

How Women empowerment as a CSR (Corporate Social Responsibility) topic can be taken as competitive advantage to stay competitive in the RMG industry?

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Abstract: Garments sector is the life blood of Bangladesh as the agricultural land has there been turned to a country of garments industries. Employment in the Ready-made garment sector in Bangladesh provides workers with economic benefits and some empowerment. More than 3.2 million people are working in this sector where more than 80% are women and about 5000 garments factories are scattered across the country. The present status of women workers in garments industry still in an inferior situation and safety and security is still a concern. The study attempts to explore the present status of women empowerment with the purpose to analyze, conceptualize the underpinning knowledge and rationale of the concept of Corporate Social Responsibility (CSR). For this, the main findings are based on an analysis of existing literature on CSR issues and Women Empowerment explaining how Women empowerment is important for companies, related to the global issues and relation of women empowerment in RMG sector's business strategy of Bangladesh. Based on different information, it is recommended to prioritize women empowerment as a CSR issue to stay competitive in the RMG industry. Time limitation is a binding during conducting this research.

Keywords: Corporate social responsibility, Women Empowerment, RMG Industry

I. Introduction

CSR is a concept that has attracted worldwide attention and acquired a new resonance in the global economy¹(Jamali, 2006). Corporate Social Responsibility (CSR) which was seen as corporate "Philanthropy" till 1990s is considered as a strategy today to gain competitive advantage. Today CSR is seen as a key to long term success, reputation and brand image and more and more companies are realizing that in order to stay productive, competitive, and relevant in a rapidly changing business world, they have to become socially responsible.

In the early 60s of the last century different scholars tried to define the concept of corporate social responsibility interchangeably with corporate responsibility, corporate citizenship, social enterprise, sustainability, sustainable development, triple-bottom line, corporate ethics, and in some cases corporate governance.

Nkanga (2007) posited that CSR involves the commitment shown by companies to contribute to the economic development of a local community and the society at large². According to Carroll's (1991) four part model, there are four CSR responsibilities- economic, legal, ethical and philanthropic responsibilities (See figure 1).



Source: Carroll (1991, p. 42)

Figure-1: The Pyramid of Corporate Social Responsibility (Carroll, 1991)

To develop a solid ground for CSR, it is necessary to promote its future development focusing on societal issues and stakeholders in the day-to-day strategies, policies, and operations of the organisation (Wood, 1991; Epstein and Roy, 2001). Moreover, “CSR is a vague and intangible term which can mean anything to anybody, and therefore is effectively without meaning” (Frankental, 2001).

The confederation of British industry has similarly argued that CSR follows subjective issues and that is why a universally applicable definition cannot be presented. In addition, see table 1, to have a more concrete idea on CSR concept.

Table 1: Various definition of CSR

EU Communication 2011	CSR is: ‘a process to integrate social, environmental, ethical and human rights concerns into their business operations and core strategy, in close collaboration with their stakeholders to enhance positive impacts to minimise and prevent negative impacts’
WBCSD	“Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large”
ISO 26000	‘CSR is the responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behavior that: (a)Contributes to sustainable development, health and the welfare of society (b)Takes into account the expectations of stakeholders (c)Is in compliance with applicable law and consistent with international norms of behavior; and (d)Is integrated through the organization and practiced in its relationships’
Keith Davis ,1973	CSR is the idea of CSR and mentioned it is beyond the narrow economic, technical and legal requirements of the firms that means responsibilities begin where the law ends.

Source: Class lectures on drivers for CSR, brandt, 2014.

Therefore, to describe the concept of CSR, it has to be understood that, it is a more open and vague concept where no boundaries or limits can be set, and to succeed in the competitive market, thus, a flow chart can be developed based on the analysis (see figure 2).

