

# A Study of the Industrial Relations Systems of Some Developed Countries and Lessons for Bangladesh

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**Abstract:** *Industrial Relations or Employment Relations grow out of employment. There are two parties in the employment relations- Labor and Management. Both the parties need to work in a spirit of co-operation, adjustment for their mutual interest. However, good Industrial Relations are one of the preconditions for a pleasant industrial environment. That environment will only be possible when a democratic industrial environment prevails in the industrial park. The industrially developed countries of the world are maintaining a good industrial democracy which will be the lesson for the underdeveloped and developing countries. The objectives of this study are to chalk out the salient good industrial features of some developed countries, which will act as a lesson for underdeveloped and developing countries like Bangladesh.*

**Keywords:** *Industrial Relations (IR), Employment Relations, Human Resource Management (HRM), Evolution Theories, Human Capital, Personnel Management (PM), Industrial Democracy.*

## 1 Objectives of the Study

The objective of this study is to suggest a lesson which will enable the industries of Bangladesh to visualize the requirements of proper Human Resource Management Practices to achieve the organizational goals in a rapidly changing environment in the light of the developed countries IR practices.

The main objective of this study is to find out the IR system of some developed countries. The other objectives of this study are:

1. To suggest a strategy, this in turn will enable the IR systems of Bangladesh to visualize the requirements of good IR systems.
2. To know over an IR systems of developed countries.
3. To acquire knowledge on IR systems practicing by the developed countries.
4. To know the functions of developed countries' IR systems related authorities.
5. Making a precise picture of the present situation of IR systems in Bangladesh.
6. To draw a suggestion to follow Bangladeshi Organizations.

### 1.1 Scope of the Study

First of all it will help to get a clear idea of the IR systems and its working procedures as well as its key roles in industrial states of Bangladesh.

Secondly, Human Resource is an emerging concept in Bangladesh and organizations like industries put much more emphasis on this department. So this study will help the organizations as well. In this regard, this research will help to increase organization's performance in a way the employee of the organization will think.

Last of all, it will encourage further study in this area and will provide useful guidelines for this type of research.

### **1.2 Methodology of the Study**

The study is mainly based on literature review and information collected both from primary and secondary sources.

#### *Primary data collection:*

All the required primary data were collected through direct interview and also through informal discussion of the staffs of some Industrial Enterprises.

#### *Secondary sources:*

Secondary data were collected from the publications of various agencies and Books of eminent scholars, Periodicals, journals, published and unpublished books and relevant research reports of some eminent scholars are also consulted.

#### *Use of Hypothesis Study:*

Accomplishment of the above mentioned objectives in the industrial sectors of Bangladesh, the following hypotheses are proposed:

- 1) *Hypothesis-1:* Human Resource Management (HRM) is done keeping an eye on the organizational Development and technological advancement.
- 2) *Hypothesis-2:* Industrial Relations provisions are kept to ensure the good Industrial environment in Bangladeshi Organizations.

### **1.3 Type of Research**

From the view point of Objectives, it is a study based research undertaken to draw a lesson for developing countries like Bangladesh.

From the view point of function, it is a descriptive research as the research was undertaken to know the IR systems of some developed countries.

### **1.4 Limitation of the Study**

The main limitation of the study is lack of information provided by the organizations. Some industries were very cooperative in making this report but due to its company's rules and insecurity in the market caused this obstacle that could not overcome.

## **2 Introduction**

Comparative industrial relations may be defined as identifying and interpreting similarities and differences among the actors of industrial relations and their interactions in various countries.

In the modern world state's role in industrial relations is inevitable. In most cases such role takes the form of interferences in various degrees. State is entrusted with the responsibility to safeguard the interests of the people of the society and also to maintain a balance of relationship between the employers and the employees.

In this study, the industrial relations systems of Japan, USA, UK, China, Germany and Australia are

discussed to chalk out some salient features which will draw lessons for developing countries like Bangladesh.

