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Defining and Surviving the Global Financial Crisis # 2

Lesley Pocock, Chief Editor
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In retrospect we can all see what went wrong with the European countries now defaulting, the problems of the US economy and others. We lost the business ethics, the checks and balances, regulations turned into self-regulation, we got used to borrowing (and lending) without knowing (or caring) how it all got paid back. We accepted corruption and rather than deal with it – we wanted our share.

While we could review the situations in great depth a summary of the issues can be provided by a simple A, B, C, ...

Administration

Boards of Directors, once there to lead and inspire companies have increasingly become self serving members, awarding themselves greater and greater salaries, rather than being a source of inspiration and guidance to the company, providing ideas and strategies to grow that company. Instead Boards of Directors have been leeching off companies, and decreasing their viability and leaving them open to fraud. During the 2008 GFC in the US, Directors even awarded themselves cash and a private Lear jet from government bailout money.

Banks

Banks went from reliable steady organisations to frenzied givers of credit. Gone were the checks as to ability to pay back; rather banks were competing with each other in seeking customers to give credit to – often knowing that the customer had little or no ability to repay.

The Black market is the main economy in some countries, ranging to a small percentage in others. Generally these black markets are run by organised crime and avoid the tax system, impoverishing governments, and offering little or no protection for consumers, and customers.

Corruption

The endemic corruption in both financial and political sectors of countries goes back many decades, if not centuries. Tie this to rampant corruption in the political system and entire countries come undone. Why have people accepted this for so long?

Essentially in the defaulting European economies, governments have been borrowing money to maintain national lifestyles well above that which they can afford and the country can afford.

The healthcare sector in Greece has collapsed for example, and relying on humanitarian aid to provide basic medical care to the Greek people.

Consumerism

Rampant consumerism has an endpoint; ultimately that endpoint is the death of many species, including ours and the planet itself. Ordinary consumers were able to borrow to have the lifestyles everyone else seemed to have, but perhaps never needed, and it is the planet's valuable resources that have been thrown away on throwaway goods.

De-regulation of the banking and financial sectors, has provided easy money/credit. When they deregulated the superannuation system in my own country, Australia, we knew that was the end of all our superannuation. And such was the case, and not because Australian super funds were in themselves corrupt necessarily, but they put their investments into global financial institutions, the same ones that caused the 2008 GFC.

Today, (July 1, 2012), in New York, for example, Peter Madoff pleaded guilty to criminal charges related to the Ponzi scheme operated by his older brother Bernard Madoff.

Peter Madoff, chief compliance officer for Bernard L. Madoff Investment Securities firm, pleaded guilty on Friday to conspiracy and falsifying records. He accepted a 10-year prison term and agreed to forfeit all of his assets, according to reports. He had surrendered himself earlier in the day at his lawyer's office in midtown Manhattan.

Peter Madoff is the eighth person to plead guilty to criminal charges in the government's investigation into the collapse of the securities firm since December 2008. Numerous Jewish foundations and individuals had invested with the firm. Among the victims were Hadassah, the American Jewish Congress and Nobel laureate Elie Wiesel.

Bernard Madoff is serving a 150-year sentence in a North Carolina federal prison for crimes associated with the Ponzi scheme.

Earlier this week, former Madoff money manager J. Ezra Merkin agreed to turn over \$405 million to duped investors in the scheme. That was the first settlement resulting from a government action against Merkin.

Ponzi schemes are a wonderful example of the financial world gone wrong, being (fraudulent investment operations that pays returns to its investors from their own money or the money paid by subsequent investors, rather than from profit earned by the individual or organization running the operation. The Ponzi scheme usually entices new investors by offering higher returns than other investments, in the form of short-term returns that are either abnormally high or unusually consistent. Perpetuation of the high returns requires an ever-increasing flow of money from new investors to keep the scheme going.

Then there was the global buying and selling of bad debts around the world, hidden with other purchases.

And how do we survive the Global Financial Crisis? – a return to values and norms, hard work and diligence, inspiration and endeavour, real economics, ethical governments and people, proper restraints and checks and balances, monitoring of staff, national and legal legislation – the list goes on, but it can be summarised easily as ethical and sustainable business.

People will always need food, healthcare and housing and quality goods and services and as long as they can trust the product and the source, then the marketplace will continue. Trustworthiness will need to be enforced legally – until humans can become more enlightened and less greedy.

But this western phenomenon will spread to other countries of the world, which depend on trade with the first world and especially countries where the political and financial infrastructure is either corrupt or restricts private enterprise.

Strategic Adoption of Multi-Channel Banking by Customers in the UAE

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Abstract

The relatively young UAE banking sector is moving towards offering their growing retail banking customers multiple channels for conducting convenient and efficient banking. This study investigated factors that influence UAE bank customers' adoption of three major banking channels, i.e. branch banking, ATM and internet banking. Based on prominent research in the area of bank marketing and interviews with bank managers in the UAE, a measurement instrument was designed. Data was obtained from bank customers by way of a large-scale survey employed via personal and telephone interviews. The contribution of this paper is through its originality and seminal investigation of the factors that influence customer acceptance of multi-channel banking services within the UAE. This exploratory study involved six prominent UAE banks and their customers, with the objective of identifying those factors which were most influential in determining customer adoption of the various banking channels. The data was analyzed by applying SPSS Factor Analysis techniques.

1. Introduction

This research was designed as an exploratory investigation into multi-channel banking within the UAE. Specifically, this study aims to contribute to industry and the literature alike, by identifying those strategic factors that most influence customer adoption of banking channels within the UAE.

As information technology becomes increasingly sophisticated, banks in many parts of the world are adopting multiple-channel strategies. The right 'mix' of banking channels depends not only on the channel characteristics, but also the preferences and perceptions of the consumers within a particular market. The challenge for bank executives is to find the right mix of distribution channels so that they can remain profitable within various market segments.

Such knowledge is critical to the further development of the UAE's financial services industry - broadly speaking - and such insight can be utilized at the bank (business) level for potentially gaining a competitive advantage within the banking industry.

1.1 Background - the UAE and its Banking Sector

The UAE's banking sector was incepted with federal law 10, in 1980, establishing a framework within which financial

institutions could be licensed and operate (Hashim, 2007). Federal law 10 is still the cornerstone for UAE banking legislation; in 1985, federal law 6 provided for Islamic banking (Hashim, 2007). Although Islamic banking is a significant and growing form of banking/financing worldwide, at present, within the UAE, it remains a minor player within the financial services sector (Hashim, 2007).

