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Why is Work Ethics Necessary for Conflict Management in the Readymade Clothing Industry?

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Author’s Photos







Author’s short biographies

1. **Mohammad Masudur Rahman (Corresponding author)**

   Presently he is employed as an Associate Prof of Management at the FBS, International Standard University, located in Dhaka, Bangladesh. Additionally, he is pursuing a doctoral degree at Putra Business School, University Putra Malaysia. Engaged in diverse research endeavors in a range of subject areas. The primary goal of the individual in concern is to provide quality education to the students.

2. **H.T.M Quader Newaz (Co-author)**

   Currently employed as an Associate Professor of Industrial Management at the International Standard University's Faculty of Business Studies in Dhaka, Bangladesh. Conducted academic research on a variety of topics and has extensive experience in the financial operation, including the university, insurance and RMG sectors. He has gained recognition for his compassionate nature in providing quality tertiary education under his tutelage.

Author’s short biographies

3. **Balakrishnan Parasuraman (Co-author)**

He is currently employed as a Professor specializing in Human Resource Management and Industrial Relations at the Faculty of Entrepreneurship and Business, located at the University Malaysia Kelantan in Kota Bahru, Kelantan, Malaysia. He is a Dean of Centre for Postgraduate Studies, UMK. He has been involved in diverse research and consultancy endeavors in collaboration with esteemed organizations such as the International Labor Organisation, World Bank, Japan Foundation, Ministry of HR Malaysia, and numerous others. The objective of the Professor in consideration is to deliver a high-quality education to the students at his university.

Introduction

- The rise of the global market has heightened the importance of commerce in the global economy (Yunfan et al., 2021).
- It has aided the expansion of a wide range of service industry activities including the Readymade Garment (RMG) industry (Raian et al., 2022).
- However, the first RMG factory was built in 1831 in New York and RMG business growth was speedily aided by the American Civil War in 1861 (Abida, 2018; Arneson, 2007; McPherson, 1988).
- It took more than a century to became popular in Europe in 1950s (Abida, 2018).

Introduction

- Nowadays developed countries prefer to import readymade clothing because it is less expensive than manufacturing in-house (Hasan, 2018).
- This is beneficial to Asian and African countries. Consequently has risen to the top of the garment supply chain (Akhter, 2021).
- Southeast Asia's RMG sector has gradually grown to become the world's hub, main driving force of economies (Saha et al., 2021).
- As a South-East Asian country, Bangladesh is the world's second-largest RMG exporter after China (Raian, 2022).

Introduction

- There are challenges in RMG business. Unfortunately, the sector's unavoidable components are poor communication, mistrust, worker's dissatisfaction, labor unrest, accidents, customer boycotts, etc. (Chowdhury et al., 2017).

- As a result, the sector has been subjected to brutal conflict, and volatility almost every year (BILS, 2020).

- Furthermore, it faced 264 labor disputes during the COVID-19 pandemic only in 2020. (Munni, 2021)

- Furthermore, regardless of whether the strike is legal or not, it costs money and countless working hours. (Cichobłaziński et al., 2018).

Introduction

- **Furthermore, lack of a proper ethical work related training program contributes to disputes in Bangladesh's RMG** (Chowdhury & Rahman, 2017).

- Therefore, this study on why is work ethics necessary for conflict management in the Readymade Clothing Industry to keep Bangladesh's RMG exports competitive globally and sustainable.

The Literature Review

Work Ethics:

The concept of work ethics refers to the implementation of ethical principles and values within the context of the workplace (El Badriati et al., 2022). This work ethics encompass qualities such as diligence, patience, and persistence.

Work ethics, also referred to as ethical performance, encompasses a set of principles that serve as a moral compass, influencing behavior and shaping corporate operations. It serves as a catalyst for fostering a culture of honesty, responsibility, and accountability among employees (Haregeweyn, 2019).

The Literature Review

This societal progression of values has the potential to facilitate the development of individuals' moral character through diligent labor within their respective fields (Cakir, 2016).

Why Work Ethics is important?

A study by Ashbaugh & Kasten (1986) revealed to see whether ideals influenced their organizational behavior. Inconsistent ethics, according to the study's findings, is a more sensitive issue. Whose ethics/values should take precedence that is the question? Should they be the proprietors', executives', or workers' leaders'?

The RMG's culture may triumph in this regard. There is always some conflict based on individual ethics/values in the absence of a strong culture, and there may not be a win-win situation.

