

Impacts of Political Instability on Garments Productions & Productivity: A Study on a group of Textile industries in Bangladesh.

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Abstract- Political instability has always been a burning question for our country like Bangladesh. Neither Bangladesh nor the people have seen a political stable condition even after four decades of its independence. Like other sectors (agriculture, health etc) garments sector more specifically RMG sector is the worst victim of political instabilities. RMG sector is said to be the strongest root of the economy of Bangladesh contributing more than 13% of GDP and almost 80% in its foreign exchange. As said earlier, it is the worst victim, the main problems are order cancellation, price discounts, delayed shipment, lead time increases, additional air shipment costs, transportation and most importantly efficiency and effectiveness of both organization and its workers and employees and so on. The most dangerous thing is that the buyers are shifting their orders to other countries like Vietnam, India etc. If this situation continues for another 5 to 10 years, there's a huge possibility of losing some foreign buyers forever. If this happens it will create a bigger threat to the economy of Bangladesh. However the situation should be improvised as early as possible. Though, the improvisation of the political instable conditions is a tough task, the government and the factories can seek alternatives. Some alternative ways have been implemented yet more works to be done. Government interpretations have become a crying need to solve these issues in the RMG sector. More or less other steps should also be taken as early as possible.

Keyword: Political instability, Hartal, Production & Productivity, Job Performances, organizational Effectiveness, Work Environment, Compliance etc.

Introduction:

1.1 Background of the study:

Bangladesh is the rapidly growing economic country. Textile and clothing sector is the main source of foreign exchange earnings. According to Shoron and Huq (2014, P.33), the contribution of Bangladesh ready-made garments industry in the world apparel sector is also very significant, currently it has become 2nd largest exporters of garments products in the world. More than 4 million workers are directly involved in garments industry. In 2014-15 financial year, Bangladesh earned \$25.49 billion exports earnings by this sector. 81% of total export earnings is ready made garments.[1] Ready-made garments contributes 14.06% of GDP. Besides this positive achievements, the sector is facing some problems such as political instabilities. The political parties of any country is supposed to remain for social and economic developments of their countries. Their political activities are expected to be for the betterment of condition of the country and the people, but things are not happened always in desired way.

When political parties of a country take hostile position towards each other, the instabilities occurred. It hampered the development of a country.

1.2 Statement of the problem:

- Political instability is the biggest obstacle for the entrepreneurs. If there was political stability in Bangladesh, it could have been become a small China.
- Renowned entrepreneurs have suffered a lot of due to hartal issues. Trucks carrying goods and products were burned in Dhaka-Chittagong and Dhaka-Mymensingh highway causing huge loss of capital.
- Every-time during election, political instability has created sufferings for the entrepreneurs who could have lead the country to developments. The situation during election if not be controlled, the private sectors will be the greatest sufferers.
- Textile sector is a huge sector and it has many process and procedures to be done internally or externally. If one of them is interrupted, whole procedure is challenged. Hartals have challenged each process including transportation and other

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supporting industry like- banking, shipping, insurance etc.

- Textile industry provides 150 lakh of employment where 80% are women. During hartal, their attendance is less. As their attendance is less, due to absence some of the process are stopped. Thus productivity decreases.
- Due to lack of worker ,if one machine is stopped ,the amount of loss is beyond description.
- Job satisfaction and life security of worker come to a challenge during hartal.
- Most of the industry are export oriented, so due to lack of communication and increase of lead time could affect the relationship with foreign Buyers. Our lead time is generally 90-120 days. During hartal the productivity decreases and sometimes production could be in a condition of stand still. Thus id the shipment is delayed, getting the next order from the buyer is much more difficult. It's bad reputation too.
- Textile industry contributes over 13% of GDP. In political instable condition, this rate is decreased which is a great loss for our country.
- Production and productivity is hampered during hartal.
- Huge loss of capital during hartals and other conditions demotivate the entrepreneurs.

1.3 Objective of the study:

The objectives of the study are to investigate the impacts of political instability on garments production and productivity. The specific objectives are given below:

- To know about the conditions of the political instabilities of Bangladesh.
- To know about the relationship between the political instability and textile sector.
- To know about the problems caused by political instabilities in textile industries.
- To know about the possible solutions to rectify the problem.
- To know how the production and productivity should be utilized to increase the organizational effectiveness.
- To know the about the working environment and procedure of improvement of the working condition in an industry.
- To have the knowledge about compliance issues.

- To have an overall idea about the problems due to instable political condition in an industry and search the best possible solution.
- To search a means of increasing job satisfaction.
- To encourage new entrepreneurs and motivate them.
- To reduce fear of investment.
- To have idea of effective management during instable political condition.

1.4 Significance of the study:

Textile and clothing sector plays a vital role in growth of economy generating more than 65% of the country's industrial employment and contributing 81% of the export earnings. Until the liberation of Bangladesh, the sector was primarily an important substitution industry. It began exporting ready-made garments (RMG) including woven, knitted and sweater garments in 1978. International RMG buyers preferred Bangladesh for mainly two reasons:

- ❖ Competitive price high volume, lower end products.
- ❖ Presence of a growing primary textile industry capable of ensuring sizable supply of inputs to RMG industry.

However, the sector has been an extremely important part of socio-economic development for a very long time for a number of reasons:

- ❖ The textile industry is concerned with meeting the demand of clothing, which is basic need.
- ❖ More than 81% export earnings comes from this sector.
- ❖ Contributions over 13% of GDP , 40% of value addition comes from this sector.
- ❖ Provides 55 lakh of employment where 80% are women.
- ❖ 150 lakh of people in supporting industries are dependent on textile sector largely.
- ❖ Provides 2 lakh jobs in waste recycling industry related to textiles etc.

Now, we can easily understand how important this sector is to Bangladesh. But it's a matter of great sorrow that, the people of Bangladesh never meet political stable condition. In those instable conditions this sector faced various problem including-

- Productivity problem (Less production) .
- Job dissatisfaction.
- Transportation problem.

- Loss of capital.
- Loss of products, money, time etc.

From this study we can identify the problems easily and make decisions to overcome those problematic issues. Moreover, it will help us improving organizational effectiveness. This study contains data of hartal issues and production-productivity issues which will help us to analyze the overall scenario of the textile industries of Bangladesh. So, we can find way forward to improve textile mills conditions.

2.Literature Review:

2.1 Political instability:

Instability is a phase where there is uncertainty of everything and things can not be balanced. Instability also refers to impermanence. Bangladesh is a developing country. One of its most important and growing is the "RMG sector". This sector faces instabilities in terms of political and trade union issues. If we want to describe political instability, we can say that it is the likelihood of having demonstrations, forms of violence, workers going in strike or the possibility of a coup. It can also be measured in terms of government collapse. According to the political theories of Max Weber, "political stability depends on the government legitimate use of physical force." If the government cannot ensure the basic needs of people including food, shelter and security ; it loses the power to enforce laws and political instability ensues. It is the concept that represents the scenario of a state being failed. There are many factors that causes political instabilities. Such as-

- Conflict between the opposition and government parties.
- Lack of resources.
- Proximity to a nation which is in conflict situation.
- Conflict between two ethnic groups.
- Sudden change in nations situation leading to revolt.
- Terrorisms
- Government parties opacity etc.

