



Prospects and Challenges of Green Human Resource Management in RMG Sector of Bangladesh

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Abstract

Bangladesh Ready-Made Garments (RMG) have become crucial in recent decades, yet privately made products are still a problem. 90% of RMG's 4.2 million representatives are women. However, Bangladesh RMG has enormous growth potential. For using these opportunities, it should focus on authentic HR ways to boost quality performance. Their kin are undervalued, underprepared, and underutilised. Due to ill-advised HR practises, RMG has a high work upheaval rate and worse profitability than its peers. As RMG is a growing aspect of the industry, more attention is being paid to apparel companies' growth. Green corporate strategies are boosting global sustainability. Green-oriented corporate strategy can gain a competitive advantage over potential competitors and help them achieve sustainable development. Modern buyers are drawn to green RMG enterprises to fulfil their obligation to Mother Nature. Since RMG is Bangladesh's most important economic sector, environmental care is critical. This study aims to provide an overview of green human resource management strategies in Bangladesh's RMG industries, which boosts their competitiveness. The main data source was a questionnaire. The respondents' perceptions of the variables are analysed descriptively. Ten people from each of 20 garment companies were polled. According to the survey, HR professionals should make environmental management part of their daily practise to have a regular schedule. Going green hrm boosts a company's Image and bottom line.

Keywords: Green human resource management, Ready-Made Garments (RMG), Sustainable.

Introduction

With their dedication and hard effort, employees are considered the company's most important asset (Danish and Usman, 2010). HRM practises are all about optimising an organization's performance by boosting its workforce's productivity and contentment, which is why they are so important (Adedapo, 2015; McLean and McLean, 2001). Human resource management strategies must be examined because the organization's operations depend on having a productive and efficient workforce, which can only be done by considering the thoughts and actions of employees (Jafri, 2013; Ghebregiorgis and Karsten, 2007). According to Swanson and Holton (2009), and Teseema and Soeters (2006), HRM practises comprise everything from recruiting, selection, training, remuneration, promotion, grievance handling, and job security to organisational transformation and quality improvement.

Setting up systems that assist businesses achieve their goals by efficiently managing their workforce is another component of human resources management (Qureshi et al., 2010). Like Jeet and Sayeeduzzafar (2014), who believe HRM practises are like a tool that helps the organisation achieve its goals, similar sentiments are expressed in a research article. Human resource management (HRM) is defined as a set of activities aimed at maximising the potential



and capabilities of employees in order to meet a company's stated goals, including the selection of individuals, compensation, and the development of human resources (Abdullah, Ahsan and Alam, 2009). The procedures an organisation utilises to manage and guide its people resources in order to attain the organisations goals, as defined by Dessler (2010)

In previous research, some of the key difficulties of HRM approaches have been portrayed as selection, job design, training and development, performance evaluation, monetary compensation, promotion and handling of grievances (Gomez-Mejia, Balkin and Cardy, 2001; Skinner, 1999; Muhlemayer and Clarke, 1997; Huselide, 1995). Human Resource Management (HRM) has been studied extensively from the perspective of industrialised economies rather than developing economies (Almhdie and Nyambegera, 2004). Human resource management (HRM) approaches from developed economies might have unforeseen repercussions for emerging countries due to the differences in context and social systems between the two. Human resource management strategies in developing countries could serve as a model for the rest of the world.

Development of RMG Industry in Bangladesh

When the ruling party chose to nationalise practically all of Bangladesh's industrial entities in 1972, it was to run the country with a socialist mindset. Even though the government provides enormous subsidies to nationalised industries, inefficiency, ineptitude, and corruption result in significant losses for these companies. Funders, intellectuals, technocrats, and private entrepreneurs have upped their pressure on the government to reform the economy as a result of the failure of the ideology of the previous government. To encourage private investment in large-scale firms that may serve as the foundation for industrialization, the succeeding administration concentrated on privatisation from 1975 to 1981. When the second Five-Year Plan (80-1985) was adopted in 1979, neither policymakers nor the RMG industry were involved. Stern, (Stern, 1991). To encourage the garment industry to become more export-oriented, the government enacted Trade and Industrial Policy (TIP) in 1982 with the support of Harvard Institute of International Development (HIID). There was a large increase in RMG factories between 1984 and 1985, as well as an increase in foreign currency profits. The RMG industry has grown steadily over the past few decades, and the trend is expected to continue.