Within the UAE banking sector, there are several players: the UAE Central Bank (CB); formed in 1980, local and foreign retail/commercial banks, as well as other more specialized financial institutions. In total, 46 banks have been licensed by the UAE Central Bank, (as of 2007), representing 17 local/national banks, 3 Islamic banking institutions, and 26 foreign (Budd, 2004; Hashim, 2007).

Initially, the UAE banks were created as 'intermediaries for the vast oil-based wealth of the ruling families, (sic) and sources of capital investment within the country' (Budd, 2004). As the number of expatriate laborers within the country has increased, capital deposits from such customers have also grown. Increasingly, UAE commercial banks have paid closer attention to their retail customers, recognizing them as being a stable and significant source of capital deposits.

More recently, many of the leading banks within the UAE's banking sector have developed products and services to better serve the retail customer, whilst simultaneously improving their infrastructures (e.g., branch expansion), technology (e.g., intranets, websites/Internet banking, ATM expansion with added facilities for making payments for outside services), and even employee training; e.g., the National Bank of Abu Dhabi and others have created their own training institutes or 'academies' (Al Shamsi, Aly, and El Bassiouni, 2009).

The UAE constitutes a nation with a high standard of living and a multicultural marketplace. Whilst the banking segment can be described as 'fragmented', it is growing rapidly, with

recent growth trends matching those of foreign banks (Hashim, 2007). Customers within the banking sector largely represent expatriates from countries with more developed and consolidated banking sectors, offering 'full-service' retail banking products, enhanced by multi-channel banking services, who 'regularly transfer remittances to their home countries' (Budd, 2004). In short, these customers can be accurately described as 'regular' and 'discerning'.

1.2 Need for Research

One of the major factors affecting the banks is the changing need and perceptions of the consumer (Rose, 2000). Increasingly, consumers expect online services from their financial institutions (Constantine, 2000) and electronic delivery of services is becoming a necessity. There is need for research to identify the factors that determine adoption of various channels provided by the bank; e.g., the significant effect of computer self-efficacy on behavioral intention through perceived ease of use, perceived usefulness, and perceived credibility. Traditional branch-based retail banking remains the most widespread method for conducting banking transactions.

However, Internet technology offers a new way for financial transactions and services to be serviced and delivered. Banks have begun integrating Internet-based e-banking systems into their banking delivery portfolios, largely in an attempt to improve the efficiency of their operations and to reduce costs. Despite these efforts, on a technological level, financial institutions are far from maximizing the possibilities such technology has to offer, and, at times, customers have been slow in adopting the new Internet-technology-based banking options.

(Strieter, Gupta, Raj, and Wilemon, 1999) noted that one of the most important developments in banking is the increased emphasis on offering a wide array of financial services. (Dixon, 1999) also argued that the key to getting more customers for the banks through online service is not the attraction of the Internet per se, but rather the product offered to the customers.

This argument was supported by (Latimore, Watson, and Maver, 2000), who found that 87 percent of Internet banking customers wanted the option of making a variety of financial transactions on one site (aka 'one-stop shopping') e.g., services including bill payment facilities, statement-viewing options, and support for purchasing stock, commodities, foreign currency, insurance, etc..

Therefore, it should be noted that with the advent of the Internet and its related technologies, customers, potentially, can have virtually unlimited access to financial information and enjoy a wider range of choice in selecting competitive products - and financial institutions providing these products and services - than ever before.

Given this transparency of information, and the ensuing hypercompetitive financial services industry, the subtle 'differentiating' qualities (i.e., the diverse features) of bank products, and their timely introduction to the marketplace, have become key driving forces in attracting new customers and enhancing customer satisfaction (Moles, 2000). Numerous variables have been studied; including demographic and situational variables, cognitive variables, and personality-related variables (Zumd, 1979). However, these studied attempts address a gap in the research literature, by identifying the various factors which will enhance our understanding of the strategic factors driving customer usage of multi-channel banking within the UAE.

2. Research Methodology

The questionnaire was designed from the literature review. It included 33 variables which will help to gain an understanding of the channel adoption factors of UAE bank customers. Six UAE banks were chosen where the questionnaire was randomly administered to 210 respondents who were also customers of the bank.

The financial institutions chosen for the purpose of this study were 6 of the most prominent UAE banks, offering a

comprehensive range of information to the customer. These 33 variables were measured with the help of a 7-point semantic scale ranging from 'extremely satisfied' to 'extremely dissatisfied'. The responses were then transposed from spreadsheet to SPSS where these 34 variables were reduced to four principal components.

2.1 Data Analysis

The data was subjected to Principal Component Analysis, a method categorized under the broad area of Factor Analysis. The 33 variables were reduced to 4 Principal Components through Varimax rotation method. (Table 1 - top of next page)

Factor Analysis is a multivariate statistical procedure primarily used for data reduction and summarisation - a large number of correlated variables is reduced to a set of independent underlying factors. In our sample the Kaiser-Meyer-Olkin measure of sampling adequacy was .716 (>.5). This suggests that the data is adequate for factor analysis.

3. Results

Branch banking: Undoubtedly, many banks are trying to reduce the resources needed to support branch banking. However, it is still premature to talk about the operation of an entirely Internet-based bank in the UAE. Physical bank branches with human tellers and service providers are still indispensable as these channels are needed for:

- First-time bank customers who need to open accounts;
- Complicated services, such as mortgages or making remittances; and
- Face-to-face service encounters where personal identification is essential.

The cost of branch banking is quite high compared with other banking channels. Moreover, branch banking appears to be the least profitable market segment. According to the findings of this study, the consumers of branch banking consist primarily of the people

Convenience	Ease of Use	Security	Traditional Facilities
Information	User-Friendly	Mutual funds	Aesthetics
Availability	Rapid	Payments	Proximity
Convenience	Instantaneous	Reputation	Service scope
Accessibility	Self service	Stock buy / sell	Parking space
Reliable	Need satisfaction	Time saving	Attitude of bank staff
Secure	Responsive	Low cost	Information dissemination
Timeliness of transactions	Flexible	Privacy	Query handling
	Credit card	Self service	Networking
		Trust	
		Error free	

Table 1: Factors for Channel Adoption in UAE Banks

who are financially and cognitively less resourceful, but have plenty of time.

Given these factors, how should branch banking be positioned? We suggest that two market segments should be differentiated for branch banking. The first market segment, as mentioned previously, includes those who are less financially and cognitively resourceful, but have plenty of time. They rely primarily on branch banking and visit bank branches regularly.

This market segment is likely to be the majority of customers visiting a bank branch. These customers tend to use only the basic banking services, such as cash withdrawal, checking account balance inquiries, and funds transfers between accounts. Counters providing only basic banking services are sufficient to satisfy most of these customer needs.

