on because this approach illustrates the improvement of comprehensive, precise information about several cases, and gives the researcher perceptive insights of the different types of problems (Ghauri and Gronhaug, 2002; Bryman and Bell, 2003). Eventually, research approach depends on the way of research questions being presented, for example, a case study approach is suggested, if the questions are with ‘how’ ‘what’ and ‘why’ (Yin, 2003). This is another reason to prefer case study as a research methodology for this research, which implies the case study approach is suitable for the precise features of the study and explicit types of issues that brought up by this research. On the whole, case study approach is selected as ‘fit for purpose’ and it is essential for a good study that “the choices are reasonable and they are made explicit as part of any research report” (Denscombe, 2003, p.3). Considering pragmatism research philosophy as “it strives to reconcile both objectivism and subjectivism, facts and values, accurate and rigorous knowledge and different contextualised experience” (Saunders et al., 2015, p. 143) both qualitative and quantitative mixed-method (triangulation) approach has been applied through the case studies by the researcher in this study. To construct the research questions and develop the hypotheses, both countries’ culture and leadership behaviour of leaders in the readymade garment industries are observed, as well as staff and leaders have been interviewed which also led to set up the questionnaire to collect quantitative data. Therefore, primary data were collected in some stages. Unstructured observation method is considered as this will describe human behaviour in terms of their feelings also this will allow researcher to observe the situation directly (Saunders et al., 2015). Non-standardised interview also gave some ideas of the RMG industry of Bangladesh and UK. Both unstructured observation and interview helped to finalise the questionnaire. Questionnaires have been undertaken for collecting quantitative primary data. Two main reasons for selecting data collection techniques and methodological triangulation approach via case studies are: Theoretical and Practical perspectives. First of all, from the theoretical points of view, there are distinctive strong and weak points of every technique or method (Smith, 1975) and weaknesses of methods can give less accurate results. Results get affected by data collection technique which is related
to research method. So, the best way to get accurate result, it is a better idea to use different types
data collection techniques to avoid the method effect (Saunders et al., 2000). Second reason is,
from the practical points of view, according to Bryman and Bell (2003) questionnaires data
collection process is understandable and realistic. The questionnaire is not complicated for
evaluation because it standardises. Mixed method also makes sure that data collected from a
different method are accurate and reliable. Without a doubt, Robson (1993) recommended that if
resources are permitted then undertake combined strategies. Thus, it is highly beneficial to
discuss critically the summarized triangulation approach, resulting in a rich data set and this
allows a better understanding which will help to place bigger support in the findings and
conclusions of this study.

Several clothing retails from UK and factories from various parts of Bangladesh are studied.
Bangladesh case studies also include most recent and worst incidents ever, Rana Plaza incident,
Fire in Tazreen Fashions, and Fire in Smart Export Garment as they are considered as most
appropriate cases to answer the research questions and address the objectives of the study.
Interviews and observations also influenced the case study findings as from the interviews and
observations, current real pictures of UK and Bangladeshi RMG industry has been described
which helped to identify the gaps and analyse and compare the circumstances and consequences
after and before all the deadly incidents in Bangladesh. Collected empirical quantitative data
were analysed statistically and qualitative data were analysed narratively to compare HR
practices and leadership behaviour, the cultural differences and ethical supply chain
commitments of organizations in Bangladesh and UK. Chapter four has provided a detailed
description and rationale of the philosophical view and methodologies of the research.

Following section will briefly portray the structure of the thesis.

1.8 Thesis Structure

This thesis is structured in eight chapters which are separate but interrelated with each other.
This segment depicts the chapter organization of the thesis as follows;

Chapter One, first of all, presents the background of research follows by the assertion of research
problems, the significance and prospective contributions of this research to the literature on
studying culture, leadership, human resource management, corporate social responsibilities in the
context of readymade garment industry of UK and Bangladesh. This chapter also describes the
aims and its related objectives of this study, research questions to outline this study in the form
of research models. Later of this chapter research techniques and its set of data collection process
has been briefly mentioned, followed by a summary of this thesis’s structure.

From Chapter Two literature review starts. This chapter illustrates the evolution of culture and
leadership. Culture is depicted from two perspectives: national culture and organizational
culture. The former consists of dimensions of national culture which is portrayed Hofstede’s
cultural dimensions whilst the latter contains characteristics, components, different types,
importance and impact of organizational culture. Specifically, this chapter starts with wide definition of culture and its features. As the thesis is based on UK and Bangladesh case studies, this chapter then focused on national culture, dimensions of culture and cross-cultural studies. Then the chapter serves a theoretical base of leadership, its types and behaviours. Relationship between culture and leadership behaviour and how culture influences leadership behaviours is explained followed by ethical leadership.

Chapter Three investigates the nature of culture as applied to management and linked with leadership behaviour in various aspects. Organizational management is intensely discussed in light of different types of management and their functions. Organizational management might affect leadership behaviour and/or vice-versa. Ethical labour management is the main focus of the research. Human resourced management has come into view as a result of managing organizations’ human capital. Organizations experience a lot of changes because of the effect of culture and leadership behaviour. Organizations of UK and Bangladeshi RMG industry are changing and need more changes after the Rana Plaza incident and especially in Bangladesh it is essential to develop the HRM system widely. Therefore, organizational change management and emerge of Human Resource Management is discussed later of this chapter and completes the literature review.

Chapter Four’s title says what it is on about; one of the most common parts of almost every study is Research Methodology. The research philosophy, research methods and types of data collection process are discussed in this chapter. As previously talked about, the philosophical position of this study is pragmatism which reconciles subjectivism as well as objectivism extremes of philosophical assumptions. Philosophical position has been selected on the basis of the research questions and lead by the objectives of the study. At the same time, in terms of the research methodology, the case study approach has been chosen by the researcher seeing that it ‘fit for purpose’, as long as mainly ‘how’ types of questions are asked, as a result this is the suggested approach to accept especially for those studies in the subject area of business and management (Yin, 2003). In relation to research methods, the researcher selected mix-method (triangulation) approach by combining quantitative and qualitative research through case studies.

Chapter Five and Six exclusively describes the case studies, on a comparative basis, from UK and Bangladesh. Chapter Five explicates the history and development of Human Resource Management in UK along with British culture. And in Chapter Six, Bangladesh context is expressed.

Chapter Seven contains questionnaire analysis of the research according to the collected data. Questions are compared statistically and graphically and in light of UK and Bangladeshi case studies.

Chapter Eight, the final part of the study concludes this research based on the main series of significant discussions from previous chapters in a theme of research, in association with the implication of its contributions both theoretically and empirically to the existing literature and
the practical indications for ethical labour management in UK and Bangladeshi RMG industry. In addition, later this chapter also recommends significant and practical propositions, taking into consideration the limits and complications came across throughout the research process, alongside suggesting potential possibilities for further research of this ground.

Next chapter will describe the theoretical underpinnings of Culture and Leadership.
Chapter 2: Culture and Leadership

Given the nature of this thesis to explore the influences of culture and leadership behaviour on ethical practices in managing labour within the UK and Bangladesh, it is imperative that at its outset, the thesis considers the key concepts: culture and leadership. It is important to know about culture and leadership before discussing the effect of culture and leadership behaviour. This is why, firstly, this chapter will define culture and will also show how over the time different scholars and different disciplines viewed this term and developed its features and components. Then national culture and organizational culture have been discussed to see their effects on RMG industry of Bangladesh and UK. Secondly, this chapter focuses on leadership followed by leadership styles, behaviour of leaders and ethical leadership to find out their differences and how leadership behaviour is related to the national and organizational culture as they have combined and individual effects on ethical labour management in RMG industry of Bangladesh and UK.

2.1 What is Culture?

Particularly ‘Culture’ is a difficult term which is not easy to describe. Two American anthropologists Alfred Louis Kroeber and Clyde Kluckhohn, in 1952, analytically made another study of perception and meanings of culture and brought together a list of 164 discrete definitions (Kroeber and Kluckhohn 1952). Complexity of culture has been written by Apte (1994: 2001), in the Encyclopedia of Language and Linguistics, concise the dilemma like this: “Despite a century of efforts to define culture adequately, there was in the early 1990s no agreement among anthropologists regarding its nature.” However, it was Avruch (1998) endows with an historical point of view to some of the approaches (scientific and aesthetic) whereby ‘Culture’ has been figured out as follows:

The first definition is exemplified by Arnold (1967), “Special intellectual or artistic endeavors or products, what today we might call “high culture” as opposed to “popular culture” (or “folkways” in an earlier usage)”. According to Avruch (1998) this definition demonstrates that only a small portion of any social group “has” culture. “(The rest are potential sources of anarchy!) This sense of culture is more closely related to aesthetics than to social science.”

Avruch (1998) then introduced the notion of culture from the book ‘Primitive Culture’ by Tylor (1870) where the term has “referred to a quality possessed by all people in all social groups, who nevertheless could be arrayed on a development (evolutionary) continuum (in Lewis Henry Morgan’s scheme) from ‘savagery’ through “barbarism” to ‘civilization’.” As Tylor’s (1870) definition became the foundational one for anthropology and to some extent it gives reasons for why by the early 1950s Kroeber and Kluckhohn (1952) found definitional richness.
Tylor (1870) defined culture is “Culture, or Civilization, taken in its wide ethnographic sense, is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society”. This is completely opposite of Arnold’s (1867) view “all folks “have” culture, which they acquire by virtue of membership in some social group – society. And a whole grab bag of things, from knowledge to habits to capabilities, makes up culture”. It was a long-time, anthropologists even by those later anthropologists who forcefully rejected Tylor’s (1870) evolutionism were using this definition, and in the late 1950s political scientists were considering culture to their relevant domain to “political culture”.

Finally, the last usage of culture developed in anthropology based on eighteenth-century writings of Johann von Herder (1772, 1773, and 1776) in the twentieth-century by the work of Franz Boas (1996) and his students. As Tylor (1870) criticized Arnold’s (1867) definition of culture as it was more aesthetic rather than scientific, Boas (1996) reacted against Tylor (1870) along with other social evolutionists. But the evolutionists stressed out the widespread nature of a solitary culture, with dissimilar societies put in order from primitive to civilized, Boas called attention to the distinctiveness of the many and wide-ranging cultures of different people or societies. In addition, he put out of his mind the significance thoughts he found intrinsic in both the Arnoldian and Tylorite views of culture; for Boas, one must never make a distinction high from low culture, and one should not have any perception that the cultures as savage or civilized.

So, we have three very special understanding, however in a complex view these ideas are not purely conceptual or semantic moreover Avruch (1998) thinks the usages and understandings are either involved or can be involved to different political or ideological list of items that, in one form or another, still reverberate today. For that reason, it is necessary to know how different scholars defined culture over the period of time.

“Culture ... is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society.”\(^1\) Kluckhohn and Kelly (1945, p. 97) have defined culture as “all the historically created designs for living, explicit and implicit, rational, irrational, and nonrational, which exist at any given time as potential guides for the behaviour of men”. “Culture consists of patterns, explicit and implicit, of and for behaviour acquired and transmitted by symbols, constituting the distinctive achievements of human groups, including their embodiment in artefacts; the essential core of culture consists of traditional (i.e. historically derived and selected) ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action, on the other, as conditional elements of future action.”\(^2\)

“Culture is the man-made part of the environment”. Herskovits (1955, p. 305). Three fundamental characteristics of each culture are explained in a book of anthropology which

\(^1\) Tyler 1870, p. 1; cited by Avruch 1998, p. 6.
defines culture to some extent in a different way. Those features are; the technological, the sociological and the ideological. The technological feature is associated with materials, tools, machines and techniques. The sociological characteristic is related to human being’s affairs into which they go into. Finally, the ideological part encloses rituals, beliefs, ethics, myths, art and religious practices (Lewis, 1969). “Culture is an individual’s theory of what his fellows know, believe, and mean, his theory of the code being followed, the game being played, in the society into which he was born”. Keesing (1974, p. 89).

“Culture is also defined as the learned beliefs, values, rules, norms, symbols, and traditions that are common to a group of people. It is these shared qualities of a group that make them unique. Culture is dynamic and transmitted to others. In short, culture is the way of life, customs, and script of a group of people”.  

Aviel (1990, p.5) defines culture as a "way of life, the sum of one’s philosophy, beliefs, norms, values, morals, habits, customs, art, and literature". Richard Hodgetts (1991, p. 35), defines culture as the: “...acquired knowledge that people use to interpret experience and to generate social behaviour...this knowledge forms values, creates attitudes, and influences behaviour. Culture can affect technology transfer, managerial attitudes, managerial ideology, and even business-government relations. Perhaps most importantly, culture affects how people think and behave”. Whereas according to Hofstede “[Culture] is the collective programming of the mind which distinguishes the members of one group or category of people from another” (1994, p. 5). Culture “consists of the derivatives of experience, more or less organized, learned or created by the individuals of a population, including those images or encodements and their interpretations (meanings) transmitted from past generations, from contemporaries, or formed by individuals themselves” reports Schwartz (1992) (cited by Avruch 1998, pp. 17). Whilst, “...the set of attitudes, values, beliefs, and behaviours shared by a group of people, but different for each individual, communicated from one generation to the next” (Matsumoto 1996, pp. 16).

Culture therefore refers to those well-informed behaviours demonstrating the total way of life of any specific society’s members who are part of that society (Hughes, Ginnett and Curphy, 1999). For instance, the GLOBE research program explains culture as “shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives and are transmitted across age generations”.

“Culture is a fuzzy set of basic assumptions and values, orientations to life, beliefs, policies, procedures and behavioural conventions that are shared by a group of people, and that influence (but do not determine) each member’s behaviour and his/her interpretations of the ‘meaning’ of other people’s behaviour” (Spencer-Oatey 2008, p. 3).

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From all of these assertions, briefly we can say that, however culture is a vague term, but everyone agrees that it is a complex thing and made with some other social and human behavioural terms. This is also apparent that every single society, group or nation has got their own different and unique culture.

There are couple of terms which are related to culture, they are; Multicultural and Diversity. Multicultural is an approach or system when two or more cultures take part of that system. It calls attention to the way of life of various cultures such as African, American, Asian, European, and Middle Eastern. Age, race, sexual orientation, gender, and ethnicity these features define a set of subcultures which are also mentioned by Multicultural. Multicultural is noticeable more in a geographical area, country or in a nation on the other hand, presence of different cultures or ethnicities inside a group or organization is called Diversity. Culture can be split into visible and less-visible items (Aviel, 1990). For example, clothing of European culture is completely different from Arab world culture. Same with food, language, gestures and manners. On the other hand, norms, values, faiths, attitudes are less visible, and they also differ from culture to culture. In the global trade world visible items have a strong influence but effects of less visible items are hard to understand.

Words relating to culture which are frequently exercised put emphasis on one of its significant characteristics which is the thought that specific things within groups are shared or held in common. The major categories of observables that are associated with culture in this sense are:

**Observed behavioural regularities when people interact:** the language they use, the customs and traditions that evolve, and the rituals they employ in a wide variety of situations (Goffman, 1959, 1967; Jones, Moore, and Snyder, 1988; Trice and Beyer, 1993, 1985; Van Maanen, 1979b).

**Group norms:** the implicit standards and values that evolve in working groups, such as the particular norm of “a fair day’s work for a fair day’s pay” that evolved among workers in the Bank Wiring Room in the Hawthorne studies (Homans, 1950; Kilmann and Saxton, 1983).

**Espoused values:** the articulated, publicly announced principles and values that the group claims to be trying to achieve, such as “product quality” or “price leadership” (Deal and Kennedy, 1982, 1999).

**Formal philosophy:** the broad policies and ideological principles that guide a group’s actions toward stockholders, employees, customers, and other stakeholders, such as the highly publicized “HP Way” of Hewlett-Packard (Ouchi, 1981; Pascale and Athos, 1981; Packard, 1995).

**Rules of the game:** the implicit, unwritten rules for getting along in the organization; “the ropes” that a newcomer must learn in order to become an accepted member; “the way we do
things around here” (Schein, 1968, 1978; Van Maanen, 1979a, 1979b; Ritti and Funkhouser, 1987).

Climate: the feeling that is conveyed in a group by the physical layout and the way in which members of the organization interact with each other, with customers, or other outsiders (Ashkanasy, Wilderom, and Peterson, 2000; Schneider, 1990; Tagiuri and Litwin, 1968).

Embedded skills: the special competencies displayed by group members in accomplishing certain tasks, the ability to make certain things that gets passed on from generation to generation without necessarily being articulated in writing (Argyris and Schön, 1978; Cook and Yanow, 1993; Henderson and Clark, 1990; Peters and Waterman, 1982).

Habits of thinking, mental models, and linguistic paradigms: the shared cognitive frames that guide the perceptions, thought, and language used by the members of a group and taught to new members in the early socialization process (Douglas, 1986; Van Maanen, 1979b; Senge and others, 1994).

Shared meanings: the emergent understandings created by group members as they interact with each other (as in Geertz, 1973; Smircich, 1983; Van Maanen and Barley, 1984; Weick, 1995).

“Root metaphors” or integrating symbols: the ways in which groups evolve to characterize themselves, which may or may not be appreciated consciously but become embodied in buildings, office layout, and other material artefacts of the group. This level of the culture reflects the emotional and aesthetic response of members as contrasted with the cognitive or evaluative response (as in Gagliardi, 1990; Hatch, 1990; Pondy, Frost, Morgan, and Dandridge, 1983; Schultz, 1995).

Formal rituals and celebrations: the ways in which a group celebrates key events that reflect important values or important “passages” by members, such as promotion, completion of important projects, and milestones (as in Deal and Kennedy, 1982, 1999; Trice and Beyer, 1993).

Table 1: Exhibiting The Related Aspects/Concepts of culture

As Table 1 exemplifies, culture related all of these conceptions express that are the ideas are commonly share in a group by the members but not any of them properly give an idea of “the Culture” of an organization or group. Consequently, a very general question can be come in anyone’s mind that why we truly use, or do we really need the word culture at all when there are lot more thoughts for example, norms, values, beliefs, behaviour patterns, traditions, rituals, etc. Moreover, the word culture attaches quite a lot of other crucial components to the perception of sharing: structural stability, depth, breadth, and patterning or integration. Therefore, next the research will discuss about the different features of the culture, Northouse (2013) advocates that there are two concepts named ethnocentrism and prejudice which are intimately related to culture and leadership should be discussed before starting the discussion of a variety of cultural aspects because both of these ideas can have an impact on how leaders influence others.
In 1906, William Graham Sumner in his book “Folkways (1906)” the term ethnocentrism first coined to explain a cultural constriction in which individuals from a group accept other individuals from same group and rejects strongly if people are from different culture. The behaviour is cultural or ethnic bias - whether conscious or unconscious - people find the difference between in-groups and out-groups and favour others from their own group (ethnic, racial, or cultural) and have tendency to give main concern and importance to their own beliefs, attitudes, and values, as well as those of other groups.

Ethnocentrism refers to the principle that everything within the group is superior to all out-groups. According to Sumner (1906), “Ethnocentrism is the technical name for this view things in which one’s own group is the center of everything, and all others are scaled and rated with reference to it... Each group nourishes its own pride and vanity, boasts itself superior, exalts its own divinities, and looks with contempt on outsiders. Each group thinks its own folkways the only right ones, and if it observes that other groups have other folkways, these excite its scorn... ethnocentrism leads a people to exaggerate and intensity everything in their own folkways which is peculiar and which differentiates them from others.” Which implies ethnocentrism is a kind of human perception that one group’s own culture is better or more natural than other groups’ culture. It may not let one group members to be aware of the distinctive points of view of other groups’. Ethnocentrism is a very common behaviour, and each of us is more or less ethnocentric.

Adorno (1982) and his colleagues successfully completed the main study of ethnocentrism in social psychology. They mentioned in their study that ethnocentrism referred to “group relations generally; it had to do not only with numerous groups toward which the individual has hostile opinions and attitudes but, equally important, with groups toward which he is positively disposed” (Adorno, 1982, p.102). But cosmopolitanism is the term explains that all human beings are the part of a single community with shared morality which contradicts with ethnocentrism (Forbes, 1985, p. 22). It had “the general meaning of provincialism or cultural narrowness; it meant a tendency in the individual to be ‘ethnically centered’, to be rigid in his acceptance of the culturally ‘alike’ and in his rejection of the ‘unlike’” (Rabbie, 1993). Rabbie’s (1993) opinion is that intergroup bias is a positive attitudes, stereo-types, and behaviour toward the same group members and negative attitudes, stereotypes, and discriminatory behaviour toward the other group members.

Porter and Samovar has compared ethnocentrism with a window through which individuals from one culture make subjective or they can evaluate critically individuals from a different culture (Porter and Samovar, 1997). To give an instance, some people of United States believe that their country’s democratic principles are better than the political views of other cultures, and frequently they cannot recognize the complexities of these cultures. Ethnocentrism is a kind of a

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6 At page 102.
trend which let us to think that our own cultural values and thing what and how we do are precise and sensible (Gudykunst and Kim, 1997). Effective leadership can be highly affected by ethnocentrism because ethnocentric leaders will be biased by their own culture and will favour others who are from their same ethnicity, race and culture. Moreover, they will not understand and respect other people’s world. For example, an individual’s culture gives value and support personal accomplishment. When he will see a person from different culture that appreciates collective achievement then maybe he will think that they are wrong or not doing the right thing. In the same way, a person strongly has faith in religion, he or she may find it hard to be familiar with a person who is less religious or even with a person who from a different religion. In a nutshell, we can say that if we are highly ethnocentric then we are poorly broad-minded and less respectful to other people’s cultural traditions or practices.

For a skilled leader it is hard to stay away from ethnocentrism related problems. An expert leader first recognises his or her ethnocentrism. At the same time leader also has to understand and cope with others’ ethnocentrism. In real life it is leaders’ balancing act. They need to balance their things with others. In one side, leaders have to be confident and positive what and how they are doing things, on the other side, they have to manage with others’ activities who are from different cultures. Expert leaders know how to overcome ethnocentrism and when they should stick into their own beliefs and this is why they are good leaders.

Prejudice is strongly linked with ethnocentrism. Usually when an individual held a largely fixed attitude, belief, or emotion about another individual or group, but they are based on imperfect or an unconfirmed fact is called Prejudice (Northouse, 2013). “Prejudice involves inflexible generalizations that are resistant to change or evidence to the contrary”7. Most often, Prejudice is a concept of the racial background, for example European Asian against African Asian. It also appropriates in areas for instance sexism, ageism, homophobia, and other autonomous prejudices. As prejudice refers having great views about another culture with not enough evidences, in that sense prejudice is a positive sign of human beings but it is in reality a negative attitude.

Northouse (2013) also thinks as by means of ethnocentrism, we all hold prejudices to some degree. However, it is a negative attitude, prejudice can bring down our anxiety for the reason that it gives us a recognizable way to observe others. There are few issues with prejudice to indicate it as a negative attitude, one of them is that it is excessively concerned with one’s own desires, needs or interests self-oriented instead of thinking about others. It let us to balance our life at the cost of others. In addition, prejudice creates barrier that slows down our understandings and limits our aptitude to observe other people’s different types of characteristics and qualities. Prejudice often makes us bad-mannered and let us makes bad comments about other people. Ethnocentrism and prejudice both of them obstruct our ability, for that reason we do not value and welcome other human beings’ knowledge.

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Leaders also face the challenges to deal with their own prejudice as well as their followers’ prejudice. For instance, a leader from Bangladesh when leads a group in UK which consists of majority British members together with members from different parts of the world, then without any previous experience he can have some opinions against his team members. At the same time team members from different cultures can also have some opinions against other members as well as the leader which have no base. This situation may be very uncommon, but an expert leader has to find out the tactic to reach a deal with followers from a mixture of cultural backgrounds. National culture studies can be an important element to assess other people from different culture. This will give an overall idea of different countries’ cultural background and on that basis, leaders can have their leadership behaviour. For that reason, the study will discuss about national culture in the next section.

2.2 National Culture

Culture differs from country to country. The reasons are; all the countries of the world have their own administration, laws and orders. Moreover, their traditions, norms, values, customs, activities, education systems, life styles differ from each other. National culture is visible in a specific society’s complete prototype of daily life. Many scholars, writers showed many ways to recognize the cultural differences of the countries in the world. Nowadays in a global world and open market economy it became mandatory to know these differences as well as the similarities for business studies. Oberg (1963) urged that these differences of culture amongst all countries in the world are more essential than many writers at the present let us see to recognize. Greet Hofstede realized this importance and conducted a survey worldwide. Then he developed a model with four basic dimensions of national culture (Hofstede, 2015):

*Power Distance Index (PDI)* is the dimension which shows the levels of dissimilarity, unfairness in a society, a business organizations and institutions such as in a family. Hofstede claims this represents inequality (more against less), but defined in a down direction, not from top. According to Hofstede, his dimension suggests that followers and the leaders both are responsible for allowing the inequity level of a society however for any society power and inequality obviously they are very basic facts. Hofstede’s study shows that France, Hong Kong, Iran and Spain, these counties’ culture has high power distance. On the other side, Countries such as Australia, Italy and USA have less power distance level in their societies. Culture of UK also showed low power distance in Hofstede’s work (Hofstede, 2015).

*Individualism (IDV)* vs. collectivism, this dimension depicts that any individual activities are allowed or rejected by an organization or society. Loose relationship between people is noticeable in the individualist society. In this culture each person thinks about him/herself and his/her close family. People, on the other hand in a collectivist culture realize there are strong feelings for others and they would like to live with their family members rather than living on their own from the birth. Extended families i.e. living with uncles, aunts and
grandparents, cousins in this type of are very common. French, Spanish, and American culture shows high individualism in Hofstede’s work. And low scoring countries are Greece, Hong Kong, India, and Portugal which implies these countries culture has collectivism society. In Hofstede’s work British culture represented as high individualism and low collectivism (Hofstede, 2015).

**Masculinity (MAS) vs. Femininity:** this dimension refers the conflict between the characteristics of masculine and feminine individuals and how they dominate each other in a society. Masculine characteristics of a human being consist of assertiveness and competitiveness on the other hand feminine characteristics take account of modesty and caring. Germany, Italy, Japan, and USA with high score in this dimension indicate that these countries have high masculine cultures. Netherlands and the Scandinavian countries obtained low score in this dimension which means they have more feminine cultures. In Hofstede’s work U.K. culture has less femininity and high masculinity in the country (Hofstede, 2015).

**Uncertainty Avoidance Index (UAI):** This dimension deals with the opinion, feelings and judgement of the societies’ members that if any uncertain or unexpected situation comes then how they recognize it and what they do. Nothing in this world is certain and unexpected things can happen anytime which are not usual but sometime these situations are predictable. For that reason, some different type of people from different cultural background react different ways with uncertainties. According to Hofstede people who are living in the societies with uncertainty avoiding cultures “try to minimize the possibility of such situations by strict laws and rules, safety and security measures, and on the philosophical and religious level by a belief in absolute Truth; 'there can only be one Truth and we have it'” (Ruiz, 2010, p.423). French, German, Spanish culture and many countries of Latin America have high uncertainty avoidance in their countries. Dutch culture, the Scandinavian countries’, Irish and American culture has low to medium uncertainty avoidance dimension same as British culture which has also low to medium uncertainty avoidance society in the country (Hofstede, 2015).

Hofstede’s investigation continued and in 2009 he added a fifth dimension Long-Term Orientation (LTO) against short-term orientation (Hofstede, 2015): This dimension can be said to deal with virtue regardless of truth. Hofstede’s fifth dimension of culture has taken into account as Confucian work dynamism. Confucius was a great Chinese philosopher, famous teacher and a political theorist whose ideas have influenced the East Asian civilization. This dimension is valid for all the countries in the world even though they are without Confucian belief. Countries with LTO showed a strong connection with time the length of a variety as well as past and future oriented. The societies that score high in this dimension are also concerned with the plans for future and consequences of activities. Societies that have low score in this dimension imply showing respect for social rituals, fulfilling social obligations, and defending one's 'face'.

35
Michael Minkov, research assistant of Hofstede in 2010 added sixth dimension to the model, Indulgence vs. Restraint (IVR). Minkov (2010) concentrated on sub-dimensions to look at and form the basics of IVR. He defined this dimension as “the extent to which people try to control their desires and impulses, based on the way they were raised” (Nestorović, 2016, p.110) The control which is comparatively weaker is called “Indulgence” and the stronger control is named “Restraint”. So, cultures can be identified as Indulgent or Restrained. UK with the high score of 69 in this dimension shows that the British culture is Indulgent which implies people in general show an eagerness to become conscious their desires and urges with regard to get pleasure from life and having enjoyment. They are quite optimist and possess a positive approach in their mind. Moreover, leisure time is very important to them and they are happy to spend money as they wish. Table 2, below, demonstrates Hofstede’s country culture scores for some selected countries and more countries are on Appendix 1.
<table>
<thead>
<tr>
<th>Countries</th>
<th>Power Distance</th>
<th>Individualism</th>
<th>Masculinity</th>
<th>Uncertainty Avoidance</th>
<th>Long Term Orientation</th>
<th>Indulgence</th>
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<tbody>
<tr>
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<td>70</td>
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</tbody>
</table>

Table 2: Few Selected Countries’ Scores of Their Cultural Dimensions. (Hofstede, 2017.)

However, Hofstede’s six-dimension model is the most widely cited in existence (Bond 2002), this study does not get away from criticism. Only one company's (IBM) employees have been selected by Hofstede as sample to assess the country's national culture which is criticised by Mcsweeney (2002) that cannot possibly offer depth to an entire culture of countries (Sondergaard 1994). Hofstede’s model also ignores different ethnicities and culture within one nation such as China has 56 different ethnic minorities which have different languages, customs and beliefs (Mead and Andrews, 2009). Another problem with this model is Hofstede described
only high and low level of all the cultural dimensions, but some critics suggest evaluating culture, it is better to use degrees rather than bilateral results.  

As, Hofstede’s six dimension of culture is criticised, this study also considers the GLOBE study (House et al., 2004) to measure the validity of Hofstede’s study. GLOBE stands for Global Leadership and Organizational Behaviour Effectiveness, is a cross-cultural research that goes over all others’ studies including Hofstede’s model in capacity, deepness, time duration, and complexity. Robert J. House invented GLOBE project in 1991. Professor House of Wharton School of the University of Pennsylvania led the project which straightaway involved 170 “country co-investigators” based in 62 countries or regions of the world and a group contains of fourteen coordinators and research associates. The group accumulated data from 951 organizations’ 17,300 middle managers across 3 particular industries. This project was planned to replicate and develop on Hofstede’s (1980) work. It also tests a variety of assumptions that had been developed particularly on leadership topics. The study followed Hofstede’s model and developed nine cultural dimensions over both actual society exercise (“As Is”) and values (“Should Be”) in various cultural settings, they are; Performance Orientation, Future Orientation, Gender Egalitarianism, Assertiveness, Institutional Collectivism, In-Group Collectivism, Power Distance, Humane Orientation and Uncertainty Avoidance. The dimension measures for different societies’ culture again admit an investigation of the cultural differences that are present within these groups. A brief description of GLOBE project’s nine cultural dimensions are as follows:

Future orientation indicates that how people in organizations or societies behave in terms of future activities such as future-plan, future investment and holding-up a person’s or group members’ enjoyment. People from the countries with high score on this dimension, let others know before going to see them rather than visiting unexpectedly. People from this cultural dimension achieve financial success, and they experience development of technology, democratic system, gender equal opportunity, and social health.

Gender egalitarianism refers how an organization, or a society reduces discrimination related to gender role whilst encouraging equal opportunity for all sexual characteristics.

Assertiveness is the dimension which indicates behaviour of people in organizations or societies are confident, challenging, and aggressive in social relationships.

Humane orientation describes how people in organizations or societies give confidence and remuneration others for their fairness, kindness, openness, humane, caring, and sympathetic behaviour to others.

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8 Papamarcos et. al. (2007), Baskerville (2003), McSweeney (2002)
In-group collectivism depicts that how people in organizations or societies express some sort of behaviours for example self-importance, loyalty, and the quality of forming a united whole.

Institutional collectivism indicates that how organizations and societies are practicing in encouraging and rewarding communal allocation of resources and joint activities.

Performance orientation is opposite to institutional collectivism which indicates how organizations or societies give confidences and remunerate people for improving their performance.

Power distance describes that people from organizations and societies look forward to see that an organization’s power should be placed at top level of the organization and they agree to that. Similarly, for the family power should be concentrated to head of the family, for the country at higher levels of government.

Uncertainty avoidance indicates how people of an organization or society do their best to stay away from unexpected things by fully depending on their cultural traditions, social norms and values, rituals what they have established.

There are some similarities and differences between GLOBE project and Hofstede’s six dimensions model that how national culture is examined. Similarity we can see, both models have uncertainty avoidance and power distance aspect. Also, in the GLOBE study, Hofstede’s masculinity dimension is evaluated with the two dimensions of gender egalitarianism and assertiveness. In the same way, collectivism of Hofstede’s model is indicated with two concepts: institutional collectivism or collectivism I and in-group collectivism or collectivism II. In the end, GLOBE’s future orientation is similar to Hofstede’s LTO dimension. Moreover, in GLOBE project there are two more dimensions of culture than Hofstede’s, they are; performance orientation and humane orientation. Other differences between two models are, the GLOBE study, every nine dimensions independently measures national culture’s two different aspects – practices and values - consequently, for every single country there are eighteen scores of culture in GLOBE study. The GLOBE study is not as much of criticised as Hofstede. The reason is either there are not enough controversial issues to assess critically or most likely it is very current model so researchers still studying on it. Hofstede assessed the GLOBE project, reviewed critically and among other issues he argues “GLOBE study is US centric, that it fails to capture what is intended through the questionnaire and that the study’s total of 18 dimensions are unnecessary and lack parsimony” (Venaik and Brewer, 2008, cf. Bulakeri, 2013, p.4).

Considering all the critics and comparisons Hofstede’s 6 dimensions of culture still famous and get priority for leadership studies. Therefore, this study will consider Hofstede’s 6-D model for explaining national culture of Bangladesh and UK in chapter 5 and 6. UK garment companies are manufacturing their products in Bangladesh. From the discussion above this is clear that culture of UK and Bangladesh is different, and their culture will be compared widely in chapter 7.
considering the case studies of UK and Bangladeshi RMG industry. Now the question is what will happen if cultural background of an individual is different from the organization’s culture where the individual works. Also, it is important to investigate that, does national culture and individual from different culture have any effect on organizational culture or vice versa. Therefore, the thesis will now describe organizational culture in the next part.

2.3 Organizational culture

When people from different cultures, societies, countries work together in a group or organization then their various cultural traditions, rituals, norms, values, views affect each other as well as the organization. This affect outlines the culture of that organization or organizational culture. (Owoyemi and Ekwoaba, 2014). According to Mobley (2005) from Owoyemi and Ekwoaba, (2014) “the feeling of every member of organisation towards every aspect of corporate life when counted together is organizational culture” (p.169). For that reason, organizational culture helps to get employees committed and motivated by including all the basic and important norms and values, traditions and shared beliefs. Mobley (2005) added that organizational culture is an aspect of every organization that is a less tangible factor. He also added that organizational culture determines supply of rivalry further than quality of product, expenditure, tools, customer service, brand and so on. Employees after getting recruited by the organization the culture of the organization are introduced to them and Fakhar et al., (2012) posit that, this helps them to be familiar with the organization and be part of the system. Different scholars defined organizational culture as follows: Robbins, (2001) defined organizational culture as a technique of shared values held by an organization’s members that makes different them from others. Organizational culture is defined by Imran et al., (2010) in slightly different way. They identified that it determines performance of employee with achievements of organization because it brings out creativeness of individual employee’s. Organizational culture is a continuing power and it develops naturally within the organization which makes organization unique and stable (Weeks, 2010). Organizational culture is “This is a pattern of basic assumptions invented, discovered or developed by given a group as they learn to cope with problems of external adaptation and internal integration, which has worked well and they believe it is valuable and could be taught to new members” (Edgar Schein cited in Luthans, 1995, p. 67).

2.3.1 Characteristics of Organizational Culture

Some scholars Cartwright and Cooper (1993), Zammuto and Krakower (1991) have come up with four ultimate characteristics of organizational culture which are briefly discussed below;
Power: This type of organizational culture represents the practice of power within the organization which includes individual power and managerial power to make any decision; practice of autocracy, men controlled power; fear of sentence; and implicit rules and regulations. The values of this culture are managed, constancy, and reliability.

Bureaucracy: This type of organizational culture represents the structure of chain of command within the organization. This mainly focuses on official procedures and how rules are getting followed. Bureaucracy culture evidently defines the needs of role and limits of power. It also reduces risks, unpleasantness and predictabilities of the organization. This organizational culture gives more importance to strictness of employees and positions rather than people. The values incorporate effectiveness, inevitability, manufacture, and controlling power.

Achievement and innovation: This type of organizational culture refers employees’ teamwork, requirements of tasks, reliability of organizational beliefs, independency, flexibility, knowledge, skills and power of controlling the group. The values of this culture contain power of creativeness, adaptableness, coping with risks, and group effort.

Support: This feature of organizational culture indicates equal opportunity inside or outside the organization. It focuses to support others emotionally for personal growth and development. Generally, this culture emphasis on non-profit organizations, a secure workplace free from political influence. The cultural values take account of devotion, compromise, and development. (Boyle et. al., 2001)

2.3.2 Components of Organizational Culture

From the definition of organizational culture above many of them give ideas about the components of organizational culture, for example norms and values, assumptions, and traditions. Some of them included even more such as activities and artefacts. Therefore, a general distinction between tangible and hidden levels organizational culture is noticeable (Kotter and Heskett 1992). On the contrary, in terms of the division between the tangible and hidden levels of organizational culture, a number of scholars differentiated various levels. The following levels of organizational culture have been identified by one of the leading experts Edgar Schein (1985) is showing in Figure 2 below.
Figure 2: Levels of Organizational Culture (Adapted from Schein 1980; Schein 1985)

According to Tureac (2005) the elements of the organizational culture are very much hidden, and less tangible. She considered five elements of organizational culture, they are;

The symbols: The cultural symbol can be signified by any procedure, item or occasion which is operating as a piece of equipment of providing a message through a particular importance within the organization. Such as, name of the organization represents an important component through its actions.

The behaviour norms: Tureac (2005) further divided this element of organizational culture into two types; formal and informal norms. Formal norms indicate organizational nature, rules and regulations. The informal norms are not official, but they have a big impact over the culture of the organization. Some examples of the informal norms are; the vacations of important social events, the organization’s anniversary, other religious holidays, celebrating employees’ personal events such as birthdays and wedding celebrations, promotion in position, farewell programs when employees transfer from one branch to another or go to retirements etc.

The rituals and ceremonies: Rituals are closely connected with the norms and values of the organization which represent a set of designed activities contenting core matters
which give cultural demonstration of the organizational values, for combining them within the organization.

The position and the function of the employees: Position and functions of employees represent their status, skills and achievements. Better position means the employee achieved it by proving his or her knowledge, skill and performance. This component of the organizational culture makes employees competitive and inspires them to perform better.

The stories and organizational myths: The organizational history represents a situation of the organization that has link with uncertainties, problems solving matters which show the way of backing up the organization and enhancing some organizational performance. The myth tells the story of creation of the organization. It depicts the important role of the founder played through his or her outstanding merits, hard-working.

After identifying all the organizational cultures’ components by some authors, it has been explained that these elements have contribution on creating the identity through various ways of expression of the organizational cultures which are deeply related with the organization. Practicing these cultures in real life may be very difficult and complex but it is significantly important for the organization’s performance and activity. Therefore, the discussion will carry on with the types of organizational culture below.

2.3.3 Types of Organizational Culture

Different points of views on organizational culture come with a question that how it actually functions. Four vital views of organizational culture more likely four separate hypotheses have been detected by Denison (1990), they are;

- The consistency hypothesis: It is an idea that a general point of view, collective beliefs, norms and values among the members of the organization which will improve internal harmonization.
- The mission hypothesis: This is an idea that organizational members to success a task they can coordinate and galvanize by a shared sense of idea, path, and policy toward joint ambitions.
- The involvement/participation hypothesis: This is the idea that organizational culture will contribute to responsibility and ownership of members of the organization and that will develop organizational dedication and constancy.
- The adaptability hypothesis: Involvement of organizational culture will develop the ability of an organization to accept, understand, and explain external indications into organizational indicator which will help for the existence, development, and progress of the company.
The hypotheses above focus on different aspects of culture but if we observe deeply, and then we can see apparently they express various purposes of culture. The first two of them have a tendency to promote constancy and other two hypotheses encourage for transformation and adaptableness. Again, the first and third hypotheses observe organizational culture focuses on inner activities of the organization. On the other side the second and fourth recognize organizational culture addresses the external organizational activities.

<table>
<thead>
<tr>
<th>Stability/Control</th>
<th>Change/Flexibility</th>
</tr>
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<tbody>
<tr>
<td><strong>Internal</strong></td>
<td>Consistency</td>
</tr>
<tr>
<td><strong>External</strong></td>
<td>Mission</td>
</tr>
<tr>
<td></td>
<td>Involvement/participation</td>
</tr>
<tr>
<td></td>
<td>Adaptability</td>
</tr>
</tbody>
</table>

These hypotheses in relation to organizational culture match very much to Cameron and Quinn’s (1999) classification of organizational efficiency point of views and related varieties of organizations, which can be portrayed as Figure 3 below.

![Figure 3: The Competing Values Framework (Quinn, 1999)](image)

Classifications about organizational culture differ according to researchers’ theoretical models (Erdem, 2007). In this study, categorization of organizational culture depends on culture and leadership of organization. There are official and unofficial methods of control within the organizations. Moores and Mula (2000) posit that these formal and informal processes should be utilized simultaneously. Based on “process cost” Ouchi (1980) expanded model of organizational control into three several control instruments and he stated that this model is essential to regulate the process cost within the organization, they are: *market, bureaucratic, and clan control* (Ouchi, 1980). Market control determines by the economy of a country. The control system which is
Based on price is utilized for assessing an organization’s outputs and productivity. Combined agreements among the members of the organization regarding the wages create the relationship between organization and the employees. Bureaucratic control model indicates that, authority and hierarchy mainly control the process costs. For that reason, in the bureaucratic control there are instructions, rules and regulations on paper, job interpretation, consistency within the organization. Finally, the clan control instrument contains collective mission, mutual objectives, faith, dedication and teamwork. Other scholars agreed with William Ouchi that they are important in such social concerns.\(^9\)

Based on the categorization of organizational control (Ouchi, 1980) discussed above, caused classifications of organizational culture has shown in Figure 3, Quinn’s (1999) model of organizational culture identified as “competing values framework”. On the left side of the horizontal axis there is internal focus and on the right side of the same axis is external focus. There is flexibility and dynamism situated on the upper side of the perpendicular axis and there is stability and control on the bottom side of the same axis. These axes intercept each other that constitute four types of organizational culture named as, Clan, hierarchy, adhocracy and market.\(^10\)

The adhocracy culture indicates flexibility and external focus of the organization. This organizational culture has the capability to get used to with changes and face new challenges through a huge importance on development and resource attainment then highlights for the market culture. The market culture describes that how market transactions can generate competitive advantage. Therefore, market culture is highly competitive and gives attention to growing market share. Moreover, this sort of culture is familiarized with consequences. A formal organizational culture as well as inner influence which is encouraged by central decisions of the organization forms the hierarchy culture. Constancy, inevitability and competence are the main concentration of this type of culture. Finally, the clan culture is concentrated on pliability and internal focal point.

Famous theorist Handy (1995) differentiates key types of organizational cultures that relate to various shapes of organization. According to Handy (1995) it is clearly noticeable that cultures of organization lead to four types of leaders and he named them as: Zeus, Apollo, Athena, and Dionysus. These individual cultures similar to hierarchy-oriented, clan-focused, market-oriented and adhocracy-centred cultures are associated with organizations that have identical features across several functional or methodological scopes.

Denison et al., (1995) argued that to recognize different types of organizational cultures, researchers have a tendency to identify and put emphasis on complexities of culture. There are

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some approaches related to recognizing complications of organizational cultures. One of them is noticing most organizational culture tries to focus on all the requirements of the culture and manage to balance and combine them. But there is a problem with this view where organizational culture has tendency to lose any sense of rationality to identify the organization. This is not very usual with the features of organizational culture as culture of an organization is a kind of organization’s identity. For that reason, there is another approach in terms of cultural complexity which keeps away from the difficulty that culture is not successful to recognize the organization.