Whatever the cause is all instabilities in political issues creates serious problems in the RMG sector. It is a matter of great sorrow that politically instable situation is predominant over this country. Political clashes in Bangladesh have been started since its birth. According to BGMEA ,4.5 billion tk has so far been spent additionally for price discounts, shipment by air and of course due to order

cancellation[2].This means for RMG sector it is a great loss of economy. Though some steps are taken some buyers are shifting their orders Bangladesh to other countries like India, Combodia ,Vietnam etc. There is a great possibility , if the instability remains the buyer's will permanently shift their orders from Bangladesh to the other countries which is the greatest threat ever for this sector. In any instable condition in politics, the apparel sector faces great challenge in the long down act blocked program called by the opposition parties[2].The entrepreneurs don't want to take risk for investment as –

- Transportation and communication is hampered. In apparel industry transportation and communication is how much important can not be described in words.
- Shipment delayed. Sometimes additional air shipment money is needed.
- Foreign buyers show unwillingness to run their business in Bangladesh resulting in decreases of production.

This is not the end yet. Investors are investing in low rate so the FDI is decreasing. All these are because of political instabilities. Again here comes a trade union issue. When the factory is already in loss, the trade union sometime creates violence among the workers which causes serious loss of production, safety,efficiency etc. Bangladesh is facing a lot of problems due to political instabilities. To quantify political instability, the World Bank has presented a composite index of "political stability". The index has been developed on the basis of insurgency,terrorism,violation of human rights etc. the index has revealed to the gradual determination of political instabilities in Bangladesh-

Year estimated index in political stability:

YEAR	Political stability index
1996	-0.61
1998	-0.45
2000	-0.77
2002	-1.08
2004	-1.38
2005	-1.84

2006	-1.47
2009	-1.54
2011	-1.39
2013	-1.63
2015	-1.15

Source: the GlobalEconomy.com

According to the table, we are a political instable nation. However, if the condition can not be improvised, the RMG sector will be the worst sufferer of the instabilities.

H01: Political instability has negative impact on socio-economic developments & it hampers the safety of the workers.

2.2Hartal:

Hartal is one of the major outputs of political instabilities. The term is a Gujrati expression actually. It signifies strike action. It was firstly used in Indian nationalist movement and acquired political significance when Mk Gandhi organized a series of anti-British strikes. In the 1920s and 1930s, hartal however in Bangladesh have been used for political reasons often. Hartal have been picturized by mass protests including shut down of workplaces, offices, shops, courts, schools, colleges, other government organization. Hartal now-a-days have been become common place in Bangladeshi Politics. Bangladesh achieved its independence in 1971. It is 45 years of independence but the people of Bangladesh have not secure any political stability rather they have been facing this political curse hartal very often. a total of 2,224 hartals were called since 1947 to 2015 nationally, regionally and locally and 112 hartals were observed before independence while 2,112 ones after the country's independence.

List of hartal:

Period	No. of Hartal
1947-71	47
1972-75	5
1975-82	6
1982-90	72

1990-96	81
1996-99	37
2000-2001	332
2003-2006	130
2009-2011	11
2012-2013	17

Source: the politics of Hartal in Bangladesh (News Network,2000), P..22; UNDP,Beyond Hartals: Towards Democracy in Bangladesh, & various newspapers.

These hartals have various negative effects on our socio-economic developments. Not only that, they have a devastating effect on our production, culture, import-export business etc. Some of the main impacts are: During hartal the transport are burnt by the hartal activities. According to the calculation at fire service and civil defence. From November 2012 to 19th march 2013 total 356 vehicles are burnt including the vehicle of fire brigade also. Amount of transport that are burnt between November 2012 to March 2013:

Month	No. of transport
November	34
December	33
January	44
February	71
March	124

Due to hartal, the import export business suffered uncertainty. Irreparable loss occurred during several hartal due to lack of transport and communication. Most of all, the RMG sector in Bangladesh which is the second largest of the world is affected by the devastating effect of hartal. A survey of BGMEA in 2006 stated that there was tk108 crore (per day), {USD 14 million(per day)} economic loss in RMG sector. According to BGMEA, FROM 14Jan,2015 to 25Jan,2015 11 garments had a loss of 118crore tk (1crore51lakh USD) during hartal due to cancellation of order, delaying order submission, price discounts, air

shipment additional cost of alternative transportation etc. Here is a chart showing the loss;

Reason of losses	Amount of losses
Order cancellation	\$7983000
Price discount	\$168000
Air shipment	\$457000
Others	\$3847000

Source: the daily Ittefaq, 25 Jan, 2015

If this condition continues, this loss will be higher. Already some foreign buyers have reduced their orders here in Bangladesh which will be a great threat for our entrepreneurs. From November 2013 to 14 January 2014, just because of hartal production of 12000 crore tk was lost. According to another survey, during BNP strikers of 3 months, 25 factories under membership of BGMEA had a loss of 200 crore-taka approximately. There are approximately 4222 garments under membership of BGMEA. Only 25 of them had total loss of about 200 crore, others are beyond description then. All these have reduced about 4% of GDP. All these could be a great threat to near future for Bangladesh.

H02: Hartal reduces the possibility of achieving the target market of the growing sector.

2.3 Production & productivity:

Production related to the producing of products or goods while productivity is related to the measurement of performance of system. Production is the process of workers combining various material inputs and immaterial inputs (plans, know-how) in order to make something for consumption (output). It is the act of creating output from some inputs. And productivity is an average measure of efficiency of production. It is expressed as the ratio of outputs to inputs used in any production process i.e. output per unit of total productivity. Each organization depends on its own productivity and production even in RMG sector, the term means a lot. The greater the production rate, the better the performance of this sector is considered. In fact the sector has been surviving for its production. RMG sector is contributing in our economy from earlier 1980 by exporting ready made garments. Political instabilities specially strikes and hartals are hampering production of this sector in great extent. According to