The second market segment would include those clients who primarily adopt other banking channels, i.e., ATM and/or internet banking - but occasionally have the need to utilize the services of a bank branch in person for specialized transactions e.g., loan-related documentation, updating of customer details, completing/finalizing loan agreements, etc..

For this market segment, the strategic goals of the bank should be relationship building. The bank should not consider these contacts as cost inducing, but rather as valuable business opportunities. Since these customers do not employ the channel of branch banking

regularly, the bank can afford to devote more manpower and time to serving such customers with a personal touch each for these customers.

Bank staff should emphasize their service quality, and try to develop a commercial friendship with these customers. Over time, the bank should find such personal relationships to be profitable because of the higher level of customer retention and greater potential of cross-selling.

ATM : ATM banking was highly utilized by all of the respondents, and adoption of it was strongly associated with beliefs about its positive attributes. 'Informative' seemed to be the weakest aspect of ATM banking i.e., respondents recognized the limited amount of account and up-to-date financial data available via ATM machines. UAE banks should set strategic timelines for bringing their ATM banking services to the forefront, and in line with the most developed banking practices in the West; which should include the ability to access other financial information concerning loans, mortgages, checks (their status), etc.

Internet banking: Among the four banking channels, Internet banking holds the greatest potential for development within the UAE's banking industry, largely due to the fact that this banking channel is relatively new to the region, and therefore needs to be fully exploited by the banks. According to statistics compiled by Net Ratings of ACNielsen, globally, Internet banking is expanding exponentially (ACNielsen, 2001).

Interestingly, within this study of UAE banks, respondent beliefs about the convenience of Internet banking were not correlated with actual adoption. One explanation might be that most bank respondents were already highly aware of the basic services and conveniences Internet banking has to offer. According to this research, the critical factors revealed were three different attributes of the channel (i.e. informative, user-friendly, and assurance). Therefore, banks would be well advised to focus on, and exploit these areas of ATM banking.

3.1 Customer Satisfaction

According to this research, ultimately, customers employ multiple banking channels for their 'convenience', 'ease-of-use', 'security', and to access 'traditional facilities'. Understandably, customers engaged in bank transactions directly involving capital and/or the access of capital, require a greater sense of 'security' than they do when involved with non-capital transactions.'

'Privacy' and 'trust' play an important role in respondents' perceptions of Internet banking. Yet, overall, customers' perceptions of the above-mentioned parameters remain low in the case of the Internet banking channel - with the exception being stock, commodity, and foreign currency transactions, in which cases respondents' indicated a high level of satisfaction in relation to the use of Internet banking.

Respondents revealed that, in general, Internet banking became the preferred banking channel when the following

factors were deemed to be important: as a time-saver, when self-service was preferred or required, for its ease-of-use, for obtaining specific/general bank information (available on web), and when timeliness and flexibility were important .

4. Discussion and Implications for Industry

This exploratory investigation into the strategic factors related to customer adoption of multi-channel banking within the UAE, was designed as an empirical piece of applied research, with the objective of assisting in the development of the UAE's rapidly growing financial services industry. As such, the results of this study provide a firm foundation and a comprehensive picture of what factors, principal components, and their relationships, are perceived by bank customers, when considering and adopting multi channels of banking and their associated services/modes.

Moreover, the results of this research reveal potentially invaluable insight into the strategic considerations that the UAE Central Bank and the UAE's retail banks should pursue in the future, both in terms of maximizing the efficiency and effectiveness of the overall financial services industry, as well as at the individual bank (business) level, as an opportunity to create a competitive advantage within the banking industry.

Strictly in terms of customer frequency, the ATM banking channel was most frequently utilized by respondents; followed by branch banking, Internet banking, and the least frequently used channel, telephone banking. It is interesting to note that 'level of convenience', 'ease-of-use' and 'security' were important factors for all four channels of banking. The strength of branch banking appeared to be its 'level of assurance'. This may be due to the fact that transaction 'accuracy' and 'security' is perceived to be maintained more effectively in face-to-face transactions without reliance on an electronic medium; and its potential for technical-related issues, resulting in errors and inconvenience.

Although ATM banking was perceived by the customers to be the weakest in the area of 'informing', it was the most frequently utilized banking channel. This may well be due to its high level of convenience associated with ATM banking, in addition to the types of transactions being initiated (largely basic capital deposits/withdrawals). Internet banking was also perceived by respondents as having a high level of 'convenience', ATM banking was by far the most utilized channel within this UAE-based investigation.

The researchers believe this to be due to the fact that ATM banking is the only channel that allows cash withdrawal/ deposit 24 hours a day, and furthermore, ATM banking does not require customers to have access to computer facilities. A longitudinal study of the UAE banking industry could be of particular value, as could a demographic inquiry i.e., according to nationality, gender, age, sex, income level, etc. into customer banking preferences, and the driving factors behind them, seeing that the UAE has one of the most diverse workforces in the world.

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Introduction

The topic of strategy is absolutely the most reported subject in business. Generally said, advanced strategic management is a method of creating a purpose and guide for the survival of a company, simplifying its choice of manoeuvres and leading its operations in a fluctuating environment. Strategic management is inspiring and dangerous. A multifaceted web of opposing theories and approaches, it unremittingly develops and evolves. More spontaneous than rational, it poses marked profits if done well, and potentially disastrous consequences if done in an inappropriate way.

Strategic Management : White Collin Strategic Management Book - a review

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Strategic Management in Business

Strategic planning, as a validated business process, has been in practice for almost 40 years. Strategic management was integrated into business by Alfred Sloan, the president of General Motors, in the 1930s. From General Motors the concept of strategic thinking disseminated slowly to other companies in the US; but more intense strategic management took off in the 1960s as formal long-range planning. Revealing the challenges of formulating, implementing and monitoring strategy in practice, White's book on strategic management debates opposing theories and approaches in the milieu of real-world experience around the Globe (White, C 2004).

The author centered his book on two chief propositions that all prosperous organizations and individuals, without exception, follow a 'good' strategy, that is, one which markedly advances the performance of the organization. Occasionally the strategy is implicit, but it is always better to make it explicit, that is, to work out its implications as entirely as time and resources permit. The second is that the development of strategy making and the actual content of a strategy need to mirror the nature of the world in which it is formulated and implemented.

The Structure of the Book

The book is envisioned to be self-contained, comprehensible without help from any other sources of information. It is not planned as a show of sophistication or scholarship and therefore intentionally seeks to limit references to what is directly relevant. It is clearly not an academic monograph, although it may contain hints to new ways of approaching old issues. The text is organized in five sections.

