Compensation Management Practices in BSCIC Industrial Estates: A Study of Rajshahi Division

A Dissertation Submitted to the Institute of Bangladesh Studies, University of Rajshahi, Bangladesh in Partial Fulfillment of the Requirements for the Degree of Masters of Philosophy

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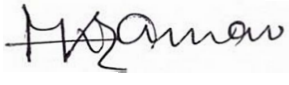
Certificate

We have the pleasure to certify that the dissertation entitled "Compensation Management Practices in BSCIC Industrial Estates: A Study of Rajshahi Division" is the original research work accomplished by Md. Mokarremul Hoque Helal Mridha, MPhil Fellow of the session 2016-17 at Institute of Bangladesh Studies, University of Rajshahi. This research work is done under our direct guidance and supervision. So far we know, this is the candidate's own achievement and is not a conjoint work.

We also certify that, we have gone through the dissertation and recommend for submission to the Institute of Bangladesh Studies, University of Rajshahi in partial fulfillment of the requirements for the degree of Masters of Philosophy.



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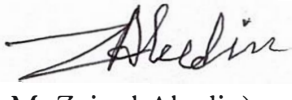

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Declaration

I do hereby declare that the dissertation titled "Compensation Management Practices in BSCIC Industrial Estates: A Study of Rajshahi Division" submitted to the Institute of Bangladesh Studies at the University of Rajshahi as a part of the requirements for the Master of Philosophy is my own original work. Based on chapter five a part of this dissertation has previously been submitted for an article entitled "Gender and Working Condition in BSCIC Industrial Estates of Rajshahi Division" at Journal of Institute of Bangladesh Studies-JIBS (English) and accepted for publication in the Volume 41. All the materials used or quoted sources have been duly indicated and acknowledged in the dissertation.

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Rajshahi
June 2019

Md. Mokarremul Hoque Helal Mridha

Abbreviations

BSCIC	Bangladesh Small and Cottage Industries Corporation
CBA	Collective Bargaining Agent
SCI	Small and Cottage Industries
IAC	Industry Assistance Centre
IE	Industrial Estates
IU	Industrial Units
HRM	Human Resource Management
SME	Small and Medium Enterprises
ICT	Information and Communication Technology
SDC	Skill Development Centre
CIDP	Chittagong Hilltracts Cottage Industries Development Program

Abstract

Compensation management practice is one of the most important activities of human resource management. An organization can go to the peak position by dint of a proper compensation management policy which can ensure the utmost employee satisfaction and loyalty to the organization. A proper compensation management practice is consisted with the issues regarding basic wages and salaries, fringe benefits, employee retention, employee turnover and gender equality. BSCIC is one of the most important institutions which is working with the development of small, cottage and medium scale enterprises of Bangladesh. BSCIC industrial estates are accelerating the industrialization of Bangladesh with facilitating land, loan, consultation and other infrastructural development. But the compensation for the employees working there in are always being ignored. No study has been performed yet to find out the scenario of compensation for the employees. Therefore, this study is aimed at revealing the present scenario of wages and salaries, existing fringe benefits, position of female workers and their wages and salaries, wage and salary discrimination, employee turnover, employee retention policy and so on prevailing in industrial units in industrial estates of BSCIC. The study is basically performed on quantitative data along with significant amount of qualitative data. So, the mixed approach has been used in the study. The study area covered the industrial units in industrial estates of Rajshahi, Bogura and Naogaon. Both primary and secondary data have been used. Managers/owners/entrepreneurs and workers/employees of the selected industrial units of BSCIC industrial estates, KII and FGD have been considered as the sources of the primary data. The sources of secondary data are the publications of BSCIC's MIS division, articles, reports, daily newspapers, journals, books, govt. gazettes, related policies, rules and regulations, published and unpublished dissertations and various websites. Seventy eight industrial units have been selected by using Simple Random Sampling (SRS) technique and interviewed the

entrepreneurs from each of the industrial units through structured questionnaire having open ended, close ended and Likert scale questions. One male and one female from each of the industrial units have also been interviewed as respondents by structured questionnaire. There is a difference found between existing average wages/salaries of the employees and minimum wage determined by the minimum wage board of Bangladesh. Fringe benefits like paid leaves and holidays, incentive bonus, maternity leaves and other facilities are found to be less important to the industrial units. Although the working environment of the industrial units is found satisfactory as per the perception of both of the employees and entrepreneurs. In most of the industrial units the female workers are getting less than that of male workers though they have the same educational qualification and working experience. Most of the organizations don't permit maternity leaves as specified in the Bangladesh Labor Code, 2006. Employee turnover rate is found to be high and employee retention policy is not taken in consideration of the entrepreneurs. In case of analysis of data the attempt was to reveal the findings of the study as well as giving some recommendations along with discussing the scope of further research.

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Chapter I

Introduction

1.1 Introduction

Compensation management is one of the most important activities of human resource management. It is the life-blood of an organization which circulates all other organizational activities smoothly by keeping a good relationship between employer and employees. It is an obvious fact that effective implementation of favorable compensation management will not only aid in stabilizing and retaining employees but also helps in reducing labor turnover within the organization.[1] Compensation is the reward system for the employees and workers working in an organization. It depends on various factors of organization and workers. Compensation is all of the extrinsic rewards that employees receive in exchange for their work: composed of the base wage or salary, any incentives or bonuses, and any benefits.[2]

The success of every organizations largely depends on the performance of the employees of that organization. The effectiveness of the employee performance also largely depends upon the compensation management practices. There are some rules and regulations regarding compensation management issues which are must be followed. Therefore, the management should consider the importance of compensation management practices and prevailing rules and regulations. A proper compensation management practice will give a broad guideline within which the management can make decisions about their human resources. Like any other organizations industrial units in BSCIC (Bangladesh Small and Cottage Industries Corporation) industrial estates has to follow the compensation related issues.

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[1] Ibojo Bolanle Odunlami and Asabi Oludele Matthew, "Compensation Management and Employee Performance in the Manufacturing Sector, A Case Study of Reputable Organization in the Food and Beverage Industry," *International Journal of Managerial Studies and Research*, Vol. 2, Issue. 9 (October 2014), pp.108-17.

[2] Liod L. Byars, and Leslie W. Rue, *Human Resource Management*, 7th Edition (McGraw Hill: International Edition, 2003), p. 277.

In Bangladesh, BSCIC is one of the leading government autonomous institutions in industrial sector. Its main objective is to develop the industrial sector in Bangladesh through facilitating land, loan, training, infrastructure, consultation and other facilities to the entrepreneurs. It is successor of the then East Pakistan Small Industries Corporation (EPSIC) established by an act of the parliament in 1957. In the Industrial Policy-2010 highest priority is given on small and cottage industry as one of the main strategy of industrialization. BSCIC has been entrusted with the responsibility of the prime state organization for promotion and extension of small and cottage industries according to BSCIC act-1957. As government organization, BSCIC always committed to put its effort for implementing government decisions and agenda for the interest of the country through its capacity under the guidance of Ministry of Industries. Accordingly, BSCIC has been contributing its efforts to implement the govt. initiatives by enhancing its capacity building through ICT arrangement. BSCIC developed ICT based infrastructure and services to deliver services quickly to the entrepreneurs for the interest of Small and Cottage Industry (SCI) sector.

Establishment of industrial estate with necessary infrastructure is an important function of BSCIC. Since1960 BSCIC's industrial estate program has been contributing to the process of industrialization and completed 74 Industrial Estates (IE) by June 2015.[3] Balanced economic growth and spread of economic activities all over the country may be ensured by setting-up more industrial estates in potential but less developed areas. The contribution of BSCIC's industrial estate to the national economy during 2014-15 was: total investment in the industrial units was Tk.19380.15 crore, employment opportunity in the industrial units was 5.50 lakh, total production of Tk. 43857.92 crore, total export of Tk. 24590.89 crore and paid amount of revenue to the government was Tk. 2650.34 crore.[4]

Up to June 2015 in BSCIC industrial estates program the number of industrial estates was 94 (implemented 74, under implementation 9 and proposed 11); Plot utilization position of 74 implemented industrial estates was- total industrial plots

[3] BSCIC, *Annual Report 2014-15* (Dhaka: MIS Division, BSCIC), p. 18.
[4] Ibid.

10,329, plots allotted so far 9,898, Plots allotted (2014-15) 58, Industrial units 5,773, industrial units under production 4259 (export oriented units, 950) and units under implementation 1002.[5]

Industrial units in BSCIC industrial estates play a vital role in the acceleration of production activities, creating employment opportunities, increasing investments etc. The development of industries in BSCIC industrial estates can also develop the economic activities of a specific region. Proper compensation management practices can develop the human resources working in these industrial units which in turns develop the industry sector, regional economic activities and even the whole nation. So, for the sound operation of industrial units in the industrial estates, a proper compensation management practice is required.

1.2 Definition of Key Terms

Compensation: Payment to the workers in cash or in any other forms.

Workers/Employees: Workers or employees will herby be used synonymously who work or exert excel in exchange of pay.

Industry: Any kind of business, trade, manufacture, calling, service, employment or occupation.[6]

Employee turnover: Employee turnover refers to the number or percentage of workers who leave an organization and are replaced by new employees. Or it is the rate at which employees leave the firms. It can also be referred as the ratio between the employee's leave and replacement.

Employee retention: Employee retention refers to the ability of an organization to retain its employees through fair performance appraisal, proper compensation or in any other human resource (HR) activities.

Retrenchment: Reducing the number of employees with a view to minimizing the cost of organization.

Labor union/trade union: Organization which are formed by the workers in the relevant field to achieve the common interest of the members.

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[5] Ibid., p. 16.
[6] The Bangladesh Labor Code, 2006 (Act No. 42 of 2006), Sec. 2 (60).

1.3 Statement of the Problem

In BSCIC industrial estates, all the industrial units are run by the management of entrepreneurs. Almost in all of the industrial units HRM practices like- workers selection, appointment, training, appraising and compensating are set by the owners without applying any systematic way of application. Most of the organizations don't have any existence of personnel department, evaluation and compensation survey system.[7] So, they sometimes face various problems in employees and workers handling in their holdings. The performance of industrial units in BSCIC industrial estates of Sylhet division hampered by severe problems faced by the enterprises time to time. Major problems are related to underutilization of capacity due to problems in raw materials, marketing, power, labor, finance, technical and managerial guidance and policy of the government. All of these affect the performance of a unit or an industry.[8] Labor is one of the major problems which has negative impacts on capacity utilization. The existing units are not operating at their optimum level as the total utilization capacity is 48.34% only though in Bangladesh the capacity utilization in manufacturing sector is 84%.[9] The nature of industrial disputes can flow in several dimensions affected by several factors, where even political affiliation also plays a vital role. Still such nature can be generally classified into two categories- dispute for cash benefits and/or non-cash benefits. Total 85% organizations were unionized and all the workers were also the union members. This signifies the growing pressure of the union over the management day by day. In 70% organization cash benefit related industrial disputes occurred.[10] Systematic compensation management practices are also not taken under consideration in these industrial units. In many cases the employees are not given their salaries and wages in due time. Sometimes the employees are being paid lesser amount of payment than they really deserve.

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[7] Shakil Huda, "Compensation Management for Human Resource Development in the Private Sector of Bangladesh," *Journal of Business Administration*, Vol. 1 (1998), pp. 1-21.

[8] Abdul Latif, *et al.*, "Capacity Utilization of SMEs- A Study on Selected BSCIC Industrial Estates in Sylhet Division, Bangladesh," *Tactful Management Research Journal*, vol. 2, issue. 10 (2014), pp. 1-8.

[9] Ibid.

[10] Shakil Huda, "Compensation Management for Human Resource Development in the Private Sector of Bangladesh," *Journal of Business Administration*, vol. 1 (1998), pp. 1-21.

There is even no discipline regarding the performance appraisal and compensation practices. As a result workers dissatisfaction and turnover is found high in these entities.

1.4 Objectives of the Study

This research work has been conducted with a view to achieving the general objectives and some specific objectives. The objectives of this research work are-

General Objective

The overall objective of this study is to assess the compensation management practices in the industrial units of BSCIC industrial estates of Rajshahi division.

Specific Objectives

The specific objectives are to-

i. assess the scenario of wages and salaries prevailing in the industries in BSCIC industrial estates;

ii. analyze the existing nature of fringe benefits;

iii. evaluate the gender issues and wages discriminations;

iv. find out the scenario of employee retention and turnover;

v. find out the factors affecting compensation management practices in the study area; and

vi. relate some sections of The Bangladesh Labor Code-2006 to the compensation management practices in a narrower extent.

1.5 Research Hypotheses

The following hypotheses have been tested in the study-

i. **H_0** There is no difference between average wages/salaries of the employees and the rate of minimum wages/salaries determined by the wage board.

H_1 There is a difference between average wages/salaries of the employees and the rate of minimum wages/salaries determined by the wage board.

ii. **H_0** There is no significant correlation between wages/salaries and educational qualifications.

H_1 There is a significant correlation between wages/salaries and educational qualifications.

iii. **H_0** There is no correlation between monthly wages/salaries and designation.

H_1 There is a correlation between monthly wages/salaries and designation.

iv. **H_0** There is no correlation between monthly wages/salaries and length of service.

H_1 There is a correlation between monthly wages/salaries and length of service.

v. **H_0** There is no positive correlation between level of satisfaction and amount of wages/salaries.

H_1 There is a positive correlation between level of satisfaction and amount of wages/salaries.

vi. **H_0** There is no difference between yearly paid leaves found in the study and the labor law.

H_1 There is a difference between yearly paid leaves found in the study and the labor law.

vii. **H_0** There is no correlation between sex and monthly wages/salaries.

H_1 There is a correlation between sex and monthly wages/salaries.

1.6 Literature Review

A number of articles, texts, books, reports, journals, magazines and some study on selective issues published by BSCIC and other private entities are reviewed. The reviews are-

Abdul Latif et al. in a study found that capacity utilization of BSCIC industrial estates in Sylhet division is not satisfactory due to some problems in raw materials, marketing, power, labor, finance, technical and managerial guidance and policy of the government. Although, the problems are not same to every sub-sector of production units. The study also found the capacity utilization is only 48.34% in the industrial units in industrial estates.[11]

Md. Saiful Islam in his study tried to assess the role of BSCIC for the promotion and development of small scale industries in Bangladesh. He found that BSCIC has been contributing in the development of small scale enterprises trough developing the infrastructural facilities in industrial estates, skill development, credit programs on various issues, providing marketing assistance and offering promotion and extension activities.[12]

According to A. K. Shamsuddoha, the marketing activities followed by the entrepreneurs of BSCIC industrial estate of Rajshahi division are very much traditional and rudimentary methods of marketing. He basically concentrated on the marketing practices like product strategy, pricing strategy, promotion strategy and distribution strategy. He found that all of the marketing activities are very much problematic, uncertain, backdated and unorganized. The research was conducted on questionnaire survey.[13]

Afroja Rehan Rima and Md. Rifayat Islam found in their study that the main strength of Grameenphone Ltd. and Robi Axiata's HR division is the authority to work. Both company has authority to maintain their employee properly through

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[11] Abdul Latif, *et al.*, "Capacity Utilization of SMEs- A Study on Selected BSCIC Industrial Estates in Sylhet Division, Bangladesh," *Tactful Management Research Journal*, vol. 2, issue. 10 (2014), pp. 1-8.

[12] Md. Saiful Islam, "Institutional Supports for the Development of Small Scale Industries: A Study of BSCIC initiatives," *Journal of Business Studies*, vol. 2 (2006), pp. 59-72.

[13] A. K. Shamsuddoha, "Marketing Practices of Small Scale Industries: A Case Study of Rajshahi Industrial Estate," *Rajshahi University Studies*, Part-C, vol. 8 (2000), pp. 83-92.

company rules and regulation and the same time they motivate their employees with several compensate and non-compensate components. Meanwhile, employees are also satisfied with their remuneration and other benefits. As a result, productivity increases day by day and the companies perform very well in the perspective of Bangladesh along with Grameenphone, Robi and others telecom companies. Compensation strategy recognizes and group compensation components so that they influence employee motivation in a positive manner and lead to improved organizational performance and profitability. From the study it has been seen that Grameenphone and Robi follow more or less the same dimension of compensation.[14]

According to Shakil Huda, most of the organizations (85%) dealt with the exploratory research study were unionized and all the workers were union members. As a result industrial dispute was natural outcome and most (70%) of the dispute issues were related to cash benefit. Total 90% of the organizations did not have any personnel department or even a one-man-unit. Formal job evaluation system was almost absent except within the multinational companies. The political promises made to the Adamjee jute mill workers for extra increment or bonus unduly affected other jute processing companies. Even other unrelated industrial units suffered great inconvenience due to this. In this situation unions by means of political procedure sometimes played a significant role in influencing the pay structure. The payment of bonus was completely unrelated to performance. Generally, organization paid out only two festival bonuses. House telephone, group insurance, full car and pool car facility were generally enjoyed by the senior and mid-level managers only. Probationary officer and casual or '*badli*' workers were excluded from the compensation benefits. Except for the mid-level managers the overall average annual growth rate of pay declined in the 1988-'91 period in compared to that of 1985-'88 period.[15]

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[14] Afroja Rehan Rima and Md. Rifayat Islam, "A Case Study on Compensation System Practices in the Perspective of Telecom Industries of Bangladesh," *American International Journal of Research in Humanities, Arts and Social Sciences*, 13-306 (2013), pp. 1-5. ISSN (Online): 2328-3696.

[15] Shakil Huda, "Compensation Management for Human resource Development in the Private Sector of Bangladesh," *Journal of Business Administration*, vol. 1 (1998), pp. 1-21.

Ayesha Aslam, et al. in their study on banking sector in Faisalabad examined the effect of reward and compensation system on the performance of employees. They took employee performance as a dependent variable and compensation, motivation, and incentive as independent variable in their research. The research shows that the most significant variable is reward and compensation which has a great effect on the employee performance that increases the efficiency of employees. But the variables motivation and incentives contribute least to the employee performance. The researchers found the result using the ANOVA test and regression analysis with the help of SPSS.[16]

Sema Sangwan revealed from a study on private sector bank that the performance of the employees depend on the existing compensation management programs at an individual company. Typically most employees respond to increases in pay and benefits with a positive and more productive attitude. But the researcher also found some opposite scenario. It also found in the research that the success of banks largely depends on the intellectual development of the employees. In case of this research the researcher used the secondary data like journals, research papers, newsletters and HR websites.[17]

Khondaker Golam Moazzem in his study found the causes of failure of the salt industrial park of BSCIC. Political and planning was the main problem for the failure according to this study.[18]

Abdul Hamid M. et al. in their study which collected data through questionnaire survey shown that there is a positive relationship between compensation and employee performance. They proved from correlation analysis that all the independent variables have weak or moderate positive relationship to each other. The regression analysis shows that all the independent variables have significant

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[16] Ayesha Aslam, et al. "Impact of Compensation and Reward System on the Performance of an Organization: An Empirical Study on Banking Sector of Pakistan," *European Journal of Business and Social Sciences*, vol. 4, no. 8 (November 2015), pp. 319-25.

[17] Sema Sangwan, "Impact of Compensation Management Practices on Employee's Performance in Private Sector Banks," *International Journal of Management Research and Business Strategy*, vol. 4, no. 3, (July 2015), pp. 270-75.

[18] BSCIC Industrial Parks Fail to Live up to Expectations, http://cpd.org.bd/wpcontent/uploads/2014/02/Daily-Star-Page-21-February-26-2014.jpg, Accessed on 27.12.2017.

and positive impact on employee performance. ANOVA result in their study reveal that education has not same impact on employee performance.[19]

According to Mustafa Manir Chowdhury, Faruk Bhuyan, Mohammad Jonaed Kabir, financial compensation has a direct and positive relation on the overall performance of the banks. Using Spearman's correlation coefficient they found that the perceived reward structure in the state-owned banks in Bangladesh is suitable to produce yield for the organization although there is a gap in the instrumentality of performance. It means that despite the perceived reward system is attractive to generate revenues, yet there is a mismatched between the level of employee effort and the desired outcomes.[20]

Mir Mohammad Nurul Absar et al. found in a study conducted through questionnaire survey that the compensation is the most vulnerable side of the HRM practices of public sector enterprises. In case of competitiveness of salary and benefits, competency-based compensation, performance-based compensation, regularity in pay survey, and non-financial benefits the public sector enterprises are in lower position than those of private sector enterprises. The reason is that, in the public sector compensation is offered with respect to seniority and position. Pay review is also irregular in the public sector. All of these create mismanagement, poor motivation and corruption in the public sector enterprises.[21]

Rebeka Sultana Liza in her study found that the compensation strategies of Warid Telecom Bangladesh Ltd. (Presently merged with Robi Telecom) are quite up to date and satisfactory. They endowed with an adequate amount of consideration to reduce the turnover rate because of the contractual employees and they can motivate their worker and lead Warid to be a high productive company. The researcher also found the problems associated with the pay structure and total

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[19] M. Abdul Hamid, *et al.*, "Impact of Compensation on Employee Performance (Empirical Evidence from Banking Sector of Pakistan)," *International Journal of Business and Social Science*, vol. 5, no. 2 (February 2014), pp. 302-9.

[20] Chowdhury, Mustafa Manir, Faruk Bhuyan and Mohammad Jonaed Kabir, "Financial Compensation as a Strategic Tool to Achieve Competitive Advantage: A Survey on State-owned Banks in Bangladesh," *International Journal of Social Sciences*, vol. 34, no. 1 (2015), pp. 58-65.

[21] Mir Mohammad Nurul Absar, *et al.*, "Employee Compensation Practices in Industrial Enterprises in Bangladesh: A Public-Private Sector Comparison," *Petroleum-Gas University of Ploiesti, Economic Science Series*, vol. lxii, no. 4 (2010), pp. 1-11.

compensation strategy, employment hierarchy, mission, vision and values and suggested necessary measures to be taken.[22]

BSCIC in a study tried to show its overall administrative drawbacks, disadvantages, cooperation issues with entrepreneurs, land distribution problems in industrial estates through FGD, observation, and reviewing secondary sources of data. There is no issue regarding the workers of industrial units in industrial estates.[23]

Nina Gupta and Jason D. discussed in their study that, the research in the area of compensation is so much important and they appealed to conduct more and more research in this respect. They suggested some kind of questions those are in crucial need of comprehensive answers in respect of compensation management.[24]

1.7 Justification of the Study

A few numbers of researches has been conducted nationally on the compensation management practices which basically focused on the employee satisfaction, motivation, performance and productivity. None of the research emphasized on the other compensation management issues like legal aspects of compensation, safety issues, gender discrimination, employee turnover, employee retention and trade union influence. Moreover, most of the research was done in the field of theoretical aspects, banking sector, telecommunication sector, public sector, food and beverage etc. But in the SME and SCI sectors there is no research regarding compensation management found. BSCIC industrial estates can play a vital role for uplifting of small and medium industries in Bangladesh through facilitating various factors to the entrepreneurs. Industrial production of BSCIC industrial estates was Tk 43857.9 crore in 2014-15 fiscal year.[25] Export trend of BSCIC industrial estates products was Tk. 24590.87 crore.[26] Investment trend of

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[22] Rebeka Sultana Liza, "The Total Compensation Strategy: A Case Study of Warid Telecom Bangladesh Ltd.," *ASA University Review*, vol. 8, no. 1 (2014), pp. 157-74.