### **2.1 Industrial Relations in Japan**

#### *Introduction:*

The central features of the Japanese industrial relations system include workplace focused enterprise unions, Lifetime employment systems, broad based training, and seniority based wages. Another outcome of the Japanese IR system, when examined in conjunction with related Japanese institutions such as the Keiretsu System and the system of production organization (subcontracting and quality-focused, team-based work) is the simultaneous achievement of stability in labor market terms and considerable functional flexibility in workplace level industrial relations through the development of internal labor markets.

The Japanese follow permanent employment system, consensus decision making and patriotic leadership. The Japanese respect the seniors

#### *Trade Union, CBA, and Industrial Dispute in Japan:*

The nature of trade union, CBA and IR disputes in Japan are as follows:

1. There is a rule to have minimum one or maximum two trade unions in one enterprise of Japan as required by the workers.
2. The trade union activities are free from party politics.
3. CBA office remains closed during office hours. There is suggestion box system to collect the criticisms of the workers. After the office hours the CBA authority opens the box in presence of all the members.
4. Industrial dispute is a rare case. But it is settled quickly as much as possible if there is any.
5. Government doesn't interfere in industrial dispute. But for neutralization, Government may interfere when it deemed so.
6. The working class is very much hard working because of their patriotism.

#### *Japan's Industrial Relations Policy and Practices Prior to 1990s:*

There is disagreement on the date of institutionalization of the Japanese industrial relations system. Taira (1970) suggests that a lifetime employment practice developed in the late 1800s in the silk industry where employers, forced to compete for scarce labor, instituted lifetime employment to create stable employment conditions. The key practices were encouraged by the government, which institutionalized several of them during the inter-war period in its Factories Act of 1938.

There were several changes in the Japanese system over the 1970s and 1980s. Notably, there was erosion in the seniority based wage concept, as wages began to be tied increasingly to skills acquisition and productivity, while employers had started the practice of mid career hires in white collar and technical occupations. The practice of "Shukko"-transferring employees to other parts of the Keiretsu during downturns- had gained in prominence over the last two decades.

#### *Recent Changes in Industrial Relations of Japan:*

In the 1990s, there has been acceleration in the change that constitutes the core of the Japanese IR system. In the 1990s, there has been a significant questioning of the lifetime employment concept, with severe declines in job security on an unprecedented scale, changes in hiring practices from schools and universities, a dramatic increase in outsourcing strategies, the introduction of limited term employment contracts for some occupations, increased wage flexibility, and some degree of union restructuring, along with evidence of breaking up of some Keiretsus, all of these suggest the critical importance of the 1990s recession in forcing employers to question the existing practices and act to change them.

These changes came as a movement towards transformation of the industrial relations system given that the evidence suggests changes in most aspects of employment relations in Japan, such as job security, hiring, corporate governance, wages and wage flexibility and the role of seniority.

### 2.2 *Industrial Relations in Germany*

#### *Features of IR in Germany:*

The German industrial relations system is characterized by the following features:

- a) For the majority of employees, collective bargaining takes place in autonomous negotiations between industrial unions and employers' federation on the level of an industry or on a branch level. Such negotiations produce collective bargaining agreements which are applicable for all companies in the region which are affiliated to the employers' federation and where workers are affiliated to the respective union.
- b) At firms with more than four workers, works councils at the plant level form an important part of a system of co-determination.
- c) In large companies with more than 500 employees a second and additional form of co-determination comes into play: the representation of workers' representatives at the supervisory board.
- d) Unions and employers' federations play an important role in the design and revision of labor laws and in labor jurisdiction.
- e) More recently the government has started high-level talks with trade unions and employers' federations under the umbrella of an "Alliance for Jobs and Qualification" in order to reestablish a basis of trust and consensus for creating job opportunities and for reducing structural unemployment.