Part I: Introducing strategic management:

A long overview ascertains the topic of strategy and discovers the restraints on strategy making, whether they are 'political', social or cognitive. It establishes the practicalities of actual strategy making, placing strategy in a rigorously practical context.

Part II: Strategic environments and competitive advantage:

The nucleus of the book deals with the main components of strategy making and converges on how the environmental setting can be read to identify opportunities which will generate and sustain competitive advantage. This section explains the key concepts in strategy making. The first three chapters, analyse the two external environments (the general and competitive) and the internal organizational environment. Then the remaining three chapters, discuss the significance of competitive advantage and how it is realized through the

alternative generic strategies of innovation, cost leadership and product differentiation.

In a competitive business environment, many businessmen keep in their mind a concept that the marketplace is battlefield so doing business is like fighting. So what weapons does the firm use in that battlefield? It is possible to say that competitive advantage is one of the weapons that help the firm fight effectively. To discuss the concept of competitive advantage, it is appropriate to start by distinguishing causes, characteristics and consequences. As the author described, the causes are an appropriate application of the core competencies possessed by the enterprise and an appropriate positioning of the enterprise in the relevant industries or market segments. Characteristics are the ability to provide utility, or to satisfy, customers better than competitors can. Consequences are the ability to win market share or make higher profit than competitors (White, 2004 p.269). When a firm sustains profits that exceed the average for its industry, the firm is said to possess a competitive advantage over its rivals. Michael Porter identified two basic types of competitive advantage, cost advantage and differentiation advantage (Porter, p.11). The firms need to understand the sources which bring about its competitive advantage and then have a strategy to maintain and develop its competitive advantage. It is one of the critical issues to ensure the existence and development of the firm.

Part III: Strategic dilemmas:

This section shifts from the world of the practical and conceptual to an analysis of the class of recurrent strategic situations in which strategic decisions have to be made. It contemplates the strategic dilemmas which strategists habitually have to face and investigates the challenges which the strategy is meant to solve. In tackling those problems, it unites practice and theory, using the lessons of the practical limitations and conceptual tools discussed in the previous two sections.

Part IV: Bringing it all together

In this part the formulation and implementation of strategy is dealt with directly. This signifies the highpoint of the book; one reached after a sound and deliberate build-up. The systematic development of a discussion of formulation and implementation is thoughtful since it resonates the actual process of strategy making which in genuine consensus emerges rather than being imposed.

Part V: Strategic analysis and Case Studies

A sizeable part of the book is reserved for case studies. The case study organization, or problems, are chosen in order for readers to ameliorate their grasp of significant strategic issues in the business world. They offer a varied coverage of that world, both in a geographical sense and an industry sector viewpoint. Since the strategic position of any organization is exclusive, a sizeable number and diversity of case studies are presented, in three different methods:

1. Each chapter is started by a case study scenario which stimulates the reader to consider the challenges of implementing successful strategy and emphasizes the main themes of the chapter. The resolution of the case is incorporated at the end of the chapter to reveal what materialized.
2. Sixty-four strategy in action mini case study examples are employed all over the book to demonstrate specific issues.
3. The final part of the book contains fifteen long case studies that are intended to exemplify strategy making in its widest sense. They are not precisely linked with particular problems or concepts discussed in the text.

The two approaches to strategies

Colin in his book stressed that there are two alternative approaches to strategy:

1. The conventional approach assumes that it is a rational, linear and sequential process; a process in which strategy is determined at the top by a distinguished strategist and passed down for implementation by others. It is a straightforward conception, which justifies much of its magnetism.
2. The second approach is rather distinctive. Strategy is as much intuitive and creative as it is rational; it is also iterative rather than linear, with interrelating rather than detached steps. It cannot be sequential, since it emerges, unfolds or evolves rather than being created, and comes from below as frequently as from above. This approach is supported by Gratton in her Hot Spot Book. Whereas Paul Niven's balanced score card can be applied to both approaches.

To sum up, in this book Colin delivers much literature, which presents the main concepts. It motivates readers with a sense of elation resulting from ascertaining conceivable solutions to significant theoretical and practical challenges. The author contends that the only way to help managers is by showing them how to think methodically about their problems, to intellectualize and therefore generalize them. The book integrates some features of strategy often ignored or played down by others, including:

- o adopting a decisively international or global orientation
- o stressing the need in any strategy making, to forecast the future
- o pointing to the strategic importance of cooperation as much as competition
- o drawing out the 'political' processes involved in making strategy.

This text also accords a sizeable place to risk management, justified on the premise of the critical role of successfully anticipating threats or shocks, and necessary for the continuing survival of all organizations. However, it admits that a preoccupation with the negative factor of risk does not make for good strategy. The initial point for strategy making should be opportunity, not threat, although every opportunity carries its own threats.

The author emphasized that there are explicit limits to the degree to which it is feasible to generalize in talking about strategy. What holds in one situation does not hold in another. Making good strategy includes a tension between the need to generalize about experience and the need to take full account of the distinctive circumstances of any organization. This is again supported by Gratton in her *Hot Spot* book where she stressed that each organization is unique and depends on the skills and knowledge of people within.

Approaches to Strategic Management

Developing a strategy is described most commonly in literature as being based on the way in which the process of strategy is developed and the desired outcome of that strategy (Whittington, R 2001).

The four approaches are Classical, Evolutionary, Systemic and Processual. The classical approach to strategy making is the thoughtful process of creating a strategy to maximize profit. Sloan, the former chief of General Motors, was recognized with much of the organisation's early success predominantly due to his approach of deliberate examination of the internal and external environment and then developing a strategy to direct resources to meet the company's long-term goals (Whittington, R 2001). The long term aim of the classical approach to strategy is clearly to make profit. Colin W 2004 embraced the evolutionary approach to strategy which is based on the view that the organisation is operating within an economic environment that is ever changing. The role of strategy in this case is to respond to

the environment for survival and profit (White C, 2004). The processual view is that the business environment is messy and largely unpredictable (Whittington R, 2001). Additionally, with this approach, there is an acknowledgement that decision-makers lack the ability to act with pure reason and that only a few factors affecting a decision can be dealt with (Simon, 1982). Gratton's ideas support more the evolutionary and processual school. The cultural context is key to the development of the strategy (Hofstede, 1983).

It is because an organisation has many working within it that opinions and approaches will differ towards strategy. The classical approach normally has the organisational leader as the source of strategy development and the driver of strategy implementation. The more modern approach is not only the acceptance but the goal of engaging each individual within an organisation as a strategist. Lydia Gratton in *Hot Spot* is a strong advocate of this approach. Regardless of the approach taken, the judgment of success of a strategy is measured by whether the desired outcomes have been achieved.