However, despite the fact that Bangladesh's RMG journey began in late 1970s, the country saw a significant RMG drive between the 1980s and the late 1990s in Bangladesh (Robbani, 2000). At Dhaka, Bangladesh (then East Pakistan), the country's first textile mill opened in 1960 and began exporting its products in 1976. Bangladesh's first garment factory was established as a result of a joint venture with the South Korean firm "Daewoo" (Rock, 2001). This group was formed in 1982 to protect the rights of Bangladeshi garment producers and exporters. In 1985, the United Kingdom, Canada, and the United States imposed export quotas on Bangladesh, putting the company's expansion at risk (Uddin, 2006). In order to get access to European and American markets, countries like Bangladesh were able to take use of the Generalized System of Preferences (GSP) as well as the Multi-Fiber Agreement (MFA). As a result, RMG was able to flourish and grow. The RMG business in Bangladesh is currently the key source of foreign



exchange for the country. This trend is projected to continue as the importance of employee performance improvement efforts grows. Bangladeshi garment factories are confident in their work's superior quality because their products have achieved worldwide acclaim and popularity (Rahman and Anwar 2007). Scholars in this field argue that RMG companies have made great strides because of the hard work and dedication of their personnel (Hossan, Sarker and Afroze, 2012). Consequently, the Bangladeshi RMG industry draws global clients because garment factories can produce products at a low cost because of the supply of affordable labour (Rashid, 2006; Kabeer, 2004). When it comes to making a Denim Shirt, for example, in Bangladesh it costs \$0.22, whereas in the United States it costs \$7.47. (CNN, 2013). The United States is the primary destination for Bangladeshi RMG exports, followed by Germany, the United Kingdom, France, and other EU countries as well (BGMEA, 2010). A positive indicator for the RMG industry's long-term viability and improvement, then. However, if staff do not perform at a high level, this growth will be stifled. As a result, the RMG industry in Bangladesh may expect strong performance from its employees. RMG has played a key role in Bangladesh's economy for many years, and it will continue to do so in the future. The RMG industry generated \$82.01 billion in export income in the 2015-2016 fiscal year. This table highlights the RMG industry's contributions to Bangladesh's economy during the previous few years, as the country's economic success is heavily dependent on this industry.

Table 2.2: Statement of Export of RMG and Total Exports of Bangladesh, Source: Export Promotion Bureau Compiled by BGMEA, 2021.

Year	Export of RMG (In billion US \$)	Total Exports of Bangladesh (In billion US \$)	% of RMG's to Total Export
2005 – 2006	7.901	10.526	75.06
2006 – 2007	9.211	12.178	75.64
2007 – 2008	10.700	14.111	75.83
2008 – 2009	12.348	15.565	79.33
2009 – 2010	12.497	16.205	77.12
2010 – 2011	17.914	22.924	78.15
2011 – 2012	19.090	24.288	78.60
2012 – 2013	21.516	27.027	79.61
2013 – 2014	24.492	30.187	81.13
2014 – 2015	25.491	31.209	81.86
2015 – 2016	28.094	34.257	82.01
2016 – 2017	28.149	34.655	81.23



2017 – 2018	30.614	36.668	83.49
2018 – 2019	34.133	40.535	84.21

Problem Statement

Organizations are increasingly incorporating environmental stewardship and green management practises into their daily operations. Traditional financial and economic systems have been replaced by the current capacity-based economy, which is closely linked to green management and green economics (Ahmad, 2015).

Environmental awareness is becoming more prominent in today's literature, as well as in the workplace and everyday life. It's impossible to ignore the negative impact that one's surroundings might have on one's career and personal life. It's time to either alter one's standard of living or deal with the consequences of this problem. There is a pressing need to address environmental challenges from the perspective of corporations. It is a goal of the GHRM manifesto to cultivate a workforce that promotes green culture and understands the complexities of environmental concerns (Renwick et al., 2013).

For businesses that want to become green, Green HRM has become an essential component, with the HRM department attempting to maintain green offices and green practises. Green It is necessary to apply human resource management in order to meet the environmental goals of going green in the firm. Employees who want to work in an environmentally friendly environment must have the necessary training and experience to help the company get to the green level (Garavaan et al., 2010; Sudin, 2011). An organization's environmental strategy and the development of green technology rely heavily on HRM. Human Resources Management (HRM) needs to give management and employee competencies to ensure that the organization's environmental performance continues to improve. As a result, there is a study void in academia that necessitates empirical studies to determine whether employees and supervisors possess potential green competences.