#### *Collective Bargaining in Germany:*

For the majority of employees in German companies, collective bargaining takes place between trade unions, which are organized on an industrial or sectoral level, and employers' federations which are organized in a similar manner. The autonomy of employers' federations and trade unions in the conclusion of collective agreements is constitutionally guaranteed, and especially excludes the state from intervening in the bargaining process.

Agreements negotiated by the regional association of employers and trade unions are applicable for regions or areas: Such agreements are called "Flächentarifvertrag" or "association collective agreement" (in the case of the metal sector. In the construction industry and the public sector, collective bargaining is conducted not at the regional but at the national level.

Collective agreements include wage and salary agreements, general agreements and skeleton agreements.

#### *Actors and System of German Industrial Relations:*

- a) The union density is about 25% with around 8 million workers unionized.
- b) The major trade union confederation is the DGB which has 6 affiliated unions (6.6 millions members).
- c) The largest unions are Verdi (public and private sector workers), IG Metal (Metalworkers Union), and IG BCE (chemical industry focused)
- d) Sharp division between East and West Germany and big corporations and SME

#### *Works councils: Rights and Subjects:*

- a) As soon as a company has five or more employees, the employees have the right to form a works council.

- b) The works council must be informed about personnel planning (hiring and firing), technical and organizational changes. In these areas, the works council also has consultation rights.
- c) In some cases the works council even has the right to object to certain actions (e.g., personnel disputes)
- d) The main fields of responsibility are work time (length, time of day, breaks, vacation etc.), and work environment.

### *Trade Union in Germany:*

- a) Collective bargaining is still a monopoly of the unions in Germany.
- b) Only unions do have the right for industrial action.
- c) Almost every employee benefits from collective bargaining agreements regardless of union affiliation.
- d) Usually a union representative is a member of the supervisory board of the enterprise.

### *Recent Developments:*

- a) Development of industrial action because of restructuring being allowed (Federal Labor Court 2007).
- b) Opting out increases - Companies are leaving Employers' Associations to escape collective agreements and undermine collective agreements.
- c) Concession bargaining grows.

### *Workers Participation:*

- a) Works councils at factory, national and European level, have boosted considerable the workers' participation in Germany and the European Union.
- b) Workers' participation guarantees access to crucial information for the collective bargaining process as well as the possibility for company focussed negotiations and actions.
- c) Works councils do have almost no access to small companies with less than ten employees. The reform of Works Constitution Act couldn't improve this situation.

## **2.3 The Industrial Relations System of the United States of America (USA)**

### *Features of Industrial Relations in the USA:*

- a. In the USA, there are only two federations of trade unions. They are American Federation of Labor (AFL) and Congress of International Organizations (CIO).
- b. Industrial dispute such as pen down strike, token strike, etc. occurred rarely.
- c. Industrial Tribunal Court and Summary Court both are involved to trade-off.
- d. Eight conventions of International Labor Standards (ILS) are followed by the American trade unions.
- e. There has been no state intervention. But state works to neutralize the process of industrial dispute settlement.
- f. Working class is very much responsible and satisfied in their jobs.
- g. Unions strictly follow the American Labor Code (ALC).
- h. There is favorable political stability in the USA.

### *The Fair Labor Standards Act and Collective Bargaining:*

Working time in the United States is shaped mainly by federal legislation, primarily the Fair Labor Standards Act (FLSA) of 1938, as well as collective bargaining. The FLSA established 40 hours as a normal working week for no supervisory employees, and made time-and-a-half the standard hourly rate of pay for those hours worked over the 40-hour standard.

The FLSA, however, does not mandate any paid holidays or paid sick days. , the influence of collective bargaining has declined steadily over the last several decades, which has clearly affected the capacity of workers to shape agreements with employers on paid holidays and sick days. Therefore, the weakening of

collective bargaining and the lack of any legal entitlement to paid holidays and sick days are two important features of the work time environment in the U.S. Today only 12% of workers are covered by collective agreements and just 7% in the private sector. In 1983, about 1 in 5 workers in the United States was a member of a union. By 2006, only 1 in 8 workers was a union member. In 1983, about 1 in 6 private-sector workers was in a union. In 2006 the share had fallen to about 1 in 14.