[23] BSCIC, *Past, present and future of BSCIC a Study* (Dhaka: BSCIC MIS Division, 2014).

[24] Nina Gupta, and Jason D. Shaw, "Employee Compensation: The Neglected Area of HRM Research," *Human Resource Management Review*, 24 (2014), pp. 1-4.

[25] BSCIC, *Annual Report, 2014-15* (Dhaka: BSCIC MIS Division), p. 16.

[26] Ibid., 17.

industrial estates was Tk. 19380.15 crore.[27] From the above data we can infer the magnitude of contribution of BSCIC industrial estates to the national economy. A large number of workers are contributing to the national economy by working in the industrial units in BSCIC industrial estates. In the production process of industrial units 5.5 lac workers are directly involved.[28] Workers are delivering one of the major factors of production which is labor. Without labor this is not possible to produce any goods or services. So, this factor of production should be emphasized and properly utilized in industries. So, the best way of utilizing the work force is to compensate in an optimum level of the industrial economic capacity. For this, there should have a proper way of compensation to the workers in exchange of their exertion. So, to find out the proper way of compensating the workers; we should know the present scenario and give some suggestions regarding these issues. This research work has been conducted with a view to meeting this in a possible extent.

1.8 Scope and Limitation of the Study

Although BSCIC has many operating wings, this study has focused only on comprehensive evaluation of compensation management practices in BSCIC industrial estates of Rajshahi division. There are various types (production sub-sector) of industries operating their activities in the BSCIC industrial estates. But in case of this study, required data are collected without considering the industry types and a confined time duration has been covered. So, only compensation related issues on BSCIC industrial estates has been included in the present study. Although, compensation may achieve several purposes assisting in recruitment, job performance, and job satisfaction.[29] But in this research none of the purposes of compensation management except compensation issues has been taken in discussion. A thorough study of compensation management practices in light with the existing national and international labor laws is required. But due to the limited scope, it has not been possible except correlating a few number of the sections of

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[27] Ibid., 18.

[28] Ibid.

[29] B. C. M. Prantik, and Prabir Chandra Padhi, "Compensation Management: A Theoretical Preview," *TRANS Asian Journal of Marketing & Management Research*, vol. 1, issue. 1 (September 2012), pp. 39-48.

Bangladesh Labor Code, 2006. The Bangladesh minimum wage is 1,500 taka per month for all economic sectors not covered by industry-specific wages. In the garment industry the minimum wage is 5,300 taka per month.[30] Therefore, in this study 5,300 taka has been taken as benchmark wage as the study area covers all type of industries in industrial estates.

1.9 Methodology

1.9.1 Nature of the Study

The study has basically been conducted by using quantitative approach but supplemented by a significant number of qualitative data those have been collected from primary and secondary sources.

1.9.2 Selection of Study Area

The study area has covered the industrial estates of Rajshahi, Naogaon and Bogura districts under Rajshahi division. The industrial estates have been selected through simple random sampling (SRS) using MS Excel 2013.

1.9.3 Sources of Primary and Secondary Data

Respondents from managers/owners/entrepreneurs and workers/employees of the selected industrial units of BSCIC industrial estates, KII and FGD have been considered as the sources of the primary data. The sources of secondary data are the publications of BSCIC's MIS division, articles, reports, daily newspapers, journals, books, govt. gazettes, related policies, rules and regulations, dissertations and various websites.

1.9.4 Primary Data Collection

Primary data has been collected through Questionnaire Survey, Observation, Key Informant Interview (KII) and Focus Group Discussion (FGD). The questionnaire contains the open and close ended questions and 5 points Likert scale in some cases.[31]

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[30] https://www.minimum-wage.org/international/bangladesh, Accessed on 09.08.2018.

[31] Rensis Likert, "A Technique for the Measurement of Attitudes," *Archive of Psychology*, vol-22 (1932), pp. 5-55.

Key Informant Interview (KII)

The study has considered the respondents as key informants such as regional director of BSCIC, estate officers of the concerned Industry Assistance Centre (IAC) in the sampled districts, chairman of entrepreneur's associations, inspectors of regional office of the Department of Inspection for Industries and Establishment.

Formation of Focus Group Discussion (FGD)

FGD has been conducted along with the concerned parties related to the industrial estates in the study area. The FGD consists of eight participants (One manager, one owner, one representative of workers, one BSCIC official, two workers (male and female) and researcher as a moderator) for cross checking the information that obtained from different questionnaire survey.

1.9.5 Secondary Data Collection

For collection of secondary data, researcher has used published and unpublished documents from various sources. Note-cards and diary have been used to record the collected data. The soft copy and/or hard copy of the data collected from the various websites had been kept. For published documents- publications of BSCIC's MIS division, reports, articles, daily newspapers, journals, books, govt. gazettes, rules and regulations etc. have been used. For unpublished documents, data has been collected from Rajshahi regional office and district offices of the study area.

1.9.6 Sample Size Determination and Its Distribution

The total number of industrial units in the study area is 399 (N) which considered as study population.[32] Out of 399 industrial units, the required number of sample (n) has been selected using simple random sampling (SRS). The sample size (n) has been determined by the following formula:[33]

$$n_0 = \frac{z^2pq}{e^2} \text{----------} (1)$$

Where,

n_0 = the sample size.

$z = 1.96$ is the standard normal value corresponding to the desired level of confidence (95%),

$e = 0.10$ is the acceptable margin of error as the renowned researchers also accept the 10% error margin in research.[34]

$p = 0.5$ is the estimated proportion of an attribute that is present in the population, and

$q = 1 - p$ is the estimated proportion of an attribute that is not present in the population.

The value of n_0 is obtained using equation number (1) as follows:

$$n_0 = \frac{z^2pq}{e^2} = \frac{(1.96)^2(.5)(.5)}{(.10)^2} \approx 96$$

So, the recommended sample size is 96 industrial units.

Since the initially determined sample size is 96 out of 399 (n_0/N*100 = 96/399*100=24.06%) which covers more than 10%, so it can be reduced by using

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[32] http://industrydb.bscic.gov.bd/industry-search, Accessed on 08.06.2017.

[33] William G. Cochran, *Sampling Techniques*, 3rd Edition (New York: John Wiley & Sons, 1977), p. 75.

[34] The Bangladesh Report: "Report of Survey Findings and Qualitative Study Results from a Factory in Chittagong," *Levi Straus & co., Workers' well-being Study* (December 2013), pp. 1-37. http://levistrauss.com/wp-content/uploads/2014/01/Workers-Well-Being-Study-Bangladesh-.pdf, Accessed on 11.08.2017.

Finite Population Correction (FPC). After using FPC the initial sample size (n_0) can be adjusted by the following equation.[35]

$$n = \frac{n_0}{1 + \frac{(n_0 - 1)}{N}} \text{ ---------- } (2)$$

Where,

n is the adjusted sample size and

N is the study population size.

$$n = \frac{n_0}{1 + \frac{(n_0 - 1)}{N}} = \frac{96}{1 + \frac{(96 - 1)}{399}} = 77.54 \approx 78$$

So, using equation (2) researcher has got the adjusted sample size (n) that is 78 industrial units in BSCIC industrial estates from the study area. Finally, for collecting information about compensation packages, the researcher has interviewed manager/entrepreneur in each industrial units and 2 respondents from the workers (one is male and another is female) selected through probability proportional to size (PPS) sampling for verifying the obtained information from managers or entrepreneurs.

Table 1.1 Distribution of Sampling Units (Industrial Units)

Districts/Industrial Estates	**Total no. of Industrial units****	**Industry Size**	**No. of industry**	**Sample size**
Rajshahi	$N_1 = 169$	Small	149	$n_{1.1}$*= 25
		Medium	3	$n_{1.2} = 3$***
		Cottage	17	$n_{1.3} = 4$
Naogaon	$N_2 = 94$	Small	32	$n_{2.1} = 6$
		Medium	0	$n_{2.2} = 0$
		Cottage	62	$n_{2.3} = 12$
Bogra	$N_3 = 136$	Small	83	$N_{3.1} = 16$
		Medium	1	$N_{3.2} = 1$
		Cottage	53	$N_{3.3} = 11$
Total	$N_1 + ... + N_3 = 399$		399	n ($n_{1.1}$+..+$n_{3.3}$) =78

*** All of the industrial units which are very few in number will be taken all as sample.

****Source:** http://industrydb.bscic.gov.bd/industry-search.

[35] William G. Cochran, *Sampling Techniques*, 3rd Edition (New York: John Wiley & Sons, 1977), p. 76.

*Sample industrial units for each size of industries (n_i) from the sample industrial estates is calculated by the following formula, $n_i = \frac{N_i}{N} \times n$.

Table 1.2 Distribution of Study Respondents

Category	**No. of Respondents**
Manager/Entrepreneur/owners	78
Workers (Male)	78
Workers (Female)	66*
Sub Total (Respondents)	**222**
KII	7
FGD (3 IACs)	3
Total	**232**

* Twelve organizations don't have any female workers.

1.9.7 Reserve Sample

In some cases if the data collection would not be possible from the targeted industrial units due to inaccessibility, shut down or absence/reluctance of respondents. The researcher would consider 20% of the initial sample (78×0.2) = 16 industrial units as reserve sample.[36]

1.9.8 Data Validity and Reliability Check

The selection of the industrial units and the respondents of the study area has been done using probabilistic sampling procedures (SRS with PPS). So, the collected data from entire population satisfy the conditions of representative sample. For further check and crosscheck the validity and reliability of the collected data through questionnaire survey; Observation; KII and FGD have been conducted. As the respondents are mostly workers level, so for avoiding the misunderstanding of respondents, the researcher made two sets of questionnaire both in Bangla and English.

[36] Leyla Mohadjer, Tom Krenzke, and Wendy Van de Kerckhove, "*Survey of Adult Skills Technical Report, Chapter-14, 25*," www.oecd.org/skills/piaac/Technical%20Report_Part%204.pdf, Accessed on 08/06/17.

1.9.9 Primary & Secondary Data Analysis

For analyzing quantitative data (both primary and secondary), descriptive (mean, median, variance, standard deviation, coefficient of variation etc.) and inferential (correlation and hypothesis testing) statistics, and in some cases charts, graphs and tabular representation has been used. Qualitative data has been analyzed by inductive reasoning process and also by using frequency distribution with total count, percentages, and mode and cross tabulation. IBM Statistical Packages for Social Sciences (SPSS) version 22 software has been used for analyzing the collected data both from primary and secondary sources.

1.10 Theoretical and Conceptual Framework

Compensation is the reward system for the employees and workers working in an organization. It depends on various factors of organization and workers. Compensation management provides a step-by-step approach for designing a remuneration system that recognizes job requirement; employee related knowledge and skills; and performance related incentives that link individual, team, work unit and organizational performance.[37] All the extrinsic rewards that employees receive in exchange for their work: composed of the base wage or salary, any incentives or bonuses, and any benefits.[38] Human exert physical as well as mental efforts killing a lot of time with a view to fulfilling their unlimited wants. What they get in return for their labor is called compensation.[39] Compensation management issues in organization are handled in various ways. Various internal and external factors influence the compensation management practices. Compensation programs varies from organization to organization. The compensation management issues in BSCIC industrial estates has been discussed in this research work in comparison with Bangladesh labor act, 2006 and minimum wage board in a narrower extent.

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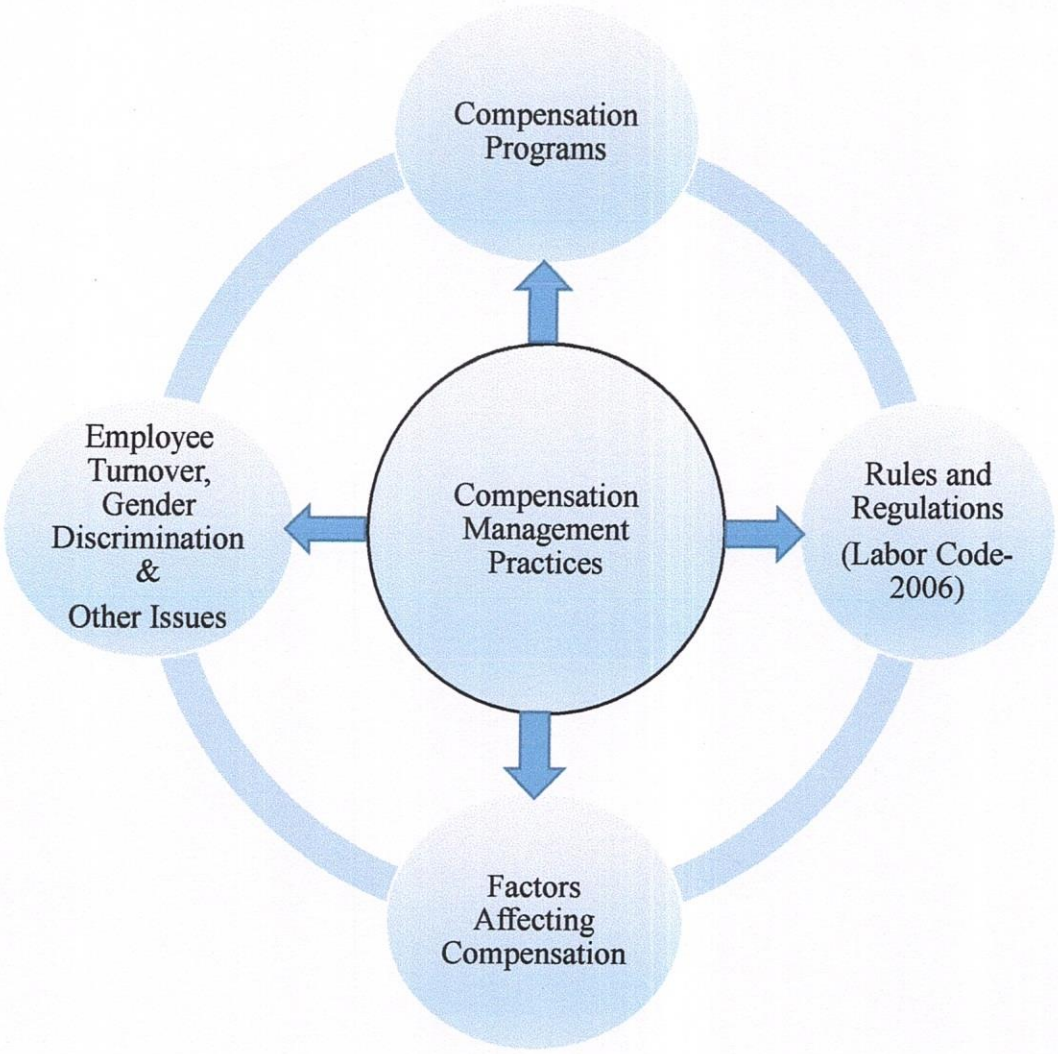
[37] Richard I. Henderson, *Compensation Management in a Knowledge Base World*, 10th Edition (Pearson Prentice Hall, 2012), p. 4.

[38] Liod L. Byars, and Leslie W. Rue, *Human Resource Management*, 7th Edition (McGraw Hill, International Edition, 2003), p. 277.

[39] M. Omar Ali, *Essentials of Human Resource Management* (Rajshahi: Aktar Jahan, 2009), p. 173.

Figure 1.1: Research Framework



Developed by Researcher

1.10.1 Compensation Programs

In organization compensation management consider some major factors in case of labor cost. Compensation programs consist of four components.[40] The components are as follow:

1. Basic pay
2. Add-ons to the basic pay
3. Motivational or incentive programs
4. Fringe benefits (Other types of pay)

[40] Ibid., pp. 26-27.

1.10.1.1 Basic Pay

Basic pay is the most important factor in compensation programs. It depends on the life style of a society. The lifestyle of the great majority of workers revolve around their paycheck.[41] It also determines the standard of living of wage earners of an organization. Basic pay or wages are of three types- minimum wage, living wage and fair wage. Minimum wage is the wage which must provide not only for the bare sustenance of life, but for the preservation of the efficiency of the workers.[42] A living wage is one which should enable the earner to provide for himself and his family not only the bare essentials of food, clothing and shelter but a measure of frugal comfort including education for his children, protection against ill-health, requirements of essential social needs and a measure of insurance against the more important misfortunes including old age.[43] The concept fair wage largely depends on the financial ability and affluence of the organization. Fair wage is the wage which is above the minimum wage but below the living wage. The lower limit of the fair wage is obviously the minimum wage: the upper limit is to be set by the capacity of the industry to pay.[44]

1.10.1.2 Add-ons

Wages and salary add-ons is one of the critical components of compensation system. It includes overtime pay, shift differentials, premium pay for working weekend and holidays, and other add-ons for being on call or for other demand not normally required of workers.[45] As it is not the regular part of works, the payment is generally higher than that of regular rate or amount. In some cases it may be a regular part of work and for this the workers are ascertained to have the extra pay with higher rate.

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[41] Richard I. Henderson, *Compensation Management in a Knowledge Base World*, 10th Edition (New Dilhi: Pearson Prentice Hall, 2012), p. 26.

[42] Sidra Rafique et al., "Role of Compensation Management in Balancing the Employees Relationship," Journal of Resources Development and Management, vol-8 (2015), p. 30. ISSN 2422-8397.

[43] Ibid., p. 30.

[44] Ibid., p. 30.

[45] Richard I. Henderson, *Compensation Management in a Knowledge Base World*, 10th Edition (New Dilhi: Pearson Prentice Hall, 2012), p. 26.

1.10.1.3 Motivational Programs or Incentives

To motivate the workers, organizations can take the initiative to give extra facilities. It can be termed as any reward or benefit given to the employee over and above his wage or salary with a view to motivating him to excel in his work.[46] Incentives may be two types- short term and long term. Short term incentives are given for achieving short-term goals and long term incentives are given for achieving long-term goals of the organization. Incentive tie pay increases directly to performance. It can be tied to the performance of an individual employee, a team of employees, a total business unit, or some combination of individual, team or unit.[47] Long term incentives are intended to focus employee effort on multiyear result. Typically they are in the form of stock ownership or options to buy stock at specified, advantageous price. The belief underlying stock ownership is that employees with a financial stake in the organization will focus on long-term financial objectives.[48]

1.10.1.4 Fringe Benefits

Fringe benefits are additional rewards usually not related to job performance that employees receive from their organizations for being members of the organization and for their positions in the organization.[49] Benefits are the indirect form of the total compensation; they include paid time away from work, insurance and health protection, employee services and retirement income.[50] It depends on various external factors like Government policies and regulations that is statutory benefits, tax policies, and specific benefit laws. Benefits help to protect employees from the financial risks inherent in daily life. Often companies can provide this protections to employees cheaper than employees can obtain them for themselves.[51]

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[46] Sidra Rafique et al., "Role of Compensation Management in Balancing the Employees Relationship," *Journal of Resources Development and Management*, vol-8 (2015), p. 30. ISSN 2422-8397.

[47] George T. Milkovich, Jerry M. Newman, and C.S. Venkata Ratnam, *Compensation*, 10th Edition (New Delhi:Tata McGraw Hill, 2009). p. 9.

[48] Ibid., p. 10.

[49] M. Omar Ali, *Essentials of Human Resource Management* (Rajshahi: Aktar Jahan, 2009), p. 197.

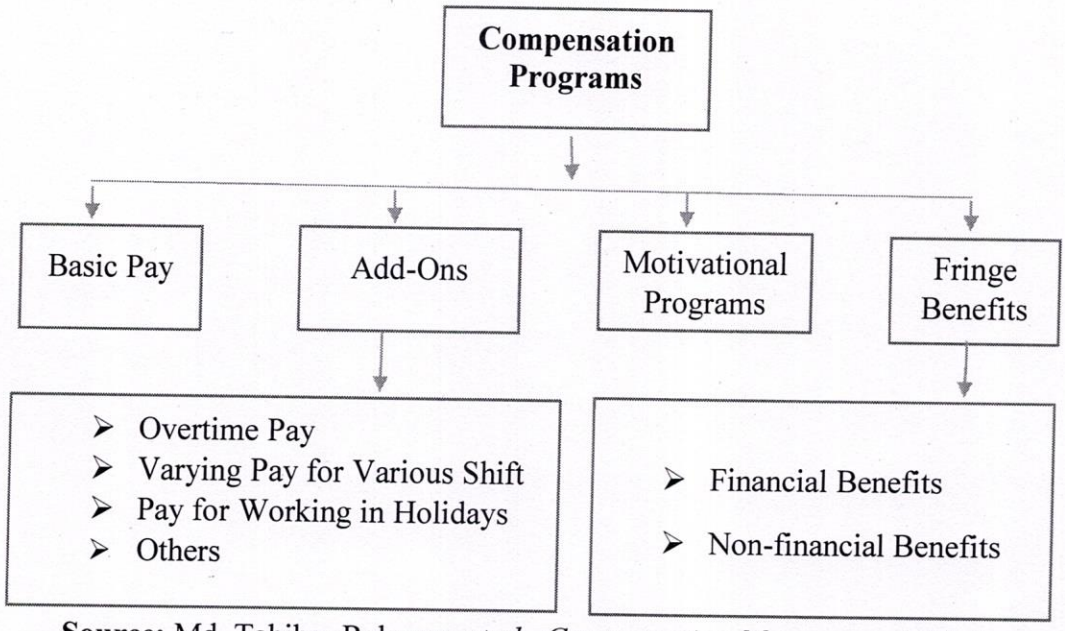
[50] George T. Milkovich, and John W. Boudreau, *Human Resource Management*, 5th Edition (New Delhi: All India Traveler Book Seller, 2000), p. 790.

[51] George T. Milkovich, Jerry M. Newman, and C.S. Venkata Ratnam, *Compensation*, 10th Edition (New Delhi: Tata McGraw Hill, 2009), p. 10.

1.10.1.5 Diagram of Compensation Programs

There are two types of compensation available- one is direct and another is indirect. Some of those are given directly as basic pay, merit pay, incentives, bonus etc. and some are given indirectly as child care, recreation, protection programs, pay for time not worked, perquisites and so on. We can show the direct and indirect compensation components through the following figure.

Figure 1.2: Components of Compensation Program Diagram Modified by Researcher.



Source: Md. Tabibar Rahman, *et al.*, *Compensation Management* (Dhaka: Millennium Publications, 2017), p. 46.

1.10.2 Rules and Regulations Related to Compensation Management Practices

A number of government rules, regulations, executive orders and laws influence the policies and practices of compensation management. As for example, there is a minimum wage in legislation for which an employer can't pay any worker less than the basic minimum wage. Overtime wages is also determined by the legislation according to which overtime wages must be one and a one-half of the regular wage rate for all hours over 40 in a given work week. Likewise, other compensation practices are bound to obey Bangladesh labor act, 2006.

1.10.3 Factors Affecting Compensation Management Practices

Compensation management practices may be affected by the external and internal factors of an organization. In determining the employee compensation packages external factors like government regulation, union influence, CBA, wage controls and guidelines and the economy- product and labor market play the significant roles. On the other hand, internal factors like economic condition of the firms, differences in employee characteristics, nature of the work, organizational values and culture, organizational strategies, pay practices, differences in employee work behavior that includes-performance, absenteeism and turnover also influence in compensation management practices.

1.10.4 Gender Issues and Wage Discrimination, Employee Turnover and Other Issues

Gender issues and wage discriminations have been investigated in the study. Employee retention and turnover and other issues like safety, security, disputes and working environment have also been discussed.

