

*Mohd Aminul Karim*

## **HUMAN RESOURCE DEVELOPMENT IN BANGLADESH: STRATEGIC PERSPECTIVE<sup>1</sup>**

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### **Abstract**

Formulation of right strategic direction and vision, critical for any long-term policy, may be formulated at the government or corporate level. Concurrently, such policy should be visualized or dovetailed keeping in focus the right kind of human resources it produces and sustains to be able to tackle any futuristic volatile, turbulent, ambiguous, and ever changing environment. Without creating competent human resources, things would get disarrayed. Human resources programme needs deep thinking, goal compatibility, perspective planning, huge investment, right technology and method, education, training and updating, nourishment, and competencies. Any short-cut would be self-defeating. The paper attempts to emphasize the appreciation of strategic direction to be conceptualized or internalized by the human resources that Bangladesh may produce. It argues that, without an in-depth analysis of the needs and demands of the future, any strategic planning and implementation would stumble, and result in distortion of the desired goals or outcome.

### **1. Introduction**

Strategic management can be seen as the art and science of generating and implementing cross-cultural, multi-layered, perspective, and cross-functional decisions that enable any organization or government to achieve its futuristic, yet realistic, challenging, and actionable goals. What is critical in such exercise is to clearly spell out the vision without which the formulation, implementation or evaluation would go hay. It entails the strategic decisions that may have all embracing consequences and enduring effects on any organization. Strategic

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vision is, therefore, *sine quo non* for any organization to survive in the long run while keeping in view the turbulence that one may have to encounter and the opportunities those may be availed in the future. Looking deeply and critically into the future based on intuition, wisdom, gut feeling, and assessing the trends is a critical trait of a leader. Unless those are foreseen as accurately and realistically as possible, an organization may turn into atrophy. Such a vision is again the reflection of a human mind *trained*, groomed and motivated in the plane of realities of social, economic and political processes of a nation or a group of nations. And, a human mind is a delicate instrument which may either prove to be wisdom-laden, realism-oriented and also result provider, or it may bring disaster to any organization. Now, this delicate instrument or capital needs to be very carefully nurtured, sustained, and motivated to withstand the turbulence of an organization or government machinery.

The human mind needs to look into the futuristic scenario to remain competitive and viable. One has to be intuitive. Einstein thus talked about intuition, “I believe in intuition and inspiration. At times I feel certain that I am right while not knowing the reason. Imagination is more important than knowledge, because knowledge is limited, whereas imagination embraces the entire world”.<sup>2</sup>

Bangladesh is being branded as an ‘Emerging Tiger’, ‘Next-11’, ‘Middle Income Group Country’, ‘Growing at Double Digits’ (taking a quantum leap) etc. Some even go to the extent of forecasting that Bangladesh has the potential to become one of the largest economies of the world in this century, along with Brazil, Russia, India, and China (BRIC). All these may be tall orders—some may even call these utopian-- but these are fine statements as part of envisioning Bangladesh in the coming days. And all these need to be factored in the strategic direction that we formulate. For that, imagination is a necessary and laudable thought-process. To be imaginative is also a key element to human capital. However, a word of caution is relevant here: there has to be a good harmonization between intuitive and analytical thinking. Wisdom, real-life experiences and gut feeling are also inextricably linked.

Turning the comparative advantage, if there is any, into competitive advantage is the outcome of human talents- his innovativeness, creativity, ethics, and realism. Unless one is competitive, any business that is transacted will embrace a natural death. To remain competitive, one has to be futuristic, yet realistic and focused. Wisdom, knowledge, skills, competencies, gut feeling, transformational traits, abilities to manage change constantly are the variables needed to be understood in real earnest to remain fit in the environment one operates. Above everything however, understanding the strategic direction of an

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<sup>2</sup> Quoted in Eugene Raudsepp, “Can You Trust Your Hunches?” *Management Review* 49, No. 4, April 1960, p.7.