BGMEA in 2014-2015 economic year, the target of RMG sector to achieve 2 lakh 8 thousand crore tk (26.89 billion dollar) [6]. In this case, there was loss of 1.95 crore tk per one day hartal. Daily in this sector, there's production of 430 crore tk approximately. Thus if the production is hampered 50% due to hartal, the daily production will suffer loss of 215 crore tk at least. Due to political instable condition, presently there is remaining unrest situation in RMG sector. This sector is facing fluctuations due to instabilities. For RMG sector, the accessories like threads, buttons, zippers, cartoons, labels, pins etc are stored in a factory minimum 10 to 15 days before manufacturing the garments. But due to continuous the strikes, the inventories cannot be managed properly. Raw materials and inventories when finished cannot be collected properly and this is creating enormous loss in supply chain procedure. In a report it was said that in continuous hartal the foreign buyers cancelled their orders which is approximately 40%. Due to lack of orders production is reducing and so the exportation is reducing at a time. The buyers are not coming to our country rather they are shifting their orders to Cambodia, India, Vietnam etc countries which will be great challenge for our economy as well as RMG sector. It is to be said that production and productivity of any factory is proportional to getting orders. Where there is lack of orders, the production can be improved in that way does not require to be explained. For order cancellation there could be more reasons such as- late shipment, lack of transport, lack of communication in supply chain systems, lack of raw materials, lack of manpower etc. But all if these reasons are related to the instable conditions. Buyers are not willing to take risks moreover they demand for price discounts. According to BGMEA, last year due to price discount there was price discount of 9 thousand crore tk and air shipment of 5 thousand crore tk [6]. GME reported that, production of 215 crore tk was hampered and supply of accessories of 280 crore tk was hampered. For 1 day of hartal only, thus for 40 days continuous hartal last year. Order of 9000 crore tk was cancelled and in air shipment there was of 1400 crore tk. Due to politically instable conditions, production and productivity is decreasing drastically. If it continues as so, Bangladesh could be in position of great threat.

H03: political instability reduce the production and productivity of the workers increasing the production lead time.

Impact on GDP:

GDP loss per day, per year and in percentage

Sector	Loss per one day (crore tk)	Loss per one year (crore tk)	Loss in GDP (%)
Ready made garments	360	14400	1.56%
Govt. revenue	250	10000	1.02%
Wholesale market, shopping malls and other shops	600	24000	2.45%
Education	50	2000	.20%
Financial institution	50	2000	.20%
Insurance company	15	600	.60%
Transport and communication	60	2400	.24%
Tourism	50	2000	.20%
Production	100	4000	.41%
Others	65	2600	.26%
Total	1600	64000	6.5%

Source: survey conducted by DCCI (Dhaka Chamber of Commerce and Industry)

2.4 Job performances:

Job performance is an important criteria for organizational outcomes and success. It assess whether a person performs his/her job well or not. Job performance is an 'individual-level variable' or something a single person does. (According to P. Cambell). Job performance is also a rating of performance of an operator under observation with his own idea of standard performance for a given method. It differentiates a worker's effectiveness from others. Job performance should be goal relevant i.e it should be headed towards achieving a particular goal. It is not a single unified construct rather it is a multidimensional construct consisting of more than one kind of behavior. Campbell (1990) proposed an eight factor model of performance based on factor analytic research that attempts to capture dimensions of job performance existent across all jobs:

- ❖ Task specific behavior which includes behavior that a person undertakes as part of job.
- ❖ Non-task specific behavior which includes those behaviors which an individual is required to undertake which do not pertain only to a particular job.
- ❖ Written and oral communication tasks refer to activities where the incumbent is evaluated, not on the context of a message necessary, but on the adeptness with which they deliver the communication.
- ❖ Effort :Either day to day or where there are extraordinary circumstances. This reflects the degree to which people commit themselves to job tasks.
- ❖ The performance domain including an aspect of personal discipline.
- ❖ In jobs where people work easily or highly interdependent , performances may include the degree which a person helps out the groups and his or her colleagues.
- ❖ Many jobs also have a supervisory or leadership component.
- ❖ Managerial and administrative performance entails the aspects of job which serve the group or organization but do not involve direct supervision.

H04: Political instabilities reduce the job performance of all the employees and workers hampering their safety of life.

2.5 Organizational Effectiveness:

Organizational effectiveness has a very broad and often vague definition. In simple words, organizational effectiveness means the efficiency with an organization achieves its desired intended goals and objectives. Again it is the concept of how effectively an organization is achieving the outcomes, it intends to produce basically, the effectiveness of a business constitutes its ability to perform a functional with optimal levels of input and output. Companies use organizational effectiveness to measure any number of things ,from the relationship between employee and company profits to the correlation between manufacturing process and production volume. Each organization has an organizational effectiveness group and they are concerned with several key areas including:

- Talent management
- Leadership management

- Organizational design and structure
- Design of measurement and scorecards
- Implementation of change and transformation
- Deploying smart process and smart technology.

to manage the firms human capital and the formulation of the broader human resources agenda. If an organization has practices and programs in the areas mentioned above ,the OE group does all of the following roles-

- Examines alignment between the areas and improve them.
- Improve trade-offs between reliability, speed and quality in above areas.
- Strategies for higher adoption rates in those areas.
- Facilitates capacity building: structure, process and people.

Organizational effectiveness can be measured by the comparison between the target profitability and their net profitability. Also can be measures in terms of customer satisfaction. But the truth is ,it completely depends on strategic plan. If doesn't mean to best, it means to set a goal than apply the measurable way to achieve the goal. For any organization to achieve its intended goal organizational effectiveness is very important. It is related to a company's financial and economical process and their success. Again it identifies the efficiency and effectiveness of each employee and worker even it can give an overall idea about a company's position and approach for achieving targets. Moreover, it challenges all the process and operation that create customer satisfaction as well as organizations profitability. Organizational effectiveness can be improvised by –

- Introducing training and development programs to the workers and encourage them by recognitions and rewards.
- Planning with best possible strategy and implement them
- Providing favorable environment for employee and workers and establishing fair tasks
- Arranging motivation programs etc.

Hence political instability has impact on this effectiveness too:

- The absence of worker
- Lack of transportation
- Delay in shipment
- Less profitability

- Job dissatisfaction
- Diverse environment
- Less production and productivity
- Difficulties in management etc.

All of the above mentioned problems are occurred during political instable condition. All of these affect organizational effectiveness towards achieving their targeted goals and profit abilities. To overcome this, effective planning as well as political stable condition is needed.

H05: Political instabilities hamper the organizational effectiveness.

2.6 Work Environment:

The term work environment can be described in various ways. It can be defined as the location where any specific activity is carried out or it can be defined as surrounding environment or condition in which an employee, or a worker or an operator operates. Physical condition like office temperature, pH, noise level, sitting arrangements, lay out etc are also included in work environment. Each and every entrepreneur wants the best environment for his/her employees, workers, team members. Suitable work environment allows the team members to operate of their most productive level and remain satisfied with their jobs year to come. For each industry there's different work environment. It is very difficult to say which characterizes are required for the best work environment. But in some aspects, some examples of best working environments can be-

- ❖ A work environment where every person have right to question about actions and their questions encouraged too. This type of environment is known as "skeptive" environment. Here everyone is asking question. Say if someone adopts any strategy to improve production, he can be questioned by anyone that why he thinks the strategy could be better than the alternatives. So by questioning everyone is participating in moving the company forward. Everyone is judges for their ideas and each idea is considered equally. Thus everyone is happy and is ensured of job satisfaction resulting in increased productivity.
- ❖ A work environment where the industry offers individuals flexibility to customize their own working styles. Some individuals may be allowed to work from home if that doesn't interfere with

their productivity. This type of environment may be known as “individual-focused” environment. Everyone works differently by their own way but having a team communication.