Strategy & the Balanced Scorecard, is there a link?

In *Balanced Scorecard Step-by-Step*, Paul Niven delivers a perceptive and exceedingly effective blueprint for transitioning strategic ambition to execution. Paul's pragmatic approach provides leaders with a tool for managing a company's journey from strategic ideas to world-class performance.

The balanced scorecard (BSC) is one of the most highly touted management tools today (Staff 2002; Atkinson and Epstein 2000; Frigo and Krumwiede 2000). The Balanced Scorecard is a management and measurement system that translates strategic initiatives into quantifiable objectives. The four box model has now been superseded by a Strategy Map, which is the heart of modern Balanced Scorecards. Strategy maps sketch what an organisation desires to achieve (financial and customer objectives) and how it plans to realize it (internal process and learning and growth objectives).

It permits companies to create a rightly integrated set of strategic objectives, and to convert strategy into performance measures.

The Balanced Scorecard offers the framework for an organization to move from deciding to live their strategy to doing it. The Scorecard explains the strategy, breaking it down into its competent parts through the objectives and measures chosen in each of the four perspectives. The Balanced Scorecard is preferably generated through a collective understanding and translation of the organization's strategy into objectives, measures, targets, and initiatives in each of the four Scorecard perspectives. The translation of vision and strategy compels the executive team to precisely define what is meant by sometimes vague terms contained in the strategy.

Gratton ideas and Hot Spots

The ideas of Gratton in hot spots can be compared with that of White Colin in *Strategic management* because they talk about long term success and branding. The expansion strategy that they have been using is the use of franchising. International business helps a firm explore new opportunities and extend its boundaries. International business involves huge investments and so is considered as one of the most crucial strategic decisions for any company. There are several options available to a firm. Going international helps discover new markets with extending demand and revenues. But with this also comes many challenges including political, social, demographical, cultural, geographical and legal barriers. Franchising helps in the process of ensuring that these barriers are overcome with ease. In this way franchising forms an essential element in the process of going international, for a service firm.

Hot Spots is the third volume in the trilogy published by Lynda Cratton, on the people implications of strategy. Hot Spots completes the trilogy. Shifting the focus from the individual to groups and communities, its message is that individual potential is built through relationships and that it is in the relationships between employees that organizational value is created. All three

books express the value of meaning, humanism, and the infinite capacity of human potential.

In *Hot Spots*, Lynda Gratton scrutinizes organizations that have already “emerged” into the new “hot” state of productivity and innovation. *Hot Spots* are about those very different scenarios of corporate success that offer viable solutions for continuous innovation, employee engagement, and a flexible architecture of a sustainable enterprise of the future.

Gratton’s vision of a democratic enterprise takes its most concrete and credible form in this third volume. *Hot Spots* are the organization phenomena that demonstrate how the twin drivers of democratic organizational change and new technologies generate powerful energy and make the movement toward innovative forms of business enterprise almost inevitable.

Hot Spots surface when emotional capital, social capital, and intellectual capital are involved in a reinforcing cycle. People become invigorated and enthusiastic about sharing knowledge and about what they might learn from others; their intellectual capital is engaged as they become increasingly emotionally involved. As people feel progressively zealous about something they truly care about, they appreciate the emotional toxicity when others become engaged and excited. *Hot spots* become special opportunities for social capital to be generated as friendships and relationships are built and the people involved feel the pleasure of attachment and intimacy.

Conclusion

Colin White theorizes that because of the complexity and of the real world, business people will face many obstacles when attempting to input traditional businesses concepts there (especially the more complex, detailed ones), and he also emphasizes that people should build their own practical well planned business tactics. Paul Niven’s approach is different from the previous one. Paul Niven’s *Balanced Scorecard*

is designed and stated to work for small and large companies. It is based on *Strategy Maps* and describes his specialized measures of performance and again emphasizes the *Scorecard* as being the key. So, he is less eclectic and free thinking than Colin White. However, they both believe in the power of good management. Lastly, with Lynda Gratton and *Hot Spot*, she theorizes that the hot spot must be found in companies and that her claimed, detailed theories of success are what is needed for businesses to succeed because of her idea for collaborating as goal driven cooperative teams. This is unlike Niven’s technique of a *Balanced Scorecard* and the more open mindedness of White. They all do however show interesting facts and details and all are well respected professionals in their fields.

We can take an example that will be more comfortable regarding the strategic ideas of White Collin *Hot spots* of Gratton and the *balanced scorecard* of Niven. In any organization there is a great need of strategies to achieve the mission and vision of the organization. This can only be achieved by the help of strategic ideation and strategic management. On the other hand *balanced scorecard* is an integrated process to judge the organization performance in an integrated methodology. While making the strategic decision there will be a great need of the strategic ideas that can be generated using hot spot ideas and methods of thinking developed by White Collin. In order to run the organization based on those strategies there is a great need of a *balanced scorecard*.

White Collin has focused on the strategic management and the strategic conditions of the organization. In his book he has focused on strategic planning, monitoring and implementation of the strategies. He has made an integrated effort to make possible changes and effectiveness in the strategies of the organization that will help in achieving competitive advantage and sustainable development. *Balanced score card* is again an integrated approach to measure and manage the performance of an organization by this methodology. *Balanced scorecard* consists of all the aspects that help in growing the organization’s performance and profitability.

In both these views, the ideas of strategies are based on the key terms of the organizational core competency and that helps in achieving competitive advantage. The main theme is to get core competency in terms of strategic planning and implementation that will help in achieving the organization’s mission and vision. On the other hand, if we talk about the *balanced scorecard* of Niven, it talks about core competency regarding the organization profitability and wealth maximization.

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Abstract

The Readymade Garment industry in Bangladesh is the major foreign currency earning sector and the highest employment sector. In fact, RMG sector workers are largely deprived of their rights and benefits due to the absence of a Trade union and the associated collective bargaining process. As a result, labour unrest is common. This paper focuses on the formation of trade unions, describes collective bargaining and its potential to improve labour standards. It also considers the dynamic role of trade unions and how they improve labour relations and create a congenial work environment.

Keywords: ILO, Conventions, ACTU, ZCTU, CBA, Freedom of Association, HR and IR, Trade Union, Collective bargaining, RMG, Human rights, RMG, Fair labour, GFC

Can Trade Unions play an effective role in defending workers' rights in the Bangladesh Ready-made Garment industry?

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Methodology

An extensive literature survey has been undertaken in order to review working conditions, labour standards and labour rights issues, as well as fair labour practices.

