Career Prospect of HRM in Least Developed Countries: Bangladesh Perspective

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Abstract: This study whirls around career prospect of Human Resource Management (HRM) in Bangladesh. Extensive survey was carried out among the professionals of different levels from varieties of organizations and the information was analyzed to find out the position of HRM profession compared to Finance and Marketing. The study analyzed the survey information on the basis of six different criteria such as getting the job faster, flexibility of job switching, opportunities of going up through the ladder, job satisfaction, training facility and starting salary. The survey shows that HRM professionals start their careers with higher salary, they switch jobs more frequently and their job satisfaction is more compared to Finance and Marketing professionals. The survey also reveals that job satisfaction is higher for HRM professionals compared to the Marketing and Finance professionals. But the advertisements of jobs for HRM positions are relatively low compared to Finance and Marketing. Through the analyses it tried to bring into light the intrinsic problems and latent prospect of HRM as profession.

Keywords: Career Prospect, Human Resources Management, Bangladesh, Least Developed Country.

1. INTRODUCTION

Global competition and the advent of new technologies have enhanced career opportunities available to graduates with a major in HRM. Effective management of people, their development, motivation and training, is recognized as a key factor in maximizing an organization’s profitability and objectives. In this context, HRM is an essential and effective partner in developing and executing organizational strategy. Business professionals with careers in human resources can be involved in a diverse range of activities within an organization including, but not limited to: administration; recruitment, industrial relations, occupational health and safety (OH&S), equal employment opportunity (EEO), training and development, organizational improvement and knowledge management. Careers in HRM can be generalist or specialist depending on an organization’s need. A variety of HRM careers is available in both the public and private sectors and across a range of industries within those sectors.

The concept of HRM is relatively new in Bangladesh. It is only a decade since people in top management in Bangladesh started realizing the need for a separate HRM department- a view
encouraged by the qualitative change in industrial sector in Bangladesh at late ’80. But the market is still quite slow in accommodating the fresh graduates. Only the multi-national companies along with some of the giant local companies have successfully assimilated the practice so far.

Human resources are inevitable for the maintenance of any company. Human Resource Management (HRM) is the strategic and coherent approach to the management of an organization’s most valuable assets- the people working there individually and collectively to contribute to the achievement of the objectives of the business. So it is necessary to maintain human resources properly with correct people. In this paper, the career prospect for the management of human resources in Bangladesh is tried to analyze and compare with other major areas.

2. OBJECTIVE OF THE STUDY

The objectives of the study are as follows,

- To explore the career prospects of HRM in Bangladesh,
- To compare its opportunity and demand with the other major areas like finance and marketing and
- To find out the job responsibilities of human resources employees in organizations.

3. LITERATURE REVIEW

Employees are the most important assets of an organization. In today’s competitive global business environment, hiring good professionals have become not only a difficult but an expensive process as well. Training them about the values and skills they need to succeed, ensuring they understand the organization's mission and strategy, and keeping them productive is the most important priority of any management institution. Human Resource Management involves recruiting personnel and their training, salary administration and handling union management relations. Because of such a dynamic scope in any organization, Personnel management or Human Resource management surfaced as a lucrative career option for those qualified in managing the human resources for any organization.

Human Resource Management (HRM) is the function within an organization that focuses on recruitment of, management of, and providing direction for the people who work in the organization. Human Resource Management can also be performed by line managers. It deals with issues related to people such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration, and training (HRGURU.com).

The roots of people management can be traced back to the Industrial Revolution in England in the late 18th century(WikiEducator). The momentum for the industrial revolution grew through the 17th century. Agricultural methods were continually improving, creating surpluses that were used for trade. In addition, technical advances were also occurring, for example the Spinning Jenny and the Steam Engine. These advances created a need for improved work methods, productivity and quality that led to the beginning of the Industrial Revolution(123HelpMe.com).

In 1776, Adam Smith wrote about the economic advantages of the division of labor in his work The Wealth of Nations. Smith (1776) proposed that work could be made more efficient through specialization and he suggested that work should be broken down into simple tasks. From this division he saw three advantages:

- The development of skills
- Time saving
- The possibility of using specialized tools.