There is still a "union differential" in the sense that union members generally get more paid sick days and vacations than nonunion employees, but this differential is perhaps not as evident regarding the actual numbers of hours worked. 2.19

#### *Workers not covered by the FLSA:*

Another important feature of the working time environment is the limited reach of the FLSA. Roughly 27% of U.S. workers fall outside the FLSA which means that, for a large group of workers, working time is effectively unregulated. To qualify for exemption, employees generally must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$455 per week. The number of workers covered by "white-collar exemptions" has increased significantly in recent years. A GAO study in 1998 disclosed that somewhere between 19 and 26 million workers were already overtime exempt and more recent studies show that this number is inching upward.

#### *State Laws Affecting Working Hours:*

Under the California Labor Code, an "employee" is "[any] person, including aliens and minors, rendering actual service in any business for an employer, whether gratuitously or for wages or pay, whether the wages or pay are measured by the standard of time, piece, task, commission, or other method of calculation, and whether the service is rendered on a commission, concessionaire, or other basis." In California, overtime is due after 8 hours per day or 40 hours per week unless an alternative workweek of no more than 4 days of 10 hours was established prior to 7/1/99.

#### *Recent Trends in Working Time:*

In contrast to most of the EU15 and Japan where working hours are trending downwards, the number of hours worked in the U.S. has remained fairly constant (at times even risen slightly) during the last decade or two. In the 1970s, European and U.S. workers worked roughly the same amount of hours per year, but since then the U.S. has been on a different track in terms of both weekly and annualized hours of work.

Throughout the postwar years, vacation time in Europe grew, while growth in vacation time taken by Americans slowed after the 1970s. According to the OECD, the average annual hours for U.S. workers was 1,804 in 2005, considerably higher than the EU15 average.

The FLSA sets the normal working week at 40 hours, but survey data from 1999 indicate that 86% of full time employees covered by a collective agreement and working in medium and large establishments work 40 hours per week or more. The average weekly hours for all workers is 33.8, down slightly from 10 years ago when it was 34.5 hours. (BLS, September 2007) Yearly and weekly working hours -women and men as mentioned above, the average weekly hours for all workers is 33.8, down slightly from 10 years ago when it was 34.5 hours. (BLS, September 2007).

In the manufacturing, mining and construction sectors - where full time male workers predominate- the average weekly hours hovered between 39 and 45 hours, whereas in retail the average was 30.4 hours, in business and financial services roughly 35 hours, and in education and health a little over 32 hours per week, and in leisure and hospitality a little under 26 hours per week.

#### *Unions, Public Policy Groups and Grassroots Organizations*

For unions and various organizations that advocate for working families, U.S. business is making record profits on the backs of overworked and stressed out employees who are all too often unable to miss work through illness, in many instances have little or no vacation, and are increasingly required to work hours that are simply not conducive to healthy family life or child rearing.

Unions are playing an active role in changing this situation. Understanding that what can not presently be won at the bargaining table might be won in the political arena, unions have been quite engaged in reform efforts, particularly at the state level. In this effort, unions have committed resources and helped provide a broader reach to a network of nonprofit advocacy groups across the country.

#### *Reforms at the State Level:*

Some of the impetus for the reform proposals before Congress around paid sick and family leave has been generated at the State level (which is also true of legislation to raise the minimum wage).

Other states have introduced some lesser reforms. In 2005 Maine passed a law requiring employers with at least 25 employees to allow workers with paid sick days to care for a sick family member—in other words, the worker need not be sick himself/ herself but can use her or his paid sick days to take care of a family member.