- ❖ Another type of work environment, where the employees and workers can speak freely with one another to inspire co-operation and mutual operation is known as “no-wall” environment.
- ❖ An “unified” environment which allows people to operate as individuals but still focus on succeeding as a team. This type of environment usually sets ‘team’ goals and allows people to work together in smaller groups to accomplish team tasks. Everyone focuses on working together and individually hold themselves accountable for their quality of work.
- ❖ Productivity of a person depends on his motivation and the way he copes with stress. Capacity of a person depends on- education, training, experience and practice. Moreover, productivity depends on general disposition, current health and fatigue. However now-a-days ergonomically designed work environment are available. Ergonomically designed work stations can improve concentration, delay fatigue and reduce accidents. For establishing or implementing all of advantageous techniques, political stable condition is extremely needed.

H06:Political instabilities damage the work environment of a factory.

2.7 Compliance:

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA)has started its own code of conduct for the industry, in association with the major trade unions. It has set up a compliance unit that monitors labor condition in its members' factories (UNIFEM 2008). In 2006, the Government passed a new labor code, after 12 years of deliberation and activism. It applies to all workers, and the new sections relevant to the garment industry include written contracts and identity cards, timely payment of wages, revised minimum wage, paid maternity leave and explicit laws against sexual harassment. According to International Labor Organization (2010), buyers make sourcing decisions based on four factors: price,quality, how long it takes to get produce to the marketplace and social compliance,including compliance with labor standards.

Haider (2007) in his study said that the social dimensions of the RMG industry are getting more attention from consumers, social workers, welfare organizations and brand name international buyers[17]. International buyers are very particular about compliance with codes of conduct. The basic principle of code of conduct have been derived from the principles of international human rights. (Das, 2008). It has nine areas that are followed. They are :

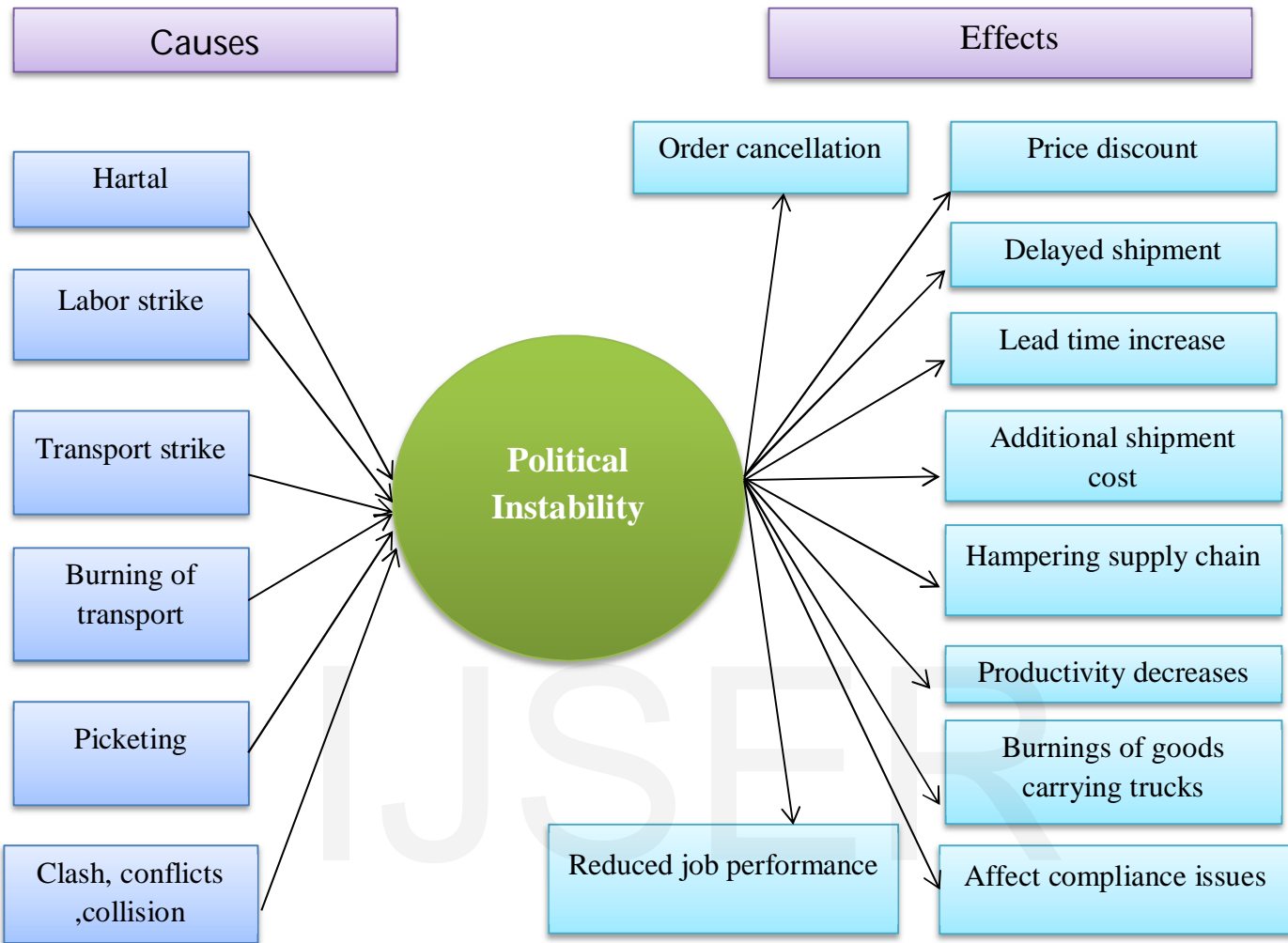
1. Child labor
2. Forced labor
3. Health and safety
4. Compensation
5. Working hours
6. Discriminations
7. Discipline
8. Free association and collective bargaining
9. Management systems

Political instability hampers the compliance of the industry. When the political instability occurs, the labor are forced in working day to complete the production order. It creates the pressure upon the labor. The labor have to work more hours. It also hampers the safety of workers. In time of political instability, the workers go to industry very risky. Accidents may be occurred in that time. Many people also died or heavily injured in this time. Sometimes in time of political instability, industry may be hampered. Thus the management systems may break down. The authority cannot provide facility to the workers in that times. Thus that time, the industry don't give the compensation to the workers. The workers are suffering very much in that time. Sometimes the local political leader dominate over the industry , thus they don't give chance to create free association in the factory. Sometimes the trade union don't build. Thus the rights of workers don't keep up. Political instability hampers the total compliance system of the industry.