Workers have been accorded trade union rights by labour laws and ILO conventions, but regardless of the existence of these laws, workers in the garments industry are commonly deprived of the right to form or join a trade union; indeed, unionisation is actively discouraged in the RMG industry (ILO, 2006). As a result, workers' rights are grossly violated in the Bangladesh RMG sector. Based on this literature review, working conditions in the RMG sector are below standard according to the ILO, law enforcement is weak and there are absences of HR and IR activities and bans on formation of trade unions. To improve workers rights, employee representation is required in the RMG sector for collective bargaining. This representation can be formed through a Trade Union and formation of freedom of Association. The research demonstrates there are many example countries where Trade Unions have an effective role in improving labour standards.

Introduction

Human beings are recognised upon creation as having certain rights that they are guaranteed regardless of what their government is, and their life and liberty, as well as property. The right to equal treatment, regardless of gender, origin and appearance, religion, sexual orientation, is also seen by many as workers' rights(1). Workers' rights are a relatively new addition to the modern body of human rights(2). Worker's rights advocates have worked to improve workplace conditions, health and safety issues, fair labour practices and combat child labour, which meet established standards (ILO, 2006). In most cases, employers do not draw attention to workers' rights and ignore labour standards and discard fair labour practices. As a result labour unrest(3) is common and can leads to demonstrations, processions, strikes, termination and lay offs.

Labour movements(4) have contributed to reforms and an increase in workers' rights, such as the two-day weekend, minimum wages, paid holidays, and the achievement of the eight-hour day. In 19th century, labour movements campaigned for an eight-hour workday, and worker advocacy groups have argued limiting work hours, with a working week of 40 hours or less (Ahamed F., 2011). A 35-hour work week was established in France in 2000, but it was not respected due to the global financial crisis (GFC) and has weakened

since then. Workers may agree with employers to work for longer, but the extra hours are payable as overtime. In the European Union, the working week is limited to a maximum of 48 hours including overtime (Cole, Diane, 2004). During the Progressive Era (1890s to the 1920s) in the United States, workplace reforms began which received publicity boosts from Upton Sinclair's *The Jungle*(5) and events such as the 1911 Triangle Shirtwaist Factory fire. Labour activists and other groups often criticize production facilities with poor working conditions as sweatshops and occupational health hazards, and campaign for better labour practices and recognition of workers' rights throughout the world. The labour movement pushes for guaranteed minimum wage laws, and there are continuing negotiations about increases to the minimum wage. In Chicago 120 years ago, garment workers traditionally worked 12 to 13 hours a day and seven days a week. However workers stood up for their rights and the situation changed, but in Bangladesh exploitative working conditions remain (Ahamed F., 2011). Recently, the Bangladesh RMG sector has been beset by very serious labour unrest. Since May 2006, large-scale vandalism of garment factories by the workers had, at times, appeared to threaten the very existence of this industry (BUP, 1990; Muhammad A., 2006). To illustrate the scale of events in the past two years: around 4,000 factories in Dhaka have had a wildcat strike, 16 factories were burnt down and hundreds ransacked and looted; pitched battles were fought with police and private security forces (Dasgupta S., 2002). Police actions against workers have resulted in several deaths with many more injured and even more arrested and resulted in closure of factories and plants (Iqbal, 2008). The major disagreement between the RMG factory owners and the workers has been the allegedly low level of wages paid in this industry particularly wages paid to unskilled workers; other contributing issues are late and irregular payment of wages, lack of security of workers resulting from absence of a formal contract between the worker and the employer, non-payment of maternity and other benefits to female workers who are mostly young women, an acutely difficult working environment, gender discrimination, long hours (beyond 8

hours a day), forced labour, child labour, sexual harassment, transport problems, weekly holiday, maternity leave, formal appointment letter, hazardous work environment and so on (Absar, S.S. and Kumar A., 2001). Under pressure from international buyers, civil society as well as government and employers have agreed to tripartite negotiations on the wage issue but to date attitudes have been less than supportive. If the negotiations can start a healthy process of industrial relations, all parties involved would eventually win. *In this manner, collective bargaining can be advantageous for both workers and employers. For workers, collective bargaining, more so than individual employment relations, ensures standard wages and better working conditions by providing them with a collective voice. It also allows them to influence personnel decisions and to achieve a fair distribution of gains from technological progress and productivity increases. For employers, collective bargaining helps to stabilise industrial relations by maintaining industrial peace that otherwise may be disrupted by labour unrest* (Ozaki, M. 1999).

Representation empowers workers and enables them to bargain effectively and negotiate to their advantage, with the result that their income, employment and working conditions improve (Freeman, 1980; Booth, 1995). Employees can be represented through the formation of freedom of association. Freedom of association is the individual's right to move towards other individuals and collectively express, promote, pursue and defend common interests. Freedom of association in the sense of workers' right to organize and collectively bargain is also recognised in the Universal Declaration of Human Rights and International Labour Organization Conventions. The ILO Declaration adopted in 1998 obliges the Organization to assist member States' efforts to respect fundamental principles and rights at work, including freedom of association and collective bargaining (Source: ILO Fact Sheet, 2009).

a) Convention 87 - Freedom of Association and Protection of the Right to Organize Convention, guarantees that workers and employers, without distinction

whatsoever, shall have the right to establish and to join organizations of their own choosing without previous authorization (Source: ILO Fact Sheet, 2009).

b) Convention 98 - Right to Organize and Collective Bargaining Convention, protects all workers against acts of anti-union discrimination (Source: ILO Fact Sheet, 2009)

c) Convention No. 181 on Private Employment Agencies can be used as a tool to ensure that all workers, including those outsourced by agencies have the same rights, including the right to organize (Source: ILO Fact Sheet, 2009)

Despite the fact that Bangladesh has ratified the ILO Convention No.87 (1948), and No.98 (1949), in 1972 and that the constitution and national law provide for the right to join unions, these rights are not respected in practice. In India, the Constitution guarantees freedom of association and workers are free to join trade unions of their own choosing. Numerous laws and regulations are now more detailed and the labour relations system functions reasonably well in the formal sector, Textile, Clothing and Footwear industries. Recently Indonesia ratified all the ILO's fundamental standards concerning freedom of association and the right of collective bargaining (Jenings, Maillard and ILO, 2000). In 1992, the Philippine government adopted a new Labour Code that provides trade union rights and collective bargaining in free zones. Under Section 41 of Act 8-90 states that all zone enterprises must observe the provisions of the Labour Code and other labour laws, including those concerning social security and training. Now 14 trade unions are operating in EPZs (Jennings N., Maillard, J. and ILO, 2000). As a signatory to the ILO Conventions Japan also guarantees workers' rights and freedoms of association, and the right to organize and collective bargaining. All employees have the right to join a union, to collective bargaining, and to strike, with exception of the military, police officers, and fire-fighters. Public employees may join unions, but do not have the right to strike, and their

collective rights also are limited (ICC, 2007).