#### **2.4 Industrial Relation's in the United Kingdom (U.K)**

##### *The Role of Law and the State of the United Kingdom:*

Industrial relations in the U.K. are based on the principle of free collective bargaining between workers or their representatives and employers. The role of the state in industrial relations is primarily one of facilitating the relationship between trade unions and employers by providing the legislative framework within which trade unions and the machinery to assist the parties in dispute settlement can operate smoothly.

##### *Features of Industrial Relations of the United Kingdom:*

There are two forms of trade unions, one is the *Basic Trade Union* and the other is *Industrial Trade Union*.

Types of employees are:

- i. *Blue color*: It refers to those employees who are directly involved with the production department of a factory.
- ii. *White color*: It refers to those employees who are not directly engaged with production but are related to management of the organization. There is the existence of the craft union. In the craft union, each one is an specialist and skilled in his / her own working arena.

There are nine (9) National Federations working in the United Kingdom. The National Federations act as the apex organizations of the Trade Union Structure.

There is no political affiliation of the Trade Unions and government does not interfere in the Trade Union activities even in the process of settlement of any industrial dispute.

The Trade Unions are working for increasing the productivity and for creating healthy working environment and better work place.

##### *Climate of Employment Relations in the United Kingdom:*

In a research report on employment relations in the U.K. it has been stated that respondents are not only informants; they are also actors within the workplace, relating to events and practices of which they are a part. With multiple respondents often asked similar or identical questions about their perceptions of IR,

Workplace Industrial Relations Survey (WIRS) "has been able to establish the degree of 'dissonance' between respondents within the same workplace and has helped to explain reasons for the differences.

Workplace Industrial Relations Survey (WIRS) made a number of contributions to discussions about industrial conflict in Britain.

First, it gave a more accurate picture of the incidence of industrial action than other sources. Just as the Warwick Workplace Survey had identified strikes of short duration and those in smaller workplaces were under-recorded so Workplace Industrial Relations Survey (WIRS) provided information on the incidence of industrial action short of a strike where official statistics were either absent or patchy.

Second, Management perceptions of 'climate' indicate an improvement in IR since 1990 but, perhaps surprisingly, relations remain poorer than they were in the early 2005s (Table). The table also shows that, whereas managerial perceptions of climate were poorer in union workplaces than in non-union workplaces in 2005 - 2009, the gap had disappeared by 2005.

**Table-01: Managerial Perceptions of the Industrial Relations Climate among Workplaces with 25 + employees, 2005 - 2009**

	2005	2006	2007	2008	2009
<b>Panel A : Whole Economy</b>					
Very Good	49	38	32	39	39
Good	49	57	61	51	53
<b>Panel B : Unionized Workplace</b>					
Very Good	45	34	28	40	37
Good	53	62	63	50	55
<b>Panel C : Non-Unionized Workplace</b>					
Very Good	56	48	37	39	41
Good	41	48	59	52	53

*Note : The categories 'neither good nor poor', and 'very poor' account for the remainder*

Third, Data for worker representatives matched to that of managers showed that the representatives had a poorer perception of the industrial relations climate than their managerial counterparts.

Fourth, Blanchflower and Cubbin's (1986) paper using WIRS was the first to use micro data to assess propensities for various types of industrial action. Their coverage of the non-manufacturing sector was also novel. Their findings from multivariate analyses broadly confirmed results from the cross-tabular analyses undertaken by Daniel and Millward.

*Unions and Employment Growth in the United Kingdom:*

The effects of unions on workplace-level employment in Britain illustrate two things. First, although changes in workplace employment have featured in the Workplace Industrial Relations Survey (WIRS), source books reported a 'preponderance of establishments with declining Employment numbers' over the recession period (1980-84). The analyses of this issue have largely occurred in academic papers. The impact of current recession (of 2009-10) is yet to be assessed.

Second, it illustrates the way in which WIRS can help us understand IR not simply through the 'mapping' of the terrain but by trying to understand the relationship between key variables in the data.