Smith's suggestions led to many changes in manufacturing processes. During the late 1700's and early 1800's governments began to feel pressure from the working class masses who started to question and defy the power of the aristocracy. The working class began to form workplace combinations and trade organizations to provide a collective voice for their rights. Governments tried to fight this using legislation such as the Combination Acts of 1799/1800 in the UK, which banned everything from meetings to combinations(123HelpMe.com).
It is believed that the first personnel management department began at the National Cash Register Co. (NCR). NCR faced a major strike at the turn of the century but eventually defeated the union after a lockout in 1901. After this difficult union battle, company President John H. Patterson decided to improve worker relations by organizing a personnel department to handle grievances, discharges, safety and other employee issues. The department also kept track of pending legislation and court decisions and these first personnel managers provided training for supervisors on new laws and practices (Losey, 1998).

Sett (2004) has described the trend of HRM practices and the extent of adopting HRM practices in South Asian Region. The South Asian industrial landscape underwent qualitative changes since mid-1980s with the opening up of the economy in most countries in the region. The emerging competitive environment called for a more comprehensive and a strategic approach to the management of people and created the necessary context for the adoption of HRM practices at firm level – as had happened in other countries. In advanced Western countries globalization has been accompanied by the increasing use of sophisticated HRM practices at firm level. Content analyses of case studies of 59 South Asian firms identified a similar trend. The findings suggest that the globalization of the South Asian economy is accompanied by a discernible shift from the reactive adversarial of traditional industrial relations towards increasing use of HRM practices.

The concept of HRM is relatively new in Bangladesh. This is only practiced in the multinational company and some large local companies. In the governmental organizations there is no separate HRM department. Some of the HRM practices are performed by few Governmental bodies. Therefore, though some studies have been carried out in HRM fields, studies regarding career prospects of HR graduates in comparison to other majors have not been done yet.

Chisty et al. (2007) has done a study on the Business graduate employability in Bangladesh, which was published in a BRAC University journal. This research paper takes a look into the job market of Bangladesh. The research paper takes special consideration on the job employability of the Business graduates. The researchers find some factors that affect the employability. They identify some skills (apart from degree, certificate, and diploma) that are considered important by the corporate bodies of Bangladesh for graduate’s employability. The researchers have presented their ideas by statistical data and recommended for the improvement of quality of education. Their special proposal was to initiate a job-oriented education.

Survey report 2005 by Chartered Institute of Personnel and Development about “HR: where is your career heading?” has been found to be an important literature to describe the existing position of HRM practices globally.

Major transformations in the workplace in the past few years have resulted in the HR function experiencing considerable change. The report emphasized the impact of such changes on careers in HR. It provides data on current and emerging trends in HR careers. It provides information on the typical career paths of HR practitioners and gets an idea of their attitudes towards their jobs and the profession in general. The study also focused on how people began their careers in HR and the nature and extent of their experience within and outside HR (Heaton and Ackah, 2007).

4. RESEARCH METHODOLOGY

In this study both the primary and secondary data are used.

Sample size

We have surveyed 385 professionals from different organizations.

Selection Criteria

Professionals from Marketing, Human Resource and Finance have been taken into account. We have categorized the professional in three categories according to their career length.

Entry Level or Junior Level: Job experience less than 2 years.

Mid Level: Job experience between 2 to 5 years.

Top Level: Job experience more than 5 years.
Primary data
Primary data were collated from the corporate head office of Bangladesh Society for Human Resource Management (B.S.H.R.M.) and ten other different organizations with semi structured questionnaire survey.

Secondary data
Secondary data are collected from books, newspapers, journals, annual reports, internet etc.

Explaining the Variables
The main objective of this report is to explore the career prospect in human resource with respect to other major organizational functions. The investigation and analysis were conducted based on several relevant variables. The underlying reasons of selecting these variables are as follows.

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Getting the Job
The variable, ‘getting the job’, basically reflects how long it takes for a fresh graduate to get the first job. This will develop a comparative picture of the current market demand for fresh HR graduates in comparison to other functional departments.

Flexibility in Job Switching
The variable, ‘flexibility in job switching’, reflects how easily a person can switch his/her job or the organization and get a new job. This will give a comparative idea of the options available for an HR professional and professionals from other departments.