Generally collective bargaining means fixing of wages and disputes settling in the formal sector, where trade unions are represented. In Tunisia, the Constitution and the Labour Code expressly guarantee the right of workers to form trade unions. The trade unions have a strong presence in formal sector TCF enterprises and participate in collective bargaining to fix salaries and certain conditions of employment (Jennings N., Maillard, J. and ILO, 2000). Australian unions continue their efforts to increase the minimum wage, to protect employee entitlements and to extend family-friendly policies. The Australian Council of Trade Unions (ACTU) has contested the law on the ground that it violates rights provided in ILO Convention 87 on Freedom of Association and Protection of the Right to Organise and Convention 98 on the right to Bargain Collectively, both of which Australia has ratified (Australia Fair Pay Commission, 2009; Source: Case study 6, Ahamed F., 2011). On the contrary the Ghana Trades Union Congress has developed relationships with workers in the informal economy and their associations since the early 1990s. In the same way the Zambia Congress of Trade Unions (ZCTU) has supported activities to strengthen the organisation and representation of informal economy workers. This has led to the formation of the Alliance of Zambian Informal Economy Associations in 2002 which now works closely with the ZCTU to represent more than two million informal economy workers (Anyemedu, 2000). Labour unions are very active in the clothing sector and have acted as mediators between workers and factory owners to settle disputes and discuss wages in Cambodia (Morshed, 2007).

Many countries have constitutions and laws that guarantee freedom of association and the right of collective bargaining, but in reality trade union rights are not always practised in a satisfactory way. For example, in Costa Rica, the Labour Code was amended in 1993 to improve protection of trade union freedoms and prevent anti-union discrimination, but in practice this legislation has not yet improved. They

prefer solidarity associations which they can better control (Jennings N., Maillard, J. and ILO, 2000). In Madagascar, unionization is extremely low and the industrial relations system therefore depends on direct negotiation between employers and individual workers. Sri Lanka has a system of workers' councils in its free zones that consist of five to ten members elected by workers in secret ballots. A joint committee of workers' councils undertakes an awareness raising programme in relation to workers, of their rights and privileges and coordinates the activities of councils, and provides legal assistance where necessary (Jennings N., Maillard, J. and ILO, 2000).

In the Bangladesh RMG sector, there is no acceptance of the right to unionize at the factory level and owners fear trade unions (Dasgupta S., 2002). Some factories have established so called participation or social welfare committees. They do not allow bargaining for wages, working hours and benefits; they can only discuss issues such as cleanliness, leave, productivity. As a result, there has been serious unrest in the industry over the last few years, in part due to the inability of workers to express their grievances through organising into trade unions. In fact a union may acquire the status of a juristic person with a mandate to negotiate with employers for the workers it represents. In such cases, unions have certain legal rights, most importantly the right to engage in collective bargaining with the employer (or employers) over wages, working hours, and other terms of conditions of employment. The inability of the parties to reach an agreement may lead to industrial action; bring to close in either strike action or management lockout, or binding arbitration. In extreme cases, violent or illegal activities may develop around these events (Wales, 2010). In an example, in the Philippines, the acceptance of trade unions in the garment factories as well as the advent of collective bargaining has provided a vehicle for peaceful resolution of disputes, which previously had been the cause of frequent strikes and work stoppages (Jennings N., Maillard, J. and ILO, 2000). The government, international agencies and national factory owners need to consider the rights of the workers

including that of the right to organize as an integral part of healthy industrial relations.

Union bargaining power is most effective when they are organized and form unified groups (Boeri, Brugiavini, Calmfors, 2001, p. 50). Union density might be considered a good objective indicator of compliance with freedom of association. In some cases union density numbers may not be indicative of genuine freedom of association because governments or political parties may exercise control over membership (Freeman and Rogers, 1999). China and Egypt, for example, impose explicit governmental control over unions. In India, a major political party has its own union. The presence of yellow unionism -unions controlled by employers -can also affect union density figures, as can control of unions by government officials or criminal elements (Jennings N., Maillard, J. and ILO, 2000). On the other hand low union density in countries where freedom of association is respected could occur if workers are simply not interested in union representation or where other forms of worker-management interaction are prevalent (Jennings N., Maillard, J. and ILO, 2000). For example, the Colombian Constitution recognizes the right to organize and protects the right of collective bargaining, but unionization remains low and it is difficult for trade union leaders to enforce their rights and carry out normal collective bargaining due to political pressure and social unrest (Jennings N., Maillard, J. and ILO, 2000). Bangladesh, however, requires a quorum of support of 30 per cent of workers to create a trade union denounced by the ILO obligation. There are many restrictions. Unions must have government approval to be registered, and no trade union action can be taken prior to registration. Only registered unions can involve in collective bargaining, and each union must select representatives to a Collective Bargaining Authority (CBA) committee, which is subject to approval by the Registrar of Trade Unions (ILO, 2004).

Conclusion

Employees have the right to work in a safe environment, receive moderate pay, have flexible working hours, receive compensation, and transport and accommodation facilities, job security and

social safety nets. The trade union should bargain for employees' rights and benefits with the management. If the management do not respect their demand, the trade union can stand up and draw attention from society, government and other stakeholders. Therefore, research suggests including trade unions in the RMG sector. The Bangladesh Industrial Relations Ordinance (section 176 [b]) outlaws discrimination against union members and organisers by employers, and protects registered unions and union officers from civil liability but enforcement of these provisions is uneven (Faruque A., 2009). Therefore governments should take affirmative action to ensure that the right can be exercised by examining the content of laws and the associated legal structure to protect freedom of association, which should boost the government's effort and effectiveness in implementing the laws, and permitting freedom of association.

Footnotes:

1. Labour rights or workers' rights are a group of legal rights and claimed human rights having to do with labour relations between workers and their employers, usually obtained under labour and employment law. In general, these rights' debates have to do with negotiating workers' pay, benefits, and safe working conditions (ILO, 2006)
2. Human rights, universal rights held to belong to individuals by virtue of their being human, encompassing civil, political, economic, social, and cultural rights and freedoms, and based on the notion of personal human dignity and worth (Glendon, 2001).
3. Labour unrest is a term used by employers or those generally in the business community to describe organizing and strike actions undertaken by workers and their unions, especially where disputes become violent or where industrial actions in which members of a work force obstruct the normal process of business and generate industrial unrest (Wales J., 2010).
4. Labour movement is a broad term for the development of a collective organization of working people, to campaign in their own interest for better treatment from their employers and governments, in particular through the implementation of specific laws governing labour relations (Wales J., 2010). Many labour movement campaigns for limiting hours in the workplace.
5. Upton Sinclair's *The Jungle* is a vivid portrait of life and death in a turn-of-the-century American meat-packing factory. A grim indictment that led to government regulations of the food industry., *The Jungle* is Sinclair's extraordinary contribution to literature and social reform.