H07:Political instabilities have devastating effect on the compliance issues.

2.8 Theoretical Investigation of Framework:

The underlying is shows relationship between political instability and different variables of the economy. Where we can define the political instability as an independent variables and causes or effects are dependent variables.



3. Research Methodology:

Both descriptive and inferential research were conducted to identify the negative impacts of political instabilities in RMG sector such as- order cancellation, price discounts, delayed shipment, hamper of supply chain, burning of good-carrying trucks, productivity decrease, affected compliance issues, decreased organizational effectiveness, and reduced job performance. The focus of the research is to identify the problems caused by political instabilities in RMG sector and find ways to minimize the problems. This research study is based on both primary and secondary data collections. Primary data was collected through a structured questionnaire (with a Likert type 5 point scale) from 150 employees of seven garment industries. The garments are located in Gazipur and Dhaka city. The interview survey for the collection of primary data was designed carefully and conducted to identify the side-effects of political instable condition in RMG sector. Secondary data was collected from internet, newspapers,

blogs, articles, journals, annual reports and audit reports. Both the primary and the secondary data were collected during 2017.

Total population:

Name of Industry	Frequency	No. of Employees Interviewed
Masco Industries Limited	1	20
Epyllion Style Limited	1	25
Amantex Limited	1	20
JM Fabrics Limited	1	20

Comfit Composite Limited	1	25
Epic Garments Manufacturing Company	1	20
Texgiants limited	1	20
		Total - 150

4. Data analysis and presentation:

To collect primary data we created a descriptive questionnaire which was employed to 150 people of 7 industries. We used SPSS software as a statistical data analyzing tool. The tool was very convenient. We also prepared some frequency table. There are asked about various effects of hartals in RMG sectors with a likert type 5 point scale. Majority of their answers between “agree” and “strongly agree”. Some of their answers were also “undecided”, “disagree” and “strongly disagree”.

The respondents were asked that if Political instability has negative impact on socio-economic life of workers. 70% of them strongly agree to this question , 24.66% of them were agree, 4% of them give no responded. Less than 1% of them responded disagree and strongly disagree. Political instability hampers the economic life of the workers. This impact on social life of the Workers. Political instability hampers the socio-economic life of the workers. According to survey we can easily realize that.

Table :1

Political instability has negative impact on socio-economic life of workers	Frequency	Percentage
Strongly agree	105	70%
Agree	37	24.66%
Undecided	6	4%
Disagree	1	0.95%
Strongly disagree	1	0.95%

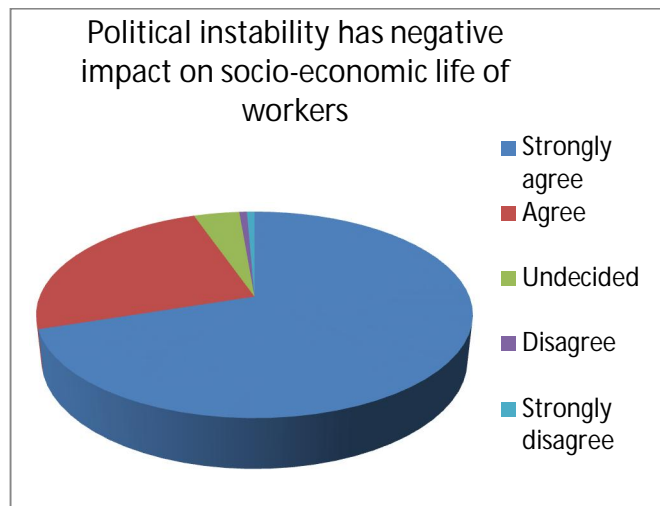


Figure-1: Impacts of political instability on socio-economic life

The same way other questions were also asked. For the question that if Political instability hampers safety of workers. 56.66% of them strongly agree;14% of them agree; 13.33% undecided; 14.66% disagree and 1.33% strongly disagreed. In political instability time, it is very risk to go outside of the house and it's very tough to go workplace because picketing is common matter in this time. It hampers the safety of the workers. They go to their workplace in very risky. According to survey we can easily realize that. Sometimes cocktel, bomb attack also happened in this time. So political instability hampers the safety of the workers.

Table :2

Political instability hampers safety of workers	Frequency	Percentage
Strongly agree	85	56.66%
Agree	21	14%
Undecided	20	13.33%
Disagree	22	14.66%
Strongly disagree	2	1.33%

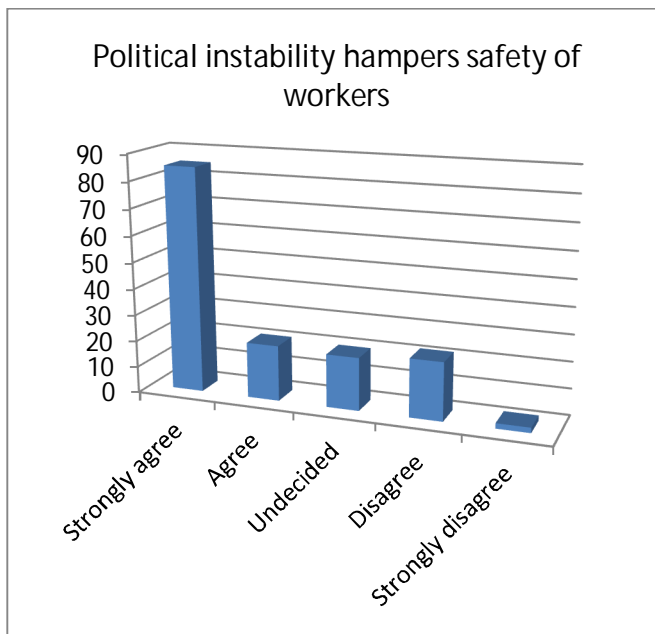


Figure-2: Political instability hampers the safety of the workers.

40.66% of them strongly agreed to the question that if political instabilities increases the production lead time while 53.33% agreed, 4.66% undecided and less than 1% disagreed and less than 1% also disagreed. In political instability time, many workers cannot present in the workplace in right time. So the production doesn't produced in right time. So the lead time increases for the political instability. It's so difficult to produce the production in lead time. It's also difficult to take the production order for the lead time increases.