organization along with the environment that you operate is a critical element in human resource development. If that direction fails, then one cannot survive even with the best of skills and competencies. And if the strategic direction, after having considered all the pros and cons, is maintained straight and throughout, that person's image is positively taken by all the stakeholders. The stakeholders can easily fathom one's weaknesses if the strategic direction gets distorted along the way to attain the objectives. Both *Petrobangla* and *Petronas* of Bangladesh and Malaysia respectively were established in 1974 to basically explore gas and oil resources in their own countries. *Petronas* has turned out to be world-wide company operating with its annual revenue of about US\$ 80 billion in 31 different countries of the world. *Petrobangla* has degenerated so much that much of its activities within Bangladesh are taken over by the foreign companies. Many of the skilled human resources of BAPEX, a subsidiary of *Petrobangla*, migrated overseas for better job opportunities. This may be called a serious distortion of the strategic direction and vision on the part of the policy planners of the country. In the military parlance, it is called the selection and maintenance of goals throughout the campaign that you fight. In fact, it is termed as one of the critical principles of war. Many generals have faltered once they deviated from the political/strategic direction, which should otherwise be justified, after the campaign had started. Famous Chinese strategist Sun-Tzu thus concluded, "The victorious army first realizes the conditions for victory, and then seeks to engage in battle. The vanquished army fights first, and then seeks victory."<sup>3</sup>

Be that as it may, human resources development (HRD) would entail creation of competent human beings imbued with right kind of education, values, training, life expectancy, standard of living, and in an implied way, positive and critical thinking ability. It covers areas such as recruiting, screening, training, rewarding, and appraising. This aspect of development should be viewed holistically and in consonance with the strategic direction of the government or any corporate house.

The arguable point raised here is: without comprehensive training and education, commitment, nourishment, and motivation, human resources or capital will not be able to take charge, create, recreate, if necessary, and evaluate the strategic direction holistically in this unpredictable, volatile, turbulent world's economic, strategic, and political environment. Recent economic recessions in the USA and EU are glaring examples of not being able to predict and formulate the strategic direction that is overshadowed by ethical degeneration. Consumption spree, greed, and crony capitalism had the upper hand. Values and ethics that are inextricably linked are sidelined here.

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<sup>3</sup> Sun-Tzu, *The Art of War*, (Translated by Ralph D. Sawyer), Oxford, United Kingdom: Westview Press, p.132.

This paper would like to emphasize the importance of human resources development in so far as inculcating futuristic strategic direction or perspective planning abilities. There is a necessity to critically observe this aspect of appreciating human capital; nonetheless, other skills and competencies are no way ignored or de-emphasized. The basic questions raised in the paper are: does Bangladesh have a long-term human resource development planning that can take care of the future uncertain realities and eventualities? Can the present generation of human resources take care of the constant changes taking place around the world? Can these resources rightly carry out the strategic implementation and get the best competitive advantage? These should always be understood as a package; however, strategic direction has been given priority. A pertinent definition of strategy may not be out of place here: "Strategy is the direction and scope of an organization over the long term: ideally which matches its resources to its changing environment and in particular its markets, customers or clients so as to meet stakeholder expectations."<sup>4</sup> This also equally applies to the running of a modern nation-state. It is interesting to note that, there is lot of similarities between military and corporate strategies. Both types of strategies must constantly update themselves to be successful. Along with that, Hamel and Breen are quoted here to raise three challenges that confront this new century to reinforce the hypothesis:

- “1. Dramatically accelerating the pace of strategic renewal in organizations large and small.
2. Making innovation everyone’s job, everyday.
3. Creating a highly engaging work environment that inspires employees to give the very best of themselves”.<sup>5</sup>

The paper will basically highlight the discrepancies as the author observes, given his professional background, and indicate certain ways forward. The suggested concepts or the ways forward would be applicable both at the government and corporate levels. The main objective of the paper would be to provide a conceptual and broad framework for the realities in Bangladesh in terms of HRD from a strategic perspective that encapsulates the international arena also. Subsidiary objective of the paper would be to provide inputs for others to work out the knitty gritties or the detail modus operandi. The entire gamut of chain of events in human resources management would be beyond the scope of this paper. However, basic ideas are given a broad brush. With Section 1 as the Introduction of the paper, Section 2 focuses on Education and Training. Discussions will follow in sections 3 on Competencies and Skill Development;

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<sup>4</sup> G Johnson, and K Scholes *Managing Change*, London: Paul Chapman/Open University, 1993, p.10.