This method works ahead of distinguishing organizational cultures with regards to methodological or practical points of view for example inner against outer concentrated, constant against convert concentrated, mission oriented against relationship oriented, control versus individual discretion, instructive against participative, transformational against transactional, dictatorial versus democratic, integrative versus adaptive, monotony versus variation. This approach ignores to recognize culture of organization as evaluating and challenging technical requirements. As a result, organizational culture becomes complicated and mixed which implies organizations are made of compound, discriminated cultures show how to think, behave and handle things critically. Thus, organizations experience organizational learning, change, knowledge management, controversy, modernization, variety, developing partnership or association, corporate responsibility and relationship pattern. Therefore, scholars started that it is important to recognize and efficiently deal with major concerns of cultural, try to build up the interaction among them, and avoid them to contradict each other. Scholars also added it is not necessary to require for a particular outstanding, comprehensive culture that includes everything however those different orientations in most cases show that they can be extremely consistent and mutually supporting each other. Most likely there is a rational set of mutual fundamental beliefs and principles.

This cultural discrimination’s concept is quite similar to the perception of subcultures. Cultural discrimination refers to some extent different, but it is not necessary that they are contradicting each other. Organizational cultures also related with various features of organization. At the same time organizational subcultures indicate that various types of cultures are growing amongst different professional groupings within the organization for example, subcultures of blue-collar, white-collar executive; subcultures of engineers, production workers, marketing and sales managers etc. Baker (2002) found a difference between subcultures and differentiated cultures which is not very clear though. He stated that, differentiated cultures are more apparent formal and managed cultures and subcultures are for informal growing cultures.

2.4 Increasing Importance of Organizational Culture

Schein (1992) suggests that importance of organizational culture is rising day by day as competition among businesses, open market economy across the world, mergers, acquisitions and alliances of trades, various employees’ developments have produced a larger require for
coordination and incorporation through organizational units with the aim of efficiency improvement, developing quality, and pace of designing, production, and supplying goods and services.

Schein also added that, organizational culture helps to adapt external and internal changes within the organizations. Numbers of corporations are increasing and knowledge, skills of workforce are more significant for organizations instead of material assets as they constitute the main source of value for the organization. Culture is essential for expanding the value of workforce in the function of intellectual properties that put forward their intellectual contribution and make smooth the progress of both personal and organizational learning, formation and use of new knowledge, and the interest of sharing intelligence with other members of the organization.

2.5 Effects of Organizational Culture

There has been vast empirical evidence regarding the organizational culture’s effects of implementation. For example, Kotter and Heskett (1992) have appointed financial analysts in order to identify the most successful firms. Then they have been asked to explain the major factors which are making these firms different from other firms which were less successful. As expected, 74 analysts out of the 75 pointed out that organizational culture was one of major factors which played a vital role to make those companies the most successful. Before that, Denison (1990) also found viable encouragement of effective organizational culture that a better level of employee involvement was associated with an enhanced performance of organization.

Research from Peter and Waterman (1982) recommends change of organizational culture has a great influence on performance of organizations. This is evident from many case studies that excellent companies do not remain excellent for long as same types of culture exist for long time. The main resolution has been suggested by Baker (2002); the long-established concept of a powerful culture might need to be taken the place of with a more sensitive understanding of the natures and function of culture and characteristics of organizational culture should change over the life cycle of the organization. Baker made it clearer through an example; an organization started up with a very powerful reliable culture which was playing valuable and significant role for its performance. As time gone by and the organization got matured over the time, the existing traditional culture may get monotonous and back dated compare to other recent organizations. In that case the organization needs to get developed, become more differentiated and change its learning and sharing methods. Baker also stated that a particular type of organizational culture itself may be not only the important thing for long term organizational success but also the capability of the organization to efficiently control and modify the culture over time to balance and get used to with the changes of the circumstances and organizational desires. This understanding regarding the organizational culture implies that it is necessary to observe the culture strongly and leaders of the organizations role is to make sure that the culture is up to date.
all the time because the contribution of culture is not only for the current success of the organization but also for its future success.

Schein (1992) argues that in the present-day leadership mainly deals with the culture. He stated that leaders are even responsible for creating, managing, destructing and reconstructing culture. In fact, he says, “the only thing of importance that leaders do is create and manage culture” (Schein, 2004, p.11). He also added “the unique talent of leaders is their ability to understand and work within culture” (Schein, 2004, p.11). Leaders have to be capable to evaluate the performance of culture. They also must know that when the culture needs to be changed and in which ways the changes will take place. For long-term success of the organization it is necessary to assess and develop the culture of organization. At the same time determining the right time for main changes and modification of culture is very important. Leaders experience challenges to manage different types of organizational cultures and combine them to perform efficiently. This is why, to make sure that key strategic and organizational changes will be successful, efficient management of culture is also essential. In a nutshell, culture management is a major proficiency of leadership and administration.

Some world famous successful leaders Herb Kellerher of Southwest Airlines, Lee Iacocca of Chrysler, Alfred P. Sloan of G.E., General Robert E. Wood of Sears, Roebuck & Co. have shown in real life that how transforming the organizational culture plays important role for better performance of the organization (Baker, 2002). There is a research done by House, Spangler, and Woycke in 1991, they worked on US Presidents and the result also found that presidents who were charismatic they performed better on a variety of dimensions, together with financial and social performance (House et al., 1991). But Baker (2002) opposed and stated that the presence of effective cultural management in an organization does not depend on extra ordinary individual leaders and charisma. Collins and Porras (1994) also indicated that charisma possibly an advantage in an emergency, but in very normal situations pure influential leadership can be more effectual. Baker (2002) pointed out that to change and manage culture steadily there are some essential instrumental mechanisms, they are as follows:

- **Strategic planning and the identification of necessarily cultural requisites**
- **Ensuring consistency of culture with mission, goals, strategies, structures and processes**
- **Creating formal statements of organizational philosophy and values**
- **Establishing consistent incentives, recognition systems, and performance measurement**
- **Maintaining appropriate error-detection and accountability systems (Schein 1999)**
- **Coaching, mentoring, informal and formal training, and identifying role models (Schein 1999)**
- **Embracing appropriate rites, rituals, symbols, and narratives (Schein 1999)**
- **Taking advantage of the growth of subcultures (Schein 1999)**
- **Managing and promoting strong communities of practice (Wenger and Snyder 2000).**
2.6 Emerging Cultural Mandates

From Baker (2002), Schein (1992) mentioned some conditions for success of an organization the organizational culture must consider;

- The organization must be proactive, not just reactive.
- The organization must influence and manage the environment, not just adapt.
- The organization must be pragmatic, not idealistic.
- The organization must be future-oriented, not predominantly present/past oriented.
- The organization must embrace diversity, not uniformity.
- The organization must be relationship-oriented, not just task-oriented.
- The organization must embrace external connectivity, as well as promote internal integration.

These basic assumptions play important roles to get rid of barriers that will reduce different types of inner and outer organizational adaptations necessary for success in the future. They must be supported by norms and values, artefacts, behavioural patterns, and symbols on top of that they have to be associated by individual strategies, tasks and aims.

Some scholars such as Sherriton and Stern, (1997) give emphasis to more particular mandates of culture for the modern organizational culture, which are concentrated on team or group, knowledge and learning, association and partnership. An additional mandate is coming forward which has stated by Trice and Beyer (1991), Collins and Porras (1994) “Know when to emphasize and how to balance cultural maintenance and cultural innovation” (From Baker, 2002, p. 9).

Managers of the organizations have to work dynamically to keep the existing culture of organization related to the current and future while taking care of some sense of stability with the earlier period. Collins and Porras (1994) noticed that long-lasting successful organizations had a restricted but durable set of everlasting fundamental values that did not stop change of organization over time. These organizations properly managed to maintain the spirit while speeding up improvement.

2.7 Cross-Cultural Studies

On global market, there is a straight impact of Culture. Guiso, Sapienza and Zingales (2005) found from their research that, in European Union’s case, differences of culture impel faith among people and based on this trust, trade and investment patterns take shapes within this region. They also stated that more differences of culture cause lower trust and lower trust reduces the trade volumes amongst local organizations first and finally global organizations. In the United States, at the firm level, there is an adverse effect of differences of culture on overseas
investors (Grosse and Trevino 1996). Another study based on service providing multinational companies which are operating in Asia Pacific region shows that there is a negative outcome of cultural differences on the investment decisions of those multinational companies (Li, 1994). Lee’s research found in 1998 that cultural distance is a key influence in importers' opportunistic behaviour in respect to their partners’ behaviour in the host countries. Boyacigiller (1990) argues that when individuals from different cultural background are working together, then they experience higher levels of confusion and subsequent difficulties. So, cross-cultural approach should take into management's account in order to achieve the prospective advantages in terms of performances of the organizations. Scheinder and Barsoux (2003) showed their positive views on cross-cultural studies and they stated that organizational and cultural features of different countries of the world are also different, “which can provide sources of competitive advantage at one point, only to become liabilities when the environment changes” (Scheinder and Barsoux 2003, p. 9). For that reason, they also recommended that, managers need to consider about the national culture as it will help them to make their companies’ strategic decisions at present as well as in the future.

In multinational situation leaders when experience another different culture from their own culture then they have intention to adjust their intense sense of national culture norms and values with the new organization’s culture. Leaders adopt a multicultural attitude which has been provided by Fernandez and Underwood (2006). They indicated that this attitude must have “a willingness to recognize the limitations of one’s own cultural norms and to accept and adapt to the culture of the host country” (Fernandez and Underwood, 2006, p.10). However, some scholars such as Brewster and Hegewisch (1993) expressed different opinion that culture has no effect on organizational management. Because they see there is a permanent nature of combinations of functions and perform autonomously of the country’s culture when it comes to management. At the same time, other scholars state that the cross-cultural approach refers, in any geographical area there is a relation between culture and organizational management. The reason they found is the differences in HR management of different countries initiate differences among cultural societies. Brewster and Hegewisch (1993) also added and Fernandez and Underwood (2006) later agreed that the effect of cultural differences is very noticeable when individuals with one cultural background are moved from one organization to another one which is observing different principles from the former one. An example can make this clearer to understand. Around forty years ago, a vast number of workers from various parts of the world were employed by the Federal Republic of Germany. Among those foreign workers there were some workers from Greece and Turkey. The workers found that their German colleagues and supervisors were not accepting them friendly as they were from different cultural background and their knowledge and learnings were unsuitable with the German organizational culture. The human resource department of the organization never experienced this sort of conflict before which resulted from cultural diversity. Previously they have handled any conflicts amongst German employees, but any issue with the workers from another country was first time experience. Therefore, German companies tried to find out how to minimize this problem. Then
they identified that an HR-staff who is friendly with the employees will be able to resolve this problem. Then they selected few workers from them, promoted them as HR staff and each of them were representing their cultural group. Presumably the outcome was outstanding. Staff were happy with their work environment, they could share their disappointments, learnings and ideas, and they were performing better day by day. From this experience Germany changed their business strategy in international trade. Nowadays in the US their companies appoint US experts and managers for their HR-management. This makes employees friendly with their HR-staff who is from same cultural background consequently, this will be more supportive for them to share their needs and expectations in the workplace. And this will increase the possibility of managers to manage the company successfully (Ståhl and Viklund, 2006).

From the discussion above, this is apparent that national culture and organizational culture have close relations to each other and they have effects on organizational performance and leadership behaviour in national and multinational situation. In chapter 5 and 6 through the empirical evidences we will see the relationship of culture and leadership behaviour in RMG industry of Bangladesh and UK. On the other hand, leadership behaviour also can affect national and organizational culture and organizational performances. Therefore, it is important to describe organizational leaders’ leadership styles and behaviour as well as ethical leadership which will lead to investigate the effect of culture and leadership behaviour on ethical labour management in RMG industry of Bangladesh and UK. We will consider managerial and leaders’ leadership behaviour. So, the thesis now turns to examine leadership elaborately.

2.8 Leadership

Useem (2001) stated leadership is a process which can make a difference in the society and culture. He continues “it entails changing an organization and making active choices among plausible alternatives, and depends on the development of others and mobilising them to get the job done” (Mullins, 2007, p. 363). However, Useem (2001) promoted couple of new significant abilities which connect vision and strategy of organizations, they are; leading out and leading up. According to Useem, managers should have the skill to lead out by spreading their talents to their colleagues. To explain it more clearly, most of the time managers think that their job is only to send work downwards to subordinates. This is not Useem’s leading out capability. If managers not only send work downwards but also use their knowledge, skills, ideas and creativities in delegating work to colleagues then it will be called leading out skill. At the same time managers’ leading up talent is to guide their upper levels such as their managers, directors, as managers are the regionalized authority of organizations. Useem also added that managers also should have the capacity to support and direct the organizations from top to bottom. This implies that, leadership is leaders’ and/or managers’ ability, quality and overall behavioural actions to lead a group of people in an organization.
To explain leadership behaviour there is not only one way but also some possible ways as leadership has many magnitudes. According to Mullins (2007) leadership behaviour refers as unitary, dictatorial, benevolent, consultative, bureaucratic, charismatic, abdicatorial and participative. Conversely, in terms of managerial leadership power and behaviours towards their subordinate staff Mullins (2007) broadly classified leadership styles in a basic three-fold heading which are described below.

The authoritarian style refers the manager is all in all. Manager who follows this style is the only person in the organization or institute who makes the decision and officially responsible for taking policies, actions for reaching goals, missions and relationships as well as has control of rewards or punishments.

The democratic style refers equal behaviour towards the group members. Manager who follows this style shares the leadership functions with co-workers. Each member of the group has a vital role in any vital decision. Democratic managers give the full rights to agree or disagree with any judgment.

A manager who follows laissez-faire leadership style lets his team members to perform independently and watches that the subordinates or the fellow workers are doing well by themselves.

In the meantime, researchers of GLOBE project characterized six types of global leadership styles, they are; charismatic/value based, team oriented, participative, humane oriented, autonomous, and self-protective (House and Javidan, 2004). These global leadership styles are briefly explained below:

Charismatic/value-based leadership style considers use of leader’s talents and charisma what they possess to encourage, motivate others to perform better. It incorporates leaders being innovative, dominant, moral, inspiring, trustworthy, and job oriented.

Team-oriented leadership style gives emphasis to structure the team and a shared goal of that team. This leadership behaviour contains all the characteristics of leaders what help them to be more integrative, united, not malevolent, and organizationally skilled.

Participative leadership style is where leaders seek to involve other people in the process and engage them to make and apply decisions. This kind of leadership behaviour comprises the characteristics of leaders which make them to be more sharing minded, friendly, and not autocratic. This is more likely to Mullins’ (2007) democratic leadership style which is described before.
Humane-oriented leadership behaviour refers emotional perceptions of the group members. This type of leadership behaviour reflects the qualities of the leader that make them to be generous, supportive, thoughtful, and kind-hearted. The key part of this type of leadership style is modesty and sensitivity to other members of the group.

Autonomous leadership style is quite similar to Mullins’ (2007) laissez-faire leadership style. This kind of leadership behaviour indicates leaders prefer to be self-governing and they like group members’ independent and individual work.

Self-protective leadership style refers behaviours that certify the safety and security of leaders as well as the group. And it includes self-absorbed, egoistic, argumentative, and bureaucratic leadership.

Two important forms of leadership behaviour also have been identified by Burns (1978) for organizational culture. Firstly, transactional leadership and secondly, transformational leadership. Transactional leadership focuses on legal authority inside the organization’s intrusive formation. This type of leadership style reflects the insight of targets and aims, job assignment and outcomes, and administrative remuneration and penalties. Transactional leaders state to the egotism of the group members and this leadership style is based on the association of shared reliance. Leaders motivate their followers by the ‘give and take process’ which is, “I will give you this, if you do that.” Conversely, transformational leadership is a type of leadership behaviour where leaders complete the task by bringing out of their followers’ inner talents, skills and knowledge rather than encouraging others by the give and take process. It appeals to elevated followers’ principles and values, and generating a sense of integrity, reliability and belief. In terms of organizational perception, transformational leadership behaviour changes the performance or fortunes of an organization.

From the discussion above it seems that transformational leadership style has similarities with charismatic leadership style which has been denoted by Kreinter et al. (1999). They stated that charismatic leaders transform employees to follow the goals of the organization over self-interests: “charismatic leaders transform followers by creating changes in their goals, values, needs, beliefs, and aspirations. They accomplish this transformation by appealing to followers’ self concepts – namely, their values and personal identity” (Mullins, 2007, p. 382). However, Hunt suggests that there is no certain positive effect of charismatic leadership although, charismatic leaders can have a profound effect on an organization’s members (Mullins, 2005).
Organizational leadership efficiency can be influenced by many variables which are indicated below (Mullins, 2007):

- Personalities, attitudes, abilities of the manager’s in the organization;
- The type of the manager’s authority and the basis of the leadership relationship;
- Characteristics of the group members;
- The manager’s affiliation with the team and the members of the team;
- The culture, the form, and the environment of the organization, and the organization’s various steps of the progress;
- The type of the assignments to be completed, the extent to which organized or routine;
- The organizations communication networking systems, using of technology, and operational technique;
- The administrations and organizational formation;
- The type of troubles in the organization arise and what type decisions manager takes against those problems;
- The aspect of outer situation and its control;
- The form of the society and comfortable organization, and the psychosomatic contract;
- The influence national culture.

Most of the factors mentioned above are familiar to a manager as they are the fundamentals of the culture where a manager grows up. But national culture is unfamiliar when the manager is from different culture. Similarly, organizational culture is also a new experience for managers and over the time they adjust their mindset with it. Therefore, it is essential to discuss about the impact of culture on leadership styles.

2.9 How Leadership Styles Are Influenced by Culture

Hypothetically culture has an important impact on the leaderships’ formation (Hunt, Boal, and Sorensen, 1990). Hofstede’s (1980) theoretical dimensions of cultures, which are mentioned in section 2.2, developed culture profiles therefore, as said by Koopman, et al., (1999), cross-cultural diversities desires some assumptions. Several scholars who studies cross-cultural activities state that culture has an influence on leadership behaviours, experiences, and views\(^\text{11}\). GLOBE project by House, et al. (1999) from Zagorsek et al. (2004, p. 20) suggests, “\textit{what is expected of leadership, what leaders may or not may do, and the status and influence bestowed upon them vary considerably as a result of the cultural forces in the countries or regions in which the leaders function.”}

All the countries of the world are different to each other. This difference made by the language, norms and values, traditions, rituals etc. And all of them are part of the culture of a

\(^{11}\) Hofstede, 2001; House and Aditya, 1997; Gerstner and Day, 1994.
country or nation. This implies, each country has a distinct culture. This is why in one culture some activities are considered as good but at the same time same activities are not appropriate in another culture. In one culture, a leader may need to take effective and vital action to become an effective leader, but in another culture, a leader may prefer discussion before taking any decisions with group members in a democratic way. Hence, a leadership behaviour is proper for a particular cultural dimension but improper in a different cultural dimension. According to Jung, Bass, and Sosik (1995), in collectivistic cultures transformational leadership is more effective and appears more straightforward than in individualistic cultures. They stated that, it is important for the organizational groups and collectivist societies to introduce and spread the transformational leadership to its employees. So, managers in the organizations and leaders of the societies will exercise this leadership style which will have a positive impact on the organizations as well as the societies. In the same way in collectivistic society, collaborative, considerate, and empowering leadership behaviours are exercised by the individuals. And high power distance allows for strong, authoritarian, and directive leadership behaviour. Therefore, it can be expected that leaders will prefer the democratic leadership approach from collectivistic but low power distance cultures, on the other hand, it is more likely to find an authoritarian leadership behaviour from an individualistic or high power distance culture. This is evident from Den Hartog et al., (1999) where they suggest that there should not exist as much of negative attitude about dictatorial leadership in the societies with high power distance. Thus, in these types of societies leader’s authority and ostentatious shows of power could be suitable. On the contrary, leaders from more democratic cultures should perhaps put emphasis on their impartiality to others. Meanwhile Koopman et al. (1999) also agreed that, low power distance cultures could result in other essential leadership qualities than a high power distance culture.

Additionally, Smith, Peterson, and Misumi (1994) showed that within the countries with less power distance culture, managers use a lesser amount of regulations and processes, than do managers from more power distance cultures. Similarly, another cultural dimension uncertainty avoidance might have some effects on leadership behaviour. This is supported by Koopman, et al. (1999, p. 504) as they asserted “high uncertainty avoidance cultures, with their resulting emphasis on rules and procedures, may place other demands on leaders than do low uncertainty avoidance cultures, with the resulting attitude of tolerance of ambiguity and innovative behaviour”. For that reason, there is a possibility that, individuals from high uncertainty avoidance culture would not like to face any unstructured situations in the U.K. so far as individuals from low uncertainty avoidance culture.

Further, differences between male and female in specific culture have strong effects on leadership behaviour. Some scholars such as, Zagorsek, Jaklic and Stough (2004, p.114) posit “in highly feminine cultures, people strive for high quality of life, maintain relationships, and care for their co-workers more than in highly masculine cultures ”. This is previously stated by Jung, Bass, and Sosik (1995) that in highly male oriented cultures possibly leaders are more competitive and assertive than the leaders from high female oriented cultures. This is because in high feminine culture leaders would like the advice-giving quality and prefer to be more caring
and kind rather than aggressive. A study by Gibson, (1995) showed that in the United States gender discrimination in leadership affected the leadership styles in the country. Eagly and Johnson (1990) had a review of 162 studies to examine the effect of gender differences on leadership styles. They have found lots of evidences that differences between male and female affect leadership styles very strongly as they stated, “the strongest evidence we obtained for a sex difference in leadership style occurred in the tendency for women to adopt a more democratic or participative style and for men to adopt a more autocratic or directive style. Ninety-two percent of the available comparisons went in the direction of more democratic behaviour from women than men” (Eagly and Johnson 1990, pp. 255).

2.10 Relationship Between Organizational Culture and Leadership

Leaders are both the architects and the product of organization culture. For example, when individuals are looking for a new job, they try to work out that is this the organization they want to work for. For that reason, they observe the organization’s working styles. Then they try to either match with their own working styles or is something new and appealing to them. They look for symbols of the culture. If they are happy with everything then they start the job in an organization. Now they pay attention on their boss that how they are behaving with employees, and even more so, the chief executive. Over the time they find themselves talking about how things are done there. Slowly and gradually they develop their leadership behaviour towards their bosses, colleagues and subordinates and change, improve or adjust with the organizational culture.

There is an approach which is stated by Luhman (1986) that sees organizations as having ‘identity’ the continuing typical organizational character reflected in values, traditions, symbols, practices, and how the organization transforms and explains its nature (Gioia and Thomas 1996). Leaders form the organizational identity that how the organization makes its performance sensible, what organizational relationships count, what feedback needs to be focused on, what facts and figures are in hand. However, organization’s norms and limitations shape view and behaviours of its leaders.

From Malby (2006), it has been reported by Milton and Westphal (2005) that, “organizations that manage identity confirmation in work groups will be better able to achieve the cooperation they desire. When cooperative effort is aligned with organization goals, performance will tend to follow” (Malby, 2006, p. 5). Organizational collective identity helps to increase commitment of organizations, make stronger culture of organizations and develops organizational teamwork. However, according to Hardy et al. (2005), leadership behaviour forms the collective identity of organizations and it takes time to produce it within the organizations. Malby and Fischer (2006) agreed and advocated that there are more possibilities to be successful organizations with collective identity, and that identity is produced through collective organizational culture. For that reason, the role of leadership behaviour needs to be paid organizational attention to create organizational space, and influence on the development.
Schein (1992) identified if leaders do shape culture then they need to follow the following primary mechanisms:

- What process leaders follow to measure, control the organization
- How leaders react to serious occurrences
- Critical for resources allocation
- Role modelling, teaching, training and instructing
- How leaders observe the way of rewards and position allocation
- How leaders observe recruitment and firing process, selection for particular job, criterions of promotion, process of retirement (Malby, 2006)

These mechanisms indicate that managerial and leaders’ leadership behaviours directly can shape the culture of an organization. To explain the relation between organizational culture and leadership behaviour Pettigrew (1979) posits that if organizational culture is the major element of organizational efficiency, then leadership efficiency will be similar with the leaders’ influence have on organizational culture such as, symbol, philosophy, principle, custom and history of the organization.

Malby (2006) explained another approach of culture called complex system where systems leaders need to continue procedures that empower the approach to make sure that it can adapt the most of its size ability. Wheatley and Rogers (1996) stated that, this approach requires continued attention of organizational identity, relationships and evidences.

Figure 4: Complex Systems Approaches (Malby and Fischer, 1996)
In this model (Figure 4), we can see that leaders not only need to focus to the shape of organizational identity (rituals, language) but also identity itself shapes by the organizational members’ background, behavioural impact on the organization, and their teamwork. At this point, the function and behaviour of leaders is to enquiry the basic traditions that form understandings and decisions; and to constantly increase the focal point through which the organization explains and makes sensible its nature and performances.

From the discussion above, this is clear that both managerial and leaders’ leadership behaviour and organizational culture are closely related and affect each other. Managers’ and leaders’ leadership behaviour forms the organizational culture and at the same time organizational culture also shapes the leadership behaviour of both managers and leaders. Chapter 5 and 6 will give a clear idea through the case studies in terms of the effects of organizational culture and leadership behaviour in RMG industry context of UK and Bangladesh.

So far, we know that, leadership behaviour is the action of a leader and manager to lead the group of individuals in an organization. Now the question is, is the leadership behaviour always right and is there any morality, ethics of leadership behaviour? Leadership behaviour usually forms the organizational culture, directs the individuals of the organization but may be that is not enough sometime regarding the ethical issues. That could be the reason of emerging corporate responsibilities, ethical trading in national and global businesses. Moreover, recent incidents in Bangladeshi RMG industry drew more attentions to focus on this matter. Therefore, the thesis will now describe about ethical leadership in detail and in the next chapter the discussion will focus on business ethics and corporate social responsibilities.

2.11 Ethical Leadership

Many executives and business thinkers believe that ethical leadership is simply a matter of leaders having good character (Freeman and Stewart, 2006). In the Western world, the term ethics has been defined in around 350BC. Ethics comes from a Greek word ethos, which means quality, manner, and habit. Ethics refers moralities and principles that members of society and individuals found suitable by themselves. In any particular situation ethics helps us to make a proper decision that what is right or wrong and good or bad. In terms of leadership, ethics is about their identity which represents their personality, their activities, and their behaviours. Definition of ethical leadership is “demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making” (Brown, Treviño, and Harrison, 2005, p.120). Ethical leadership is a sharing concept by which followers interacts with the leaders. Furthermore, an ethical leader has some distinct qualities which make him or her not only an ethical person but also an honest and decent manager (Treviño, Hartman, and Brown, 2000). The ‘ethical person’ part of ethical leadership refers the individual qualities and personalities of a leader which include integrity, honesty and fairness and the moral quality of leaders’ behaviour (Treviño and Brown, 2005; Treviño et al., 2000).
When followers find that their leader is not either ethical or unethical, then the leader will be viewed as an ethically neutral leader. This observation restricts leaders’ ability to use a constructive inspiration on moral behaviour of followers. Moreover, it may even have opposite effects as “employees will believe that the bottom line is the only value that should guide their decisions” (Treviño et al., 2000, p. 129). Therefore, moral behaviour of a person is not sufficient for constituting ethical leadership because moral behaviour of a manager is the prerequisite for ethical leadership.

Leadership behaviour is always involved in a relationship between leaders and followers. Therefore, it is important for the leaders to be ‘moral manager’ to make and continue a decent relationship with the members of the group. Leadership is a vital element of the ethical organizational culture (Treviño et al., 1999), and leader can place ethics on the strategy of an organization (Treviño et al., 2003; Treviño et al., 2000). Managers who are ethical, intentionally try to encourage moral behaviour of their followers by establishing strong ethical standards, opportunities and ethical code of conduct.\(^{12}\) The ethical manager concept is based on three perceptions, “they are; role modelling through visible action, the use of rewards and discipline, and communicating about ethics and values.”\(^{13}\)

To recap, the developing studies recommend that ethical leaders refer the individual with moral, helpful, and decent behaviour who make unbiased and well-adjusted decisions. Treviño et al., (2006) stated that ethical leaders regularly speak with the group members regarding ethics, review the levels of ethics and exercise remunerations and penalties to understand how those levels of ethics are regarded by their followers. Finally, ethical leaders do not just say something good, but they exercise in real and they become example for their ethical behaviour. Now, we will discuss the theoretical basis of ethical leadership by exploring it through the leaders’ action and behaviour.

### 2.12 Ethical Theories

Theories of ethical leadership are broadly divided into two groups. Firstly, leaders’ behaviour related theories, and secondly, leaders’ character related theories or virtue based approach. There are two types of behaviour related theories, they are; leaders’ conduct, and their consequences related or teleological approach and rules or duty that prescribe leaders’ conduct related or deontological approach.

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\(^{12}\) Brown and Treviño, 2006; Enderle, 1987; Treviño et al., 2003.

\(^{13}\) Treviño et al., 2000, p. 131.
Figures 5: Ethical Theories

Theories related to conduct and consequences give emphasis to a leader’s actions, behaviour, and/or conduct that have positive or negative consequences. This means that, a person’s consequences of the behaviour determine that the behaviour was ethical or unethical. Theories related to duty or rules focus on the actions which have consequences and results do not matter but the actions. This means that, if actions are good then its ethical and actions are bad then unethical. These approaches are broadly discussed below.

Teleological Approaches

Whether consequences are considered as ethical or unethical, there are three approaches to assess them. First, ethical egoism describes the actions of leaders that are designed to attain the maximum good for the leader. Second, utilitarianism describes the leaders’ activities that are considered to gain the maximum good for the highest number of people. Third, altruism refers to the leaders’ activities that are considered to determine interest for others’ concerns, even though these concerns are opposing to the leaders’ self-interests.

Deontological Approach

This approach is originated from a Greek word deos, which means duty. It opposes the teleological approaches that an action is ethical or unethical depends not only on its consequence but also on the deed, behaviour, or conduct is itself basically good or bad. There are some examples of good actions and behaviours that are fundamentally good, regardless of the consequences, they are “telling the truth, keeping promises, being fair, and respecting others” (Northouse, 2015, p.336). This approach gives emphasis to the leaders’ activities and their moral concern to do the right thing.
Virtue-Based Approach

Virtue-based theories are related to the identity of leaders, are based in the character of leaders. Leaders can learn these virtues from any incidence and preserve these by practicing. Family of an individual is the first place where this learning happens and then people interact with many communities during their lifetime and acquire these qualities. This approach most likely discovered at the time of famous Greek philosophers Plato and Aristotle. Aristotle considered that individuals can be trained or assisted to turn in to be more virtuous and this training should be given as telling individuals what to be rather than commanding them what to do (Velasquez, 1992). Some virtues as examples has been recommended by Aristotle of a moral individual, they are; generosity, courage, temperance, sociability, self-control, honesty, fairness, modesty, and justice (Velasquez, 1992 from Guerrero and Rowe 2012, p. 491). Aristotle did not mention about organizational leaders so, Velasquez argued that managers of organizations should acquire and preserve some virtues for example, “perseverance, public-spiritedness, integrity, truthfulness, fidelity, benevolence, and humility” (Northouse, 2015, p. 336).

2.12.1 Characteristics of Ethical Leadership

Ethics and principles are present at many levels of an organization for executives in today’s turbulent world, and managers, leaders are dedicating their time and energy to steering the value formation process. Leaders get inspiration from this distinctive perception of ethical leadership to recognize and be clear regarding their own ethics and principles. For improving ethical leadership, leaders need to follow a framework. Freeman and Stuart (2006) suggested some characteristics of ethical leadership based on the observations and conversations with a group of administrators and students over 25 years. They are also based on analyses of widely held academic business-related literature. These qualities of moral leaders are more likely leaders’ point of view and they will help to identify ethical leadership which is more aggregated and more beneficial than usual meaning of ethical leader as a person who has “good character and values.” According to Freeman and Stuart (2006, p. 9) ethical leaders should possess ten qualities as follows:

- Articulate and embody the purpose and values of the organization.
- Focus on organizational success rather than on personal ego.
- Find the best people and develop them.
- Create a living conversation about ethics, values and the creation of value for stakeholders.
- Create mechanisms of dissent.
- Take a charitable understanding of others’ values.
- Make tough calls while being imaginative.
• Know the limits of the values and ethical principles they live.
• Frame actions in ethical terms.
• Connect the basic value proposition to stakeholder support and societal legitimacy.

Philosophers and spirituals throughout the ages have showed people how to live in moral way. Ethics should be the part of human beings’ life. However, we have got this message, some of us do not follow that in real life. People somehow getting involved with immoral activities. Especially in organizations there are lots of unethical and illegal acts and behaviours are happening every day as evidenced by print and electronic media as well as private and governments’ reports. According to Butts and Rich (2016), all organizations should exercise ethical programs such as preventing corruptions, arranging and participating in ethics related training programs. They also added, if organizations do not practice ethical programs there is a high probability that organizations will get involve in immoral and illicit acts. Kovanic and Johnson (2004) highly emphasized the significance of every single individual’s part to perform ethically in the organizations and stated, “individual behaviour does not exist within vacuum” (p. 12). Butts and Rich (2016) recommend that it is hard to find effective ethical leaders, so an organization when finds a moral leader, it is essential to give most importance on that leader for the sake of the success of the organization in the long run.

2.13 Outcomes of Ethical Leadership

Moral leadership is an important thought as the outcome of ethical leadership has a major influence on the organization as well as on the whole society. From the social learning point of view, members of the society and organization has the instinct to follow the moral leaders because of their charismatic behaviour. Ethical leaders also convey the significance of moral standards and in the organization, they practice the performance management system to hold employees responsible for their behaviour. Members of the organization do not have to learn about moral activities, unethical behaviours, rewards and punishment directly from the organization as continuous social learning theory suggests that, they can learn indirectly about them by observing process. As a result, Chatterji and Zsolani (2016) recommend that, “ethical leaders will influence ethics-related conduct such as employee decision-making and prosocial and counterproductive behaviours primarily through modelling and vicarious learning processes” (p. 112). They also added that, ethical leaders should have influence to form the positive and negative behaviour of employees because employees have intentions to grow and develop their associations with moral leaders. Brown and Treviño (2006) expressed following outcomes of ethical leadership behaviour within the organization.

Follower ethical decision-making: Ethical leadership behaviour should have influence on moral quality of the decisions that makes by the followers, especially what they decide and how
they behave when the leader is not physically present among them. This is very important because of three reasons, they are; firstly, as a charismatic role model, moral leader is going to be a significant basis of moral support for his or her followers. Moral values are formed and connected with followers by the ethical leaders. The fair and decent decisions that made by the ethical leaders are considered based on stakeholders' needs for the organization. And ethical leaders’ followers can perceive and learn that how their leaders are making appropriate decisions ethically. Followers' thinking should be challenged by these prospects which will strengthen and inspire their own moral decision-making process. Secondly, previous study indicates that ethical thinking, rationalising and above all the decent behaviour affect ethical thinking and functioning in the groups (Dukerich et al., 1990). Which means ethical leaders’ moral conducts have effect on the team members’ individual and collective behaviour and decision-making process and ultimately the group makes more ethical decisions. Lastly, ethical leaders’ followers are familiar with their leaders’ moral behaviour that how sensible they are regarding moral issues, and they use rewards and punishments for the followers’ activities. Accordingly, moral leaders’ followers are presumably more accountable to concentrate on proper and decent reasonings of their decisions and consequently, make more moral decisions.

**Employee pro-social behaviour:** It is important that through social learning along with social exchange processes, ethical leadership should encourage prosocial or citizenship behaviour of followers (Bandura, 1986). In addition, through their charismatic power ethical leaders take away follower's attention and they become followers’ authentic role models because ethical leaders focus on their moral values and proper behaviour. When followers identify ethical leaders’ unique behaviour then they recognise them as their role models and start to follow their behaviour. Someone may can think that followers only support ethical leaders’ behaviour for economic reason, for example, if they will practice ethical leaders’ behaviour then leaders will be happy, and they will be rewarded. For that reason, apart from social learning theory some scholars stated that ethical leaders and their followers’ relationships are expected to be considered by social exchange instead of plain financial exchange (Blau, 1964; Homans, 1961). Transactional and social exchange relationships are distinguished by Blau (1964) and described transactional exchanges as contract-like and he categorised it by a “quid pro quo logic” which means something given for an item that has equivalent value of it. For example, a fair day's payment or salary will be paid for a fair day's work. On the other hand, social exchange relationships are not well specified and cannot be quantified or measured by any materialistic value. Social exchange relationships depend on trust and norms of mutuality (Gouldner, 1960). Blau (1964) described, “social exchange tends to engender feelings of personal obligation, gratitude and trust (p. 94).” For instance, ethical leaders’ behaviour can work as a magic word on their followers, so they can follow them not for expecting anything in return. Brown and Treviño (2006) recommended that ethical leaders’ followers are more likely to think that there are social exchange relationships between their leaders and themselves because of the moral, fair and caring conduct they get from their leaders and how they trust, rely and respect them too.
Therefore, members of the organization should be motivated to go above and beyond the call of duty for their ethical leaders 14.

**Employee counterproductive behaviour:** Counterproductive behaviour is a negative behaviour of employees within the organization. There are some other terms such as, deviance, antisocial behaviour, organizational misbehaviour etc. are also applied to describe as an adverse behaviour of employees that is destructive for the organization as well as other employees. Some studies investigated the influence of leaders on this type of behaviour. Research shows that nasty supervision has resulted reduction of prosocial behaviour (Zellars et al., 2002) and expansion of counterproductive behaviour (Detert et al., 2006) while caring and decent supervision (Greenberg, 1990) and socialized charismatic leadership (Brown and Treviño, 2006a) have an impact to decrease counterproductive behaviour of employees. Brown and Treviño (2006) also suggested that ethical leadership has an influence to reduce counterproductive behaviour of their followers for the reason that, ethical leaders are the role models of their followers and they follow their leaders’ moral behaviour. In addition, ethical leaders make proper behaviour’s values, also they make it clear the consequences of abusing the law. Members of the organizations should know the outcome of exercising moral behaviour since ethical leaders are authentic models of moral values and management. Social exchange relationship also play an important role as employees would like to see them in creative relationships with moral leaders, as individuals would wish to return the decent and caring behaviour they receive from their leaders and the feelings, trust and reliability reduce the counterproductive behaviour of employees. Brown and Treviño (2006) also added that if there is a high quality of exchange relationship between employees and their managers then employees are more likely not to behave negatively in the organization.

**Follower work attitudes:** While Ethical leadership has an impact on employees’ negative behaviours simultaneously it also should influence positive attitudes of the member of the organization. A study on transformational leadership determined that those leaders with great scores on transformational leadership are related with dedication, satisfaction, and inspiration of their followers (Lowe et al., 1996). Burns (1978) recognized these relationships as shared values and the capacity by which followers relate themselves with these leaders. Bass (1985) stated that, followers also looked after by transformational leaders through their caring leadership style. Brown et al. (2005) stated that ethical leadership are related with employees’ satisfaction with their leader along with the job commitment. This has been agreed by Brown and Treviño (2006) and they indicated that because of ethical leaders' morality, trustworthiness, kindness and care for everyone, and their decent and moral decision-making process, ethical leadership should be related to employees’ positive behaviour.

Some scholars strongly believe that the ethical leadership domain is related to three leadership theories, they are; transformational, spiritual and authentic theories of leadership. Brown and Treviño (2006) indicated that in some way, all those theories refer the ethical potential of leadership. Now the thesis will describe the associations and differences between these three theories and the concept of moral leadership.

Table 3 below summarizes some of the main comparisons between three leadership theories and ethical leadership.

<table>
<thead>
<tr>
<th>Similarities with ethical leadership</th>
<th>Differences from ethical leadership</th>
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<tbody>
<tr>
<td><strong>Authentic leadership</strong></td>
<td><strong>Key similarities:</strong></td>
</tr>
<tr>
<td>– Concern for others (Altruism)</td>
<td>– Ethical leaders emphasize moral management (more transactional) and “other” awareness</td>
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<tr>
<td>– Ethical decision-making</td>
<td>– Authentic leaders emphasize authenticity and self-awareness</td>
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<td>– Integrity</td>
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<td>– Role modelling</td>
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<tr>
<td><strong>Spiritual leadership</strong></td>
<td><strong>Key similarities:</strong></td>
</tr>
<tr>
<td>– Concern for others (Altruism) –</td>
<td>Ethical leaders emphasize moral management</td>
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<tr>
<td>– Integrity</td>
<td>– Spiritual leaders emphasize visioning, hope/faith; work as vocation</td>
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<td>– Role modelling</td>
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<tr>
<td><strong>Transformational leadership</strong></td>
<td><strong>Key similarities:</strong></td>
</tr>
<tr>
<td>– Concern for others (Altruism)</td>
<td>– Ethical leaders emphasize ethical standards, and moral management (more transactional)</td>
</tr>
<tr>
<td>– Ethical decision-making</td>
<td>– Transformational leaders emphasize vision, values, and intellectual stimulation</td>
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<tr>
<td>– Integrity</td>
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<td>– Role modelling</td>
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*Table 3: Similarities With and Differences Between Ethical, Spiritual, Authentic and Transformational Theories of Leadership*
Transformational leadership: Burns (1978) defined transformational leadership as an ethical leadership because followers are motivated by their transformational leaders to look further than self-interest. Transformational leaders also inspire their followers to work jointly for a collective purpose. However, this influential work created a debate among the scholars concerning the ethics of transformational and charismatic leadership that, these leaders are always ethical and transactional leaders are not. Kanungo and Mendonca (1996) argued that a moral inspiration has been implicated by the transformational leadership, while it is absent in transactional leadership. But, Bass (1985) indicated that, although, transformational leaders are always ethical, they can be unethical too, as it depends on their goal and mission. Bass and Steidlmeier (1999) explained it elaborately by classifying transformational leadership into two types, they are; authentic and pseudo transformational leaders. According to these authors authentic transformational leaders have some characteristics that make them ethical leaders, they are; “the sincerity of the leader's moral values (e.g., honesty, fairness), the leader's social motivation, and the avoidance of pressure and controlling impact” (cited from Brown and Treviño, 2006, p. 598). In contrast, pseudo transformational leaders have lack of consideration for other people as they are concerned mainly about their own interest and benefits, also they are more motivated by politically. In a similar way, personalized and socialized charismatic leadership has been classified by Howell (1988) and he indicated that socialized charismatic leaders are more ethical than personalized. Later this has been supported by Howell and Avolio (1992) in their qualitative research.

But still confusions were there about ethics’ relation with transformational and charismatic leadership and more research were needed. For that reason, empirical research on transformational leadership, theorised and evaluated by Bass and Avolio (2000) through the Multi-Factor Leadership Questionnaire (Bass and Avolio, 2000), which describes and encourages transformational leadership behaviour with ethical orientation. Another study by Turner, Barling, Epitropaki, Butcher, and Milner published in 2002 stated that followers observe transformational leaders with higher ethical activities. Some other research also found that transformational leadership is positively related to followers’ observation of leaders’ morality.\textsuperscript{16}

There are some similarities between Transformational leadership and ethical leadership’s personal characteristics such as, moral and transformational leaders do not behave like selfish and concerns about other people, they perform always with their ethical values eg. honesty, they think about the moral consequences of their decisions which they have taken, and they become moral role models for their followers. Conversely, it has been suggested by theories and research that ethical leadership and transformational leadership are also two different concepts (Brown et al., 2005; Treviño et al., 2003). Brown et al., (2005) illustrated that ethical leadership is extensively correlated with the transformational leadership’s perfect impact aspect (the factor has clear moral substance). On the contrary, from the earlier suggestions, moral leadership also anticipated several consequences further than the influences of idealized effect (Brown et al.,

\textsuperscript{16} Parry and Proctor-Thomson, 2002; Tracey and Hinkin, 1994.
Brown and Treviño, (2006) revealed the reason which is, we often think the ethical management characteristic of moral leadership is more reliable and steady with transactional leadership style than a transformational style. For instance, moral leaders try to inspire their followers' moral behaviour by clearly establishing moral values and making sure that followers are practising those values. To do so, ethical leaders use rewards and punishment within the team which means if followers are exercising moral values then they will be rewarded otherwise will be punished. Therefore, moral leaders are more likely using transactional inspiration process that differentiates it from transformational leadership style. They also added that the moral leadership concept does not comprise anything which is unrealistic or logically inspiring leadership which is coherent with the charismatic and/or transformational leadership style.