Chapter II

An Overview of BSCIC

2.1 Introduction

BSCIC has been contributing to the national economy through developing and patronizing the small and cottage industries operating in the industrial estates and outside of industrial estates from the very beginning of its initiation in 1957. It is basically helping the entrepreneurs of small and cottage industries through facilitating land, infrastructure, loans, training, consultation and other facilities with a view to developing the SME sector of Bangladesh. BSCIC has been operating various functions in this respect. BSCIC maintains lean staff with interdisciplinary expertise that has pioneered innovative solutions to entrepreneurship development and enterprise creation. They are growing with experiential learning and demonstrate how an entrepreneurial society can fight against poverty.[52]

Development activities of BSCIC are motioned, catalyzed and supported by promotion and extension services to the Medium, small and cottage industries. Medium, small and cottage industries (SCI's) contribution to GDP (2015-2016) is about 17.19 (Medium Industry) and 3.58 (Small & Cottage Industry) percent respectively which is 20.77 percent of the industries (manufacturing) sector's contribution.[53] The strategic importance of small and medium enterprises in the development of the economy is widely recognized in both developing and developed countries.

SMEs play an important role in the development of national economy of any country as far as Bangladesh is concerned the small and medium enterprise (SME) sector is the spine of Bangladeshi economy.[54] In industrial policy 2010 SME has

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[52] http://culture360.asef.org/resources/bangladesh-small-and-cottage-industry-corporation, Accessed on 14.11.2017.

[53] http://www.bscic.gov.bd/site/page/996b14e1-3757-44fe-a52a-4124627f1b18/*-BSCIC-(Brief), Accessed on 15.11.2017.

[54] Ruhul Amin, and Rashidul Islam Sheikh, "Small and Medium Enterprises (SME) and Its Role in The Economy of Bangladesh," *The Journal of Comilla University*, vol-1, no.1 (2012): pp. 111-122.

specially been emphasized in order to develop the industry sector. Small scale industries have created increased opportunities for diversifications of economic activities for both males and females in the country. BSCIC has created Skill Development Centre (SDC) and Small and Cottage Industries Training Institute (SCITI) for human resource development. It is producing items mainly for local markets, acts as import-substitute one, and thus saves foreign currency of the country. It helps development and application of appropriate technology at minimum cost based on locally available raw material and manpower.[55]

2.2 Brief History of BSCIC

BSCIC was established in 1957 through an act of parliament (East Pakistan Act No. XVII of 1957, Amended in 1990). In the then East Pakistan it was named after EPSIC (East Pakistan Small Industries Corporation). The bill for establishing the BSCIC (EPSIC) was brought to the parliament by Bangabandhu Sheikh Mujibur Rahman the minister of state for Labor, Commerce and Industry of the provincial government of the then East Pakistan.[56] After the achievement of sovereignty it was renamed as BSCIC (Bangladesh Small and Cottage Industries Corporation).

BSCIC at its initial stage was engaged mainly with commercial activities like import of plant and machinery, raw materials and distribution the same to private entrepreneurs.[57] At first, it started its activities on credit function having a capital fund of Tk. 1.00 crore from the government.[58] In the early 1960s, some of the business organization was established with the help of fund supplied as loan by the BSCIC. As for instance, "Naaz Cinema Hall" at Gulisthan, Dhaka; press of "The Daily Ittefaque"; "Bengal Ceramics" at Rayer Bzar, Dhaka etc. was financed by BSCIC. Rajshahi silk factory was also established with the help of fund provided by BSCIC which was later taken under the control of Bangladesh Silk Board (BSB).[59] Later, BSCIC was felt that the private entrepreneurs needed

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[55] A. K. Shamsuddoha, "Marketing Practices of Small Scale Industries- A Case Study of Rajshahi Industrial Estate," *Rajshahi University Studies*, Part-c, vol. 8 (2000), pp. 83-93.

[56] BSCIC, *Past, present and future of BSCIC* (Dhaka: BSCIC, 2014), p. 27.

[57] file:///G:/BSCIC/Services%20of%20BSCIC.html, Accessed on 15.11.2017.

[58] BSCIC, *Past, present and future of BSCIC*, p. 12.

[59] Ibid.

continuous guidance and advice from BSCIC in selection of viable projects, knowledge about selecting appropriate machine and production process, quality controls and marketing of products etc. As such a shift in focus took place in BSCIC from commercial activities to promotional activities. Accordingly, development projects like industrial estates, design center, rural industries services, small industry advisory service, and model production unit were undertaken.[60] With the passage of time there was a major change in over all activities of BSCIC. So, to manage the changed circumstances a change was occurred in organizational structure of BSCIC. Although, primarily it was working only on credit program but in the middle of 1960s it started the industrial estate programs as well. The then 18 (eighteen) districts were taken under the project of establishing industrial estate one for each.

2.3 Functions of BSCIC

BSCIC is now functioning on three major areas like extensional and promotional, regulatory, and implementation of development activities under Annual Development Programs (ADP).[61] As the part of extensional and promotional functions, BSCIC is performing the activities like-

- Entrepreneurship development;
- Allotment of developed plots in industrial estates/industrial parks having infrastructural facilities like road, water, electricity, gas and so on;
- Extend credit facilities to the entrepreneurs from its own fund as well as banks and financial institution;
- Preparation of project profile and project proposal and appraisal of project proposals;
- Provide technical and consultancy services for establishing new industrial units and quality improvement SMCI (Small medium and cottage industries) products;
- Development and distribution of new design and prototypes;
- Innovation and adaptation of appropriate technology for SMCI sector;

[60] file:///G:/BSCIC/Services%20of%20BSCIC.html, Accessed on 15.11.2017.
[61] BSCIC at a Glance, www.bscic.gov.bd, Accessed on 14.11.2017.

- Collect, collate and dissemination of technical and other information leading to investment, production and marketing of SMCI sector;
- Conduct research, studies and survey in the SMCI sector and conducting training programs;
- Other pre and post investment counselling.

The Main functions of BSCIC are also stated in the BSCIC amendment act-1990 as fallows[62]

- Promotion and registration of small and cottage industries;
- Conducting advisory and industrial promotion services including training of entrepreneurs;
- Skill development for artisans and craftsmen;
- Creation of jobs for SCIs;
- Construction and development of industrial estates with necessary infrastructural facilities for SCI;
- Development of linkages between SCIs and large and medium-sized industries;
- Online Service for registration of Industry, Application for Industrial plots, and Application for Training facilities will be provided very soon.

2.4 Main Objectives of BSCIC

BSCIC was established with a view to developing the industrial sector of the country by helping the entrepreneurs of small and cottage industries with financial, advisory and infrastructural facilities. The following issues are stated as the main objectives of BSCIC to be achieved.[63]

- Increase of industrial production and productivity in the SCI sector ;
- Creation of employment opportunities;
- Poverty alleviation;
- Balanced regional growth;

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[62] BSCIC Amendment Act-1990, http://www.parliamentofbangladesh.org:80/Legislation_New/legislation1990act57a.htm, Accessed on 14.11.2017.

[63] http://www.bscic.gov.bd/site/page/996b14e1-3757-44fe-a52a-4124627f1b18/*-BSCIC-(Brief), Accessed on 15.11.2017.

- Ensure optimum utilization of economic and human resources;
- Accelerate overall economic growth of the country through SCI.

2.5 Services of BSCIC

BSCIC has spread its hand to help the small and cottage industry sector coming out of the traditional primary activities started in the initial stage. Keeping in view of social and economic problems of the country such as poverty and unemployment pressure BSCIC was restructured to help the entrepreneurs in establishing new industrial unit and capacity expansion of existing unit at optimum level through providing the following services.[64]

- Entrepreneurship development through counseling and training.
- Provide infrastructural facilities by establishing Industrial Estates.
- Extend credit facilities to the entrepreneurs from its own fund and also through banks and financial institutions.
- Preparation of Project Profile and project appraisal proposal.
- Provide technical and consultancy services for establishing new industrial units and quality improvement of SCI products;
- Development and distribution of new designs and prototype
- Innovation and adaptation of appropriate technology in the SCI sector.
- Collect, compilation and dissemination of technical and other information leading to investment, production and marketing of SCI.
- Conduct research, studies and survey in the SCI sector.
- Other pre and post investment counseling.
- Regulatory Functions.
- Registration of small and cottage industrial unit.
- Recommendation for exemption of duties and taxes.
- Recommendation for import entitlement of raw materials and packaging materials.

[64] file:///G:/BSCIC/Services%20of%20BSCIC.html, Accessed on 15.11.2017.

2.6 Organizational Structure of BSCIC

BSCIC is an autonomous organization which has a board of directors of seven members headed by chairman along with other six members to operate its activities. Secretary or additional secretary of Bangladesh government is appointed as the chairman who acts as the chief executive of this organization. The other six members as directors of the board of directors are appointed from the joint secretary/ similar status are also appointed from the Bangladesh government. A secretary is appointed from the deputy secretary of Bangladesh government to conduct its administrative activities.

2.6.1 Board of Directors

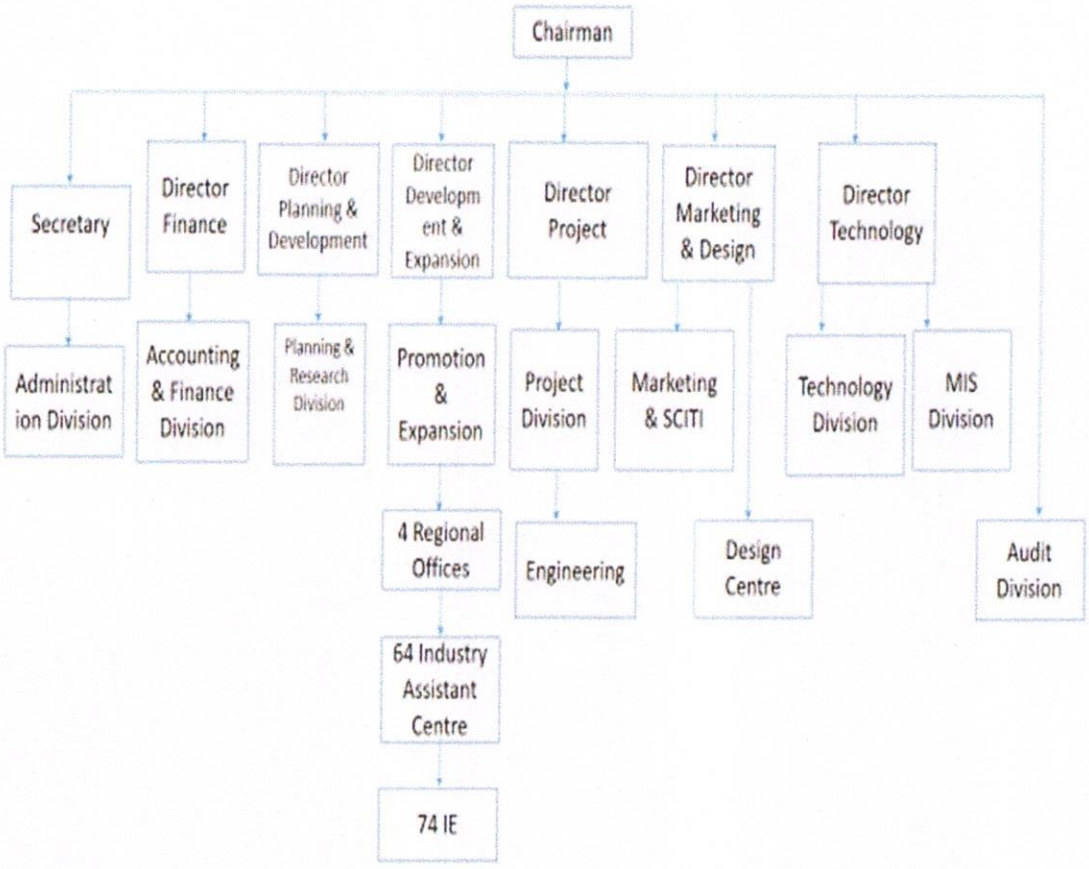
There are six directors in BSCIC board of directors having one or more specific division to be maintained. It is headed by the chairman. The board of directors are-

- Chairman
- Director (Finance)
- Director (Promotion and Extension)
- Director (Planning and Development)
- Director (Project)
- Director (Marketing and Design)
- Director (Technology)

2.6.2 BSCIC Organogram

BSCIC organogram is formed with a chairman along with six directors of finance, promotion and Extension, planning and development, project, marketing and design and technology. The organogram is shown below-

Figure 2.6.2.1 BSCIC Organogram



Source: www. Bscic.gov.bd

2.7 Manpower and Offices of BSCIC

A total number of 2,410 manpower are engaged in various position of 191 offices of BSCIC for smooth handling of its activities. The distribution of manpower among various stage are as fallows-

Table 2.7.1 Manpower of BSCIC

Sl. No.	Designation or Status	Number
01	Chairman	1
02	Director	6
03	Secretary	1
04	General Manager and Equivalent post	14
05	Deputy General Manager and Equivalent post	43
06	Assistant General Manager and Equivalent post	65
07	Deputy Manager and Equivalent post	154
08	Extension officer/Asst. engineer/Accounts officer and equivalent post	452
09	Asst. extension officer/technical officer and equivalent post	211
10	No. of staff (3rd class)	822
11	No. of staff (4th class)	641
Total number of manpower		**2,410**

Source: BSCIC, *Annual Report 2014-15* (Dhaka: MIS Division, BSCIC), p.5.

Table 2.7.2 Offices of BSCIC

Sl. No.	**Name of the Offices**	**Number**
01	Head Office	1
02	Divisional/Regional office	4
03	District office (Industrial service center)	64
04	Small and Cottage Industries Training Institute	1
05	Industrial Estate	74
06	Salt industries development program office (Cox's Bazar)	1
07	Skill development training center (SDC)	15
08	Bee-keeping/Multiplication	1
09	Chittagong Hilltracts Cottage Industries Development Program(CIDP)	3
10	CIDP permanent center	27

Source: BSCIC, *Annual Report 2014-15* (Dhaka: MIS Division, BSCIC), p.5.

2.8 Human Resource Development Activities

With a view to developing the human resources, BSCIC has been operating some training programs on various aspects. Which are contributing to the development of SCI sector and the entrepreneurs involved in this sector. Moreover, in making self-employment BSCIC's human resource development activities playing one of the vital roles throughout the country.

2.8.1 Skill Development Centre (SDC)

BSCIC has been conducting training program through 15 SDC in the various part of Bangladesh. Which basically train on electrical house wiring and motor winding; refrigerator and air conditioner repairing; manufacturing garment accessories; fitting cum machine shop practices and welding pump; computer (office and internet browsing); shallow pump machine repairing; repairing electronic goods; and mobile phone repairing (hardware and software).

2.8.2 Small and Cottage Industries Training Institute (SCITI)

A training institute which is called SCITI is being operated by BSCIC which is situated in Uttara, Dhaka with boarding facilities for the trainees. It consists of some faculties for conducting training programs and research for the development of Small and Cottage Industries (SCI) sector. Industrial management, financial management, marketing management, general management, and entrepreneurship development faculties are contributing to the development human skill.

2.8.3 Design Centre

BSCIC head office maintains a well-equipped design center which innovate various types of new product design and supply it to the entrepreneurs. Side by side, it conduct some training program on various trading issues like block print, batik print, leather works, packaging, weaving, cane, bamboo and wood works, doll making, pottery/ceramic, metal/wood inlay, jute handicraft, screen printing, fashion design and design concept and development.

2.8.4 BSCIC Computer Lab

To cope up with the development of information and communication technology BSCIC has set up a well-equipped and up to date computer lab in its head office, Dhaka. This lab is developing the skill of its own manpower. Some courses like Computer fundamental, hardware trouble shooting, internet and networking, e-filing, online services, automation and use of software, and Unicode and other are being conducted.[65]

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[65] http://www.bscic.gov.bd/site/page/eaa0aa2c-05ce-46f6-a2b3-3c35492e0f72/Computer-Lab, Accessed on 15.11.2017.

2.9 Programs of BSCIC

2.9.1 Industrial Estate Programs

Infrastructural development is one of the most important activities of BSCIC which is mainly accomplished through industrial estates program all over the country with necessary facilities for the entrepreneurs of small and cottage industries. The entrepreneurs are allotted the industrial plots as lease. As a result land acquisition and preparation is not required to set up new industry. The price of the plots are to be payable in installment in ten years. Plot owners have the opportunity to mortgage those plots to the banks to have loans for their business. Infrastructural facilities like power, gas, roads for better transportation, drainage, and sewerage are available in the IEs for establishing and operating industrial unit. All most all of the IEs are situated next to the highway which ensure the better transportation for transporting raw materials and finished products. BSCIC has completed 74 IEs all over the country up to June 2015.[66] These industrial estates have been increasing the amount of investment, employment opportunities, and production which are contributing to the GDP of the country.

[66] BSCIC, *Annual Report 2014-15* (Dhaka: MIS Division, BSCIC), p. 14.

2.9.1.1 BSCIC Industrial Estates Program at a Glance

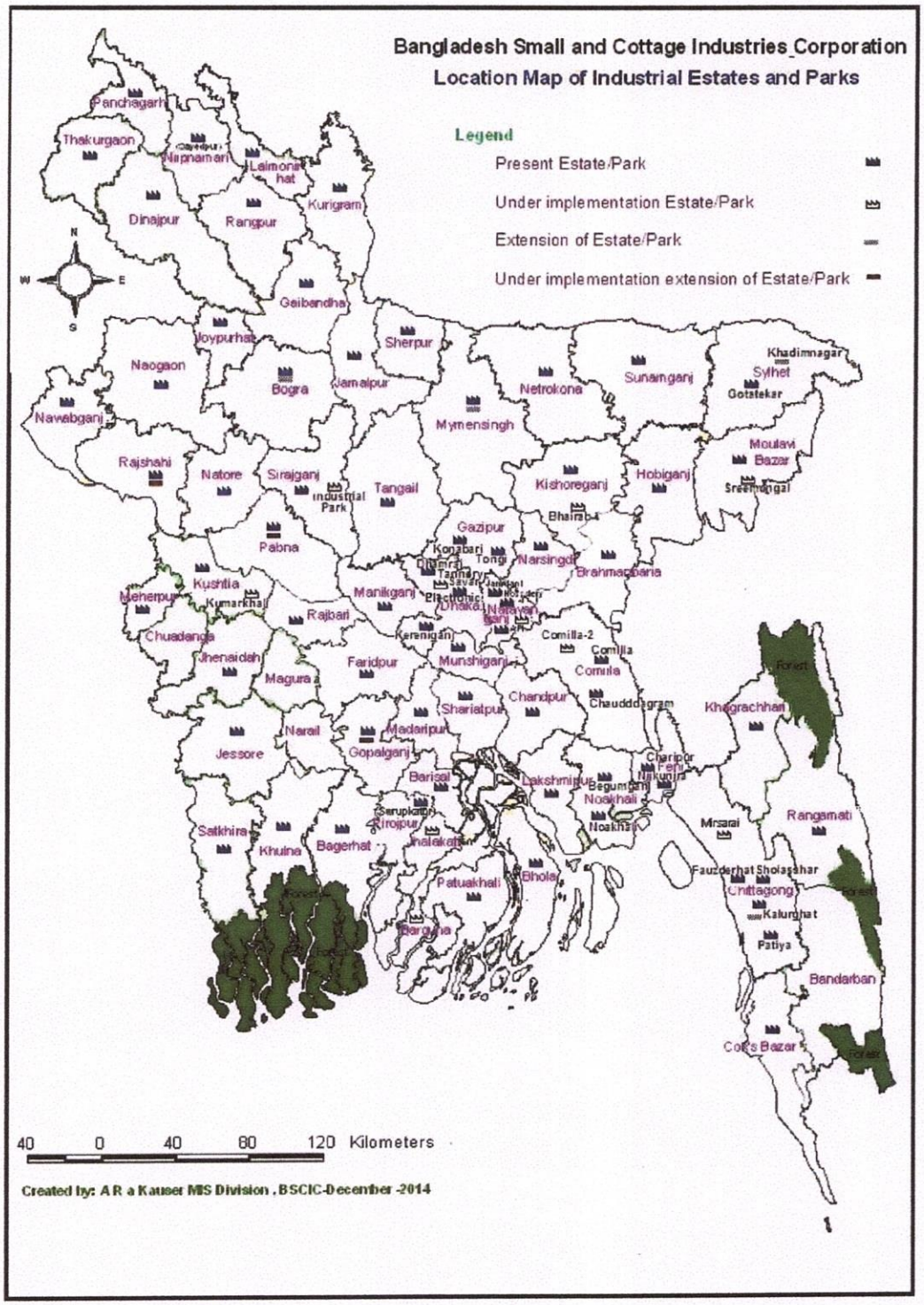
All most all of the districts have at least one industrial estates whether it is implemented or under implementation. In 74 implemented industrial estates 5,773 industrial units are operating their activities and increasing investment, creating employment opportunities, and increasing production. A good amount of foreign currencies is being earned by exporting goods produced in the industrial estates.

Table 2.9.1.1 The Scenario of Industrial Estates (Up to June 2015)

Number of Industrial Estates	94
Implemented	74
Under implementation	9
Proposed	11
Plot utilization of the 74 implemented industrial estates	
Number of industrial plots	10,329
Number of plots allotted	9,898
Number of industrial units	5,773
Number of industrial units under production (export oriented 950)	4,259
Number of units under implementation	1002

Source: BSCIC, *Annual Report 2014-15* (Dhaka: MIS Division, BSCIC), p. 16.

Figure 2.9.1.1 Location Map of Industrial Estates and Parks



Source: BSCIC, *Annual Report 2014-15* (Dhaka: MIS Division, BSCIC), p. 15.

Table 2.9.1.2 Contribution of Industrial Estates to the National Economy

No.	Contents	Amount(Tk.)
1	Total amount of investment	19,380.15 crore
2	Total employment in industrial units	5.5 lakh
3	Total production	43,857.92 crore
4	Total export	24,590.89 crore
5	Total amount of revenue paid to the government	2,650.34crore
6	Percentage of export from IE to the total export (2013-14)	9.69

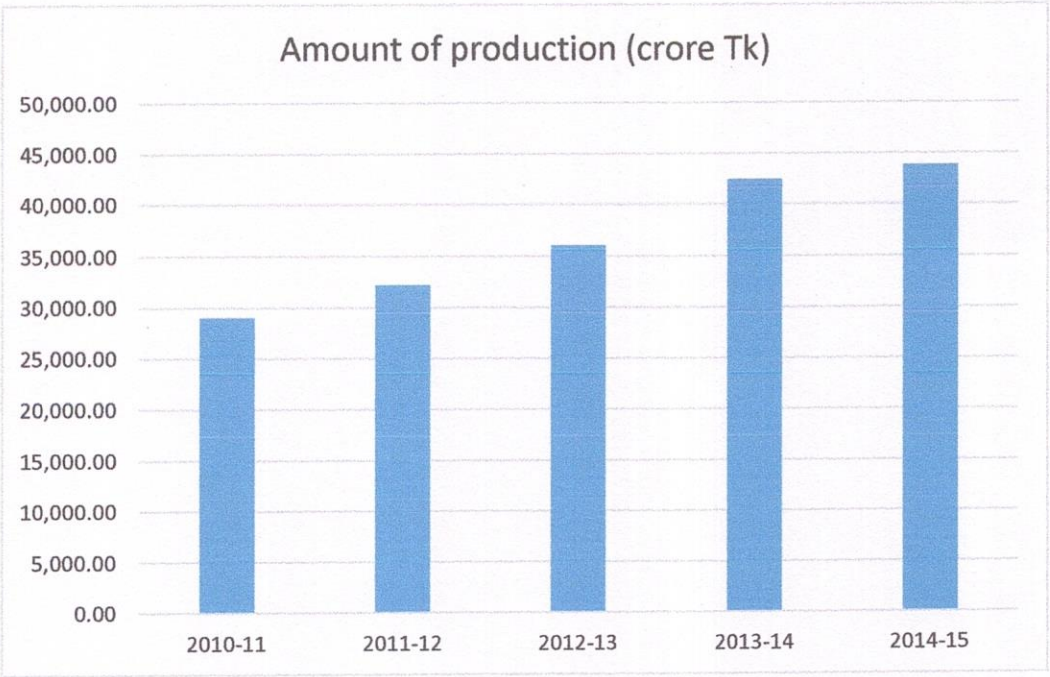
Source: BSCIC, *Annual Report 2014-15* (Dhaka: MIS Division, BSCIC), p. 18.

