

S. M. Abdul Quddus

REPLICABILITY OF JAPANESE HUMAN RESOURCE MANAGEMENT (HRM) APPROACH TO BANGLADESH: DOES CULTURE MATTER?

Abstract

Human resource management (HRM) practices are the part and parcel of any country's industrial and economic activities or any activity. Appropriate and sound technique in managing human resource can be of crucial importance in achieving industrial growth even in a resource constraint country. Japan is a good example in this regard. The article, with an overview of the role of HRM in the economy of Japan, analyses the rationales for replication of Japanese HRM approach by drawing theoretical comparison between Japanese management and American management. The relevance of culture in imitating Japanese HRM practices in the context of Bangladesh has also been examined. This examination has led to an argument that substantial convergence or homogenisation of HRM practices around the world would not be possible unless managers modify or adapt the mode of implementation of HRM practices to "fit" the cultural values and beliefs.

Dr. S. M. Abdul Quddus, is Researcher, Institute of Administration and Organization Theory, University of Bergen, Norway, and Assistant Professor of Public Administration, University of Chittagong.

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INTRODUCTION

As international competition has intensified, scholars have turned their attention to the question of what factors affect the ability of nations and their businesses to adapt more economic and social changes required to survive as well as do better in competitive global environment. There are wide ranges of organisational changes. Among them, the changes, which are relevant in this new competitive age, are occurring within production organisation. The major innovations in this regard have come from Japan. Japan has a glorious history of economic development. One may be startled by the height of spectacular development Japan has attained over time in human resource management (HRM) practice. This is due to their indigenous approach to development. This golden example of fabulous achievement in human resource development and management inspired many of the Western as well as Asian, African and Latin American business firms to study and adopt Japanese HRM practices (Kaplinsky, 1994).

During the decade after World War II, a substantial amount of management technique transfer occurred from the United States to Europe and to Japan. From the late 1970s to very recently, the main flow was from Japan to United States and other Western and non-European nations as Japanese manufacturers challenged traditional American mass production both on export and local production fronts. Japanese paradigm of production involves a movement away from standardisation and "mass production" towards flexibility.

There has been a growing recognition in the management literature that a changing perspective adopted by management towards its labour force accompanies the transition in production system from "mass production" to flexible specialisation. The success of an organisation depends primarily on how well its human

resources are managed. Of course, financial, technological, and other material resources are critical to the organisation's success. But, these resources are generated by the industrious and creative efforts of workforce, and it is their ingenuity that ensures that these resources are effectively deployed. It is no wonder that importance of the human resources function is increasingly being recognised.

Developments in HRM techniques and practices to promote work motivation particularly through performance management, work design, reward systems, employee supervision, and organisational development and change strategies, have enabled organisations to create conditions which foster efficiency and productivity of labour force. These techniques and practices give organisations the competitive edge both in the short and long term domestic and international markets. In this regard, Japan is one of the best successful cases in the World. The main objective of this paper is to explore innovations and best practices of Japanese HRM, and also to point out necessary lessons from Japanese practices, for a developing country like Bangladesh. The paper is organised in the following order: Section 1 defines the concept of human resource management (HRM) in comparison with the concept of personnel management. Section 2 discusses Japanese as well as Western approaches to HRM in detail. The basic elements of human resource management in Bangladesh in terms of four dimensions of Hofstede's national culture as well as cultural aspect of replicability of the Japanese HRM approach to Bangladesh are discussed in Sections 3. Section 4 draws conclusion.

I. DEFINING HUMAN RESOURCE MANAGEMENT

The concept and practice of human resource management are widely held to have evolved out of the prior area of personnel administration (Mahoney and Deckop, 1986). The essence of this

evolutionary process is that employees are now viewed as valuable resources (rather than a cost to be minimised). In the 1980s (and into the 1990s, the term, human resource management (HRM) came to be increasingly used by both practitioners and researchers. This particular term challenged and frequently replaced the previous popular term “personnel management” and/or “industrial relations” (Beaumont, 1993). With the emergence of open system thinking, explicit distinction was made between “personnel management” and that of “human resource management”. Guest (1987) in his article, “Human Resource Management and Industrial Relations”, suggests that personnel management has been developed based on short, ad hoc and closed, rather than integrated and open system approaches.