**Authentic leadership:** Authentic leaders have been defined as, “individuals who are deeply aware of how they think and behave and are perceived by others as being aware of their own and others' values/moral perspective, knowledge, and strengths; aware of the context in which they operate; and who are confident, hopeful, optimistic, resilient, and high on moral character”\(^{17}\). Considering that Luthans and Avolio (2003, p. 4) oppose, an authentic leadership to such an extent a “root construct” might “incorporate charismatic, transformational, integrity and/or ethical leadership”. However, they also claimed that all these concepts are different from one to another. According to, Brown and Treviño, (2006) the principals of authentic leadership are honesty, clarity, self-awareness and constancy. Furthermore, for authentic leadership it is important to be driven by constructive and positive end principles and concern for others instead of thinking about only own benefits. Constructive attributes are shown by authentic leaders for example confidence, buoyancy, and spirit. Finally, if there are any unclear ethical issues experienced by the authentic leaders, they can assess those issues, judge them from various perceptions, and then make straight decisions with their own ethical principles. Authentic leadership similar to transformational leadership, shows similarities with ethical leadership especially in terms of different appearances. Moral leaders and authentic leaders both follow a reflection and a societal motivation leadership style, and they are morally principled leaders who exercise ethical values of their judgements and decisions but, Brown and Treviño, (2006) stated that authentic leadership comprises some contents which are not related to the concept of moral leadership such as, ethical leadership does not necessarily include the quality or state of being practical and self-awareness behaviour. The interviews about ethical leadership directed by Treviño and colleagues (2000) show that participants very rarely mentioned about authenticity or being true to oneself behaviour of ethical leadership concept. Moreover, interviewees expressed that ethical leaders should concern more about others instead of self-awareness. Caring and concerning for others is the main characteristics of Ethical leaders (Brown and Treviño, 2006).

\(^{17}\) Avolio, Luthans, and Walumbwa, 2004, (p. 4)
Spiritual leadership: Fry (2003) identified that spiritual leadership includes “the values, attitudes, and behaviours that are necessary to intrinsically motivate one’s self and others so that they have a sense of spiritual survival through calling and membership” (cited from Brown and Treviño, 2006, p. 599) as well as “is inclusive of the religious-and ethics and values-based approaches to leadership”. Later Reave (2006) modified the definition of spiritual leadership has defined as “occurring when a person in a leadership position embodies spiritual values such as integrity, honesty, and humility, creating the self as an example of someone who can be trusted, relied upon, and admired. Spiritual leadership is also demonstrated through behaviour, whether in individual reflective practice or in the ethical, compassionate, and respectful treatment of others”18. Spiritual leadership can be measured by different ways and Fry et al., (2005) identified an instrument to measure it which represents three dimensions, they are: a) vision, refers vision and identity of an organization, b) hope/faith, describes the belief to realize the vision of an organization, and c) altruistic love is the outcome of the friendly and loving workplace. Spiritual leadership focuses on honesty, altruism and a reflection leadership style which is constant with previous action or process of forming a concept of the moral leadership dimension. Spiritual leadership is also stable with authentic and transformational leadership. Controversy is contents of spiritual leadership concept and its measurement instrument are also not related to ethical leadership. For instance, spiritual leaders are like transformational leaders who can have unrealistic behaviour which is an attribute does not relate with moral leadership. Service to God or almighty or to humanity inspires spiritual leaders and they accept as true that their leadership work as a “mission”. From the spiritual point of view leaders may get inspiration to become moral leaders but realistic concerns might also motivate ethical leaders. As they recognize that their responsibilities are to influence ethical conduct of their followers, they practice encouragement by reward and punishment mechanism which is more similar to the transactional leadership style.

The discussion above describes that these leadership concepts (including ethical leaders) are motivated without concerning about their own benefits which implies these leaders are sincere kind and concern for others instead of themselves (Table 3). They possess some honest and decent attributes, they make moral decisions and they are others’ role model. Members of the organizations and societies respect such leaders, appreciate their behaviour, and bear in mind to be like them. Brown and Treviño, (2006) finally indicated that in the context of work organizations all of these approaches apart from ethical leadership do not focuses on leaders' positive inspiration on their followers’ moral or immoral behaviour. Only ethical leaders clearly give attention on employees’ moral values via the processes of reward and punishment which is like “transactional” characteristic of ethical leadership. This is the main characteristic which differentiated ethical leadership from all other related concepts of leadership. Moreover, characteristics such as visionary orientation, religious orientation, self-awareness are not part of the ethical leadership concept, but they are included in other leadership behaviour. Accordingly,

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18 Reave, 2005, p. 663.
this is apparent that ethical leadership associated with other leadership concepts but different from them (Brown and Treviño, 2006).

2.14 Summary

Thus far, the thesis has discussed about culture, leadership and ethical leadership and expressed how ethical leadership overlaps with other leadership theories. In this stage we can say that culture is a difficult term to understand however scholars defined and theorized in different ways. But we also found that there are some basic components and characteristics of culture which are unique and make a distinction from one culture to another. First the precedence of culture is national culture implies the culture of the society and this is the basic culture of every single part of that community, then institutional or organizational which might be tailored. This must be apparent that culture can be changed, adapted and enhanced. Compare to culture it is quite easier to comprehend and state about leadership behaviour. We have seen that leaders and their leadership styles are largely influenced by the national and organizational culture and vice versa. As our main intention to find out the effect of culture and leadership behaviour on ethical practices of managing labour, we in addition discussed regarding the ethical leadership which is a kind of leadership behaviour that makes leaders more ethical and moral and this indicates all the good things for members of the organization and organizational performances. To find the answer of first two research questions, theoretically we have found some effects of culture and leadership behaviour. But the questions are about the differences of culture and leadership behaviour and their effects particularly on RMG industry in UK and Bangladesh. As there are not enough literatures that have investigated their effect on RMG industry in UK and Bangladesh. Therefore, empirical data have been collected from UK and Bangladeshi readymade garment industry and described in chapter 5 and 6. Now it is important to find out the effects of culture and leadership behaviour on ethical labour management. Therefore, in the next chapter organizational management will be broadly discussed.
Chapter 3: Organizational Management

This thesis now turns to organizational management. To investigate the differences of culture and leadership behaviour and their effects on RMG industry of Bangladesh and UK, in the last chapter, culture and leadership behaviour are defined, and their variant traits and theories are assessed. In this chapter, organizational management is analysed and linked with culture and leadership behaviour in various aspects as different types of management and their functions might direct in different ways and depending on that, leadership behaviour and culture also may get affected or vice-versa. There is also a controversy that organizational management and leadership have some similarities, but they are not same. Although, the study also considers manager’s leadership behaviour, it is essential to analyse organizational management. Moreover, recent incidents in the RMG industry of Bangladesh made the researcher think about the role of managements to managing labour in terms of culture and leadership behaviour. Accordingly, the literature will deeply discuss the subject of organizational management and human resource management as a part of it which is mainly responsible for individuals of the organization. Organizational change management has taken into account because after the recent incidents in Bangladeshi RMG industry, both UK and Bangladeshi garment organizations experienced a huge change. Then business ethics and corporate social responsibilities will be described to find out their relationship with culture, leadership behaviour and ethical labour management.

3.1 Organizational Management

Every business unit has some unique objectives of its own. These objectives can be achieved with the coordinated efforts of several personnel. This coordinated effort has been defined as a performance of management. Management is the process by which things getting done through and with people within the organization. "The Practice of Management" is a well-known book by Peter F. Drucker (2006) where he stated that, "the emergence of management as an essential, a distinct and leading social institution is a pivotal event in social history. Rarely in human history has a new institution proved indispensable so quickly and even less often as a new institution arrived with so little opposition, so little disturbance and so little controversy?" (p. 3) Therefore, management is the incorporating power in all composed action, such as, at whatever point at least two individuals cooperate to accomplish a typical goal, they need to facilitate their exercises. They likewise need to arrange and use their assets so as to enhance the outcomes.

In spite of the fact that, administration as a train is over 80 years of age, there is no regular assertion among its specialists and experts about its exact definition. In actual fact, this is not only in business and management faculty but also in case of all social sciences like psychology, sociology, anthropology, economics, political science and so on. Because of extraordinary and amazing mechanical improvements, business associations have developed in size and many-
sided quality, causing significant changes in the act of management. Some of the foremost definitions of management are as follows:

Drucker (2006) states, "management is an organ; organs can be described and defined only through their functions" (p. 4). Terry (2008) defines management as people’s activity as, "Management is not people; it is an activity like walking, reading, swimming or running. People who perform Management can be designated as members, members of Management or executive leaders" (p. 6). But Davis (1954) has included leadership long time ago while he stated, "Management is the function of executive leadership anywhere" (cited from, Gupta, 2008, p. 94). This has been agreed by McFarland (1974) and he explained broadly as, "Management is defined for conceptual, theoretical and analytical purposes as that process by which managers create, direct, maintain and operate purposive organization through systematic, co-ordinated co-operative human effort" (cited from, Krishnakumar, 2017). There are some similar but different views of management also. According to Fayol (1949) management is, "To manage is to forecast and plan, to organize, to compound, to co-ordinate and to control" (cited from Krishnakumar, 2017). Koontz and O'Donnell (1972) stated that management is not only people’s activity but also it is an art. Koontz and O'Donnell (1972) defined, "Management is the art of getting things done through and within formally organized group" (cited from Krishnakumar, 2017). Spriegal (2009) added that business objectives have to be achieved through these activities, "Management is that function of an enterprise which concerns itself with direction and control of the various activities to attain business objectives. Management is essentially an executive function; it deals with the active direction of the human effort" (cited from Krishnakumar, 2017). Kimball (1939) described, "Management embraces all duties and functions that pertain to the initiation of an enterprise, its financing, the establishment of all major policies, the provision of all necessary equipment, the outlining of the general form of organization under which the enterprise is to operate and the selection of the principal officers" (cited from Krishnakumar, 2017). From Tustin (2013, p. 106) Sir Charles Reynold has given the most recent definition of management, "Management is the process of getting things done through the agency of a community. The functions of management are the handling of community with a view of fulfilling the purposes for which it exists."

Function of management: From the definitions of management above, this is clear that it is people’s activity within the organizations. However, scholars show disagreement to classify functions of management. Newman et al., (1967) identified four types of managerial functions, they are; organizing, planning, leading and controlling. According to, Henri Fayol (1949) there are five functions of management, they are; planning, organizing, commanding, coordinating and controlling. But many years ago, Gulick (1936) identified seven types of managerial functions; planning, organizing, staffing, directing, coordinating, reporting and budgeting. They can be called in the catch word "POSDCORB". Haynes and Massie (1957) categorised functions of management into decision-making, organizing, staffing, planning, controlling, communicating and directing. Koontz and O'Donnell (1972) classified functions of management similar to Newman, Summer and Warren’s (1967) classifications, they are; planning organizing, staffing,
*directing and controlling*. Chester Barnard (1971), in his classic work “The functions of the Executive” brought together the important fundamental principles about the manager’s role, they are: planning, organizing, staffing, directing, coordinating and controlling.

**Planning**: Planning is the most essential and the most unavoidable of all administration capacities. In the event that individuals working together in a group, they need to perform adequately. For that reason, it is necessary to know few things in advance. First of all, they should know about the task, then they can plan if they need any other things to do related to the task. And finally, they can plan an estimated time limit to finish the task. These are all the parts of planning. So, we can say that planning is concerned with 'what', 'how', and 'when' of an activity (Agarwal, 1982). It is choosing in the present about the future destinations and the strategies for their accomplishment. Therefore, the functions of planning are as follows:

(a) It determines long and short-term objectives;

(b) It develops the strategies to be followed to achieve these objectives; and

(c) It formulates policies, procedures, and rules, etc., to implement the strategies, and plans.

**Organizing**: Organizing designs the pattern of roles and relationships of individuals in the organization to achieve its objectives. Organizing implies, specific roles of specific individuals need to assign, specialists and their responsibilities have to determine, and establishment should be made for management. Organizing includes the progress of the organization plan, job descriptions, as well as statements of work flow (Agarwal, 1982). Functions of organizing are as follows:

(a) It identifies the activities which are essential to achieve the goals and implement the plans of organization.

(b) It brings together the actions to create independent jobs.

(c) It allocates jobs for the employees.

(d) It delegates the authority to allow them for executing their duties and asking for the resources they need to do their jobs.

(e) It creates a network to coordinate relationships among individuals and groups in the organization.
**Staffing:** Staffing is a constant and key capacity of management. After finalizing the objectives, next thing is to plan systems, approaches, projects, methods and guidelines for achieving them. Then all the necessary steps to implement the strategies, policies, programs, and so on are recognized and organized into jobs. After all these the logical and major step in the management process management needs to get appropriate staffs for operating the jobs. An organization’s efficiency and effectiveness substantially depend on its staff quality and for that reason, it is one of the key functions of management to get qualified and trained people to fill various positions in the organizations (Agarwal, 1982). There are several sub functions of staffing, they are:

(a) It determines how many and what type of personnel is required for the various positions in the organization.

(b) It involves the recruitment process to attract suitable number of potential employees to seek jobs in the enterprise.

(c) It involves the selection process to select the most suitable individuals for the jobs under consideration.

(d) It involves the placement, induction and orientation process after selecting the right individuals.

(e) It involves staff transfers, promotions, termination and layoff process.

(f) It also involves training and development programs of employees.

**Directing:** Directing refers to guide the employees for performing proficiently, and to contribute their optimum for achieving the objectives of the organizations. It is very important to explain and clarify the jobs which are assigned to employees. They also need guidance in job performance and need motivation to give their maximum level of effort with passion and enthusiasm. Therefore, directing involves the following sub-functions (Agarwal, 1982):

(a) Communication

(b) Motivation

(c) Leadership

**Co-ordination:** This function of management establishes the relationships among various parts of the organization, so they all together can concentrate to achieve the organizational objectives. According to Agarwal, (1982) co-ordination is the process
which binds together all the decisions, operations, activities and efforts of the organization to attain unity of action to make successful of organizational objectives. Mary Parker Follett a former American management consultant, and developer in the fields of organizational theory and organizational behaviour has appropriately highlighted the significance of the coordinating process. In her view, the manager should make sure that he has an organization "with all its parts coordinated, so moving together in their closely knit and adjusting activities, so linking, interlocking and interrelation, that they make a working unit, which is not a congeries of separate pieces, but what I have called a functional whole or integrative unity" (Metcalf and Uriwick, 2003, cited from Agarwal, 1982, p. 8). Co-ordination involves the sub-functions which are mentioned below:

(a) It defines clearly the relationships of authority-responsibility.

(b) It unites the guidelines.

(c) It also unites the command.

(d) It involves effective communication.

(e) It also involves effective leadership.

Controlling: Controlling refers to make sure that the performances of each division, departments, section and individual are consistent to achieve the objectives and goals which are determined before. It identifies the gaps between objectives and plans then investigate the issues which are creating the gaps and finally take the corrective actions to minimize the gap by getting the feedback from the gaps and identified issues. Then managers continuously review and modify all other management processes including planning, organizing, staffing, directing and coordinating where necessary. Agarwal (1982) stated, “Controlling implies that objectives, goals and standards of performance exist and are known to employees and their superiors” (p.8). He also added that controlling indicates an organization which is adaptable and active, so it “will allow changes in objectives, plans, programs, strategies, policies, organizational design, staffing policies and practices, leadership style, communication system, etc., for it is not uncommon that employees failure to achieve predetermined standards is due to defects or shortcomings in any one or more of the above dimensions of management” (p. 8). Therefore, sub-functions of controlling are:

(a) It measures the performance against determined goals.

(b) It identifies any abnormalities from these goals and provide feedback to managers.

(c) It finds the corrective action to resolve those abnormalities.
So, we can say that, managers’ roles are also related to leadership behaviour and labour management is a part of the organizational management which will be discussed later of this chapter.

So far, literature shows that effect of culture and leadership behaviour makes remarkable changes of organizations. To reduce the deadly incidents in RMG industry of Bangladesh, in last few years both UK and Bangladeshi organizations are changing in various ways which will be exposed in chapter 5 and 6. Therefore, it is important to examine theoretical underpinnings of organizational change management which is described below.

### 3.2 Organizational Change Management

Organizational change is growing to be an increasing importance in the recent situation of economic pressure and progressing political priorities. Change is a complex procedure which can have negative and positive outcomes. Therefore, it is important to check for the available evidence to make sure that change will not have any adverse effect so, when the change process will be conducted it will be efficient and effective for the organization as possible.

In contradiction of a context of fast technological development, a growing knowledge labour force and the moving of accepted work practices, change is becoming a long-lasting feature of the organizations (Burnes, 2004). A lot of organizations welcome the need for change, but the statistics show a different picture of the change situation. Around 70% of the change programs which embrace by the organizations do not attain their anticipated outcomes from it19.

‘Planned approaches’ one of the most influential perceptions introduced by Lewin (1952)20, who argued that change program contains a three-stage process, they are: first, unfreezing existing conduct; second, shifting to the new conduct; and, lastly, refreezing the new conduct. This three-step process was accepted by many organizations for a long time as the main context for understanding the organizational change process (Todnem, 2005). Over the time the design of theory has been reviewed and modified and added more precise steps. For instance, Bullock and Batten (1985) established a four-stage model which contains; exploration, planning, action and integration.

However, Lewin’s original theory accepted by other scholars and was popular, it has been critiqued for being based on small scale samples. Furthermore, the model assumed that organizations perform under constant conditions. An alternative to three-stage process of organizational change was developed because of such criticisms, the approach is known as the ‘emergent approach’. Organizational change program’s emergent approach indicates change as so quick and unforeseeable so that it cannot be managed from the top down. As an alternative, it is argued that change should be perceived as learning process, where the organization takes

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action to the changes of internal and external environment. Todnem (2005) advocates that emergent approach is mainly focused on “change readiness and facilitating for change” instead of providing precise and pre-planned stages for individual change project and plan.

A few supporters of the emergent approach have suggested a series of actions although they did not support for pre-planned change program, that organizations should increase and take chance to make successful the change process. 21 Kotter (1996) suggested a set of actions of organizational change which include creating a vision, establishing a sense of urgency, creating strong leadership and empowering employee 22 (Table 4).

22 Cited from Barnard and Stoll, 2010.
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<tr>
<td>Analyse the organisation and its need to change</td>
<td>Developing a vision and strategy</td>
<td>Mobilise energy and commitment through joint identification of business problems and their solutions</td>
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<td>Create a vision and common direction</td>
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<td>Develop a shared vision of how to organise and manage for competitiveness</td>
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<td>Separate from the past</td>
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<td>Create a sense of urgency</td>
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<td>Identify the leadership</td>
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<td>Support a strong leader role</td>
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<td>Line up political sponsorship</td>
<td>Creating a guiding coalition</td>
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<td>Craft an implementation plan</td>
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<td>Develop enabling structures</td>
<td>Empowering broad-based action</td>
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<td>Communicate, involved people and be honest</td>
<td>Communicating the change vision</td>
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<td>Reinforce and institutionalise Change</td>
<td>Anchoring new approaches in the culture</td>
<td>Institutionalise success through formal policies, systems, and structures</td>
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<td>Generating short-term wins</td>
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<td>Consolidating gains and producing more change</td>
<td>Focus on results not on Activities</td>
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<td>Start change at the periphery, then let it spread to other units without pushing it from the top</td>
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<td>Monitor and adjust strategies in response to problems in the change process</td>
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*Table 4: A Comparison of Three Models of Emergent Change, (Todnem, 2005)*
Many of these points look like common sense and very usual for an organizational change but, surprisingly research shows that change leaders often ignored, disregarded or undervalued them.23

The basic assumption of emergent approach is that when managers will deal with change, they must have a thorough understanding of the organization. This means managers will have to have a clear idea of their organization’s structures, strategies, policies, plans, people and culture. Therefore, managers will be able to pick the most suitable method to change. At the same time these understandings will allow them to identify that which factors will be good, and which will be harmful for the organizational change process (Burnes, 1996). This attention on the association overall element while considering change, is in accordance with the expanding conspicuousness of organizational development (OD) as a system for contemplating change. Holbeche (2009) explains organizational development looks at “the total system and the linkage between all the parts of the organization, and at how change in one part will affect the other parts” (cited from Barnard and Stoll, 2010, p. 4).

The emergent approach has also been criticised and questioned about the worth of the broad-natured action progressions, and their application in the context of unique organization. Some other scholars have suggested that organizations should undertake more “situational” or “contingency” approach than emergent approach. They argued that the organizational performance depends profoundly on situational factors. And these factors vary from organization to organization so, responses and strategies of managers for change should also vary accordingly to their organizations (Dunphy and Stace, 1993). Again, this approach has also been criticised as it is giving more importance of situational variables which mean managers have no control over their organizations.

Consequence of change management: In an organization a clear fairness or balance between employee and employer is required especially from the employees’ point of view. This means that how employees are treated by the employers and at the same time employers also observing that how employees are contributing for the organization. This can be identified as psychological contract between employees and employers. Rousseau (1989) defined The psychological contract as belief of an individual about the exchange relationship’s terms and conditions with another individual or organization. In change management the psychological contract’s significance is twofold. First, the subject matter of the contract is not written, it is informal and unconditional. Therefore, it may hold diverse perspectives by employees and employers on the substance of the agreement and how much each gathering has satisfied their commitments. Secondly, the idea of the psychological contract is valuable when contemplating organizational change is that it influences managers to consider the adjustment of the contract. Thus, if an employer needs the change that will influence what employees are required to "give" to the organization (Barnard and Stoll, 2010).

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Resistance to change: Organizational change is considered as successful when the change has been accepted by its employees (Barnard and Stoll, 2010). Therefore, if employees do not accept the change or they are not comfortable with the change then the organizational change will be considered as unsuccessful. This means feelings of employees for the change is very important. From this point of view, Kubler-Ross (1973) argued that when people experience any change or loss then everyone goes through 5 stages of ‘grief’, they are; denial, anger, bargaining, depression and acceptance. Kubler-Ross found this is quite relevant and it has been utilised to the organizational change management. Wiggins (2009) advocates that employees need help and support to the stage of change that they have reached, and this is why she uses the model to assist during the period of change. A number of scholars such as Warwick (1975), Denhardt and Denhardt (1999), Poister and Streib (1999) supported the policy of reducing the resistances in employees. They recommended employees to get involved in the change or management should encourage them for making changes themselves in the organization. On the other hand, not only the participation of employee is important but also the managers’ role is very critical to encourage and expressing support the change. This view has been concurred by Bruhn, Zajaz and Al-Kazemi (2001) and they advised that organizations should not only appreciate employees’ involvement to the change process, but also give emphasize to the significance of a helpful management team which is also involved to the change process.

However, we had a good discussion regarding organizational change there is a vast body of work that examines behavioural change more broadly. The scope of behavioural change hypotheses set out show that it can be hard to motivate individuals to change their conduct even where there are great motivations to do as such and even where the change is of show advantage to the person. The psychological contract expresses a powerful logical outline to understand the reasons why workforces might resist the organizational change if they do not feel the new ‘deal’ is fair and balanced for them. On the other hand, behavioural change theory states that, still there can be resistance to change if managers do not feel the new ‘deal’ is fair and balanced for them and employees accept the new exchange (Darnton, 2008). Bagozzi et al., (2002) coined comprehensive behavioural change theories which indicates that there are some internal and external factors that influence an individual’s ability to change that go beyond their processes of thinking. These internal factors which contain unaware wishes and fears and habituated actions and reasoning. And the external factors include how much a conduct is socially alluring alongside how much somebody trusts a specific activity is conceivable, will both impact their intention to change, independent of their own sentiments about it. Chapman (2004) described from the organizational point of view that changing is a particular set of behaviours or part of the organization might need extensive change of the organization itself. There is a point must also be noted that time and resource pressures may be very practical, but highly significant barriers for the change process as they stop behavioural change to take place.

24 Thompson and Sanders, (1997)
3.3 Managing Labour

Before we mentioned functions of management are planning, organizing, staffing, directing, coordinating and controlling. So, in terms of big organizations without employees, management of a company is worthless because, for staffing, directing, coordinating and controlling management needs staff and the businesses should underpin on managing labour which is one of the most important things. According to Fyfe (2010) labour management is foremost because labour is the spine of any organization. He also explained the importance of labour that if staff turnover is high in an organization then productivity will be low, and the organization will experience no profit. Therefore, it is essential to give all attention and concern into good labour management as this will help to get the most from employees. Staff should feel esteemed and enable them to contribute their aptitudes and experiences, so they will regularly have the capacity to give the organization significantly more than usually they do. Organizations around the world which are the most successful are famous and reputed for their creative and efficient style to labour management (Fyfe, 2010).

Now the question is how to manage labour? In one hand, shall the organizations just operate them on the right time to get the best output and increase the productivity and maximize the benefit? On the other hand, shall the organizations have a close relation with them, know their needs, demands, provide them the best facilities, and motivate them then get the work done?

These are the reasons Human Resource Management emerged in early 1900, involves practices that ensure organizations’ human capital (i.e., employees’ knowledge, skills, and abilities) to be contributing to business outcomes (Huselid et.al, 1997). Michael Armstrong, one of the best British authors defined human resource management as “a strategic and coherent approach to the management of an organization’s most valued assets – the people working there who individually and collectively contribute to the achievement of its objectives” (Armstrong, 2015, p. 3). Before that, Storey (1989) stated that HRM can be considered as a “set of interrelated policies with an ideological and philosophical underpinning” (cited from, Armstrong, 2015, p. 3). He advocates four characteristics of HRM as follows:

- A specific set of beliefs and assumptions;
- A strategic power that informs decisions about individuals management;
- The main contribution of line managers; and
- Trust on a set of ‘power’ that shapes the work relationship.

The main aims and objectives of human resource management is to make sure that the organization can reach the target through its member of staff. This is clear from Ulrich and Lake’s (1990) statement as they remarked, “HRM systems can be the source of organizational capabilities that allow firms to learn and capitalize on new opportunities” (cited from,
Aims of HRM is concerned with achieving specific objectives in the areas are précised below.

Organizational effectiveness: Effective HRM makes organizations competitive as it develops the organizational capabilities. Cappelli and Crocker-Hefter, (1996) stated, “Distinctive human resource practices shape the core competencies that determine how firms compete” (cited from, Armstrong, 2015, p. 8). A lot of studies have shown that human resource practices have an important effect on the organizational performance. Armstrong (2015) believes that aim of HRM strategies to help plans for improving organizational efficiency. Therefore, it develops policies in some areas like information management, talent management and so on which largely create the best environment to work within the organization. Purcell et al., (2003) described this is the ‘great idea’, that contains a “clear vision and a set of integrated values”. Armstrong (2015) explained it more precisely “HR strategies can be concerned with the development of continuous improvement and customer relations policies” (p. 8).

Human capital management: An organization’s human capital implies mainly the employees who are working there and on whom the business success relies. Bontis et al., (1999) gave a definition of Human capital as, “Human capital represents the human factor in the organization; the combined intelligence, skills and expertise that give the organization its distinctive character. The human elements of the organization are those that are capable of learning, changing, innovating and providing the creative thrust which if properly motivated can ensure the long-term survival of the organization” (cited from, Armstrong, 2015, p. 8). Organizations should consider human capital as a prime asset and they need to invest in that asset carefully to make sure their subsistence and progress. The main intention of HRM is to confirm that the organization finds and holds the expert, dedicated and well- inspired workforce that it requires. This means that HRM takes necessary steps to judge and assure people’s needs who will last for a long time and to increase and develop people’s efficiencies such as, their assistances, ability and skills. And to make effective these steps HRM provides relevant training programs constantly. Becker et al., (1997) mentioned “rigorous recruitment and selection procedures, performance-contingent incentive compensation systems, and management development and training activities linked to the needs of the business” (cited from, Armstrong, 2015, p. 9), these are the part of HR practices. Armstrong (2015) described that it also involves in talent management. He also explained the talent management as an obtaining and development process of talent which uses a few dependent “human strategies and practices in the fields of resourcing, learning and development, performance management and succession planning” (Armstrong, 2015, p. 9).

Knowledge management: Scarborough et al., (1999) defined knowledge management as, “any process or practice of creating, acquiring, capturing, sharing and using knowledge, wherever it resides, to enhance learning and performance in organizations” (cited from, Armstrong, 2015, p. 8). Aim of HRM is to help the organizational development and this
development includes particular knowledge and skills and they are the outcome of organizational learning and development methods.

**Reward management:** Another aim of human resource management is to increase inspiration, job employment and dedication. Therefore, it involves familiarising some strategies, policies and methods that confirm that employees of the firms are esteemed and remunerated for their performances (Armstrong, 2015).

**Employee relations:** Human resource management aims to generate an environment within the businesses where creative, fair, productive and balanced relationships among all individuals including management can be maintained.

**Meeting diverse needs:** HRM plans to create and actualize strategies that adjust and adjust to the necessities of its partners and accommodate the administration of a various workforce, considering individual and gathering contrasts in business, individual needs, work style and desires and the arrangement of equivalent open doors for all (Armstrong, 2015).

**Bridging the gap between rhetoric and reality:** There is always a controversy that theory and real life is different. It can be easily theorised or hypothesised but hard to implement in the practical life. This is also true in business and management study. Gratton et al., (1999) in their research obtained a wide gap between the reality and the aims described above. For example, managements of a business start with good intentions to implement all the aims of human resource management above, then they can realize that ‘theory in use’ is very tough to perform. Armstrong (2015) identifies the reasons of this situation are, “contextual and process problems: other business priorities, short-termism, limited support from line managers, an inadequate infrastructure of supporting processes, lack of resources, resistance to change and lack of trust” (P.9). So, these are the actual gaps which make it difficult to utilise the concepts. A principal intention of human resource management is to tie these gaps by constructing each effort to confirm that aims are explained into continuous and successful action in the organization. Therefore, HR members must keep in mind that it is comparatively trouble-free to arise new and innovative strategies and apply them. The main challenge is to make them effective. HR members have to welcome it as Purcell et al., (2003) described that “it is the front line managers who bring HR policies to life, and act accordingly” (cited from, Armstrong, 2015, p. 9).

### 3.4 Policy Goal of HRM

Caldwell (2004) refined the models, aims and other definitions of human resource management and indicated 12 following policy goals of HRM:

- The basic of the organization’s competitive advantage is managing people as prime assets.
- HRM policies are also as important as business policies and corporate strategy.
- Emerging a close fit of HR strategies, processes and methods with one another.

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82
• Generating a more flexible and plane organization efficient to respond more rapidly to change.
• Inspiring collaboration and co-operation through internal limits of organization.
• Establishing a great customer-first attitude all over the organization.
• Encouraging members of the firm to accomplish their own self-development and learning.
• Evolving performance oriented reward strategies to encourage a performance-driven culture in the firm.
• Inspiring employee participation through better internal communication.
• Constructing more employee dedication to the organization.
• Intensifying the responsibility of line management for HR strategies.
• Improving the managers’ facilitating role as enablers.

3.5 Characteristics of HRM

Armstrong (2015, p.11) brings the characteristics of the human resource management together which emerged from various authors, scholars, pioneers and critics are as follows:

• Diverse;
• Strategic with an emphasis on integration;
• Commitment-oriented;
• Based on the belief that people should be treated as assets (human capital);
• Unitarist rather than pluralist, individualistic rather than collective in its approach to employee relations;
• A management-driven activity – the delivery of HRM is a line management responsibility;
• Focused on business values.

3.6 How HR Impacts on Organizational Performance

From the definition, aims and characteristics of HRM, it is clear that there is a big impact of HR on organizational performance. The relationship between HRM and performance has shown by Guest et al., (2000) in Figure 6.
Figure 6: Model of the Link Between HRM and Performance (Source: Guest et al., 2000)

A study by Purcell et al. (2003) shows that HR has an influence on performance by leading or contributing to:

- The development of workforce and successfully implement them to perform better. This involves properly job and work design, flexible working environment, recruitment and selection and talent management process, employee development programs, reward, and enhancing confidence of the individuals;
- The designing and inserting of a pure premonition and set of values (the big idea);
- A positive psychological contract improvement and growing employees’ inspiration and devotion;
- The designing and applying strategies which meet employees’ requirements make an impressive workplace;
- The anticipation of care and assistance to line managers’ role to implement HR strategies and perform them;
- The efficient change management.

After few years the term labour-management relations evolved around 1925, when both employers and employees realized to maximize their own benefits they should negotiate (Feinsinger, 1958). Although labour union is an organization established by and for workers to pursue collective workplace goals which include wages, benefits, work rules, power formed in Eighteenth century. It was the time when industrial revolution happened in Europe. Labour union emerged as there was a huge flow of new workers into the workplaces and they looked-for representation. In the United States, the unions’ history detonated in the nineteenth century with
the formation of the National Labour Union (NLU) in 1866 (Union Plus, 2015). While management is responsible for staff caring and development, but incidents are happening. In 1919, the organization called International Labour Organization (ILO) was formed to practice an idea on the basis of the ground that world-wide, long-lasting peace can be set up only if it is based on societal justice. Then in 1946, ILO turned into the first specialised group of the United Nation (ILO, 2015).

Eight fundamental conventions have been identified by the Governing Body of the International Labour Organization involving matters that have taken into account as primary principles and human rights at work which are separately covered in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work (1998) too. The ILO Declaration on Fundamental Principles and Rights at Work, approved in June 1998, highlights following four key principles which have been recommended by the global community for the organization of a social “floor” in the world of work (ILO, 2017).

● Freedom of association and the effective recognition of the right to collective bargaining;
● The elimination of all forms of forced or compulsory labour;
● The effective abolition of child labour;
● The elimination of discrimination in respect of employment and occupation.

These principles and rights were set in the ILO Constitution then expressed and developed as particular rights and commitments in Conventions perceived as basic for both inside and outside of the Organization. These following ILO Conventions have been distinguished as major, and they are now indicated as the core work guidelines.

● Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
● Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
● Forced Labour Convention, 1930 (No. 29)
● Abolition of Forced Labour Convention, 1957 (No. 105)
● Minimum Age Convention, 1973 (No. 138)
● Worst Forms of Child Labour Convention, 1999 (No. 182)
● Equal Remuneration Convention, 1951 (No. 100)
● Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
Both United Kingdom and Bangladesh are members of the ILO since 1919 and 1972 respectively. The majority of countries in the world are members of the ILO. As of November 2017, there were 187 members. The non-member countries are:  

- Andorra
- Bhutan
- East Timor
- North Korea
- Lichtenstein
- Micronesia
- Monaco
- Nauru
- Palau
- Tonga
- Vatican City

Dealing with human rights in the workplace seems straightforward and common sense for the businesses but not that easy in real life. Owners intention is always to maximize profits which sometimes make them greedy and lead them to do something which are not right for the employees and the society. Therefore, the thesis now describes business ethics in the next section.

3.7 Ethics in Business

The role of ethics and social responsibility as components of business affecting organizational effectiveness is essential (Singhapakdi et al., 1996). Ethics in business is identified with national factors and in addition worldwide points of view, fluctuates from nation to nation, and conceivably it is influenced by many variables including the quality of legitimate, business control and human attributes, for example, ethnicity, sex, level of instruction and socio-social condition. Very often there is a controversy between exercising ethical conduct and interest of profit. The reason is, managers engage in profit to maximize their shareholders’ returns which will make them benefitted at the end of the day. Carr (2004) argues that most executives are mostly compelled in the interests of their companies or themselves, while negotiating with customers, dealers, labour unions, or governmental officials. It has been described by Ahmed (2009) as an ethical threat that happens when managers want to act in their own self-interest and not those of the principal. Ford et al. (1997) found by investigating the ethical judgements of Chinese and American managers, that Chinese managers’ moral judgements are remarkably more dependent on group norms than the moral judgements of American managers due to their preference and attachment to collectivism. With similar pace, Jackson and Artola (1997) compared the ethical beliefs of managers from France, Germany, the USA and Israel in which findings eventually summarizes that the ethical practices vary between the countries, deep rooted in the cultural background of the individuals. A document has been produced by the United Nations (UN) (2003) asserting norms for behaviour and operations of international establishments and other business enterprises which cover general commitments to encourage identifying international and national law, including the local people’s and other vulnerable groups’ rights for instance consumers and workers, and also have respect to concerns related to protection of the environment. Ferrell et al., (2004) suggest that business ethics comprises moral

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25 ILO, 2015
principles, values and standards that guide performance in the world of business. Therefore, business ethics has a positive relation with social norms and values, and international business trends. On the other hand, ethics in business is negatively related to corruption in society. In this research, indication of social discontent with business behaviour is sought through an analysis of significant business issues in selected countries which has been reported publicly as unethical practice. Before having a deep discussion of business ethics, we will briefly explain the term ‘ethics’. Ethics has been defined by Trevino and Nelson (1995) as the values, norms and morals of behaviour leading an individual or a group of people. They also indicated that ethical behaviour gets influenced by two types of factors, they are: the individual’s characteristics and the organization’s characteristics. So, what makes different in business ethics? England (2006) describes that business people make ethical decisions on the basis of the following matters: (1) how workforces will consider their satisfaction professionally; (2) how clients of the business can be satisfied; (3) how to make sure the profit for the stakeholders or shareholders of the business; and (4) how the society will be benefitted. Ethics in business has some impacts on organizations which have been described by Trevino and Weaver (1997) who linked three factors to the matter of concern about ethics in business practices, they are: (1) unethical behaviour results loosing of business reputation; (2) expressing ethical values now makes it easier to act on than criticize later; and (3) embracing of moral values is a trademark and characteristic of a profession. Ethical issues are one of the main focal point of an organization. Several researches show that if any major problem rises inside or outside the organization then first thing to find out that, are there any ethical problems going on or not. To address the problem of a business, Srivastava et al., (2005) advocate that organizations need to find out the bases of ethical dilemma. To understand and deal with ethical dilemmas experienced by managers which stops the development, they should set up and apply codes of conduct, where choices, relations, and circumstances are seen from some various perspectives of stakeholders, and concern is given to the organizational and institutional relations of multiple systems that indicates modern culture of a society. This has been supported by Price (2006) recommends that businesses should be committed to the matters which are related to social and environmental welfare. Therefore, they need to apply some codes of conduct in cooperation with improved clarity, liability allowing efficient market discipline and strict managerial supervision to make sure that codes of conducts are well exercised. And Price (2006) believes that this will be the way to promote and confirm the establishing of ethical behaviour in developing economies.

The term "business ethics" is used in many different ways. According to Baviskar et al., (2005) business ethics is a type of applied ethics that observes ethical values and deals with moral or ethical dilemmas that evolve in a business situation. From Preston (1997) business ethics includes ethical issues “in the field of technical, legal, business, and medical ethics” (p.6). It applies to all characteristics of organizational behaviour. At the same time, it is also related to the individuals’ behaviour within the organization (Bernard, 1972; Donaldson, 2002). Business ethics contains a set of ethical values and principles (Jones et al., 2005). These ethical values

and principles oversee the organizational behaviour based on what is right and what is wrong (Badiou, 2001; Seglin, 2003). It contains the prohibitory actions at the workplace (Collier – Esteban, 2007; Duska, 2007). According to, Borgerson-Schroeder (2008) business ethics is the activities of an organization that it observes to in its daily connections with the world. Beauchamp (2004) agreed to that statement and precisely indicated that ethical behaviour of an organization apply not only with the world at large, but also with their single smallest customer. Business ethics can differ from organization to organization. Solomon (1983) stated that, the ethical behaviour of a specific organization can be different from another type of organization. Many organizations have a bad name as their intention is only to make profit (Carr, 2004). Some people get attraction in businesses for making money which is called capitalism in its clearest form (Antoniou, 2008). Making money has been the main purpose in many global brand businesses and can be concluded that they not too highly concern of good business ethics (Maitland, 1994). Eventually, many of them have been fined millions for violating moral business laws (Cory, 2005). Craving for money makes unconscious about ethical behaviour. If any organization is making substantial amounts of money, they may not wish to care about their ethical conduct (Bennett, 2003). However, there are many companies are proudly practising correct business ethics (Terris, 2005) but they are not a lot in numbers (Lee, 2005). In the present time, the need for processes and actions of ethical business (known as ethicism) is rising (Gitlow, 2005). At the same time, pressure is put on the industries to progress the business ethics via new public initiatives, laws and orders. It can be achieved a short-term gain by trading in an immoral way (Sunstein, 2002); however, such behaviours tend to weaken the economy in the long run (Velentzas, 2010). Business ethics is primarily normative discipline (Anand and Rosen, 2008) while in academia descriptive approaches are also taken. Today, most major corporations put their emphasis on dedication in encouraging non-economic social values under several headings for example, ethical codes, social responsibility charters and so on. These are the principles which are the origins of “ethics” and it has been described by Moriarty (2005) as “the discipline of dealing with what is good and bad and with moral duty and obligation” (cited from, Uddin et al., 2015, p. 308). Practising ethics in businesses have a big influence on their brands and names including on trust of customers and confidence of investors which in turn, is not only regarding “doing the right thing” but also keeping away from scandals that can destroy a company (England, 2006).

### 3.8 Corporate Social Responsibilities

In 1953, the idea of corporate social responsibility began. The reason was, in the oil industry one shareholder asserted that humanitarian activities decrease shareholders’ profits. Supreme Court in New Jersey, in this unique situation, permitted oil industry to donate money to Princeton University as a charitable activity. The organization cannot exist without the support of its stakeholders. These stakeholders have an effect on corporate activities and can be affected by the organization (Svendsen, 1998). Groups of each of these stakeholders have their own requirements and effects on the businesses. Every organization implements and expresses certain
set of response policies to meet these stakeholders’ needs (Ihugba and Osuji, 2011). Stakeholders play a significant role for organizational performance. For example, employees of any organization serve and provide their intellectual capabilities, skills and knowledge for increasing sales of the organization’s goods and services. Therefore, according to Mc Williams and Siegel (2001) corporate social responsibility of any organization is liable to keep a strong association with the society and environment in which it is operating. There are several theories of the corporate social responsibility to follow, they are; institutional theory, resource based view of the firm, theory of the firm, agency theory and the stakeholder theory (Lindgreen and Swaen, 2010).

Ministry of Foreign Affairs of the Netherlands (2013) described corporate social responsibility as an idea which includes all the actions of value chain process and its impact on the society, economy and natural environment and which cares for its stakeholders. In business world corporate social responsibility has no general accepted definition however different researchers have been conducted researches on its multiple characteristics\(^\text{27}\). Holme and Watts (2000) stated that, corporate social responsibility is the organizations’ constant arrangement to provide morally and dedicate their effort towards economy and society for the improvement of their employees and their families and local connection. Three characteristics of corporate social responsibility has been described by Sethi (1975) they are; “social obligation, responsibility and responsiveness”. Social obligation includes legitimate and market focused behaviour and refers the execution of legal obligations. It is also a marketing instrument whilst the organization is making profit. Social responsibility indicates the organizational behaviour for the social benefit to fulfil the society’s anticipations and requirements. Social responsiveness indicates organizational active and protective actions to meet the demands of the society. Carroll (1979) proposed a model which includes four dimensions of corporate social responsibility to reflect the society’s expectations. These dimensions are, economic responsibility, ethical responsibility, social responsibility and philanthropic responsibility. Economic responsibility involves revenue and profits of the organization while, ethical responsibility includes fairness, justice, decent and ethical activities of the organization. social responsibility describes organization’s respect to the social rules and regulations. And philanthropic responsibility involves charity and voluntarily performances of the businesses. Carroll also opined that organizations may not have enough resources or there might lack of awareness of organizations to perform these responsibilities properly. For that reason, Carroll later suggested a pyramid model to describe the four responsibilities and prioritised them according to the fundamental needs of the organization. To Carroll, economic responsibility is indicated as key element of the pyramid because it is recognized as organization’s primary need followed by ethical, legal and philanthropic respectively (Carroll, 1991). Corporate social responsibility has been defined by Wood (1991) subject to principles, processes and outcomes of the organization. He describes principles in three sub forms such as, social legitimacy refers to institutional principle, public responsibility refers to organizational principle and managerial responsibility as individual principle. Main focus of processes is on the organizational behaviour that how it behaves when organization

\(^{27}\) Garriga and Mele, 2004; Waddock, 2003; Windsor, 2006.
experiences social pressure considering environmental issues. Quazi and O’ Brian (2000) also expressed two dimensions of corporate social responsibility in terms of the span - narrow to wide and the varieties of outcome of CSR. De Regil, (2003) and Saarela (2008) described CSR into three types like Carroll (1991) economic, social and environmental where economic responsibility involves with financial efficiency and profitability of the organization. Environment responsibility is related to the resource managements, reservation of biological variety, environment protection such as climate change, avoid pollution and so on. Social responsibility takes account of the whole liabilities of the society. Among all these three responsibilities economic responsibility is considered as the main essential for the other two. Thus, this is apparent that CSR identifies the moral conduct of organizations. For example, organizations with the social responsibility perform good activities which benefit for the society even they are beyond the firm’s interests. Similarly, organizations with corporate social responsibility show respect to the laws and orders and keep away from unlawful activities.