Table 2.9.1.3 Production Scenario of BSCIC Industrial Estates for the Last Five (5) Years

Year of productio	Amount of production (crore Tk.)
2010-11	29,027.5
2011-12	32,202.6
2012-13	36,097.4
2013-14	42,508.8
2014-15	43,857.92

Source: BSCIC, *Annual Report 2014-15* (Dhaka: MIS Division, BSCIC), p. 16.

Figure 2.9.1.2 Production Trend of BSCIC Industrial Estates for Last Five (5) Years



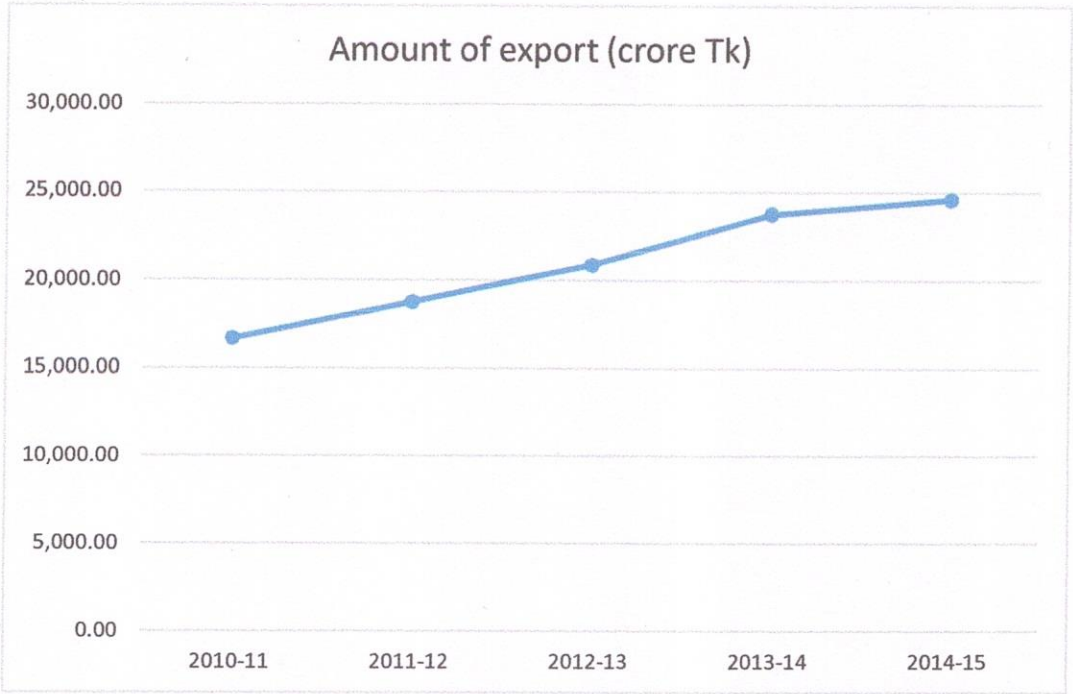
Source: Researcher

Table 2.9.1.4 Export Scenario of BSCIC Industrial Estates for the Last Five (5) Years

Year of production	Amount of export (crore Tk.)
2010-11	16,659.86
2011-12	18,760.69
2012-13	20,889.86
2013-14	23,746.26
2014-15	24,590.89

Source: BSCIC, *Annual Report 2014-15* (Dhaka: MIS Division, BSCIC), p. 17.

Figure 2.9.1.3 Export Trend of BSCIC Industrial Estates for the Last Five (5) Years



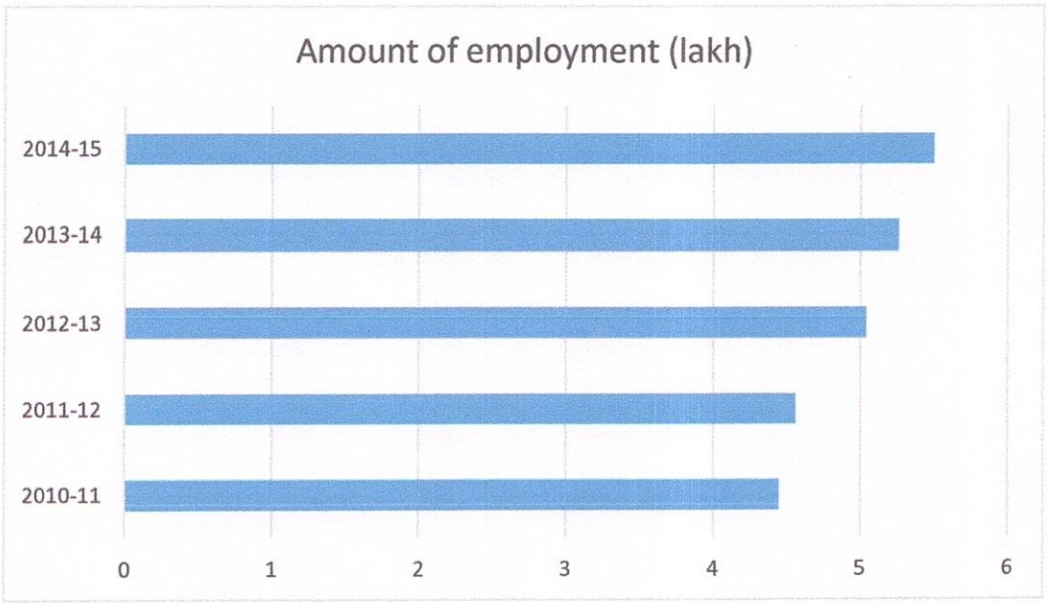
Source: Researcher

Table 2.9.1.5 Employment Generation in BSCIC Industrial Estates for the Last Five Years

Year of productio	Amount of employment (lakh)
2010-11	4.45
2011-12	4.56
2012-13	5.04
2013-14	5.26
2014-15	5.5

Source: BSCIC, *Annual Report 2014-15* (Dhaka: MIS Division, BSCIC), p. 17.

Figure 2.9.1.4 Employment Generation in BSCIC Industrial Estates for the Last Five Years



Source: Researcher

2.9.2 Credit Program

BSCIC arranges credit facilities for the entrepreneurs in collaboration with the bank and other financial institution for the promotion and extension of small, medium and cottage industry sector. Moreover, BSCIC has its own credit programs to entrepreneurs for self-employment through small and cottage industries and the United Nations Capital Development Funds (UNCDF) with a view to alleviating poverty.

2.9.3 Salt Production

At present, one of the greatest public health concern is iodine deficiency all over the world. During the last decade it has been recognized that iodine deficiency is the leading cause of intellectual impairment. Iodine deficiency at critical stages during pregnancy and early childhood results in impaired development of the brain and consequently in impaired mental function.[67] As a result to make the country self-sufficient in producing quality salt BSCIC provides various promotional and extensional services to the salt grower in Cox's Bazar and

[67] http://siis.micronutrient.org/bsiis/, Accessed on 15.11.2017.

Satkhira districts. BSCIC also ensure the appropriate price for the salt grower. With the assistance of BSCIC about 70,000 acres of land in coastal areas in above two districts has come under salt cultivation where 45,000 growers are directly involved in salt production.[68] It has provided 263 Salt Iodization Plants (SIP) to salt industrial units to mix the iodine to edible salt to remove the deficiency of iodine in human body.[69] Nutrition International (NI) in Bangladesh is supporting the Control of Iodine Deficiency Disorders (CIDD) Project of Bangladesh Small and Cottage Industries Corporation (BSCIC) to help achieve its goal of universal salt iodization (USI).[70]

2.9.4 Bee-keeping

Under the bee-keeping program entrepreneur in this field are being delivered the necessary helps regarding modern and scientific methods of bee-keeping and honey production. In this respect, BSCIC has established six permanent training centers and demonstration farms for bee-keeping and honey extraction.[71]

2.10 BSCIC Regional Office, Rajshahi

BSCIC started its activities in Rajshahi region in the early 1960s. Since then, it has been contributing to the development of small and cottage industries in this region. Creation of employment opportunities, developing human resource, increasing industrial investment and production, and socio-economic development of the districts in Rajshahi and Rangpur division has been uplifted in a greater extent due to the establishment of BSCIC industrial estates. 2393 industrial plots (including 9 used for office) have been developed in 17 industrial estates of Rajshahi division. Up to 2015-16 fiscal year, industrial units in industrial estates have created 43,385 employment opportunities for both male and female (Male-26,415, female-16,970); Investment increased up to Tk. 1943.52 crore, production of Tk. 3033.93 crore, and revenue paid to the government is Tk. 114.63 crore from the Rajshahi region.[72]

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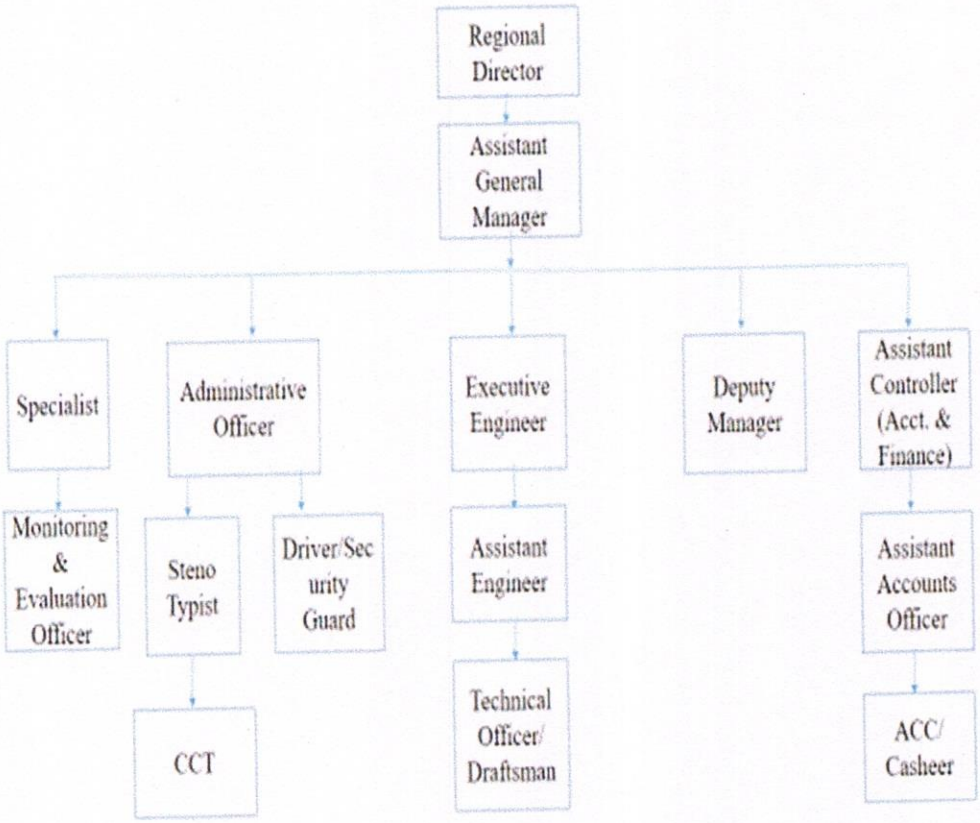
[68] BSCIC at a Glance, www.bscic.gov.bd, Accessed on 14.11.2017.
[69] BSCIC at a Glance, www.bscic.gov.bd, Accessed on 14.11.2017.
[70] http://siis.micronutrient.org/bsiis/, Accessed on 15.11.2017.
[71] BSCIC at a Glance, www.bscic.gov.bd, Accessed on 14.11.2017.
[72] *Report for Activities in Rajshahi and Rangpur Division Jul-16 to Dec-16* (Rajshahi: BSCIC Regional Office, 2017), p.16.

2.10.1 Organogram of BSCIC Regional Office, Rajshahi

BSCIC regional office has a five layer organogram headed by the regional director along with assistant general manager, administrative officer, executive engineer, assistant controller of accounts and finance, and other officer and supporting staffs. The organogram has been shown in figure **2.10.1**.

Figure 2.10.1 Organogram of BSCIC Regional Office, Rajshahi

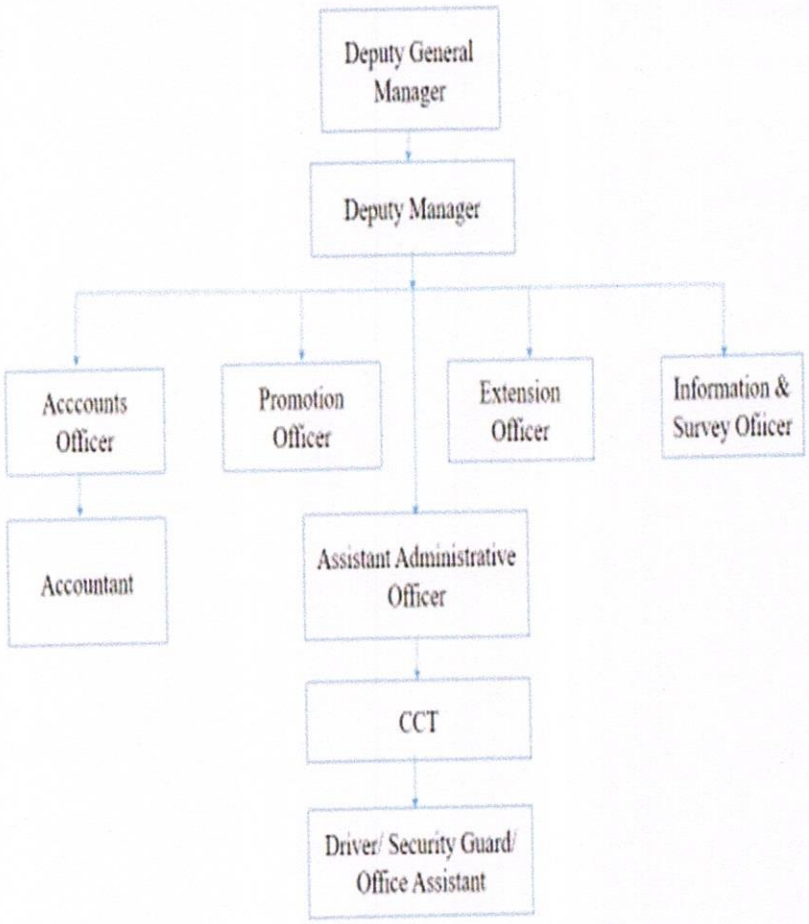


Source: BSCIC Regional Office, Rajshahi

2.10.2 Organogram of BSCIC Industry Assistance Centre (District Offices)

Organogram of BSCIC IACs (District Offices) has a six layer organogram having a deputy general manager, a deputy manager, six officer and some supporting staffs (**Figure: 2.10.2**).

Figure 2.10.2 Organogram of District Offices



Source: Regional Office, Rajshahi

2.10.3 Manpower of Rajshahi Region and Industrial Assistance Center (IAC)

A total number of 136 manpower is authorized for BSCIC Rajshahi region and Industrial Assistance Center (IAC) where 75 for officers and 61 for supporting staff. But the post of 23 officers and 01 supporting staff is vacant (Table: 2.10.3.1).

Table 2.10.3.1 Manpower of Rajshahi Region and Industrial Assistance Center (IAC)

Sl. No.	Office Name	No. of authorized manpower		Existing manpower		Vacant Post	
		Officer	Supporting staff	Officer	Supporting staff	Officer	Supporting staff
1	2	3	4	5	6	7	8
1	Regional office, Rajshahi	16	16	12	15	04	01
2	IAC, Rajshahi	11	7	6	7	5	0
3	IAC, Pabna	11	7	6	7	5	0
4	IAC, Bogra	11	7	8	7	3	0
5	IAC, Sirajginj	7	6	6	6	1	0
6	IAC, C. Nawabgonj	7	6	3	6	4	0
7	IAC, Natore	4	4	3	4	1	0
8	IAC Naogaon	4	4	4	4	0	0
9	IAC, Joypurhat	4	4	4	4	0	0
Total		75	61	52	60	23	1

Source: *Report for activities in Rajshahi and Rangpur Division Jul-16 to Dec-16* (Rajshahi: BSCIC Regional Office, 2017), p. 20.

2.10.4 District Wise Information of Industries in Industrial Estates of Rajshahi Region

There are 781 industries are operating their functions in eight districts of Rajshahi region. Among those industries 522 of them is small scale, 246 medium scale and 246 is cottage (2.10.4.1).

Table 2.10.4.1 District Wise Information of Industries in Industrial Estates of Rajshahi Region

District Name	Small Industries	Cottage industries	Medium scale industries	Total no. of Industries
Bogra	83	52	1	136
Joypurhat	37	50	1	88
Naogaon	32	62	0	94
Natore	17	10	0	27
Chapai Nawabgonj	20	0	1	21
Pabna	166	0	7	173
Rajshahi	149	17	3	169
Sirajgonj	18	55	0	73
Total No. of Industries	**522**	**246**	**13**	**781**

Source: http://industrydb.bscic.gov.bd/industry-search, Accessed on 17.11.2017.

2.10.5 Manpower Working in BSCIC Industrial Estates of Rajshahi Region

The total number of employees working in the industrial estates of Rajshahi region is 16388 whereby the number of male 12106 and female 4282.

Table 2.10.5.1 Manpower Working in BSCIC Industrial Estates of Rajshahi Region

District Name	Skilled	Unskilled	Male	Female	Total
Bogra	1420	4268	3732	2469	6161
Joypurhat	266	247	523	85	608
Naogaon	347	200	456	170	620*
Natore	362	116	499	75	574
Chapai Nawabgonj	189	270	401	162	563
Pabna	2707	1356	3941	292	4233
Rajshahi	900	1323	1768	732	2496
Sirajgonj	619	366	786	297	1082
Total No. of Manpower	6810	8146	12106	4282	**16388**

*Including 04 (four) Foreigners

Source: http://industrydb.bscic.gov.bd/industry-search, Accessed on 17.11.2017.

2.10.6 Investment in BSCIC Industrial Estates of Rajshahi Region

The total investment of the industries functioning in the industrial estates of Rajshahi region is Tk. 5714793585 whereas entrepreneurs' own investment is Tk. 5621031274 and loan/other sources investment Tk. 1709417851.

Table 2.10.6.1 Investment in BSCIC Industrial Estates of Rajshahi Region

District Name	Own investment	Loan/other sources	Total Investment (Tk.)
Bogra	2443111088.74	772620698.94	1545405552
Joypurhat	556369500	109265000	572616492
Naogaon	3419504.3	116217.5	98322814.44
Natore	54296304	10462010	108730400
Chapai Nawabgonj	350411230	118003381	468414610
Pabna	1091806984	283786114	1351897022
Rajshahi	1056593731	407939430	1456720270
Sirajgonj	65022932	7225000	112686425
Total amount of investment	**5621031274**	**1709417851**	**5714793585**

Source: http://industrydb.bscic.gov.bd/industry-search, Accessed on 18.11.2017.

2.10.7 Production in BSCIC Industrial Estates of Rajshahi Region

A huge portion of national products are produced in the industrial estates of BSCIC. Rajshahi region plays a pivotal role in producing various type of products. The total price of the goods produced in Rajshahi region is Tk. 3519940462922.6, local price Tk. 3473910472253.6 and currency price Tk. 47789960900.45.

Table 2.10.7.1 Production in BSCIC Industrial Estates of Rajshahi Region

District Name	Local price	Currency price	Price of goods (Tk.)
Bogra	10812541902.64	421267866.34	11233809768.98
Joypurhat	1019917686.2	9947562.06	1029865248.26
Naogaon	1079262866.48	9395106.56	1092181138
Natore	94221029.32	5674675.63	96362416.35
C. Nawabgonj	701315712.53	50093979.47	751409692
Pabna	34990526024.88	4049829401.03	3503102431889
Rajshahi	1989163470.88	7693878.35	2000408370
Sirajgonj	633994400	-	633994400
Total Amount of Investment	3473910472253.6	47789960900.45	3519940462922.6

Source: http://industrydb.bscic.gov.bd/industry-search, Accessed on 19.07.2018.

2.11 GIS Based On-line Data Base of Small and Cottage Industries of Rajshahi Region

Under service innovation fund of a2i (Access to information) program, BSCIC has taken an initiative to create GIS-based online database for small, cottage and medium industry with a view to serving the information to all with the help of up-to-date information and communication technologies.[73] The aim is to collect and disseminate the information regarding small, cottage and medium scale industries spread all over the country. That will ensure the free flow of required information for various type stakeholders. BSCIC Rajshahi region is one of the primal offices which has facilitated this free flow of industry related information through on-line.

2.12 Conclusion

With a view to developing the small, cottage and medium scale industries BSCIC has been operating various type of activities throughout the country. Facilitating land, infrastructure, loans, training, consultation and other facilities to the entrepreneurs BSCIC reached far ahead and become one of the pioneers. BSCIC has the contribution of 20.77 percent of the manufacturing industry sectors of Bangladesh. Except this it has been contributing to the human resource development, entrepreneurial development, creation of employment opportunity through various projects and programs.

GIS-based on-line data base of BSCIC especially the Rajshahi region has added a new arena of development for the small and medium industries to have numerous required forms, information and services. As a government organization, BSCIC always committed to put its effort for implementing government decisions and agenda for the interest of the country through its capacity under the guidance of Ministry of Industries.

[73] http://industrydb.bscic.gov.bd/industry-search, Accessed on 19.07.2018.

Chapter III

Scenario of Wages and Salaries

3.1 Introduction

Wages and salaries are the main part of compensation management. This part plays the vital role in case of determining the compensation packages and the employees' level of satisfaction. The organization which takes this part as the prime consideration in formulating compensation packages is the most successful compensator and achieve the greater level of satisfaction of the employees. Simultaneously, prioritizing the wages and salaries the organization can ensure the highest level of organizational productivity which on the other hand increase the profitability. Wages and salaries comprised of basic pay, house rent, medical allowance etc. Travel allowance, lunch allowance, rate of increment, time of increment etc. are also the important factors of wages and salaries. Working hours, weekly holidays, over time pay and shift based varying pay should also be taken under consideration in determining pay packages for the employees. In this chapter wages and salaries has been described from two points of view- one is organizational perspective and another is employees' perspective. All the statistical analysis has been performed from two type (organizational and employee) of data sheets and the result has been compared to the existing rules and regulation within a shorter extent.