The study goal is to show how ineffective and difficult it is to implement green human resource management in the RMG sector of Bangladesh and to study the results of such an implementation.

Literature Review

Green Human Resources Management Practises

As a result of the use of green human resources management strategies, an organisation can better understand and apply the company's green culture. Recruiting, training, and development are all part of this green HRM culture. The HR department plays a critical role in fostering and maintaining a company-wide green mindset (Harmon et al., 2010). For example, human resource functions are a great way to help implement green practises in the workplace and meet the company's green goals. Selection, salary, performance management, and employee involvement are all important aspects of human resources management, according to Cherian



and Jacob (2012). Human resources management (HRM) is a critical component of organisational change and strategic planning.

HRM practises, sustainability, and environmental challenges are rising and developing quickly, yet they're not treated in length in the body of work. According to Ulrich, Brockbank, and Johnson (2009), in order to achieve organisational goals and implement strategy, HR practises must be connected with environmental and sustainability challenges. Human resource management techniques such as hiring, training, incentive and pay are critical to implementing green HRM, according to Cherian and Jacob (2012). HRM must assure a green process in order to recruit green employees and offer green performance in order to achieve green performance (Opatha and Arulrajah, 2014). In this section, we'll talk about HRM's role in environmental stewardship and long-term sustainability.

Significance of Green HRM

Business strategy has evolved over the past two decades to include a focus on environmental and social challenges, as well as financial performance (Boone, 2012). At the same time profitable organisations are focusing on environmental issues and incorporating them into their plans in order to strike a balance between social concerns and environmental risk. In this regard, organisational culture is regarded as a crucial to the effectiveness of environmental policies within the organisation (Bertels, Papania, & Papania, 2010). Employee and management perspectives on sustainability are reflected in the values, assumptions, symbols, and functions of an organization's culture (Bro, Fernández, & Junquera, 2007). HRM has been shown to have a significant impact on the culture of an organisation when it comes to implementing environmental policies and tools (Harris & Crane, 2002). Employees that understand and are aware of green culture and are able to contribute to sustainability are the result of HRM efforts (Watson & D'Annunzio-Green, 1996). As a result, it is imperative that human resource management functions incorporate sustainability and environmental concerns (Nijhawan, 2014).

There are currently 67 green constructions in Bangladesh's 28-billion-dollar RMG sector, which is regarded the largest number in the world for providing environmentally friendly building. The "Leadership in Energy and Environmental Design (LEED) Green Factory Award" was also given to 13 Bangladeshi green construction plants, which received "LEED Platinum accreditation" for their efforts to promote sustainable development. Bangladesh, the world's second-largest supplier of ready-made clothes, had already established itself as a prominent player in the renewable industrial development industry. Over 280 plants were registered for "LEED" approval by the United States Green Building Council (USGBC), however only 13 were classified as "LEED Platinum." Besides Indonesia, India and Sri Lanka, the world's second-largest factory is 40. (Selim 2013). Short-term costs involved with developing a green strategy could be met in the long term by maximising resource efficiency and cutting costs, according to the practitioners interviewed. The most difficult component of these approaches is that the factories have to invest without expecting an immediate return, which could be viewed as an additional expense by the factory. However, if the corporation is



able to negotiate with the upper echelons of society in order to secure incentives for adhering to the green business strategy, it can succeed. Industry leaders should take advantage of this as an opportunity to demonstrate their environmental stance and use Bangladesh's capacity for attracting higher RMG prices around the world. There has never been a better time for RMG's development objectives to be bolstered and for Bangladesh's commitment to reducing carbon emissions to be strengthened by investing more resources in greening measures. In the end, the best solution to overcome Bangladesh's unsustainable path to productivity increase was an agreement on green transition focusing on a flexible combination of opportunities based on the country's socio-political economic adaptability.

Green Recruitment and Selection

The term "green recruiting" refers to the process of employing personnel who have the knowledge, skills, techniques, and behaviours that align with the company's green strategic approach (Krithika et al., 2019). Controlling the environment effectively requires effective recruitment and hiring practises. New hires are taught about the company's commitment to environmental protection as part of the orientation process (Ramasamy, 2017). When it comes to attracting new employees, many organisations are already using websites and emails to solicit employee information. It is possible to do online interviews, virtual interviews, and telecommuting in a green manner. It saves time, money, and energy, as well as reducing environmental pollution, by allowing people to take public transportation instead of driving (Nalini and Durai, 2019).