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Abstract

Suicide has become a focal centre for researchers from various backgrounds. However, for its complex nature all suicide studies are confronted with methodological issues. The aim of the present paper is to overview the 10 most important methodological problems and their impacts on suicide studies.

Keywords: Suicide, study, public health, methodological problems

Methodological issues and their impacts on suicide studies

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Introduction

The life spectrum has two ends, birth and death, which are more or less similar events in all species. However, in human beings unlike most other species, suicide occurs as an act aiming to end life. Therefore, it is natural to consider this form of death as a philosophical aspect of human life, which is very complex and multi factorial and needs to be fully understood. For this reason, suicide has become a focal centre for researchers from various backgrounds. However, for its mysterious nature all suicide studies are confronted with methodological issues as well. The aim of the present paper is to overview the 10 most important methodological problems and their impacts on suicide studies.

The ten most important methodological problems and their impacts on suicide studies

1. As suicide is a philosophical aspect of human life, so far, evidence suggests that there is not an established animal model for such behavior. Although, some animals, in certain situations might deliberately carry self harm action due to some reasons, there is not enough evidence to support the fact that specific species other than humans commit suicide (1). This means that we cannot use or define any animal models to advance our knowledge regarding suicide.

2. It is also strictly difficult to conduct any kind of clinical trials to advance our knowledge regarding different aspects of suicide especially the ways for preventing it (2). There are a number of reasons for this methodological problem including the low rate of suicide in the general population, ethical issues and the problem of sourcing the right control group. This methodological problem shifts researchers to focus more on attempted suicide or deliberate self harm (DSH) rather than suicide. However, even in such studies still there are methodological problems (3 & 4) and as we will discuss in the next point the generalization of DSH data as a proxy for suicide should be considered with caution.

3. As I have discussed in the previous point DSH seems to be etiologically different compared to suicide. This is evident by a different pattern of people who commit DSH in comparison with suicide (5). Usually young people and women are more prone to DSH and there are different cultural patterns in different countries as well. For instance, while on the whole it is estimated that there are usually 10 to 20 times higher incidence of DSH compared to suicide (6), in Iran evidence suggests that for the age group 10-15 there are 80 DSH per one suicide (7).

4. The other methodological issues come from this important fact that suicidal cases ultimately terminate their life. Therefore, it is almost impossible to have reliable information about underlying mechanism of suicide or the most important risk factors that are involved in such behavior. As a result, we should rely on some other resources such as a suicide note (8), if such a note exists, or psychological autopsy (9 & 10) which means referring to medical records or interviewing with family members or close friends of the deceased person. There is no doubt that obtaining information from such sources could not be as reliable and valid as if we have such opportunity to obtain data from the deceased themselves.
5. It seems that based on the above methodological issues we should rely on existing data of suicide to a great extent. However, as evidence suggests there are under-enumerations in any existing data in all societies and countries, mostly related to stigma associated with suicide. Moreover, evidence also suggests that these under-enumerations are much higher in developing countries compared to developed ones. Besides, one may add reporting problems to this constellation. Some developing countries do not report their suicide data to international organizations such as World Health Organization at all (11).
6. There is one more related methodological issue relevant to the previous point and that is in some developing countries, especially more traditional ones with more religious backgrounds, the existing data of suicide will be considered highly confidential and therefore these data are not readily available for scientific studies even within the country (12-14). Therefore, for better understanding of the existing picture of suicide within developing countries where suicide cases seem to be substantially increasing in recent years (15 & 16), confidentiality of data works as a strong barrier.
7. There is also one more related methodological issue relevant to the previous point and that is such developing conservative countries usually have other rather perceived important problems. For example, infectious diseases, road traffic injuries and mortalities, non-communicable diseases, shortages of health personnel, lack of health budget and lack of health infrastructure which have shifted the attention of authorities, politicians, ordinary people and even health specialists from suicide to other perceived public health problems.
8. Another methodological issue relates to the different procedures for enumerating suicide in different countries. For instance, in some countries a note must be found to classify a case as a suicide. In other countries police, coroners or physicians might be involved in recording a death as a suicide (17). As a result not only rather a large number of deaths go undetermined, or are deemed unintentional, due to lack of enough evidence but also there would be methodological problems in comparing suicide in different countries as well.
9. Although suicidal cases pursue death as the outcome of their action, due to cultural background, age, sex, availability of methods, etc. they might choose different techniques to achieve their goal. This forms another methodological issue on suicide studies which relates to different case fatality rates of diverse methods (18-22). For example, hanging as one the most prominent methods might have a case fatality rate up to 90% whilst drug ingestion might have a case fatality rate less than 1 percent. Clearly in the developed world more men are selecting hanging whilst more women are selecting drug ingestion. However, in the developing world it seems that both males and females are selecting fatal methods such as hanging or self immolation. Furthermore, it seems that fatal methods are more correctly recorded as suicide whilst less fatal methods might be recorded as undetermined or unintentional injuries.
10. The other methodological issues related to suicide studies that cause a big concern is different types of suicide. Human beings commit suicide in different manners. For example, we have single suicide in which a person commits suicide for a diverse variety of reasons. However, apart from this most important and most applied type of suicide, we also have pact suicide in which two or sometimes more than two persons commit suicide (23-25).
- We also have mass suicide due to political, religious or economical reasons (26-29). Moreover, the term suicide cluster implies inventing new methods for investigating a number of suicides that occur in a particular place that is statistically more than expected (30 & 31). We also have internet suicide, in which the internet works as a medium to spread suicidal thoughts (32 & 33). Others types of suicide such as suicide bombing (34-36) or medically assisted suicide have their own methodological issues (37-39).

Conclusion

Being complex, not having an established animal model and culturally not acceptable in most countries, grants suicide a unique status among other public health problems. This special status causes diverse methodological problems which jeopardise suicide studies all around the world, especially within developing countries where suicide seems to be increasing during recent years. However, these do not translate into a sense of despair and gloominess around suicide studies. On the contrary, more well-planned and cross-cultural studies are needed to shed light on this odd phenomenon.

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