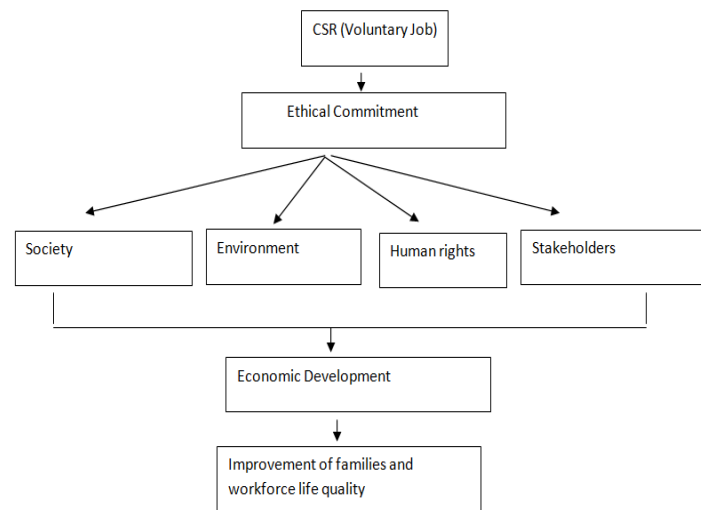


Figure 2: A flow chart of CSR concept

Source: Primary Research.

II. Research Design

An effective research design should be a comprehensive plan, developed after intensive study of the problem to be researched, that will guide and control the entire research programme (Chisnall, 1997).

As women empowerment is selected as a CSR component for this research, therefore the research questions that need to be answered through this research paper is as follows:

1. Why women empowerment is important for companies?
2. How women empowerment relates to the global issues?
3. How could the RMG sector in Bangladesh address women empowerment in its business Strategy?

To answer the first, second and third research question, it is decided that, secondary information from journals, books, online will be collected. For Introduction, different definitions of CSR are described from secondary sources and a new definition is tried to describe based on other CSR definitions. Later on, a literature review

describing the present scenario of women empowerment backed up by Discussions explaining the research questions from secondary data such as published journals, reports, online data and finally Conclusion & Recommendations is given based on studies from different journals and reports.

III. Literature Review

Corporate social responsibility (CSR) can be seen as a comprehensive set of policies, programs, and practices which combines business operations, supply chains, and decision making processes of the company and embrace responsibilities for present and past actions as well as sufficient attention to future impacts. CSR is a concept where voluntarily companies integrate social and environmental concerns in their business operations and in their communications with their stakeholders (Green Paper, 2001).

In this research paper, women empowerment as CSR component is going to be analyzed giving its present scenario in Bangladesh. Development policy actors and many feminist

Activists and scholars have agreed that Bangladeshi women have made significant achievements since national independence in 1972. But there have also been attacks on women's rights and reversals in gender equity, including a generalized shift to fundamentalism in religion and religious politics. In Bangladesh, in terms of decision making and empowerment of the households women are still lagging behind but this situation is improving progressively through the involvement of women in different activities such as

Involvement in garment factory. Though majority of female workers are dominated by male person of the household, women involvement in buying and selling, food selection, children education etc., are crucial for their improvement. Table 2 shows that 45.6 percent female workers decision making ability in case of buying and selling has increased after involving RMG factory while 71.1 percent in case of food selection, 54.4 percent in case of children education, 68.9 percent which is a good example of women improvement.

Women's participation in the labor market in Bangladesh has increased recently where garments sector is one of the major areas employing 10 million persons directly or indirectly, of which ninety percent are women workers.

Table 2: Decision making and empowerment issues

Aspects	Degree of change		
	Increased	Unchanged	Decreased
Buying and selling	41 (45.6)	36 (40.0)	13 (14.4)
Food selection	64 (71.1)	22 (24.4)	4 (4.4)
Children education	49 (54.4)	36 (40.0)	5 (5.6)
Treatment	62 (68.9)	16 (17.8)	12 (13.3)
Deposit	11 (12.2)	35 (38.9)	44 (48.9)
Nursing	61 (67.8)	25 (27.8)	4 (4.4)
Family planning	42 (46.7)	36 (40.0)	12 (13.3)
Choice of work	61 (67.8)	28 (31.1)	1 (1.1)
Visit to relatives	41 (45.6)	17 (18.9)	32 (35.6)
Social and religious function	42 (46.7)	18 (20.0)	30 (33.3)

Source: Ali et. al, 2008.