*The Ruin of Collective Industrial Relations in the United Kingdom:*



There has been a severe decline in the trend of collective industrial relations in the U.K. since the 1980s. They maintained that this change was so profound that it 'can reasonably be regarded as a transformation. Union membership and density had peaked in 1979.

From the mid-1980s there was a precipitous decline in union recognition, the closed shop, and workplace multiunionism. The decline in union recognition continued into the 1990s, albeit at a slower rate, but this decline has ceased since 1998, at least among the traditional population of workplaces with 25 or more employees (Table 2).

**Table-02: Percentage of Workplaces with 25 + Employees Recognizing Unions, 2005 - 2009**

	2005	2006	2007	2008	2009
<b>Manufacturing</b>	<b>65</b>	<b>56</b>	<b>44</b>	<b>28</b>	<b>37</b>
<b>Private Services</b>	<b>41</b>	<b>44</b>	<b>36</b>	<b>23</b>	<b>20</b>
<b>Public Sectors</b>	<b>94</b>	<b>99</b>	<b>87</b>	<b>87</b>	<b>88</b>
<b>All</b>	<b>64</b>	<b>66</b>	<b>53</b>	<b>42</b>	<b>39</b>

*Sources : Millward et. al., 2000; Willman and Bryson (2006) based on WIRS. Note that 2005 figures based on new weights explaining difference in 2005 private manufacturing figure compared with Millward et al. 2000. (Modified)*

By the turn of the century, the strongest forms of unionization - especially the closed shop - had all but disappeared in Britain, at least in the private sector.

### 2.5 Industrial Relations in Australia

*Industrial Relations Management Theories in Australia:*

Theory in industrial relations is that it focuses on the structure, policies and operations of the organization for those who are involved in determination of work relationship.

*Practices of IR Management Theories in Australia:*

Development of industrial relations in Australia has a history. The development practices and patterns of labor relations sometime affect the economy and also the labor market. In Australia the later half of the nineteenth century economic growth was strong and provided opportunities for increasing wages for the workers-it was economically favorable but there were recessions.

Union would often present claims beyond standard rates of pay and these would be accepted or modified by the employer without any negotiation.

After a long discussion in 1927 Australian Congress of Trade Union I (ACTU) was formed to coordinate national union action.

The war years and the following two decades were the time for industrial and enterprise development. At that time employer association's policy of trade union, trends in wages and policy changed dramatically.

At present most of the industrial workplaces in Australia have multiple unions. For example, 80 percent of the workplaces have employees in two or more unions; more than one third of workplaces have more than six unions-some up to twenty unions.

### 2.6 Industrial Relations in China

*China's Industrial Relations Strategy and Practice Prior to 1980s:*

Chinese Communist Party (O'Leary, 1994) defined the labor movements

Role within a state-dominated, import substitution industrialization policy

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in a centrally planned closed economy. The trade union constitution's preamble states the role of the union rather clearly: "The Trade Unions of China are the mass organizations of the working class led by the party and are the transmission belts between the party and the masses".

The main characteristics of the system included state ownership of industrial enterprises, the implicit guarantee of employment for workers, an administrated allocation of labor irrespective of the price mechanism, centralized state planning of production and distribution, centralized wage setting and HR policy determination.

The administrative bureaucracy at central and regional levels governed industry, while the party and the trade unions developed parallel bureaucracies. In industrial relations terms, however, the workplace (specifically, the work unit) was most important. The term "iron rice bowl" is used to describe this inclusive IR system.

The Chinese trade union focused on day-to-day shop floor problems, but walked a fine line between its responsibilities of educating the workers, ensuring the success of the enterprise, and ensuring that the management of the enterprise did not exploit workers. They dealt with matters such as grievances and decisions regarding social activities.

The objectives of industrial relations policy was in some sense to support the economic and social structure that communism built. There were numerous differences under different regimes and across different industries in how workers' congresses and trade unions operated. For instance, trade unions rights and roles were banned during the Cultural Revolution, and there was some degree of loosening in industrial relations as Deng sought to give enterprises greater control over their management after 1978.