Green Training and Development

Initiatives that encourage employees to learn environmental protection skills and pay attention to environmental issues are known as green training and development. This is a critical step in meeting environmental goals (Saeed et al., 2019). Online training, teleconferencing, video calls, online course materials, and case studies are all examples of green training methods (Nalini and Durai, 2019). GHRM's primary responsibility is to train and educate its employees about environmental issues (Arulrajah et al., 2015). The training programme should include all events, such as workshops, masterclasses, sessions, and simulations, in which employees learn about environmental management at their workplace (Shaban, 2019).

Green Performance Management and Appraisal

In the context of green management techniques, green performance management is a practise of rewarding employees for their efforts (Saeed et al., 2019). Environmental events, environmental duties, and environmental communication are all included in green performance evaluations (Renwick et al., 2013). As a result, green performance management and appraisal emphasise going above and above to assess a company's ability to achieve sustainable development goals (Ramasamy, 2017).

Green Rewards and Compensation

Employee success can be more aligned with company goals through the use of incentives and rewards than through other HRM initiatives. Employees who commit to sustainable aims and



objectives are rewarded financially and non-financially through a system of incentives and remuneration (Saeed et al., 2019). Rewards and compensation can be offered in a variety of forms, including financial ones (bonuses, cash premiums), non-monetary ones (vacations, permissions, gifts), and ones that serve as public recognition (Bangwal and Tiwari, 2015).

Objectives of the Study

i) Primary objective: The primary objective of the study is to explore the prospects and challenges of Green HRM in the RMG industries in Bangladesh.

ii) Specific objectives:

- 1) To identify the practices of Green HRM in RMG industries in Bangladesh.
- 2) To explore the prospects in the developing countries in RMG industries.
- 3) To address the challenges with the appropriate suggestion for better practice of Green HRM.

Methodology

The population of this study is the RMG industry in Bangladesh. The study designed a questionnaire as the major source for data gathering. A descriptive analysis is done to identify the perceived status of the variables by the respondents. Pearson correlation is performed to identify the relationship between the dependent and independent variables. Multiple regression is utilised to examine the impact of independent variables of Green HRM practise and problems of RMG business in Bangladesh. A total of 100 people were surveyed from 20 garments organisation, with ten people (Randomly selected) from each garments organisation receiving a questionnaire. A good response rate of 80% was achieved. Some items were removed from the instrument after consulting with specialists in the field of study following this pilot study.

Analysis and Result

The Cronbach's Alpha ranges from 0.818 to 0.9, as shown in the reliability statistics tables. This demonstrates a high level of coherence among the construct's components. No items were being removed because they were all deemed valuable and reliable for use in calculating weights.

Table 1: Reliability Test of the Variables (Source: Survey 2022)

Construct	Cronbach's Alpha	N of Items
Green Human Resources Management Practices (GHRMP)	.849	5
Green Recruitment and Selection (GRS)	.810	5
Green Training and Development (GTD)	.877	5
Green Performance Management and Appraisal (GPMA)	.898	5



Green Rewards and Compensation (GRC)	.861	5
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Regression analysis was run to evaluate which factors significantly impact attitude towards Islamic banking. The table of model summary R represents the relationship between variables, R square explains the variance in the dependent variable because of the variance in the independent variable. F change represents the statistical significance of the model with significance level (p value <.05).

According to a data analysis, "Lack of workers who understand the green policies" was identified as the main obstacle to implementing green HRM practises. Among 20 Bangladeshi garment companies, seven use green HRM methods in the attraction stage, and 20 out of 20 in the recruiting and selection stage, therefore we can conclude that all Bangladeshi garment companies adhere to green practises. When it comes time to separate, the green human resource management technique is only used on a few items. In the final stages of the HRM process, just 25% of participants adhere to green practises. GHRM is followed by 56.7 percent of Bangladeshi garment manufacturers.