Except this, a lot of mishappenings occur within and outside the garment factories which can take place at the factory, on the street, or at the residence of the workers. Among 90 female workers, 98.9 percent reported that transport was the main problem for female workers, which was followed by housing problem (87.8 percent) and many incidents such as attack by hijacker, local goons and harassment by police in the streets were reported by the workers. On the other hand, 68.9 percent of the total female workers were beaten inside the factory and sometimes they were also beaten by their colleagues. About 60 percent female workers reported that they suffered from the fear of dismissal. Operators were relatively more afraid of being dismissed. The incidence of rape in the factory was reported by 27.8 percent female workers (Table 3)

Table 3: Problems faced by women workers outside and inside the garment factory

Outside the factory			Inside the factory		
Types	No. of respondents (n = 90)	Percent	Types	No. of respondents	Percent
Communication problem	89	98.9	Beating in the factory	62	68.9
Housing problem	79	87.8	Lack of place for taking food	28	31.1
Attack by hijacker/touts	68	75.6	Sexual harassment	2	2.2
Afraid of local mastans	67	74.4	Raped by male colleague	25	27.8
Harassed by police	6	6.7	Fear of dismissal	54	60.0
Others	2	2.2	Others	2	2.0

Source: Ali et. al, 2008.

Therefore, it is always an issue to make safe working environment for women reducing all harassments and safety problems.

IV. Discussions

Policymakers, the general public, and even corporate leaders, agree that companies of all types must also be responsive to the needs of the communities in which they do business. Advocates of Corporate Social Responsibility (CSR) such as Stigson (2002) argue that “it is clear that society expects much more from companies than simply a well-made product or a reliable service at the right price” (p. 24).

Women’s experiences as RMG workers is going to be explored in two contradictory issues where the first is the tough and exploitative nature of garments work; such work has always been tough –physically demanding and featuring unsafe conditions of fire risks, sexual harassment and physical and verbal abuse. By virtue of their gender, women typically enter the industry on terms of comparative disadvantage in terms of pay, conditions and promotion prospects. Irregular wage, overtime and bonus payments have long been and remain one of the most significant problems workers face in the industry.

Yet the hard nature of garments work appears to be contradicted by the second issue about women’s RMG employment which is that despite its hardship, women and girls who have worked in the sector have experienced a range of forms of social and economic empowerment as a result of that work. The important issue here is that these findings highlight the relative advantages afforded by RMG employment within the context of women’s limited labor market opportunities in Bangladesh.

It is seen that in the occupation structure senior management, supervisors and occupations seen as skilled technicians (e.g., cutters, finishers) tend to be men; most machine operators and helpers are women and girls.

According to Grameen Bank - a microfinance organis, When men get the chance, they start dreaming about themselves; when women get a chance, they dream about the home and their children.”

Garments work has not been a life-time career for most women who have worked in it. Women tend to be young when they work in the garments¹⁰ (Paul-Majumder 1996). An important but typically neglected aspect of the lack of safety at work. The characteristics of export manufacturing employment in Bangladesh – late working hours, inadequate transport and insecurity in the commute between work and home – create the conditions under which sexual harassment and sexual violence thrive.

RMG factories offer higher wages than most women would earn elsewhere. However, the female workforce has remained “crowded” into lower paid, lower skilled areas. A female sewing machine operator earns some 71% of a male operator’s earnings and a female helper about 53%of a male helper’s earnings. Women are also often the first to lose their jobs in times of reduced demand .This is largely due to the skill differential between female and male workers.

Of the total female workers, only 1.1 percent female workers earned Tk. 1900 per month and they were illiterate. About 16 percent whose educational level was secondary, earned Tk. 1900-2300. The female workers whose earned Tk. 2301-2700 were about 26 percent and had secondary education (see table 4).

Table 4: Distribution of women garment workers according to their education and monthly income

Monthly income (in Taka)	Education				Total
	Illiterate	Primary	Secondary	Higher secondary	
< 1900	1 (1.11)	10 (11.11)	9 (10.00)	-	20
1900-2300	-	8 (8.89)	14 (15.56)	-	22
2301-2700	-	3 (3.33)	23 (25.56)	-	26
2701-3000	-	7 (7.78)	14 (15.56)	1 (1.11)	22
Total	1 (1.11)	28 (31.11)	60 (66.68)	1 (1.11)	90 (100)

Source: Ali et. al, 2008.

It can be said that, education is giving women power to exercise their opinion, to raise their voice and they are getting higher salary and also they are contributing towards various decision (table 2) such as buying and selling, food selection, children education and so on.