Going Up Through the Ladder
The variable, ‘going up through the ladder’, reflects how fast and how many promotions a professional can get and how easily he/she can climb up the organizational hierarchy. This will give us a comparative picture of career growth in human resource and other functional departments.

Job Satisfaction
The variable, ‘job satisfaction’, basically sketches career satisfaction level of a professional. This considers the person’s view towards his/her job. Here also a comparative picture will be developed for the HR professionals and other major functional departments.

Training Facilities
The variable, ‘training facility’, shows how much the organizations give emphasis on career development of their employees. A comparison will be conducted on the facilities offered to HR professionals and other departments.

Starting Salary
The variable, ‘starting salary’ evaluates the attractiveness of the job. This will help to develop a comparative picture about the current job situation in Bangladesh.

All these variables are considered at the time of developing the questionnaire.

5. DATA ANALYSIS AND RESEARCH FINDINGS
Let us take a look at the findings depending on the variables mentioned in the previous section.

5.1 Analyzing the Variables

Getting the Job
Amongst the variables, we have placed the “time lag between completing the graduation and getting off the mark” as the prior selection criterion. We have asked the professionals in three
particular discipline (namely Marketing, Finance, HRM) how long it took them to get a job right underway after the graduation or completion of any other professional courses. The time lags we have found are roughly as follows:

- Marketing 38 days
- HR 87 days
- Finance 56 days

The numbers, not decisive though, indicate a greater uncertainty when it comes to the matter of getting off the mark. On the other hand, graduates from the other two disciplines do not have to wait necessarily that long for their first job which results a greater attraction for these two sectors than HRM. No wonder people have an aversion for HRM and greater affinity for Marketing and Finance.

The following reasons may be attributed to this considerably lengthy time lag:

- Very little recruitment advertises ask for HRM managers for employing at the entry level or even at the mid-level of the organization.
- It has only been a few years since top people in the management have started to realize the importance of a separate HR division but the job market is quite slow in accommodating the HR people in the organizations. HR is still in its early stage in many organizations and a flatter hierarchy in HR department is a very common scene almost everywhere. So job market is little bit slack for the “New borne” HR people.

**Job Switching Tendency**

Although it takes long for the HR people to make the first scratch on the surface, they have a greater opportunity in terms of choosing or switching the job. Statistics show that rate of job switching for HR people within the first fifteen years hovers around 0.7. That is quite high quotient indicating that once they get their first job and gather a few years of experience they are left with quite a large smorgasbord of jobs to choose from. This is of course an indication of existing dearth of experienced HR people in the mid-level.

Job switching rate= (No. of job switched/Career duration)

- Marketing 0.41
- HRM 0.70
- Finance 0.50

This is Job switching rate for one person. All such rate are aggregated and averaged.

Notable that, people who spent more than fifteen years in the HRM field (or any other field) tend to settle down and seem to abdicate the job switching penchant. That is why the sample included only those who spent less than fifteen years in a specific field.

**Going Up Through the Ladder**

This is another problem in HR job sector. Statistics has shown that on an average it takes three years or more for an HR professional to get one promotion, whereas the people in Marketing and Finance get one promotion in every 2 and half years or even in more quick succession. That is another disappointing feature of this sector.

**Job satisfaction**

Job satisfaction depends upon work load, payment structure relative to work load and variety, job responsibilities and work environment. In the study, professionals were surveyed about their level of job satisfaction in four categories (Fully satisfied, Moderately satisfied, Not satisfied and Dissatisfied).
Figure 1 shows that job satisfaction level of HRM personnel are higher compared to Marketing and Finance. It can be seen from the table above that 70% of HR professionals is fully satisfied with their current job while only 44% of finance and 25% of marketing professionals have mentioned that they are fully satisfied. Mostly non-satisfied professionals are working in marketing department.

### Training Facilities

Training is an excellent opportunity for individual development. Facilities for training are different for different sectors. The following data shows the number of training experienced by each person per year.

- Marketing : 1.40
- HRM : 1.16
- Finance : 0.67

Avg. no of training received = No of trainings /no of years

Training facilities arranged for HR personnel is moderate in comparison to other areas. Marketing enjoys higher rate as marketing people have to handle more challenges. HRM deals with people who are the most vulnerable resource for any organization. That is why extensive training is required to build the needed qualities.