Organizations have a positive and strong relationship with its stakeholders mainly with employees, which generate competitive advantage as well as perform reliable and honest corporate activities (Ali, 2011; Mc Williams and Siegle, 2001). So, it can be concluded that organizations which are proper corporate socially responsible should be considered as ethical organizations especially they treat their employees, their surroundings and environment in decent and moral way.²⁸

3.9 Culture and Human Resource Management

In the last chapter we have seen the effects of culture (national and organizational). This section will briefly concern about the culture and Human Resource Management. In the field of international business management scholars raise following questions (Phatak, 1986):

- What does it mean by culture?
- Do people differ according to their cultural background?
- Is there any influence of cultural differences on international organizations?
- What international managers do in a culturally diverse situation?

In previous chapter we vividly defined culture. We knew that, for cross cultural effects, behaviour of individuals and organizational culture also varies. The forth question above, it is slightly special that international managers’ activities towards cultural differences. Phatak (1986) thinks, managers can be encouraged by cultural norms to ignore race, sex and ethnicity and make them able to see people as only individuals and consider just their professional skills. This approach creates confusion about managers’ identifications of other individuals with their personal opinion. When a manager understands that individuals with various cultural background have different conducts and because of this difference in relationship among the individuals, organization gets affected then those identifications should be recognised. On the other hand,

²⁸ Ashforth et al., 1989, Cable and Graham, 2000.
usual judgement is individuals from one culture are not naturally better or worse than the individuals from another culture since they are just different. It is an unproductive idea for an organization to ignore cultural differences (Adler 1991). Judgments about diversity of culture can cause unacceptable, racially prejudiced, sexist and ethnocentric way of behaving while recognizing diversity of culture has the opposite effect (Mattijević et al., 2015).

3.10 Cultural Impact on HRM

Number of Scholars29 claim that in an organization, prospect and wide-ranging structure for the expansion of human resources’ technical and interactive skills can be provided by the help of organizational culture. This makes sense because decent behaviour is motivated by moral principles. An organizational culture can influence its employees’ behaviour. Though, organizational excellences could be varied since traits of culture could be source of competitive advantage through casual ambiguity.30

Organizational culture helps to keep employees consistent and make them familiar with the objectives of the organization. Deal and Kennedy, (1982) indicates the impact of culture on organizational performances through human resource development programs. Their study shows that through the human resource development programs, organizations perform well with their decent cultures.

Differences of organizational cultures are mainly the result of cultural beliefs, values and assumptions (Adewale and Anthonia, 2013). For instance, some organizations have the culture of giving payment on their process of recruitment and selection, any training and development events, compensation management and performance management. At the same time some other organizations have culture of giving gift certificates, vouchers and prizes instead of paying cash for same sort of activities. This means that organizational cultures may vary from one organizations to another but ultimately, they help to develop human resources and organizational performances.

Organizational culture may affect corporate performance by providing free medication and gym facilities, cheap cafeteria, paid sick calls and so on. And corporate culture influences HRM by controlling individuals' decisions and behaviour. According to Adewale and Anthonia (2013) “culture is pervasive and operates unconsciously”. Organizational culture automatically guiding employees directly or/and indirectly. Organizational culture plays a role like a social adhesive that ties individuals together and let them feel as a part of the organization. It also satisfies people’s needs for social identity as a result, employees get motivation to adopt the organization’s leading culture. And end of the day this social adhesive attracts new individuals and keep them as the best treated staff.

A proper corporate culture has an excellent communication system which helps individual to understand their responsibilities easily and promptly especially when they have been assigned with a task they do not need to waste time to figure out what is expected from them. In this culture, employees share common mentality as a result they can also more proficiently cooperate and communicate with each other (Adewale and Anthonia, 2013).

Finally, organizational culture has significant effect on the recruitment and selection process of an organization. Remarkable organizational culture achieves a good name which attracts decent quality of individuals. With the help of organizational culture new starters can be able to know about the organizations. New employees also know why their organization is different from other through the organizational culture. In a nutshell, culture has a significant influence on overall HRM system especially on recruitment and selection process, training and development events, compensation and performance management of an organization.

3.11 Summary

From the literature above, concisely, we can say that employee management, culture and leadership behaviour are very significant for organizations. For this research purpose, in terms of ethical labour management, we have considered ILO conventions. End of this chapter, this is evident that, culture affects leadership behaviour. National and organizational culture both solely or simultaneously influences the leadership behaviour. HR department of an organization deals through managers and leaders with employees’ overall activities linked with the company. Sometimes it also interferes in their personal life though it depends on that organizational culture. This organizational culture is either generating because of national culture (Mahler, 1997) or leadership behaviour. Leaders can change their leadership styles depending on the circumstances. As a result, organizations can see changed leadership behaviour. For example, a leader from Bangladesh while working in UK inevitably he or she will change her leadership style as British culture is completely different from the Bangladeshi culture. This is also perceptible that the leader from Bangladesh is working in an organization which is mainly based in UK changes his/her leadership behaviour because of the different organizational culture.

Leaders also can change their leadership behaviour when they move from one organization to another where the organizational culture is totally different from the previous one. At the same time leaders also have an effect on national culture. A leader from different culture or organization can change the new organization’s culture even the national culture by his convincing power. This is why, this chapter also described the theoretical underpinnings of change management. It seems, in RMG industry of Bangladesh and UK, organizations need a massive and effective organizational and behavioural change to reduce and stop the deadly incidents. The change process in this industry have to be in an acceptable and ethical manner. Empirical data which are narrated in chapter 5 and 6, shows that in last few years organizations

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31 Adewale and Anthonia, 2013.
already have changed a lot in a positive way. If these changes happened before, may be the world would not see one of the worst incidents ever in RMG industry of the universe. The literature also describes that both culture and leadership behaviour have effects on ethical labour management which needs to go through the change process. For example, considering virtue based ethical leadership approach, an authoritarian manager can learn to treat members of organization fairly and this will change his leadership behaviour by practising democratic leadership style in his organization where managements’ main intension is to maximise the profit, doesn’t matter how fairly they are treating their workers. As he will change his leadership behaviour, he can change the corporate culture by changing some HRM policies. He can manage to convince his superiors by explaining that if workers are treated ethically then this kind of change will be appreciated by the employees and they will be happy, consequently their output will be better and in the long run organization will be benefitted. Thus, leadership behaviour and organizational culture can affect ethical labour management. In a word, we can say culture and leadership behaviour have effects on each other as well as on ethical labour management. The focus of this thesis is to investigate the effect of culture and leadership on ethical labour management of UK and Bangladeshi RMG industry. However, literature review of this study examined all the relevant areas to answer the research questions, but existing literature doesn’t cover particularly these two countries’ RMG industry. Therefore, review of literature is concluded here, and empirical evidences will be narrated in chapter 5 and 6 in UK and Bangladeshi RMG industry context. Then, in chapter 7, data will be analysed, and hypotheses will be justified which already have mentioned in chapter 1. Next chapter will describe the methodological interpretation of the whole research process in terms of the aims and objectives of the study.
Chapter 4: Research Methodology

To conduct a research, it is essential to follow some methods which is/are most relevant to that research. Research methodology is defined by Aaker et al., (1997), as a process of gathering, interpreting and investigating data intended for research purpose. According to Brown (2006) “Methodology is the philosophical framework within which the research is conducted or the foundation upon which the research is based” (p.12). Creswell (2003) defines that the function of the methodology is to investigate the main principles of methods, rules, and to hypothesize that it has been utilized by a discipline. Easterby-Smith et al. (1991) claims it is unwise to carry out research without awareness of the underlying philosophical issues. So, this study also needs to identify and explain what methodology it will follow to investigate the effects of culture and leadership on ethical practices in managing labour within UK and Bangladesh. To do so, this chapter is divided into two parts. First part defines the research process and describes it gradually with the help of research onion which has been represented by Saunders et al. (2009). Research onion has an elevated level of importance with the reasonable achievement of the whole research process as it is a well-organized and step by step procedure of developing one's research. Therefore, different research philosophies, approaches, methodological choices, designs and time horizons are described with their strengths and weaknesses as well as relevancy with a research which will help to identify this study’s philosophical stance and to select the appropriate research strategy. Second part describes the philosophical position of this study. Then it will explain which approach is suitable for this research. Next, time horizon and methodologies for this research have been undertaken based on our research philosophy in relation to other philosophies expounding research strategies and then present the instruments of the research that we have acquired, created and used in the pursuit of our goals and to achieve the answer of research questions and justify the hypotheses.

4.1 Research Process

According to Kothari (2004), research process contains a progression of actions or stages inevitably perform research and the preferred sequencing of the actions. Saunders et al., (2009) describes the research process with an ‘onion’. Multi layers of the onion expresses different steps of the research process. Research philosophy sets at the most outer layer and then the research approach lies. Research strategy stands at the next layer. When the research strategy has been chosen, then the researcher will point out that how to collect data by regulating ‘time horizons’ for the study. This research process model which is described by Saunders et al., (2009), overlaps with the model narrated by Kagioglou et al., (1998) as the three-stage hierarchical model, however terms are different to some extent. Kagioglou et al., (1998) stated a nested approach where stages of the research process are; research philosophy, research approach and research techniques (or data collection methods) respectively. Later, Saunders et al., (2015) have
enhanced Kagioglou et al., (1998) model by adding two more layers in the research process which is shown in Figure 7 below.

![Figure 7: The Research ‘Onion’ (Saunders et al., 2015)](image_url)

To understand the theoretical underpinnings of whole research process and how it structures a study, the layers of the research onion are explained step by step below. Then this will relate to our study to explain how the research has been designed and what techniques are followed by the author.

### 4.1.1 Research Philosophies

The first layer of the research process is research philosophy. A research philosophy is a belief about the way in which data about a phenomenon should be gathered, analysed and used. Numerous researchers have indicated that how important to have a clear idea about the research philosophies to conduct a research. Easterby-Smith et al., (2002) stated that research philosophy has direct impact on the research outcome and if philosophical issues are not properly recognized by the researcher then the quality of the research outcome will be adversely affected. Research philosophy is helpful to find that what type of evidence is required. It also helps to identify that how to gather the required evidence and interpret them to look for an answer of the basic
problem under investigation. Baker (2001) indicates two different extremes of research philosophies, they are: positivism and interpretivism. Saunders et al., (2009) identifies realism as another type of philosophy and increases the classification of philosophies. Sexton (2003) argues that research philosophies should be categorized by observing ontological, epistemological and axiological assumptions. Below these assumptions are explained and compared with Saunders et al., (2009) and Baker’s (2001) classifications.

Ontological assumption: This assumption expresses two choices. Firstly, for an individual, reality is external and forces itself on individual (‘realism ontology’). Secondly, the reality is mainly the thought of the individuals (normalism or idealism) (Burrell and Morgan, 1979).

Epistemological assumption: This assumption describes, “how one will understand the world” Saunders et al., (2015). There are two viewpoints of this assumption. Firstly, it explores for reliabilities and causal relationships between its basic components which is equivalent to positivist approach. The second viewpoint has been stated by Burrell and Morgan, (1979) which is similar to antipositivists or interpretivist approach; this assumption interprets the “world is essentially relativistic and can only be understood from the point of view of the individuals who are directly involved in the activities which are to be studied” (p. 5).

Axiological assumption: Sexton (2003) illustrates that this assumption includes the nature of values and the basis of value judgments. It helps to extend the range from ‘value-free’ where any value judgments are not executed by the researcher about the study to ‘value-laden’ where researcher includes value judgments.

Five research philosophies of positivism, interpretivism, critical-realism, post-modernism, and pragmatism are discussed in detail below.

**Positivism:** Positivism involves the existence of reality and indicates that reality is researchers’ view which can be described in a realistic way. Positivism takes into account of the ontological assumption which implies, the reality is external and impartial. Positivism considers the epistemological assumption stance which means that research should be explored by objective methods instead of subjective methods which include, sensation, reflection or intuition (Easterby-Smith et al., 2002). Positivists identify primary laws by evident reality sought as they are required to clarify the behaviour of the theme under investigation. Levin, (1988) stated that according to positivists, reality is constant and from an objective perspective it can be detected and explained. Freedom of the researcher and uniqueness of the subject should be provided throughout the investigation. In addition, research should include questions as what, and how, and should be regulated by value free analysis which is fact-based instead of subjective criterion. Similarly, Saunders et al., (2009, p. 84) also believe, in positivism research philosophy, “the

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33 Saunders et al, 2009; Easterby-Smith et al., 2002

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researcher is independent of and neither affects nor is affected by the subject of research”.

**Interpretivism:** On the contrary, interpretivism research philosophy is idealism and relativist oriented relating to ontological and epistemological assumptions. Interpretivists believe human being generated reality therefore, it is also known as social constructivism (Saunders et al., 2009). Interpretivism indicates, “reality is determined by people rather than by objective and external factors”.

People place their different understandings and observations on different situations which affect their activities. In interpretivism philosophy, importance is placed by people on the different structures depending on their experience since, people interconnect with the environment and interpret to make sense of circumstances.

**Critical Realism:** Roy Bhaskar in his work coined critical realism in the late twentieth century. While reacting to positivist direct realism and postmodernist nominalism Bhaskar considered a mid-position between these two situations (Reed, 2005). According to critical realists, the most important philosophy is reality related to a structured and layered ontological assumption (Fleetwood, 2005). Critical realists also consider that reality is not straightforwardly understandable by the way we think and the knowledge we have of it however reality is external and independent. From the critical realism point of view, to understand the world it considers two steps. Firstly, our feelings and the incidents we face. Secondly, sometime after any incident we experience a mental processing goes on in our mind to try to find out the original reason behind the incident and that is the reality which have caused the event (Reed, 2005). Critical realist research mainly gives a clarification for evident organizational incidents by seeking the original causes and processes through which the events took place. Therefore, most of the critical realist research considers deep historical investigation of social and organizational structures, and how these structures have transformed over time (Reed, 2005).

**Post-modernism:** Postmodernism developed in the late twentieth century which highlights the function of language and of power relations. It seeks to question recognized ways of thinking. It also gives vocal expression to substitute relegated viewpoints. Postmodernists accept as true that any sense of order has no base and is temporary. And they believe that our language with its categories and classifications is the only way to express the sense of order (Chia 2003). Simultaneously, they identify that all the time language is not

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34 Easterby-Smith et al, 2002, p.30  
35 Easterby-Smith et al, 2002; Saunders et al, 2009
complete, additionally it is not adequate because, when it privileges and emphasises other aspects then always it relegates, overpowers and eliminates features of what it tries to explain. Calás and Smircich (1997) posit that this philosophy put emphasize on power relations of realisms. According to them, postmodernists also seek to reveal and examine the power relations that endure main realities. Thus, postmodern researchers thoroughly challenge the ways of thinking and knowing which are already established (Kilduff and Mehra 1997). Moreover, they try to bring out the concepts, ideas and knowledges which are suppressed and relegated as well as have been omitted before and then they give them voice and validity (Chia 2003). Postmodernist researchers are open to the deconstruction of any forms of data (Saunders, 2005). as part of the research process creates knowledge that shaped by the power relations between the researcher and research subjects which is very important to postmodernist research and this cannot be avoided. Therefore, researchers’ openness and position concerning their moral and ethical issues become critical (Calás and Smircich 1997). Consequently, Cunliffe (2003) thinks that, this leads postmodernist researchers to be completely reflexive regarding their individual thinking and writing.

**Pragmatism:** According to Kelemen and Rumens (2008), pragmatism emphasises that concepts are only related where they cooperate action. “It attempts to merge both objectivism and subjectivism, facts and values, accurate and rigorous knowledge and different contextualised experiences. It does this by considering theories, concepts, ideas, hypotheses and research findings not in an abstract form, but in terms of the roles they play as instruments of thought and action, and in terms of their practical consequences in specific contexts” (Saunders et al., 2009, p. 143). To pragmatist researchers, reality concerns as practical effects of ideas. They believe that reality varies on situations and circumstances. They also value knowledge for empowering actions to perform effectively. Pragmatists commence their investigation with problems and aims to provide practical solutions for future researches. Pragmatists identify different ways, views and techniques to understand and explain the world and therefore they use multiple methods for their undertaking research. A pragmatist researcher posits that there may be multiple realities and to provide the complete picture of the reality, single opinion is not enough. Kelemen and Rumens (2008) argue that, views of pragmatist researchers do not mean that they always utilize multiple methods. Basically, they use the appropriate, relevant and reliable method/s for the research which help to collect quality data and to get the best findings of the investigations.

Table 5 below compares the five research philosophies in business and management research adopted from Saunders et al., (2015).
<table>
<thead>
<tr>
<th>Ontology (nature of reality or being)</th>
<th>Epistemology (what constitutes acceptable knowledge)</th>
<th>Axiology (role of values)</th>
<th>Typical methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real, external, independent</td>
<td>Scientific method</td>
<td>value-free research</td>
<td>Typically, deductive, highly structured, large samples, measurement, typically quantitative methods of analysis, but a range of data can be analysed</td>
</tr>
<tr>
<td>One true reality (universalism)</td>
<td>Observable and measurable facts</td>
<td>Researcher is detached, neutral and independent of what is researched Researcher maintains objective stance</td>
<td></td>
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<tr>
<td>Granular (things) Ordered</td>
<td>Law-like generalisations Numbers</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Causal explanation and prediction as contribution</td>
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<tr>
<td><em>Positivism</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stratified/layered (the empirical, the actual and the real)</td>
<td>Epistemological relativism Knowledge historically situated and transient Facts are social constructions Historical causal explanation as contribution</td>
<td>Value-laden research Researcher acknowledges bias by world views, cultural experience and upbringing Researcher tries to minimise bias and errors Researcher is as objective as possible</td>
<td></td>
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<tr>
<td>External, independent</td>
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<td>Intransient Objective</td>
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<tr>
<td>structures Causal mechanisms</td>
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<td></td>
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<tr>
<td><em>Critical realism</em></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Complex, rich</td>
<td>Theories and concepts too simplistic Focus on narratives, stories, perceptions and interpretations New understandings and worldviews as contribution</td>
<td>Value-bound research Researchers are part of what is researched, subjective Researcher interpretations key to contribution</td>
<td></td>
</tr>
<tr>
<td>Socially constructed through culture and language</td>
<td></td>
<td>Researcher reflexive</td>
<td></td>
</tr>
<tr>
<td>Multiple meanings, interpretations, realities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flux of processes, experiences, practices</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Interpretivism</em></td>
<td></td>
<td></td>
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<tr>
<td>Nominal</td>
<td>What counts as ‘truth’ and ‘knowledge’ is decided by dominant ideologies Focus on absences, silences and oppressed/repressed meanings, interpretations and voices Exposure of power relations and challenge of dominant views as contribution</td>
<td>Value-constituted research Researcher and research embedded in power relations Some research narratives are repressed and silenced at the expense of others</td>
<td></td>
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<tr>
<td>Complex, rich</td>
<td></td>
<td>Researcher radically reflexive</td>
<td></td>
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<tr>
<td>Socially constructed through power relations</td>
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<tr>
<td>Some meanings, interpretations, realities are dominated and silenced by others</td>
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<tr>
<td>Flux of processes, experiences, practices</td>
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<tr>
<td><em>Postmodernism</em></td>
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<tr>
<td>Complex, rich</td>
<td>Practical meaning of knowledge in specific contexts ‘True’ theories and knowledge are those that enable successful action Focus on problems, practices and relevance Problem solving and informed future practice as contribution</td>
<td>Value-driven research Research initiated and sustained by researcher’s doubts and beliefs Researcher reflexive</td>
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<tr>
<td>‘Reality’ is the practical consequences of ideas</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Flux of processes, experiences and practices</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Pragmatism</em></td>
<td></td>
<td>Following research problem and research question</td>
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<td></td>
<td></td>
<td>Range of methods: mixed, multiple, qualitative, quantitative, action research</td>
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<tr>
<td></td>
<td></td>
<td>Emphasis on practical solutions and outcomes</td>
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</table>

*Table 5: Comparison of Five Research Philosophies.*
Table 5 will help to consider the right research philosophy for this study to select the proper method/s by understanding the differences among them.

### 4.1.2 Research Approach

The next layer of the research onion is research approach. There are two broad groups of research approach which are known as deductive and inductive approach. Easterby-Smith et al., (2002) stated that positivist researches are more influenced to deductive approach at the same time the interpretivist research is more partial to inductive approach, because of the philosophical perspectives considered by positivists and interpretivists. These two research approaches have been distinguished by Gill and Johnson (2002) with reference to experiential learning cycle modelled by Kolb’s (1979).

![Kolb's Experiential Learning Cycle](image)

*Figure 8: Kolb's (1979, p. 38) Experiential Learning Cycle (Cited in Kulatunga et al., 2006)*

Gill and Johnson (2002) stated that the part of the cycle is represented by the deductive approach where abstract concepts form and direct to ‘concrete experience’ by practical observations. According to Saunders et al., (2009) the deductive approach searches for fundamental relationships between variables by determining a theory. This has been also supported by Gill and Johnson (2002) and they highlight the importance of determining the ideas and thoughts which represent significant characteristics of the theory or problem under examination. When these important ideas and thoughts are identified then they need to be changed into observables or indicators to simplify quantitative empirical investigation. In a deductive research approach, research is likely to follow the principles of scientific attention and to maintain the freedom of the researcher. The outcomes of the research are projected to be simplified to the population when the research is completed (Saunders et al., 2009).

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36 Gill and Johnson, 2002; Saunders et al., 2009
On the other hand, inductive approach denotes the part of the experiential learning cycle (Figure 8) where ‘concrete experience’ are being perceived and revealed form theoretical perceptions (Gill and Johnson, 2002). Researcher is not completely independent under the inductive approach moreover the researcher is counted as a part of the investigation process. Inductive approach is specifically involved with the perspective of the research so, simplification of the theory will not be anticipated in this approach (Saunders et al., 2009). Because of the context nature of this approach “theory that is inductively developed will be fitted to the data, thus more likely to be useful, plausible and accessible to practitioners” (Gill and Johnson, 2002, p. 40).

Figure 9 (below) shows inductive research approach is a theory development course of action that gets going with observations of explicit cases in point and seeks to set up oversimplifications about the observable fact under exploration. On the other hand, the deductive research approach is a theory testing oriented process where it initiates with an established theory or interpretation and seek to observe the theory if it applies to explicit cases (Hyde, 2000).

Figure 9: Deductive and Inductive Research Approach

Further, Table 6 below illustrates the basic differences between the deductive and inductive approaches:
Deductive | Inductive
--- | ---
2. All or nothing affair, it is either valid of it is not. | 2. More or less affair; it is matter of degree.
3. No judgment is necessary; even a computer can determine validity | 3. Good judgment is necessary to determine their strength.
4. Logicians have much to say. | 4. Logicians have little to say.
5. Their evaluation is purely formal affair, independent of content | 5. Their evaluation is ultimately an informal affair, dependent.

Table 6: Deductive Versus Inductive Approach

Saunders et al., (2003) recommends that it is not significant to consider them as two fixed divisions in any investigation although the research approaches are divided into two main groups. Saunders et al., (2009) later agreed with Yin (2003) and Gill and Johnson (2002) and described that it is possible to combine the two approaches for the researcher to get benefits from both.

4.1.3 Methodological Choices

Third step of the research process is methodological choices of a study (Saunders et al., 2009). In the research process, selecting research methods either uses a single data collection technique and analysis procedures or use more than one to answer the research questions. Using a single data collection technique and analysis procedures in a research is called mono method on the other hand using more than one is called multiple methods.

A mono method joins either a single data collection system which is quantitative for example, questionnaires, along with quantitative data analysis methods; or a single data collection system which is qualitative for example, in-depth interviews, along with qualitative data analysis methods. On the other hand, selecting combination of data collection systems and methods lead to use some structure of designing multiple methods.

In that case, there are four several options. Firstly, multi-method denotes the combination of more than one data collection system is used with related analysis methods and this is limited in either a quantitative or qualitative world view (Tashakkori and Teddlie 2003). Therefore, for example, if a researcher selects both questionnaires and structured observation for collecting quantitative data and he wants to analyse the collected data by using statistical (quantitative) formulas then this will be considered as a multi-method quantitative study. Alternatively, when a researcher is collecting qualitative data by using in-depth interviews and diary accounts then analysing the collected data by using non-mathematical (qualitative) methods then it will be
considered as a multi-method qualitative study. So, this is apparent that multi-methods do not mix up quantitative and qualitative systems and methods. On the other hand, mixed methods approach refers to using both quantitative and qualitative data collection processes and analysis methods in a research design (Figure 10).

**Figure 10: Research Choices (Saunders et al., 2009)**

Further, mixed methods are subdivided into two types, they are mixed-method research and mixed-model research. Mixed-method research allows researcher to use quantitative and qualitative data collection processes and analysis methods either parallelly or sequentially but does not allow to combine them. This implies that, although mixed-method research allows using both quantitative and qualitative world views at the research methods stage, but quantitative data are examined by using quantitative formulas and qualitative data are examined by using non-mathematical methods. In addition, often using either single quantitative or qualitative methods to analyse collected data. In contrast, mixed-model research allows researcher to combine quantitative and qualitative data collection processes and analysis methods along with to combine quantitative and qualitative methods at other stages of the research for example, generating research question. This implies that collecting quantitative data and qualitising them by converting them into description which can be examined qualitatively. On the other hand, collecting qualitative data quantitising them by converting them into mathematical codes so that they can be examined with statistical formulas.
Tashakkori and Teddlie (2003) suggested that multiple methods are efficient if they give better to reply research questions and where they allow evaluating better the area to which outcomes of research can be believed and interpretations made from them. Using multiple methods in the same research project has two major advantages. First, in one research, for different purposes different methods can be used. For example, in a research, to collect descriptive or explanatory data, researcher can conduct interviews at an exploratory stage, to understand the main issues before using a questionnaire. This would give more confidence to the researcher to address the most critical issues for the underlying investigation.

4.1.4 Research Strategy

The fourth layer of the research onion is research strategy (Saunders et al., 2009). There are many research strategy alternatives. Saunders et al., (2009) listed seven research strategies as follows:

- Experiment;
- Survey;
- Case study;
- Action research;
- Grounded theory;
- Ethnography; and,
- Archival research

Experiment: This research design owes much to the natural sciences, although the features of it strongly suitable for research in the field of social science, especially psychology (Saunders et al., 2009). A researcher generates an environment which is artificial in an experiment. This will help to separate and analysis a small number of objects, which will prevent influencing from other objects under examination. The researcher will choose a data generation method to observe the conduct and relations of the objects in the environment and then use a data examination method to examine the generated data most of the time to establish cause and effect relationships (Johannesson and Perjons, 2014). According to, Hakim (2000) the reason of choosing an experiment is to investigate fundamental relations between independent variable and dependent variable. Baker (2001) explains how experiments generally function. To examine change of independent variable how affect the dependent variable experiments are performed on the sample of the population in a monitored environment. Usually researcher can choose experiment as it involves: 37

- Definition of a hypothetical theory

37 Saunders, 2009.
• Select samples of population from known groups
• Allocate samples to changed experimental situations
• Introduce change of plan on one or more variables
• Measure a small number of the variables
• Regulate other variables.

But Saunders et al., (2015) indicate that, for many research questions in business and management studies, experiment will not be a reasonable research strategy. For example, from ethical points of view, it is impossible to use employees to experience the dismissal situations or to investigate the effect of stopping bank loans for the small businesses it is insane idea to use small and medium-sized business as a sample. In the same way, it might unfair to consider experiment research strategy concerning advantageous involvements for instance offering extra support to research students only because of they are nominated for the experimental category. Furthermore, some people are not interested to take part in experiments. Therefore, the experiment research strategy is frequently applied only on captive individuals for example, some specific students of the university who are appropriate for being the sample of the research, similarly, employees of a specific organization. Hakim (2000) recommends that experiment is expected to be costly as well as complex.

Survey: It is a well-known and common research strategy in the field of business and management study and is often applied for answering the research questions concerning who, what, where, how much and how many. Therefore, it is mostly related to the deductive research approach and has a tendency to be considered for exploratory and descriptive research. Surveys are conducted on a broad range of population using economic data collection methods for example questionnaires (Saunders et al., 2009). Additionally, in general the survey strategy is superficial as reliable by people because it is easy and simple and understandable. Researchers are allowed by this strategy to collect quantitative data that can be examined numerically using expressive and inferential statistics. By conducting a survey strategy, which data are collected can be applied to find the specific relationships among the variables. Additionally, those can be utilized to generate models of the achieved relationships between the variables. The biggest drawback, according to Saunders et al., (2015), with using a questionnaire as a data collection method of this research strategy is the capacity to do it badly as well as it is a time-consuming strategy.

Case Study: A few authors have explored case study as a research design.38 If a researcher wishes to achieve a deep understanding of the research perspective and the research

38 Cavaye, 1996; Darke et al., 1998; Gillham, 2000; Jensen and Rodgers, 2001; Perry, 2001; Stake, 1995; Tellis, 1997; Welman and Kruger, 1999; Yin, 1994.
process, then the case study research strategy will be the right strategy to consider by the researcher (Morris and Wood 1991). Case studies allow us to find answers to ‘what’, ‘why’ and ‘how’ types of questions.

**Action Research:** Action research refers to “learning by doing”. This implies, when a group of people recognise a problem then they try to perform for resolving it. If they are not happy with their performance and the outcome, then try again. There are some other key features of action research that make the difference from our daily problem-solving activities. A concise definition of action research is, "Action research...aims to contribute both to the practical concerns of people in an immediate problematic situation and to further the goals of social science simultaneously. Thus, there is a dual commitment in action research to study a system and concurrently to collaborate with members of the system in changing it in what is together regarded as a desirable direction. Accomplishing this twin goal requires the active collaboration of researcher and client, and thus it stresses the importance of co-learning as a primary aspect of the research process” (Gilmore et al., 1986, p.161). Key features of action research are:

- Research IN action - not ON action
- It includes the researcher in the research
- The practitioner turns into the part of the organization
- It encourages modification of the organization
- Schein (1999) recommends it can have two different concentrations, they are; the research aim and the requirements of the sponsor.

The action research spiral (Figure 12) starts in a particular framework and with a clear intention. This intention can be articulated as an objective of the research (Robson 2002). Then diagnosis sometimes explained as finding and analysis fact, which is carried out to allow action planning and a decision regarding the actions to be taken. Then actions are taken and evaluated which completes cycle 1. Following cycles involve more diagnosis, consider evaluations from the former cycle, plan for next actions, take these actions and evaluate them. Thus, cycles are continuing until the results could inform other contexts than the initial one.
Eden and Huxham (1996) relates action research to an obvious concern for the theory development. However, they highlighted that for the researcher, this is more likely to focus on the resulting of knowledge transfer which is obtained from one particular context to another. Saunders et al., (2015) believe that using knowledge of informing other contexts encourages others to conduct action research, for example students commencing research in their own institutions. The action research strategy is different from other strategies as it has precise focus on action specially to promote change in the organization. For that reason, it is mainly suitable for answering ‘how’ questions. In addition, as the researcher is involved in the action so, researcher can apply their knowledge which is gained from somewhere else. According to Saunders et al., (2015) the strong points of conducting this research strategy are, it concerns about the change, the identification of the time which is dedicated for diagnosing, planning, taking action and evaluating, and last but not least, the whole process involves the practitioners.
Schein (1999) underscores the significance of individual’s contribution all through the examination procedure, as they will probably actualize transform they have made. When individuals have distinguished a requirement for change in the organization and have broadly shared this need, it ends up noticeably hard to overlook, and the weight for change originates from inside the association. An action research strategy hence joins the data collecting and change generalising.

Grounded Theory: Grounded theory is a strategy where data is collected without an initial theoretical framework. It is better to think of it as ‘theory building’ through a combination of induction and deduction research approach. Theory is developed from the collected data itself and these theories are further tested to derive conclusions. Classic grounded theory (Glaser and Strauss 1967) is often thought of as the best example of the inductive approach. According to Goulding (2002) a grounded theory strategy is mainly effective to forecast and explain human behaviour, and it focuses on emerging and constructing theory. For example, a research related to people’s behaviours like consumers’ or employees’ behaviour of organization can be conducted by using a grounded theory strategy to investigate a broad range of business and management issues. There are some concerns about grounded theory which are pointed out by Suddaby (2006). Firstly, he argues that this strategy is not a reason to overlook and defer reading the existing literature and theory till the data are accumulated and examined. Secondly, grounded theory does not demonstrate raw data. For a research especially related to the business it is important that data should be collected at a conceptual level for drawing conclusions which include theoretical understandings. Thirdly, he pointed out that this strategy does not examine theory, analyse content, or count words. He blames some researchers slur methodologically (Goulding 2002). These researchers most of the time start with positivist assumptions, taking in hypotheses, and then continue to report by hypotheses testing with sets of interviews or submit the work in relevant publications. On the other hand, conducting research by considering grounded theory research will start with interpretive assumption in a place like in the popular business press, and then submit the work by claiming that the research has been performed with grounded theory. Fourthly, this strategy is not basically routine application of standard data processes. Suddaby does not criticise and discourage to adopt this strategy, but, he warns researchers to keep in their mind that grounded theory is more likely “interpretive process, not a logico-deductive one and researcher should treat it as a highly creative one” (Suddaby, 2006, p. 640). Fifthly, grounded theory is not complete, it is scruffy, it needs investigators to improve a hidden knowledge of, or feel for, their collected data. Finally, Suddaby recommends that grounded theory is not an easy research strategy. He argues that “the seamless craft of a well-executed grounded theory study, however, is the product of considerable experience, hard work, creativity and, occasionally, a healthy dose of good luck” (Suddaby, 2006, p. 640).
Ethnography: Ethnography originates from the field of anthropology and is strongly related to the inductive research approach. This research strategy describes and explains the social world so, the exploration themes occupy in the way where they would illustrate it. Ethnography strategy requires to occupy the researcher as completely as possible in the social world which will be investigated. Therefore, this strategy is considered as very time consuming and takes place over long time. The flexible and responsive research process is required to change because the researchers will develop constantly new outlines of thinking what they have detected. Saunders et al., (2015) recommended that this research strategy is realistic. Therefore, conducting a research with ethnographic strategy, a researcher will be investigating the incident inside the situation where it happens. Furthermore, it does not use data collection methods that makes simple and takes away the difficulties of daily life. But, naturalism is often associated with positivism which refers that the research should apply the scientific technique and model within the study. However, in the field of business, ethnography is not a leading research strategy but, it may be suitable to achieve perceptions about a specific situation. Moreover, there are some issues to consider this strategy. Firstly, researcher needs to find a setting or group before starting the research, which will answer the research questions and meet the purposes of the research and then allow full access to the setting or group. For that reason, secondly, strong trust needs to be constructed by the researcher with research participants. Then, finally, researcher needs to improve plans to deal with being a complete member of the social environment where the investigation is conducting and established (Saunders et al., 2015).

Archival research: This research strategy makes use of administrative evidences, records and documents as the main source of data. Bryman (1989) posits that the term archival has a historical association but, it can express current documents along with historical. This strategy involves research questions which concentrate on the past and changes over time (Saunders et al., 2009). And research questions are answered by exploratory, descriptive or explanatory investigation. In this strategy there is a possibility of missing data, or data may be censored, or researcher might not get the permission for accessing data for privacy purposes. Therefore, it is necessary to find out that what data are available and design the research to make the most of available data.

Yin (2003) posits each strategy can be used for exploratory, descriptive and explanatory research. Saunders et al., (2009) states that some of these research studies are clearly related to the deductive approach, others to the inductive approach such as, experiment and survey strategies are linked to quantitative research design while archival and case study strategies may involve quantitative or qualitative research or both (Saunders et al., 2015). However, often assigning research strategies to one approach is very basic, and any of the research strategy is fundamentally better or worse than any other. Consequently, the label which is enclosed to a particular strategy is not important for a research. The most important thing is that the strategy
which will enable a researcher to answer the particular research question(s) and meet the research purposes is the best strategy to use for that study.

### 4.1.5 Time Horizon

The next step of research process is time horizon. It is important that before approaching for data collection process, establishing whether the research objective is to investigate an incident in a snapshot of time (cross sectional) or study an ongoing phenomenon (longitudinal) (Saunders et al, 2009). Therefore, both studies are discussed below.

Cross-sectional studies: Cross-sectional study refers the study of a specific phenomenon (or phenomena) at a specific time. This is because most research projects are conducted by the practitioners for academic courses are essentially time controlled. However, for a longitudinal study, many courses allow enough time to conduct the research. Cross-sectional studies often employ the survey strategy (Easterby-Smith et al., 2008; Robson, 2002). Cross-sectional studies describe the incidence of a phenomenon, for example, studies on the outcome of managers’ IT skills in a selected organization at a given period of time or these studies might explain in different organizations, how factors are related such as, describing the relationship between expenses on sales assistants training program and sales returns. Cross-sectional studies may also apply qualitative methods. Based on interviews many case studies are performed in a short time. A cross-sectional study allows researchers to evaluate many different variables at the same time which is considered as an advantage of this study. For example, variables like age, sex, salary and educational level can be compared in relation to walking and cholesterol levels, which will cause a very less amount or no extra cost. On the other hand, this study might not supply certain information about cause-and-effect relationships which can be considered as a disadvantage of it. The reason is, it offers a snapshot of a single moment in time instead of considering what happened before or what is going on after the snapshot is carried.

Longitudinal studies: Longitudinal research’s main strength is the capacity that it has to study change and development. It has been pointed out by Adams and Schvaneveldt (1991) that the researcher can exercise a measure of control over the investigated variables by observing people or events over time and they are not affected by the research process itself. Researchers, in a longitudinal study, perform quite a few examinations of the same subjects over a period of time even they may last for many years.

### 4.1.6 Data Collection Methods

Mainly, the data is divided into two main groups which are mentioned below

- Secondary data
- Primary data
Secondary Data: Aaker et al., (1997) defined that, “secondary data are data that were collected by persons or agencies for purposes other than solving the problem” (p. 102). This means that secondary data is already existing. This data is already collected by researchers, practitioners or agencies for some reason and people re-examine that data for some other purpose. Secondary data can be utilized as an initial step for primary data. It involves to design a questionnaire as it defines the people and select the sample in primary data collection process. Secondary data provide an idea of the shortcoming and difficulties which are involved. It also may give essential related information concerning the customers and how to collect primary data successfully.

There are two more different types of secondary data as described in the diagram below.

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**Figure 12: Types of Secondary Data, (Saunders et al., 2003)**

Primary Data:

To answer the research questions, when secondary data are unable, then the researchers must collect the data that are relevant to their specific research and research problem. These data can be called as primary data. Research problem and research design help to determine that the researcher should look for what, ask about what and collect what. There are some choices of collecting primary data collection process. “Normally this includes observations, experiments, surveys (questionnaires) and interviews” (Saunders et al., 2003, p. 289). Kothari (1990) described several methods of primary data collection process, they are: observation method, interview method, through questionnaires, through schedules, and other methods which include: warranty cards, distributor audits, pantry audits, consumer panels, using mechanical devices, through projective techniques, depth interviews, and content analysis, but other authors...
including Kumar (2011), Saunders et al. (2009), Currie (2005) mentioned first three are the main methods to collect primary data. Each method separately has taken up separately below.

Observation Method: The observation method of primary data collection process is the very popular technique particularly in researches which are related to behavioural sciences. Somehow in our daily life we all watch and detect so many things around us which is a kind of observation. But this type of observation is not methodically and scientifically observed. When something is observed and after that this observation is planned methodically, noted down, is verified and controls on validity and reliability and finally is ready to use for a formulated research then that observation turns into a methodical tool and the technique of data collection process for the researcher. Observation method allows to obtain the information by researcher’s own direct observation without asking the respondent. For example, a researcher is conducting a research to investigate the consumer behaviour of using wrist watch. In this situation researcher can observe a respondent’s wrist watch without asking him that which brand of wrist watch he is using. (Kothari, 1990)

Collecting data through interviewing: The interview can be described as “a conversation with a purpose”. Further, in a bit more formal way interview is “a purposeful discussion between two or more people” (Kahn and Cannell 1957, p.9). There are three types of interview: structured, semi-structured, and unstructured interviews.

A structured interview allows the interviewer just to read through a group of closed questions in a specific direction and take notes of the interviewee’s answers. Often this type of interview is denoted as standardised interviews (Healey and Rawlinson 1994).

A semi-structured interview allows the interviewer to have a predetermined type and direction of questions. But interviewer can increase the number of questions, change the interview’s theme and the direction of the questions will be asked if these will beneficial for the study.

An unstructured interview allows the interviewer to commence with a single theme but not necessary to start with written set of formal questions. Therefore, some questions may be written down, but the entire process is informal. Interviewer can explore the several phases of a complex issue in depth by asking open questions. These open questions are designed to invite explanatory or detailed answers. Some unstructured interviews can involve more than one interviewee or a group of interviewees, which depend on the areas the researcher wish to explore and the different expertise that may be required.

Semi-structured and unstructured interviews can be denoted as non-standardised interviews (Healey and Rawlinson 1994).
Collecting data through questionnaire: Questionnaire data collection process commonly used method mostly in a situation of big enquiries. Most of the time private and public organizations, freelance researchers or individuals, and even governments can adopt this data collection method. This method allows researcher to send a questionnaire either by post or directly to the respondent with a request to answer the questions and return it back. A questionnaire contains a number of questions in a certain sequence on a form or set of forms and after each question there should be some space where respondent can write down the answer. The respondents have to answer the questions only by themselves. Sending questionnaires by post to respondents for collecting data is mostly applied in many economic and business surveys. (Kothari, 1990)

4.1.7 Samples Selection

To make a research accurate and economical, quite often representative subset of the population are selected by the researchers. This technique is called sampling and selected representatives are called sample (Showkat and Parveen, 2017). A sample has been defined by Field (2005) as “a smaller (but hopefully representative) collection of units from a population used to determine truths about that population” (Sharma, 2016, p. 15). Sample mainly represents the whole population. Sometimes it is not possible to collect data from the entire population. Thus, sampling can be an alternative if it is impossible to collect data from the whole population and the budget and time is limited (Saunders et al., 2015). Sampling techniques are divided into two main types, they are; Probability and Non-probability sampling. In probability sampling, every single member of the population has a chance to be picked as a sample. Which implies, in this technique, samples are chosen without any bias, randomly and independently. On the other hand, non-probability sampling method allows to pick samples in a non-randomised way and based on researcher’s subjective judgement (Saunders et al., 2015; Chaudhuri and Stenger, 2005).

Methods of probability sampling: There are five main techniques of probability sampling (Saunders et al., 2015) are discussed below;

- **Simple random sampling**: This is a method of probability sampling where each unit of the population has known and equal chance to be selected as a sample. This method is easy to conduct and there is a high probability to achieve a representative sample. Many statistical procedures can be used in this technique. However, in simple random sampling, it is difficult to identify and contact all members of the population (Sharma, 2016).

- **Systematic Sampling**: This method first makes a sampling frame based on some variable and number them from 1 to N then, pick a starting point from 1 to N and finally select the sample at regular intervals such as every k units after the starting place in the sampling frame (Shama, 2015). Although, the process is very easy
but, there is a possibility to miss equal chances of members of the population to include (Hajimia, 2014; Chaudhuri and Stenger, 2005).

- **Stratified random sampling**: This method of random sampling divides the population into two or more strata-based groups according to their different characteristics, for example, age, ethnicity, income, etc. Then samples are randomly selected from these groups in simple or systematic way (Sharma, 2016). Thus, this includes advantages and disadvantages of both simple and systematic random sampling method. Patton (2002) advocated this method is more accurate of sampling as it represents the subgroups. This also can be used for proportional as well as non-proportional samples. Only disadvantage of this method is to identify all members of the subgroups and the population which is a common problem of probability sampling (Hajimia, 2014).