#### *Recent Changes in China's Industrial Relations:*

The Chinese industrial relations system has been in considerable ferment since the opening up of the Chinese economy during post-1978, and in particular post-1983.

Decentralization in the state sector implied changes in industrial relations and human resource practices, with new practices that are increasingly focused on getting a higher degree of numerical and functional flexibility. In terms of industrial relations legislation, the government's focus in the foreign investment sector is to keep basic labor protection and welfare laws as similar as possible to the state-owned sector. Thus, in joint venture firms there are detailed rules regarding industrial relations and human resource practices (Shamim, 2017).

However, workplace Industrial Relations and Human Resource practices in the FIE sector show considerable variety, often affected by country of origin. Thus, Western multinationals have a very different reputation as employers than Korean and Taiwanese companies. Variation is facilitated by weak and haphazard enforcement of labor legislation. Wage setting is determined by the enterprise. On an average, in 1995 wages in the FIE sector were about 1.45 times the wages in the state-owned sector.

The labor movement in China has been slow to adapt to these changes. On the one hand, the numerical flexibility enhancing strategies followed by state owned enterprises have hindered union membership. In addition, decentralization of decision making down to the enterprise level has not been matched by adequate autonomy for unions or the right to strike. On the other hand, although there is state support for the extension of collective bargaining, the ACFTU has been very slow to organize as we have already seen. The labor movement has limited funds, limited organizers, and tends to view new organization as a bureaucratic exercise.

The net effect of the changes in economic policy and the changes in labor law have been an increase in the diversity of industrial relations and human resource practices in China, diversity within state enterprises and between state enterprises and FIE's. In effect, there is a clear transition from centralized IR and a highly welfares' (iron rice bowl) and rigid system to a more profit-driven, flexibility-oriented IR and HR system.

### 3 Industrial Relations in Bangladesh

Bangladesh is a developing country based on agriculture. After her independence, the country's industrial sectors are also developing day by day. But due to political instability the country's democratic environment is not so developed. As a result, the essential conditions for the development of industrial relations in Bangladesh are also hampered because of the lack of proper democratic practices in our industrial sectors. However, the nature of IR in Bangladesh are composed of some factors, like- Multiplicity of Trade Unions, Inter Unions Rivalry, Low Membership, Outside Leadership, Ineffective Collective Bargaining, and Politicization.

### 4 Lessons for Bangladesh

The environment for industrial relations in Bangladesh is not conducive to the development of industrial sector which ultimately leads to the slow growth of economic development in the country. Hence, in order to get the best possible results in the field of industrialization vis-à-vis industrial relations, the policy makers of our country may gain knowledge from a closer look of the different aspects of industrial relations of Japan, Australia, Germany, USA, U.K and China. The main lessons for Bangladesh may be summarized as follows:

- a) The level of organizational commitment among the workers and employees should be increased;
- b) Improving social and working relations within plants particularly by involving employees / workers more in decision making and developing the leadership skills of managers;
- c) Pay and allowances of the workers / employees is typically negotiated by enterprise-based bargaining between the worker / employee representatives and the Management,
- d) The flexibility and adaptability have become key managerial objectives which help the manager to improve their skill, work design and to take efficient decisions;
- e) Organizational policies and strategies should be formulated and also implement
- f) Through general consensus between the workers/ employees and the employers;
- g) Human resources should be treated as organization's assets rather than a money making machine;
- h) Management of conflict and employee grievances should be handled effectively which ultimately would lead to innovation and productivity improvement of a concerned organization.
- i) h. During selection and promotion of candidates (employees) a human resource Manager should follow a standard method and all candidates can get equal treatment without bias,
- j) The activities of industrial relations in Bangladesh should be free from the influence of party politics.
- k) The attitudes of Management and workers should be cooperative not individualisms.

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