Table :3

Political instability increases the production lead time	Frequency	Percentage
Strongly agree	61	40.66%
Agree	80	53.33%
Undecided	7	4.66%
Disagree	1	0.95%
Strongly disagree	1	0.95%

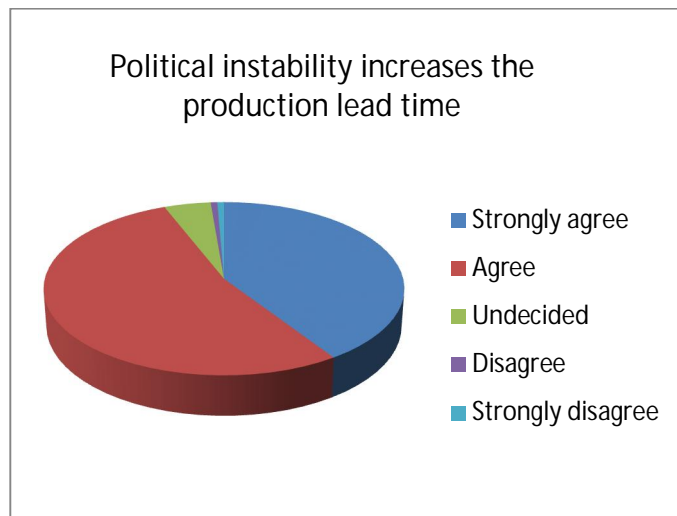


Figure-3: Political instability increases the production lead time

In RMG, the shipment is delayed due to political instability. This is strongly agreed by 84.66% of them ,13.3% agreed and less than 1% of them responded undecided ; less than 1% responded disagree and less than 1% responded strongly disagree. In political instability time, it's very risk for the transportation. Cocktail , bomb attack is regular matter in this time. So for this reason the vehicles cannot move in this time. That's why it's difficult to transport products on due time. So the shipment is delayed.

Table :4

Due to Political instability, the shipment is delayed	Frequency	Percentage
Strongly agree	127	84.66%
Agree	20	13.3%
Undecided	1	0.95%
Disagree	1	0.95%
Strongly disagree	1	0.95%

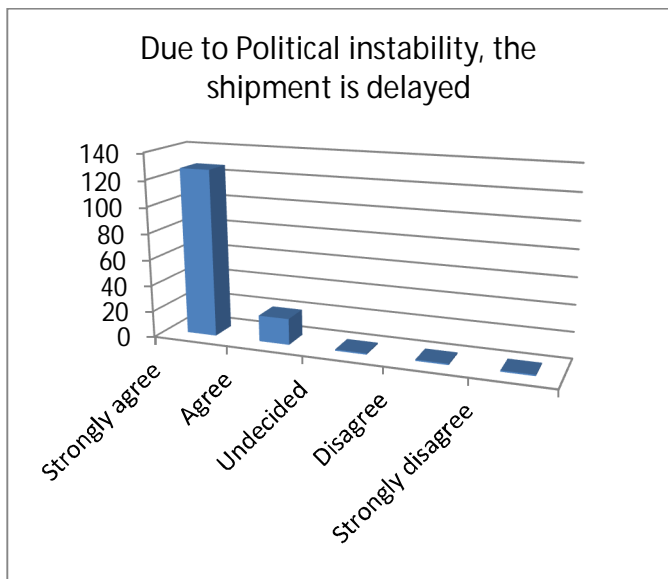


Figure-4:Due to Political instability, the shipment is delayed

On factory environment related question , 56% strongly agreed; 40% agreed; 2% of them did not responded; 1.33% disagreed and less than 1% of them strongly disagreed. Few factories are situated beside the highway road. In political instability time, this factories are attacked by the picketers. Sometimes the picketers throw the broken bricks, stones to the factory. This hampers the factory environment. Sometimes the workers can not attend in the factory in time. This also hampers the factory environment. We can also see the survey that, political instability hampers the factory work environment.

Table : 5

Political instability hampers the factory work environment	Frequency	Percentage
Strongly agree	84	56%
Agree	60	40%
Undecided	3	2%
Disagree	2	1.33%
Strongly disagree	1	0.95%

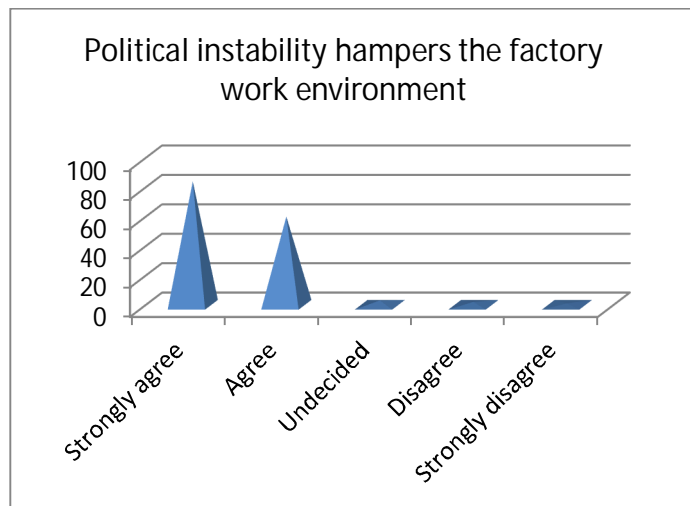


Figure-5:Political instability hampers the factory work environment

The buyer-manufacturer relationship is hampered or not in this question , 48.66% said that they are strongly agreed to this while 43.33% said that they agreed, 6% undecided ,less than 1% disagreed and 1.33% strongly disagreed. In political instable time, the buyers don't take risk to go outside for picketing, cocktail attack etc. The buyers do not go to factory in this time also. The meeting also cancelled for this reason. The manufacturers also fail to give the order in lead time for this reason. Thus the relationship between buyers and manufacturers are hampered. We can also see the survey thus we realize the how the relationship breakdown between buyers and manufacturers. It makes the bad effect on our RMG industry.

Table :6

Political instability hampers the relationship between buyers and manufacturers	Frequency	Percentage
Strongly agree	73	48.66%
Agree	65	43.33%
Undecided	9	6%
Disagree	1	0.95%
Strongly disagree	2	1.33%

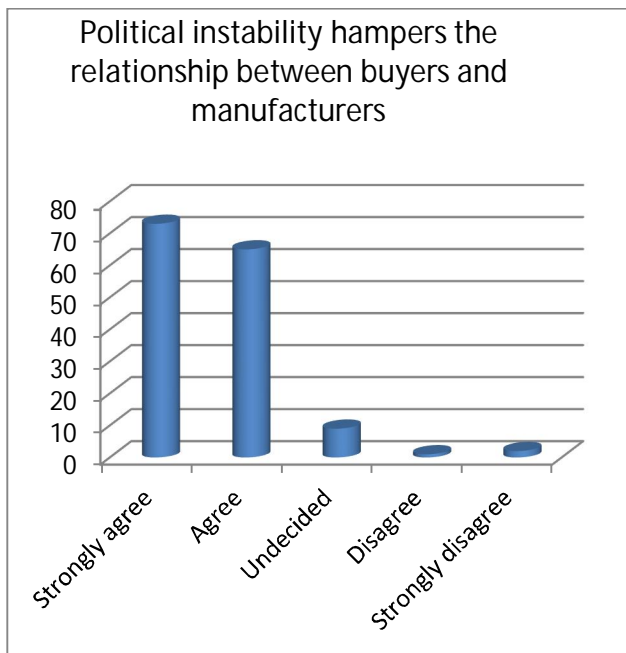


Figure-6:Political instability hampers the relationship between buyers and manufacturers

28% of them said that they are strongly agreed that factory compliance is hampered due to political instability. 45.33%, 25.33% ,0.95% and 0.95% respectively agreed, did not respond , disagreed and strongly disagreed. In political instability time, the workers fail to attend in the factory in time. So for this reason to complete production in time, the workers have to work extra time. Sometimes they have to work in holiday time. Sometimes the management force workers to do extra work for completing the production in time. It hampers the factory compliance. If we see the survey, we can easily realize the hamper of compliance.