3.2 Monthly Wages/Salaries

From the two type of data sets the following statistical tables (3.2.1 and 3.2.2) have been made. Whereby it is found that, in the employee data analysis of present monthly wages/salaries is minimum Tk.2000, Maximum Tk.30000, mean Tk. 8145.83 wherein standard deviation is tk. 4249.85 and mode is Tk. 6000 respectively. That means, most of the employees' monthly wages are given at the amount of Tk.6000. Although, there is a significant difference between the minimum wage and maximum wage.

On the other hand, in the analysis of organizational data set it is found that, in case of average monthly salary, monthly lowest personal salary, and monthly highest personal salary is minimum Tk.1900, 2000, 5000 respectively.

Average monthly salary, monthly lowest personal salary, and monthly highest personal salary is maximum Tk.19000, 8000, 25000 respectively; mean is Tk. 7265.60, 4378.21, 11639.74 for average monthly salary, monthly lowest personal salary, and monthly highest personal salary respectively; and mode is Tk. 8000, 4000, 10000 for average monthly salary, monthly lowest personal salary, and monthly highest personal salary respectively; in case of all of the three types of salary st. deviation is Tk. 2542.403, 1175.800, 4331.951 respectively.

From both of the analysis it is found that average monthly wages is more than that of minimum wages board whereby Tk. 5300 is set to be the minimum monthly wages for the employees.[74] But in the frequency distribution table (3.2.2) it is found that 63.2% of the respondents are given 5000to less than 10000 taka per month. Many of respondents are paid less than that of minimum wage board.[75] On the other hand, frequency distribution table (3.2.4) of the organization data set it is found that 80.8 percent of the employees are being paid less than that of minimum wage board.[76]

Table 3.2.1 Descriptive Statistics of Present Monthly Wages/Salaries of Employee Data

Particulars	N	Min.	Max.	Mean	Mode	Std. Deviation
Present monthly wages /salaries	144	2000	30000	8145.83	6000	4249.852

[74] https://tradingeconomics.com/bangladesh/minimum-wages, Accessed on 08.07.2018.
[75] Ibid.
[76] Ibid.

Table 3.2.2 Frequency Distribution of Income Class.

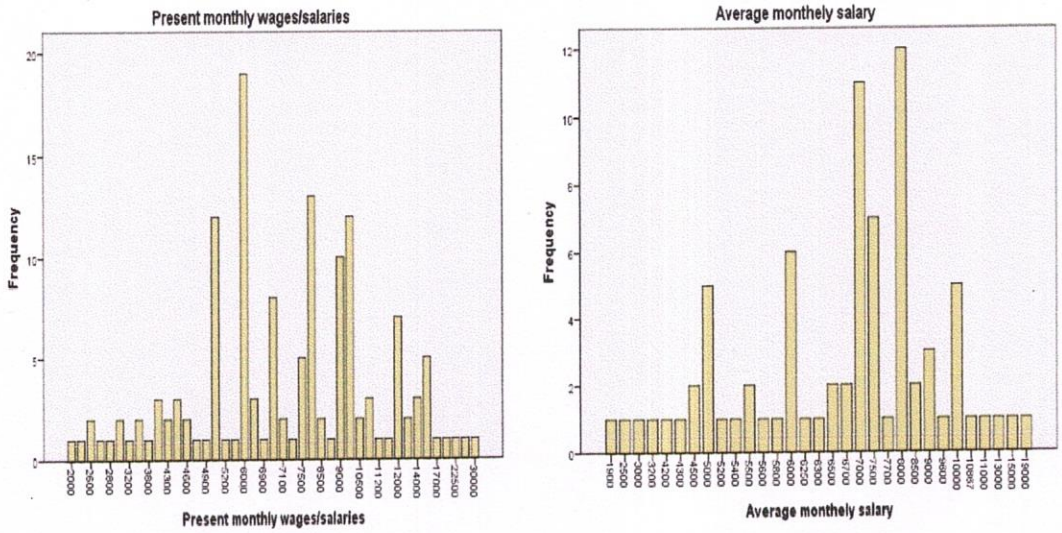
Particulars	Frequency	Percent
Less than 5000	24	16.7
5000 Less than 10000	91	63.2
10000 less than 15000	24	16.7
15000 less than 20000	1	.7
20000 less than 25000	3	2.1
25000 less than 30000	1	.7
Total	144	100.0

Table 3.2.3 Descriptive Statistics of Organization Data

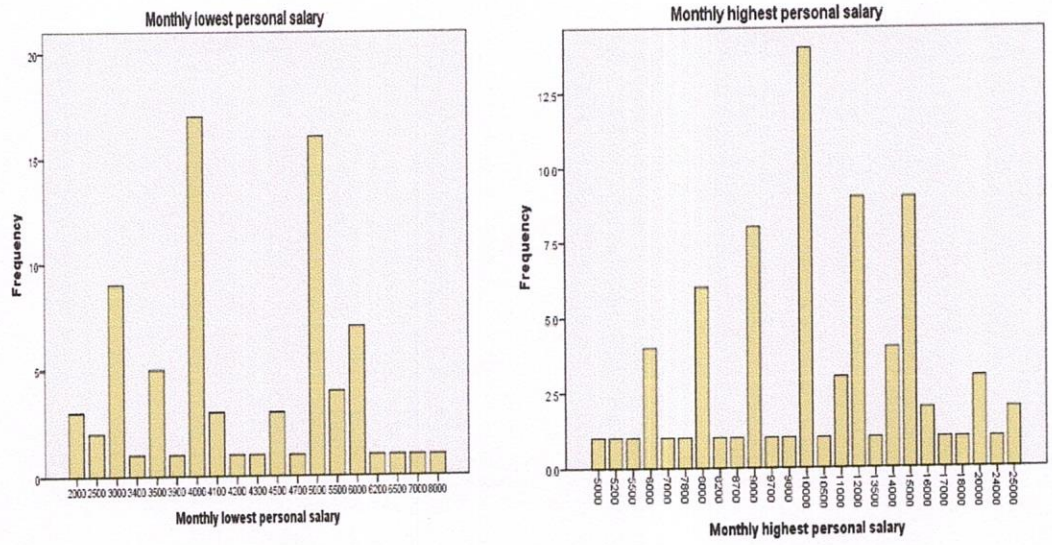
	N	Min.	Max.	Mean	Mode	Std. Deviation
Average monthly salary	78	1900	19000	7265.60	8000	2542.403
Monthly lowest personal salary	78	2000	8000	4378.21	4000	1175.800
Monthly highest personal salary	78	5000	25000	11639.74	10000	4331.951

Table 3.2.4 Frequency Distribution of Monthly Lowest Personal Salary of Organizations

Particulars	Frequency	Percent
less than 5000	63	80.8
5000 less than 10000	15	19.2
Total	78	100.0



Figures 3.2.1: Present, Average, Lowest and Highest Monthly Salary



3.2.1 Test of Hypothesis:

H_0: There is no difference between average wages/salaries of the employees and the rate of minimum wages/salaries determined by the minimum wage board.

H_1: There is a difference between average wages/salaries of the employees and the rate of minimum wages/salaries determined by the minimum wage board.

Table 3.2.1.1 Test Result of Employee Data (One-Sample Statistics)

Particulars	N	Mean	Std. Deviation	Std. Error Mean
Present monthly wages/salaries	144	8145.83	4249.852	354.154

Table 3.2.1.2 Test Result of Employee Data (One-Sample Test)

Particulars	Test Value = 5300					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Present monthly wages/salaries	8.036	143	0.00	2845.833	2145.78	3545.89

In this hypothesis the test result gives the t-statistic of 8.036 with 143 degree of freedom. The corresponding two-tailed p-value is 0.000. At 5% level of significance the obtained p-value is less than 0.05. Therefore, **H_0** (null hypothesis) is rejected and alternative hypothesis (**H_1**) is accepted. That means, the sample mean is significantly different from the hypothesized value and the average wage/salary of the employee data is not same as the minimum wage/salary of the minimum wage board (Table: 3.2.1.1 and 3.2.1.2).

Table 3.2.1.3 Test Result of Organization Data (One-Sample Statistics)				
Particulars	N	Mean	Std. Deviation	Std. Error Mean
Average monthly salary	78	7265.60	2542.403	287.870

Table 3.2.1.4 Test Result of Organization Data (One-Sample Test)						
Particulars	Test Value = 5300					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Average monthly salary	6.828	77	0.00	1965.603	1392.38	2538.83

In this hypothesis the test result gives the t-statistic of 6.828 with 77 degree of freedom. The corresponding two-tailed p-value is 0.000. At 5% level of significance the obtained p-value is less than 0.05. Therefore, $\mathbf{H_0}$ (null hypothesis) is rejected and alternative hypothesis ($\mathbf{H_1}$) is accepted. That means, the sample mean is significantly different from the hypothesized value and the average wage/salary of the organization data is not same as the minimum wage/salary of the minimum wage board (Table: 3.2.1.3 and 3.2.1.4).

3.3 Designation of the Employees

From the following frequency table it is found that 78 of the employees are from the worker/labor that covers 54.2 percent. Likewise, the number of technician, Supervisor/Foreman, Officer/ Manager, Others is 24, 17, 14, 11 and the percentage is 16.7, 11.8, 9.7, 7.6 respectively. It means more than 50 percent of the total employees are worker/labor. This scenario can also be clearly visualized in the table 3.3.1.

Table 3.3.1 Frequency Distribution of Designation of the Employees

Particulars	Frequency	Percent
Worker/labor	78	54.2
Technician	24	16.7
Supervisor/Foreman	17	11.8
Officer/ Manager	14	9.7
Others	11	7.6
Total	144	100.0

3.4 Educational Qualifications of the Employees

Educational qualifications have been categorized into six segments which are illiterate, primary, below SSC, SSC, HSC and graduate and their frequency and percentage is 12, 41, 54, 18, 11, 8 and 8.3, 28.5, 37.5, 12.5, 7.6, 5.6 respectively. From which it is seen that most recurring educational qualification of the employees are in the level of below SSC and the following is primary education having the frequency of 41 and percentage of 28.5. The number of graduate employees are very few, that is only 8 which covers 5.6 percent of the observed data.

Table 3.4.1 Frequency Distribution Educational Qualifications

Particulars	Frequency	Percent	Valid Percent	Cumulative Percent
Illiterate	12	8.3	8.3	8.3
Primary	41	28.5	28.5	36.8
Below SSC	54	37.5	37.5	74.3
SSC	18	12.5	12.5	86.8
HSC	11	7.6	7.6	94.4
Graduate	8	5.6	5.6	100.0
Total	144	100.0	100.0	

3.5 Length of Service at the Present Organization

In the following table (**3.5.1**) showing descriptive statistics it is found that the minimum length of service is 0.5 year, maximum 30 years, mean 4.608, median 4, mode 3 and std. deviation 3.7723. That means the average length of service is 4.608 years and the most of the respondents' length of service is 3 years.

Table 3.5.1 Descriptive Statistics of Length of Service

Particulars	N	Min.	Max.	Mean	Median	Mode	Std. Deviation
Length of service at the present org. (in year)	143	0.50	30	4.608	4.00	3.00	3.7723

3.6 Measuring Correlations: Monthly Wages and Salaries with Educational Qualifications, Designation and Length of Service.

H_0: There is no correlation of monthly wages/salaries with educational qualifications, designation and length of service.

H_1: There is a correlation of monthly wages/salaries with educational qualifications, designation and length of service.

Present wage/salary has a strong correlation with educational qualifications as r = 0.608 and p-value is 0.00 for two-tailed test of significance. Present wage/salary has a significant correlation at 1% level of significance with the length of service at the present organization as the r value is 0.483 and p-value is 0.00. On the other hand, the correlation between Present wage/salary and designation is also significant as r = 0.327 and p-value is 0.00 for two-tailed test of significance. These mean in all of the cases there is a positive correlation (**3.6.1**).

Table 3.6.1 Correlations of Monthly Wages and Salaries with Educational Qualifications, Designation and Length of Service.

Particulars		Present monthly wages/salaries	Educational qualifications	Designation	Length of service at the present organization
Present monthly wages/salaries	Pearson Correlation				
	Sig. (2-tailed)				
	N				
Educational qualifications	Pearson Correlation	0.608**			
	Sig. (2-tailed)	0.00			
	N	144			
Designation	Pearson Correlation	0.327**	0.220**		
	Sig. (2-tailed)	0.00	0.008		
	N	144	144		
Length of service at the present organization	Pearson Correlation	0.483**	0.267**	0.065	
	Sig. (2-tailed)	0.00	0.001	0.440	
	N	143	143	143	

**. Correlation is significant at the 0.01 level (2-tailed).

3.7 Initial Monthly Wages/Salaries

In the following table (3.7.1) showing descriptive statistics of 109 out of 144 respondents it is found that the minimum initial monthly wages/salaries is Tk. 1500, maximum 18000, mean 5460.55, median 5000, mode 4000 and std. deviation 2605.62. In the frequency distribution table (3.7.2) it is found that 56 percent of the respondents are given less than that of minimum wage board.[77]

[77] https://tradingeconomics.com/bangladesh/minimum-wages, Accessed on 08.07.2018.

Table 3.7.1 Descriptive Statistics of Initial Monthly Wages/Salaries

Particulars	N	Min.	Max.	Mean	Med.	Mode	SD
Initial monthly wages/salaries	109	1500	18000	5460.55	5000	4000	2605.62

Table 3.7.2 Frequency Distribution Initial Monthly Salary Class

Particulars	Frequency	Percent	Valid Percent	Cumulative Percent
Less than 5300	61	42.4	56.0	56.0
5300 less than 10000	44	30.6	40.4	96.3
10000 less than 15000	3	2.1	2.8	99.1
15000 less than 20000	1	0.7	0.9	100.0
No Answer	35	24.3	--	--
Total	144	100.0	--	--

3.8 Allowances

In the frequency table of employee data and organizational data set it is found that house rent is given in 35.9% of the organization but rest 64.1% organization do not pay for house rent. According to the employee data analysis, 32.6% respondents agreed that they are being paid house rent but 67.4% of the employees are not being paid.

In case of travel allowance employee data and organizational data found to be near about the same. 21.8% organization pay for travel allowance. And 21.5% employees agreed that they are paid travel allowance.

Lunch allowance is not given in 98.7% of the organization and 97.9% of the employees urged that they are not given any lunch allowance.

Medical allowance is given in 57.7% of the organization and 62.5% of the employees agreed that they are given medical allowance.

Other allowance is given in 32.1% of the organization but in the employee data it is found that 36.1% of the respondents are paid other allowance.

Table 3.8.1 Frequency Distribution of House Rent

Particulars	Organization data		Employee data	
	Frequency	Percent	Frequency	Percent
Yes	28	35.9	47	32.6
No	50	64.1	97	67.4
Total	78	100.0	144	100

Table 3.8.2 Frequency Distribution of TA (Travel Allowance)

Particulars	Organization data		Employee data	
	Frequency	Percent	Frequency	Percent
Yes	17	21.8	31	21.5
No	61	78.2	113	78.5
Total	78	100.0	144	100

Table 3.8.3 Frequency Distribution of Lunch Allowance

Particulars	Organization data		Employee data	
	Frequency	Percent	Frequency	Percent
Yes	1	1.3	3	2.1
No	77	98.7	141	97.9
Total	78	100.0	144	100

Table 3.8.4 Frequency Distribution of Medical Allowance

Particulars	Organization data		Employee data	
	Frequency	Percent	Frequency	Percent
Yes	45	57.7	90	62.5
No	33	42.3	54	37.5
Total	78	100.0	144	100

Table 3.8.5 Frequency Distribution of Other Allowances

Particulars	Organization data		Employee data	
	Frequency	Percent	Frequency	Percent
Yes	25	32.1	52	36.1
No	53	67.9	92	63.9
Total	78	100.0	144	100

3.9 Increment and It's Time and Rate

Frequency distribution (table-3.9.1) of organization and employee data shows that 96.2% of the respondent organization give increment to their employees and 97.9% of the respondent of the employees admitted that they are given increment by their employers.

Time of increment is 96.2% per year found in the frequency distribution (table-3.9.2) of organizational data set whereas 93.6% yearly increment is given to the employees as per the frequency distribution (table-3.9.2) of employee data set.

From frequency distribution table (table-3.9.3) it is found that 61.5% of the organization don't have any fixed rate of increment. On the other hand, in the frequency distribution table of employee data set it is found that 72.2% of the employer don't give any fixed rate of yearly increment.

Table 3.9.1 Frequency Distribution of Increment

Particulars	Organization data		Employee data	
	Frequency	Percent	Frequency	Percent
Yes	75	96.2	141	97.9
No	3	3.8	3	2.1
Total	78	100.0	144	100

Table 3.9.2 Frequency Distribution of Time of Increment

Time of increment	Entrepreneur		Employee	
	Frequency	Percent	Frequency	Percent
Randomly	1	1.3	0	0
Yearly	75	96.2	132	91.7
Based on performance	2	2.6	7	4.9
Owner's will	0	0	2	1.4
No Answer	0	0	3	2.1
Total	78	100.0	144	100

Table 3.9.3 Frequency Distribution of Rate of Increment

Rate of increment (%)	Entrepreneur		Employee	
	Frequency	Percent	Frequency	Percent
1	1	1.3	0	0
5	4	5.1	5	3.5
6	0	0	1	0.7
7	2	2.6	0	0
8	2	2.6	3	2.1
10	21	26.9	26	18.1
15	0	0	4	2.8
20	0	0	1	0.7
No Answer	48	61.5	104	72.2
Total	78	100.0	144	100

3.10 Working Days and Working Hours

3.10.1 Working Days per Week

Almost all of the respondents from the employees admitted that in 97.9% of the organization have six working day per week and a ignorable percent of organizations have five and everyday working week. On the other hand, in all of the respondents from organization is found to have a six day working week (**Table: 3.10.1**).

Table 3.10.1.1 Frequency Distribution of Working Days Per Week				
Particulars	**Employee**		**Entrepreneur**	
	Frequency	Percent	Frequency	Percent
5 day	1	0.7	--	--
6 day	141	97.9	78	100
Everyday	2	1.4	--	--
Total	144	100.0	78	100

3.10.2 Working Hours per Day

From the frequency distribution table (**3.10.2.1**) of employee data it is found that in 45.1% of the organization have the eight hours working day. But in the rest 54.9% of the organization they have to work more than eight hours. On the contrary, according to the frequency table (**3.10.2.1**) of organization data it is found that 50% have eight hour working day and the rest 50% have more than eight hour working day.

Table 3.10.2.1 Frequency Distribution of Employee Data (Working Hours Per Day)				
Particulars	**Employee**		**Entrepreneur**	
	Frequency	Percent	Frequency	Percent
8 hours	65	45.1	39	50.0
9 hours	20	13.9	14	17.9
10 hours	53	36.8	23	29.5
More than 10 hours	6	4.2	2	2.6
Total	144	100.0	78	100.0

3.11 Working Shift and Wages/Salaries

3.11.1 Number of Shift

From the frequency distribution table it is seen that 88.9% of respondents don't have any double shift rest of the 11.1% of the organization have double shift. In 85.9% of the organization don't have double shift (**Table: 3.11.1.1**).

Table 3.11.1.1 Frequency Distribution of Number of Shift				
Number of shift	**Employee**		**Entrepreneur**	
	Frequency	Percent	Frequency	Percent
1	128	88.9	67	85.9
2	16	11.1	11	14.1
Total	144	100.0	78	100.0

3.11.2 Wages on Shift

On the basis of shift wage rate varies in 16.7% of the organizations while 83.3% remain the same. From the frequency distribution of organization it is also found only 19.2% while 80.8% don't have shift based varying pay (**Table: 3.11.2.1).**

Table 3.11.2.1 Frequency Distribution of Wages Varies on Shift				
Particulars	Employee		Entrepreneur	
	Frequency	Percent	Frequency	Percent
Yes	24	16.7	15	19.2
No	120	83.3	63	80.8
Total	144	100.0	78	100.0

3.12 Overtime and Overtime Wage Rate

From the following distribution table (**Table: 3.12.1 & 3.12.2**) it is found that among the 144 respondents 20.8% employees have the opportunity to work in overtime. Accordingly 33.3% of the organization give the opportunity to work in overtime. In case of overtime wage rate it is found that 79.2% of the respondents didn't give any information and 66.7% of the respondents of organization hide their overtime related information.

Table 3.12.1 Frequency Distribution of Overtime				
Particulars	**Employee**		**Entrepreneur**	
	Frequency	Percent	Frequency	Percent
Yes	30	20.8	26	33.3
No	114	79.2	52	66.7
Total	144	100.0	78	100.0

Table 3.12.2 Frequency Distribution of Overtime Wage Rate				
Particulars	**Employee**		**Entrepreneur**	
	Frequency	Percent	Frequency	Percent
Equal to normal rate	25	17.4	19	24.4
Twice the normal rate	5	3.5	7	9.0
No Answer	114	79.2	52	66.7
Total	144	100.0	78	100.0

3.13 Sufficiency Level of Wages/Salaries

In the following frequency distribution table it is found that 87.2% of the organization think that their wage/salary level is at sufficient level whereas 78.5% of the employees think that their wage/salary level is sufficient. Among 144 respondents 11.1% think that wage/salary level is not sufficient while 10.4% is neutral.

Table 3.13.1 Frequency Distribution of Sufficiency Level of Wages/Salaries				
Particulars	**Entrepreneur**		**Employee**	
	Frequency	Percent	Frequency	Percent
Yes	68	87.2	113	78.5
No	10	12.8	16	11.1
Neutral	00	00	15	10.4
Total	78	100.0	144	100.0

3.14 Level of Satisfaction

From the analysis of employee data set it is found that the number of strongly dissatisfied, dissatisfied, neutral, satisfied, strongly satisfied employees are 2.1%, 9.7%, 20.1%, 66.7% and 1.4% respectively (**Table: 3.14.1**). Whereby, it is seen that most of the employees are satisfied with the current wages and salaries and their percentage is 66.7. Although, the organizational perception about satisfaction level is found better than that of employees. In the analysis of organizational data set is found that the number of strongly dissatisfied, dissatisfied, neutral, satisfied, strongly satisfied employees are 1.3%, 2.6%, 14.1%, 70.5% and 11.5% respectively (**Table: 3.14.1**). The thinking of the authority of the organization is that 70.5% of the employees are satisfied with their payment of wages and salaries.

Table 3.14.1 Frequency Distribution of Level of Satisfaction				
Particulars	**Employee**		**Entrepreneur**	
	Frequency	Percent	Frequency	Percent
Strongly dissatisfied	3	2.1	1	1.3
Dissatisfied	14	9.7	2	2.6
Neutral	29	20.1	11	14.1
Satisfied	96	66.7	55	70.5
Strongly satisfied	2	1.4	9	11.5
Total	144	100.0	78	100.0

3.14.1 Test of Hypothesis

There is a hypothesis tested for testing the relationship between level of satisfaction and amount of wages/salaries.

H_0: There is no positive correlation between level of satisfaction and amount of wages/salaries.

H_1: There is a positive correlation between level of satisfaction and amount of wages/salaries.

According to the employee data set (**Table: 3.14.1.1**) it is found that there is no positive correlation between level of satisfaction and amount of wages/salaries as $r = 0.228$ and p-value is 0.006 at 0.01% level of significance for two-tailed test of significance. On the other hand, from the organization data set (**Table: 3.14.1.2)** it is also found that there is no significant correlation between level of satisfaction and wages/salaries as the $r = 0.108$ and p-value is very high that is 0.349 at 0.01% level of significance. So, the null hypothesis (**H_0**) is rejected and alternative hypothesis (**H_1**) is accepted.