The Literature Review

The effect of worker attributions of pioneer adequacy in directing connections between impression of (a) ethical climate and (b) organizational justice and both positive and negative types of execution was examined in a review (Fein et al., 2021).

Alakavuklar & Cakar (2012) conducted a study that revealed that conflicts among employees are prevalent across diverse organizational categories and can arise due to a multitude of factors.

As a result, the effects of ethical atmosphere on organizational justice can be either positive or negative on performance.

The Literature Review

The relationship between ethical attitudes and conflict resolution tactics can exhibit both positive and negative aspects.

Disputes pertaining to ethical matters constitute a significant catalyst for the emergence of conflicts.

The literature needs to pay more attention to the inquiry into effective strategies for addressing conflicts stemming from moral problems.

The primary aim of this study is to examine the behavioral responses of RMG workers in ethically complex conflict scenarios.

LR-Underpinning Theories

Conflict Management

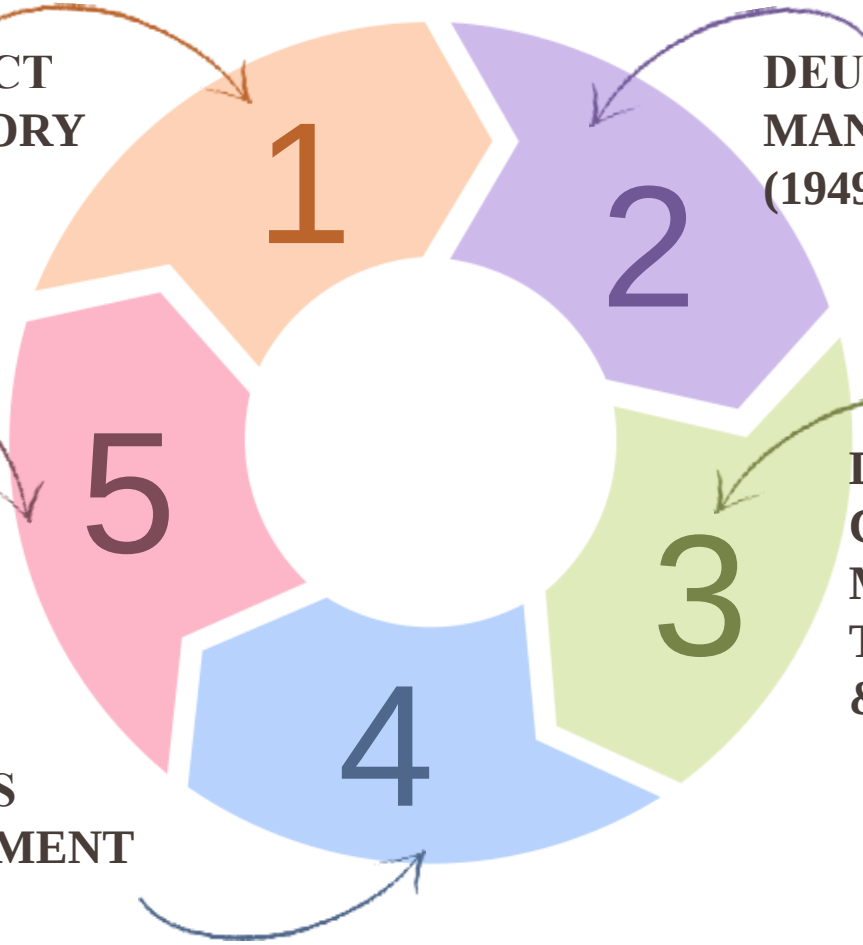
FOLLETT'S CONFLICT MANAGEMENT THEORY (1940).

DEUTSCH'S CONFLICT MANAGEMENT THEORY (1949)

RAHIM AND BONOMA'S DUAL CONCERN CONFLICT MANAGEMENT THEORY (1979; 2011)

DUAL CONCERN CONFLICT MANAGEMENT THEORY by BLAKE & MOUTON (1964)

THOMAS-KILMANN'S CONFLICT MANAGEMENT THEORY (1974)