Table. 1 : Stereotypes of Personnel Management and Human Resource Management

Criteria	Personnel Management	Human Resource Management
Time and Planning Perspective	Short-term, reactive, ad hoc, marginal	Long-term, pro-active, strategic, integrated
Psychological Contract	Compliance	Commitment
Control Systems	External controls	Self-control
Employee-relation Perspective	Pluralist, collective low-trust	Unitarist, individual, high trust
Preferred Structured/ Systems	Bureaucratic, mechanistic centralized, formal defined roles	Organic devolved flexible role
Roles	Specialist/Professional	Largely integrated into line management
Evaluation Criteria	Cost-minimization	Maximum utilization (human asset accounting)

Source: Guest, D. (1987)

As it is evident from Table-1 that the predominant themes are held to differentiate human resource management from its predecessor, personnel management, is a broader nation. Personnel Management (PM) is defined as activities “directed at the

organisation's employees and finding and training them, arranging for them to be paid, explaining management's expectations, justifying management's action, satisfying their needs, dealing with their problems, and seeking to modify management's actions that could produce an unfavourable response" (Storey, 1992:6). Moreover, PM places high priority on employees' attitude, interests and responses (Guest, 1987).

On the other hand, The HRM is directed not necessarily at the needs of the employees, but the whole human resource of the organisation. More emphasis is placed on planning, monitoring and commitment than problem solving and mediation (Torrington, 1995). HRM covers the broad spectrum of life of the employees at work; from entry to final exist. It is also argued that HRM is about human struggle for improved condition of service, management of career expectations, motivation, training and development, and it relates to the management of distributive justice in an organisation (Gima, 1990). Handy (1985:284) also contends that HRM is about organisational development, which is aimed at changing the culture of the organisation so that 'the goals and values of the individual and those of the organisational are integrated'.

It is, however, notable that HRM adopts a more strategic and far-reaching approach to organisation and its needs. Moreover, it is devoted to shaping an appropriate corporate culture by means of planned intervention such as introducing programmes, which reflect and support the core values system of the enterprise (WHO, 1984).

II. HUMAN RESOURCE MANAGEMENT IN JAPAN: AN OVERVIEW

The unprecedented economic growth and development of Japan during last few decades have drawn attention of management theorist

and specialists towards the ways in which Japanese organisations were organised and how they managed their human resources at work (Nakane, 1973; Thong, G. 1991). Japan has a paucity of natural resources, but this limitation has served to pressure the government and firms to develop quality of its work force. Following are the major policies and strategies of Japanese HRM:

Public and farm-level educational strategy: Japan's public and farm-level education strategies have developed a highly qualified work force, with a large pool of engineers. While government's research and development (R&D) investments are modest compared to the U.S.A., large firm investments in R&D bring Japan's total investment to the highest among advanced nations. Porter (1990) concluded that on balance, the Japanese success was driven by private investment in R&D and firm rivalry, not by government industrial planning. The result was rapid and continual innovation that anticipated world needs (Porter, 1990:417).

Government influence on market: Like the government of Sweden and Germany, the government of Japan tends to be more interventionist with some central planning, full or partial government ownership of firms, legislative restrictions on restructuring and plant closings, and greater use of public resource to cushion economic changes (Bain, 1992). Japan also protects its home market more than many advanced nations (Porter, 1990). But Government influence on industrial development in Japan has been changing. More recently, the government role has shifted to a signalling function rather than direct intervention.

Co-operative and mutual interest centered collective bargaining: After World War II, Japan passed legislation to protect the bargaining role of unions. It has brought positive result.

Bargaining in Japan has been characterised as co-operative because of the joint problem-solving and information-sharing strategies employed (Bain, 1992). The labour movement in Japan is "representational" rather than "oppositional". In Japan, enterprise-level unionism is dominant, with each unionised firm having one union. The external control placed on employers by unions in Japan is limited, except for the annual spring wage offensive negotiations between union and employer groups that set wage guidelines for firm negotiations to follow. Hashimoto (1990:54) has concluded that the Japanese enterprise union embedded in firm governance "is an institutionalised mechanism through employer and employees invest in information reliability". Occupational membership in the unions is quite broad; all white and blue-collar workers up to second line supervision are members. Thus, unlike the U.S.A., foremen in Japan are also members of the union. The fact that Japanese enterprise unions are an integrated part of the governance system means that they have a mutual interest in successful performance of the enterprises.