Table :7

Political instability hampers the factory compliance	Frequency	Percentage
Strongly agree	42	28%
Agree	68	45.33%
Undecided	38	25.33%
Disagree	1	0.95%
Strongly disagree	1	0.95%

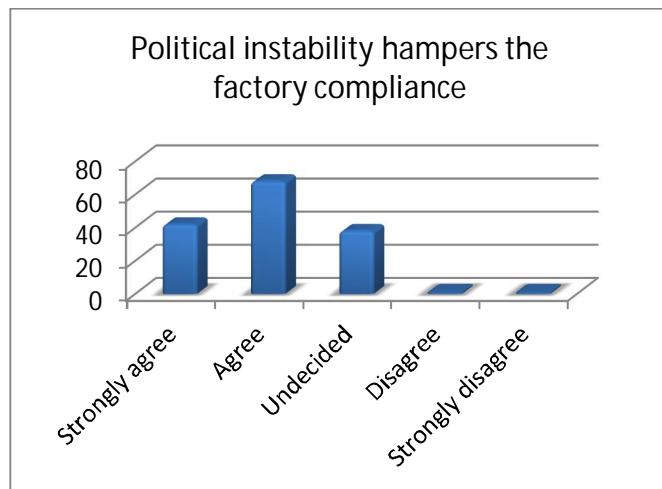


Figure-7:Political instability hampers the factory compliance

We asked them, the effectiveness of workers is hampered due to political instability. Only 14% of them strongly agreed, 53.33% moderately agreed , 29.33% had no idea about this, 1.33% disagreed while 2% strongly disagreed. In political instable time, the workers get very afraid when they go to workplace. They go to workplace in in fear mind. This hampers the effectiveness the workers in the factory. We can see the survey report that political instability has negative impact on the effectiveness of the workers.

Table: 8

Political instability hampers the effectiveness of workers	Frequency	Percentage
Strongly agree	21	14%
Agree	80	53.33%
Undecided	44	29.33%
Disagree	2	1.33%
Strongly disagree	3	2%

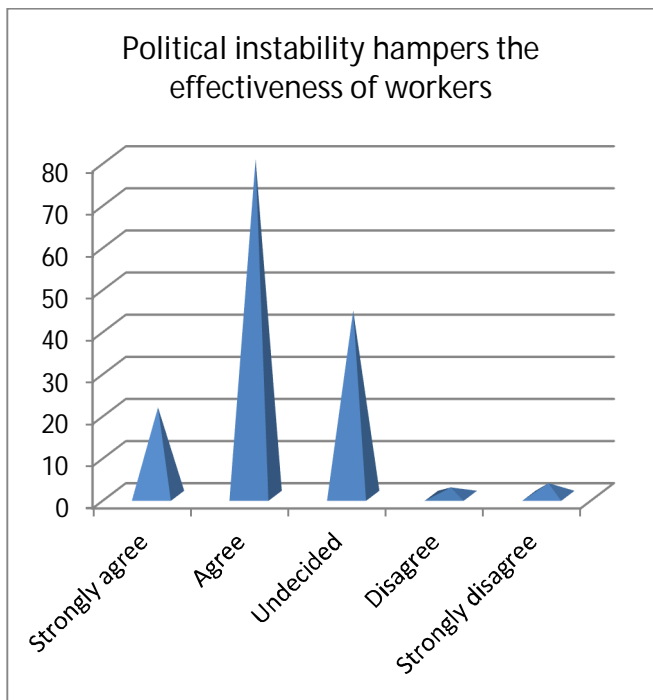


Figure-8: Political instability hampers the effectiveness of workers

Exporting target rate still not achieved is strongly agreed by 40% , agreed by 43.33% , undecided by 13.33% , disagreed by 1.33% and 2% strongly disagreed. Due to political instability, target exporting rate still not achieved because of many order has been cancelled due to this reason. Sometimes the manufacturers have to give discount to them. Sometimes they have to maintain air shipment. For this reason the production is not achieved at target rate. That's why the target exporting rate still not achieved. If the see the survey report it will be clear for us.

Table: 9

Due to Political instability, target exporting rate still not achieved	Frequency	Percentage
Strongly agree	60	40%
Agree	65	43.33%
Undecided	20	13.33%
Disagree	2	1.33%
Strongly disagree	3	2%

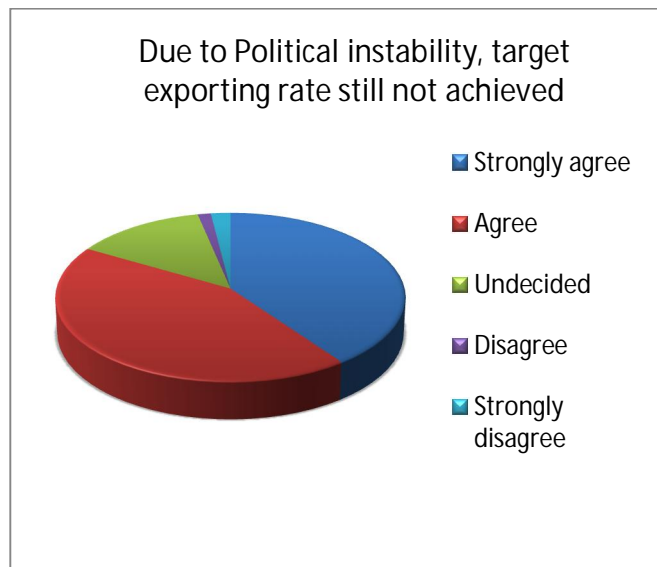


Figure-9: Due to Political instability, target exporting rate still not achieved

On inflation related question 70% of them strongly agreed ,28% of them agreed ,less than 1% of them undecided, less than 1% disagreed and less than 1% of them strongly disagreed. Due to political instability, transportation becomes more hampered. Lack of transportation the local market cannot sell their product to target customers. On the other hand, many customers cannot buy their products unavailability of their products. It creates impact on inflation. By see the survey it will be clear to us.