### Starting Salary

Starting salary is also an important criterion as higher starting salary indicates attractiveness for the job. The average starting salary of sample population is as follows-

- Marketing : Tk. 15,055
- HRM : Tk. 15,062
- Finance : Tk. 17,971

The sample data reveals that HR jobs offer higher starting salary than the other two sectors. But the differences between Marketing and HR jobs are not so significant in this aspect. However, the salary growth for HR personnel is lower in comparison to Marketing and Finance. This might be attributed to the lower scope for moving up the ladder.

### 5.2 Organization Analysis

Usually, Manufacturing organization concerns with the making and delivering product. So, they need Blue collar workers for making the product, marketing people for selling the product and finance people for working out product’s feasibility. HRM is also a key department in Manufacturing Organization to handle the work related issues with the labor unions and to
motivate the workers to boost productivity. But, in our country the picture is different. Here, the organizations fail to understand the value of having a strong HRM department. Moreover, this type of organization focuses more on selling. So, marketing people and production workers are majority of the employees in a manufacturing organization. Our survey findings also depict this fact.

![Figure 2. Ratio of professionals of different sectors in a manufacturing organization](image)

**Source:** Survey result

In the chart it is shown that manufacturing organization has mostly marketing people which is 60% in this case. Finance also has a significant portion. But human resource people are the least in majority comparison with the other majors.

On the contrary, Service organization focuses on delivering service. This sector needs more sophisticated people with expertise in a particular field. As, this type of organization concerns about delivering excellent service, so they need more training, motivation to perform the service flawlessly. The selection process of service organization also has to be a high-quality one, because good selection process gathers excellent workers. The service organizations have to sell the service to people so they need marketing people for advertising.

![Figure 3. Ratio of professionals of different sectors in a service organization](image)

**Source:** Survey result

In our survey, most of the service companies chosen are banks. So, understandably banks need more finance people. Service organizations have more HRM employees (24%) than the manufacturing organizations have (10%). The survey finding shows that HRM and Marketing almost have the same number of employees as in case for Service Organization.

### 5.3 Advertisement Analysis

Now a days in Bangladesh, main sources for job advertisements are newspapers and websites. Many jobs are posted in more than 20 different categories. In comparison with Marketing and Finance job postings for HR are relatively low. In figure 4, we can see the relative online job
postings status of Bangladesh in any random day from bdjobs website. There were 62 HRM job posting where Finance has 204 and Marketing has 304 job postings.

**Figure 4. Ratio of online job advertisements of different sectors (HRM, Finance and Marketing)**

*Source: bdjobs website, retrieved at December 18, 2013*

5.4 Experience Requirement

Employers hire fresh graduates of HRM in a relatively few numbers than in the case for Finance and Marketing. 1-2 years of job experience is common for HRM incumbents. Midlevel managers with HR major in MBA requires 6-10 years of experience where else a non HR major in MBA requires 5-8 years of experience. For top level HRM executive experience of 15-20 years is required. But in case of finance or marketing only 10-15 years of experience is considered sufficient.

5.5 Job Responsibilities of HR incumbents

- Analyses different jobs and positions in the company. Assists job holders in preparing job descriptions. Analyses new positions to prepare employee specification.
- Manage the employee compensation and benefits systems in such a way that the employees remain motivated and loyal to the organization.
- Establish & maintain the company’s pay system.
- Conduct yearly salary surveys from industry and competitor companies.
- Manages the employee information database for payroll, leave and other information.
- Devise and maintain the performance evaluation system.
- Develop and manage the employee benefits program, notably the health insurance and provident fund.
- Devise and deploy with assistance from line managers, occupational safety codes and standard of the company at different sites.
- Develops and maintains the Employee Manual/HR inventory and database.
- Remains well-informed on local legislations such as labor laws and factory acts. Recommends necessary actions in accordance with these laws.
- Carries out prompt investigation into employee grievances and recommends actions.