Low and indirect influence of government on the labour market: With regard to the influence of governments on labour market, like the U.S.A., and the U.K., less influence occurs in Japan. The state has played a major role in the transformation of the HRM since World War II, but that influence has been indirect, thus preserving substantial managerial flexibility and the free market (Sugeno, 1992). Japan developed a form of "welfare corporatism" that relied upon firm level responsibility for protecting workers. The post war development of Japan was built upon public policies that protected trade unions in a collective bargaining role and workers' jobs. Laws¹ were enacted to protect employment security,

¹ Many of them included within the Labour Standards Law.

occupational health and safety, equal opportunity for women, minimum wages, working hours (46-hour week), overtime and employee leasing (Matsuda, 1993).

Well-developed firm and management strategy: Like Germany and Sweden, in order to stabilise employment, Japanese firms tend to compete on long-term market share rather than short-term profits as in the U.S.A. and U.K. This different strategy drives in large measure from varying forms of firm ownership across nations. In Japan, ownership is primarily held by institutional owners. These are essentially permanent owners, who seek long-term appreciation rather than short-term gain, and financial performance plays less of a role in investment decisions. The greater investment in HR systems like in training, worker governance, and employment security in Japan is explained by greater long-term perspective of the firms and their managers. The management function in Japan is well developed and respected. Japanese production orientation due to technical training leads to process innovation, and it emphasises on quality. In Japan, generalist career perspectives were developed through job rotation.

The principle of “single greatest determinant of Japanese success”: The nature of the relationship among employers in a society is very important. Porter has described the level of rivalry among Japanese competitors as the “single greatest determinant of Japanese success”. The Japanese economy is dominated by groups of companies with preferential trading ties called *Keiretsu*. The companies own each other, and maintain strong informal relationships that are difficult for outsiders to break into. In many cases a large firm, for example, Toyota, is surrounded by all of its subcontractors to form a “*Keiretsu*”.

Lean production: After World War II, the Toyota Motor Company pioneered a manufacturing system that came to be known as "lean production", a term coined by an American researcher (Womack et al., 1990). (The manufacturing system was called lean production because it uses less of everything compared with mass). Also, it requires keeping far less than half of the needed inventory on site, results in fewer defects, and produces a greater and ever growing variety of products (Womack et al., 1990). Japanese organisations under the lean production manufacturing system design jobs in a way that demands a lot of workers. Jobs are not functionally specialised (Lincoln and Kalleberg, 1990). Job descriptions within work teams are vague and wide because jobs tend to have a broader range of tasks conducted with more authority, including many of the planning, problem solving, repair, housekeeping, and inspection functions, etc. Under lean production system, the use of job evaluation is quite limited. It is used primarily in fixing wage level rather than job duties since the tasks performed by individual workers are neither fixed nor permanent. Even for fixing wages, one survey indicated that only eleven percent of the firms surveyed used job evaluations (ILO, 1986b).

Flexible work routine and standard quality control (QC): In Japan, production management through work manuals develops standard work routines. But, they are disregarded as Japanese workers improve work methods through QCs (Koike, 1988:154). The extent of employee authority is indicated by the fact that individual employees can stop the production line at any point when defects are found (Womack et al., 1990:57). Employees are expected to identify and resolve ongoing contingencies without the intervention of management or staff (Aoki, 1989).

Large investment in technical skill and employee development: Hashimoto argued that the differences in the HRM of

Japan and those of other countries derived from differences in investment in technical skills that increase productivity (Hashimoto, 1990:2). To provide more specialised training, many large companies operate the equivalent of community colleges, a major function of the personnel operation. For example, Hitachi operates the Hitachi Institute of Management Development (over 5,000 managers annually). As a result, Japanese business organisations spent much more on employee development per year than most other nations (Womack et al., 1990:92). In-house training for both blue collar and white-collar workers are also emphasised in Japanese HRM system. A major purpose of in-house training is to create human relations skills and attitudes which are conducive to team work and problem-solving, and thus a work force which is loyal, flexible, and adaptable to rapidly changing technology (Yamashita, 1989). Training is an important ongoing obligation of supervision for senior employees. The weight given to senior in promotion ensures that more senior employees will be willing to share their knowledge without threat of losing out to junior employees (Doer et al., 1989). The end result of the various training strategies (company training, quality circles, job rotation, transfers, governance) is that many Japanese employees become generalists over their careers with broad knowledge about their firms, although the trend is now towards functional specialisation (Nakamura, 1993). It is the depth of the latter training that mainly distinguishes Japanese from U.S.A. managers according to Nakamura's research. But, the skills of generalist are very company specific, and thus do not lead to external career paths. But, Koike (1988) believes that it is the formation of these broad skills that is the real essence of white collarisation of blue-collar workers in large Japanese firms, and it is the "foundation of high labour morale in Japan". Dore et al. in explaining the heavy emphasis placed on training and education in the Japanese society, believed that:

There are undoubtedly elements in this emphasis on learning which derived from older cultural traditions- the long-standing Confucian respect for educational self-discipline; the cult of perfectionism—often perfection through endless repetition—which has been characteristic of traditional art (Dore et al., 1989:52).

Staffing policy based on job rotation: A staffing policy of rotation among job grades at the same level in the same department is a development tactic frequently used in Japan to familiarise blue-collar employees with a broader range of tasks. One survey indicated that in 1989, job rotation (0=none, 4=frequent) were 3.0 in Japan, compared to 0.9 in the U.S.A., and 1.9 for all Europe (Womack et al., 1990:92). White-collar workers are rotated among different functions, departments, and overseas assignments every three to five years. Managers are also rotated to positions to subordinate firms in a *Keiretsu* for development purposes, providing technical assistance to subcontractors to improve quality. The benefit of the job rotation is that:

Workers become proficient in a multitude of tasks, a characteristic that facilitates a quick and flexible response to changes in work requirements and enables them to understand and correct the conditions giving rise to defective products and mechanical failure (Hashimoto, 1990).

Participative decision-making and governance: Japanese HRM system emphasises widespread participation by both blue and white-collar workers in the process of decision-making and typical governance, which deepens and broadens employee skills. For example, small group activities carried on during work hours or after work with or without overtime are conducted in 60.2 percent of the Japanese companies (Yamashita, 1984:44). Moreover, top managers use a bottom-up consulting process to develop consensus around strategic direction that they are considering (Clark, 1979). Many

firms use joint consultation mechanism on at least, two of the following levels to consult with their workers and unions: firm/plant level or workshop level (ILO, 1981:153). The active labour-management consultative processes in Japan also contributed to integration. In fact, union leaders in Japan are promoted to managerial positions based on their knowledge of the firm. Broad sharing of information with employees also enhances organisational integration by reducing transaction costs. Open sharing of firm information is key to the Japanese governance system, and it appears to have had a positive effect on profitability, productivity and labour costs (Morishima, 1991). "Every time anything goes wrong anywhere in the plant, any employee who knows how to help runs to lend a hand" (Womack et al). The informal, bottom up method of achieving consensus for decisions in Japan tends to commit workers to change because they have been involved in the decision-making. The commitment is also reinforced by openness with which firms share a wide range of information with employees and their unions. Finally, the Japanese organisational governance system is time-consuming and expensive over the short term, even though workers spent a lot of unpaid time in governance activities.

Recruit high quality personnel: A key recruiting strategy of large firms is to hire quality, inexperienced high school graduates at the beginning of their career. Most Japanese workers are recruited at entry levels during a flurry of recruiting in the spring of each year, college graduates into white collar, professional positions, and high school graduates into lower level positions. To assure homogeneous and a high quality work force, the Japanese screen very carefully, including extensive background checks and relies on selected schools (Hashimoto, 1990). These employees are not recruited for specific position. There is practice of recruiting from the same schools and colleges each year.

Promotion based on the principle of *promotion-from-within* and seniority: As we noted above, most workers in large Japanese firms are recruited at entry level positions, and then spend their careers undergoing extensive training within the firm and moving slowly up to the organisation through *promotion-from-within* policies. The system is highly diffused in large Japanese firms, and has not diminished over time as economic and technological changes took place (Koike, 1988). But, a promotion in Japanese firms has a different connotation than in other countries. An increase in compensation is not necessarily involved because pay in Japanese HRM system is connected to the individual rather than the nature of the job. More often, a promotion is not usually a move into a supervisory position (Koike, 1988). Compared to U.S.A. and some other western manufacturing organisations, Japanese firms are organised with more vertical layers and less functional specialisation, as would be expected by the nature of the promotion system. Unions have little role in blue-collar promotions. The *promotion-from-within* system in Japanese firms has been described as seniority based rather than individual performance. The *promotion-from-within* policies contribute in enhancing employee' commitment (Pucik, 1989).