<sup>5</sup> Gary Hamel with Bill Breen, *The Future of Management*, Harvard Business School Press, 2007, pp. 40-41.

Section 4 on Leadership Training/ Development; Section 5 on Strategic Change; Section 6 on Strategic Implementation and Strategic Relations, and Section 7 on Competitive Advantage. Section 8 is the Conclusion of the paper.

## 2. Education and Training

There is a famous Chinese proverb, “If you are planning for a year, sow rice, if you are planning for a decade, plant trees, if you are planning for a century, educate people.” And this is what is precisely called strategic direction. An affluent American visiting Bangladesh recently to understand its poverty concludes thus, “While the country has many pressing needs, perhaps education is the most important area where government can show leadership in bringing about change—and key to promoting education is that the change produced can then trickle down throughout other areas of the economy”.<sup>6</sup> This is reinforced by the American Federation of Teachers (AFT) President Randi Weingarten and National Education Association (NEA) President Dennis Van Roekel, “It is clear that, the way to rebuild our world economy is to increase funding for education, not cut it. Investing in education will spur innovation that will produce solutions to many problems we confront.”<sup>7</sup> Education and training should be a continuous and progressive process which would lay the foundation for acquiring the abilities of a transformational leader. Any strategic direction should look for the transformation of the present derelict values, system, directions, and the institutions. Right kind of education and training provide the right motivation, self-efficacy, and value system. Transformation of the society in terms of knowledge, values, ethics, growth, both in terms of economic growth and happiness which are envisioned in the strategic direction, should be the social objectives of education. Education is an effective means to ensure poverty reduction and egalitarianism. Countries with better and more educated people have higher economic growth and better equitable distribution of income. Better educated people tend to enjoy higher incomes, better health, more geographical mobility and so on.<sup>8</sup>

No education and training are worthwhile if there is no change in the value system that creates forward looking, ethical, futuristic, progressive cognitive, affective, and action-oriented abilities. Any curriculum should be tailored to create such abilities. Even the junior leaders or managers should be groomed from the beginning in a way that gives them the cognitive and other abilities to be able to evaluate the strategic plane. Talent ship is also related here. There is a

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<sup>6</sup> Justin Hoffmann, “Educational Opportunity to Displace Poverty”, *The Daily Star*, Dhaka, 30 September 2010.

<sup>7</sup> Quoted in Quazi Faruque Ahmed, “World Teachers’ Day 2010—Teachers Amid New Expectations”, *The Daily Star*, Dhaka, 05 October 2010.

<sup>8</sup> Psachropoulos, quoted in Jee-Peng Tan and Alain Mingat, *Education in Asia—A Comparative Study of Cost and Financing*, Washington, D.C: World Bank, 1992, p.45.

saying “Talent ship is to Human Resources (HR) as finance is to accounting as marketing is to sales”. Talent ship is a kind of decision science. Decision making at the strategic level is critical to organizational performance.<sup>9</sup> A Wharton Business School feature cautions, “the task of meeting global talent needs with an educated and trained workforce is too huge for any one nation to take on.” Presently, India has 480 universities and 22,000 colleges. In next 10 years, India will need 700 new universities, 35,000 new colleges. It is planning infrastructure build-outs worth more than US \$1.5 trillion in the next five years, as announced by its Minister for Human Resources.<sup>10</sup>

Taking the cue from Indian perspective of planning, a question may be raised: Has Bangladesh in place such strategic direction and planning? It is presumed there is one. But the moot points those need to be factored are: Are variables such as demand and social objectives of the society, national direction, quality, type, balance, finance, infrastructure, diversity, quantity, time-plan, donor support etc. being taken into consideration? Political unrest, international disputes or conflicts should also be considered and evaluated. Stereotyped education and training may be discouraged. Lateral and critical thinking abilities should be encouraged. It is, however, difficult to keep pace with the fast and constant changes taking place in the strategic plane. In any case, constant right direction cannot be compromised.

