

HUMAN RESOURCE MANAGEMENT PRACTICES IN BANGLADES FROM ISLAMIC PERSPECTIVE: CHALLENGES AND REMEDIES

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ABSTRACT

The study aims at demonstrating the situation of Human Resource Management Practices from Islamic perspective in the present context of Bangladesh. In Bangladesh as a Muslim majority country how the IHRM could play a good role towards positive attitudes and behaviors at the work place is another objective of this study. The new trend of practicing IHRM has been observing from last couple of decades especially in Islamic organizations and institutions. However, they have been facing a lot of problems from the beginning to practice IHRM while the concept is not well known to the people and not well constructed based on the Qur'an and Sunnah. Moreover, other traditional organizations practice very conventional idea of Human Resource Management (HRM). This dual HRM system in a country leads both of them to a rival situation. Therefore, the present study emphasizes on to find out the challenges in promoting IHRM practices in Bangladesh. Finally, the study suggests some recommendations towards overcoming those challenges in the context of Bangladesh. The methodologies applied in this study are analytic and descriptive. The data have been collected from the secondary sources. The limitation of the study is that it has been conducted on the basis of overall situation of IHRM in the context of Bangladesh rather than concentrated in any particular organization. This study would be useful for the researchers, scholars, academicians, students and others who are interested to study the IHRM in Bangladesh.

Keywords: Human Resource Management, Bangladesh, Islam, Human, Management.

1. INTRODUCTION

Islamic Human Resources Management (IHRM) has been concentrated by the scholars, thinkers, policymakers and researchers in the present Bangladesh. This policy has proved that it can ensure the satisfaction of the employees and achieve the trust from both parties; management body and workers. It is quite impossible to be success of an organization without good human resources management practices as they are the most significant asset. The success of an organization also depends on its human performance and capabilities. Managing people and controlling the human behavior is powerful tool to get the minimum effort of organization's people. It is much difficult to manage people than manage machines and the weakness of a managing human resource. To do so, the concept of HRM has been developed. It has been defined as the organizational function that concern with issues related to human such as hiring, training, performance management,

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compensation employee motivation, organization development, benefits, communication, administration, wellness and safety. Over the years researchers have suggested about the practice of HRM i.e. Employee selection based on fit with the company's culture, emphasis on behavior, attitude and necessary technical skills required by the job, compensation contingent on performance and employee empowerment to foster team work among others have the potential to improve and sustain organizational performance (Ahmad and Schroeder, 2003). A growing body of research including both industry specific studies and cross industry studies investigates the impact of human resource management on firm performance (Bartel, 2004).

However, Fiorina (2001) argued that in today's ethical crisis of all over the business world specify, we must affirm our promise to build organizations that aspire to Islamic perspective of human resource management (HRM). The study shows that the challenging business environment creates undue competition among man, machine, and employee sustainability in the organization (Pfeffer, 2005). The same scenario is observed in the present Bangladesh. We need to overcome that rival situation. Namazie and Frame (2007) argued that the IHRM practices can mitigate this rival situation by ensuring Islamic ethics, guidelines and principals in the organization. If we can practice the true concept of IHRM then we can not only overcome that situation but also the beauty of Islam can be demonstrated before the world.

2. PROBLEM STATEMENT

Though 90% people of Bangladesh are Muslims, there are no proper practices of Human Resource Management (HRM) based on Islamic perspective in any organization. The satisfaction level of employees is decreasing day by day. The trust between managing body and workers is also rare in most of the cases. In this situation, a few organizations especially Islamic organizations are trying to practice based on Islamic principles but due to some limitations they are failing so. They have also been facing some challenges in this regard.

3. RESEARCH OBJECTIVES

The major objectives of the study are to evaluate the Human Resource Management practices from Islamic point of view in the present context of Bangladesh. The specific objectives are ascertained bellow:

- i. To study the present situation of HRM practices in Bangladesh.
- ii. To find out the challenges towards IHRM in Bangladesh.
- iii. To provide recommends and suggestions to overcome those challenges.