Transferable job assignment and high functional flexibility: Unlike U.S.A. and many other developed and developing countries, job transfers in Japan are frequent (Koike, 1988:135). Indeed, the ability to transfer employees anywhere within the firm, and often external to the firm is an important buffer to the employment security system. In Japan, the demarcations between production workers and maintenance workers and between technical staff and supervisory staffs are blurred. Work teams and job rotation in Japan create homogeneity and conformity across tasks and improves organisational communications (Marquardt and Engel, 1993:204). Moreover, the functional flexibility in Japan facilitates organisation integration.

Employment security: One of the important keys to the integrated Japanese HRM system is employment security. Indeed, it is one of the major *quid pro quos* that underpins the commitment of the workers to the lean production firm (Womack et al., 1990:99). Lifetime security in Japan is a custom, not a contractual or a legal requirement. Staffing policies in Japan are designed to buffer the core employees so that they can expect continuous employment until retirement.

Attractive reward and financial benefits: The basic compensation for all new employees, no matter what their occupation, is based on level of educational attainment (but not job assignment). Another component of compensation used in Japanese firms is skilled-based pay, based not on job performance, but on the value of the person as an employee (Morishima, 1995b: 130). It is similar to pay-for-knowledge systems used in other nations, and it is a strong incentive to learning. Living allowances are paid for size of the family, housing, area of work, and commutation (Ballon, 1990c: 24). Twice yearly bonuses constituting a significant portion of the annual salary are paid based on multiples of the monthly compensation. The average bonus was 4.3 months salary in 1991 (Sano, 1993). Dore (1973) describes the large firm investment in employee fringe benefits as “welfare corporatism” and considers them a key contributor to the high commitment employment system used by the Japanese to control labour. As Lincoln and Kalleberg (1990:178) note, “the profusion of employee benefits, services and organised activities observed in Japanese firms has astonished Western observers”. Japanese employee benefits include: apartment, gym, medical centre, indoor swimming pool, cultural centre, cafeteria and lunch subsidies, and discount stores. Lincoln and Kalleberg (1990:243-44) found that these welfare programmes created high job satisfaction and company commitment in Japanese firms.

Less status differentiations between managers and other employees: Status differentiations between managers and other employees are few in Japanese firms; rewards systems also reinforce the integration of Japanese organisations. Symbols of privilege such as executive dining rooms and bathrooms are avoided (Tsurumi, 1992:16). In Japan, all occupations up to the factory superintendent dine in the same cafeteria (Koike, 1988:51). There is no such term as blue-collar worker in either Japan or German; rather workers in the operating core treated as respected colleagues, as technicians. Japanese blue and white-collar workers are treated similarly in regard to firm fringe benefits (1988:51). In sum, Japanese HRM policies and strategies contribute to a high committed work force by providing for egalitarian wage systems and few status differentials, comprehensive internal labour markets, high governance and open communications and sharing of information, and more challenging work requiring highly competent employees.

III. REPLICABILITY OF JAPANESE HRM APPROACH TO BANGLADESH

Learning from organisational innovations and best practices has become common. However, the transfer of organisational innovations and learning from best practices is still slow and complicated. The predictions of Dore and Womack et al. that nations would converge around Japan's "lean production" system because it was more efficient have also not been supported by empirical research (Appelbaum and Batt, 1994).

William G. Ouchi (1981) in his remarkable work "Theory Z" suggests that the success of the Japanese in comparison with contemporary American organisations is largely due to the adoption of human resource policies, which encourage commitment,

participation resulting in innovation, better performance and flexibility to meet changing needs of the market economy.