Table 3.14.1.1 Correlations between Present Monthly Wages/Salaries and Level of Satisfaction (Employee Data Set)

Particulars		Present monthly wages/salaries	Level of satisfaction
Present monthly wages/salaries	Pearson Correlation	1	0.228**
	Sig. (2-tailed)		0.006
	N	144	144
Level of satisfaction	Pearson Correlation	0.228**	1
	Sig. (2-tailed)	0.006	
	N	144	144

**. Correlation is significant at the 0.01 level (2-tailed).

Table 3.14.1.2 Correlations Between Average Monthly Wages/Salaries and Level of Satisfaction (Entrepreneur Data Set)

Particulars		Average monthly salary	Level of satisfaction
Average monthly salary	Pearson Correlation	1	0.108
	Sig. (2-tailed)		0.349
	N	78	78
Level of satisfaction	Pearson Correlation	0.108	1
	Sig. (2-tailed)	0.349	
	N	78	78

3.15 Conclusion

In the context of monthly wages/salaries it is found that the average wages/salaries is 8145.83 and 7265.60 for employee and organization data respectively. And the hypothesis shows that the average monthly wages/salaries is not same to the average wages/salaries of the minimum wage board. From the correlation it is found that monthly wages/salaries is significantly correlated with educational qualification, length of service and designation. The scenario of various allowances is not also satisfactory. Increment, overtime working hours and other issues discussed in this chapter are not at the optimum level. Although, satisfaction level found 66.7% and 70.5% from both of the employee and organization data set respectively. But according to the hypothesis there is no significant correlation between monthly wages/salaries and level of satisfaction.

Chapter IV

Existing Fringe Benefits

4.1 Introduction

Fringe benefits are the benefits which are given to the employees besides their regular payment. The fringe benefits are the additional rewards not directly related to the job performance. The employees are given the fringe benefits for being the members of the organization. Fringe benefits depends on some external factors like government policies and rules and regulations like statutory benefits, tax policies and specific benefit laws. Environmental issues like- space for movement, ventilation, lighting, clean and healthy work place, washing facilities etc.; leaves like- casual leave, festival leave, maternity leave and other facilities like- child rearing center, medical facilities, transportation, canteen facilities etc. are included in the fringe benefits. This chapter is aimed at finding the existing state of fringe benefits in the organization delivered to the employees.

4.2 The scenario of Leaves and Holidays

4.2.1.1 Yearly Paid Leaves

From the frequency distribution table (**4.2.1.1**) of employee data it is found that out of 144 respondents 109 (75.7%) of them don't have any fixed number of days for paid leave per year. Whereas, in the frequency distribution of organization data shows that 66.7% do not have any specific days for paid leave per year. Among the rest percentage of the respondents from both of the data it is found that 14 days of yearly paid leave is most recurring amount.

Table 4.2.1.1 Frequency Distribution of Number of Paid Holidays per Year

Particulars	**Employees**		**Entrepreneurs**	
(Number of Days/Year)	Frequency	Percent	Frequency	Percent
1	00	00	01	1.3
10	4	2.8	5	6.4
12	7	4.9	5	6.4
14	20	13.9	12	15.4
15	2	1.4	00	00
20	00	00	2	2.6
24	1	0.7	1	1.3
48	1	0.7	00	00
No Answer	109	75.7	52	66.7
Total	**144**	**100**	**78**	**100**

4.2.1.2 Test of Hypothesis

According to the labor law, every adult worker who has completed a period of one year continuous service in the establishment, shall be allowed, during the subsequent period of twelve months leave with full wages for a number of days at the rate of one day for every eighteen days of work.[78] Which is 20 days per year for the type of the establishment this study work with. On the basis of the this section the following hypothesis is drawn-

H_0: There is no difference between yearly paid leaves found in the study and the labor law.

H_1: There is a difference between yearly paid leaves found in the study and the labor law.

The test result of the hypothesis has been shown in table **(4.2.1.2)** and explained in the following lines.

[78] The Bangladesh Labor Code, Sec-117(a).

Table 4.2.1.2 "One-Sample Test" for Number of Paid Holidays Per Year							
Particulars		Test Value = 20					
		t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
						Lower	Upper
Number of paid holidays per year	Employees	-5.218	34	0.00	-5.543	-7.70	-3.38
	Entrepreneurs	-8.429	25	0.00	-6.808	-8.47	-5.14

In case of employee data "One-Sample Test" result gives the t-statistic of -5.218 with 34 degrees of freedom. The corresponding two-tailed p-value is 0.00 at 5% level of significance. Therefore, null hypothesis is rejected.

In case of entrepreneurs/organization data "One-Sample Test" result gives the t-statistic of -8.429 with 25 degrees of freedom. The corresponding two-tailed p-value is 0.00 at 5% level of significance. Therefore, null hypothesis is rejected.

From both of the data set it is found that the null hypothesis is rejected and alternative hypothesis is accepted. That means, yearly paid leaves is not same to the labor law. Rather, there is a significant difference between the two.

4.2.2 Paid Holidays

From the following table (**4.2.2.1**) it is found that 100% of the employees are given paid leaves in religious festivals. But in the other cases like- Victory Day, Independence Day, Labor Day, Bangla Nababarsa and other leaves are given to 6.9%, 7.6%, 30.6%, 8.3% and 26.4% of the employees respectively. On the other hand, in frequency distribution of organizational data religious festivals also found to be 100%. But the victory day, Independence Day, Labor Day, Bangla Nababarsa and other leaves are found to be 9%, 10.3%, 35.9%, 6.4% and 29.5% respectively.

Table 4.2.2.1 Frequency Distributions of Paid Holidays

Particulars	Employees				Entrepreneurs/Organizations			
	Yes		No		Yes		No	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Religious festivals	144	100	00	00	78	100	00	00
Victory day	10	6.9	134	93.1	07	09	71	91
Independence Day	11	7.6	133	92.4	08	10.3	70	89.7
Labor Day	44	30.6	100	69.4	28	35.9	50	64.1
Bangla Nababarso	12	8.3	132	91.7	5	6.4	73	93.6
Other leaves	38	26.4	106	73.6	23	29.5	55	70.5

4.2.3 Other Issues on Holidays and Leaves

From descriptive statistics (**Table: 4.2.3.1**) it is found that pay for holidays not worked, pay for sick leave, pay for time lost due to death in family, pay for leave on personal reasons, pay for rest and lunch periods, and other leave with pay the mean is 3.56, 3.61, 3.81, 3.38, 3.43 and 3.73 respectively which means all of the issues have found to be agreed. But in case of pay for separation or termination the mean is 2.38 which means the neutral position of the respondents. Almost all of the cases except pay for separation or termination the mode is 4 which denote that the respondents are agreed on the issues.

On the other hand, in organizational data pay for holidays not worked, pay for sick leave, pay for time lost due to death in family, pay for leave on personal reasons, pay for rest and lunch periods, and other leave with pay the mean is 3.90, 4.01, 3.92, 3.71, 3.45 and 3.82 respectively which means all of the issues have found to be granted to the employees. But in case of pay for separation or termination the mean is 2.73 which means the neutral position of the organization. Almost all of the cases except pay for separation or termination the mode is 4 which represent that the organization allow leaves and holidays on the issues.

Table 4.2.3.1 Descriptive Statistics of Other Issues on Holidays and Leaves

Particulars	Employee			Entrepreneurs		
	Mean	Mode	St. Deviation	Mean	Mode	St. Deviation
Pay for holidays not worked	3.56	4	1.095	3.90	4	0.736
Pay for sick leave	3.61	4	1.004	4.01	4	0.764
Pay for time lost due to death in family	3.81	4	1.012	3.92	4	0.849
Pay for leave on personal reasons	3.38	4	0.996	3.71	4	0.791
Pay for rest periods, lunch periods	3.43	4	0.994	3.45	4	1.015
Pay for separation or termination	2.38	3	1.084	2.73	3	1.077
Other leave with pay is allowed	3.73	4	0.918	3.82	4	0.734

In frequency distribution (**Table: 4.2.3.2**) of employee data it is found that pay for holidays not worked, pay for sick leave, pay for time lost due to death in family, pay for leave on personal reasons, pay for rest and lunch periods, pay for separation or termination, and other leave with pay the frequency is 74.3%, 75.7%, 55.6%, 61.1%, 60.4%, 13.2% and 70.1% respectively whereas pay for separation or termination is found to be the minimum.

On the other hand, frequency distribution of organizational data it is found that pay for holidays not worked, pay for sick leave, pay for time lost due to death in family, pay for leave on personal reasons, pay for rest and lunch periods, pay for separation or termination, and other leave with pay the frequency is 83.3%, 76.9%, 59%, 74.4%%, 60.3%, 20.5% and 74.4% respectively whereas pay for separation or termination is found to be the minimum.

Table 4.2.3.2 Frequency Distribution of Other Issues on Holidays and Leaves

Particulars	Employees				Entrepreneurs			
	Agree		Str. Agree		Agree		Str. Agree	
	Frequency	(%)	Frequency	(%)	Frequency	(%)	Frequency	(%)
Pay for holidays not worked	107	74.3	--	--.	65	83.3	--	--
Pay for sick leave	109	75.7	--	--	60	76.9	13	16.7
Pay for time lost due to death in family	80	55.6	29	20.1	46	59.0	16	20.5
Pay for leave on personal reasons	88	61.1	--	--	58	74.4	--	--
Pay for rest & lunch periods	87	60.4	--	--	47	60.3	--	--
Pay for separation or termination	19	13.2	--	--	16	20.5	--	--
Other leave with pay is allowed	101	70.1	--	--	58	74.4	--	--

4.3 Working Environment

In the section of working environment 20 variables were set to know the scenario of fringe benefits regarding working condition using five points Likert scale. From the descriptive statistics (**Table: 4.3.1**) it is found that the mean of the variables are greater than 4 and some of those are greater than 3 which means the working environment is at good condition. It is also found that all of the cases mode is also found to be 4 or more. From which it is concluded that the mindset of the employees regarding the environmental issues is positive and in all of the cases they are agreed upon the good working environment. From the descriptive statistics of organizational data analysis it is found that all of the respondents agreed that the working environment is at good condition as the mean and mode is found to be greater than 4.

Table 4.3.1 Statistics of Working Environment

Variables	Employee		Entrepreneur	
	Mean	Mode	Mean	Mode
Workplace is congenial to health	4.16	4	4.44	4
Space for movement	4.16	4	4.49	4
Enough ventilation	4.10	4	4.55	5
Sufficient lighting	3.98	4	4.51	5
Working place is clean and healthy	4.08	4	4.47	5
Machine /instrument is updated	4.03	4	4.19	4
Washing facilities	4.01	4	4.21	4
Fire extinguisher	3.92	4	3.95	4
Good relationship among the employees	4.01	4	4.15	4
Cooperation among the employees	4.04	4	4.21	4
Employer-employee relationship is good	4.10	4	4.26	4
Heat/temperature of workplace is at optimum level	3.73	4	4.06	4
Noise level	3.58	4	3.85	4
Work place is smocking free	3.99	4	3.99	4
Female employees do not face sexual harassment	4.11	4	4.37	4
Dust and wastage are cleaned regularly	4.28	4	4.54	5
Preventive equipment available	3.72	4	3.91	4
Sufficient safety and security	3.85	4	4.22	4
The working environment is satisfactory	4.11	4	4.50	5
Working environment is not satisfactory	1.94	2	1.87	1

On the frequency distribution (**Table: 4.3.2**) the percentage of agreed respondents on the variables found to be at acceptable level which also means that the working environment is good. On the other hand, in frequency distribution of entrepreneurs, it is found that the major number of respondents agreed on the good working environment and the percentage is also significant. There are also a good number of respondents (**Table: 4.3.3**) who strongly agreed on the good condition of working environment.

Table 4.3.2 Frequency Distribution of Agreed Respondents on Working Environment

Variables	Employees		Entrepreneurs	
	Frequency	(%)	Frequency	(%)
Workplace is congenial to health	119	82.6	40	51.3
Space for movement	121	84.0	40	51.3
Enough ventilation	123	85.4	35	44.9
Sufficient lighting	103	71.5	32	41.0
Working place is clean and healthy	118	81.9	35	44.9
Machine /instrument is updated	105	72.9	44	56.4
Washing facilities	118	81.9	50	64.1
Fire extinguisher	104	72.2	39	50.0
Good relationship among the employees	127	88.2	54	69.2
Cooperation among the employees	120	83.3	56	71.8
Employer-employee relationship is good	108	75.0	52	66.7
Heat/temperature of workplace is at optimum level	100	69.4	57	73.1
Noise level	86	59.7	49	62.8
Work place is smocking free	107	74.3	47	60.3
Female employees do not face sexual harassment	102	70.8	41	52.6
Dust and wastage are cleaned regularly	104	72.2	34	43.6
Preventive equipment available	82	56.9	43	55.1
Sufficient safety and security	105	72.9	47	60.3
The working environment is satisfactory	118	81.9	37	47.4
Working environment is not satisfactory	8	5.6	15	19.2

Table 4.3.3 Frequency Distribution Table of Strongly Agreed Respondents of Entrepreneurs

Variables	Frequency	Percentage
Workplace is congenial to health	37	47.4
Space for movement	38	48.7
Enough ventilation	43	55.1
Sufficient lighting	44	56.4
Working place is clean and healthy	40	51.3
Machine /instrument is updated	26	33.3
Washing facilities	22	28.2
Fire extinguisher	19	24.4
Good relationship among the employees	18	23.1
Cooperation among the employees	19	24.4
Employer-employee relationship is good	23	29.5
Heat/temperature of workplace is at optimum level	13	16.7
Noise level	10	12.8
Work place is smocking free	16	20.5
Female employees do not face sexual harassment	34	43.6
Dust and wastage are cleaned regularly	43	55.1
Preventive equipment available	16	20.5
Sufficient safety and security	25	32.1
The working environment is satisfactory	40	51.3
Working environment is not satisfactory	3	3.8

4.4 Disability/Death and Pension Plans

From the analysis (**Table: 4.4.1**) employee data set shows that in case of compensation for short term disability, lifetime disability and death the mean value is 3, 3.09 and 3.24 respectively whereas mode is 4. And from the analysis of organizational data set it is found that in case of compensation for short term disability, lifetime disability and death the mean value is 3.35, 3.31 and 3.49 respectively whereas mode is also 4.

It is found from both of the data set that compensation for the above three issues are paid to the employees. But in the other cases mean values and modes represent that there is no existence of unemployment compensation, pension premium plan, death benefits, health care payment, and festival bonus after retirement as well as family income continuation.

Table 4.4.1 Statistics of Disability/Death and Pension Plans

Particulars	**Employee**		**Entrepreneurs**	
	Mean	Mode	Mean	Mode
Compensate for short-term disability	3.00	4	3.35	4
Compensate for lifetime disability	3.09	4	3.31	4
Compensate for death	3.24	4	3.49	4
Compensate for unemployment	1.97	1	2.10	1
Exist pension premium plan	1.77	1	1.92	1
Exist death benefits	2.21	1	1.94	1
Exist health care payment	2.00	1	2.35	1
Exist festival bonus after retirement	1.71	1	1.85	1
Exist family income continuation	1.64	1	1.72	1

From the frequency distribution (**Table: 4.4.2**) of employee and organizational data varying scenario of disability/death and pension premium is found. In case of compensation for short term disability, lifetime disability and death the agreed frequency found to be 50%, 45.8% and 46.5% respectively in the employee data.

But in organization data those are 59%, 28% and 42.3% respectively. That means, the employees are given these fringe benefits in a few number of organization. The rest of the fringe benefits regarding disability/death and pension premium are not available in the organizations. In most of the cases, disagreed and strongly disagreed respondents are found higher than those of agreed respondents..

Table 4.4.2 Frequency of Agreed and Strongly Agreed Respondents on Disability/Death and Pension Plans

Particulars	Employees				Entrepreneurs			
	Agree		Str. Agree		Agree		Str. Agree	
	Frequency	(%)	Frequency	(%)	Frequency	(%)	Frequency	(%)
Compensate for short-term disability	72	50.0	--	--	46	59.0	--	--
Compensate for lifetime disability	66	45.8	7	4.9	22	28.2	18	23.1
Compensate for death	67	46.5	14	9.7	33	42.3	19	24.4
Compensate for unemployment	19	13.2	--	--	--	--	--	--
Exist pension premium plan	10	6.9	--	--	8	10.3	--	--
Exist death benefits	14	9.7	--	--	6	7.7	--	--
Exist health care payment	31	21.5	4	2.8	25	32.1	4	5.1
Exist festival bonus after retirement	12	8.3	4	2.8	9	11.5	--	--
Exist family income continuation	2	1.4	2	1.4	2	2.6	--	--

4.5 Other Facilities

Other fringe benefits which are not discussed on the above topics have been included in this section. **Table: 4.5.1** has shown the descriptive statistics of employee and entrepreneur data. In the employee data analysis the mean of drinking water, medical facilities, festival bonus, place for prayer and toilet facilities are 4.38, 3.37, 3.44, 3.65 and 4.23 respectively. And the mode found for all of the above cases is 4. Which means, the respondent's agreement on the availability of the above facilities. But regarding the rest of the facilities it is found that the respondents are not being facilitated with.

In case of organizational data analysis the mean of canteen facilities, pure drinking water, medical facilities, festival bonus, place for prayer, and toilet facilities are found to be 3.15, 4.67, 3.65, 3.96, 3.72 and 4.59 respectively. And the modes are found to be 4, 5, 4, 4, 4 and 5 respectively which means that some of the organizations deliver the above facilities to their employees. But the rest of the variables are found not to be delivered to the employees.

Table 4.5.1 Statistics of Other Facilities

Particulars	**Employee**		**Entrepreneurs**	
	Mean	Mode	Mean	Mode
Available canteen facilities	2.58	1	3.15	4
Exist child care center	1.83	1	1.95	1
Available pure drinking water	4.38	4	4.67	5
Medical facilities are available	3.37	4	3.65	4
Provides transport facilities	2.85	4	2.88	1
Incentive bonus	2.13	1	2.27	1
Exist festival bonus	3.44	4	3.96	4
Provide housing facilities	1.99	1	1.92	1
Exist place for prayer	3.65	4	3.72	4
Toilet facilities available	4.23	4	4.59	5

The frequency distribution of employee and organizational data are shown in the **table: 4.5.2**. From the employee data the frequency of agreed and strongly

agreed respondents on pure drinking water is found 48.6% and 46.5% respectively. On the other hand 30.8% and 67.9% of the respondents of the organizational data agreed and strongly agreed respectively on the pure drinking water.

The agreed respondents on medical facilities is found 55.6% and 61.5% of employee data and organizational data respectively. Agreed and strongly agreed response on festival bonus is found 57.6% and 11.8% respectively from employee data which are 46.2% and 33.3% respectively in organizational data.

In case of place for prayer, the agreed frequency is 63.2% and 57.7%, strongly agreed frequency is 13.9% and 21.8% of employee and organizational data respectively. For toilet facilities all of the respondents from both of the data set are found to be agreed and strongly agreed.

Except the above variables the response of all other variables are found to be neutral, disagreed or strongly disagreed which reveal the unavailability of the facilities.

Table 4.5.2 Frequency Distribution of Other Facilities

Particulars	Employees				Entrepreneurs			
	Agree		Str. Agree		Agree		Str. Agree	
	Frequency	(%)	Frequency	(%)	Frequency	(%)	Frequency	(%)
Available canteen facilities	28	19.4	25	17.4	25	32.1	18	23.1
Exist child care center	--	--	--	--	--	--	--	--
Available pure drinking water	70	48.6	67	46.5	24	30.8	53	67.9
Medical facilities are available	80	55.6	13	9.0	48	61.5	11	14.1
Provides transport facilities	48	33.3	16	11.1	21	26.9	12	15.4
Incentive bonus	34	23.6	--	--	22	28.2	--	--
Exist festival bonus	83	57.6	17	11.8	36	46.2	26	33.3
Provide housing facilities	24	16.7	--	--	8	10.3	--	--
Exist place for prayer	91	63.2	20	13.9	45	57.7	17	21.8
Toilet facilities available	111	77.1	33	22.9	32	41.0	46	59.0

4.6 Conclusion

The scenario of leaves and holidays is not found to be the optimum level specified in Bangladesh labor code 2006. 75.7% and 66.7% of the respondents don't avail the yearly paid leaves and holidays. The hypothesis shows that there is a significant difference between yearly paid leaves found in the study and the Bangladesh labor code 2006. The other paid holidays except festival leave is not also given to employees. But the other variables regarding leaves and holidays is found satisfactory. Working environment is also found to be satisfactory according to the respondents. The condition of compensation for disability/death and pension plan is also found dissatisfactory. Although, pure drinking water, medical facilities, festival bonus, place for prayer and toilet facilities are found to be satisfactory but the state of canteen facilities, child care center, transport facilities, incentive bonus and housing facilities is not satisfactory.

Chapter V

Gender Discrimination, Employee Turnover and Other Issues

5.1 Introduction

Gender related issues and wage discrimination, employee turnover and other issues of compensation management are discussed in this chapter. This chapter is also aimed at revealing the issues on maternity leaves, management policy regarding compensation, factors affecting compensation management and the role of employees' union. Some hypotheses are tested to find out some correlations among some variables. In this chapter, bivariate correlations, partial correlations, comparing means, descriptive statistics and frequency distribution is used to interpret the data collected from the employees and organizations. Some necessary sections of labor act is used concisely in relevant cases in a narrow scope of representation.

5.2 Gender Issues: Employment, Wages and Maternity Leaves

5.2.1 Gender and Employment Condition

From the data analysis (Table: 5.2.1.1) it is found that 54.2% of the employees are male 45.8% of the employees are female. There are 12 organizations which don't have any female employees. On the other hand, in the organization data it is found that the total number of male 1509 whereas the number of female is only 445 which is 29.5% of male employees. Seemingly, there exist employment discrimination but the situation is that the nature of many of the organizations is not favorable for the female which is found from the observation of the researcher.

Table 5.2.1.1 Frequency and Statistics of Male and Female Employees.

Particulars	Employees		Organizations (Sum of the employees)
	Frequency	Percent	
Male	78	54.2	1509
Female	66	45.8	445
Total	144	100	1954

5.2.2 Gender versus Wages

5.2.2.1 Test of Hypothesis

A hypothesis is drawn on the basis of the assumption on the correlation between sex and monthly wages. The null and alternative hypothesis are as fallows-

H_0: There is no significant correlation between sex and monthly wages/salaries.

H_1: There is a significant correlation between sex and monthly wages/salaries.

The result of the bivariate correlation output is shown on the table: 5.2.2.1.1. From which it is found that the correlation coefficient (r) between sex and monthly wages is -0.463 and p-value is 0.00 that means there is a significant negative correlation between sex and monthly wages. Which reveals that the null hypothesis is rejected and alternative hypothesis is accepted. Simultaneously, it also explains that the amount of monthly wages varies on the basis of sex of employees.

For more validation of the hypothesis the partial correlations (Table: 5.2.2.1.2) is used to explain the relation accurately. Where, the level of education is taken as the control variable and correlation coefficient (r) slightly reduced to -0.265 and p-value increased to 0.001. But still there is a significant correlations between sex and monthly wages/salaries.