4. METHODOLOGY OF THE STUDY

The methodologies applied in this study are analytic and descriptive. The data collected from various sources have been studied and analyzed carefully. Basically, the secondary source has been used in this study to collect data for demonstrating the overall present situation of HRM in Bangladesh from Islamic perspective. However, the primary sources regarding Islamic knowledge such as Qur'an and *Sunnah* have been studied carefully and quoted necessarily as much as needed. Other works on HRM from both conventional and Islamic point of views have been considered in this study.

5. LITERATURE REVIEW

IHRM practices are very much important but are rarely highlighted in the literature (Hasshim, 2009). However, the present trend of research has concentrated to the study of Human Resource

Management (HRM) practices from an Islamic perspective. It has been understood that the HRM practices from an Islamic perspective is an important need today for mankind. . Sadeq (2001) defines HRM as the ability to show the way and guide the people. It is also a collection of actions to control and manage the activities of people inside an organization. In Islam, the human resource management is based on number of factors such as *amānah*, dual responsibility, *shūra*, *al-‘adl* (justice).

By viewing the significance of human resource management, scholars who are concerned about the success of an organization cannot ignore the potential contribution that human resource management can make in organizations survivor. From the Islamic perspective, the holy Qur’an calls for an equitable and good treatment of all people in the society (Yousef: 2001). Dessler (2009) and (2011) say that the knowledge of HRM is important to all managers, otherwise managers can select the wrong person for the job, experience high turnover, people will not be able to give their best output, waste time with useless interviews can go to court because of discriminatory actions the company can be cited by occupational safety and health administration (OSHA) for unsafe practices can commit unfair labor practices and inequitable salaries related to others in the organization allow a lack of training to undermine the department’s effectiveness.

In order to ensure that the selection is fairly happened and equitable treatment is given to all candidates, Islam requires the employers to be pious. Ahmed (1995) mentions that employer should perform the main activities of Islam such as prayers, fasting, *zakāt* and other Islamic characteristics like honesty and fidelity to achieve best level of piety. In Islam, employers choosing strategy is based on some principles. The first principle is justice. The justice in human resource management is very important to ensure that everyone in the organization get his rights and stay away from oppression. Ahmed (1995) states that “Islam refuses any injustice behavior such as “*al-rashwa*” which is defined as the gift offered to persuade a person to do something. “*Al-Rashwa*” is an obvious dishonest behavior. Second principle is that an employee is selected depend on his/her competency. The people who apply for job is not to be selected based on friendship, blood relationship or kinship, age, wealth, race or political power. Third principle is honesty. The candidate and the employees should be honest. The applicant should be honest with himself, knowing his ability and he should apply only when he sure that he can perform the tasks of the job.”

Sayed (1997) in his survey showed the issues of the management including human resource, management, planning organizing etc. The survey discussed the management principle from an Islamic perspective. The study also revealed that modern management theories are failed because these are not able to meet the need of employees. The main principles of the Human Resources Management based on Islam are directly related to the Islamic values and attitude.

It is an obligation for Muslim managers in Islamic organization to not only know but also to apply the Islamic approach in managing employees. The holy Quran and Hadith are the basis for the *sharī‘ah* (Islamic law) and norms for humanity. The *sharī‘ah* being and integral part of revelation is a guide for human action covering every aspect of social political, cultural and economic life. The holy Quran and the Hadith are sources of sound and qualitative values, moral standards, concepts and fundamental guides for good and strong harmonious in HRM practices (Seidu, 2006).

Moreover, the IHRM practices focus more on the life hereafter as the end and the daily life in his world is the means in order to obtain the success in the hereafter which is known as *al-falāḥ*. Spiritual aspects are recognized as the contributing factor in obtaining organizational permanence. Thus it is hypothesized that there is a positive relationship between Islamic human resource practices and organizational performance.

However, a few works have been conducted to demonstrate, conceptualize, construct and develop IHRM in the context of Bangladesh. Among them, a study conducted a survey on Islamic Banks to show the relationship between IHRM practices and trust and found that most of the respondent agreed upon to state that IHRM can ensure the trust (Rahman, et. Al, 2013). Since some Islamic organizations and institutes such as Islamic banks in Bangladesh do claim that they provide *sharī'ah* based service, we can expect that the use Islamic principal in their HRM practices.