- **Cluster sampling**: This method is similar to stratified sampling as it also divides the population into several groups before sampling where groups are called *clusters* and they are based on any naturally occurring grouping such as, geographical area (Henry 1990). This sampling technique represents the complete list of clusters not the complete list of individuals. Therefor it may be easier and useful process of sampling when the population is large and spread in a large area, but the representation of total population is less accurate in this sampling than stratified random sampling (Saunders et al., 2015).

- **Multi-stage sampling**: This method is also called multi-stage cluster sampling as, it expands cluster sampling and normally overcomes problems associated with the population which is geographically spread such as, face-to-face contact and expenses. A series of cluster samples involving some form of random sampling are involved in this method. Multi-stage sampling method significantly saves time and money depending on how appropriate and available all the series of different sampling frames (Saunders et al., 2015; Chaudhuri and Stenger, 2005).

Methods of non-probability sampling: There are five main techniques of non-probability sampling (Saunders et al., 2015) are discussed below;

- **Quota sampling**: This is entirely non-random method of sampling where population is segregated into cells based on related control characteristics. A quota of sample units is established for each cell such as, 20 boys and 20 girls. Then samples are selected to fill quota and thus it is a type of stratified where units are selected within strata is completely non-random (Barnett, 1991; Sharma, 2016). Quota sampling is less costly and very quick process, moreover, it does not
involve a sampling frame. On the other hand, quota boundary system of this method involves more biasness. Also, samples may not be represented which are not easy to access and unwilling to participate.\textsuperscript{39}

- **Purposive sampling:** In this process, samples are selected based on researcher’s experience or knowledge to find the most appropriate sample for the study. This is also called “judgment” sampling. Purposive sampling is taken for working with small size but very informative samples (Neuman 2005). This method is fairly less expensive, more suitable and easily approachable, and select only those units that are more related to answer the research questions and address the research objectives. But the disadvantage is inaccuracy of the researcher’s judgement of selecting samples will not represent the population (Showkat and Parveen, 2017; Saunders et al., 2015).

- **Snowball sampling:** This process is also called “chain referral sampling,” where samples are collected in several steps by considering the collection of added respondents is on the basis of referrals from the primary respondents and the process stops when no more referrals are found, or the samples are too large to manage. Snowball sampling is suitable when no other methods are available or when the population is incomprehensible. Once the initial contacts are found then they identify more members, who introduce other members of the population and so on. But the problem is to make the initial contact and respondents biasness is a big issue as most likely they identify similar to themselves for further respondents which can cause a homogeneous sample.\textsuperscript{40}

- **Self-selection sampling:** This is the method of non-probability sampling which selects samples by publicising researcher’s need for samples, then collect data from those who want to participate (Saunders et al., 2015). This is very useful technique for the researcher to collect data from appropriate respondents but there is a possibility to get not enough samples as the topic might not relevant or appealing to them.

- **Convenience (or haphazard) sampling:** This method allows researchers to select respondents according to their own convenience by collecting data haphazardly from the closest available respondents who are willingly participate to the process and it continues until the required sample size has been achieved. This method is used extensively but bias is expected and there are possible impacts that which are

\textsuperscript{39} Saunders et al., 2015; Hajimia, 2014; Chaudhuri and Stenger, 2005.

\textsuperscript{40} Showkat and Parveen, 2017; Saunders et al., 2015; Lee, 1993.
out of control, as the respondents emerge in the sample only because they were easy to obtain (Saunders et al., 2015).

Although, particular sampling methods are used for particular research strategy, for many research projects combination of different sampling techniques can be used depending on the capability of researcher to get access to organizations (Saunders et al., 2015).

Field of this research is very specific as it is investigating the effect of culture and leadership behaviour on ethical labour management in RMG industry of UK and Bangladesh, so the choice of research strategy will be guided by the research questions and objectives which will bear out in the following part of this chapter. The extent of existing knowledge depicted in literature review chapter is also important for choosing the research strategy followed by the amount of time and other resources such as primary data from fieldworks, as well as research philosophy and research approach. The next part of this chapter below, will give a clear idea of preferring our research strategy in light of philosophical positions of this study.

4.2 Approach Adopted in This Research

Applied to the current study, the following key research questions and hypotheses emerge:

- What are the effects of culture and leadership behaviour in RMG industry of Bangladesh and UK?
- How the culture and leadership behaviour differ in RMG industry of Bangladesh and UK?
- What are the effects of culture and leadership behaviour on ethical labour management in RMG industry of Bangladesh and UK?
- How culture and leadership behaviour have effects on fair trade policy of Bangladesh and UK in RMG sector?

RH1: Culture of UK and Bangladesh is different.

RH2: Leadership behaviour of leaders in UK and Bangladeshi RMG industry differs because of the cultural differences of these two countries.

RH3: There are significant effects of culture on ethical labour management in RMG industry of Bangladesh.
RH4: There are significant effects of culture on ethical labour management in RMG industry of UK.

RH5: There are significant effects of leadership behaviour on ethical labour management in RMG industry of Bangladesh.

RH6: There are significant effects of leadership behaviour on ethical labour management in RMG industry of UK.

In order to evaluate these key questions, a comparative study approach is adopted. From the discussion above of this chapter and considering the research questions and hypotheses of this study, pragmatism research philosophy has been embraced as the basis for the research design in this study because this philosophy claims that the most important component of the epistemology, ontology and axiology adopted in a study is the research question. Main focus of the research questions of this study is on culture, leadership behaviour and ethical labour management. To understand culture, leadership behaviour and ethical labour management of UK and Bangladeshi RMG industry pragmatism is a right framework as it is more concerned with particular relationships among things and phenomena, precisely between backgrounds and consequences (Harter, 2007). Also, from axiological point of view, pragmatism entails, believes and doubts of the researcher help to structure the shape of the study (Saunders et al., 2015).

Both deductive and inductive approach have been used to develop the theory of this study. Initially, through the inductive approach, interview and observation methods have been used to get an idea of Bangladeshi RMG industry then assumed the gaps and based on them research questions and hypotheses are emerged. Then through deductive approach, primary and secondary data are collected and analysed to answer the research questions and to justify the hypotheses.

Following research problems and questions, both qualitative and quantitative approach are adopted. There are few reasons for choosing qualitative approach. From the viewpoint of ontological philosophical assumption, some significant features of the social reality are; knowledge of people and their views, how they understand and interpret things, their involvements and communications etc. And our research questions are based on culture, leaders’ leadership behaviour, ethical labour management and business ethics, which are not physical objects in reality, consequently, these features lead to prefer the qualitative approach. From the epistemological point of view, to generate data in a proper and meaningful way, researcher should communicate with people interactively such as, asking them questions, listening to them, analysing their expression, experience and language they use. Additionally, qualitative data collection methods construct social explanations and arguments (Mason, 2002). Likewise, adopting quantitative approaches in this research analyse the Hofstede’s cultural dimensions of Bangladesh and UK. Quantitative approach also allowed to compare the data which are collected
from the samples of UK and Bangladeshi RMG industry. In addition, quantitative data analysis can help by generalising particular observations and authenticating different focus on qualitative findings (Miles and Huberman, 1994).

Depending on the requirement, the researcher can develop methods of data collection in several ways. For example, analysis of secondary data, observations, interviews and questionnaires within the selected research strategy. Considering the way of asking the research questions, this study has adopted the case study research method for this research. In this chapter previously, we have briefly discussed about case study research strategy. Therefore, below, this thesis addresses and analyses the case study broadly then gives explanations for selecting case study.

4.2.1 Case Study Approach

A case study has been defined by Yin (1994, p.13), “an empirical inquiry that investigates a contemporary phenomenon within its real-life context.” The case studies offer an option to use from many sources to study empirically a current phenomenon. Case studies allow a researcher to find replies to ‘what’, ‘why’ and ‘how’ types of questions. Stake (1995) intensely advocated the case study approach to research that intends to catch the density of a distinct case. He originally depicted that, a case study is the study of the intricacy and distinctiveness of a single case, approaching to identify with its movement contained by essential state of affairs and that, “the time we spend concentrating on the one may be a day or a year, but while we so concentrate we are engaged in case study,”. According to Robson (2002) case study strategy figures out of study entailing a realistic analysis of an accurate current incident in its real life situation with several sources of indication. If any individual desires to attain an affluent understanding of the research framework and the progressions being ratified, then case study strategy will be actual strategy to use for his or her study.

Hussey and Hussey (1997, p.67) anticipated that, “you may wish to select a critical case which encompasses the issues in which you are most interested.” Darke et al., (1998, p. 281) also offer some helpful suggestion when they recommend that the organizations’ involvement in the case study research strategy will most simply be reasonable where the organizations will realize that it is beneficial for them or they will clearly know that, ‘what’s in it for them’. They advocate the following should be comprehensible:

- An impression of the position of the organization relevant to the research question;
- It is essential to have a rich explanation and understanding of the nature of the observable fact in the organization;
- Outcomes of the research will be relevant to them; and,

41 Stake 1995, p.2
• The consequences will be available within a useful timeline.

This advice was followed in the relationship with the case study organization. The case study organizations are relating by four main factors (Yin, 1994) which is discussed below:

Relevance: Relevance is defined by Yin (1997) as the degree to which the organization selected for the case study goes with the intention of the study.

Feasibility: Yin (1997) also mentioned about feasibility that, when thrashing out feasibility or common sense of the study being accomplished, it is essential that the investigator should be able to plan, conceptualize, put into operation and report back on the research project by means of the case study regulation.

Access: Yin (1997) identified that one of the concerns for the research’s behaviour is that the full organization’s support should be protected for the period of the research.

Application: Yin (1997) also identified the case study method’s level in an exact circumstance. A number of features were taken into account to identify potential aspirants for the research. These included size, industry sector, and the condition of the centre of attention on knowledge supervision and knowledge sharing.

This study has adopted the case study strategy as research technique despite the fact that there are some advantages of this approach. Intension of this study is to investigate the differences of culture and leadership behaviour and their effect on ethical labour management in the readymade garment industry of Bangladesh and UK. So, we need a good understanding of culture and leadership behaviour in these two countries’ RMG industry. In general, the case study provides wide-ranging information about individuals and it seeks the exclusive features about the subject or condition (Thomas et al., 2005) so, the researcher has employed this research technique. Another benefit of the case study technique is pointed out by Saunders et al., (1997) that, it is a useful approach to discover the subsisting theories. In addition, it also provides a basis of new hypothesis in some particular situation when the background is important, and the study is going to justify the hypotheses to find the effect of culture and leadership behaviour on ethical labour management. According to Holloway (1997), sometimes researchers are friendly with the case and its context; they explore it as they need the knowledge on the subject of the specific case.

There are also some limitations to the use of case study method. For examples, some participants might be sensitive to explain some particular themes. However, they want to give all information as much as they know and wish a successful research, sometimes they do not want to provide some negative ideas about their institution or their social background (Saunders et al.,
1997). The researcher found, during the research, that some participants have a tendency (intentionally or unintentionally) to describe a good and positive image of their cultural background and their previous working places. For instance, a manager deliberately declared that he will might share some sorts of incidents but that cannot be mentioned on the research which are quite relevant for the study. Political bias, threats and corruptions are also issues sometime. Fear for loosing job, risk from any powerful person or institution etc. need to be focused on too.

Yin (2003) recognises four case study strategies based on two separate dimensions:

- Single case v. multiple case;
- Holistic case v. embedded case.

A single case is frequently utilized where it corresponds to a serious case or, on the other hand, an extraordinary or special case. The purpose of using a single case perhaps it is typical, or it provides the researcher an option to detect and examine a phenomenon that few have considered previously. A significant feature of using a single case is describing the actual case. A case study strategy can also include multiple cases, which involve more than one case instead of only one case. The intension of using this strategy is logical. Multiple cases establish whether the results of the first case take place in other cases and, therefore, it focuses on the need of generalising from these findings. That's why, Yin (2003) argues that multiple case studies perhaps more desirable than a single case study and where researchers take a single case study, they should have a strong reasoning for this selection.

Holistic v. embedded is the second dimension which expresses the unit of investigation. A systematically qualitative approach forms a holistic case study which depends on narrative, phenomenological descriptions. Subjects and theories are likely to be important, but they should remain dependent to the understanding of the case (Stake, 1976). There are more than one unit or object of analysis in the embedded case studies and usually these units are not controlled by qualitative analysis alone. The abundance of evidence is examined no less than partially in subunits, which focus on different significant characteristics of the case. For example, in an organizational case study, the main unit is a company all together and the smallest units are its divisions or even groups of people, for instance proprietors and staffs. An embedded case study involves an abundance of techniques that maybe utilized in the subunits. Accordingly, hypotheses may be articulated, quantitative data sampled, or statistical analyses utilized (Bortz and Döring, 1995; Campbell and Stanley, 1963).

This study was embarked on as a multiple case study to describe the overall picture of culture, leadership behaviour in Bangladesh and UK to find out the effect of them on ethical labour management in RMG industry of these countries. This study allows researchers to identify the progresses, improvements or changes of target population’s characteristics at the group as well as the individual level and this can be considered as a benefit of a longitudinal study. The
reason is that longitudinal studies spread further than a single moment in time so, they can create series of incidents.

4.2.2 Triangulation

The case study strategy is commonly used in explanatory and exploratory research. May be several types of data collection processes can be applied in this strategy and are likely to be used combinedly. For example, they might comprise interviews, observation, documentary analysis and questionnaires. Therefore, while a researcher conducts a research with case study strategy, most likely it needs to use and triangulate multiple sources of data. Triangulation allows researcher to use of different data collection processes in one study to make sure that the effect of different data collection method on research is same. For an example, researcher can collect qualitative data by applying semi-structured group interviews which perhaps a useful way of triangulating quantitative data collected by using another process like questionnaire.

In relation to research methods, the researcher uses quantitative and qualitative mixed-method (triangulation) approach through the case studies strategy. For the purposes of this research, primary data are collected in few stages. In the initial stage, the unstructured observation and interview has been used which offered free responses from participants on some specific questions and areas (Appendix 7). At the same time, workplaces, employees’ lifestyle and their behaviour are also observed. Managers and employees of few readymade garment organizations in UK and Bangladesh are the participants and standardized techniques of recording were followed.

Initially clothing retailers in UK have been selected non-randomly considering from where they are mostly sourcing their garment products. As, the study focuses on UK and Bangladeshi readymade garment industry, big fashion retailers are selected for this study who are sourcing a large amount of RMG products from Bangladesh. In order to find the right organizations secondary data have been used as a main source. From all the news after Rana Plaza incident identified which UK fashion giants are getting their products from Bangladesh. This made easier to select the UK organizations. In addition, brands’ official websites provide from which countries they are sourcing their RMG products. These organizations were visited unofficially to check how employee safety is visible. From authors personal work experience as well as government rules and regulations it was quite easy to get all the information regarding wages, working hours, employee safety maintenance etc. After the first field work in Bangladesh, author found that there are lots of small clothing organizations in UK who also get products from Bangladesh through third parties called buying houses. Therefore, for the questionnaires, both employees from big brands and small retailers have been selected non-randomly in multi stages. Some fashion organizations may not source their products from Bangladesh at all, but they were also included as the study also compares the overall HR system of these two countries’ RMG industry. To select samples, first, geographical locations are considered, as in big cities in UK it is easy to find all types of clothing organizations. For
example, in main area of central London there are lots of fashion retailers, employees are also culturally diversified. On the other hand, in Carlisle there are less than twenty fashion retailers and employees are less culturally diversified. Then employees have been divided into general and managerial staff because to get access to the store for data collection purpose official permission from the manager was needed. Self-selection sampling method was employed as managers were too busy to participate however, some of them took part voluntarily and their number is less compare to general employees. Similarly, general staff such as, sales assistants, visual merchandisers were selected whoever were on break, not busy on work and interested to participate.

At the beginning, for interview and observation, in Bangladesh, factories are also non-randomly selected, considering, who are mainly manufacturing RMG products for UK retailers. To select these organizations database from UK fashion organizations has been considered. Webpage of renowned clothing brands in UK provide the list of their suppliers. Primarily, employees from these organizations have been non-randomly selected in multi stages for interview and observation process. Dhaka is the main part of Bangladesh and Ashulia in Savar district is the main area where all the factories are moved from residential areas and constructing all new garment factories. Garment employees are also living in this area. So, to interview employees and observe workplaces and their lifestyles that is the best place in Bangladesh. Employees have been divided into managerial and general staff. The reason is, managerial staff only will be able to give information about employee management and policies of the company, moreover to explore the workplaces need help from managerial staff. And general staff would provide information about wages, working hours, lifestyles etc. Not all managers wanted to participate as that might affect to their job. Therefore, self-selection sampling was employed. Managers who were feeling comfortable and willingly wanted to participate have been interviewed. General staff were interviewed if they wanted to participate, after their working hours outside of their workplaces as it was hard to listen and would distract them while they were working. Also, in the organizations they would feel scared or not give right information as their managers would know who has been interviewed. The author visited to Bangladesh for the second time and collected data from garment workers in Bangladesh using self-selection sampling once again. Author first selected the geographical areas and then employees in those areas were selected. As mentioned before, most general garment workers in Bangladesh are illiterate, so, workers who understood the questionnaire well were participated to the process. To find HR and leadership bodies or any organizations, there were no other options apart from BSHRM. Author purposely tried to contact the founder members of this organization because founders of that organization are the best people to contact to get information about the organization and the HR sector of Bangladesh and author managed to interview one of them. There are only three main factory inspection organizations, one of them is government organization (DIFE) and two of them are non-government (ACCORD, Alliance for Bangladesh) and foreign buyers are only signed with ACCORD and Alliance for Bangladesh. All three organizations are selected to collect primary and secondary data.
The reason of applying unstructured observation method is, it helps to understand actions, roles and behaviour (Appendix 7). This technique also allows to obtain the right information which is not possible through interview or questionnaire technique. For example, when garment workers in Bangladesh have been asked about living wages, they were unable to answer as they have no idea about living wages. Some workers said they are happy with their wages. But their living standards gives a different picture which implies their wages are far below than living wages. Another example is about employee safety, but their factories were under construction and they were working there which were completely unsafe. Moreover, for some reason when it is hard to get proper information through interview or questionnaire the observation method is the only way to collect the right information. Some employees said that, their employers do not force them to work excess hours, but by observing those factories researcher found that in fact their employers force them to work excess hour otherwise they will be sacked. Therefore, collecting primary data through unstructured observation was most appropriate approach on that initial stage. Unstructured interview also considered at the beginning because it allows researcher to explore the several phases of a complex issue in depth by asking open questions (Appendix 7). To get additional information it is not a good idea to ask questions with set of answers or rank the answers. For instance, all employees agreed that it is a law to maintain all the employee safety, but they also added that it is possible to make fake paperwork by bribing the duty officers/factory inspectors. Through the informal interview employees describe the whole story of corruptions that how it takes places which would not be possible through structured interview with close ended questions or questionnaire data collection method. After collecting the primary data by using unstructured observation and interview method data were analysed and compared between Bangladesh and UK. This analysis and comparison gave a clear idea that the culture and leadership behaviour are very closely related to each other and they have effects on ethical labour management. For example, in UK, most employees are aware about their rights and they know how they should be treated. Managers and owners of the organizations are also careful about their employees which is also making sure by the law and enforcement system of the country. On the other hand, in Bangladesh most of the employees do not know what their rights are and how fairly organizations should repute them. And most of the owners and managers of the organizations are taking the advantages of this lack of awareness moreover the law and enforcement systems of the country are not enough strict to oversee these issues. So, this implies that, differences of culture and leadership behaviour of these two countries play a very important role on ethical labour management in readymade garment industry and this helped to construct the research questions and hypotheses for the study. Then author collected secondary data from existing literature regarding culture, leadership behaviour and ethical labour management. In general, there are lots of evidences which show the effects of culture and leadership behaviour on each other and they have also effects on ethical labour management. But investigations are not enough particularly on workforce management of RMG industry of Bangladesh and UK. Therefore, finally, author picked some key issues regarding culture, leadership behaviour and ethical labour management from the initial investigation and made the questionnaire (Appendix
8) with “likert scale” to see the relationship among them and to justify the effects of culture and leadership behaviour on ethical labour management between these two countries’ RMG industry. There are 20 sets of questions where first 10 questions of them ask about the human resource system of the organizations and last 10 questions are about leadership behaviour in terms of national and organizational culture. First 10 questions investigate how fairly the employees of the organizations are managed such as, wages and workplace safety issues and last sets of questions investigate the leadership behaviour of leaders and their views related to the culture and ethical labour management within the organizations. Same questionnaire has been sent to two different groups of samples in UK and Bangladeshi RMG industry. Results are analysed to compare the HR practices, leadership behaviour in these two countries. Questionnaire data collection process completed via face to face interview in UK and Bangladesh. For Bangladesh, questionnaire was also sent to members of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Bangladesh Society for Human Resources Management (BSHRM). Bangladesh case studies are also constructed with the help of initial interviews and observations of interviewees and informal visit of 50 factories (Appendix 7). However majority data of Bangladesh and UK case studies are collected from secondary source of data.

4.3 Reliability and Validity of The Research Method

Reliability denotes the area in which data collection processes or analysis methods will capitulate coherent outcomes. It can be evaluated by presenting the following three questions (Easterby-Smith et al., 2008, p. 109):

- Will the methods capitulate the same outcomes in other cases?
- Will similar explanations be perceived by other researchers?
- Is there clarity in how perception was formulated from the basic data?

Validity refers to the findings of the investigation, are they really about what they give the idea to be about. There are mainly two types of validity are discussed below.

- Internal validity: Internal validity is defined as the credibility of casual explanations. Triangulation can enhance internal validity if dissimilar methods produced converging findings (Bryman and Bell, 2003). Qualitative data may enrich and substantiate casual explanations suggested by statistical co-variations in the same empirical settings. These may provide alternative casual relationships as well (Modell, 2005).
- External validity: External validity refers as the possibility that a particular perceptive will stickup across a broader range of empirical settings. Several authors describe that backgrounds external validity generalize across periods, settings, and people.\(^42\). External validity depends on forming a true illustration of two constructs’ relationship and

\(^{42}\) Cook and Campbell, 1976; Mitchell, 1985; Sackett and Larson, 1990.
establishing that the relationship is simplifiable to different people, methods, and situations.

As, data were taken out from the original sources, they are validated with regards to form and context with constant assessment by data triangulation method. Internal validity in this research was enabled by providing statistical test. Additionally, the research has selected a wide set of occupational groups in the RMG industry of Bangladesh and UK. Data triangulation method was utilized in this research to develop the external validity. Samples are in this research from different cultural backgrounds were used to quantify with different settings.

4.4 Research Ethics

Several authors suggest the need for considering ethical issues while conducting research. Ethics has been defined by Cooper and Schindler (2008, p. 34) as, “norms or standards of behaviour that guide moral choices about our behaviour and our relationships with others”. Therefore, research ethics indicates, how the entire research has been conducted in a moral way, i.e., the moral issues concerning various part of the research. Which means that ethics of research describes, how researcher originate and makes clear the topic of the study; plan the research and obtain the access to research related places and sources of data; accumulate, manage, store, and examine data; write up the outcomes of the research in an ethical and liable way. For that reason, investigator will must make sure that the design of the study is methodologically sound as well as ethically defendable to all who are part of the investigation. Certainly, what is ethically defendable conduct as investigators will be influenced by wider social values of conduct (Zikmund 2000). Through the entire research project, a few key ethical issues arise in different periods and its different stages which relate to the:

- Confidentiality of potential and original participants of the investigation;
- Voluntary type of contribution and the right to partial or complete withdrawal from the investigation;
- Approval and expected deceptiveness of participants;
- Protection of the secrecy of data collected from individuals or recognizable participants and their confidentiality;
- Consequences, responses and effects of participants to collect, use, examine, and report data, involving discomfort, tension, embarrassment, agony, damage and injury;
- Behaviour and fairness of the investigator.

The above issues have been applicable to this research study because it also involved collecting data through interviews and observations. Stake (2000) advocates that qualitative investigators are guests in the private spaces of the planet and, so they should have good manners and decent behaviours and they should not compromise regarding any ethical issues. The relevant research

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ethics therefore have been valued and upheld throughout the course of this study. The following are the ethical protocols that were designed to guide this study:

- Protection of the interest of the subject and other organizations, as a result of sustaining its internal and external harmony. In addition, detailed descriptions will be provided for each of the case corporations, for instance, giving an idea of the sample, which is being studied.
- The empirical material will be secured confidentiality during and after this research has been conducted, to safeguard the privacy of participants and the firms involved in this study.
- The permission of the organizations and participants will be obtained during accessing information and collecting data, including as regards publishing the work.
- The researcher will approach appropriately within organizations and with respondents, by considering professional dignity and ethical issues.
- Data accuracy, validity and reliability will be ensured at various levels of this research, by applying the triangulation technique.

4.5 Scope of Study

A research project needs to be performed by indicating the limitations and restrictions in which the research will be investigated, and this is denoted as the scope of the study (Brecun, 2005). Therefore, scopes of this study are described below.

Geographical Scope: The geographical region involved in the study is UK and Bangladesh, from where case studies are taken, and the researcher met interviewees and visited their work places.

Primary Reference Period: For the study responses from the individuals has been taken from July 2013 to May 2017 and this is the primary reference period.

Secondary Reference Period: Several types of books, articles, academic journals, other papers and so on has been explored by the researcher. Several internet sources also include as secondary references material. 1800 to 2017 is the time period of these sources which shows issues of ethical practices in labour management and effect of culture and leadership behaviour have been raised years and years ago.
4.6 Summary

This chapter has explained that, there are different choices available for the implementation of the field investigation and the sense for the adoption of the particular method, strategy and processes used to examine the effect of culture and leadership behaviour on ethical practices in labour management of UK and Bangladeshi RMG industry.

In summary, the whole methodology of the research is based on pragmatism philosophy. It mixes non-empirical and empirical approaches; applies mainly qualitative also quantitative methods for data collection and analysis; is inductive for qualitative data collection and analysis and deductive concerning hypotheses justifying; adopts the case study as the primary research strategy; considers a snapshot approach to form the case with multi cases; searches for considering the case as one of an exploratory and explanatory type, and employs a combination of data selection, collection and examination techniques.

To that end, the next section of this study will exhibit the empirical cases of Bangladesh and UK based on the collected data during the fieldwork stage of this research project.
Chapter 5: UK Case Studies

The purpose of this study is to investigate the impact of culture and leadership behaviour on ethical practices of labour management in UK and Bangladeshi readymade garment industry. In order to achieve that goal this research has taken some case studies, on a comparative basis, from UK and Bangladesh. This chapter contains the UK case studies which described firstly, the history and development of Human Resource Management in this country to see how it has been founded and what are roles and responsibilities of it. Then, general labour laws are described which actually showed all basic rules and regulations, rights and benefits are same for all employees including the individuals of RMG industry in this country. Thirdly, wage band of civil servants in UK are described which shows their salary ranges to compare with the employees’ salary who are in private sectors. Then UK government and independent bodies and their functions are depicted that who are working for making sure that employees are ethically treated. After that, how big clothing businesses in UK are ethically trading with their supplier countries including Bangladesh are described to show that whether the organizations in UK treating differently the individuals who are working in supplier countries. Finally, Hofstede’s cultural dimensions of UK are described to compare it with Bangladesh later. UK case studies are constructed from the secondary data.

5.1 History of Human Resource Management in UK

The term “Personnel Management” evolved near about the 19th century’s end, when welfare officers (occasionally called ‘welfare secretaries’) started performing as a real. Officers were women and their responsibility was only to protect women and girls. Unkindness and roughness of manufacturing organizations’ conditions, along with pressures starting from the expansion of the franchise, the trade unions’ effect and the movement of labour, and the demonstration canvassing of open-minded employers caused the establishment of personnel management. Those free-thinking employers were often called ‘Quakers’ for ‘industrial betterment’. As the roles and responsibilities of women and children expanded there was some pressure increased between the aim of moral safety of them also the needs for higher implementation (CIPD, 2014).

The First World War accelerated change in the development of personnel management as men went to fight and large number of women being employed to fill the gaps. As a result, they came to an arrangement with trade unions (frequently after unpleasant arguments) to accept untrained women into craftsmen’s jobs and changing staffing levels. In the engineering industry, ‘labour manager’ or ‘employment manager’ titled jobs created during the 1920s. Other industries with large factories also created this post to handle staff absence, employment and dismissing, enquiries about bonuses and so on. Specifically, in engineering and shipbuilding industry, federations of employers, agreed national wage rates with the unions. But there were local and district differences in the negotiated wage rates and there were possibilities for argues. The
economy starting to pick up in the 1930s with big new corporations. These newer industries observed that it is beneficial for them to improve employee benefits related to recruiting, retaining and motivating employees. On the other hand, the older industries which were affected by the global recession such as, textiles, mining, shipbuilding and so on, did not approve the new techniques which have been adopted by the newer industries. Because, they could not find it beneficial as they were not experiencing any difficulties in recruiting workforce. The Second World War highlighted full-time based welfare and personnel work at all organizations manufacturing war materials as an expanded Ministry of Labour and National Service enforced the government recognised high-quality personnel management helps to drive for an efficient workforce. By 1945, employment management and welfare work, both combined under the large term ‘personnel management’. From the war experience it came out that production and productivity can be changed by employment strategies (Stefani and Niada, 2013).

In 1960s, a Royal Commission under Lord Donovan was established, and still poor industrial relationships were there. In 1968, it was reported that the relationships between employers and unions became critical. For lack of negotiation skills and shortcoming to design industrial relations policies, personnel managers were critiqued. For instance, Lord Donovan criticised that and blamed failure of management for this critical situation. He also suggested to give sufficiently high priority to personnel management. In between 1960s and 70s, employment started to progress largely, and personnel systems advanced by using the social sciences’ concepts about employee inspiration and organizational behaviour. For example, evaluating applicant's capability to perform specific tasks are often called selection testing, which became more broadly to use. At the same time, management training also developed. In 1970s, specialisations started to develop as separate issues concerning reward and resourcing. Around middle of 1980s, Human Resource Management as a term came from the USA. The term ‘human resources’ is quite interesting as it sounds like considering employees of an organization as an asset or resource like any other assets of the organization, such as, machineries. Simultaneously, HR also focuses on employee responsibility and inspiration. Staff recruitment, scheduling and paying wages are the main responsibilities of HR department of their companies. It also involves a few expert authorities, together with diversity, reward (consisting allowances, compensations, welfares, pension scheme), resourcing, staff relations, organizational development and plan, and learning and development events (Ahammad, 2017; CIPD, 2014).

The Human Resources Department of an organization usually covers following five key roles (Bitesize, 2016).

- Executive role
- Audit role
- Facilitator role
- Consultancy role
- Service role
Chartered Institute of Personnel and Development (CIPD) is United Kingdom’s leading body in personnel management and development also working globally to continue sustained organization performance through human resources, affecting thinking, leading practice and constructing HR competence (CIPD, 2016).

5.2 Labour Law in United Kingdom

United Kingdom labour law controls the relationships amongst employees, employers and trade unions. In the UK, employees at work get assistance from a minimum charter of employment rights. These rights are found in several Acts, Regulations, common law and equity (Appendix 3). For example, for over 25-year age employees, the right to a minimum pay of £7.50 under the National Minimum Wage (NMW) Act 1998 (GOV.UK, 2017).

The hourly rate for the minimum wage from 1 April 2017 is:

<table>
<thead>
<tr>
<th>Year</th>
<th>25 and over</th>
<th>21 to 24</th>
<th>18 to 20</th>
<th>Under 18</th>
<th>Apprentice</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2016</td>
<td>£7.20</td>
<td>£6.70</td>
<td>£5.30</td>
<td>£3.87</td>
<td>£3.30</td>
</tr>
<tr>
<td>April 2017 (current rate)</td>
<td>£7.50</td>
<td>£7.05</td>
<td>£5.60</td>
<td>£4.05</td>
<td>£3.50</td>
</tr>
</tbody>
</table>

Table 7: UK National Minimum Wage Rate 2017 (GOV.UK, 2017)

Most (except few exempted) organizations pay national minimum wages or national living wages at the rate mentioned above in the table 7. This rate reviews every year and increases considering the cost of living expenses (GOV.UK, 2017).

The Working Time Regulations 1998 give the right to 28 days holidays apart from national holidays which is paid, breaks during the working hours, and tries to limit extremely long working hours. The Employment Rights Act 1996 allows employees to leave job for child care and gives the right to asking for more flexibility of work. The Pensions Act 2008 gives the right to an individual to enrol automatically in a basic job-related pension, and his funds must be secured according to the Act of Pensions 1995. To get decent labour standards the most important right is to join as a group in decisions about how an organization is operated. Under the Pensions Act 2004, workers have to be able to vote for trustees of their professional pensions. In UK there are some organizations for example, universities where staff can vote for the directors of the institution. Enterprises where over 50 staff are employed, there employees must be notified and consulted if organizations are going through any major economic expansions or
problems. This takes place with a gradually growing number of work councils, and generally employees must request for it. The Equality Act 2010 establishes fair treatment of employees at work place which requires equal treatment of employees based on their age, sex, ethnicity, sexual orientation, and religious views unless there is a reasonable justification. Employers should supportively adapt the needs of disabled people to fight social barring. There shouldn’t be any inequality between part-time workers, agency staff, fixed-term contractual workers; and full-time or permanent employees. To manage with the joblessness situation, all employees should be given a reasonable notice before making them redundant after a probation period of a month. Employees after two years of their service in an organization can only be dismissed for a decent reason. Also, if their job was no longer need for financial purposes, they will get a redundancy payment (GOV.UK, 2017).

However, by law all organizations have to maintain employee safety, lots of organizations do it from their humanitarian aspects.

5.3 Civil Servants in UK

In UK, Civil Servants are employed by the Crown, excluding those who are employed by the Monarch herself. Therefore, who are employed by Parliament and by other public bodies are not considered as Civil Servants. Pay Bands of Civil servants with salary ranges are as follows:
<table>
<thead>
<tr>
<th>Pay Band</th>
<th>Salary Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>£16,586 - £18,767</td>
</tr>
<tr>
<td>C</td>
<td>£21,123 - £25,793</td>
</tr>
<tr>
<td>D</td>
<td>£25,969 - £30,333</td>
</tr>
<tr>
<td>E</td>
<td>£33,072 - £41,176</td>
</tr>
<tr>
<td>F</td>
<td>£44,263 - £53,909</td>
</tr>
<tr>
<td>G</td>
<td>£53,060 - £66,034</td>
</tr>
<tr>
<td>PFD (Procurator Fiscal Depute)</td>
<td>£39,000 - £47,297</td>
</tr>
<tr>
<td>SPFD (Senior Procurator Fiscal Deputes)</td>
<td>£45,084 - £53,596</td>
</tr>
<tr>
<td>PPFD (Principal Procurator)</td>
<td>£48,899 - £61,705</td>
</tr>
<tr>
<td>SCS Pay Band 1 (Senior Civil Service)</td>
<td>£68,276 - £117,800</td>
</tr>
<tr>
<td>SCS Pay Band 1A (Senior Civil Service)</td>
<td>£75,000 - £128,900</td>
</tr>
<tr>
<td>SCS Pay Band 2 (Senior Civil Service)</td>
<td>£93,000 - £162,500</td>
</tr>
<tr>
<td>SCS Pay Band 3 (Senior Civil Service)</td>
<td>£104,000 - £208,200</td>
</tr>
<tr>
<td>PFD Training Year 1</td>
<td>£30,098</td>
</tr>
<tr>
<td>PFD Training Year 2</td>
<td>£31,256</td>
</tr>
<tr>
<td>Trainee Solicitor Year 1</td>
<td>£16,700</td>
</tr>
<tr>
<td>Trainee Solicitor Year 2</td>
<td>£20,000</td>
</tr>
</tbody>
</table>

*Table 8: UK Pay Band and Pay Scale (GOV.UK, 2016)*

From the table above, we can see the huge difference between the lowest (£16,700) and the highest earning of a Civil Servant (£208,200) but still the lowest earning band is earning the national living wages.

**5.4 UK Government and Independent Bodies**

The Secretary of State is completely responsible for the Department for Work and Pensions (DWP). He is directly responsible for expenditure and management of this department. DWP administers the State Pension and working age benefits system and provides assistance to:

- working age people,
- employers
- retirees
- families and children
- people with mental and physical disability (GOV.UK, 2017)
The Health and Safety Executive (HSE) is the nation-wide independent supervisory body for health, safety and illness related to workplace. It performs or takes actions in the public interest to cut job-related death and severe suffering across workplaces in Great Britain. However, HSE is sponsored by the DWP, but an executive non-departmental public body (GOV.UK, 2017).

In UK, local council inspects (by special trained team) for routine check regarding the workplace health and safety. If they find any serious hazard for either staff or customers, they will take necessary actions against the company. If anything, minor but still hazardous or something is not correct they will give enough time to correct it.

The Low Pay Commission (LPC) is an independent body which is responsible for advising the ruling party about the National Living Wage and the National Minimum Wage. This is also a non-departmental, advice-giving public body. LPC is funded by the Department for Business, Energy and Industrial Strategy (GOV.UK, 2017). The commission involves:

- Performing wide-ranging research and discussion, and assigning research projects
- Examining related data and strongly inspiring the Office of National Statistics (ONS) to create better estimations of the rate of low pay
- Conducting surveys of businesses in low-paying sectors
- Discussing with employers, employees and their delegates and taking evidence on paper and by word of mouth from a wide range of organizations
- Making information-gathering visits all over the UK to meet employers, workers and representative organizations

Every year the real Living Wage is independently-calculated based on the requirements of employees and their families to survive by Living wage foundation UK which is called real living wage. UK’s current real living wage is hourly £8.75 for the employees who is living outside of London city and who are living in London, their living wage is hourly £10.20 (Living Wage Foundation, 2017). Employers are not bound to pay the real living wage. Employers who are paying is voluntarily and from their humanity point of view. This rate is applicable for any over 18 worker as young people also need the same living expenses as everyone else (Table 9).
Table 9: Historical Living Wage Rates (Living Wage Foundation, 2017)

Living Wage Foundation is the centre of the free movement of organizations. They campaign for *a hard day’s work deserves a fair day’s pay*. The foundation appreciates and the leadership of responsible employers who make themselves different from other employers by deciding that they will pay a real living wage instead of paying just the national living wage (Living Wage Foundation, 2017). The foundation performs following three things:

**Accredit:** The foundation offers accreditation by awarding the Living Wage Employer Mark to those employers who pay real living wage to their all staff in London and the UK, or those who haven’t started to pay yet but agreed that from a certain date they will implement. The foundation is also offering a Service Provider Recognition Scheme for those businesses who are trading as third party contractors and they make sure that they are paying real living wage to their own staff and always presents a real living wage choice when submitting tenders (Living Wage Foundation, 2017).

**Intelligence:** Every year in November, the foundation organises the declaration of the real living wage rates. The rate has been announced on the basis of the best available data about living standards in London and the UK. The foundation also offers guidance and care to real living wage paying employers and service providers, which include guides of best practices, case
studies from big companies, model finding contexts and right to get help from legal and HR specialist (Living Wage Foundation, 2017).

Influence: There is a forum for top employers and service providers which is provided by the foundation and offers to openly join the independent movement of organizations and people circularising for a real living wage. Foundation works with Main Associates who bring economic and strategic assistance to their work. Living Wage Foundation coordinates yearly Living Wage Week each November, which is a UK-wide celebration of the Living Wage movement (Living Wage Foundation, 2017).

In January 2016, the Living Wage Commission was established to supervise how the Living Wage rates in London and the UK is being calculated. The Living Wage Foundation employed the Commission which collects information from top employers who are accredited by the foundation, trade unions, public societies and independent specialists. Then the commission analyse the collected information and promotes the aims and objectives of the Living Wage as an achievable target for employers who decided to pay their employees real living wage which will meet their actual cost of daily necessary goods and services. Based on what happens to standards of living in one year, the Living Wage is prepared by a formula. A clear decision-making opportunity is provided by the commission to discuss and resolve particular decisions about how to combine changes of strategy and new sources of data into the estimation. It also guides the way to cope with the extreme yearly differences from usual increases in living expenses (Living Wage Foundation, 2017).

Purpose of the commission: The main objective of the commission is to supervise how the rate of real Living Wage in London and the UK is being calculated.

Aim of the commission: To generate strong and sustainable rates of Living Wage, on the basis of the best accessible evidence regarding the standards of living in London and the UK.

Responsibilities of the commission: Commission’s responsibilities are as follows;

- To provide strong, independent way of calculating the rates of living wage.
- To make decisions about how to combine changes of strategy and new sources of data into the estimation.
- To review the methodology regularly for making sure the living wage continues as complete representative of life in the UK currently and utilizes the latest available data on the living expenses.

Activities of the commission: Living Wage Commissions’ activities are as follows;

- Meet as essential to analyse development against purpose along with and aims.
• Discuss with and take verification from main participants on the possible effect of strategy and living cost tendencies on the rates.

• Carry out investigations, commission projects and research as appropriate and required.

• Recommends to the Living Wage Foundation the methodological matters (Living Wage Foundation, 2017).

It is not required by law that UK companies have to pay real living wages but still lots of companies pay real living wages which is more than NLW. For people who are getting the real living wage it means full time employees earning the real living wage which is £108 a week in London and £50 a week in rest of the UK more than those on the national minimum wage, so they can afford the things they need to live, like a decent meal, a warmer home and a birthday treat for their children. This implies employees are satisfied with their job and lifestyle. Paying living wages is also good for the companies. Living wage employers think paying living wages had improved the quality of the work of their staff. However, employers are paying living wage for fairness and ethical awareness, consumers also appreciate these companies’ initiative.

UK is a member of International Labour Organization (ILO) and most of the organizations’ code of conducts show the core rules that suppliers and factories must follow to make sure products are made in good working conditions and that the workers, who are related with the production are treated decently and earning a decent salary. This code of conducts is based on the Ethical Trading Initiative (ETI) Base Code, which is itself founded on the International Labour Organization’s conventions and is a worldwide standard code of labour practice (ETI, 2017).

Trade Union has a long history in UK. Today the rights and benefits that workers in UK are enjoying, have been achieved over years and years. It was not very easy, and employees had to go through a terrible experience, in some contexts, reflect the collective action by workers and their unions over two centuries. The backgrounds of the trade union movement can be tracked to the time of the industrial revolution. Britain has been transformed by the industrial revolution in the 18th and 19th century from an agricultural and rural society to an industrial production in factories, textile mills and mines based society. In these new industries the conditions of working places were not very good. The situations were often rough, with male and female workers and even children were pushed to work long hours and the wages were very low. The employees did not agree to take these conditions which caused a number of trade arguments throughout the 18th century where labours came organized to solve one-off problems at their workplace. At that time the government was elected by only 3% of the adult population and the voters were only the landowning men. The government, the factory owners, and the media were unfriendly and aggressive towards any grouping or movement of workers to protect their rights. In 1799 and 1800, the Combination Acts passed which described that any type of strike action is illegal. Also
Striking was liable to be punished by imprisonment of up to three months or hard labour of two months (GOV.UK, 2016).

Six farming workers for the first time had formed a trade union in March 1834, in the Dorsetshire village of Tolpuddle. They were under arrest and considered guilty of 'administering illegal oaths' in what was a provisional show. The Trade Union Act 1871 accepted trade unions as authorised beings allowed to protection under the law. However, in 1875 it was only lawful for trade unions to perform efficient action of strike by picketing. Trade unions were in action by the 1880s in the engineering industries and cotton, coal, iron and later in steel manufacturing businesses. Trade unions expanded very rapidly between 1888 and 1918. Ant it started to spread out to inexpert workers and to women employees. In 1979, in the UK, membership of trade union touched a peak of 13 million and then by the end of the twentieth century it dropped gradually. Between 2000 and 2012, the numbers stabilized at around 7.3 million, and started to increase again, specifically among private sector employees. Trade unions still remain among the biggest membership organizations in the country. In 2011, According to Fulton (2015), 27% of all UK workforces were a trade union’ members. Among the members 57% were from public sector and 15% from the private sector. Workers in UK are entitled to join a trade union wherever they work, and this is established by the Trade unions and the law, UK 2013. This right applicable even a union has been recognised or not by the employers. Employees are secured from being deprived by their employers for being a member of the trade union. It is not legal for an employer to reject a worker to employ or fire because of being a member of trade union and any related activity. By law a worker is not bound to join a trade union. If any employer recognises union, then members also are entitled to take time off at a suitable time for taking part in the union’s activities which may involve any type of voting on industrial action or voting in elections of union and meeting to discuss important issues (Anitha and Pearson, 2014).