Table :10

Political instability creates impact on inflation	Frequency	Percentage
Strongly agree	105	70%
Agree	42	28%
Undecided	1	0.95%
Disagree	1	0.95%
Strongly disagree	1	0.95%

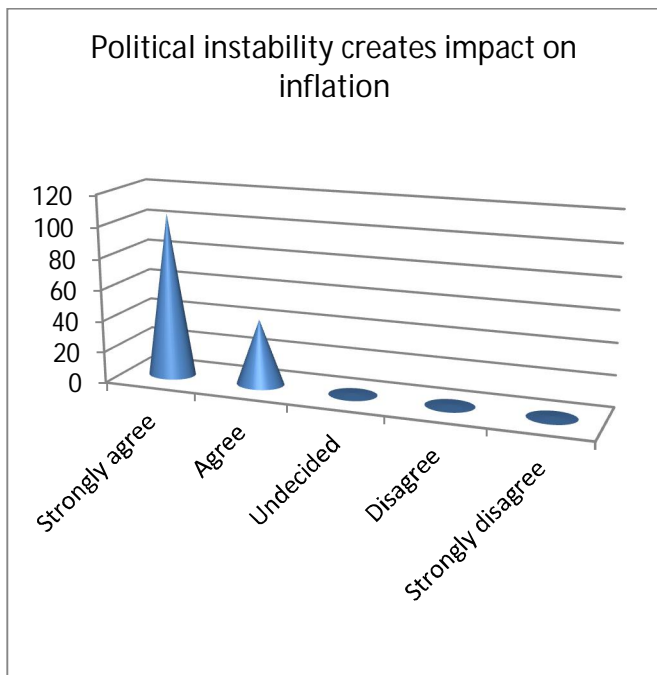


Figure-10: Political instability creates impact on inflation

For easier and better understanding we provided different type of charts according to the frequency of the employees.

Table 11: Hypothesis analysis

Hypothesis	Result
H01: Political instability has negative impact on socio-economic developments & it hampers the safety of the workers.	Accepted
H02: Hartal reduces the possibility of achieving the target market of the growing sector.	Accepted
H03: political instability reduce the production and productivity of the workers increasing the production lead time.	Accepted
H04: Political instabilities reduce the job performance of all the employees and workers hampering their safety of life.	Accepted
H05: Political instabilities hampers the organizational effectiveness.	Accepted
H06: Political instabilities damage the work environment of an factory.	Accepted
H07: Political instabilities have devastating effect on the compliance issues.	Accepted

Here to be said that from overall analysis of the survey not all the employees responded. About 9.99% did not responded to certain question in average. 50.86% of them strongly agreed and almost 1.24% strongly disagreed. The rest of all moderately answered. That means the majority of them also thinks that the instabilities in political condition is hampering continuously in various way in RMG sector.

5. Findings of the study:

The study was conducted to find the negative impacts of political instabilities over RMG sector and raising awareness so that the impacts can be minimized by taking proper steps. During our study we found that, political instabilities have numerous negative impacts on the whole RMG sector including-

- Hampering socio-economic developments.
- Hampering life safety of workers and reducing their efficiency.
- Interrupts production and productivity increasing production lead time, delaying shipments, hampering supply chain, hampering relationship buyer-manufacturer and so-on.
- Factory work environment and compliance issues are also hampered and have impact on inflation.
- Creating greatest hindrance in achieving target exporting rate.

As described earlier these are the negative impact on RMG sector which should be reduced or eliminated totally if we want to achieve our target market. Government interruption and helps also required in this case. However somehow we must think alternatively to solve these problems.

6. Recommendation of the study:

In the recent era of globalization, political instability is very bargaining issue in the modern time. In our research we have shown the various result of political un-stability that impacts on the economy, GDP, NNP and total Market conditions. We have given some recommendations of how political instability can be reduced in measurable ways.

- RMG sector is the most profitable sector for the economy of the Bangladesh. As it contributes more than 13% of GDP, the government should take proper steps to control the political instabilities. For improving the conditions of RMG sector, political instabilities should be controlled properly.

- To get protected from firing and other hartal issues, industry may take help industrial police help during political instable condition.
- If buyers don't want to take risks and come out for meetings or deals, the meetings can be arranged in buyers place.
- In political instable conditions, the main problem is the transportation problem. The factory can arrange transport for the employees and workers in the early morning with security.
- As the shipment is delayed, the products can be sent at night to the port , the submission can be quicker and easier.
- Motivation is the one of the best way to keep the workers in charge. If the workers are motivated well, they may give their best efforts and show their 100% efficiency. This is the prime need for increasing productivity during instable condition.
- During instable condition, incentives can be arranged for workers along with motivation who will work best. Thus they must work more for the industry. This will help in increasing productivity and organizational effectiveness at a time.
- A good relationship with all of the suppliers of the supply chain system can help in many ways. If there's a good relationship among them, they will submit orders(products) at any cost even If at night.
- Effective communication within supply chain system can help maintaining inventories well.
- While transportation, the Government may give security specially in highways so that the picketers cannot burn the transports and goods as well.
- If the air shipment is necessary at political instable time, air shipments can done in Bangladesh Biman cargo. The Govt. if gives special discount during this period , the additional cost of air shipment can be reduced.

7. Future study of the research:

The aim and objective of this study is to identify the major problems and hindrances of RMG sector that are created by political instabilities. But not only for that but also for increasing awareness among the employees, textile engineers, entrepreneurs, workers, general people and last but not the least the government about the instabilities issues. The RMG sector is the most important sector for the economy of Bangladesh. The problems if can be solved by studying, analyzing and taking proper steps our target market can be achieved very easily and quickly.

Government's help is very important but at the same time the alternatives should be found. This study has enormous scopes in near future. In future various studies and researches can be done to improve the conditions of RMG sector during political instability.

8. Conclusion:

RMG sector is one of the most growing sectors in Bangladesh. For developing of this country, the contributions of this sector are beyond any descriptions. Political instabilities hamper this sector at a great extent. The objective of our study is to find the obstacles that hamper the possible growth of RMG sector and the reasons that are responsible for enormous losses. We found that one of the root causes is "political instabilities". There might be several reasons for political instabilities while our study shows most common ones. The most common effects are shown in a descriptive way here. Hence, this problem might be solved if we want to achieve our target market owing to this sector. More or less, RMG is the worst victim of this in stable condition. We provide some recommendation which may be helpful for solving the issues. However, if we want to meet our desired goals owing to this sector, political stable condition is desperately needed. If the political conditions run smoothly, then any problems can solved and losses can be reduced for sure. Most importantly the target market can be achieved and there will be more contributions in the economy of our country.

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