Altalib and Aiyah (1991) stated in their study that Muslim scholars have long encouraged that effective adherence and application of Islamic principles and guidelines in HRM would positively reinforce the workforce and create a synergy of commitment, quality and productivity at workplaces (Some other works also test the IHRM practices in Islamic banks and employees satisfaction, trust, commitments etc. Among them, Ab. Rahim and Sharmin Shaid stated that there is not significance relation between recruitment system and employees commitments.

As we have mentioned earlier that a few study has been conducted to demonstrate the HRM based on Islamic principles in the organizations especially in the banking systems in Bangladesh. This paper is going to state the nature of HRM practices from Islamic perspective in present Bangladesh. The study also attempts to find out the challenges towards practicing HRM with Islamic values and to put some solution for overcoming those challenges in the context of Bangladesh.

6. ANALYSIS AND FINDINGS

6.1. Concept of IHRM

If the human resources management is based on the Qur'anic and sunnahtic wisdom, it is considered as the Islamic human resources management. The main difference between conventional view of HRM and Islamic HRM is the basis of Qur'an and *Sunnah*. IHRM's principals are developed in accordance with the Qur'an and *Sunnah*. Therefore, IHRM requires a rigorous understanding of the basic Islamic principles, guidance and practices explained in the Qur'an and Hadith. The wisdom here is a good Muslim can be a good manager at the same time a good worker. A good Muslim should have the qualities to be a good employee. Basic Islamic principles should be considered not only in recruiting the new employees but also to train, honor, and pay them. In Islamic sense, the basis of dealing with and managing human beings is an organization lies well beyond the common perception concerning the human factor of production and its management (Sadeq, 2001).

6.2. Principles of HRM from Islamic perspective

Muslim scholar set up some principles of IHRM. Those principles include (1) *al-amānah* (the trusteeship) among the employers and employees (al-Qur'an, 9:111), (2) *al-niyyah ṣaḥīḥah* (correct and good intention). Because, in Islam, reward depends on good intention (*Ṣaḥīḥ al-Bukhārī*), (3) *ra'īnah* (responsible and responsibilities) to the superior and finally to the Creator and this is not only for this life but also for the life hereafter. (4) *mas'uliyah* (the wisdom of everyone) will be asked for their responsibilities in both worlds, (5) loyalty not to the personal but to the office (*Ṣaḥīḥ al-Bukhārī*), (6) *maṣāliḥ mursalah*, public interest, (7) *shūrah*, consultation for the decision making (al-Qur'an, 3:159), (8) *jaza' hasanah*, due benefit and payment (al-Bukhārī), (9), proper utilization of resources, (10) *ʿadl*, justice and fareness to all (al-Qur'an, 16:90), (11) *musawwah*, equality

and equability, (12) *‘aqd*, contract should be clear and fulfilled thoroughly (al-Qur’an, 5:1), (13) *ukhwāh*, brotherhood and (14) *falāh*, work for success in this life and in the life hereafter.

6.3. IHRM practices in Bangladesh: A Brief Overview

At present, there is no organization in Bangladesh that can conduct their organizational activities following aforementioned principles properly. However, some Islamic organizations are trying to follow all of those principles in their human resource management practices, although, they face some challenges in the context of Bangladesh. For example, Islami Bank Bangladesh Limited (IBBL), Al-‘Arafa Islami Bank Limited (AIBL) and some other banks those claim that they practice their activities based on *sharī‘ah*.

In most of the cases, five variables are emphasized in the concept of IHRM in the organization such as (1) Islamic knowledge and understanding, (2) performance appraisal, (3) recruitment, (4) training and development, and (5) compensation (Abd. Rahman & Sharmin Shahid, nd.). However, all the organization cannot follow and practice all abovementioned principles in their activities. This is not only because of the managing authority, but also the employees and mass people’s knowledge and understanding of Islam and its teachings. It will take time. It is expected that a Muslim manager of a public or private Islamic organization would use these principles, guidelines and concepts provided by the Islamic teaching in applying proper motivational techniques that would solve the chronic problems of human resource management to raise productivity, management of conflict, lower absenteeism, tardiness, and misbehavior and corruption in any level of organization. Therefore, the present study does claim that the true concept and principles of IHRM practices are not followed and performed by any organization in the present Bangladesh. It is also noted that, the progress of Islamic human resources management is also too new concept to present its appeal to management experts but in the meantime it seems as a growing concept among management scholars.