### 3. Competencies and Skill Development

Professional competencies and specialized skill development are again a continuous process. Although apparently, it may appear, those may not contribute directly to the strategic thought process, but their induced or indirect impact in creating a right kind of strategic mind cannot be ignored. Specialization is again constantly being updated and it also leads to strategic direction. If our human resources or capital in Bangladesh fall short—which is, otherwise, generally the case—of specialization or super-specialization in respective fields, then they will lose sight of the strategic direction. Bangladesh lacks quite a bit in the field, mostly because of lack of research facilities in our organizations and institutions, both at the government and non-government levels. At the higher education level and also in the business world, lot of investment needs to be made to overcome these serious lacunae in our system. Most of our universities or institutes are unfortunately not making their mark, even when compared to South or Southeast Asian standards. Our universities do not create significant body of knowledge; they are basically teaching universities.

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<sup>9</sup> Helen De Cieri and John W. Boudreau, “Global Human Resource Metrics”, *Working Paper 03-07*, U.S.A: Center for Advanced Human Resources Studies, Cornell University, March 2003, p.5.

<sup>10</sup> Abdul Mannan, “Private University Act: Implementation is more challenging”, *Forum (The Daily Star, Dhaka)*, Vol. 4, Issue 10, October 2010, p.56.

However, we need huge investment and right motivation to get the desired results. Public-private partnership can be a good way forward. Research culture cannot be developed by merely depending on the foreign donor agencies. Countries like India, China, Malaysia, Singapore, South Korea are examples where indigenous research or specialization makes a substantial impact in creating a competent human capital. In the age of globalization, this particular aspect cannot be just overlooked.

This applies critically even to the human resources that we export to different countries abroad. In Bangladesh, attention is drawn to the strategic direction. One has to constantly ask oneself: Can Bangladesh's economy continue to sustain an ever increasing 160.5 million people, which it has today, over the next 10-15 years? What is extremely alarming is the surge in unemployment in the developing countries as fallout to the "tsunami waves sent out by the global crisis... reaching the developing countries". The International Labour Organization (ILO) concludes that the number of registered unemployed had grown by 34 million between 2007 and 2009. According to World Bank estimates, up to 263 million more people are expected to live in poverty by 2015, again because of the financial crisis.<sup>11</sup> Bangladesh is already in the throes of serious unemployment.

Now, intensive human resources development program would be one of the most effective methods, apart from an effective social-security system, of tackling this impending serious crisis; otherwise, it may put everything else in disarray. At least, by imparting some basic skills to our expatriate labours, we can solve a portion of our problem. This will have direct impact on our remittances earning. It is believed through competent human capital export, we can increase our remittance earning from US\$ 11 billion to US\$ 30 billion in next five years. However, in order to realize its full potential, Bangladeshi diasporas living in UK, USA, Middle East, Malaysia and elsewhere need to be motivated to contribute to their motherland. Along with that, an exhaustive skill and competence development program to make our labourers skilled/semi-skilled may be undertaken. Of late, a new concern has developed: statistics taken from the Bureau of Manpower, Employment, and Training (BMET) indicates that, "Manpower export from Bangladesh is worryingly on the sharp decline." The number of people going for jobs abroad drastically reduced from 8,75,055 in 2008 to 4,75,278 in 2009.<sup>12</sup> It is down by almost 50%. Situation must be arrested immediately by launching an extensive human resource development program and looking for alternative markets for the workers.

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<sup>11</sup> Jens Martens, "Steps Out of the Global Development Crisis", *The Daily Star*, Dhaka, 24 September 2010.

<sup>12</sup> Abu Mahmud, "Speeding up Manpower Export--- Export of Manpower has Virtually Become the Backbone of the Bangladesh Economy", *The Independent*, Dhaka, 10 October 2010.

Toyota has the “reputation” of continuous improvement by utilizing the abilities of “ordinary” employees for solving the complex problems. Toyota’s production system is called the “Thinking People System”. In 2005, the Company received more than 540,000 improvement ideas from the employees.<sup>13</sup> Our facilities of imparting competencies and skills are mostly class-room-based which precludes our human-resources from reaching to the firsthand knowledge from the field or the real life world. Our laboratories, libraries, equipment, and internet facilities are too inadequate or rudimentary even compared to the South Asian standard. Assessment centres, field research, field studies, case methods of instruction may be encouraged and further refined.