Table 2: Table 4: Coefficient of the Variables (Source: Survey 2022)

R	R-Square	F	Sig
.823	.612	45.121	.000

	Unstandardized Coefficients			Sig.
	B	Std. Error	t	
(Constant)	.896	.217	4.136	.000
GRS	.114	.066	2.737	.001
GTD	-.105	.067	-1.582	.115
GPMA	.295	.060	4.919	.000
GRC	.381	.047	8.110	.000

Issues and Challenges as Adopting the Green HRM in the Organization

- Free on-site consultations are available from most local utilities to help businesses save money by reducing energy consumption. Improve insulation, install timers to automatically turn off lights, use energy-efficient light bulbs, and keep the temperature at a level that is neither too cold in the summer nor too warm in the winter are some of the most common recommendations.
- Achieve paperless office practises through promoting emailing.
- Performing yearly- It's critical that you Employees should be surveyed to find out how well the company is following green practises. Suggestions should be requested in the survey. For the purpose of becoming a more environmentally friendly company. There are two



ways to conduct this type of survey: either as a stand-alone survey or as part of an employee opinion/satisfaction survey.

- The annual surveys will allow the business to review its progress in going green and provide information, suggestions and insight for future actions. They will be conducted.
- Employees should be active in the company's environmental efforts by forming a committee.
- Glass, paper, plastic, and metal waste should all be recycled. Check your garbage cans. You'll have a new appreciation for the expenses associated with the acquisition, storage, and eventual disposal of personal property. Reuse shipment packaging and save down on photocopying.
- Encourage carpooling to cut down on the amount of time spent commuting. Providing employees who use public transportation with passes and bike racks.
- Reusing, recycling, and repurposing things is a great way to reduce your environmental footprint. When making a purchase, consider the environment as well as the price.
- There are a lot of toxins in the workplace, such as old batteries and copier toner, that need to be cleaned up and disposed of. If you can't avoid using toxics, ask suppliers for alternatives and make sure they are properly disposed of when they are used.
- Consider the amount of oil it takes to ship and receive goods, and rethink transportation. Find strategies to reduce the environmental impact of the things you buy or sell. Purchase or lease energy-efficient vehicles for the transportation of goods by your personnel.
- An executive-level person should head up going Green/Organizational Sustainability activities to provide leadership and resources. An emphasis on environmental sustainability should be incorporated into the company's mission and business plans.
- Employees should be active in the company's environmental efforts by forming a committee.
- Informing your customers and suppliers about your efforts to become green is an important part of going green. Many local regulatory bodies offer financial incentives for enterprises that embrace green measures. Inform employees and shareholders/investors about the progress made in the greening of the business.
- Monitor your sinks and toilets for water leaks. Reduce the amount of water used in the company's industrial processes and lawn irrigation.
- Evaluate the potential for employing solar energy, biofuels, wind power, and other alternative energy sources.
- Utilize energy-efficient equipment and streamline operations to use fewer steps and less material and packaging in order to implement green manufacturing practises.

Recommendation

Workplace satisfaction will be impacted if it is eco-friendly. That's why correct use of HRM is critical, and green HRM is the best way of achieving those goals. In order to survive in today's workplace, green HRM is one of the things that must be done correctly. In the Green HRM, environmentally sustainable HR activities should be implemented. Green HRM, on the other hand, means that eco-friendly and sustainable development practises should be implemented



in all HR-related areas. This requires more than simply adhering to environmental policies, but also going above and above what is required to reduce waste and operate effectively. Using environmental parameters in performance evaluations to keep track of employees' green performance. Green incentives and compensations can be used to motivate staff. Incentives, both monetary and non-financial, to encourage employees to use environmentally friendly practises in the workplace.

Conclusion

It's becoming more common for HR departments to implement green initiatives that have a direct impact on the bottom line rather than simply enhancing the company's image and reputation. In addition to ensuring compliance, these new processes, regulations, products and solutions are also helping to increase productivity. For example, corporations can use the internet or teleconferencing to save business travel and post staff manuals, procedures, and other company information online to reduce the need for printed materials. Companies can encourage employees to use less paper by providing recycling trash bins for paper in the workplace and for bottles and cans in the break area, as well as storing paperwork electronically. Telecommuting and work-from-home programmes are becoming more popular among businesses. To help businesses go green, ride-sharing schemes run by universities have been quite successful. Earth-friendly benefits are often the result of a company-wide initiative to go green. It's reasonable to think about environmental benefits when organisations begin recycling, upgrade their heating and air conditioning systems, and look for ways to cut carbon emissions. For HR professionals, it's time to make environmental management a part of their daily routine so they have a consistent schedule of activities. It's a good idea for firms to go green since it improves their public relations, which has a direct impact on their bottom line.

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