Table 5.2.2.1.1 Correlations Between Sex and Monthly Wages/Salaries

Particulars		Sex	Present monthly wages/salaries
Sex	Pearson Correlation	1	-0.463**
	Sig. (2-tailed)		0.00
	N	144	144
Present monthly wages/salaries	Pearson Correlation	-0.463**	1
	Sig. (2-tailed)	0.00	
	N	144	144

**. Correlation is significant at the 0.01 level (2-tailed).

Table 5.2.2.1.2 Partial Correlations between Sex and Monthly Wages/Salaries

Particulars			Sex	Present monthly wages/salaries
Educational qualifications (Control Variable)	Sex	Correlation	1.000	-.265
		Significance (2-tailed)	.	.001
		df	0	141
	Present monthly wages/salaries	Correlation	-.265	1.000
		Significance (2-tailed)	.001	.
		df	141	0

5.2.2.2 Comparing Means

The output of comparing means (**Table: 5.2.2.2**) reveals that there is a significant difference between the average monthly wages of male and female employees. The average monthly wage/salary for male is found Tk. 9951.28 whereas average monthly wage/salary for female is found Tk. 6012.12. The highest salary for male is found Tk. 30000 whereas for female Tk. 14000. Although the minimum salary for both of male and female is lower than that of minimum wage board.

Table 5.2.2.2 Comparison Report between Sex and Monthly Wages

Sex	Mean	N	Std. Deviation	Minimum	Maximum
Male	9951.28	78	4752.928	2600	30000
Female	6012.12	66	2107.022	2000	14000
Total	8145.83	144	4249.852	2000	30000

5.2.2.3 Cross Tabulation of Sex and Income Class

The Table (**5.2.2.3.1**) shows that the most of the female workers fall into the income class of less than 5000 and 5000 to less than 10000 taka per month whereas male workers are getting higher than those of female workers.

Table 5.2.2.3.1 Income Class * Sex Cross Tabulation

Particulars		Sex		Total
		Male	Female	
Income class	Less than 5000	8	16	24
	5000 Less than 10000	43	48	91
	10000 less than 15000	22	2	24
	15000 less than 20000	1	0	1
	20000 less than 25000	3	0	3
	25000 less than 30000	1	0	1
Total		78	66	144

5.2.3 Maternity Leave

From the frequency distribution (Table: 5.2.3.1) it is found from the employee data that the allowed maternity leave without pay and maternity leave with pay is 54.9% and 38.9% respectively. Whereas, in organizational data it is found to be 64.1% and 62.8% respectively. But the rest of the respondents admitted that they don't have the maternity leave facilities. That is completely contradictory with the labor code-2006, whereas four months maternity leave is obligatory.[79]

[79] The Bangladesh Labor Code- 2006, Chapter-4, Sec-45$_{(1), (2)}$.

Table 5.2.3.1 Frequency of Maternity Leave with Pay and Without Pay

Maternity leave with pay				
Particulars	**Employee data**		**Organizational data**	
	Frequency	Percent	Frequency	Percent
Yes	56	38.9	50	64.1
No	88	61.1	28	35.9
Total	144	100.0	78	100.0
Maternity leave without pay				
Particulars	**Employee data**		**Organizational data**	
	Frequency	Percent		Frequency
Yes	79	54.9	50	64.1
No	65	45.1	28	35.9
Total	144	100.0	78	100.0

The frequency (Table: 5.2.3.2) distribution of employee data shows that 54.9% respondents avail maternity leave without pay for a duration of less than four months. In case of maternity leave with pay the duration of less than four months, four months and five months are 24.3%, 13.9% and 0.7% respectively. The rest 61.1% of the employees don't have maternity leave for any duration.

From the frequency (Table: 5.2.3.2) distribution of organizational data it is found that 61.5% and 2.6% of the organization allow the maternity leave without pay for a duration of less than four months and four months respectively. But in case of maternity leave with pay for a duration of less than four months and four months is found 42.3% and 20.5% respectively.

Table 5.2.3.2 Frequency of Duration of Maternity Leave with Pay and without Pay

Duration of maternity leave with pay				
Particulars	**Employee data**		**Organization data**	
	Frequency	Percent	Frequency	Percent
Less than 4 months	35	24.3	33	42.3
4 months	20	13.9	16	20.5
5 months	1	.7	0	0
Total	56	38.9	49	62.8
No Answer	88	61.1	29	37.2
Total	144	100.0	78	100.0
Duration of maternity leave without pay				
Particulars	**Employee data**		**Organization data**	
	Frequency	Percent	Frequency	Percent
Less than 4 months	79	54.9	48	61.5
4 months	0	0	2	2.6
5 months	0	0	0	0
Total	0	0	50	64.1
No Answer	65	45.1	28	35.9
Total	144	100.0	75	100.0

Every female employee is entitled to have maternity benefit for four months. And the employer is liable for the payment of the maternity benefits.[80] But in most of the organizations this benefit opportunity is violated. It happens in most of the cases due to the unconsciousness of the employers and employees about the labor act.

[80] Ibid. Sec-45$_{(1)}$.

5.2.4 Sexual Harassment

In answering the question 'Female employees do not face sexual harassment' 70.8% employees agreed and 21.5% strongly agreed that the female employees do not face any sexual harassment. Whereas, 52.6% and 43.6% entrepreneurs agreed and strongly agreed respectively on the same. 6.3% of the employees and 2.6% entrepreneurs expressed their neutral position. (Table: 5.2.4.1).

Table 5.2.4.1 Frequency Distribution of Perception Regarding Sexual Harassment

Particulars	Employee perception		Entrepreneur perception	
	Frequency	Percent	Frequency	Percent
Strongly disagree	2	1.4	1	1.3
Neutral	9	6.3	2	2.6
Agree	102	70.8	41	52.6
Strongly agree	31	21.5	34	43.6
Total	144	100.0	78	100.0

5.3 Management Policies

Some variables were set to measure the management policy of the organizations on which compensation management largely depend upon in determining compensation packages. The frequency distributions (**Table: 5.3.1**) interpreted the condition of the variables regarding management policy.

'Recruitment system' in the organizations is found to be fair as 84% and 7.6% of the respondents from employee data agreed and strongly agreed respectively. And in organizational data agreed and strongly agreed respondents is 61.5% and 35.9% respectively.

Frequency of 'necessary training' shows that 38.9% of the respondents of employee data agreed that they got necessary training from the organization. On the other hand, it is found from the organizational data that the agreed and strongly agreed respondents is 44.9% and 14.1 % respectively on the necessary training for the employees.

The variable 'performance appraisal' shows that 38.2% of the respondents of the employee data agreed and 8.3% respondents strongly agreed that the

organizations have performance appraisal system. On the other hand, it is found from the organizational data that the agreed and strongly agreed respondents is 41% and 24.4 % respectively about the existence of performance appraisal.

Frequency of 'delivery of written employee handbook' shows that 13.2% of the respondents of the employee data agreed on the delivery of written employee handbook whereas 19.2% of respondents agreed on the issue.

73.6% and 7.6% of the respondents of the employee data analysis agreed and strongly agreed respectively that the academic qualification is valued. On the other hand, in organizational data 62.8% and 17.9% of the respondents agreed and strongly agreed respectively on the valuation of academic qualification.

66% and 29.9% of the respondents of the employee data analysis agreed and strongly agreed respectively that the job experience is considered. On the other hand, in organizational data 35.9% and 62.8% of the respondents agreed and strongly agreed respectively on the consideration of job experience.

Frequency of 'job description' shows that 24.3% of the respondents of the employee data agreed on the existence of job description whereas 47.4% of respondents of the organizational data agreed on the issue.

The number of agreed respondents regarding 'reward system for good performance' is found 38.2% from the employee data and 66.7% from the organizational data. Which means there is a big difference between the perception of employees and organizations.

The number of agreed respondents regarding 'Exist promotion facilities' is found 27.1% from the employee data and 43.6% from the organizational data. Which means the scope of promotion facilities is not available in greater context.

From the frequency 'involvement with trade union' it is found that 56.3% of the respondents' position is neutral and 21.5% agreed from the employee data whereas in organizational data it is found that 50% respondents' position is neutral and 34.6% agreed. That means there is a limited scope of involvement with trade union.

The number of agreed respondents regarding 'code of conduct' is found 38.9% from the employee data and 47.4% from the organizational data. Which means there is a major portion of organizations which don't have any code of conduct.

There are a good number of organizations which have the system of 'punishment for violation of code of conduct'. From the employee data it is found that 52.8% of the respondents agreed that their organization take punitive action for violating code of conduct. On the other hand 57.7% and 15.4% of the organizations agreed and strongly agreed respectively on the punitive measurement.

Only 31.3% of the respondents from employee data agreed that their organization have 'employee retention policies' wherein in in organizational data 51.3% and 10.3% respondents agreed and strongly agreed respectively.

The condition of 'existence of equality and equity among the workers' is found satisfactory because 51.4% and 13.2% of the respondents of the employee data agreed and strongly agreed respectively. On the other hand, the agreed and strongly agreed respondents from the organizational data is found 44.9% and 41% respectively.

In case of 'job security' it is found that 49.3% and 7.6% of the respondents from employee data is agreed and strongly agreed respectively. Whereby 23.1% and 47.4% of the respondents from the organizational data is agreed and strongly agreed respectively. That means the condition of job security is found satisfactory in the studied organizations.

Table 5.3.1 Frequency Distributions of Agreed and Strongly Agreed Respondents on Management Policies.

Particulars	Employees				Entrepreneurs			
	Agree		Str. agree		Agree		Str. agree	
	Frequency	(%)	Frequency	(%)	Frequency	(%)	Frequency	(%)
Recruitment system is fair	121	84.0	11	7.6	48	61.5	28	35.9
Necessary training	56	38.9	3	2.1	35	44.9	11	14.1
Exist performance appraisal	55	38.2	12	8.3	32	41.0	19	24.4
Deliver written employee handbook	19	13.2	2	1.4	15	19.2	2	2.6
Academic qualification is valued	106	73.6	11	7.6	49	62.8	14	17.9
Job experience is considered	95	66.0	43	29.9	28	35.9	49	62.8
Exist job description	35	24.3	3	2.1	37	47.4	6	7.7
Exist reward system for good performance	55	38.2	2	1.4	52	66.7	1	1.3
Exist promotion facilities	39	27.1	6	4.2	34	43.6	4	5.1
Involvement with trade union is allowed	31	21.5	--	--	27	34.6	--	--
Exist code of conduct	56	38.9	--	--	37	47.4	1	1.3
Exist punishment for violation of code of conduct	76	52.8	9	6.3	45	57.7	12	15.4
Employee retention policies exist	45	31.3	--	--	40	51.3	8	10.3
Exist equality and equity among the workers	74	51.4	19	13.2	35	44.9	32	41.0
Job security	71	49.3	11	7.6	18	23.1	37	47.4

5.4 Factors Influencing Compensation Management

Compensation management is influenced by a number of internal and external factors. The degree of influence of various factors on compensation management are found from the frequency distributions (**Table: 5.4.1**) of employee and organizational data.

Frequency of 'financial strength of the organization' shows that 85.4% of the respondents of employee data agreed that this factor influence in determining the wages/salaries. On the other hand, it is found from the organizational data that the agreed and strongly agreed respondents is 53.8% and 43.6% respectively.

The factor 'Entrepreneur's decision' shows that 89.6% of the respondents of employee data agreed that this factor influence in determining the wages/salaries. On the other hand, it is found from the organizational data that the agreed and strongly agreed respondents is 64.1% and 30.8% respectively.

The factor 'Working experience' shows that 85.4% of the respondents of employee data agreed that this factor influence in determining the wages/salaries. On the other hand, it is found from the organizational data that the agreed and strongly agreed respondents is 51.3% and 39.7% respectively.

Only 25% of the respondents from employee data think that the 'compensation package of rival business organization' influence on compensation package whereas 26.9% respondents from organization data found to be neutral and 50% found to be agreed.

Frequency of 'employees' union' shows that 19.4% of the respondents of employee data agreed that this factor influence in determining the wages/salaries. On the other hand, it is found from the organizational data that the agreed and strongly agreed respondents is 24.4% and 11.5% respectively.

Only 4.2% of the respondents from employee data think that the 'local political parties' influence on compensation package whereas 3.8% respondents from organization data found to be agreed, 47.4% found to be strongly disagreed and 28.2% found to be neutral.

The factor 'Government rules and regulations' shows that 28.5% of the respondents of employee data agreed and 30.6% strongly agreed that this factor influence in determining the wages/salaries. On the other hand, it is found from the organizational data that the agreed and strongly agreed respondents is 26.9% and 69.2% respectively.

Frequency of 'minimum wages board' shows that 13.9% of the respondents of employee data agreed and 20.1% strongly agreed that this factor influence in determining the wages/salaries. On the other hand, it is found from the organizational data that the agreed and strongly agreed respondents is 25.6% and 51.3% respectively.

Table 5.4.1 Frequency Distributions of Agreed and Strongly Agreed Respondents on the Factors Influencing Compensation Management.

Particulars	Employees				Entrepreneurs			
	Agree		Str. agree		Agree		Str. agree	
	Frequency	(%)	Frequency	(%)	Frequency	(%)	Frequency	(%)
Financial strength of the organization	123	85.4	14	9.7	42	53.8	34	43.6
Entrepreneur's decision	129	89.6	7	4.9	50	64.1	24	30.8
Working experience of the employees	123	85.4	13	9.0	40	51.3	31	39.7
Compensation package of rival business organization	36	25.0	--	--	39	50.0	--	--
Employees' union	28	19.4	1	0.7	19	24.4	9	11.5
Local political parties	6	4.2	--	--	3	3.8	--	--
Government rules and regulations	41	28.5	44	30.6	21	26.9	54	69.2
Minimum wages board	20	13.9	29	20.1	20	25.6	40	51.3

5.5 Trade Union

All employers and employees have the right to form trade union for the purpose of controlling relationship and can join to the association of their own choice.[81] But in most of the industrial estates there is no trade union for the workers although the owners have. In this segment, only the perception of the employees and employers regarding trade union is revealed. The frequency distributions (**Table: 5.5.1**) of the variables related to the role of trade union shows the nature of perception of employees and employers.

Only 31.3% of the respondents of the employees agreed that trade union helps to increase wages/salaries while 13.2% strongly agreed. On the other hand 42.3% of the respondents from the organization agreed while 15.4% strongly agreed.

Regarding the improvement of working condition 37.5% of the respondents of the employees agreed that trade union helps to improve the working condition while 9% strongly agreed. On the other hand 32.1% of the respondents from the organization agreed while 15.4% strongly agreed upon the working condition improvement.

37.5% of the respondents of the employees agreed that trade union Solve conflicts and difficulties among workers while 12.5% strongly agreed. On the other hand 32.1% of the respondents from the organization agreed while 25.4% strongly agreed that trade union Solve conflicts and difficulties among workers.

In case of improving bargaining power with management 7.4% of the respondents of the employees agreed that trade union helps to improve bargaining power with management while only 2.8% strongly agreed. On the other hand 26.9% of the respondents from the organization agreed while 6.4% strongly agreed that the trade union helps in improving bargaining power with management.

Only 9.7% of the respondents of the employees agreed that trade union Work as a pressure group while 2.1% strongly agreed. On the other hand only 9% of the

[81] The Bangladesh Labor Code- 2006, Chapter-13, Sec-176$_{(a)}$.

respondents from the organization agreed that trade union Works as a pressure group in case of bargaining for the mutual rights.

The perception regarding the biasness with management is in neutral condition whereby, only 5.6% of the employees and 3.8% of the organization agreed respectively. The perception regarding the rivalry in union is in neutral condition whereby, only 58.3% of the employees and 25.6% of the organizations agreed respectively.

In case of the other variables- Work as an agent of management, practice nepotism and works for leader's own interest the percentage of agreed respondents from both of the employee and organizational data set is very trivial and ignorable that means the trade union doesn't work as an agent of management, doesn't practice nepotism and doesn't work for leader's own interest.

Table 5.5.1 Frequency Distributions of Agreed and Strongly Agreed Respondents on the Variables of Trade Union

Particulars	Employees				Entrepreneurs			
	Agree		Str. agree		Agree		Str. agree	
	Frequency	(%)	Frequency	(%)	Frequency	(%)	Frequency	(%)
Helpful to increase wages	45	31.3	19	13.2	33	42.3	12	15.4
Improve working condition	54	37.5	13	9.0	25	32.1	12	15.4
Solve conflicts and difficulties among worker	54	37.5	18	12.5	25	32.1	20	25.6
Improve bargaining power with management	25	17.4	4	2.8	21	26.9	5	6.4
Work as a pressure group	14	9.7	3	2.1	7	9.0	--	--
Biased with management	8	5.6	--	--	3	3.8	--	--
Rivalry in union	12	8.3	2	1.4	20	25.6	1	1.3
Work as an agent of management	8	5.6	--	--	14	17.9	--	--
Practice nepotism	2	1.4	--	--	1	1.3	--	--
Works for leaders' own interest	2	1.4	--	--	1	1.3	--	--

5.6 Employee Turnover

Employee turnover is defined as the number or percentage of employees who leave a company and are replaced by new employees.[82] From the statistics (Table: 5.6.1) it is found that the total number of recruitment during the year is 478 and the number of employees left is 103. Whereby the calculated employee turnover is 21.54%.

[Employee turnover = (Number of employee left/Replacement during the year)*100][83]

Employee turnover = (103/478)*100 = 21.54%

This rate of turnover is very high for the organizations which in turns minimize the productivity of the organizations and lose the skilled worker.

Table 5.6.1 Statistics of Employee Recruitment, Retrenchment and Employees Left.

Particulars	Recruitment during last year	Retrenchment during last year	Number of employees left during the last year	Total employees
Valid	62	45	59	78
No answer	16	33	19	0
Sum	**478**	**31**	**103**	**1944**

[82] https://www.gnapartners.com/article/what-is-employee-turnover/, Accessed on 19.07.2018.
[83] Ibid.

5.7 Conclusion

At the end of the above analysis and discussion it is revealed that in case of employment the number of male and female workers vary with a greater extent. Although it can't be termed as employment discrimination due to the nature of the organizations. But in case of wages/salaries there is a difference found that the average wage/salary varies on the basis sex and female workers get the smaller amount. The hypothesis also testified that there is a correlation between sex and monthly wages/salaries. From partial correlations it is found that the educational qualifications play the minor role in the payment of wages/salaries.

In case of maternity leave the female workers are being deprived of their rights and maternity benefits specified in the labor act. Management policy regarding compensation packages are also found on average. There is a little negative impact found of trade union to compensation package determination. The factors influencing compensation management found to be normal. But in case of employee turnover it can be concluded that the rate is quite high and negative for the organizational efficiency and effectiveness.

Chapter VI
Conclusion

6.1 Introduction

Compensation management is one of the core functions of human resource management whereby the greater portion of success lies in. The employees are the life blood of the organization and compensation is one of the main instinct derivatives which can ignite the full inspiration to work and employee loyalty. Therefore, this chapter is aimed at revealing the major findings of present wages and salaries, existing fringe benefits and gender discrimination, employee turnover and other issues relating to the compensation management practices practiced in BSCIC industrial estates of Rajshahi division. The researcher also tried to give some recommendations on the basis of major findings. The scopes of further research have also been suggested in this chapter.

6.2. Major Findings

6.2.1 Chapter III

The major findings of chapter three are as fallows-

Average salary of the employees are found to be Tk. 8145.83. 25.7% of the respondents are given less than that of minimum wages board whereas the organizational data analysis shows that 80.8% percent of the employees are being paid less than that of minimum wages board. Hypothesis shows that there is a difference between average wages/salaries of the employees and the rate of minimum wages/salaries determined by the minimum wage board.

54.2% of the employees are found to be workers. 74.3% of the employees' education level is below SSC. The employees' average length of service is found 4.608 years. There is a positive correlation of monthly wages and salaries with educational qualifications, designation and length of service. The minimum initial monthly wages/salaries is found Tk. 1500 only.

64.1% organization do not pay for house rent according to organization data. But the employee data analysis shows that 67.4% of the employees are not being

paid house rent. 21.8% organizations pay for travel allowance. And 21.5% employees agreed that they are paid travel allowance. Lunch allowance is not given in 98.7% of the organization and 97.9% of the employees urged that they are not given any lunch allowance. Medical allowance is given in 57.7% of the organization and 62.5% of the employees agreed that they are given medical allowance. Other allowance is given in 32.1% of the organization but in the employee data it is found that 36.1% of the respondents are paid other allowance.

96.2% of the respondent organization give increment and 97.9% of the respondent of the employees admitted that they are given increment. 96.2% respondents from employee data and 93.6% respondents from organizational data agreed that the increment is given yearly. 61.5% of the organization don't have any fixed rate of increment. From employee data set it is found that 72.2% of the employer don't give any fixed rate of yearly increment.

97.9% respondents of employees and in all of the respondents from organization is found to have a six day working week. Employee data shows that 45.1% and organization data shows that 50% have eight hours working day. The rest have more than eight hour working day.

88.9% of respondents from employees and 85.9% respondents from the organization admitted that they don't have double shift. 20.8% employees and 33.3% of the organizations have overtime opportunity. Overtime wage rate found twice the normal rate in 3.5% from employees and 9% from respondent organizations.

87.2% of the organizations and 78.5% of the employees think that their wage/salary level is sufficient. 68.1% of the employees and 82% of the authority are satisfied with their payment of wages and salaries.

6.2.2 Chapter IV

The major findings of chapter four are as fallows-

75.7% of the respondents from employees and 66.7% from entrepreneurs agreed that they don't have any fixed number of days for yearly paid leave. In case of hypothesis $\mathbf{H_0}$ is rejected and $\mathbf{H_1}$ is accepted as yearly paid leaves is not same to

the labor law and lesser than that of specified in labor code-2006. 100% of the respondents from employees and entrepreneurs agreed that they have paid leaves in religious festivals. 30.6% respondents from employees and 35.9% from entrepreneurs agreed that they have paid holidays for Labor Day. 26.4% of the respondents from employees and 29.5% from entrepreneurs agreed that they have other holidays.

74.3%, 75.7%, 55.6%, 61.1%, 60.4%, 13.2% and 70.1% respondents from employees agreed that they are paid for holidays not worked, sick leave, time lost due to death in family, leave on personal reasons, rest and lunch periods, separation or termination, and other leaves respectively. 83.3%, 76.9%, 59%, 74.4%%, 60.3%, 20.5% and 74.4% respondents from entrepreneurs agreed that they are paid for holidays not worked, sick leave, time lost due to death in family, leave on personal reasons, rest and lunch periods, separation or termination, and other leaves respectively.

Both the employees and entrepreneurs are agreed and a greater portion of them strongly agreed upon the good working environment.

In case of compensation for short term disability, lifetime disability and death 50%, 45.8% and 46.5% agreed respectively from employees and 59%, 28% and 42.3% from entrepreneurs. The rest of the fringe benefits regarding disability/death and pension premium are not available in the organizations. In most of the cases, disagreed and strongly disagreed respondents are found higher than those of agreed respondents.

Agreed and strongly agreed respondents on pure drinking water is found 48.6% and 46.5% respectively from employees. 30.8% and 67.9% of the respondents from the entrepreneurs agreed and strongly agreed respectively on the pure drinking water. The agreed respondents on medical facilities is found 55.6% and 61.5% of employees and entrepreneurs respectively. Agreed and strongly agreed response on festival bonus is found 57.6% and 11.8% respectively from employees which are 46.2% and 33.3% respectively from entrepreneurs. In case of place for prayer, the agreed frequency is 63.2% and 57.7%, strongly agreed frequency is 13.9% and 21.8% from employees and entrepreneurs respectively.