Table: 2: W.G. Ouchi's Theory Z

Japanese Management	American Management
Life- time employment	Short-term employment
Slow evaluation and promotion	Rapid evaluation and promotion
Non-specialist career paths	Specialised career paths
Implicit control mechanisms	Explicit control mechanisms
Collective decision-making	Individual decision-making
Collective responsibility	Individual responsibility
Holistic concern	Segmented concern

Source: Adopted from W.G. Ouchi (1981)

It is believed that the culture of the "Theory Z" and Japanese management provides the soft and flexible environment, which is suitable for the growth of the HRM (Sethi, et al., 1984). But concern has been raised as to whether the characteristics of Japanese HRM are unique and specific to Japan or are universally applicable. There are two schools of thoughts regarding this debate. The followers of the "rationalist school" argue that the roots of HRM practices of Japanese firms lie in rational responses to industrial development and therefore, universally applicable (Kono, 1992). The followers of the "culturalist school" of thought argue that the Japanese management is reflective of Japanese traditions and thus unique to Japan (Beechler and Yang, 1994:469), whether Theory Z is visible to outsiders or not, it is deeply rooted in Japanese specific social and cultural values, and the system is sustained and supported by Japanese psychological attachment to it. Kono (1992) suggests that management practices for example, "educational systems" which are related to a deep core of

cultural values such as environmental characteristics are hard to transfer. Some American companies and other Japanese overseas subsidiaries have successfully adopted Theory Z, especially, in Southeast Asia. They have effectively introduced some aspects of the Theory Z's element into the HRM strategic policies and practices in the organisation. However, there is the view that because of the weak economies and bureaucratic nature of the organisations within developing countries, the management of these organisations favour values and beliefs of classical management. It would be difficult to introduce principles of the Theory Z and indeed, a meaningful system of HRM into these organisations, especially within the public sector. The following attempts to address the cultural factors regarding replicability of Japanese HRM practices to Bangladesh.

Does Culture Matter in Adopting Japanese HRM Practice?

Culture is defined as "the collective programming of the mind which distinguishes one group from another" (Hofstede, 1991). Cultural differences between developed country like Japan and developing country like Bangladesh in an organisational context can be understood in terms of the four cultural dimensions² suggested by Hofstede (1991). These are: *Uncertainty Avoidance*, *Power Distance*, *Individualism vs. Collectivism*, and *Femininity vs. Masculinity*. Each of these four cultural dimensions represents a set of underlying beliefs and assumptions which individuals carry with them when they join an organisation. These beliefs of the organisations' members, in turn, influence the organisation's internal work culture facilitating certain job behaviours and inhibiting others. We shall discuss how

² Geert Hofstede (1991:14) identified four dimensions of any national culture. These, according to him are: (a) Power distance (from small to large); (b) Collectivism versus individualism; (c) Femininity versus masculinity and (d) Uncertainty avoidance (from weak to strong).

each dimension of the socio-cultural environment is likely to facilitate or hinder the effectiveness of a country's HRM practices.

Using Hofstede's four dimensions of national culture, Kanungo and Jaeger (1990) have characterised the socio-cultural environment of developing countries as relatively high on *uncertainty avoidance* and *power distance*; and relatively low on *individualism* and *masculinity*. *Uncertainty Avoidance* indicates the extent to which the people feel threatened by uncertain or ambiguous situation. Therefore, the relative high *uncertainty avoidance* implies an unwillingness to take risks. The early socialisation practices in Bangladesh expect that individuals perform tasks as a matter of duty and in terms of their prescribed role in society, which is generally a function of the person's age, occupation or family and social status. Individual achievements and proper performance of roles are not recognised, but the individual's faults or deviation from the prescribed role are subject to social sanctions. In the organisational context, the effect of high *uncertainty avoidance* are manifested in terms of high aversion to risk taking, dependence on superiors, reluctance to take personal initiatives and high external locus of control. The behaviours, attitudes and dispositions resulting from high *uncertainty avoidance* are incompatible with participative management, which involves activities that require the exercise of autonomy, responsibility and other related high-risk behaviours. Participative management is the inevitable part of Japanese HRM. Since subordinates are reluctant to exercise autonomy and accept responsibility, the manager will not be confident that the delegated work will, in fact, be done. This uncertainty will generally lead managers not to delegate autonomy and responsibility to their subordinate in a third world country like Bangladesh. Instead, the anxiety created by this uncertainty will make them exercise greater

control and provide more detailed directions than are actually required (Kanungo and Jaeger, 1990).