6. CONCLUSION AND RECOMMENDATION

Human Resource Management (HRM) is a growing career in Bangladesh and most companies are looking for HR professionals. But finding a good, skilled person in this line is a tough ask and so most companies can’t hire the suitable candidates for their HR posts. Furthermore it is also said that HR related jobs or HR related career cannot take one to the peak and the myth is actually to some extent true. Though it is a very prospective trend in career, the major difference of HR and other major areas of job like finance or marketing is that it is still difficult for HR managers to work alone, independently.
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As the time progresses HRM gains more recognition as an important player in developing and executing organization strategies. The scope of HR services has also been expanding beyond simply recruitment, payroll, benefits, compensation, etc. With all its limitations and with even greater prospects HR profession in Bangladesh is heading to a bright future that without any hesitation going to groom as a major job sector.

But we also pointed out some HR related problems in Bangladesh. Some of the problems are such as:

- The Government of Bangladesh has no ministry for HR. Most organizations do not have HR departments and thus HR practice lags far behind in Bangladesh.
- Lack of market driven HRM education in many universities that conflict with real life situations. Also, educational institutions teaching HR mostly base their curriculum around industrial management as it mostly focuses around labor laws.
- There is a lack of proper empowerment of HR persons in an organization. Mostly it is seen that the HR department is carrying out orders of the management and there is no self-involvement by these executives in any decision making.
- In most organizations, a HR person is not seen as a strategic business partner. Professionals in this line do not want to take risks.
- The management has a tendency to discriminate HR professionals in terms of salary and position.
- There is a lack of initiative in terms of personal and professional development from the HR professionals’ part. They should regularly update their knowledge to be able to survive in this fast track line.
- Most of the HR professionals have not been able to demonstrate the benefits or the bottom line results being achieved from practicing modern HR concepts.
- Two alternative scenarios prevail in Bangladesh. Few people understand the differences between genuine HRM tasks and administrative tasks of an organization. Many incumbents of the HR department are observed to be performing generic tasks of reporting to the higher authority rather than the core HR tasks of maintaining a healthy HR force. There is also a lack of strategic outlook of HRM considered essential for maintaining a competitive stance in the globalized world. The reverse is also true: companies do not feel the necessity of hiring specialized HRM graduates rather candidates from non-specialized background are seen to perform the core HRM functions. No wonder many deserving candidates get lost in the system. These organizations fail to realize the real worth of HR asset and hence the need to harness a distinct and separate department responsible for supporting their HR asset.

To overcome problems related to HRM as a career choice the following steps can be taken:

- The most important one is to raise awareness among students.
- Then, educational institutions those teaching HR, mostly base their curriculum around industrial management (IM). As IM mostly focuses around labor laws, so, the trend should be changed.
- If the government establishes a ministry for HR, then it will encourage others to follow the trend and give attention to the HR department in an organization.
- Most of the companies take HR department as a burden. They think of it as cost centre which should be changed.
- Then in many organizations, it is very common that HR jobs are performed by personnel of other departments. Though it is acceptable to some extent for small organizations but for large organizations there should be a separate HR department.

Finally, though still in Bangladesh, the HR people are undervalued, globally they are getting more and more importance. In Bangladesh also many companies are now recognizing the value of Human Resource Management and it is increasing day by day. So we can hope to see, within next decade, HR will get to have same importance as other major areas like finance and marketing.
Hence job prospects for HRM specialists are bright. The Industrial boom has significantly increased the importance of Human Resource Management (HRM) jobs. Nowadays, the role of Human Resources (HR) has become a more and more important profession in the business environment. It is now recognized as an essential role in developing and executing organizational strategy. The scope of HR services has been expanding beyond simple recruitment, payroll, benefits, compensation, etc. Following the trend that many corporations treasure their personnel as their “human capital”, it is the job of HR to provide them with learning and development opportunities by means of continuous, quality training and mentoring programs, etc and to monitor and uphold their performance by effective performance management approaches. In cases of company restructuring, HR will even take up the role of planning and implementing related change management tasks.

But it must be kept in mind that a human resource manager one has to lead the most volatile and yet, the most precious resource of an organization, its people. As a Human Resource Manager one always needs to keep the doors open and find specific means to motivate each employee. As such, the HRM job is challenging nonetheless equally rewarding.

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