#### 4. Leadership Training/ Development

Latest theory on leadership identifies transformational leadership to be the end-state, not transactional. A leader has to be futuristic; he should look at the horizon, not at the bottom-line. He has to constantly challenge and change the environment in which he is operating, apart from being inspirational, visionary, and charismatic. A leader has to motivate the people, may be to sacrifice the present, in order to face the challenges and avail the opportunities of tomorrow. Mao Tse Tung had to awaken his people from slumber, may be due to opium-addiction, to liberate his country from occupation. Some of the traits and abilities for a leader, as highlighted by Sun-Tzu, are: wisdom, knowledge, credibility, strictness, benevolent, courage, skilful analyst, upright, clever/inventive etc....”<sup>14</sup> Leaders should be groomed at every tier of the hierarchy. All prospective leaders should be sensitized about the strategic direction of his organization. Unless he is focused on the horizon or has a fair idea about the vision of the organization, he is likely to turn out to be transactional. Need of the hour is to develop transformational leaders at every tier. There should be no compromise on such benchmark. Leaders can be trained or groomed. We should come out of the myth that leaders are always born. One has to also handle the routine, mundane affairs of the organization, but if he cannot transform the system to adapt to the changing environment, in line with the strategic direction, then he turns out to be less than useful in the long-run.

There are serious problems in the organizations and government machinery in as far as launching leadership training/development programme, both on the job and off the job, in Bangladesh is concerned. This is part of the strategic management of any organization. Leadership traits and charisma can also be learnt through constant practice, by even following role models like Nelson Mandela or Bill Gates. Counseling/mentoring or putting somebody through trials and tribulations may play an effective role in developing leaders. The moot point

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<sup>13</sup> Dominic O’Connell, “Do Not Disturb: Mr Watanaba Is Taking Over the World”, *Car*, June, 2006.

<sup>14</sup> Sun-Tzu, *op.cit.* p.133.



is: transformational leaders are better poised to follow and evaluate the strategic direction. Leadership development program is an effective method of creating balanced human resources. An effective leader's right decision at the right time is the real benchmark to evaluate the credibility or the image of an organization. This provides branding or image so critical even for a nation.

### 5. Strategic Change

Strategic change and direction are interrelated as one affects the other. Strategic direction that a leader formulates necessitates changes to the structures, systems, cultures, and even its technology. Such changes are problematic and prone to resistance from many quarters. Human capital should be able to link the relation between the strategic direction and strategic change. Change involves human emotions, perceptions, and attitudes also. This can be achieved through learning. Learning is "any relatively permanent change in behavior that occurs as a result of experience" Learning involves change—may be good or bad from organizational view point.<sup>15</sup> It results in change in values, attitudes, and behavior which should get ingrained in the human capital we are talking about. If human resources are not groomed up to understand and appreciate the fault lines in a problematic scenario, then chaos would take over. A chaotic scenario will directly affect the credibility or image of any organization. Change is the only phenomenon which is constant. Human resources should be able to cope and act proactively to face the changes. Our prospective leaders will have to constantly monitor and evaluate the changes.

"In today's business environment, more than the preceding era, the only constant is change. Successful organizations effectively manage change, continuously adapting their bureaucracies, strategies, systems, products, and cultures to survive the shocks and prosper from the forces that decimate the competition."<sup>16</sup> Here comes the challenge of the strategic vision. One has to constantly ask questions: are we in the right field and track? Does it need reshaping or revamping? Are the stakeholders changing? Who else is going to compete with us? Based on the answers ask the next question: what strategies should we follow? And these strategies should emulate the strategic direction. Strategic direction may, at times, need certain adjustments which are provided from the feedback loop. As highlighted in the Introduction, environment and competitive (in case of business)/conflict (in case of war) conditions trigger the need for change.

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<sup>15</sup> Stephen P. Robbins and Timothy A. Judge, *Organizational Behavior*, New Delhi: PHI Learning Private Limited, 2008, 13<sup>th</sup> Edition, p.54.

<sup>16</sup> Robert Watermann, Jr., *The Renewal Factor: How the Best Get and Keep the Competitive Edge*, New York: Bantam, 1987.