Power distance indicates the extent to which people expect that power institutions and organisations are distributed unequally. Bangladesh is referred to as a hierarchical society characterised by patron-client relationships and with roots in economic disparities (Koachak, 1993, cited in Jamil, 1998:148). In Bangladesh organisations, there is a high degree of *power distance*. Higher management in public business organisations generally discourages participation and is casual about the process of consultation. Instead, it places high premium on personal loyalty and relationship based on a pecking order. Employees generally prefer an autocratic, paternalistically oriented boss, and to be given orders. In general, they are more satisfied with a directive and persuasive supervisor and prefer not to disagree with the boss. Since the superior is seen as a protective figure, it would appear ungrateful and unfair to disagree with him. Deviant behaviour and ideas are less encouraged. Superior-subordinate relationships are characterised by protection, patronage and favour on the part of the superiors, and respect, loyalty and compliance on the part of subordinates. Opposing a superior's decision or raising a question is often considered "*beyadobi*" (ill-mannered) (Jamil, 1998:148). Proper manners comprising obedience and deference are very important in gaining access to patronage and favour. Those who do not yield to their superiors, feel rejected. Collectivism in this situation is replaced by fatalism. Personalised relationships have negative consequences for work behaviour. Working hours are often used for nurturing personal relationships. Since they are used for favour patronage, personal connections often erode organisational norms.

In terms of *Individualism versus collectivism*, Bangladesh like other developing countries seems to be dominated by the relatively

low-individualism culture. In low individualism cultures, a job is primarily a means to fulfil one's obligation to society, beginning with the family—i.e., to provide for the well-being of aged parents, spouse, and children. The relatively low individualism that is inevitable in highly collectivist cultures implies that family concerns and attainments take precedence over the individual's work concerns and achievements. The individual's identity is derived from membership of the family, caste, or clan, whose norms and values must be unquestioningly accepted. Interpersonal trust has cultural roots. Societies vary with regard to the inclination of people to trust each other spontaneously. Bangladesh probably has to be classified as a low-trust society (Jamil, 1997). In low-trust societies, collective action is difficult to organise beyond the extended family. Such societies tend to be socially fragmented and highly state-centred. State authority provides a substitute for the social cement of the mutual trust of civil society. Low levels of interpersonal trust inhibit co-operation and promote factionalism. In a low-trust society, families run most of the private business concerns. Partnership outside families in running business concerns quite often break up. Low level of interpersonal trust does not facilitate delegation of power or responsibilities to juniors by the seniors.

Low *masculinity* characteristic of Bangladesh stems largely from the individual's identity with an attachment to the family and community. This attachment places a strong emphasis on sensitivity to people and relationships. Individual feelings—own as well as of others—rather than task considerations, and personalised rather than contractual relationships, play a dominant role in one's functioning in the work place. Consequently, it is not uncommon for individuals to set aside job duties in order to perform socially approved duties in fulfilment of their social obligations.

The prevailing management attitude in most Bangladesh organisations hold the "economic man" assumption about employees (McGregor, 1960), which means management considers workers to be primarily working for themselves to meet their personal needs rather than to be working for the benefit of the organisation. Such attitudes toward workers on the part of the management leads to a related assumption that "labour" is a cost and the cost of the 'labour' has to be minimised to increase profit. When employees are viewed as "economic man" and "things" to be bought at a bargaining price, they lose all self-esteem and do not develop organisational loyalty. At the same time, related phenomena such as problems of workers alienation, and employee morale can be accounted. Moreover, at present in most Bangladeshi organisations, compensation schemes are drawn up and implemented without any consideration of their value, equity, contingency, visibility and timing. Employees are hired with the understanding of receiving a compensation package that is largely time based, rather than performance or skilled based. Employees know that their skills and performance have no relation to the salary and benefits they receive from the organisations. They are often ill-informed about the reward system and consequently perceive a state of randomness or arbitrariness in reward allocation. Since job performance does not guarantee the sought after reward, they withdraw their energy from the job and engage in organisationally dysfunctional activities (gossiping, ingratiating supervisors, etc.). In addition to the lack of task role clarity and inadequate reward system, most Bangladeshi organisations emphasise bureaucratic practices with excessive reliance on rules and regulations. Such practices create an organisational norm that is perceived by employees as cold and impersonal. Workers in these organisations perceive themselves as "legalistic robots" guided by rules and regulations of a depersonalised organisation. Organisational

