Hr governance

HR governance is the practice of making effective decisions regarding the human resources of the organization and the efficient controlling of them. It is interrelated with establishing HR policies, continuous monitoring of their proper implementation and governing the body of an organization.

This study explores the HR governance practice of the private sector in Bangladesh and its impact on organization's sustainable human resource development. To investigate this scenario, sample size of 200 from five manufacturing industries and three service industries both sectors were selected to conduct a survey through floating a structured questionnaire on target employees.

Here, six independent variables talent management, consolidated HR policy, HR risk management, employee development, compensation benefits, employee welfare and one dependent variable sustainable human resource development have been identified to conduct the regression analysis.

The result shows that the f-test value = 34. 400 which implies that the model is statistically significant and valid. The significance level of the employee development and compensation benefits at (0. 000) which have positive impact on sustainable human resource development. On the contrary, the talent management is insignificant at (0. 006) and consecutively consolidated HR policy (0. 019), HR risk management (0. 063) and employee welfare (0. 106).

The regression model illustrates that the private sector of Bangladesh is going to be comparatively more concern about the employee development and compensation management but others variables have insignificant but

positive relationship for the increasing of sustainable human resource development.

Moreover, this study attempts to provide the conceptual and pragmatic insight of the HR governance practices in the private sector of Bangladesh; this might help to emerge new corridors for future research. Keywords - HR governance, talent management, consolidated HR policy, HR risk management and sustainable human resource development.

INTRODUCTION

With the passage of time, HR governance has become an emerging concern where it is esteemed as the backbone of the sustainable human resource development which transforms the human resource into the human capital and all these ensure the incremental growth of an organization. Furthermore, the traditional HR policies and regulations act as the precautionary guard for the organization, but now it is reactive in nature through reducing, transferring and deducting actual and probable HR risks and liabilities.

However, it is essential for an organization to become transparent administrative structure to achieve core competitive advantages of human resource enforcing the non-compliance proactive measures. Effective HR governance facilitates compliance with legal and ethical obligations relating to people management practices and having a proper HR governance structure in place which can even impact the way an organization does business and makes decisions at the highest levels-right up including its board of directors.

Hence, this structure will ensure that decisions related to personnel management practices are governed at the highest level thereby strengthening HR and management credibility (Kreissl, 2012)[1].

For instance, like other developing countries, Bangladesh has been marked by the inefficiency of the public sector to meet the demand of its citizens, ineffective public services, and unfavorableenvironmentfor the proper growth in the private sector, leadershipcrisis, lack of transparency andaccountabilityin administration, ineffective political institutions and so on.

In this regard, it is the best to follow equity at workplace, well-being and employee development and some other five preconditions for sustainable human resource development such as; compliance, governance, ethics, cultureand leadership (Cohen, 2012) [2].

Another thing is that the well concern about labor law and consistent HR governance are yet not flourished at macro pace especially in private sector. Because most of the listed companies in Bangladesh are dominated byfamilymembers, occupying important posts like CEO or the managing director, leading to inefficient HR governance practices (Brennam, Solomon, Uddin and Choudhury, 2008) [3].

Due to the absence of govt. close monitoring; sometimes they are violating the principles of Bangladesh Labor Law. Moreover, public sector is running under the shelter of legal government compliance and several pivotal research works have been done over this but now private sector is emerging not only in the corporate governance rather good HR governance.

In spite of, there is very few research works exist on this context where mostly done on about the good governance practices and its prospects in Bangladesh. Almost there is no instance of such work that can show the emerging essentials of good HR governance and its impact on the sustainable human resource development. Nevertheless, there are some laying challenges so that the private sector can't go ahead as expected in terms of human competencies.

For such poor feedback in HR governance, it is essential to examine how far Bangladesh lags behind the HR governance practices. Against all these backdrops, this paper attempts to critically analyze the current scenario of HR governance and also to sketch out the impediments in the way of HR governance to improve the HR competencies in the private sector of Bangladesh. To end, this study shows a set of measures which need to be undertaken as an effort to establish good HR governance and indemnifying sustainable human resource development in Bangladesh.

OJECTIVES OF THE STUDY

The fundamental objective of this study is to address the research question; " Does HR governance affect the sustainable human resource development from the perspective of private sector in Bangladesh?" Some other objectives are:

1. To investigate the response of HR governance in the private sector of Bangladesh.
2. To measure the impact of HR governance on sustainable human resource development.

3. To identify different factors affecting sustainable human resource development.