When Napoleon won it was because his opponents were committed to the strategy, tactics, and organization of earlier wars. When he lost - against Wellington, the Russians, and the Spaniards - it was because he, in turn, used tried-and-true strategies against enemies who thought afresh, who were developing the strategies, not of the last war, but of the next.<sup>17</sup>

After the event has taken place or the damage, if any, is already done due to change, mainly at the strategic level, crisis management is probably the answer. But that cannot be the desired response. Pro-active or intuitive or analytical responses are the crux that meets the demands of the strategic direction. Tried-out strategies are fine as far as an analytical tool. But the critical question should always haunt one: Are these going to be realistic, and environment-fit, say after 5-10 years? And while doing this analysis several options should be kept in vision. A case in point, as published in the Journal *Nature* recently, puts 80% of the world population under “water threats” which implies no secure source of fresh water for the majority of the world population. To address this critical issue, what are the viable options: reservoirs, dam building, or eco-friendly option like wetland protection?<sup>18</sup> Right strategic direction and vision should give us the right choice. Isn't the eco-friendly option a better choice? Are we prepared for that? Again the FAO Director General predicts “meeting the demand of the world's 9.1 billion inhabitants in 2050 would require 70% more food than the world produces at the moment.” If right decisions and direction are not given right away, “there is the risk of finding the global cupboard dangerously bare in the near future.”<sup>19</sup> Even this year, there are already trends towards global food shortage, maybe due to drought in Russia, which could not be predicted. Here, the regional or national food security food bank could be the answer. Appreciating such uncertainties and suggesting the right way forward is the essence of strategic direction.

## 6. Strategic Implementation and Strategic Relations

Strategic direction leads to strategic implementation and strategic relations. Strategic implementation may be called the action-stage of the vision and often called the most difficult stage. It would entail highest level of commitment, risks-taking, sacrifice, and motivation. It provides stimulus to the entire human resources. Human resources management should be tuned, keeping the strategic direction in focus, to support an organization's mission accomplishment and

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<sup>17</sup> Frederick Gluck, “Taking the Mystique Out of Planning”, *Across the Board*, July-August, 1985, p.59.

<sup>18</sup> “Environmental Protection is Self-Protection”, *The China Post*, Reprinted in *The Daily Star*, Dhaka, 08 October 2010.

<sup>19</sup> Quoted in Abdul Latif Mondal, “World Food Day—Uniting Against Hunger”, *The Daily Star*, Dhaka, October, 2010.

evaluate how well different milestones contribute to achieving the strategic goals of an organization or government. Human resource (HR) needs the most improvement in areas such as recruitment and staffing, employee development, and employee relations. They also get involved in firm's strategies like downsizing and restructuring which could also be true to the functioning of modern government machinery. Restructuring involves "out placing employees, instituting pay-for-performance plans, reducing health care costs, and retraining employees". HR needs to get more involved and innovative in such areas. How to get involved and innovative has broadly been identified earlier in the paper. Staffing, development, and employee relations would make a difference or distortion in achieving an organization's goal achievement. Bureaucracy, in Bangladesh, is better poised to produce a good, reasonably realistic, project plan but dismally fails to give it a final fine finish. They tend to be divorced from ground realities or may not have requisite expertise and commitment to get it done. They are better seen more transactional than transformational. Without being transformational, strategic direction, implementation, and relations are bound to suffer.

HR should cater to the needs of building relationship with the organization's management or the political leadership and the clients or the stakeholders. As a matter of fact, strategic goals cannot be meaningfully implemented without developing good working relations with the stakeholders both inside and outside the country. This is related to the present day buzz word called connectivity. Connectivity entails both physical and mental dimension. Strategic direction looks for connectivity in ideas, outlook, perceptions, values, socialization etc. This again needs training on inter-personal relations/communication, cross-cultural leadership, networking, and socialization. Again in the days of mad race of globalization, merging two "wildly different cultures" and dealing with after-shocks and uncertainty are the challenges for the HR people. Unless the HR employees are armed with such abilities, an organization would lose its credibility and functionality. In these days of globalization, cross-cultural values affect networking. This is a big strategic challenge. HR people should be better armed with the techniques of emotional intelligence (EI), so that they can handle this great strategic challenge. Better emotional intelligence would also help in understanding and implementing the strategic direction and planning through better communication, regulation, team-working, networking, empathy, and socialization. This may also be called diversity management. Diversity management is the challenge of the present-day complex globalized world as already highlighted.