6.4. Challenges towards HRM

Different Islamic organizations of Bangladesh have been facing a lot of challenges regarding the practices of HRM with Islamic values. Absence of Islamic administration in state level is the main barrier for implementing these practices. Besides, the followings are considered as the significant challenges of IHRM in the context of Bangladesh:

- i. Lack of knowledge about and understanding of the true concept of IHRM and its principles based on Islamic perspective. Not only General people, but also management experts are not well acquainted about this concept.
- ii. Lack of Good intention from both parties is another mentionable challenge.
- iii. There is scarcity of resources outcomes on Islamic human resource management as it has done on Islamic economics or finance.
- iv. Lack of framework and development of IHRM in the context of Bangladesh and its publicity among the concerned people.
- v. Lack of comprehensive research based publications in this field.
- vi. Inclination of Islamic management related concepts on course curriculum of university level are not mentionable.
- vii. There is no model organization of practicing Islamic management properly which can be mentioned about this topic, although Islamic Banks are trying to follow and implement the concept.
- viii. No initiative to integrate the concept of from both conventional and Islamic perspective. HRM is another barrier of its practical uses.
- ix. Lack of presentation the universal accepted nature of IHRM.

- x. "Islam is a complete code of life" this truth is not clear in our society and in organization. Maximum people of our society don't know that excellent guidelines are prevailing about HR management in the holy Qur'an and the life of prophet (pbuh) and
- xi. Islamic management concept is not institutionalized till now as Islamic economics and Islamic finance.

7. RECOMMENDATIONS AND SUGGESTIONS

While the contemporary theories of human resources development have emphasized on the promotion of biological needs of man and thus treated manpower as mechanical tools of production, nonetheless the Islamic perspective of HRM has promoted a holistic and human oriented approach which includes moral responsibility, intellectual talent knowledge and skills of the individual. Finally, while conventional theories of HRM say that life is an ascending process which is under continuous transformation and change, and thus cannot conceive absolute values and principles, the *tawhidic* conception of Islam insists that human resource development should be in line with the metaphysical principle and ethical values which are permanent and stable. Due to the above constraints some possible measures are as follows:

- i. The concept of IHRM should be formed in an academic manner and included in the syllabus. Specially, IHRM should be included in our higher education level; especially university's course curriculum.
- ii. The initiatives should be taken for public awareness based on Islamic values of HRM, its nature and benefits.
- iii. IHRM should also be emphasized in the academic works. Authority of any organization who really wants to implement the IHRM should be involved in studying and developing the concept with an intention of public interest.
- iv. Both parties should be more careful to practice the principles of IHRM because, in some cases, people want to practice IHRM or they do claim that we are following the principles but they are careless to those principles. Therefore, the conflict between philosophy and practice is overheated in the country. It leads people especially the employees to be frustrated and disappointed in the workplace. They lose their trust also. As a result, success of organization becomes quite impossible.
- v. As a Muslim majority country, the government should also emphasize on practicing IHRM since it has already been proved that the IHRM can bring more trust among employees and success for the organization instead of conventional practice of HRM.
- vi. It is also an urgent need to organize seminars, symposiums, conferences nationally and internationally, social awareness programs to ensure the awareness of IHRM's uniqueness and benefits then the all organizations will be more interested to this concept. Thus, it will bring the success not only in this life but also in the life hereafter.

8. CONCLUSION

Islamic Human Resource Management has taken attention of the scholars, thinkers, policymakers and others in all around the world. The concept is too young in Bangladesh but it is growing up rapidly especially in the Islamic organizations and institutions. There are few challenges towards promoting the concept. To overcome those challenges, it is urgent need to take initiatives by the concerned people and authority. The first step should be taken by the authority of the organization. It has already been proved that the IHRM does not only bring the success, but also create a friendly or in wide sense brotherhood environment in the workplace which lead people to be more motivated and devoted to their work.

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