Employment law: Employment law controls the relationship between employers and workforces. Employment law involves what employers can anticipate from workers, what they can include on employees’ responsibility and rights at workplace. Employment laws also cover the legal obligations at work, entire recruitment processes; the terms and conditions of service; data security; breaks and holidays, working hours, overtime and wages; health and safety guidelines; maternal and parental rights; equality based on age, sex, ethnicity and sexual orientation; discipline, grievance and dismissal procedures; whistleblowing on ethical issues; employment tribunals; TUPE regulations; and redundancy (CIPD, 2016).

5.5 Ethical Practises in Managing Labour of Big Brands and Multinational Companies

Fashion industry is one of the largest industries in UK with the domestic market value of 66 billion pounds. In 2016, UK imports of textiles were worth approximately £1.29 billion. Most of the big brands to small fashion retailers import their readymade garment products from
Bangladesh. Some big apparel companies’ code of conduct for their suppliers are mentioned below.

**Arcadia:** Arcadia Group Code of Conduct (March 2015)

Employment is selected without restrictions, this includes,

1. Workers are not forced, bonded or involuntary prisoned.
2. Workers don't seem to be needed to give any deposits or their identity papers to their employer and free to leave the job by giving a reasonable notice.

Independence of association and the right to co-operative bargaining are appreciated. This involves,

1. Workers have the right to join or form trade unions of their own preference and to bargain communally.
2. The employer shows an open attitude towards trade unions and approves the trade unions’ activities and their organization’s activities.
3. Employees delegates are welcomed and have access to perform their representative activities in the workplace.
4. Where the law does not allow the independence of association and collective bargaining, the employer assists, and does not obstruct, the development of corresponding means for neutral and unrestricted association and bargaining.

Workplace is non-violent, safe and hygienic. Which implies,

1. Company will provide a safe, secured and hygienic working environment. Satisfactory steps shall be taken to avoid accidents and injury to health related to work by minimising the causes of hazards in the workplace.
2. Regular and recorded health and safety training shall be provided for new and existing workers.
3. Clean, fresh and hygienic toilet services and drinkable water, and sanitary facilities for food storage (if suitable) shall be provided.
4. If accommodation is provided, shall be hygienic, secure, and meet the workers’ basic requirements.
5. The company perceiving the code shall allocate senior management representative who will be responsible for health and safety issues.

Child labour shall not be used. This includes,

1. New recruitment of child labour shall be stopped.
2. Strategies and programmes shall be developed or participated in by the companies which provide quality education until no longer a child if any child found as a child labour.
3. Children and young people under 18 shall not be employed at night or in a harmful condition.
4. These strategies, procedures and rules shall follow to the requirements of the related and appropriated standards such as, ILO (International Labour Organization) conventions.

Workers are getting living wages. This involves,
1. A standard working week’s wages and benefits should meet, at a minimum, national legal standards or industry fixed standards, whichever is superior. Salaries should always be adequate in any event, to meet basic requirements of employees and to provide some optional income.
2. Every employee will be given written and understandable information about their terms of service and their payment details before the entry of the workers.
3. Without the worker’s consent, wages shall not be permitted to deduct any amount as a penalizing measure. Also, without workers’ concerns any other deductions from wages (provided for by national law) not be acceptable.

Disproportionate working hours are not acceptable. This implies,
1. Working hours should be adapted from national laws, communal arrangements, and the provisions mentioned below based on international labour standards, whichever gives the superior protection for workers.
2. Without overtime, working hours shall be defined on employment contract, and shall not be weekly over 48 hours.\textsuperscript{44}
3. Workers are must be entitled to choose whether they want to work overtime or not. Overtime shall be exercised honestly and morally, and must consider: the range, rate and hours operated by each worker and the whole team. Overtime shall not take place of regular recruitment. Always it shall be paid at the best proportion, which is suggested either 125% or more of the basic salary.
4. Working hours all together in any 7-day period should not be exceeded 60 hours, excluding the clause 5 mentioned below.
5. Only in unusual circumstances, total hours have been worked by a worker can go beyond 60 hours in any 7-day period. In that case, all the following have to be considered by the company:
   - National law approves this;

\textsuperscript{44} International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers’ wages as hours are
• To allow this, a collective arrangement between employers and employees has been negotiated without any restrictions.
• Organization shall be representing a sizable share of the workers;
• To protect the workers’ health and safety, proper protections are taken; and
• The company can explain that unusual circumstances apply for example, production increased unpredictably, any accidents or crises.

6. At least one day off has to be provided by the company for the workers in every 7-day period or, if national law allows then in every 14-day period it can be 2 days off.

Discrimination is not strictly exercised. This includes,

1. Individuals will not be discriminated in employment, payment, call up for training, promotion of designation, termination or retirement in terms of age, sex, sexual orientation, ethnicity, religious view, class, marital status, involvement in union or political association.

Regular and usual employment is provided. This involves,

1. To every level possible, work achieved should be based on standard employment relationship recognized through national regulation and practice.
2. Employees’ responsibilities to under labour or social security rules, regulations, laws and orders rising from the relationship of regular employment shall not be taken avoiding action using contracting labour-only, sub-contracting, or home-working agreements, or by schemes of apprenticeship where there is no actual intention to make them skilled or make available regular employment or should not be avoided any type of responsibilities by the extreme use of fixed term employment contracts.

Rough or inhumane behaviour is prohibited which includes,

1. Any physical exploitation or punishment, the risk of physical exploitation, sexual or other annoyance and articulated harassment or any other types of extortion shall not be allowed.

The requirements of this Code establish least and not the ultimate standards. In addition, this Code should not be utilized to stop companies from going beyond these standards. Companies employing this Code are considered that they follow national law and other appropriate rules and regulations. If the requirements of law and this Code express the same subject, then the law which gives the best protection of employees will be applied (Arcadia, 2015).
**F&F/Tesco:** Tesco’s F&F clothing brand sources its clothing from 22 countries. Major countries are China, Bangladesh, India, Sri Lanka and Turkey. There are more than 50 employees who are working in their sourcing office in Bangladesh, including nine production technologists and three ethical specialists. They visit factories daily basis, check conditions of the workplace and speak with management and workers with the intention to build better relationships with the suppliers. Tesco makes sure that all its sourcing factories apply safety principles, partnership, clarity and development. Tesco Clothing Manufacturing Standard makes sure the product quality is constant in all their sourcing countries. Tesco tries and works with the factories to improve them which factories struggle to meet their standards of ethics and quality. In the case of failing to make acceptable development these companies are completely eliminated from Tesco’s supply base. With the aims of improving the relationships between workers and management within the factories, Tesco arranges training programme which is run through the Ethical Trade Initiative (ETI). Tesco believes that the best way to make sure that safety issues at workplace are detected and efficient action taken, is open and honest communication between workers and management. So, they are conducting proper training with the ETI as part of the strategy to allow all workers who are involved in readymade garment industry in Bangladesh Accord factories to have a robust voice to speak for their requirements (F&F, 2015).

**George/Asda,** is the founder member of the Ethical Trade Initiative (ETI) and use this as a starting point for their moral standards. Asda/George has worked hard more than the past 10 years to promote the welfare of workers in the countries from which they source their products. Historically their work agenda has trusted strongly on a plan of production site audits, directed against a voluntary code which is ETI Base Code. The programme addresses some issues such as, child labour, forced labour, working hours, freedom of association and living wage. Asda’s clothing brand is George and China and Bangladesh are biggest manufacturing countries of George. Every year they organize around 500 audits related to ethical issues particularly across their George clothing factories and processing plants. Two independent auditors direct each audit programme which takes a minimum of one day. Every audit also involves discussions with workers, inspections of the site and reviews documentations (Asda, 2015).

**M&S:** All suppliers of Marks and Spencer must follow to its strict moral ethics as a condition of dealing with the company. These include:

- Conditions of the workplace have to be good;
- Independence of association;
- All workers are treated with respect;
- Provides restriction on overtime;
• Wages are paid at a fair rate.

At least once in a year sometime even more, all the factories which are involved with M&S production, are inspected by third party and independent auditors. Factories are also visited by Regional Compliance Managers of M&S. They are also ETI’s founder member and they want to ensure decent working conditions for everyone in their supply chains (M&S, 2015).

Next: The NEXT Code of Practice (COP) for suppliers is their programme of ethical trading standards and forms an integral part of their business. There are ten key values of Next’s Code of Practice (Next, 2015), they are:

• Child labour is strictly prohibited.
• Independence of association.
• Working conditions in a workplace is healthy, safe and secured.
• Forced labour is strictly forbidden.
• Decent wages and benefits are paid.
• Any type of discrimination is not allowed.
• Protection of employment
• Workers are treated respectfully.
• Working hours are reasonable and not excessive.
• Efficient management systems.

Primark: Code of Conduct of Primark are as follows;

• Employment is selected without any restrictions.
• Right to form any association and the right to collective bargaining are appreciated.
• Conditions of workplace are safe, secured, clean and fresh.
• No child labours.
• Workers are getting living wages.
• No excessive working hours.
• Any type of discrimination is not exercised.
• Employment is provided regularly.
• Any harsh or inhumane treatment of workers is not allowed.
• Legal requirements: Primark is devoted to full accordance with the laws, orders, rules and regulations in each location where Primark sources their products from or conducts any dealings. Primark is also committed not to intentionally function in violation of any types
of law and regulation. Primark will also not deliberately or consciously deal with any suppliers who breach relevant laws and orders (Primark, 2015).

**River Island** has adopted the ETI (Ethical Trade Initiative) Base Code as the minimum standards that should apply to workers in their supply chain, as set out below:

- Forced labour is strictly forbidden;
- Right to form any association;
- Working conditions in a workplace is healthy, safe and secured;
- Child labour is strictly prohibited;
- Workers are getting living wages;
- No excessive working hours;
- Any type of discrimination is not exercised;
- Employment is provided regularly; and
- Any harsh or inhumane treatment of workers is not allowed. (River Island, 2015).

All big brands and retailers have similar code of conducts based on ILO conventions. And they make sure all the stores in UK are practicing them properly. From the fieldwork in UK, author is also satisfied with their labour codes. On the other hand, for the countries they are outsourcing from, they clearly explained their arrangement and views by supplier code of conducts. But the reality is different which is described on the chapter six in Bangladesh case studies. Fieldworks in Bangladesh also show that still now workplaces are not fully safe, and employees are no ethically managed. We will see how these codes of conducts are failed in Bangladesh and then we will compare these two countries’ labour management and ethical issues in chapter 7.

**5.6 Culture of United Kingdom**

After exploring British culture through Hofstede’s 6-D Model following overview is attained (Figure 13).

Britain’s score in Power Distance index is 35 which implies UK sits in the lower rankings of PDI. This means that, UK has a society which believes, there should not be any inequalities amongst people. Remarkably, research shows PD index lower among the high society of Britain than among the working classes people.

UK is the highest Individualist country among all other country in the world at a score of 89 beaten only by Australia and the USA. The people in UK are highly Individualist and private
by their behaviour. From an early age, children are taught to think for themselves and to realize what are the objectives of their life and how the society can be benefitted by them. Personal fulfilment is the way of their happiness. During the last decade the wealth of Britain has increased. As a result, ‘spreading North’, a much-discussed fact based on wealth is the rise of consumerism and a firming of the ‘ME’ culture (Hostede, 2016).

![Cultural Dimension of UK](image)

**Figure 13: Cultural Dimension of UK (Hostede, 2016)**

Britain is a Masculine society by scoring 66 in Masculinity Index. This means UK has a very success oriented and motivated culture. Foreigners often get confused between the British culture of modesty and underestimation. This is quite unusual with the causing success driven value system in the culture. It is bit critical to understand the British. Their expressions are like “read between the lines” which means, what is said or expressed is not necessarily always what is meant. Compare to feminist cultures for example, the Scandinavian countries, British live to work and have a clear objective of performance (Hostede, 2016).

UK has a low score on Uncertainty Avoidance index at the score of 35. This means that British people are quite pleased to get up in the morning and do not know that the day brings what because they are pleased to ‘make it up as they go along’ which implies change plans according to the information comes to them. The British society is calm in uncertain situations because of low UAI country. ‘Muddling through’ is the term to express this situation in a very British way. The most important thing is the combination of a highly Individualist British culture and curious nation make them as a higher level of creative and strongly innovative. Something is different attracts them. This develops the humour and heavy consumerism through the society for
new and inventive products. Attraction for new things also develops the rapid extremely creative industries which succeeds in, publicizing, selling and economic engineering (Hostede, 2016).

UK scored 51 on LTO index. This is a middle score which means the culture of UK culture is neutral on considering their past activities for present and future movements (Hostede, 2016).

UK scored 69 on Indulgence index. This is the indication of the culture of UK that classified British as pleasure-seeking. This means people in British culture show a willingness to enjoy the life and have fun. They hold a positive manner and they are quite optimistic. Moreover, leisure time is very important to British society and it seems that, they are happy and spend money as they wish (Hostede, 2016).

The following chapter will describe the history and development of Human Resource Management in Bangladesh, some recent tragic incidents, along with its cultural dimensions.
Chapter 6: Bangladesh Case Studies

This chapter contains the Bangladesh case studies. Firstly, it has been illustrated that how and when the Human Resource Management concept evolved in this country and how government and private organizations are practising it in every sector including RMG industry. Secondly, three most recent and worst incidents are described which include Rana Plaza incident, fire in Tazreen Fashions and Smart Export Garment. These events show unethical labour management, unsafe work places and corruptions take place in Bangladeshi RMG industry. Then labour law in Bangladesh depicts wage inequalities in RMG industry of this country. Then the chapter described that there are government and independent bodies who are active for ethical labour management issues but how effective they are. After that, it has been described that how businesses including garment companies in Bangladesh are ethically practising labour management within their organizations. Finally, Hofstede’s cultural dimensions of Bangladesh are described to compare it with UK in chapter 7. Initially 50 factories were visited unofficially, and employees have been interviewed and observed. This helped to construct the Bangladesh case studies however, most of the Bangladesh case studies are constructed based on the secondary data.

6.1 History of Human Resource Management in Bangladesh

Bangladesh was a part of India, where was a continuous religious clash between Hinduism and Buddhism since 16th century. The Moghul dynasty took over this region in the 16th century and spread Islam broadly across the country. The arrival of Portuguese, Armenians, French and British over the time for trading purpose diversified this area culturally. In 1757 a British force defeated the local army and ruled all-India for 190 years. In 1947, British government left and divided India into Pakistan and India according to the religion; Pakistan for Muslims and India for Hindus. Pakistan had two parts; East and West, where Bangladesh was named as East Pakistan as people of Bangladesh are mostly Muslim and wanted to be a part of the main territory of Pakistan. But, differences in culture, language and ruling behaviour made East Pakistan to protest against West and separated from them by a civil war of nine months in 1971. After being independent in 1971, Bangladesh has been developing progressively since then against the poverty. At first, the Bangladesh government practised a communist monetary model. Consequently, it hasn’t been concentrated by the government and policymakers on issues, for example, development of private sector, industrial development, competitiveness and importantly human resource management (Mahmood and Absar, 2015). In the early 1990s, after changing its economic strategies from socialism to an open-trade economy, a decent economic growth has been achieved by the country and now the industry has an input to GDP of around 28.5% (ILO, 2013; PwC, 2015). At the beginning of the fieldwork for this research, author interviewed the founder member of Bangladesh Society for Human Resource Management, Mr
Nazrul Islam. Describing the history and current situation of HRM in Bangladesh he first divided all organizations in the country into two categories, they are,

- Public Sector and
- Private Sector
  - National and
  - Multinational

Then he added that, in public sector there is no proper HRM/HRMD. After 90’s when only few multinational companies came over Bangladesh, they introduced it to their employees and to other organizations. Before 90s both public and private organizations had “Admin” department which is mainly responsible for “hiring and firing”. But still now after two decades all the government and a large number of private organizations have the same department with same responsibilities.

The existing HRM practices condition of Bangladesh is in very lower level than it should be. Private organizations are mostly owned by family and regulated by the family members. Activities of human resource management are likely to be viewed as just an owner of company’s wish (Mahmood and Absar, 2015). On the other hand, industries which are mainly labour-intensive and export-oriented, they have started facing pressure from foreign countries especially, the EU and North American countries are requiring from their supplying organizations to maintain their standards of labour-rights and to develop working conditions at the workplace (Bowden, 2014; ILO, 2013). Therefore, this foreign countries’ pressure is making organizations in Bangladesh to modify their existing corporate culture and to practice proper human resource management.

According to Mr Islam, nowadays some local private organizations along with the multinational companies are practicing HRM. In the ministry level there is a presence of Ministry of Labour and Employment but no HR ministry.

RMG (Ready Made Garment) industry of Bangladesh is the most important sector which contributes around 81% to the total export earnings (Islam et al., 2016). Not only top European, American fashion brands but also major fashion retailers like H&M, C&A, M&S, Wal-Mart, Primark, GAP, Levi’s, s.Oliver, Tesco, Zara, Carrefour, JCPenney and many more get their apparel products consistently from Bangladesh for the sake of cheap labour. Is only the labour cheap here? Unfortunately, their lives are also cheap. Following major incidents will judgement the authenticity of this statement.
6.2 Rana Plaza Incident

On April 24, 2013, the structure of the Rana Plaza building, 8-story reinforced concrete structure, terribly collapsed. With a death toll of 1,129 people, it is the deadliest accidental building collapse in the history of Bangladeshi RMG industry. Rana Plaza was an eight-storey building, and ninth level was under construction at the time of the collapse (Figure 14). The building was owned by Sohel Rana. There were several shops, a few independent garment factories engaging around 5,000 workers, and a bank. The factories on that building were producing garment products for the world-famous brands including the Benetton Group, Bonmarché, Cato, DressBarn, Joe Fresh, Mango, Matalan, Monsoon, Primark, and The Children's Place. However, one of the factories on that building named Ether Tex were listed as a customer of WalMart, but Walmart says that they had no official production in Rana Plaza. The shape of the building was rectangular and entrance at the front end was with a glass facade. As an emergency exit there were two stair towers near the back of the building which were not enough for evacuating the premises safely in an emergency situation. This is clearly a violation of one of the labour codes. There were rented businesses such as, offices, shops, and a bank in the first and second floors and from the third to eighth floors of the building were hired by all the garment factories (Figure 14). The building’s structure was cast-in-place concrete with steel support. The outline was basic in nature. Like a traditional build, flat slabs reinforced by standard beams and columns. There was not enough light inside the building, and air conditioning technologies was insufficient. There were some fans to make air flow and to lighten the heat in the building however, they were not on all the time. In the factories, working conditions were not nice which is very important for the garment industry. On the roof of the building, there were four diesel generators which were installed to provide emergency power during the main power cuts, as the city experiences outages of electricity frequently. And unbelievably those generators were functioning more than a dozen times every day to re-establish electricity and production of clothing (Motlagh 2014). In August 2009, Rana Plaza was opened. By 2011, all the floors of the building were fully leased by garment factories and other different businesses mentioned above, with their own ingredients, goods, equipment, and employees. The total turnover from the building was about €1.5 million equivalent to $1.85 million per year. (Motlagh 2014)

The day before on April 23, visible cracks have been seen by the workers, throughout the structure of the Rana Plaza, mainly on the seventh floor. Several of these cracks were two inches deep which made the workers worried who were working in the building. The Plaza was instantly emptied because of these cracks. A local engineer called in to the premises to observe the situation. The engineer suggested after his assessment, to keep the building empty and not to perform any businesses until professional engineers and technicians inspect the building. A local news channel arrived in the spot around this time, to cover the news and spread alertness of the situation. The shops and the bank on the lower floors instantly closed after cracks were revealed in the building. Property owner Sohel Rana ignored the engineer’s advice. And he came with his own hired inspection team and engineers to examine the building again. He was able to persuade them to open Rana Plaza to operate by giving them bribes and influencing in his own way
Sohel completely disregarded the alerts from other engineers and the risks of the cracks of the building. His only intention was, at any cost, to open the building and continue the factories’ production. It looks like he was greedy for the money as well as he had the pressure of delivering the orders on time which will not be possible if the building remains closed. His greediness made him to think about only the relationship with clients which can be spoiled by the delays as corporate clients required swift turn around on agreements. On April 24, next day, a large crowd of irate and confused workers gathered outside of Rana Plaza. They expected that the building would remain closed as the first engineer recommended for that. But, surprisingly there was a notice showing for the workers to start work. Many of the workers were very uncertain and did not know what to do. Their conscious minds were might be telling them not to go in the hazardously unstable building and start working. Sohel, observed this situation and realized workers’ hesitation. So, he spoke to managers and supervisors of the factories and told them to force workers to go inside the building and start work. Managers and supervisors threatened workers that they will not get their overtime payments, or they will lose their job if they are not going back to work. (Motlagh, 2014)

Figure 14: Rana Plaza, Before the Incident (Source: bdnews24.com, 2015).

As workers didn’t have any other option but had to return at approximately 8.45 am and started working. The power cut-out at 9.00 am. As usual the generators have been turned on and started restoring power as well as spreading the vibrations across the building. The vibration was
remarkably stronger than usual and produced shaking the building badly which made workers worried. They started running for going out of the building, but they were too late to escape. There was a huge sound like a loud clap and the structure started to collapse gradually from the top. Just within a minute, the whole building collapsed, and each floor was failing on top of another in a pancake way, as seen in Figure 15 below.

![Image of Rana Plaza, After The Incident](Source: abnnews24.com, 2015)

**Figure 15: Rana Plaza, After The Incident**

The collapse might have generated on the 7th floor which is below the generators. Most likely at the southwest corner a column under the generators first broke down and caused the downfall of the roof. Falling of this floor overloaded the floor below leading to collapse one after another. And several thousands of people trapped in a concrete and steel’s web. (Motlagh 2014)

Several reasons are pointed out which caused the collapse of Rana Plaza. Few official as well as informal reports found that Rana Plaza’s owner added three floors more unlawfully and let the factories to set up heavy instruments, machines and generators (theguardian, 2015). The report also expressed the design and strength of the building was not suitable those types of factory equipment. Altogether nine people including the owner of the building and garment factories have been imprisoned. Massood Reza who did the architectural design of Rana Plaza gave a vital information that the building was actually planned for commercial purpose for example the businesses as shops and offices, not for industrial use such as operating factories. Later, other architects indicated what are the risks of setting factories inside a building which is only designed for shops and offices. They noted the construction were not potentially strong
enough to tolerate the load and vibration of heavy factory machineries. Abu Alam Md. Shaheed Khan, the Secretary of the Ministry of Local Government, said the municipality of Savar did not follow the rules and regulations appropriately. They approved the design and plan of the building without following the proper rules and regulation which caused the collapse of Rana Plaza and death of thousands of innocent people. There were five factories producing readymade garment products continuously, a branch of a busy commercial bank was serving a huge number of customers daily and 300 shops were consistently busy with customers in the building. Ali Ahmed Khan, the head of the Bangladesh Fire Service and Civil Defence described to the journalists, various sides of the report of investigation committee formed by Local Government Ministry on Savar building collapse also mentioned that the top four floors of Rana Plaza had been built without a permission (Mahfuj, 2015).

Another investigation committee appointed by the interior ministry and submitted their report to the government on Wednesday 22 May 2013. The report says that Rana Plaza was built on unfit land which is not proper for a multi-story structure. Khandker Mainuddin Ahmed, head of the committee said, “A portion of the building was constructed on land which had been a body of water before and was filled with rubbish”. He indicated that, the land where Rana Plaza was built on had been wet with shallow water. He also added the structure built by “extremely poor quality iron rods and cement”. This report also found that it was not constructed for industrial purpose, so the heavy weight of the garment factory machineries and their rapid shake and vibrate with force influenced to the collapse of the building. “There were a series of irregularities.” the report described the owner of the building Rana had an approval of building a six-storey structure. But unlawfully he added two more floors, so he will be able to give them lease to garment factories. Previous statements from authorities mentioned that it was approved for five floors but added three floors without permission (Mahfuj, 2015).

Labour activists have blamed not only the owners but also the government is responsible for the incident. Because, inspections of garment factories’ which arranged by the government are rare and easily and can be weakened by such corruption as bribery. Additionally, the largest export industry of Bangladesh so far is the readymade garment industry where the owners of the factories have a high influence on the government (Mahfuj, 2015).

6.3 Fire in Tajreen Fashions
Tuba Group is a big business company in Bangladesh. Tuba Group’s sister concern is Tazreen Fashions Limited which is located in the Ashulia district on the borders of Dhaka city. In 2010, the factory was founded. The business has around 1,500 workers and it produces readymade garment products for different buyers of America, Germany, Italy, Spain, Sweden and UK, and brands include Carrefour, Delta Apparel, Dickies, Disney, Edinburgh Woollen Mill, El Corte Inyce, Ingles, IKEA, Karl Rieker, KiK, Piazza Italia, Sears, Teddy Smith, Walmart, and the U.S.
Marine Corps\textsuperscript{45}. Fire incident happened in this factory on 24 November 2012. On that day around 7.00 p.m. fire broke out when the factory was operating. Many people died and injured from this incident, however the total number of victims couldn’t be confirmed because of contradictory reports of journalists and several types of media. Later it has been estimated by the researchers and investigators that the incident caused deaths of 111-124 workers and injury of 200-300 workers\textsuperscript{46}.

Asian Network for the Rights of Occupational and Environmental Victims reported, when the fire began, over 1200 employees were working inside the factory which is a nine-storey building (AMRC, 2013). According to a few eyewitnesses and officials of fire defence, on the ground floor the fire broke out. There were piles of fabric and yarn kept in an open place of the ground floor which should be stored in an area with fire protection such as the storeroom with fire-proof walls and doors. The flame did not take time to spread through the ground floor. Very rapidly fire and toxic smoke created from the fabric and yarn started to spread to the floors above. Unexpectedly sprinkler systems were not enough and there were no fire exits, as a result, many workers tried to go out through the stairs inside (CCC, 2016). The report also mentioned that the managers on a few floors ignored the fire alarm and commanded workers to keep working as they assumed it might be a fire drill. On most of the floors, gates were also locked. So, the early refusal to leave the workplace as well as the locked gates on few floors caused many workers stuck inside when the fire immersed the whole building. The stairways became full of the smokes and windows were protected by iron frameworks which also stopped trapped workers from escaping. In some way a few desperate workers succeeded to abolish the windows and abled to came out of the premises. Many frightened and terrified workers died or wounded as they jumped from the upper floors of the building to the ground (Figure 17). Some workers leaped onto a nearby building’s roof and luckily escaped\textsuperscript{47} (Figure 17).

\textsuperscript{45} Bergman and Rashid, 2012; Mosk, 2012; CCC - Clean Clothes Campaign, 2016.
\textsuperscript{47} Manik and Yardley, 2012.
An eye-witness, senior worker of the factory expressed his experience in his own word, “I went to the rooftop of the building and saw that some bamboo poles were roped together to...
make a scaffold. The bamboo scaffold was being used to paint the outside of the factory. From the fifth floor, I was able to climb to the ground floor. It was risky, as the entire scaffold was shaking.” (The Daily Star, 2012).

Abu N. M. Shahidullah and Mahbubur Rahman, respectively an official and operations director of Bangladesh Fire Service and Civil Defence, identified that most of the workers died because of no fire exits to escape in emergency. So, they suffocated inside which was created by the smoke were on the first and second floors of the building. They also indicated that the factory didn’t have closed-circuit television monitoring system which is essential. The operating licence of the business from the fire service authority has expired and they didn’t get a new one (Bustillo et al., 2012). An independent investigation has been performed by the Bangladesh Occupational Safety Health and Environment Foundation (OSHE) to find out the causes and failures of the incident. The OSHE identified major causes of the event are:

• no emergency exits apart from only one main gate on the ground floor which was used for both entrance and exit. That main gate was also not sufficiently wide.
• fire extinguishers were not enough, and fire defence materials were insufficient.
• locked collapsible gates on each floor which blocked workers from leaving the workplace when the fire alarm set off.
• carelessness of the factory owner’s regarding ensuine the building code as there was a permission for three-storey building instead of constructing nine-storey.
• storage of raw materials on the ground floor near electricity transformers which contain high voltages.
• the certificate of fire safety was expired, and
• the lack of training in an emergency including fire safety. There were only 40 workers out of the 1,500 had basic fire safety training! (AMRC, 2013).

Not using the available fire extinguishers proves the ignorance of workers and negligence of the floor managers reflect that, they never realised the significance of obeying the occupational health and safety (OHS) strategies. Eye-witnesses, industry officials and saviours stated that most of the workers were women who could not come out of the premises were burnt alive for 12-13 hours in the devastating fire. Many of their bodies were unable to recognize because they were burnt to ashes with the raw materials and equipment. For that reason, there is a confusion regarding the real number of workers who died 48. Ministry of Home Affairs Bangladesh stated in their report that the factory owner’s extreme carelessness is mainly liable for the incident and the consequent deaths of the innocent people. The report also identified and blames those nine mid-level managers and supervisors who did not let the workers leave the workplace even after the fire alarm had set off. The report suggested that the fire incident was an act of sabotage, however report could not show any evidence supporting this claim (Manik and Yardley, 2012). Despite the dominant circumstances of the reason of the fire incident, it is

confirmed that working condition in the factory was severe level of dangerous and the carelessness of the factory management team were the initial causes for this kind of accident and the death of innocent people (BBC, 2012).

6.4 Fire in Smart Export Garment

A fire at the Smart Export garment factory in the Mohammadpur suburb of Dhaka, Bangladesh killed seven workers and injured more than 15 on 26 January 2013 just after two months of fire in Tazreen Fashions. The source of the fire is not determined yet as some workers say it was a boiler that burst while others say it was a gas leakage. In addition, there was a tyre repair and wielding workshop downstairs which made officials to guess that the fire could have started from this point. Regardless of the source of the fire, the Institute for Global Labour and Human Rights reported that the employees were devastated because they tried to leave the burning floor, which was on the second floor of the building. The guards were out for having lunch when the fire started. There were no replacement guards. The fire exit was shutter gates and being tied with large locks and chains (Quadir, 2013).

sewing-machine operator Rozina Begum an eye-witness, who survived the incident said that there was a fire exit but unfortunately which was locked while workers first attempted to escape. “By the time the guards unlocked [the gate], smoke had filled the room”, 20-year old Rozina described to The Wall Street Journal. "There was a mad rush. I tripped and fell. People were stepping on my body. Then I lost consciousness. Someone must have pulled me out.” Workers who lost their lives were all women and four of them were teenagers. Bharat Chandra Sarker, an official of the fire service who was there to control the fire, said that the factory didn’t have the required licenses and safety instruments. In his own word, "We didn't see any fire-fighting equipment there. They didn't have a fire license and so there was no way they could have received a factory license." (Al-Mahmood, 2013)

Two female workers who survived from the fire incident in Smart Export Garment expressed their experience of that event to the Institute for Global Labour and Human Rights which has been described below (IGLHR, 2015).

Survivors’ name: Ms. Shahana (ID number: 64) and Ms. Rasheda (ID number: 23).
Designation: Sewing operators.

“Usually we go to lunch at 1:00 p.m., but yesterday, January 26, company managers ordered us to go to lunch early, at 12:45 p.m., as the power went off. They told us to return at 1:45 p.m. We came back at 1:45 p.m. and started working. At around 2:30 p.m. we suddenly saw smoke and fire coming out of the storage room on the left side of the factory. We panicked and stopped working. There are no exterior fire escapes. There are two gates that lead down from the factory. One of the gates was locked when the fire broke out. We panicked and were trying to race down from the factory, but were trapped since the gate was locked. It seemed the fire originated in the storage room, and smoke quickly engulfed the entire floor, as foam rubber
for the jackets was stacked up there. We felt like we were dying as the toxic fumes went into our nose and mouth. It is our second life, as Allah saved us from danger. On hearing the screaming of the trapped workers, neighbourhood people broke down the locked gate. But it was still very narrow. We came down and escaped the fire. We were in front, so we escaped first. Our co-workers who were toward the back of the factory suffered a lot and became sick from inhaling the toxic fumes. Many of our colleagues broke the windows and jumped from the second floor to save their lives. Some of our women co-workers were crushed to death in the stampede. Then the firemen came to douse the fire at around 3:15 p.m., and the fire was under control in an hour or two. We know that seven women workers were declared dead at the hospital. At least 20 to 25 workers are critically injured and are receiving medical treatment in several different hospitals in Dhaka City."

After these three (especially Rana plaza) incidents the reaction of general people, media and other organizations were massive. So, in last three years there were some positive changes in readymade garment industries such as, fixed minimum wages, employee health and safety issues, building regulations etc. which are briefly discussed below.

6.5 Labour Law in Bangladesh

Bangladesh government has published the Bangladesh Labour Rules 2015 on 15th September 2015 through a gazette. It was quite clear that Government was under pressure for different reasons to introduce the Labour Rules for a long time (Appendix 2). Labour Rules 2015 is highly structured and clearly described all labour management issues such as recruitment (Appendix 4), wages and workplace health and safety (OGR, 2015) which is mentioned in Appendix 5 and 6. Minimum wage rates are declared by the Government on an industry basis which considered the Bangladesh Minimum Wages Board’s recommendations. The Minimum Wages Board’s members are selected by the Government of Bangladesh which includes a chairperson, one independent member along with one delegate each for the owners and employees and one delegate each of owner and employees involved in the related industry (Minimum Wage Board, 2016).
Employees in Bangladesh are not very familiar with national minimum wage or national living wage concept. This is known to few new generation individuals. And the fixed minimum wages are applicable for readymade garment industry (Table 10). For public services there is a wage scale. The latest pay scale is illustrated below.

In the new national pay scale 2015, basic salary of government employees in Bangladesh is almost double than their previous salary. Table 11 shows the salaries of twenty grades of the government employees and compared with the previous one. It also shows that the employees of lower grades are getting the highest percentage of increase. On September 07, 2015, the new pay structure for government employees and members of the armed forces was permitted at a cabinet meeting which was chaired by the honourable Prime Minister Sheikh Hasina. Basic income increased by 95% in the highest grade at Tk 78,000 (fixed) and in the lowest grade by 101% at Tk 8,250. The wages of cabinet secretary or the principal secretary or those in corresponding positions and a senior secretary are Tk 86,000 (fixed) and Tk 82,000 (fixed) respectively. A celebration bonus for the Bengali New Year has been presented in the new scale. On the other hand, time scale and selection grade have been eliminated by the pay scale 2015. A latest yearly increment system has been also announced in this pay scale. Reflecting the reports of the National Pay Commission which made by former Bangladesh Bank governor and the review committee and supervised by Cabinet Secretary, the cabinet agreed to the new scale 2015. The salary of the three chiefs of armed forces Bangladesh Army, Bangladesh Airforce and

<table>
<thead>
<tr>
<th>Industry</th>
<th>Skill Level</th>
<th>Minimum Wage per Day (BDT)</th>
<th>Minimum Wage per Month (BDT)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ready Made Garment</strong></td>
<td></td>
<td></td>
<td>5,300.00</td>
</tr>
<tr>
<td><strong>Cotton Textile Industry</strong></td>
<td>Skilled worker</td>
<td>248.17</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Unskilled worker</td>
<td>176.25</td>
<td></td>
</tr>
<tr>
<td><strong>Jute Textile Industry</strong></td>
<td>Skilled worker</td>
<td>247.50</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Unskilled worker</td>
<td>165.33</td>
<td></td>
</tr>
<tr>
<td><strong>Engineering Industry</strong></td>
<td>Skilled worker</td>
<td>350.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Unskilled worker</td>
<td>232.00</td>
<td></td>
</tr>
</tbody>
</table>

*Table 10: Skill Wise Minimum Wage in Bangladesh (Wage Indicator, 2016)*
Bangladesh Navy improved to Tk 86,000 (fixed). This is equal to the salary of the Prime Minister's Office’s cabinet secretary and the principal secretary. The ranks of Bangladesh Navy and Bangladesh Airforce chiefs were same as the rank of a lieutenant general in the Bangladesh Army in the previous pay scale and their salary was Tk 42,000. But the salary of Bangladesh Army’s Chief was Tk 45,000 and the rank was General. 20 percent of the basic salary of public servants will be added to their salary as an extra bonus for the celebration of Bangla New Year day further to other celebration bonuses.

<table>
<thead>
<tr>
<th>Grade</th>
<th>7th National Pay Scale (BDT)</th>
<th>8th National Pay Scale (BDT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grade 1</td>
<td>40,000</td>
<td>78,000</td>
</tr>
<tr>
<td>Grade 2</td>
<td>33,500</td>
<td>66,000</td>
</tr>
<tr>
<td>Grade 3</td>
<td>29,000</td>
<td>56,000</td>
</tr>
<tr>
<td>Grade 4</td>
<td>25,750</td>
<td>50,000</td>
</tr>
<tr>
<td>Grade 5</td>
<td>22,250</td>
<td>43,000</td>
</tr>
<tr>
<td>Grade 6</td>
<td>18,500</td>
<td>35,500</td>
</tr>
<tr>
<td>Grade 7</td>
<td>15,000</td>
<td>29,000</td>
</tr>
<tr>
<td>Grade 8</td>
<td>12,000</td>
<td>23,000</td>
</tr>
<tr>
<td>Grade 9</td>
<td>11,000</td>
<td>22,000</td>
</tr>
<tr>
<td>Grade 10</td>
<td>8,000</td>
<td>16,000</td>
</tr>
<tr>
<td>Grade 11</td>
<td>6,400</td>
<td>12,000</td>
</tr>
<tr>
<td>Grade 12</td>
<td>5,900</td>
<td>11,300</td>
</tr>
<tr>
<td>Grade 13</td>
<td>5,500</td>
<td>11,000</td>
</tr>
<tr>
<td>Grade 14</td>
<td>5,200</td>
<td>10,200</td>
</tr>
<tr>
<td>Grade 15</td>
<td>4,900</td>
<td>9,700</td>
</tr>
<tr>
<td>Grade 16</td>
<td>4,700</td>
<td>9,300</td>
</tr>
<tr>
<td>Grade 17</td>
<td>4,500</td>
<td>9,000</td>
</tr>
<tr>
<td>Grade 18</td>
<td>4,400</td>
<td>8,800</td>
</tr>
<tr>
<td>Grade 19</td>
<td>4,250</td>
<td>8,500</td>
</tr>
<tr>
<td>Grade 20</td>
<td>4,100</td>
<td>8,250</td>
</tr>
</tbody>
</table>

*Table 11: Pay Scale for Public Servants in Bangladesh – Pay scale 2015 (bdnews24.com, 2016)*

In the previous system government employees used to get offers of wage increments when they did not get promotion in scheduled time. This was resulting a large-scale of corruption and payee had to go through lots of hassles. To get rid of this hassles and corruption a new system has been introduced by the pay scale 2015. Previously employees used to get an increment is based on their joining date and promotion. But, on the new system, employees will get the increment in July every year doesn’t matter whenever they joined, or their promotion is due. This increment will be five percent of the basic salary in each year for the employees between 6th to the 20th grade. This will increase by 4.5% in the 5th grade, by 4% in the 3rd and 4th grades and by 3.75% in the 2nd grade (bdnews24.com, 2016).
Minimum wages for garment worker 5,300.00 BDT pm (around £54.00) is very much lower than the living wage 29,000.00 BDT pm (around £295.00) calculated by Asia Floor Wage Alliance (AFWA). Even in new pay scale a government service holder from grade 6 gets the living wage.

However, a survey of Bangladeshi factories supplying products to Marks & Spencer carried out in summer 2016, found that workers' average basic salary was TK 6,500 (HK$630) per month and including an average two hours a day of overtime, their average salary after deduction of tax was TK 8,000 per month. But, workers consider on average they need TK 15,000 per month to live on and support their families which is approximately double of their average actual monthly salary.

Wage differences between Government and garment employees also show that how garment employees are discriminated. Unbelievably, people who are working hardest and playing a most important role to develop the country’s economy, they are getting the lowest in return.

6.6 Government and Independent Bodies

Department of Inspection for Factories and Establishments (DIFE)

There is a detailed workplace health and safety guidelines in the gazette. The Department of Inspection for Factories and Establishments (DIFE) is a division performs under the Ministry of Labour and Employment of Bangladesh which is responsible for ensuring employee welfare and their health and safety issues. The department has been guiding the nation to create a secured, safe and healthy workplace by implementing the country’s labour laws which will help to improve the quality of employees. The DIFE used to be considered as a simple organization which was only responsible for implementing labour laws. But, now it provides all the necessary information and assistance to owners and employees to increase their consciousness regarding the legal provisions. The DIFE not only performs by itself but also works together with many other government and non-government organizations, societies, groups as well as global organizations specifically ILO to accelerate its strategy, development and objectives. Another reason to work with other organizations is to accept measures and directions from them and apply to develop working conditions and environment, occupational health and safety for all valuable human resources who are working in many industries especially in RMG sector (DIFE, 2017).

There were three parts of labour department in 1969, they are; Labour Department, Department of Inspection for Factories and Establishments and Department of Trade Union Registration. To fulfil the ILO Labour Inspection Convention No. 81 and labour policy of 1969 the Department of inspection for Factories and Establishments was formed as a separate department in 1970. After the nine months’ war, Bangladesh became independent and sovereign country in 1971. Over the long span of 46 years of independence, the Department of inspection
for Factories and Establishments has been doing its jobs and carrying out its responsibilities by ensuring legal rights, secured, safe, healthy and hygienic workplace for the vast number employees in Bangladesh (DIFE, 2017).

The DIFE has been doing its jobs by imposing the Bangladesh Labour Act 2006 on a lot of factories and business organizations also it has been performing a vital role in confirming compliance especially in readymade garments factories. But the manpower, infra-structure and logistic support of DIFE was very insufficient compared to the total number of factories, shops and industrial organizations. In this situation, pursuing the Honourable Prime Minister’s commands, the Ministry of Labour and Employment of Bangladesh took a step to upgrade the directorate to The DIFE along with increasing its staff. On January 2014, the Ministry of Labour and Employment of Bangladesh, completed all procedures and released the government’s order to upgrade the DIFE from a directorate into a department which will have a headquarter and offices in 23 districts with 993 staff where 679 new positions already have been generated (DIFE, 2017).

National Tripartite Plan of Action on Fire Safety

Fire in Tazreen Fashions Limited spurred the three-party members of the ILO to develop a National Tripartite Plan of Action on Fire Safety in 2013 for the Ready-Made Garment Sector in Bangladesh where three parties are; government, employers and workers. To ensure safety and health in the workplace, there are many ways. Among them prevention is the most effective and economical way and for that reason, the ILO advised tripartite partners for developing a “Plan of Action” concentrated on embracing a protective approach throughout the sector. On March 24, 2013, the Plan of Action was recognized officially. Partners are responsible to implement the strategy and the ILO will deliver advisory services and technical support consistently (ILO, 2016).

The aims of the Plan of Action are:

- Recognizing movements that the associates of tripartite approve fall in their separate and/or collective duty. Then these recognized activities need to be executed to confirm a combined approach to support fire safety in Bangladesh, especially in the RMG sector; and
- Providing access points for such other participants as, buyers/brands, global development organizations, donors, and so on, who would like to help to implement the Plan of Action, in addition to offer a platform for organization for stakeholders which want to introduce extra other fire safety improvement actions (ILO, 2016).

In relation to the objectives above, the Plan of Action recognizes three levels of actions, they are: legislation and policy, administrative and practical activities. It is partners’ responsibility to make a timeframe and implement these activities. Furthermore, a High-Level Tripartite
Committee will be provided by The Plan of Action for the establishment with the following instructions:

- supervise the improvement of functioning of the movements in the Plan of Action;
- analyse and bring up-to-date the Plan of Action as required, and
- Progress the ways and make opportunities for other stakeholders to let them support to implement the Plan of Action and coordinate with it (ILO, 2016).

A Tripartite Statement of Commitment assigned The Plan of Action emerges from, through a meeting of tripartite on 15 January 2013, which was formed in association with the Ministry of Labour and Employment (MoLE) and the ILO. The partners promised in the statement to dynamically progress, encourage and carry out cooperative, participating, and clear processes to confirm fire safety of workplaces in Bangladesh. At the initial stage, they made sure of working combinedly to obtain a Plan of Action of National Tripartite on workplace Fire Safety. The main intention of developing this Plan of Action to stop any further loss of life, part of the body and premises because of any fire related accidents and incidents. A committee of tripartite founded on 16 March 2013 by the MoLE, sketched an outline and participants of the Tripartite Statement officially recognized it. Later, 24 March 2013, the Plan of Action formally approved by The Minister of Labour and Employment, Bangladesh (ILO, 2016).