Yet the hard nature of garments work appears to be contradicted by the second issue about women’s RMG employment which is that despite its hardship, women and girls who have worked in the sector have experienced a range of forms of social and economic empowerment as a result of that work (Ahmed, 2009). Moreover, giving women more priority in work, decision making and income contributes to less population growth as women become conscious of birth control. They also contribute to poverty alleviation and raising their voice to get their rights and ensuring safety issues in the workplace. In addition, empowered women with

more education and knowledge makes them alert for world crisis issues such as global warming, deforestation, resources shortages (see image 1)

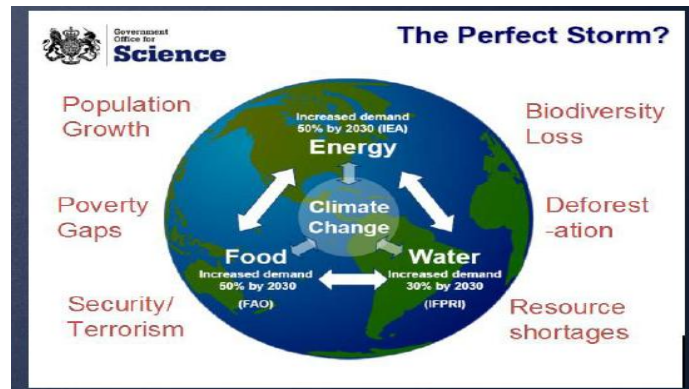


Image 1

Source: Class lectures on drivers for CSR, Brandt, 2014.

Moreover, RMG sector can have various benefits through women empowerment such as Firstly, investing in women spreads economic opportunities, creating stronger communities and, as a result, a broader base of consumers and potential employees. Secondly, by increasing the number of women across the value chain, and by investing in training and education for women, a company can achieve higher productivity.

Finally, engaging women in the distribution network in emerging markets, and targeting women as a potential consumer group, can help a company to increase its sales (see image 2)

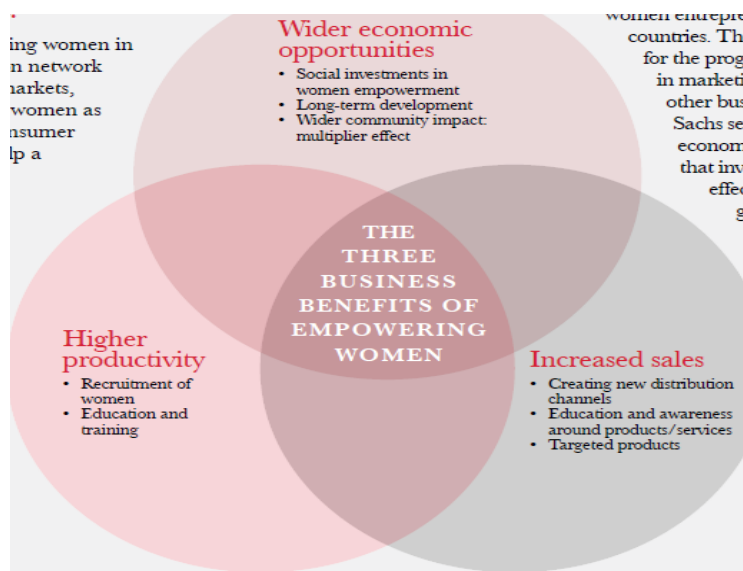


Image 2

Source: Corporate Citizenship, 2012.

An important step forward is the Women's Empowerment Principles - a joint initiative of the UN Global Compact and the UN Entity for Gender Equality and the Empowerment of Women (UN Women), launched in 2010. The principles provide a framework for businesses to integrate gender equality in the workplace, marketplace and community. Preceding this, the Global Private Sector Leaders Forum shared the aim of engaging private sector leaders in promoting women's economic empowerment.

V. Conclusion & Recommendations

It is agreed that CSR can no longer be ignored, especially by major corporations and leaders now see CSR as part of their strategic management program, while others see it as a source of innovation (Allen & Husted, 2006).

Women's RMG employment marked a dramatic shift in aspects of gender relations in Bangladesh, particularly because of its mass scale. Despite the hard and exploitative nature of garments work, women and

girls have gained autonomy and greater bargaining power within households. The Government should consider additional employment facilities for women in areas such as drug industries, processed food and the like. Apart from training for traditional skills of sewing and cooking, the government can think of developing other skills for women. Eventually, the given recommendations, covers the four issues of CSR definitions, discussed in introduction such as society, environment, human rights, and stakeholders and improve the economy and quality of life and RMG industry can follow it seriously to stay competitive in the market. There is also scope for further research to undergone primary research to find out new ways to do women empowerment.

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