## **7. Competitive Advantage**

As mentioned in the Introduction, human resources are critical resources to generate competitive advantage. This is buttressed by highly developed

employee skills, distinctive organizational cultures, management processes, and systems. All these variables are dependent on a high quality workforce, provided they are armed with the strategic vision, and can energize the organizations to compete on the basis of market responsiveness, product and service quality, quality products, and innovation. Chaturvedi in his work 'Strategic Human Resource Management' has seen strategic human resources management as 'the linking of human resources with strategic goals and objectives in order to improve business performance and develop organizational culture that foster innovation and flexibility.' Now, if the strategic goals and objectives cannot appreciate the human resources management, nothing will fall into place. The point that should be harped is: Please arm and prepare human capital with what to do tomorrow or day after or even after five years. Things are fast changing, especially in technology, systems, methodologies or even cultures and values. But above everything else, including having best of technologies, it is the human capital that makes the difference. Generally these days, technology-wise there may not be much difference in a given environment.

A Harvard expert, after having studied several manufacturing firms that installed special computer-integrated manufacturing systems to boost efficiency and flexibility, stated that, "All the data in my study point to one conclusion: operational flexibility is determined primarily by a plant's operators and the extent to which managers cultivate, measure, and communicate with them. Equipment and computer integration are secondary".<sup>20</sup> Things are also volatile and turbulent especially in the economic front. And unless these are taken seriously, the competitive advantage will be lost. Mere comparative advantage will not do. Bangladesh had comparative advantage in jute but failed to get the best out of it due to either slackness in raising our competitive advantage, or failure to appreciate the future use of a natural fiber such as jute. May be because of its lack of forecasting abilities and knowledge, the donor agencies overpowered it. This was again due to lack of its ability to look into the future. However, Bangladesh's golden days might come back due to unfolding of genome architecture of its golden fiber, jute. This has been made possible by a body of scientists comprising the top class human resources of Bangladesh. Innovation is, therefore, the order of the day. For such innovativeness, our scientists deserve due recognition and accolades.

Strategic formulation, after reviewing the strategic direction, is also facilitated by HR by providing information regarding any organization's strengths and weaknesses. HR people become strategic partners by playing prospective roles. They provide inputs to align HR practices with the business strategy. Through such formulation or playing prospective roles, HR experts

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<sup>20</sup> Linda Stroh, "Integrated HR Systems", quoted in Gary Dessler, *Human Resource Management*, Pearson—Prentice Hall, 10<sup>th</sup> Edition, 2008, p.83.

contribute immensely to increasing competitive advantage, although it is sustained by other factors such as infrastructure, political stability, updated, yet flexible rules and regulations, lack of corruption and high ethical values etc. A recent study on Indian readymade garments industry identifies poor labour conditions and unfavorable laws as weaknesses, while international law and environment laws are viewed as threats to the industry. Bangladesh may also have similar results; however, strength-wise it may not be the same. The golden goose may have limitations to lay eggs indefinitely.<sup>21</sup> And this is where other avenues or methods have to be worked out, as part of strategic direction, for better competitive advantage. Again to remain competitive, Bangladesh needs to invest more than 24% (savings as percentage of GDP). Bangladesh “saves nearly 35% of its GDP”. This will then generate 8-8.5% growth rate. This could not be done due mainly to inefficiency in the economy (poor infrastructure, energy shortage, etc.) and as such is unable to “elevate the country into the next trajectory of growth”.<sup>22</sup>