The Accord Bangladesh

On 15 May 2013, the Accord on Fire and Building Safety in Bangladesh (the Accord) was retained, which is a five-year legally binding and independent agreement amongst international brands and retailers and trade unions in Bangladesh. The Accord is planned for developing a safe, secured and healthy Ready-Made Garment Industry in Bangladesh. As the instant consequences of the Rana Plaza incident, the agreement was initiated. A plan was agreed in June 2013 to implement which led to the integration of the Bangladesh Accord Foundation in the Netherlands in October of 2013 which contains following six main components:

- The agreement is between international brands and trade unions of Bangladesh which is lawfully fixed for five years to confirm a secure environment of work in the Bangladeshi RMG industry
- An assessment program which will be conducted independently. This inspection program involves workers and trade unions and supported by brands.
- All factories, inspection reports and corrective action plans (CAP) are clear and accessible for public.
- Participant brands’ commitment to confirm enough funds are available for the process of improving and to continue sourcing relationships.
• In all factories health and safety committees are elected democratically to recognize the risks related to health and safety issues and take action on them.

• Encourage and motivate workers by a wide training program, complaints process and right to reject the work if it is unsafe. (ACCORD, 2016)

As, the Accord is a five-year agreement which means this is not a long-term agreement and it does not mention that what will happen after five years. Author send an email and asked this question to Rob Wayss, the Executive Director and Acting Chief Safety Inspector but unfortunately there is no reply yet from his side. Another important thing to consider is, if any company does not meet The Accord’s corrective action plans then the company will be removed from The Accord’s list therefore, it will not get any order from signatories (over 220) brands, but still there is a chance for that company to get orders from non-participant brands and sub-contracts from other factories. So, the company will be operating as usual however, the workplace is not safe. No legal actions will be taken, and the company will not be banned which can lead to another Rana plaza incident.

**Alliance for Bangladesh**

The Alliance for Bangladesh Worker Safety (Alliance) is also a legally binding, five-year commitment to develop the workplace safety in RMG factories of Bangladesh. By the Bipartisan Policy Center, in 2013, The Alliance was structured with discussions which was arranged and led by George Mitchell (D-ME) and Olympia Snowe (R-ME) who were ex U.S. Senate Majority Leader and U.S. Senator respectively. The combined process included organizations and stakeholders of RMG industry involving the Bangladeshi and U.S. governments, politicians, non-government organizations, members of civil society, and combined workers. For RMG related retail and branded company members it is an exceptional opportunity provided by Alliance to come together to establish strong, clear, results-oriented, assessable and certifiable solutions of terrible situations in Bangladeshi garment industry. As a group, members of the Alliance signify most of North American imports of readymade garment products from Bangladesh. The Alliance ensures that its members and their factories are responsible for operating workplaces are healthy and safe from fire related accidents. Alliance’s main intention is to develop security and protection of workers in the RMG industry of Bangladesh. Therefore, Alliance will upgrade current places of work, educate workers along with managements, encourage workers, and establish institutions that can carry out and maintain the conditions of safe working in Bangladeshi garment industry (Alliance, 2016). It started operating to meet these objectives in following five strategic supports:

*Standards and Inspections:* It is Alliance’s commitment to inspect and assess workplace safety in all RMG factories manufacturing garment products for its members in Bangladesh. Independent Qualified Assessment Firms (QAFs) will conduct this
assessment process which will provide a technical interpretation of the fire safety and structural concerns to the owners of the factories related to their services. It will also describe that what immediate actions to take and how fast to react if any disaster happens. Alliance will assist factory owners with quick action plans in terms of systematic and sustainable progress of workplace safety for RMG employees (Alliance, 2016).

Remediation: Next step after an inspection is remediation. In the inspection process Alliance addresses the exact safety violations of the factories and helps factories with quick action plans. Then Alliance remediation program intends to develop significantly reliability of structure, safety issues related to electric and fire. Therefore, Alliance will also guide those factories by the process of Corrective Action Plan (CAP) to confirm reliable and compliant improvements. Most importantly, the Alliance is committed to provide recompense to factory employees due to any factory closure and provide guideline to factory owners regarding any financial problem related to remediation actions such as gain access for loans if required and discounts in tariffs on remediation instruments (Alliance, 2016).

Worker Empowerment: The Alliance commits to provide employees of the factories which are manufacturing prospect products for its members in Bangladesh, the opportunity of raising voices to protect themselves from any unethical events. The Alliance also makes sure and support to establish Safety Committees in a democratic way according to the labour laws of Bangladesh (Alliance, 2016).

Training: The Alliance provides a complete training program for factory workers and management teams of Bangladeshi RMG industry. Remarkably, in the first year of Alliance, over 1.2 million employees accomplished the Basic Fire Safety Training program which was mandatory for all factories connected to Alliance, and since then this training program has been continuing with the constant Fire Safety Refresher Training along with the Security Guard Fire Safety and Responsibility Training schedules (Alliance, 2016).

Sustainability: The Alliance is committed to carry on its action plans and it is a continuous process which means this will never stop. Therefore, the Alliance and its associates will maintain to operate with the Bangladesh Government, policy makers, and other necessary organizations. This will help Alliance to identify the long-term needs of Bangladesh to meet its various challenges of governance and ability. It is a responsibility of the Bangladesh government to oversee the industry and enforce laws, orders, rules, regulations, and strategies. At the same time, all stakeholders of this industry have a significant role to ensure this sector’s workplace safety and security. The Alliance will carry on its activities to organize and cooperate efficiently with all other groups who are committed for the sustainable change of the RMG industry in Bangladesh (Alliance, 2016).
The Alliance performs by collaborating with Bangladesh Government, factory workers, trade unions and employers related to RMG industry of Bangladesh and makes sure the workplaces are sustainably safe and secure where accidents from fire and construction will never happen again and any accidental injuries or death of innocent people is no longer expected. The Alliance is also a five years commitment. However, it has a vision for a sustainable transformation of the garment sector in Bangladesh, still accidents are happening.

Trade Union

In Bangladesh, there is no accreditation body for HRMD such as CIPD in UK. BSHRM (Bangladesh Society for Human Resources Management) is an organization, from 2001, is trying to promote the growth of human resources professionals in the country. Trade unions are recognized in the country but only about 10 percent of total number of garment factories have registered unions (HRW, 2016).

Human Rights Watch (HRW) reported that, Bangladesh government authorities have often disallowed requests of many factory workers who have applied for forming unions. HRW arranged a meeting in April 2016, with Mohammed Mujibul Haque, the Labour Minister of Bangladesh, where the Minister, rejected the matters raised regarding the trouble to register a union. Mr Haque said, “Most who apply for union registration have no idea what a union is.” It looks like labour laws of Bangladesh and processes create tough barriers to form and operate a union as an unfairly high 30 percent of workers’ willingness is required by the labour law to establish a union in a factory and mandates unnecessary registering processes. The government does not explain clearly the controls of cancelling registration of a union. Factory owners also discourage the union concept as they frighten and sometimes go violent towards unions and their members. Few cases have been recorded by HRW that factory workers had experiences of physical assault, bullying and threats, union leaders lost their job, and factory officials or their associates report fake complaints of criminal activities against garment workers for being involved with union activities. Sadly, the Bangladesh authorities could not get hold of any factory officials who were responsible for assaulting, threatening, and harassing factory workers involved with unions (HRW, 2016). But, regarding Rana Plaza incident, union could play a significant role. “Let’s remember that none of the factories operating in Rana Plaza had trade unions,” said Phil Robertson, deputy Asia director. He also added “If their workers had more of a voice, they might have been able to resist managers who ordered them to work in the doomed building a day after large cracks appeared in it” (HRW, 2016).
6.7 Ethical Practises in Managing Labour of Big Companies

As economy of Bangladesh is in a process of change, the evolutionary procedure of changing its business moral principles, norms and ethics has greatly hampered its culture and development of organization (Hoque et al., 2013). Business organizations are not so far completely exercising international standards or codes of ethics in Bangladesh (Ather et al., 2011). In current days, business ethics is a burning issue. In the business sector a low level of ethics causes wider socio-economic and political problems which are faced by many countries. Because, lack of ethical values creates loopholes in legal and business regulation and lead to the corruptions that can mess business operations in a country. As the globalization process is in progression, the world starts to look like a global village. Therefore, business ethics has become an international issue which needs to be highlighted. Business ethic measurement has been constructed by World Bank (2009) amongst approximately 180 countries based on ten different factors. It identified Singapore is on the very top of list while rank of Bangladesh is unfavourably in 119th position. This position does not portray a good picture of ethical conditions of Bangladesh’s businesses. This also indicates it needs a massive improvement in the country’s institutional, structural and policy environments. According to Anti-Bribery Watchdog Transparency International from 2001 to 2005, Bangladesh was ranked as the world’s most corrupted country for five years. In January 2007, the military-backed government has launched a special anti-corruption clean-up to recover the poor reputation of the nation. This government registered to the UN convention against corruption after one month of declaring a state of emergency and terminating general elections. During that term, more than 200 powerful political leaders, business people and public servant, together with two previous prime ministers, one son of a former prime minister, some former ministers, and most a human rights expert of United Nation have been accused and jailed (Chhabara, 2007). The business ethics issue has gained a lot of attention in the recent years. Ethics has an immense impact on the brands and reputations as well as on customer trust and confidence of investors. Hence, the concepts of transparency, good governance, and political reformation have come to the cultural spotlight of Bangladeshi elites. But there are not enough researches that have considered ethical issues in the new emerging economy of Bangladesh. The study of ethical issues in Bangladesh is important to understand the views on ethics and ethical management practices. Thus, the prime focus of this study is to surface the ethical practices and programs among the organizations is desperately felt.

Author visited several national big and small companies’ websites of Bangladesh and was searching for their codes of conducts, but they are not available. Buying houses are the third-party agents who gets the order from buyers and distribute to their partner factories. Most of the time buyers sign the contracts with buying houses which are based in anywhere of the world. In that case buyers just rely on those third-party agents who can provide any fake information regarding compliance issues. Real scenario came out while 50 factories were visited unofficially, and their employees were interviewed informally, author found that even after Rana Plaza incident, employees are completely unaware about their rights. Multinational companies based in developed countries have their set of codes same as their country of origin and most of them
practice it. However, ILO is active in this country, presence of lots of trade unions and other organizations, author found that still unethical labour management such as forced labour, child labour, low and unpaid wages, discrimination, lack of health and safety matters at workplace is noticeable. Especially, after Rana Plaza incident organizations are changing a lot. They are moving out from old premises to new establishment, improving HRM departments, placed all the health and safety instruments such as fire extinguishers, blankets etc. and keeping the fire exits clear. Seemingly, the whole change process is taking place to many organizations which are listed by ACCORD, Alliances in Bangladesh and other organizations. But author has noticed that most of the workers don’t know how to use fire extinguishers and where are the fire exits. Author also observed that workers were working in under construction buildings which are also not safe place to work. So, it looks like that, perhaps the change process of these organizations is not going in a right direction which will be discussed more in the next chapter.

6.8 Culture of Bangladesh

By exploring the Bangladeshi culture through Hofstede’s the 6 Dimension Model, it can be described a good overview of its culture and cultural drivers relative to other cultures in the world (Figure 18).

Hofstede’s research shows Bangladesh scores high on PDI with 80. This means that Bangladeshis believe in order of hierarchy in which everyone has a place, and that does not need further explanation. In an organization hierarchy is reflecting inbuilt inequalities which implies a huge gap among positions, centralization is very common, and subordinates are used to with their superior’s orders and autocratic decisions and the ideal boss is a kind autocrat. Therefore, lots of decisions are taken by the superiors without concerning other stake holders (Hofstede, 2016).

The 6-D model shows, in Individualism index, Bangladesh scores 20, which means it has a collectivistic society. Bangladeshis are very closely tied with their extended family, group even with the organization. Big and important decisions of life a person for example education, marriage, job are dictated by family or group. The society of this country embraces strong relations where everybody takes responsibility for corresponding members of their family, group even in their organization (Hofstede, 2016).
Bangladesh scores 55 on Masculinity index and can be considered as a Masculine society which implies group based distribution of tasks and this results of promoting centralized authority (Haque and Mohammad, 2013). Males are dominant in Bangladeshi culture. Head of the families, groups and societies are mostly men (Hofstede, 2016).

Bangladesh scores 60 on Uncertainty Avoidance Index which is fairly high. This means, the society of this country maintains inelastic codes of belief and behaviour. Most Bangladeshis are prejudiced of untraditional behaviour, religion and ideas and they resist innovation (Hofstede, 2016).

Bangladesh has an intermediate score at 47 on LTO index, this does not indicate a strong preference in either direction but shows that the country is developing (Hofstede, 2016).

Bangladesh scores 20 in Indulgence index which is very low. This makes it a Restrained country. This reflects Bangladeshis are more likely pessimist rather than optimist and they do not put much importance on vacation time and control the pleasure of their requirements. Most of them have the view that their activities are controlled by the social norms and values (Hofstede, 2016).
6.9 Summary

From UK and Bangladesh case studies, it is clear that, there are huge differences in employee management, culture and leadership behaviour between these two countries which are affecting ethical labour management significantly in the garment industry of both countries. Case studies based on the secondary and primary data show that UK is the founder of HRM and employees are most likely ethically managed in this country but in Bangladesh HRM is a completely new concept and employees are still getting exploited in the RMG industry. Culture and leadership behaviour are changing in RMG industry of both countries but in Bangladesh the process of change may need to go in a right direction. We have now enough evidences and if we combine theoretical and empirical data then we will be able to answer completely the research questions and justify the hypotheses of the study and can suggest some recommendations if needed. Thus, representing primary and secondary data concludes here. Now in the next chapter, questionnaire will be analysed to investigate the empirical findings and some recommendations will be recommended in the following chapter.
Chapter 7: Questionnaire Analysis

This study has tried to find the effect of culture and leadership behaviour on ethical labour management and compared between UK and Bangladeshi readymade garment industry. Therefore, research questions and assumptions are constructed based on culture, leadership behaviour and ethical labour management of these two countries and previous chapters (2, 3, 5 and 6) have represented all the primary and secondary data which have been collected by the researcher to find the answer of the research questions and to justify the hypotheses of the study. This chapter will first narrate the fieldwork experiences of the researcher then questionnaire will be analysed followed by comparing Hofstede’s cultural dimensions of both countries.

7.1 Fieldwork Experiences

The research was outlined and developed in few stages. In 2013, when the building Rana Plaza collapsed in Bangladesh, raised few issues in the whole world. One of the most important issues was, workers were not fairly treated in Bangladeshi RMG industry. Fairly treatment includes, wages, workplace safety and overall employee management. Author has some work experiences in UK. From his personal experiences, he has observed that every single industry including clothing sector in UK as well as the government of this country are concerned about their employees. As UK is one of the largest garment product buyers of Bangladesh, the first question came into researcher’s mind that why accidents are happening in Bangladesh again and again but not in UK? To find the answer, all the current news on that time and some related previous studies have been observed. News and previous studies uncovered how developed world are getting cheap products from their supplier countries, irregularities and corruptions in Bangladesh are leading to the deadly incidents. But it was unclear that why in UK there are less irregularities and less corruptions but huge in Bangladesh while same organizations are operating in both countries? So, definitely there are something missing in between these two countries which is/are making the big differences in ethical employee management. Therefore, the first fieldwork has been planned in February 2014 to visit Bangladesh and interview garment employees. At the same time employees and their workplaces will also be observed. As there were no specific questions, the whole process was completely unstructured which includes some open-ended questions and areas to cover (Appendix 7). Author has been in Bangladesh for six weeks and he visited fifty organizations informally and had unofficial interviews with their employees and discovered how employees are getting exploited here. Employees are working so hard but getting very low wage moreover their rights, benefits and safety is ignored. Owners and managers try their bests to maximise their own benefits. Then he met Mr Nazrul Islam, the founder member of Bangladesh Society for Human Resource Management (BSHRM) who gave a brief history and current state of human resource management in Bangladesh. Most exciting part was visiting the spot of incident, Savar, where the multi storey building Rana Plaza collapsed. Before going there, when author spoke to some local government staff for the directions and some other
details, then firstly, they advised not to go there, secondly, if it is urgent then do not go there alone and let the local police know if possible, thirdly, if there is any meeting, procession or any other activities are going on, then strictly stay away from them, fourthly, not to let anyone know that where the author is from and what is his intention. The reason for all these precautions were mainly for some aggressive victims and corrupted leaders. About 12.00 pm the author visited the spot accompanied by his wife. It was so upsetting to seeing the debris and hard to believe an eight-storey building was here. Everything seemed normal, but author could feel an unknown panic. There were couple of police officers on duty. Author asked to one of them about the incident and any current activities around there. But he did not know anything. It looked like he was trying to ignore. Author then stopped to a corner shop and asked to the shop keeper about the incident and current situation. He replied with anger that, about the incident everybody knows what happened and current situation is as usual. He meant very bad by the word ‘as usual’ because most of the original victims were not getting any help. Foreign companies, NGOs and other charity organizations were coming with aids and some people were trying to get the compensation, but they are not actual workers or not even their relatives. Moreover, some leaders were making fake list of victims and their relatives and giving them compensation to steal reliefs and show the foreign investors that everyone is getting support. At the middle of the conversation, a group of people started marching with some slogans and within few minutes the situation became worse and author with his wife left the place safely. It was shocking to know that real victims or their relatives are not getting the compensations however, author could not find any authenticity of that shopkeeper’s words. That was the end of first fieldwork. After visiting several workplaces and location of Rana Plaza, talking with employees and other individuals, author clearly realised that there is a big difference between UK and Bangladeshi points of views regarding employee management where culture and leadership behaviour have a huge influence on it.

From the first fieldwork, collected primary data through unstructured interviews and observations helped to construct the research questions and hypotheses for the study and then finalised the questionnaire considering culture, leadership behaviour and ethical labour management issue.

Second fieldwork was working with pilot questionnaire. When author initially designed the questionnaire, it was necessary to experiment with them first. So, he picked five sample from UK and five from Bangladesh as mentioned the sampling method in chapter 4. It had a good outcome and well response from the interviewees. In UK, selected readymade garment related fashion retails have been visited and staff were interviewed. In UK, author visited a very well-known fashion retailer (not expressing the name for the sake of anonymity condition) for pilot interview and asked for the manager. The team leader came, the reason was explained, and questionnaire has been shown to her. Although she was happy to go ahead but she wanted to speak with the store manager. She spoke to the manager over the phone then came to author and apologised that she cannot arrange the interview as the store manager is not comfortable with the questions. Strange thing is, later in the main data collection process same company but different stores in
different towns were so welcoming and happily participated to the interview and supported author to their best. H&M store in Carlisle, UK, store manager Heather was so helpful and cooperative. She welcomed researcher very warmly and gave her time even though she was busy. She appreciated author’s research topic and encouraged him to go ahead. Pilot questionnaires for Bangladesh were sent over the email to five managers and they all responded promptly. Had a conversation with them on Facebook and Skype also.

Third one was final interview in UK and Bangladesh. In UK, stores were selected including BHS, F&F, George, H&M, Marks & Spencer, Next and Primark. Around 185 staff and managers were interviewed, and more than 35 stores have been observed. 5 questionnaires were rejected as they were not completed properly. Only two store managers refused for data protection purpose and were not comfortable with the questions. Author visited Bangladesh again in January 2017 to visit some factories and collect data from Department of Inspection for Factories and Establishments (DIFE), Bangladesh, workers’ representatives and The Accord Bangladesh. Interviewing an inspector of DIFE was very helpful. He was so happy to be a part of this research and gave a lot of useful information. It was very nice to hearing from Executive Director and Acting Chief Safety Inspector of The Accord Bangladesh. But unfortunately, author could not fix any appointment for the shortage of time. However, necessary information were obtained from the webpage of The Accord Bangladesh. 187 staff and managers from Bangladesh took part in the interview process, 7 questionnaires have been rejected as they were not from garment industry in Bangladesh. Complete demographics of samples are described in Appendix 10.

7.2 Questionnaire Analysis

There were twenty sets of statements focusing on culture, leadership and ethical labour management have been asked to two sets of samples in UK and Bangladesh (Appendix 9). Respondents were those from readymade garment industry who chose to participate, and all are mixed of managerial level and general employees (Appendix 10). Questions are statistically analysed (independent samples t-test with 5% level of significance) by using SPSS (Appendix 11) and compared below with the graphical illustration.

Employees were asked regarding the roles and responsibilities of their organizations. In both cases of UK and Bangladesh, HR responsibilities and contributions are maintained by the organizations. There are no significant differences (p = 0.161 which is greater than 0.05) between these two countries’ main HR responsibilities within their RMG industry (Appendix 11). HR departments of the companies are responsible not only for the hiring and firing but also for the employee welfare and development. Employees of the clothing organizations in UK agree (strongly agree 33% and agree 41%) that staff recruitment, scheduling and paying wages are the main responsibilities of HR department of their companies (Figure 19). There are many individual disciplines are also involved, such as, resourcing, reward, employee relations, diversity, development and design of organization, and employee learning and development. At
the same time 81% of participant employees of Bangladeshi garment organizations agree that main responsibilities of HR department of their companies are recruiting and dismissing, rostering and paying wages.

![Pie charts showing percentages of employee opinions on HR responsibilities in UK and Bangladesh.](image)

**Figure 19:** Main responsibilities of HR department of your organization are recruiting and dismissing, rostering and paying wages.

Next statement is about the development training for the individuals which is provided by the company. Both countries’ samples are again showing no differences as p value is 0.843, which is greater than 0.05 (Appendix 11). 100% employees in UK and 95% participant employees of Bangladesh agree that their companies provide employee development trainings but unfortunately in Bangladesh they are not adequate and do not happen very often. Most of the trainings are promotion related (Figure 20).

![Pie charts showing percentages of employee opinions on employee development training in UK and Bangladesh.](image)

**Figure 20:** Employee development training is provided by the company.

Both samples are also indifferent (p = 0.288 > 0.05) regarding HR department of the company ensures employee welfare and workplace safety (Appendix 11). Figure 21 shows that 81% of participant employees in UK and 91% of Bangladesh agrees that HR department of their
companies make sure their welfare and workplace safety within their organizations. In Bangladesh, this picture is visible apparently after the Rana Plaza incident in 2013. This is the effect of cross culture and leaders’ leadership behaviour on organizational culture in Bangladesh as buyers are requiring all the safety and welfare information from their supplier companies. And supporting organizations like ACCORD, Alliance Bangladesh, DIEF are providing necessary guidelines to these organizations.

![Graph showing employee welfare and workplace safety](image)

**Figure 21:** HR department of the company ensures employee welfare and workplace safety.

60% of UK employees and 83% of Bangladesh employees agree that HR department of their companies contributes in corporate responsibilities in all aspects of the business (Figure 22). Two samples are significantly different (p = 0.035, which is less than 0.05) about this statement (Appendix 11). Which implies in Bangladesh, HR department of the RMG organizations contribute more towards the CR than UK. After the Rana Plaza incident, responsibilities of HR department of the RMG organizations are more expanded and lately it also started to focus on corporate responsibilities. Recently Bangladesh government is also giving emphasis on HR sector, so few local private and public organizations are developing their HR department with complete roles and responsibilities.
In UK, clothing organizations are maintaining employee safety as it is a government legislation and organizations have respect on the country’s rules and regulations. Samples are significantly different ($p = 0.00 < 0.05$) regarding this issue. This means RMG organizations in Bangladesh are not bothered to maintain the employee safety however it is required by the country’s law (Appendix 11), which is fairly clear as 50% employees of Bangladesh agree that employee safety is maintained by the organization because of government legislation (Figure 23). Corruption and lack of implementation of laws and supervision are the main reason that organizations do not think a lot about employee safety. Rana Plaza incident is one of the best examples to point out how a political leader can misuse his power. Also, the contaminated administration kept silent when the building constructed illegally extra floors and corrupted engineer authorised the planning permission. As a result, employees are not sure that why companies are providing all the facilities for the employees; is it for government legislation or pressure of foreign buyers? Figure 23 shows however 50% of the participant employees think this is happening because of new government legislation but 11% strongly disagree and 20% disagree which is nearly one third of the total participant employees. But, government ultimately has declared the new labour rules and recent change in employee welfare prove that foreign buyers actually perform an important role.

Figure 22: HR contributes in corporate responsibilities in all aspects of the business.
Figure 23: Employee safety is maintained by the organization because of government legislation.

But, in the UK, government is strict regarding law and order so organizations do not dare to violate it. 80% of UK employees agree that employee safety is maintained by the organization because of government legislation. 10% employees disagreed but this does not mean that their organizations are defiance of the national rules and regulations (Figure 23). They are doing it for humanity. They believe however by law, each and every single organization in UK has to maintain workplace safety for the employees, above all it is their duty to care about the member of staff.

Figure 24: Employee safety is supervised by the local authorities.

Again, samples are significantly different \( (p = 0.00 < 0.05) \) regarding local authorities’ supervision of RMG organizations in terms of employee safety issue (Appendix 11). Which means, local authorities in UK are performing better than Bangladesh to supervise the garment organizations for employee safety. Apparently, local authorities are there to make sure everything is going well by visiting and assessing workplaces. If they find anything wrong or
something needs to update, then they will take immediate necessary action and organizations accept that. In Bangladesh 47% employees agreed that employee safety is supervised by the local authorities (Figure, 24) but, whatever decision they will take it may not be accepted by the company and exactly this is what happened to the Rana Plaza and all other cases. There are only few government inspectors who inspect the factories under DIFE. So, it is not possible to cover all factories by them. Therefore, 34% employees disagree that local authorities do not supervise the employee safety of their organizations. After Rana Plaza incident in 2013 foreign buyers are giving more focus on employee safety matter. Consequently, private organizations such as, The Accord Bangladesh, Alliance for Bangladesh are making sure workplace is safe for the employees. This is also the cross-cultural effect on organizational culture. Companies are not afraid about national law and orders rather than they are anxious if they do not fulfil buyers’ or The Accord’s requirement then they will lose business from foreign buyers. They are spending a huge amount of money for new factories and modern technologies and equipment for employee safety.

Samples from UK and Bangladesh are significantly different (p = 0.00 < 0.05) regarding the national minimum wage applies for only garment employees (Appendix 11). Paying standard wages is one of the prerequisites of ethical labour management. In UK, by law National Minimum Wage must be paid by all employers. Employers are bound to pay that and if any employer is paying less than the national minimum wages then legal action will be taken against him or her. In Bangladesh minimum wage concept is still not defined properly. There is a minimum wage rate for readymade garment workers which is also not clear to the employees (Figure, 25). In 2013, this wage rate has been increased after the Rana Plaza incident. Workers’ leaders improved this trend by increasing their wages of 77% implies a better change of national culture.
Figure 25: National minimum wage is only applicable for garment operators but not for any other employees in the country.

The next statement is whether employees’ minimum wage is meeting the living wage. Samples are indifferent ($p = 0.829 > 0.05$) as not all but some UK companies pay their staff more than the national minimum wages which meets the living wages, and this is the result of UK citizens’ movements (Appendix 11). It is not required by law that UK companies have to pay real living wages but still 33% of participant employees in this research are getting real living wages which is more than NLW (Figure 26). Surprisingly research found that few companies in Bangladesh are also paying living wages to their employees as some foreign companies including UK based companies pay them more so that their suppliers can pay higher wages. Figure 26 shows that 37% of the participant employees in Bangladesh agree that their companies are paying living wages. This is a direct impact of foreign culture and leadership on Bangladeshi national and organizational culture and most of all on ethical labour management.
Figure 26: National minimum wages meet the living wages.

Regarding the recognition of trade union by the clothing companies in UK and Bangladesh, both countries’ samples are indifferent as p value is 0.123 which is greater than 0.05 (Appendix 11). In UK, most employees of private sectors have no views regarding the trade unions as currently they have no issues with their employers. Figure 27 shows that 36% of participant employees in this research in UK have no views about trade union as they are satisfied with their job and they are well looked after by their employers. On the other hand, in Bangladesh performance of trade union is not adequate since lots of companies do not want to allow their employees to be a part of it (Figure 27). Still the Accord and some other non-government organizations working with companies and unions so RMG industries in Bangladesh can operate decently.

Figure 27: The company recognises trade unions because it wants to work in partnership.
The next statement is the organization develops HR practices by observing foreign companies where both samples are showing indifferent as p value is 0.277 which is greater than 0.05 (Appendix 11). In UK, Human Resource and Development came to the current stage by years and years and developed all the roles and responsibilities and it is an ongoing process. Innovative ideas, rules and regulations are introducing on a regular basis. Therefore, 78% of total participant employees have no view regarding their organizations’ developing process of HR system by observing foreign countries. On the other hand, in Bangladesh, Human Resource Management and Development is quite new concept and not a lot of organizations have proper HRM department, but some are adapting it by observing foreign countries which reflecting 31% strongly agree, 27% agree, 15% strongly disagree, 10% disagree and 17% of total participant employees have no view on this statement (Figure 28).

![Pie charts showing UK and Bangladesh's responses to the statement](image)

**Figure 28: The company develops HR practices by observing foreign countries.**

Following statement is organizational culture affects leadership behaviour and samples are showing significantly different as the p value is 0.002 which is less than 0.05 (Appendix 11). But, in chapter 2, the literature established that national culture has effect on organizational cultures and leadership behaviour. Leaders have also strong influences on organizational cultures and vice-versa. These statements are also clear from the interview.
UK

Bangladesh

**Figure 29: Organizational culture affects leadership behaviour.**

Figure 29 above shows that, 84% of UK and 75% of Bangladesh employees believe that organizational culture affects leadership behaviour. Freedom of employees are more noticeable in UK. less power culture is practiced, and employees are supportive to each other. But in Bangladesh, RMG organizations are showing more power culture and less adhocracy. From the case studies, dictatorial, monotony, control cultures and political influences are evident in Bangladeshi RMG organizations. These organizational cultures have impact on leaders to behave as an autocratic, less creative and less supportive leader. For that reason, they try to rule over other employees and managers want to get the most from the employees without looking after them. Consequently, those incidents mentioned in chapter 6 happened.

There are no significant differences between two samples from Bangladesh and UK regarding the leaders can change organizational culture as the p value is 0.830, which is greater than 0.05 (Appendix 11). After the Rana Plaza incident, the whole industry in UK and Bangladesh is changing. UK business leaders realised and focused more on ethical labour management. This influenced Bangladeshi leaders to be more concerned about their employees.
Figure 30: Leaders can change organizational culture.

84% of UK employees and 89% of Bangladeshi employees agree that leaders can change organizational culture (Figure 30). Democratic leaders in Bangladesh are trying to practice less power, less authoritarian and more supportive culture within their organizations however, this is happening slowly.

Next statement is national culture affects organizational culture and both samples are not different again as the p value is 0.125 which is greater than 0.05 (Appendix 11). Case studies in chapter 5 and 6 gave a clear idea that how in UK rules and regulations and law enforcement systems are very strict. Government of UK doesn’t allow any unethical activities which influences organizations to exercise more support culture. But in Bangladesh, there are rules and regulations, but law enforcement systems are very weak. For that reason, organizations are practicing less supportive culture in this country moreover they are politically influenced.
86% of participant employees in UK RMG industry and 80% of Bangladesh interviewees agree that national culture affects organizational cultures (Figure 31). Therefore, more equal distributions, less wage discriminations are visible in UK organizations. After Rana Plaza incident, government of Bangladesh has changed the labour laws, fixed a minimum wage for garment employees, developed the factory inspection process to make sure the workplaces are safe. So, organizations are performing better now regarding their employee safety issues and the whole industry is improving gradually.

Thus, responses of the both samples are not different ($p = 0.671 > 0.05$), whether national culture is influencing ethical practices of the organizations both UK and Bangladeshi RMG industry (Appendix 11).
72% participant employees of UK and 81% interviewees of Bangladesh RMG industry think that national culture affects ethical practices of organizations (Figure 32). So, less political influences, more strict law enforcement systems ensure more ethical practices within the organization.

Next statement is whether individuals believe that “employees are the main driver of the organization”. There is no significant difference ($p = 0.378 > 0.05$) between two samples from UK and Bangladeshi clothing industry about this statement (Appendix 11). Some organizations do not realise the importance of their individuals. In UK employee welfare developed through the years. But in Bangladeshi RMG industry, before the Rana Plaza incident employees were used like all other instrument of the organizations sometimes even worse than that. Because instruments get serviced in regular basis, but employees were always exploited by the organizations.

![Pie chart showing responses to the statement: "employees are the main driver of the organization".](image)

**Figure 33: You believe that, “employees are the main driver of the organization”.**

Now the situation is getting better after the incident. 93% interviewees of UK and 99% of Bangladesh believe that employees are the main driver of the organization (Figure 33).

75% interviewees of UK and 91% of Bangladesh agreed that besides business leaders, HR leaders are responsible for driving and promoting corporate social responsibilities (Figure 34). There is a significant difference between two samples from UK and Bangladesh about this statement as the $p$ value is 0.014 which is less than 0.05 (Appendix 11) which implies the urge for Bangladeshi leaders to contribute the CSR of their organizations is more than in UK clothing industry. After the Rana Plaza incident employees are becoming aware about their benefits and rights in Bangladesh. Now they believe HR leaders are not only responsible for recruiting, dismissing, rostering and dealing with wages, but also, they are responsible for driving and promoting corporate social responsibilities besides business leaders of the organizations.
Figure 34: You believe that, besides business leaders, HR leaders are responsible for driving and promoting corporate social responsibilities.

Samples from both countries are indifferent about the next statement which is, whether they motivate other employees to perform better as the p value is 0.261, which is greater than 0.05 (Appendix11). Figure 35 shows that 100% interviewees of UK and 99% of Bangladesh agree that they motivate employees to perform better.

Figure 35: You motivate employees to perform better.

This indicates the leadership behaviour of leaders in both countries. In UK organizational culture are supportive which influences leaders to behave democratically. At the same time democratic leaders and national culture influence organizations to practice supportive culture.
So, leaders through their leadership behaviour motivate rather than ruling over employees to perform better. In Bangladesh after the Rana plaza incident organizations and leaders are more concerned about the individuals. Change of this leadership behaviour and organizational culture in Bangladeshi garment industry is a result of cross cultural effect.

The next statement is whether employees learn from different cultures and leaders. There is no significant difference ($p = 0.826 > 0.05$) between two samples from UK and Bangladeshi RMG industry about this statement (Appendix 11). Because of cross cultural effect, buyer organizations from different countries influencing the organizations and leaders in Bangladesh to transform their culture and leadership behaviour. Individuals from UK also learn from different cultures and leaders.

![UK](chart1.png) ![Bangladesh](chart2.png)

**Figure 36: You learn from different cultures and leaders.**

As 89% interviewees of UK and 98% of Bangladesh agree that they learn from different cultures and leaders, this implies both countries’ individuals are less ethnocentric (Figure 36). Author also found that individuals in Bangladeshi RMG industry are very prejudiced about British and American culture. However, in reality, this is a negative attitude, this can be positively utilised. For instance, individuals from UK can easily transform Bangladeshi leaders’ leadership behaviour who are strongly prejudiced to British culture which will also lead to the organizational change.

There is a significant difference between two samples in terms of implementing or changing their leadership behaviour depending on where they are as the p value is 0.00, which is less than 0.05 (Appendix 11). As figure 37 shows that 80% interviewees of UK and 96% of Bangladesh agree with this statement and 20% individuals of UK have no view while this percentage is only 3% of Bangladeshi employees. This implies, leaders’ leadership behaviour in UK is less flexible than Bangladeshi leaders’ leadership behaviour in terms of different national and organizational
culture. This strongly supports that national culture affects leadership behaviour of leaders because different situations and circumstances influence leaders to change their leadership behaviour.

**Figure 37: You implement or change your leadership behaviour depending on where you are.**

The final statement is about creating the learning and sharing opportunities for all leaders from different cultures. There is no significant difference between two samples about this statement as the $p$ value is 0.095, which is greater than 0.05 (Appendix 11). Figure 38 shows that 84% participant employees of UK and 97% of Bangladesh agree that they create learning and sharing opportunities for all leaders from different cultures. Again, this indicates the less ethnocentric behaviour of both countries’ individuals. This is also a democratic behaviour of leaders which help to develop other’s as well as their own skills.
In a cross-cultural situation when buyers from UK and suppliers from Bangladesh will work together then if leaders share their ideas and concepts then they will learn from each other and can implement within their organizations. And this will only happen when they care and have respect on each other.

Now the research will investigate the cultural differences between Bangladesh and UK with the assist of Hofstede’s cultural dimension.

### 7.3 Cultural Differences Between UK and Bangladesh

In chapter 2, we have discussed Hofstede’s six cultural dimensions and scores of all different countries in the world. Based on Hofstede’s work, main difference between UK and Bangladesh is made by power distance index, individualism, uncertainty avoidance, and indulgence dimensions (Figure 39).
UK has low power distance means very less inequality and democracy is well established. Subordinates can share their idea with seniors and seniors also appreciate that. New decisions come in learning and sharing process. On the other hand, Bangladesh scored 80 in power distance index. In a social life, powerful individuals are extreme powerful. In workplace also, boss will tell subordinates what to do or not to do and they will accept that, even though boss might be wrong. This causes rare work places with learning and sharing atmosphere. UK scored high in individualism and indulgence and low in uncertainty avoidance, but Bangladesh scored very low in individualism and indulgence and high in uncertainty avoidance. Consequently, UK society gets new ideas, innovation and something exceptions. As children from their early age they are learning how to develop themselves and contribute to the society, leaders are well performed at learning, sharing, motivating and changing leadership behaviour at the different circumstances. While meeting all the employees at their store, author observed how workplace safety is maintained. Stores are fitted with CCTV cameras. Certain amount of fire extinguishers and fire actions are noticeable in certain areas, emergency exits are marked with battery operated lights, so everyone will be able to see even in power cut situation. Staffs are trained, and everything is checked on a regular basis to see they are in working order. Visiting UK stores, author had to sign on a register book. Then an assistant described what to do in an emergency and showed where is the emergency exit because if any unexpected thing will happen during the interview then how he will escape. On the contrary, in Bangladesh, something new or exception is not always expectable by the society. Individuals also do not urge to come up with innovations. They are always in fear that if something will go wrong because of them, they will lose the face. In the case of Tazreen factory workers never said anything about the blocking of fire exits. The day before collapsing Rana Plaza, workers were confused that should they enter...
the building or not. All the deadly incidents before Rana Plaza incident were taking place over and over but no noticeable movement took place and the country did not see any HR development. After Rana Plaza incident, Government and companies had to take some initial steps to save this industry and their businesses as foreign buyers will stop placing orders if they wouldn’t take any steps. National culture of Bangladesh has high impact on organizations’ culture of Bangladesh. Lack of inspections, monitoring and implementations of law and order is also noticeable in Bangladeshi companies. Organizations are also careless regarding employee welfare. High scores in UAI means absolute religions, innovations are restricted, and leaders cannot think about something new and different which can protect and benefitted them. Proper human resource management and development is still far behind. Corruptions take place. Thus, leadership behaviour also cannot make any massive change(s) to the organizations however they believe leaders can change organizational culture.

So, from the questionnaire analysis and scanning of cultural differences between UK and Bangladesh above, this is evident that, national culture of UK does not tolerate unethical activities and make sure companies are doing fair trades. This affects organizational culture which tends to be an ethical organization. Treating employees in a decent way such as, paying real living wages is not required by law, but some organizations are practising it considering their moral point of view. This is an example of good organizational culture. Business ethics influences leaders to practice ethical behaviour, at the same time fair leaders’ skills of motivations, learning and sharing quality, democratic and charismatic/ transformational leadership behaviour help to turn a traditional organization to an ethical organization by enhancing a good human resource management system. On the other hand, in Bangladesh national culture resists leaders to do something different. Lack of law enforcement results poor labour management. Employees are unaware about their benefits and rights. Organizations also do not realize and focus on employee safety and proper Human Resource Management. After Rana Plaza incident since 2013 this is clear that foreign culture and leadership behaviour have major influence on Bangladeshi organizations. At least 2000 factories (approximately) who are covered by The Accord Bangladesh and The Alliance have improved their work place and making sure employees are safe. Some trade unions and non-government organizations are raising labours’ voice. Organizations in RMG industry, are adapting proper HRM by observing foreign, especially British companies and leadership behaviour. Government is also trying to focus on human resource management. As a buyer country, UK is playing an important and fair role to develop the labour management within the organizations of Bangladeshi RMG industry. After the Rana Plaza incident, they could easily turn around and switch to other countries. But, UK companies never stopped the contract and signed with Accord to make sure that their supplier factories are treating their employees ethically and their workers are working in a safe place rather than in death wells.

Now we will summarise the key findings of the questionnaire results to see the key similarities and differences between UK and Bangladesh and how culture and leadership behaviour
differences are associated on ethical practices of labour management within the RMG industry of these two countries.

Key similarities: Basic HRM concepts in both countries’ RMG industry are similar. Such as there are similar main HR roles and responsibilities within the organizations, employee development trainings are provided by both countries’ clothing organizations, HR department of the company ensures employee welfare and workplace safety. There are some similarities in the view of leaders in terms of their leadership behaviour in these two countries’ apparel industry. Leaders of both countries believe in learning and sharing culture of the organization, support and motivate other employees, and show less ethnocentric behaviour.

Key differences: Main differences between UK and Bangladeshi RMG organizations are HR contributions in CR, employee safety maintenance issue by the company and local authorities, and national minimum wages are only for garment employees. In Bangladesh, HR department of the RMG organizations contribute more towards the CR than UK. Clothing organizations in Bangladesh are careless to maintain the employee safety where UK organizations are very strict regarding this matter. Local authorities are in Bangladesh also put less attention than UK regarding workplace safety inspection. National minimum wages are only applicable for garment employees (which is very lower than living wages) in Bangladesh but this is for all employees in UK. There are some differences in the view of leaders in terms of their leadership behaviour in these two countries’ apparel industry. More leaders of Bangladeshi RMG industry than UK believes besides business leaders, HR leaders are also responsible for driving and promoting CSR and Bangladeshi leaders are more prejudice to British culture and more flexible than leaders of UK in terms of implementing or changing their leadership behaviour depending on where they are.

Association of culture and leadership behaviour differences on ethical labour management: United Kingdom is a developed country of the first world where everything is up to date and enhanced such as cultural view and lifestyle. Labour management of this country has a long history and after lots of struggling today’s human resource management system is established. Laws and orders as well as people’s respect to the rules and regulations of this country brought a better level of labour management in every sector including RMG industry. This is an effect of national culture on organizational culture and leadership behaviour. Simultaneously, there is also an effect of ethical leadership on organizational culture which influences organizations to practice ethical labour management. Thus, the national and organizational culture, and leadership behaviour have constructed the ethical labour management within the clothing organizations. But, Bangladesh is a third world’s developing country where most of the people are living under the poverty line. Lots of things of first world’s countries are completely absent in their general lifestyles. Commons have very low expectations and they become very happy with least things. This has an important impact on the labour management in this country. Law and orders are not very strict and there are lots of corruptions. As a result, capitalist owners try to exploit employees to maximize their profit. Conventional society is a
resistance of getting proper leaders. Therefore, national and organizational culture and restricted leadership behaviour could not make sure the ethical practices of the labour management in the RMG industry and consequently, the building Rana Plaza collapsed, and other incidents were taking place over and over. Data analysis shows that in recent years labour management within the RMG industry is gradually developing and modernizing to stop the deadly incidents, wages are increased, and employees’ awareness is enhanced because of cross cultural relations in readymade garment industries and The Accord, Alliance Bangladesh are some of the best examples among them. Which implies cross cultural situation helped to change the organizational culture and leaders’ leadership behaviour which led to practice the ethical labour management in the garment industry of this country.
7.4 Summary

From the questionnaire analysis and comparing the cultural dimensions of Bangladesh and UK, we have seen what are the similarities and differences between these two countries RMG industry and how differences of culture and leadership behaviour have effects on ethical labour management. In last few years some clothing organizations have changed but these numbers of organizations are not enough for a massive industry which has around 5,000 factories and 3.5 million employees. National minimum wages are increased but still far below than real living wages. Culture plays a role as a resistance of change process in Bangladesh, so, the whole change process needs to take place in a systematic and sustainable way to make it acceptable for both owners and employees of the RMG organizations. The following chapter will conclude the study with some recommendations for ethical labour management in RMG industry of UK and Bangladesh.
Chapter 8: Conclusions

This chapter provides concluding remarks on this study. The originality of the study has been described first, then the research findings and conclusions are discussed under the following sections: Reflections, Recommendations, Theoretical and Practical contribution, Limitations and Further Research.