interest in Bangladesh are seen as separate and distinct from the interests of employees, and employees' behaviour is often directed toward fulfilling their own interests even at the cost of organisational interest. Executives or supervisors who adopt such bureaucratic practices are often more interested in "lording power" over others than in achieving organisational objectives through their subordinates. Such "lording" behaviour of the people in position of authority within organisations is often manifested in the form of personal and public criticism of employees, condescending or patronising attitudes toward subordinates, maintaining a certain psychological (physical) distance from subordinates, and using, rigid, legal and coercive styles of supervision. In this situation, employees in subordinate positions experience lowered self-esteem, consider themselves to be powerless, and show low levels of involvement in their jobs and low commitment to their organisations (Ashforth, 1989; Kipnis, 1976). The prevailing ways of dealing with employees in Bangladesh are deeply embedded in the values of not only managers and front-line supervisors, but also in trade union leaders and senior employees who do not want to give up inflexible employee allocation system based on job control.

Because of the absence of direct industrial negotiations with employers and the centralisation of managerial authority particularly in public sector, labour unions in Bangladesh cannot pursue their objectives (e.g. wage improvement) through the usual method of industrial relations. As a result, trade unions rely on general strikes and countrywide agitation to pressure the employers as well as government and make them dependent on political parties to achieve their objectives. So, the political parties (the ruling and the opposition), trade unions and the government have all contributed to the complex problems of governance in industrial relations in Bangladesh (Rahman and Bakht, 1997). In this prevailing situation,

the employer-employee relationship in Bangladesh is not co-operative and conducive to economic growth and development. The employer is interested in extracting as much work as possible by giving as little as possible in return. On the other hand, the employees become motivated to produce as little work output as possible for as much return (salary, overtime etc.) as possible.

In contrast, the philosophy of Confucius influenced Japanese industrial relations. According to the Confucian teachings, prosperity requires stability and a society, well ordered into strict hierarchical relationships i.e. children obey parents, who obey officials, who obey rules (Aufrecht and Bun, 1995 also cited in Jamil, 1998:188). Junior-Senior relationships are based on mutual and complementary obligations. High level of trust and confidence allow seniors to delegate responsibilities to juniors who carry out the assigned tasks with dedication and diligence. Japan is also a collective society. Its industrial clans draw support from its traditional joint and large families/groups. In Japan, group norms are quite strong. Individual needs may be sacrificed for organisational needs and organisational members place a great priority on the survival of the groups within an organisation and survival of the organisation as a whole.

Organisations in developed and developing countries, traditionally those in the private sector, and more recently, in public sector organisations have invested considerable resources, time and effort to adopt the human resources management practices developed in Japan. In any event, the poor management practices, bureaucratic inefficiencies, and low productivity levels that are endemic in many of these organisations, create considerable pressure for managers to adopt speedy, ready-to-implement strategies. But the effectiveness of this approach, however, is open to serious questions based both on the experience of managers and on the findings of socio-cultural studies. Programmes and practices that are consistent with and rooted

in the values and norms of a culture are found to be successful and enduring. For example, the phenomenal success of industrial organisation in Japan, Taiwan, Singapore, and Hong Kong, South Korea is widely attributed to both management styles and work attitudes that are rooted in Confucian social values, familism and institutional structures. (Sinha and Kao, 1988:12).

CONCLUSION

Productivity in business organisation requires HR policies to be based on sincerity, moral values, loyalty, ethical consideration, fair distribution and equal opportunity. Every organisation small or large, business/public, government or non-government must be manned by the well-trained and competent personnel imbued with high loyalty, dedication and obligation. So, person as personnel in business/public organisations should work with utmost devotion for the welfare of the firm/people whom they serve.

From the above-mentioned discussion, it is clear that HRM practices evolved in a particular national context is difficult to adopt in a nation with a different political, social or economic underpinnings i.e. culture. The obstacles to the diffusion of Japanese HRM practices identified above indicate that there never would be a substantial convergence or homogenisation of HRM practices around the world. While more recent research suggests that many aspects of HRM systems at the firm level can be exported across political boundaries with success (MacDuffie, 1995b; Rodgers and Wong, 1996). Therefore, to ensure replicability, the state-of-the-art of the Japanese human resource management practices need to be modified or their mode of implementation adapted to 'fit' the cultural values and beliefs of those interested developed and developing countries. As Hofstede (1980:380) observed, it is necessary for managers to

“perform a cultural transposition of the ideas to make them fit the values of their subordinates”.

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