To derive more on competitive advantage, Bangladesh may look to the western countries that have accumulated a huge amount of cash/liquidity for suitable investments abroad. As for examples, private equity funds have US \$500 billion available to buy existing assets or companies and “US non-financial corporations are holding US \$ 1.8 trillion in cash”. Emerging market economies “are likely targets for western fund managers”. Our strategists may welcome portfolio investments in the fields of gas and power, given such an opportunity. Portfolio investments may have inherent risks that should also be looked into by the competent human resources. “Such equity capital from abroad can provide a basis for the local companies to upgrade their management systems and also attract more equity capital from the local investors who seem to be too hungry for investment outlets.”<sup>23</sup> To be able to appreciate and taking advantage of our strengths and opportunities, and thereby devise the most cost-effective strategies, a competent human capital is essential. There is a technique called Six Sigma that links variations in developing and managing human capital and business outcomes, which can be applied to give rise to “quality revolution”. Since human resources are “a large cost, a tremendous asset, and a critical source of sustainable competitive advantage”, its management and development is central

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<sup>21</sup> Ziauddin Choudhury, “Made in Bangladesh: Our Garments Sold Abroad”, *Forum (The Daily Star, Dhaka)*, Vol. 4, Issue 10, October 2010, p.21.

<sup>22</sup> Mamun Rashid, “Monetary Policy in an Emerging Economy”, *The Daily Star, Dhaka*, 07 October 2010.

<sup>23</sup> Prof. Shamsul Haque, “Debt and Economic Development Strategy”, *The Daily Sun, Dhaka*, 24 October 2010.

to any organization/government's success. "Human Capital Metrics" may be designed to assess how well human resources are managed and developed,<sup>24</sup>

### **8. Concluding Remarks**

In any organization, nothing is achievable without a clear-cut vision or a strategic direction. Goals should be clearly spelt out in a realistic, achievable, and time-bound format. It should also be culture-bound. Both uncertain and certain futures could be explored to the extent possible. All the tangibles and non-tangibles need to be foreseen as far as possible. A broad picture must always be in sight. The broad picture should show the alternatives along with the contingencies. For each contingency, different options could be strategized. Those should be evaluated showing their advantages and disadvantages. As a matter of fact, SWOT (Strength, Weakness, Opportunity, and Threat) analysis or a reality check could be the ideal means. For this, one needs a mind, imbued with wisdom and courage, one that can comprehend the strategic direction. Human resources should be trained and motivated to understand such complexities. Without a clear broad picture, one is likely to stumble on the way, and likely to bring disaster to the organization.

The message is loud and clear: If the strategy goes wrong, tactics or operational activities are bound to go wrong. Because of this, the Americans suffered a defeat in the Vietnam War. Interestingly this is also true in the corporate or government culture. Looking into the future along with making oneself competent with necessary knowledge, skill, and competencies maybe what one should constantly pursue. This may be a difficult tight rope walking but unfortunately, there is no viable alternative. Bangladesh received the prestigious United Nations award this year for attaining the Millennium Development Goal (MDG) in reducing the child mortality rate from 149 deaths per thousand live births in 1990 to 54 in 2008. This is an extraordinary achievement that speaks volumes about strategic direction and implementation. But there is no room for complacency since eradication of extreme poverty, which straddles around 20% of the total population, achievement of universal primary education, with drop-out rate in the range of 50%, improvement of maternal health, ensuring environmental sustainability would pose greater challenges to fulfill the MDG by 2015. All these challenges call for world-class human resources development program. But Bangladesh lacks significantly in producing quality human resources because of its lack of infrastructure, planning, faculty, connectivity with the latest technology, investment etc. May be public-private partnership could be a way forward but again such harmonization needs to be formalized and tried out at the operational level. It is yet to be tried as a workable concept. In

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<sup>24</sup> Laurie Bassi and Daniel McMurrer, "Applying Six Sigma Techniques to Human Capital Management", *White Paper*, McBassi & Company, Inc., July, 2006, p.3.

this connection, the government has to work out a perspective plan showing both long term and year-wise objectives. Before formulating the objectives, Key Result Areas (KRAs) need to be identified after exhaustive brainstorming with all the stakeholders. These are definitely done in Bangladesh, in one form or other, but implementation continues to be problematic, half hearted at best. Now, to do all these apparently uphill tasks, transformational leaders are needed, most importantly at the political/strategic direction level. Bangladesh has huge potentials, especially at the private level. Everything else will fall into place after that. It will be able to take the next leap forward.