8.1 Originality of The Study

Originality is a major ingredient of doctoral research in every discipline. Doctoral students are required to demonstrate how they have contributed new knowledge to their discipline and will use their doctoral theses (Gelling and Rodríguez-Borrego, 2014). This part describes how uniquely the research has been done, what challenges and experiences the author came into contact with during the research journey. This research was an idea came into author’s mind while he was working for an organization based in London as a team-leader. His team was made with sixteen team members from different cultural background. Author was experiencing new things every single day at the beginning in a culturally-diversified work atmosphere and he realised that there should have extensive research on this field related to culture and leadership. “Manager’s Leadership Style Changes in Retail Industry According to Different Cultures in UK” was his first research while he did his master’s degree in Business Administration. Then he wanted to carry his research on and put more focus on business ethics, culture and leadership. In the meantime, in 2013 the biggest industrial accident the world had seen in 30 years, was Rana Plaza incident caused a death of over 1100 innocent lives in Bangladesh. And very strange thing is, this was not the first time that the accident happened in Bangladeshi garment industry. Therefore, it became really demand of time after the Rana Plaza incident, to conduct some research on ethical labour management which encouraged researcher for this study “The effects of culture and leadership behaviour on ethical practices in managing labour within the UK and Bangladesh-readymade garment industry.”

To conduct this research the framework has been outlined with primary and secondary data. A wide range of literature review covered from books, journal articles, research papers, conference papers, news articles, blogs, and online resources. A vast collection of books in the university library and online library is a really good source of books to read for literature review. Access to thousands library across the world through online is a wonderful opportunity to explore. As this study’s main focus is on human resource management, culture, leadership behaviour and ethical labour management, literature has covered all the related area of the research. To analyse cultural dimensions of the different countries in the world, Hofstede’s model of cultural dimensions and Globe projects have been considered. Nowadays online journal articles became very famous as it is very convenient and time savings. University of Bolton provides right to use of almost all main and renowned journal sites to its students and staff. At
the beginning the facility was only available from the university campus. As a result, author was struggling to access online journal articles from home if needed. It made lot easier when this facility became available from anywhere the student want log in their account by “electronic resources log in” and search resources through “discover@bolton”. The University of Bolton Library is also a member of the national SCONUL Access scheme which allows part-time, distance or placement students (on a placement of ten weeks or more), full-time taught postgraduate students, permanent members of staff and postgraduate research students the opportunity to register with and borrow from other university libraries. This was also very helpful for the author as it allowed borrowing library materials from other university libraries including University of Cumbria which was just around the corner of his accommodation. Postgraduate research training programme assisted elaborately to all research students at the commencement of the course to make every research student aware of the entire process of the journey which is really appreciated by the author.

After reviewing the literature, the most critical part of the research process is to select the right research methodology (ies). Author’s first intention was to do a qualitative research with case study methods. Then to get more precise findings of the study, with the advice of director, quantitative and qualitative mixed-method (triangulation) approach through the case studies have been used.

Then the most important part of the study is fieldwork. As, aim of this study is to investigate the effects of culture and leadership behaviour on ethical labour management in UK and Bangladeshi RMG industry, physical fieldwork has been done between these two countries. First fieldwork in Bangladesh was in February 2014 just after few months of the Rana Plaza incident. Second fieldwork was working with pilot questionnaire and third one was final interview in UK and Bangladesh. Fieldwork experiences have been described in the previous chapter.

After finishing the data collection process, they were analysed which have been illustrated in chapter 7. This is author’s personal view is that, numerical findings and the reality is not always same. Proving something mathematically does not give the ultimate result particularly when social phenomenon like culture and human behaviour such as leadership behaviour is examined. While author was investigating the history of Bangladesh he found, religion has a big effect on Bangladeshi culture even it played a big role to separate from India in 1947 and became independent in 1971 from Pakistan. High uncertainty avoidance score of this country also indicates the effect of absolute religion on the people of this country. Individuals are religious and most of them are devoted to the Islam. So, in any extreme moment they just depend on the decision of the all mighty. For example, if an individual is experiencing any injustice, in most cases he or she will think this is the consequences of any sin or almighty knows the best which is good and which is bad. This type of situation is hard to explain mathematically. Author also found sometime individuals in Bangladesh are not giving proper information intentionally or unintentionally. It seems they are either scared or not interested or they actually have no idea
regarding some issues. For instance, after Rana Plaza incident, employees are moved to new work place where they have all the safety instruments such as, fire alarms, fire blanket, fire extinguisher, fire exits etc. But author found that not all individuals including supervisors know their implications. Which implies that these instruments are just fitted and checked but employees are not trained on regular basis. So, author had to use his observation and unstructured interview for this sort of circumstances. Author also found that Rana Plaza incident is a signpost for the whole RMG industry of the world. Before and after the incident can be divided as two ages of world RMG industry and definitely for Bangladesh. The disaster mainly has shown us how unfairly big brands are trading and how capitalist owners are exploiting labours in Bangladesh. After the incidents, British fashion companies are trying to practice their labour code of conducts strictly for their supplier factories. And Bangladeshi garment organizations are trying to convince their buyer companies by conforming their requirements. So, cross cultural and leadership behaviour here is very important for this whole process to practice labour management ethically. After analysing the primary and secondary data, finally the study is concluded with some recommendations for both UK and Bangladeshi RMG industry considering the effect of culture and leadership behaviour on ethical labour management.

8.2 Research Question - Answered

With reference to the objectives of the study, the following research questions were established in chapter 1:

- What are the effects of culture and leadership behaviour in RMG industry of Bangladesh and UK?
- How the culture and leadership behaviour differ in RMG industry of Bangladesh and UK?
- What are the effects of culture and leadership behaviour on ethical labour management in RMG industry of Bangladesh and UK?
- How culture and leadership behaviour have effects on fair trade policy of Bangladesh and UK in their RMG sector?

After the complete investigation of the study answers of the questions above are discussed below.

Effect of culture and leadership behaviour in RMG industry of Bangladesh and UK:

From the wide range of literature review, this study found that culture has a substantial influence on leadership behaviour. National and organizational culture both solely or simultaneously influences the behaviour of a leader. Leaders can change their leadership behaviour depending on the circumstances. Different cultural dimensions can influence leaders to adapt different leadership behaviour. As a result, organizations can see changed leadership behaviour. A leader
from different culture or organization can change the new organization’s culture even the national culture by his convincing power and leadership behaviour. Ethical leadership behaviour more focuses on moral activities considering employee management. It makes an organization autocratic to democratic, helps to be a supportive organization and put more focus on employee welfare by practicing corporate social responsibilities. Thus, culture and leadership behaviour have effects on ethical labour management.

Differences between British and Bangladeshi Culture and Leadership behaviour:

To compare the cultural differences between UK and Bangladesh, this study discussed Hofstede’s six dimensions of culture model and GLOBE project. After critically evaluating these two models, Hofstede’s 6D model has been considered for the benefit of this study. From the literature, case studies and empirical studies this study found there are significant differences between UK and Bangladeshi culture. UK has low power distance, high individualism, less uncertainty avoidance, and high indulgence culture. On the other hand, Bangladesh has high power distance, low individualism, high uncertainty avoidance, and low indulgence culture. Both countries have high masculinity and neutral long-term orientation culture.

Effect of culture on leadership behaviour in UK and Bangladesh is clear. Because of low power distance there are very less inequality and democracy are well established in UK, but in Bangladesh, high power distance implies more inequality and autocracy within the organizations. Therefore, in UK, more democratic and ethical leadership behaviour is noticeable than Bangladesh. Additionally, differences of individualism, indulgence, uncertainty avoidance between these two countries, UK society gets new ideas, innovation and something exceptions but, in Bangladesh, something new or exception is not always expectable by the society, consequently, individuals are not very innovative. Thus, culture and leadership behaviour differ in UK and Bangladeshi RMG industry.

Effects of culture and leadership behaviour on ethical labour management in RMG industry of Bangladesh and UK:

After completing the investigation this study found that, effects of culture and leadership behaviour on ethical labour management is significant. Briefly, national culture of UK does not accept immoral activities and make sure companies are doing fair trades. For that reason, organizational culture tends to be an ethical organization. Business ethics influences leaders to practice ethical behaviour at the same time moral leaders’ motivations, skills, learning and sharing quality, democratic and charismatic/transformational leadership behaviour also make a traditional organization to an ethical organization by enhancing a good human resource management system. On the other hand, in Bangladesh, national culture resists leaders to do something different. Organizations do not realize and focus on employee safety and proper Human Resource Management. After Rana Plaza incident since 2013 this is clear that foreign culture and leadership behaviour have major influence on Bangladeshi organizations. At least, 2000 factories (approximately) are covered by The Accord and Alliance for Bangladesh and they
guided those factories to improve their work place and making sure employees are safe, which prove the influence of foreign organizations. Some trade unions and non-government organizations are raising labours’ voice. Some companies (less amount but) are adapting proper HRM by observing foreign, especially British companies and leaders. Government is also trying to focus on human resource management.

Effects of culture and leadership behaviour on fair trade policy of UK and Bangladeshi RMG industry:

After the Rana Plaza and all other incidents there are three options for UK clothing organizations. Firstly, UK organizations can continue as they were sourcing products before from Bangladesh cheaply doesn’t matter how all the suppliers’ factories are ethically managing their employees. Secondly, UK fashion brands can switch to a different country where suppliers’ factories are managing ethically their employees. Thirdly, UK RMG organizations can stay with Bangladeshi organizations and try to develop the ethical labour management. UK organizations eventually have selected the third one which is an effect of less ethnocentric British culture and ethical leadership behaviour. Bangladeshi clothing organizations also can operate as they were without caring what is good and what is bad for their employees or they can change everything, make sure employees are ethically managed and conform all the buyers’ requirements. Good thing is, as UK clothing companies decided to stay, Bangladeshi organizations had to cooperate with them. This is the result of cross-cultural effect, consequently, Bangladeshi organizations are changing gradually, and leaders are transforming their leadership behaviour. However, there is a huge amount of cost involved and UK companies contributed a massive part of that cost, neither price of products are increased, nor the quality decreased. Thus, culture and leadership behaviour effects on fair trade policy of UK and Bangladeshi RMG industry.

8.3 Reflections

The author concluded two main fieldworks in UK and Bangladesh and gone through an immense literature review to investigate the effect of culture and leadership behaviour on ethical labour management in UK and Bangladesh. Data were analysed in the previous chapter. Now the study will describe the author’s reflection of the study in light of the following themes which emerged from the investigation and the research questions and assumptions.

From analyzations of Hofstede’s cultural dimension between UK and Bangladesh, there are significant differences are noticeable of these two countries’ culture. Among six dimensions, both countries’ only masculinity vs femininity, and long-term orientation dimension’s score is quite close. So, in our study first research hypothesis is apparently true that culture of UK and Bangladesh is different. Effect of culture on leadership behaviour in UK is clear. UK has low power distance means very less inequality and democracy is well established. Subordinates can share their idea with seniors and seniors also appreciate that. New decisions come in learning and sharing process. On the other hand, Bangladesh scored 80 in power distance index. In a social life, powerful individuals
are extreme powerful. In workplace also, boss will tell subordinates what to do or not to do and they will accept even though boss might be wrong. For that reason, work places are rare with learning and sharing atmosphere. UK scored high in individualism and indulgence and low in uncertainty avoidance, but Bangladesh scored very low in individualism and indulgence and high in uncertainty avoidance. Consequently, UK society gets new ideas, innovation and something exceptions. As children from their early age, they are learning how to develop themselves and contribute to the society, leaders are well performed at learning, sharing, motivating and changing leadership behaviour at the different circumstances. While meeting all the employees at their store in UK, author observed how workplace safety is maintained. Stores are fitted with CCTV cameras.

Certain amount of fire extinguishers and fire actions are noticeable in certain areas, emergency exits are marked with battery operated lights, so everyone will be able to see even in power cut situation. Employees are trained, and everything is checked on a regular basis to see they are in working order. To visit a store author had to sign on a register book. Then an assistant described what to do in an emergency and showed where is the emergency exit because he needs to know that if any unexpected thing will happen during the interview then how he will be able to escape. On the contrary, in Bangladesh, something new or exception is not always expectable by the society. Individuals also do not urge to come up with innovations. They are always in fear that if something will go wrong because of them, they will lose the face. The case study shows how unsafe was Rana Plaza inside. There were not enough light and ventilations, but no one has raised this issue or did not know the importance of safe and hygienic workplace. Thus, the second research hypothesis is true that, leadership behaviour of leaders in UK and Bangladesh RMG industry differs because of the cultural differences of these two countries. National culture of Bangladesh has high impact on organizations’ culture of Bangladesh. Lack of inspections, monitoring and implementations of law and order is also noticeable in Bangladeshi companies. Organizations are also careless regarding employee welfare. Child labour was noticeable, employees were getting low wages, there was no freedom of workers. After Rana Plaza incident, government and companies had to take some initial steps to save this industry and their businesses to continue the trade with foreign buyers. On the other hand, national culture of UK does not tolerate unethical activities and make sure companies are doing fair trades. This affects organizational culture which turns a traditional organization to an ethical organization by enhancing a good human resource management system. Therefore, national living wages, no child labour, freedom of employees, limited working hours, maintenance of workplace and employee safety is strictly followed by both the government and the organizations. So, the third and fourth hypotheses of the study are also true that there are significant effects of culture on ethical labour management in Bangladesh and UK. In the case of Tazreen factory, employees never said anything about the blocking of fire exits. In Smart Export Garment, employees were locked to their workplace. The day before collapsing Rana Plaza, workers were confused about entering the building. Then, their managers
persuaded them to enter the building and work. All the deadly incidents before Rana Plaza incident were taking place over and over but no noticeable movement took place and the country did not see any HR development. High scores in UAI of Bangladeshi culture indicates that, innovations are restricted, and leaders cannot think about something new and different which can protect and benefitted them. Proper human resource management and development is still far behind. Corruptions take place. Thus, leadership behaviour also cannot make any massive change(s) to the organizations. But, after Rana Plaza incident, since 2013, this is clear that foreign culture and leadership behaviour have a great influence on Bangladeshi organizations. Foreign companies including British clothing organizations reviewed their labour codes for their suppliers’ factories. As a result, at least 2000 factories (approximately) who are covered by The Accord and Alliance for Bangladesh, have improved their work place and making sure employees are safe. Some trade unions and non-government organizations are raising labours’ voice. Some companies (less amount but) are adapting proper HRM by observing foreign, especially British companies and leaders. Employees are less ethnocentric and more prejudiced to British culture which help them to learn and share things easily. Employees are now more aware about their rights and benefits. Child labour is decreased, and minimum wage which is far below than real living wage, but it has been fixed and raised by the government which was very low before. Government is also trying to focus on human resource management. So, before Rana Plaza incident, employees were less ethically manged which is more ethical now because of the change of leadership behaviour in Bangladeshi RMG industry. Thus, the fifth hypothesis is true that there are significant effects of leadership behaviour on ethical labour management in RMG industry of Bangladesh. In UK, national culture and business ethics influence leaders to practice ethical behaviour, at the same time fair leaders’ motivations skills, learning and sharing quality, democratic and charismatic /transformational and less ethnocentric leadership behaviour makes a traditional organization to an ethical organization by enhancing a good human resource management system within the clothing organizations. Therefore, the final research hypothesis of the study is also true that there are significant effects of leadership behaviour on ethical labour management in RMG industry of UK.

So, there are some positive and negative effects of culture and leadership behaviour on ethical labour management in UK and Bangladeshi RMG industry. Through distinct levels of national cultural dimensions, organizational cultures and ethical leadership behaviour in UK RMG industry, labour management is ethically practiced. Before Rana Plaza incident, in Bangladeshi RMG industry, different level of cultural dimensions from UK, power based organizational culture and autocratic leadership behaviour resulted practice of unfair labour management. Also, less concentrations of British and other foreign clothing organizations gave chances to Bangladeshi companies not to pay attentions on ethical labour management. But, after the deadliest incident ever in Bangladeshi RMG industry, cross cultural effects played a significant
role on change of labour management in this sector. Pressure of British and other foreign apparel companies influenced Bangladeshi organizational and national culture as well as the leadership behaviour which positively affected the ethical labour management in RMG industry of this country. Although, this industry of Bangladesh has changed a lot, author observed that, some non-compliance issues are still noticeable in this industry, such as, child labour, excessive working hours, freedom of labour, low minimum wage, unsafe workplace etc. This implies, the change process is not reinforced and properly effective yet. But, the industry requires a sustainable change process with the support of strong leadership behaviour to establish the ethical labour management. Therefore, in the following section some recommendations are suggested for UK and Bangladeshi RMG industry.

8.4 Recommendations

The international readymade garment business is extremely competitive. It is essential for Bangladesh to focus on RMG industry and national HRM sector as the competition is growing day by day among RMG exporting countries. Simultaneously UK companies which are outsourcing from different countries including Bangladesh also should give emphasis on few issues related to the suppliers’ countries. RMG authorities in Bangladesh should implement efficient strategies on total Human Resource Management and Development such as, employment conditions, working conditions and occupational safety and health management. It is also necessary to exercise regularly compliance codes of conduct which can bring products’ better price, less conflict with workers, lower turnover rate of workers, maximum morality of employees, highest output and quality of product, efficient industrial relation along with a decent image and reputation of this industry in international market. Government of Bangladesh has to be firm on implementation of law and order. This will reduce corruption and people will be respectful to the rules and regulations. Changing the national culture and human behaviour will take time but developing organizational culture and leadership behaviour is not very difficult as there are cross cultural influences. UK companies need to be more transparent regarding ethical supply chain. They should not rely on only the paper works but also verify them by physical inspection. Since they have an intense effect on their suppliers, they should use it for ethical labour management. This could be hard for smaller firms in UK but easier for big brands. Smaller companies can sign up with Accord or Alliance for Bangladesh and get products from their listed company to make sure products are ethically sourced. Comparing UK and Bangladeshi culture and their leaders’ leadership behaviour, this study makes following recommendations for both Bangladesh and UK companies to apply ethical labour management in these countries’ RMG industry.

For Bangladesh:

- In terms of culture, high power distance is one of the most important issue which should be minimized as much possible in Bangladeshi RMG industry. Lower power distance will help to practice democratic and support culture within the organization. Bangladesh
is a high collectivist country. However lower individualism culture helps for personal development, individuals can also be benefitted from the collectivist culture as it emphasizes individual identity as a group and loyalty to the group (eventually the group cares for the individual’s welfare), emotional bond with the groups and organizations, more on collective privacy rather than personal, more on the group decisions instead of individual and dependency on each other. Therefore, organizational change is necessary which involves proper leadership behaviour. For sustainable and effective change process, reinforcement, institutionalisation and monitoring of change strategies are necessary. For that reason, more supports are needed from Accord, Alliance for Bangladesh and other government and non-government organizations with a vision and right direction. And to this end, it is essential to form a proper HR and leadership body to guide organizations exercising proper Human Resource Management system and train individuals for transforming their leadership behaviour.

For UK:

- Transparency in the business is very important for fair trading. Ethical leadership can change this unfair circumstance. UK companies can play a significant role for this event. Recent incidents show that, just setting up the code of conducts is not enough, for the ethical supply chain, they should be implemented properly. Comparatively smaller organizations have to depend on the third parties or agents. Depending on cheap and unreliable agents will fail and result another incident. In that case, organizations such as Accord, Alliance for Bangladesh are quite reliable, and UK smaller companies can order from their listed organizations. Big brands of UK can send representatives to Bangladesh who will directly monitor their sourcing factories, so they can verify any audit reports which may be fake.

- Cross cultural effect is very efficient for transforming leadership behaviour and organizational change. Therefore, if UK companies set up compliance offices in Bangladesh, send their representative regularly and meet local individuals and visit the organizations, then this will create a learning and sharing environment for both countries’ leaders and help clothing organizations to adapt all necessary changes.

- Increased corporate social responsibility and ethical activities of the UK companies are recommended. As law and order is very strict in UK, companies are fair trading here. When they are sourcing from Bangladesh, they should perform same as UK not only publish the labour code and do some paper works.

For Bangladesh and UK:

- To form an HRM and leadership body in Bangladesh such as, CIPD in UK or establish a CIPD Global Bangladesh branch, cooperation of UK leaders is must essential to lead and transform leaders’ leadership behaviour of Bangladesh. At the same time, initiatives from
leaders of Bangladesh is also essential to collaborate with UK leaders, adopt leadership qualities and skills and construct a highly effective institute for Human Resource Management in Bangladesh.

8.5 Theoretical and Practical Contributions

This research will help both scholars and professionals in several ways. From the theoretical perspective, this research made contributions by researching a wide range of topics and adopting a comparative study approach and a mixture of data collection methods. When examining the effect of culture and leadership behaviour on ethical labour management in UK and Bangladeshi RMG industry, this research considered several factors related to these issues. For example, culture and leadership behaviour, human resource practices in Bangladesh and UK, practice of business ethics in those two countries. Therefore, it improves the understanding of those factors’ effects on ethical labour management in this industry. Furthermore, several findings in this research strengthened the underpinnings of some leadership models and theories. In addition, this research also reinforced a number of views from the previous studies. For example, the criticism on the transformation of HRM and leadership behaviour, corporate social responsibilities, labour law and wage discrimination in Bangladesh. Moreover, this research made further contributions to the literature by bringing in several new findings to challenge the traditional views.

In terms of practical contribution, based on the expectation that culture and leadership behaviour have direct effect on ethical labour management, the researcher recommended British and Bangladeshi readymade garment organizations continue to focus on aligning company HR policies with business strategy, thereby paying attention to the roles of leaders’ leadership behaviour and the HR department. For the former, leaders need to consider HR policies when adopting organizational strategy from cross cultural influences, in particular, there is evidence that their effectiveness influences the implementation of HR policies. Moreover, this research also provided British companies with potentially practical advice in terms of effectively managing and leading their supplier companies, for better business consequences. For example, this research found that cross cultural effect and leadership behaviour made Bangladeshi companies to make sure that work places are safe by signing with The Accord. Also, local government focuses more on factory inspections. Therefore, this research suggested the British companies to continue involving their senior managers in the process of reviewing compliances of Bangladeshi RMG companies and make sure they are maintaining it properly. Additionally, considering the ethical leadership behaviour, this research recommended maintaining learning and sharing process between British and Bangladeshi leaders draw their attention to the development of labour management and increase their awareness regarding fair trade policies. For that reason, this study also shows the importance of a proper HR and leadership body in Bangladesh. Organizations in this country need to change their culture in terms of ethical labour management in RMG industry. National culture of a country cannot be changed within a short
period of time. Instead, individuals’ behaviour can be changed by training and educating them properly. Government and non-government organizations are trying their best to work on it but with lots of limitations and restrictions within one sector and based on one city it will not be possible to change the whole picture of the industry as well as the country. Therefore, an HR and leadership body like CIPD or their global branch in Bangladesh with several regional Branches and local support in the country it would be possible to develop the leadership behaviour and overall Human Resource Management system of each sector including the RMG industry of the country. Finally, this study will provide adequate knowledge regarding ethical labour management to clothing organizations of UK and any other countries of the world who want to source their products from Bangladesh. This will also help other countries in the RMG global market to know how culture and leadership behaviour are affecting the ethical labour management and what are their corporate responsibilities and what are the necessary steps they need to follow to assure moral practices of labour management.

8.6 Limitations and Further Research

While the research aims, and objectives were successfully accomplished, its limitations should be noted which provide suggestions for future research. First, perhaps the most obvious limitation is that the onetime data resembles a snapshot. The cross-sectional nature of the study prevented any appropriate methodology for the examination of specific linkages, in particular, in Bangladesh workplace management is changing over the time. Therefore, gaining a clearer idea regarding this matter would ideally require longitudinal analysis. Second, considering a drawback of using secondary data is that information needed may not be available as the data was collected primarily for the purposes of other research, this research adopted primary data collection and utilised a triangulation approach via questionnaire, interviews and observation. Nevertheless, a major drawback of self-reporting is that it may contain a strong bias from the reporting person. Therefore, caution was needed while treating and processing such information. On the other hand, these self-reports do reveal valuable insights into the mindset of Bangladeshi and British employees in terms of what they believe to be the most important elements as part of their effectiveness and firms’ activities. Third, all the theories (regarding culture, leadership and management) apparently are originated in the West, which are considered for constructing this research, where, Poon and Rowley (2007) argued that, the finding of such research may display some similarities. However, the Western management theories were forced to fit into the Asian context and failed to recognise the contextual difference between Asia and the West, in addition, the similarities as displayed may remain at the superficial level and would not demonstrate or capture the underlying philosophy. Hence, it might result in the under-representing or misrepresenting the meaning of culture and leadership behaviour effect and human resource policies and practices in the context of Bangladesh. From this perspective, the researcher agreed with the criticisms of Poon and Rowley (2007) and thereafter proposed to search for Bangladeshi characterised concepts to explain this phenomenon. Indeed, the researcher believed that this would achieve a better understanding and insights into the similarities and differences as
presented between Bangladesh and UK. Furthermore, the introduction of Bangladeshi perspectives will also broaden the established Western theories of culture, leadership and HRM. Fourth, although this research adopted a combination of quantitative and qualitative research approaches in the form of a two-stage data collection process of questionnaires and unstructured interview and observation. This is justified on the rationale that the undertaking of interviews and observation will help to form the questionnaire analyse the data. Moreover, as the analysis of the questionnaires progressed it became increasingly evident that the quantitative approach was yielding unambiguous findings. But in some cases, such as, investigating cultural effect and leadership behaviour in Bangladeshi RMG industry unstructured interview and observation was really helpful. Consequently, the researcher prioritised the analysis of the questionnaires for the purpose of the subsequent comparison with the findings of these previous studies, albeit with the support from the data set of interviews and observation where appropriate.

However, despite these limitations, this research examined the culture, leadership behaviour and management individually and through linking these together and investigating their interrelationships and thereafter, it made appropriate recommendations regarding effect of culture and leadership behaviour on ethical labour management in readymade garment industry of Bangladesh and UK and potential avenues for future research that could clarify some of above limitations and extend this research.
8.7 Final Conclusion

Finally, the study has investigated the effect of culture and leadership behaviour on ethical labour management in UK and Bangladeshi readymade garment industry. For that reason, the research reviewed a voluminous range of literature on the relevant field, conducted fieldwork and compared the differences of culture, leadership behaviour and overall human resource management system between these two comparative countries. After analysing primary and secondary data, some recommendations are suggested to improve the fair-trade policies and ethical leadership behaviour for UK and Bangladeshi readymade garment industry. The essence and importance of proper human resource management system has been identified for Bangladesh and some recommendations are also suggested for emerging human resource management and development for the whole country to provide a safer work environment and improve the existing system within the organizations. However, this does not mean that, the recommendations are suggested will change and effect instantly. Pearson, (2011) asserts that: “Change doesn't happen overnight-it's molded by people who don't give up”. Darhower, (2014) also added “Change doesn't happen overnight. There's no button that's pushed to magically alter everything. Change happens little by little. Day by day. Hour by hour”. Ultimately a group of people with focused directions and a lot of patience will have to take the initiatives forward and hopefully over the time change will happen which will bring improved conditions for all workers in this important sector.
Bibliography


Appendices
Appendix 1

Different Countries’ Score of Cultural Dimensions

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Source: Hofstede (2017)
Appendix 2

Key Points of The Labour Rules 2015, Bangladesh:

- **Employment Policy/Service Rules**: If any establishment wants to have its own Employment Policy/Service Rules, it must obtain approval from the Chief Inspector of Labour. All existing Employment Policy/Service Rules must be submitted to the Chief Inspector of Labour within November 15, 2015 for approval.

- **Registration of Manpower supply agency**: The Rules prescribed the process and forms for the registration of manpower supply agencies under the Labour Act. Some new conditions are also imposed on the manpower supply agencies.

- **Establishment Organogram**: Every owner of an establishment must prepare an organogram for the establishment and must obtain the approval of Chief Inspector of Labour for such organogram.

- **Appointment Letter**: Under the Labour Act, an appointment letter must be issued for hiring any labour. The Labour Rules makes it mandatory that the appointment letter must contain certain information such as salary, other financial benefits, applicable rules etc.

- **Various Register**: The Labour Rules prescribe certain forms for various register such as service book, labour register, leave register, etc.

- **Misconduct and punishment**: The Rules prescribe the process for investigation of misconduct.

- **Two festival bonuses**: The Rules makes it mandatory that a labour, who continuously works for a year, must receive two festival bonuses in every year. Each bonus shall not be more than a basic salary.

- **Provident fund elaborated**: The Rules provide detailed guidelines regarding provident fund. New additions include provisions related to selection of nominee, management of the fund, activities of the trust for managing provident fund.

- **Holiday**: The Rules detailed the provisions related to holidays. It also clarifies the provisions related to compensatory weekly holiday.

- **Health and fire safely**: The Rules provide a detail guideline on health and fire safety.
• **Wages**: The Rules details the provisions related to wages. Clarification is provided for the mechanism of calculating wages for fraction of month and deduction from wages.

• **Prescribe from for filling case in Labour Court**: The Rules introduces some prescribe form for filling cases in the Labour Court.

• **Approval of factory plan and any extension**: The Rules put an end to the Factories Rules and provide detail guideline how approval of factory plan and any extension thereof should be obtained.

Source: OrgLegal (2017)
Appendix 3

Overview of UK Employment Law

Major areas of employment legislation.

- **Working Time Regulations** – ensuring that employees do not work hours in excess of the legal maximum and take sufficient holidays, breaks and time off

- **National Minimum Wage** – providing a minimum hourly rate of pay categorised by age

- **Health and Safety** – These regulations ensure employees are safe at work

- **Transfer of Undertakings Protection of Employees (TUPE)** – apply when considering mergers or transfers of employees from or to your organisation

- **Public Interest Disclosure Act** – gives legal protection to workers when whistle-blowing about wrongdoings in the organisation

- **Redundancy** – including consultation procedures, entitlement to statutory redundancy payments etc

- **Discrimination** – the right to be treated fairly in all employment decisions

- **Parental rights** – maternity/paternity/parental/adoption leave and dependants' leave for emergencies

- **Flexible working requests** – for those with caring roles for children and other dependants

- **Right to request training** – this applies to employers with over 250 employees from April 2010 and to all employers from April 2011

- **Immigration and work status** – ensuring that your employees have the right to work in this country

- **Specific checks** – for example those required for employees working with children or vulnerable adults in your organisation (that is, Criminal Records Bureau checks including Protection of Vulnerable Adults)

- **Data Protection Act** – covering the information that may be kept for an employee
• **Information and Consultation of Employee Regulations** – in certain circumstances this requires employers with more than 50 employees to consult with and inform employees about workplace issues.

• **Equality Act 2010** – This came into force on 1 October 2010.

Source: Knowhownonprofit (2017)
Appendix 4

Worker Appointment Rule 2015, Bangladesh

Giving letter of appointment and identity card and maintaining the confidentiality:

(1) No owner can appoint any worker without giving the letter of appointment.

(2) Any person working in any firm can only once be given the letter of appointment.

(3) If the letter of appointment of any worker is lost or damaged, the photocopy kept in his/her personal file or true copy can be supplied subject to the application of the workers.

(4) The worker should mention the following information in the letter of appointment of the worker under the section 5, such as:

   (a) Name of worker,
   (b) Father’s Name,
   (c) Mother’s Name,
   (d) Spouse Name,
   (e) Address: Present and Permanent
   (f) Designation, type of work, date of joining,
   (g) Class of worker,
   (h) Wages or pay scale (Wages or salary and the rate of the increase of annual salary, if any),
   (i) Other payable financial facilities (house rent, medical, education, food, conveyance, festival and attendance allowances and gratuity if any, and
   (j) It is to be mentioned hereby that all appointment conditions, existing service rules (if any), and labour act will be complied with.

(5) Each owner will provide identity card with the photograph to each worker working in the firm at the costs of the owner as per Form-6.
(6) If the identity card of the worker is lost, the fresh identity card can be issued subject to the payment of Tk. 50/-. 

(7) The information regarding the letter of appointment, identity card and service book should be kept as per Form- 6 (a).

(8) Notwithstanding anything contained in these rules, any worker engaged in the factory or firm or any person with administrative and management responsibility will maintain the confidentiality of the business strategy of the firm in case of performing the duties or changing the job.
Appendix 5

Security Rules 2015, Bangladesh

Security of the building, machineries and other structures:

(2) At the time of implementing the section 61(1), the inspector will take into consideration any wall, chimney, bridge, tunnel, road, gallery, staircase, ramp, floor, platform, railway or road for the vehicles of electrical or mechanical method or any other structure, either it permanent or temporary, so that it becomes dangerous for the life of security; But provided that in case of any factory established or introduced before these rules come into effect, the certificate should be submitted to the inspector whether the provisions of other existing laws have been complied with in case of the durability and the load capacity of the building and machineries and the construction of any structure and can direct to the owner to show the same and justify.

(3) After these rules come into effect, if any factory building or factory is set up in any building, the certificate should be taken from the construction firm hereby that the building has been constructed as per the latest policy issued by the government in case of Bangladesh Building Code or appropriate cases.

(4) As per the section 61(2), if any owner fails to take certain measures directed by the inspector within the timeframe given by him/her, it will be considered the continuous offence i.e the offence committed every day.

Adopting cautions regarding the fire incident:

1. Each room of the factory building where more than 20 workers are engaged, there will be at least two exits in that case and these exits should be located in such way so that every person can reach with ease and without interruption from the workplace to the exit.

2. Such exits won’t be located more than fifty meters off from the workplace of the workers and these won’t be less than 1.15 meters in width and 2.00 meters in height.

3. Where more than 20 workers work in the building of a factory or in any part of the building on the ground floor or where combustible or explosive materials are used or stored or the building or its part is located below the ground level, there will be two durable and separate staircase made permanently inside and outside the building to come out in emergency and these will be made with fire-resistant materials and will comprise the direct and interrupted movement.
4. Each staircase to be used for coming out in case of fire should be with durable hand rail and the said staircase and its rail will be made with non-conducting and fire-resistant materials and the staircase will be rough.

5. If such staircase is made after these rules come into effect, hand rails should be attached to both sides. Provided that if the rails aren’t attached to the staircases made earlier before the rules come into effect, rails should be attached in both sides within next six months. Further provided that if the width is less than 1.15 for setting up the said staircase railing, this condition won’t be applicable.

6. No staircase can’t be constructed at the angular distance of more than 450 from the surface.

7. No staircase of 6-storied building won’t be wide less than 1.15 meter and the staircase of the building more than six stories won’t be less than 2.00 meter and in case of multi-storied building, the provisions of Bangladesh National Building Code will be applicable for building without sprinkler and with sprinkler: But provided that in case of all multi-storied factories constructed before the issuance of these rules, the width of the staircase won’t be less than 1.15 meter in any case with a view to giving highest priority in regard of the security of the workers engaged. Further provided that where there is no opportunity to increase the width of the staircase due to old infrastructure.

8. Two exits or staircase won’t be located at the distance of more than 50 meter and adjacent to each other and the ends of at least half of the stairs will be outward of the building.

9. There will be proper ventilation and lighting in the staircase so that the staircase won’t be dark and the door of the garret can’t be closed or locked during the working hours.

10. There will be at least one window without grill that will be hinged so that one can come down with ladder or rope after opening the hinge in emergency situation and there will be a net of strong rope on the ground floor so that one can land on the net through rope in an emergency situation during the fire incident.

11. As per the section 62, if any owner fails to take certain measures directed by the inspector within the timeframe given by him/her, it will be considered the continuous offence i.e the offence committed every day.
Appendix 6

Fire extinguisher and water supply Rule
2015, Bangladesh:

(1) A drum filled with water with the capacity of 200 ltr for each 1000 meter floor area on each floor of the factory and four empty buckets of red colour made of metal with the capacity of 10 ltr should be kept and maintained and each bucket-
   (a) should be standard as per Bangladesh standard specification;
   (b) should be kept in a location approved by the inspector and can’t be used in another works except the fire extinguishing and should be written ‘Use for Fire Extinguishing’;
   (c) should always be kept empty except where there is a risk of catching fire from the combustible liquid or other matters; But provided that if the factory is protected with fire hydrant or sprinkler, the above-mentioned provisions won’t be applicable.
   (d) A hose reel should be set up in a place approved by the inspector as per the specification of the fire service department on each floor for each 850 sqmt space of each building and there will be the arrangement of uninterrupted water supply in it and it should be tested at least once a year.

But provided that the inspector general can relax the compliance of the provisions of this paragraph in case of any factory after recording it being confirmed about the alternative measure of the fire fighting.

Each fire extinguisher mentioned in the sub-rule (2):

a) should be installed in such a place from where all can see it;
(b) should be installed in an accessible place from every part for using it instantly;
(c) should be installed near the exit or stair landing of each floor as far as possible. But it should be kept watch so that the emergency exit isn’t intercepted in any way;
(d) In applicable case, supporting wall or cabinet made of wood, metals or plastic should be installed in such a way so that the bottom of the fire extinguisher remains 1000 mm high from the ground level;
(e) should be installed in the same place of each floor;

(f) should be installed in fire prone areas of the building such as: kitchen, crowded area, warehouse, electric dividing point, area with combustible materials etc and it should be portable;
Appendix 7

Questions and Areas Covered in Unstructured Interview and Observation

For employees in Bangladesh.

➢ How many hours do you work per week?
➢ How many days are off in a week you get?
➢ Do you get any paid holiday?
➢ If yes how many days in a year?
➢ Do you know anything about maternity/paternity leave?
➢ If yes, do you get this leave?
➢ If yes, how many days in a year?
➢ How much is the weekly/monthly wages?
➢ Is it enough?
➢ Do you get your wages on time?
➢ Do you get any bonuses in a year?
➢ Did you sign any job contract when you started the job?
➢ Did you see any age, sex or ethnic discrimination on recruitment or/and the salary?
➢ How many hours of overtime you do per week?
➢ Is this voluntarily or forced by employers?
➢ Do you know any activities about your workplace safety maintenance?
➢ How do you know that your workplace is safe?
➢ Do you get any regular training/practice about employee safety from your organization?
➢ Does any government organization inspect the workplace to assess the workplace safety of your organization?
➢ Do you know anything about trade union?
➢ If yes, are you a member of any organization?
➢ Are employees allowed to be a member of trade union?

DIFE and Accord Alliance for Bangladesh
➢ Process of workplace inspection
➢ About qualified inspectors.
➢ About inspection checklist
➢ Impact of buyer countries including UK on the workplace development
➢ Long term plan for the workplace development
➢ Dealing with employees and trade union?
➢ Employee training and development programmes

**How organizations are observed:**

Author also observed workplaces and employees while interviewing and visiting organizations in Bangladesh. Participant observation such as working within the factories could give an intense idea about the RMG organizations regarding ethical labour management. But it would take a long time and thus it is impossible as there are around 5000 factories in Bangladesh. By observing selected factories and employees it would be possible to get an overall idea of clothing organizations in Bangladesh. To observe the organizations in terms of ethical employee management, following areas are considered.

The location, internal and external condition of the work place: There are some general concepts of every single workplace which indicate how the organizations are ethically performing. For example, location of factories in a residential area is certainly not expected. Thus, in a building which is under construction, organizations should not operate there. Workplace security is also significantly important. Easy access for everyone to any workplace should not be accepted. Inside the workplace how comfortably employees are working and what are their facilities include is also important.
Body languages of employees: How managers/supervisors/team leaders are conducting with general employees and how general employees are behaving with their superiors give a general idea about the organizational culture and ethical employee management of any organizations. For example, standing up while superiors are passing by is sign of high power distance within the organization. Having no eye contacts with the superiors can express how general employees are scared about them. Differences of decorations and facilities in working areas show how general employees and disregarded. These differences also demonstrate how employees are accepting and getting used to these types of cultures.

Reactions of employees while interviewing are also important. For instance, one HR manager of an organization when knew that author is from a British University, he agreed to face the interview anonymously.

Health conditions of workers: Workers health conditions simply describe their overall lifestyles. When a worker is working excessive hours and not getting enough wages, then usually that worker will not physically fit. If workers are not getting wages in right time, if their job is not secured and they may lose jobs anytime then they will be stressed.

Workplace safety (instruments and signs): Sometimes, organizations officially can claim their workplaces are safe as they have all safety instruments such as fire extinguishers, fire blankets, smoke alarm, sprinklers etc. But if safety instruments and signs are observed closely then the reality will come out. Author has some work experience in UK. From his personal experience he knows when inspectors of local council come to assess the workplace safety then how they observe the employees and the organizations. Therefore, author tried to observe safety instruments and signs carefully. For example, in some factories, by the fire extinguishers there were no fire action notice, there were no fire assembly point signs and employees have no idea about these signs.
Appendix 8

Questionnaire

Your name:

Name of your organization:

Your position in the organization:

Consider the following statements regarding your company’s management and leadership behaviour; please answer them by ranking among 1 to 5, as follows.

1 - Strongly disagree, 2 – disagree, 3 – no view, 4 – agree, 5 – strongly agree. You can also add any comments below each question.

About your company:

1. Main responsibilities of HR department of your organization are recruiting and dismissing, rostering and paying wages.
   1  2  3  4  5
   Comment:

2. Employee development training is provided by the company.
   1  2  3  4  5
   Comment:

3. HR department of the company ensures employee welfare and workplace safety.
   1  2  3  4  5
   Comment:

4. HR contributes in corporate responsibilities in all aspects of the business.
   1  2  3  4  5
   Comment:
5. Employee safety is maintained by the organization because of government legislation.
   1 2 3 4 5
   Comment:

6. Employee safety is supervised by the local authorities.
   1 2 3 4 5
   Comment:

7. National minimum wage is only applicable for garment operators but not for any other employees in the country.
   1 2 3 4 5
   Comment:

8. National minimum wages meet the living wages.
   1 2 3 4 5
   Comment:

9. The company recognises trade unions because it wants to work in partnership.
   1 2 3 4 5
   Comment:

10. The company develops HR practices by observing foreign companies.
    1 2 3 4 5
    Comment:

About your leadership in the company:

11. Organizational culture affects leadership behaviour.
    1 2 3 4 5
    Comment:

12. Leaders can change organizational culture.
    1 2 3 4 5
    Comment:

    1 2 3 4 5
    Comment:

    1 2 3 4 5
Comment:
15. You believe that, “employees are the main driver of the organization”.
   
   Comment:

16. You believe that, besides business leaders, HR leaders are responsible for driving and promoting corporate social responsibilities.
   
   Comment:

17. You motivate employees to perform better.

   Comment:

18. You learn from different cultures and leaders.

   Comment:

19. You implement or change your leadership behaviour depending on where you are.

   Comment:

20. You create learning and sharing opportunities for all leaders from different cultures.

   Comment:
About you: Please tick where appropriate.

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Appendix 9

Consent Letter

Dear Sir/Madam,

I, Mohammad Rashed Khan, would like to invite you to participate in a study I am conducting as part of my Doctoral degree in the school of Business and Law at the University of Bolton under the supervision of Professor Stephen Hardy. The study compares current views on management and leadership between UK and Bangladesh. The research focuses on impacts of cultural and leadership behaviour as well as ethical practices on labour management in these countries.

To that end, you and your organization have been selected to comment on these matters. Your cooperation is greatly appreciated. All responses will be treated confidentially, and all information will be kept anonymously.

Please do not hesitate to contact myself or Professor Hardy if you have any further questions. Please act in response as soon as possible. Thanking you for your kind cooperation.

Yours faithfully,

Rashed Khan  
(PhD Student)  
School of Business and Law,  
University of Bolton  
Bolton BL3 5AB  
Email: mrk2bbs@bolton.ac.uk  
Ph: 0044(0)7506697041

Professor Stephen Hardy  
(Supervisor)  
Head of the Law School  
University of Bolton  
Bolton BL3 5AB  
Email: S.Hardy@bolton.ac.uk  
Phone: (01204) 903407
# Appendix 10

## Demographics of The Sample

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#### Position

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# Appendix 11

## Statistical Analysis

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<th>Independent Samples Test</th>
<th>Levene's Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
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Two groups of samples from Bangladesh and UK were selected with 180 individuals in each group. Same set of questionnaires (Likert Scale) has been used. Converted the value of the answer as Strongly Agree = 5, Agree = 4, No View = 3, Disagree = 2 and Strongly Disagree = 1. Using the mean value of each group with the help of SPSS.

~ENDS~