For toilet facilities all of the respondents from both employees and entrepreneurs are found to be agreed and strongly agreed. Except the above variables the response of all other variables are found to be neutral, disagreed or strongly disagreed which reveal the unavailability of the facilities.

6.2.3 Chapter V

The major findings of chapter five have been discussed in the following-

54.2% of the employees are male 45.8% of the employees are female. There are 12 organizations which don't have any female employees. In the sampled organizations the total number of male is 1509 and female 445 which is 29.5% of male employees. Seemingly, there exists employment discrimination but the situation is that the nature of many of the organizations is not favorable for the female which is found from the observation of the researcher.

The average monthly wage/salary for male is found Tk. 9,951.28 and for female Tk. 6,012.12. The highest salary for male is found Tk. 30,000 whereas for female Tk. 14,000. Although the minimum salary for both of male and female is found lower than that of minimum wage board.

The result of the bivariate correlations shows that there is a significant negative correlation between sex and monthly wages. Which reveals that the null hypothesis is rejected and alternative hypothesis is accepted. Simultaneously, it also explains that the amount of monthly wages varies on the basis of sex of the employees. The partial correlations also shows that taking the level of education as the control variable still there is a significant negative correlations between sex and monthly wages/salaries.

54.9% respondents from the employees agreed that they are allowed maternity leave without pay and 38.9% are allowed maternity leave with pay. Whereas, 64.1% respondents from entrepreneurs agreed that they allow maternity leave without pay and 62.8% allow maternity leave with pay. But the rest of the respondents admitted that they don't have the maternity leave facilities. 54.9% respondents avail maternity leave without pay for a duration of less than four months. In case of maternity leave with pay the duration of less than four months,

four months and five months are 24.3%, 13.9% and 0.7% respectively. The rest 61.1% of the employees don't have maternity leave for any duration. 61.5% and 2.6% of the organizations allow the maternity leave without pay for a duration of less than four months and four months respectively. But in case of maternity leave with pay for a duration of less than four months and four months is found 42.3% and 20.5% respectively.

70.8% employees agreed and 21.5% strongly agreed that the female employees do not face any sexual harassment. Whereas, 52.6% and 43.6% entrepreneurs agreed and strongly agreed respectively on the same issue.

84% and 7.6% of the respondents from employees agreed and strongly agreed respectively on fair recruitment system. 61.5% and 35.9% of the entrepreneurs agreed and strongly agreed on the same. 38.9% of employees got necessary training from the organizations. Agreed and strongly agreed entrepreneurs is 44.9% and 14.1 % respectively on the necessary training for the employees. 38.2% of the employees agreed and 8.3% strongly agreed that the organizations have performance appraisal system. Agreed and strongly agreed entrepreneurs is 41% and 24.4 % respectively on the same issue.

73.6% and 7.6% of the employees agreed and strongly agreed respectively whereas 62.8% and 17.9% of the entrepreneurs agreed and strongly agreed respectively on the valuation of academic qualifications. 66% and 29.9% of the employees agreed and strongly agreed respectively whereas 35.9% and 62.8% of the entrepreneurs agreed and strongly agreed respectively on the consideration of job experience. 38.2% from the employees and 66.7% of the entrepreneurs agreed on reward system for good performance. 27.1% from the employees and 43.6% of the entrepreneurs agreed on the existence of promotion facilities. 56.3% of the employees is neutral and 21.5% agreed whereby 50% entrepreneurs is neutral and 34.6% agreed on the involvement with trade union. 52.8% of the respondents agreed that their organization take punitive action for violating code of conduct. On the other hand 57.7% and 15.4% of the organizations agreed and strongly agreed respectively on the punitive measurement.

Only 31.3% of the employees agreed that their organizations have employee retention policies wherein 51.3% and 10.3% entrepreneurs agreed and strongly agreed respectively on employee retention.

51.4% and 13.2% of the employees agreed and strongly agreed respectively whereas the agreed and strongly agreed respondents from the entrepreneurs is 44.9% and 41% respectively on the existence of equality and equity among the workers. 49.3% and 7.6% of the employees is agreed and strongly agreed respectively whereby 23.1% and 47.4% of the entrepreneurs is agreed and strongly agreed respectively on job security.

85.4% of the employees agreed that financial strength of the organization influence in determining the wages/salaries whereas 53.8% and 43.6% of the employees agreed and strongly agreed respectively on the above issue. 89.6% of the employees agreed that the entrepreneur's decision influence in determining the wages/salaries whereas agreed and strongly agreed entrepreneurs 64.1% and 30.8% respectively on the same issue. 85.4% of the employees agreed that working experience influence in determining the wages/salaries whereas agreed and strongly agreed entrepreneurs is 51.3% and 39.7% respectively. 19.4% of the employees agreed that employees' union influence in determining the wages/salaries. On the other hand, agreed and strongly agreed entrepreneurs on the same is 24.4% and 11.5% respectively. There is an ignorable number of respondents found to be agreed on the influence of local political parties on determining compensation package.

28.5% of the employees agreed and 30.6% strongly agreed that Government rules and regulations influence in determining the wages/salaries. On the other hand, the agreed and strongly agreed entrepreneurs is 26.9% and 69.2% respectively on the above issue. 13.9% of the employees agreed and 20.1% strongly agreed that minimum wages board influence in determining the wages/salaries. On the other hand, the agreed and strongly agreed respondents from the entrepreneurs is 25.6% and 51.3% respectively.

31.3% of the employees agreed that trade union helps to increase wages/salaries while 13.2% strongly agreed and 42.3% of the entrepreneurs

agreed while 15.4% strongly agreed. 37.5% of the employees agreed that trade union helps to improve the working condition while 9% strongly agreed and 32.1% of the entrepreneurs agreed while 15.4% strongly agreed. 37.5% of the employees agreed while 12.5% strongly agreed, and 32.1% of the entrepreneurs agreed while 25.4% strongly agreed that trade union Solve conflicts and difficulties among workers.

In other cases like- improving bargaining power with management, trade union, biasness with management, work as a pressure group, work as an agent of management, practice nepotism and works for leader's own interest the percentage of agreed respondents from both of the employees and entrepreneurs is very trivial and ignorable that means the trade union doesn't work as an agent of management, doesn't practice nepotism and doesn't work for leader's own interest. Employee turnover is found 21.54% in the organizations

6.3 Recommendations

The BSCIC authority should keep an eye to the wages/salaries and workers' rights with their regular activities. Besides facilitating the land, loans, consultancy and other facilities BSCIC should have initiatives to ensure the workers' compensation packages. The wages/salaries should be revised with the pace of time as well as the rate of inflation.

The department of inspection for factories and establishments should take more initiatives on the wages, workers' rights, various facilities which should have available in the organizations. Minimum wages, maternity leaves, maternity benefits, fringe benefits, duration of maternity leaves, number of paid holidays and other benefits should be increased according to the labor laws.

Trade unions should be created and strengthened with a view to accelerating and ensuring the labor rights and congenial working environment as well as growing consciousness among the workers. Wage discriminations and employee turnover should be reduced. Performance, educational qualifications and job experience should be taken under consideration in determining the compensation packages. Compensation for death/disability and pension premium plans should

be available for the workers. Equity and equality, job security, and employee retention policies should also be adopted in the organizations.

There is a greater extent of further research regarding compensation management practices in BSCIC Industrial Estates of Rajshahi division in comparison with the national and international labor laws. As in many of the organizations the wages and salaries found to be less than that of minimum wage board there should have a study of the standard of living and consciousness about the rights of the employees working in the industrial estates. The scenario of workers' rights in the industrial estates should also be revealed by a research.

6.4 Conclusion

Human resource is the most important means of production which can ensure the proper utilizations of other means of production. Land, capital and organizations are the mere means of production which are meaningless without the labor force. And the labor force is meaningless without the proper compensations. Proper compensation packages can drive the labor force to the achievements of organizational goal. Therefore, the organizations should determine the basic wages and fringe benefits at the desired level which can satisfy the employees and inspire them to work to their utmost productivity and lead the organizations to the highest profitability and desired economic growth.

Appendix A

(Questionnaire for Employees/Workers)

Institute of Bangladesh Studies
Rajshahi University, Rajshahi, 6205

(Data will be used only for research purpose and ensured not to be disclosed or used for any other purposes)

Questionnaire for MPhil program on "Compensation Management Practices in BSCIC Industrial Estates: A Study of Rajshahi Division"

Primary Information

1. Name:
2. Sex: ☐ Male ☐ Female
3. Age:
4. Marital status: ☐ Married ☐ Unmarried
5. Religion:
6. Designation/Post:
7. Name of the Organization:
8. Location of the organization: BSCIC industrial estates……
9. Educational Qualifications:
10. What is the nature of contract of your work?

    ☐ Permanent ☐ Temporary/seasonal ☐ Apprentice

11. How many years are you involved in this job? ..... Year…….. Month.
12. How many years are you involved with this organization? ....Yea…. Month.
13. What is the present gross amount of your monthly income/salary/wage? .....
14. What was the initial salary/wage in this organization? .....
15. Which of the following is/are included in Gross salary/wage?

    ☐ Base salary/wages ☐ House rent ☐ TA ☐ Lunch allowance
    ☐ Medical allowance ☐ other

16. Is there any increment on salary/wages? ☐ Yes ☐ No

17. If Yes, When?

☐ Randomly ☐ Yearly ☐ On performance ☐ on owners will
☐ other

18. (If yes) what is the percentage? .....

19. Do you think that the present salary/wage structure of this organization is sufficient?

☐ Yes ☐ No ☐ Unknown

20. Are you satisfied with the present salary/wage?

☐ Strongly dissatisfied ☐ Dissatisfied ☐ Unknown ☐ Satisfied
☐ Strongly satisfied

21. How many days do you work in a week?

☐ Less than Five (5) ☐ Five (5) ☐ Six (6) ☐ Everyday

22. How many hours do you normally work in a day?

☐ Less than eight (8) ☐ Eight (8) ☐ Nine (9) ☐ Ten (10) ☐ More

23. Number of shift….

24. Salary/wage varies from shift to shift? ☐ Yes ☐ No

25. Is there any overtime opportunity? ☐ Yes ☐ No

26. (If yes) What is the rate (per hour) of overtime pay?

☐ Equal to the rate of normal hour ☐ Twice of the normal hour
☐ More than twice

Working Environment

27. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
27.1	Workplace is congenial to health	1	2	3	4	5
27.2	Enough space for movement	1	2	3	4	5
27.3	Enough ventilation	1	2	3	4	5
27.4	Exist Sufficient lighting	1	2	3	4	5
27.5	Working place is clean and healthy	1	2	3	4	5
27.6	Machine /instrument is updated	1	2	3	4	5
27.7	Available washing facilities	1	2	3	4	5
27.8	Exist fire extinguisher	1	2	3	4	5
27.9	Good relationship among the employees	1	2	3	4	5
27.10	Cooperation exist among the employees	1	2	3	4	5
27.11	Employer-employee relationship is good	1	2	3	4	5
27.12	Temperature of workplace is at optimum level	1	2	3	4	5
27.13	Noise level is at optimum level	1	2	3	4	5
27.14	Work place is smocking free	1	2	3	4	5
27.15	Female employees do not face sexual harassment	1	2	3	4	5
27.16	Dust and wastage are cleaned regularly	1	2	3	4	5
27.17	Preventive equipment available	1	2	3	4	5
27.18	Sufficient safety and security	1	2	3	4	5
27.19	The working environment is satisfactory	1	2	3	4	5
27.20	The working environment is not satisfactory	1	2	3	4	5

Leave

28. Number of paid holidays offered in a year….

29. Which paid holidays are offered?

☐ Religious festivals; ☐ Victory day; ☐ Independence Day;

☐ Labor Day; ☐ Bangla Nababarso; ☐ Other

30. What is the duration of maternity leave without pay?

☐ Less than four months; ☐ Four months; ☐ Five months;

☐ Six months; ☐ More than six months

31. What is the duration of maternity leave with pay?

☐ Less than four months; ☐ Four months; ☐ Five months;

☐ Six months; ☐ More than six months

32. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
32.1	Pay for holidays not worked	1	2	3	4	5
32.2	Pay for sick leave	1	2	3	4	5
32.3	Pay for time lost due to death in family	1	2	3	4	5
32.4	Pay for leave on personal reasons	1	2	3	4	5
32.5	Pay for rest periods, lunch periods	1	2	3	4	5
32.6	Pay for separation or termination	1	2	3	4	5
32.7	Pay for maternity leave	1	2	3	4	5
32.8	Maternity leave is sufficient	1	2	3	4	5
32.9	Other leave with pay is allowed	1	2	3	4	5

Management Practices

33. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
33.1	Recruitment system is fair	1	2	3	4	5
33.2	Necessary training are given	1	2	3	4	5
33.3	Exist performance appraisal	1	2	3	4	5
33.4	Deliver written employee handbook	1	2	3	4	5
33.5	Academic qualification is valued	1	2	3	4	5
33.6	Job experience is considered	1	2	3	4	5
33.7	Exist reward system for good performance	1	2	3	4	5
33.8	Exist job description	1	2	3	4	5
33.9	Exist promotion facilities	1	2	3	4	5
33.10	Involvement with trade union is allowed	1	2	3	4	5
33.11	Exist code of conduct	1	2	3	4	5
33.12	Exist punishment for violation of code of conduct	1	2	3	4	5
33.13	Employee retention policies exist	1	2	3	4	5
33.14	Exist equality and equity among the workers	1	2	3	4	5

Compensation for the Disability/Death and Pension Plan

34. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
334.1	Compensate for short-term disability	1	2	3	4	5
34.2	Compensate for lifetime disability	1	2	3	4	5
34.3	Compensate for death	1	2	3	4	5
34.4	Compensate for unemployment	1	2	3	4	5
34.5	Exist pension premium plan	1	2	3	4	5
34.6	Exist death benefits	1	2	3	4	5
34.7	Exist health care payment	1	2	3	4	5
34.8	Exist festival bonus after retirement	1	2	3	4	5
34.9	Exist family income continuation	1	2	3	4	5
34.10	Job security	1	2	3	4	5

Influencing Issues on Compensation Package

35. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
35.1	Financial strength of the organization	1	2	3	4	5
35.2	Entrepreneur's decision	1	2	3	4	5
35.3	Working experience of the employees	1	2	3	4	5
35.4	Compensation package of rival business org.	1	2	3	4	5
35.5	Employees union	1	2	3	4	5
35.6	Local political parties	1	2	3	4	5
35.7	Government rules and regulations	1	2	3	4	5
35.8	Minimum wages board	1	2	3	4	5

Other Benefits

36. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
36.1	Available canteen facilities	1	2	3	4	5
36.2	Exist child care center	1	2	3	4	5
36.3	Available pure drinking water	1	2	3	4	5
36.4	Medical facilities are available	1	2	3	4	5
36.5	Provides transport facilities	1	2	3	4	5
36.6	Incentive bonus	1	2	3	4	5
36.7	Exist festival bonus	1	2	3	4	5
36.8	Provide housing facilities	1	2	3	4	5
36.9	Exist place for prayer	1	2	3	4	5
36.10	Toilet facilities available	1	2	3	4	5

Trade Union

37. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
37.1	Helpful to increase wages	1	2	3	4	5
37.2	Improve working condition	1	2	3	4	5
37.3	Solve conflicts and difficulties among worker	1	2	3	4	5
37.4	Improve bargaining power with management	1	2	3	4	5
37.5	Work as a pressure group	1	2	3	4	5
37.6	Biased with management	1	2	3	4	5
37.7	Rivalry in union	1	2	3	4	5
37.8	Work as an agent of management	1	2	3	4	5
37.9	Practice nepotism	1	2	3	4	5
37.10	Works for leader's own interest	1	2	3	4	5

Appendix B

(Questionnaire for Entrepreneurs)

Institute of Bangladesh Studies
Rajshahi University, Rajshahi, 6205

(Data will be used only for research purpose and ensured not to be disclosed or used for any other purpose)

Questionnaire for MPhil program on "Compensation Management Practices in BSCIC Industrial Estates: A Study of Rajshahi Division"

Primary Information

1. Name of the organization:
2. Location of the organization: BSCIC industrial estate.....
3. Nature of the organization: ☐ Small ☐ Cottage ☐ Medium
4. Total number of employees....
5. Number of fulltime employees.....
6. Number of part time/seasonal employees....
7. Number of male..... Number of female.....
8. Expert employee..... Inexpert employee....
9. The total amount of monthly salary/wage for all employees.....
10. Average payment of monthly salary/wage for all employees.....
11. The amount of monthly individual salary/wages to worker: highest.....lowest.....
12. The number of employee/worker recruitment during the last year.....last five years.....
13. The Number of employee/ worker retrenchment during the last year.....last five years.....
14. The Number of employee/worker left during the last year.....last five years.....
15. Which of the following is/are included in Gross salary/wage?

☐ Base salary/wages ☐ House rent ☐ TA
☐ Lunch allowance ☐ Medical allowance ☐ Other

16. Is there any increment on salary/wage? ☐ Yes ☐ No

17. If Yes, When?

☐ Randomly ☐ Yearly ☐ On performance ☐ On owners will ☐ Other

18. (If yes) what is the percentage? ……

19. Do you think that the present salary/wage structure of this organization is sufficient? ☐ Yes ☐ No ☐ Unknown

20. Do you think that the workers are satisfied with the present salary/wage?

☐ Strongly dissatisfied ☐ Dissatisfied ☐ Unknown

☐ Satisfied ☐ Strongly satisfied

21. How many days do the workers work in a week?

☐ Less than Five (5) ☐ Five (5) ☐ Six (6) ☐ Everyday

22. How many hours do the workers normally work in a day?

☐ Less than eight (8) ☐ Eight (8) ☐ Nine (9)

☐ Ten (10) ☐ More

23. Number of shift….

24. Salary varies from shift to shift ☐ Yes ☐ No

25. Is there any overtime opportunity? ☐ Yes ☐ No

26. (If yes) What is the rate (per hour) of overtime pay?

☐ Equal to the rate of normal hour ☐ Twice of the normal hour

☐ More than twice

Working Environment

27. Please tick (√) the following (Any one of the boxes on right side for each particulars).

    1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
27.1	Workplace is congenial to health	1	2	3	4	5
27.2	Enough space for movement	1	2	3	4	5
27.3	Enough ventilation	1	2	3	4	5
27.4	Exist Sufficient lighting	1	2	3	4	5
27.5	Working place is clean and healthy	1	2	3	4	5
27.6	Machine /instrument is updated	1	2	3	4	5
27.7	Available washing facilities	1	2	3	4	5
27.8	Exist fire extinguisher	1	2	3	4	5
27.9	Good relationship among the employees	1	2	3	4	5
27.10	Cooperation is exist among the employees	1	2	3	4	5
27.11	Employer-employee relationship is good	1	2	3	4	5
27.12	Heat/temperature of workplace is at optimum level	1	2	3	4	5
27.13	Noise level is at optimum level	1	2	3	4	5
27.14	Work place is smocking free	1	2	3	4	5
27.15	Female employees do not face sexual harassment	1	2	3	4	5
27.16	Dust and wastage are cleaned regularly	1	2	3	4	5
27.17	Preventive equipment available	1	2	3	4	5
27.18	Sufficient safety and security	1	2	3	4	5
27.19	The working environment is satisfactory	1	2	3	4	5
27.20	The working environment is not satisfactory	1	2	3	4	5

Leave

28. Number of paid holidays offered in a year….

29. Which paid holidays are offered?

☐ Religious festivals ☐ Victory day ☐ Independence Day

☐ Labor Day ☐ Bangla Nababarso ☐ Other

30. What is the duration of maternity leave without pay?

☐ Less than four months ☐ Four months ☐ Five months

☐ Six months ☐ More than six months

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☐ Less than four months ☐ Four months ☐ Five months

☐ Six months; ☐ More than six months

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32.8	Maternity leave is sufficient	1	2	3	4	5
32.9	Other leave with pay is allowed	1	2	3	4	5

Management Practice

33. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
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33.11	Exist code of conduct	1	2	3	4	5
33.12	Exist punishment for violation of code of conduct	1	2	3	4	5
33.13	Employee retention policies exist	1	2	3	4	5
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Compensation for the Disability/Death and Pension Plan

34. Please tick (√) the following (Any one of the boxes on right side for each particulars).

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34.8	Exist festival bonus after retirement	1	2	3	4	5
34.9	Exist family income continuation	1	2	3	4	5
34.10	Job security	1	2	3	4	5

Influencing Issues on Compensation Package

35. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
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35.2	Entrepreneur's decision	1	2	3	4	5
35.3	Working experience of the employees	1	2	3	4	5
35.4	Compensation package of rival business org.	1	2	3	4	5
35.5	Employees union	1	2	3	4	5
35.6	Local political parties	1	2	3	4	5
35.7	Government rules and regulations	1	2	3	4	5
35.8	Minimum wages board	1	2	3	4	5

Other Benefits

36. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

Sl. No	Particulars	1	2	3	4	5
36.1	Available canteen facilities	1	2	3	4	5
36.2	Exist child care center	1	2	3	4	5
36.3	Available pure drinking water	1	2	3	4	5
36.4	Medical facilities are available	1	2	3	4	5
36.5	Provides transport facilities	1	2	3	4	5
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36.7	Exist festival bonus	1	2	3	4	5
36.8	Provide housing facilities	1	2	3	4	5
36.9	Exist place for prayer	1	2	3	4	5
36.10	Toilet facilities available	1	2	3	4	5

Trade Union

37. Please tick (√) the following (Any one of the boxes on right side for each particulars).

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5.Strongly agree

Sl. No	Particulars	1	2	3	4	5
37.1	Helpful to increase wages	1	2	3	4	5
37.2	Improve working condition	1	2	3	4	5
37.3	Solve conflicts and difficulties among workers	1	2	3	4	5
37.4	Improve bargaining power with management	1	2	3	4	5
37.5	Work as a pressure group	1	2	3	4	5
37.6	Biased with management	1	2	3	4	5
37.7	Rivalry in union	1	2	3	4	5
37.8	Work as an agent of management	1	2	3	4	5
37.9	Practice nepotism	1	2	3	4	5
37.10	Works for leader's own interest	1	2	3	4	5

Appendix C

List of Key Informant Interview (KII)

1. Md. Altaf Hossain (PRL), Regional Director, BSCIC, Rajshahi.
2. Mrs. Tamanna Hoque, DGM, Industrial Estate, Rajshahi.
3. Md. Anwarul Karim, Industrial Estate Officer, BSCIC, Rajshahi.
4. Md. Abdur Razzak, Industrial Estate Officer, BSCIC, Naogaon.
5. Md. Masidul Hoque Sarker, Extension Officer, Industrial Estate, BSCIC, Bogura.
6. Mr. Laskeswar, Inspector (Health), Department of Inspection for Industries and Establishments, Rajshahi.
7. Md. Tareque, Inspector (Generale), Department of Inspection for Industries and Establishments, Rajshahi.

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BSCIC, Rajshahi Division: http://www.bscic.rajshahi.gov.bd

Ministry of Industries: http:/www.moind.gov.bd/

http://www.businessdictionary.com/definition/methodology.html

Centre for Policy Dialogue: http://cpd.org.bd/

http://www.academia.edu/

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