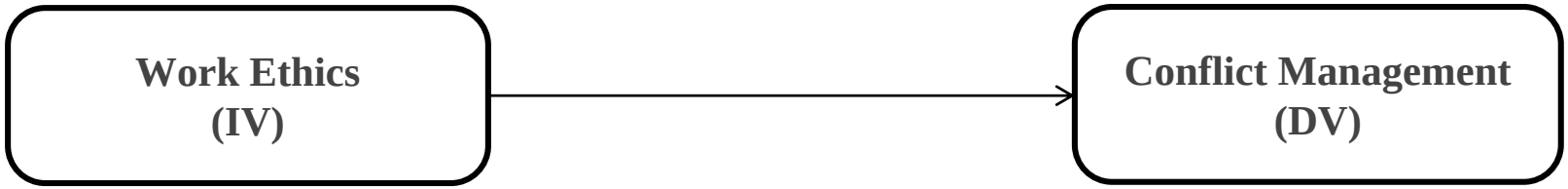
LR-Contingency Theory

- Developed by Fred E. Fielder (1964) which was influenced by Ohio and Michigan Study.
- The efficacy of a leader, according to this viewpoint, is determined by situational contingency (Fiedler, 1967).
- By including leadership traits into the original Contingency Model, these concepts were extended into Cognitive Resource Theory (CRT) (Fiedler, 1989).

The fundamental propositions were axiomatic to the theory:

1. Aspects of contingency theory: qualities, behavior, and situation (Fiedler, 2005).
2. CT: Organizations exhibit a variety of structural patterns and business managers should recognize that **there is no single best method of organizing** (Adebisi and Abiola-Ale, 2018); rather, **the best organizational structure** is determined by a variety of variables.

Conceptual Framework



Underpinning Theory: Contingency Theory (Fielder, 1964); Dual Concern Conflict Management Theory (Rahim & Bonoma, 2011)

Research Question(s) & Objective(s)

Research Question

(i) Is there any relationship between work ethics and conflict management strategies in the readymade garment sector?

Objective of the Study

The specific objective of this study is-

(i) To investigate the correlation how factor like work ethics influences on conflict management in the RMG sector.

Methodology

F. E. Fielder first proposed the concept of contingency theory utilized in this investigation in 1964; Garcia elaborated on it in 1987; and other academic institutions have investigated it (da Cruz *et al.*, 2011). New research on conflict resolution employs contingency theory due to its adaptability (Rashid *et al.*, 2020).

This study aimed to critically analyze the relation between work ethics and conflict management in RMG sector through a relevant literature review.

Fiedler's contingency theory of leadership, Dual Concern Conflict Management Theory by Rahim & Bonoma (2011), Rahim's Organizational Conflict Inventory-II (ROCI-II) and the Multidimensional Ethics Scale (MES) enables the assessment of ways to manage interpersonal conflict and ethical stances in this study.

Methodology

Apuke (2017) contends that quantitative methods are preferable for studying and predicting variables.

This quantitative research endeavor collected its data through a survey and random sampling. Simple random sampling was used to acquire data from 250 RMG workers using survey techniques.

This investigation offers a graphical user interface for SEM, variance-based structural equation modeling (Hair *et al.*, 2021). Using a limited sample size and fundamental hypotheses, PLS-SEM identified multiple interdependencies between variables (Hair *et al.*, 2019).

The data in this quantitative investigation were analyzed using Statistical Package for the Social Sciences (SPSS) and Partial Least Squares Structural Equation Modeling (PLS-SEM).

Results

1. Data interpretation were made using SPSS version 23 and Smart-PLS 4.0

2. Exploratory Analysis: (i) Data screening, (ii) Incomplete data treatment, (iii) Outlier evaluation, (iv) Non-response biases, and (v) Normality/Multicollinearity/Linearity

3. Descriptive Analysis : (i) Demography (ii) Variables

4. Assessment of Measurement Model : (i) Convergent validity, (ii) Construct reliability and validity, and (iv) Discriminant validity

5. Assessment of Structural Model : (i) Structural model estimation, (ii) R^2, (iii) f2, (iv) Multi-collinearity (VIF), and (v) Predictive relevance (Q2).

6. The Path Coefficient : (i) Direct relationship; (ii) Mediation analysis, and (iii) A review of the hypotheses.

Results

Descriptive statistics

Using SPSS version 23, we were able to ascertain that women constituted 55.6% of the sample and men constituted 44.4% of the sample.

Approximately 80.4% of participants were younger than 30. The demographic group between the ages of 31 and 40 comprised approximately 12% of the total population.

The highest level of education attained by respondents was a graduate or professional degree (1.6%), followed by a bachelor's degree (3.6%), a high school diploma (20.8%), an elementary school diploma (52.4%), and no diploma (20.8%).

Seventy one percent of those surveyed were operators, while the remaining 28.6 percent held a variety of other positions, such as supervisor (13.2 percent), others (16.0) loader, supply man, and cutting man. 67% of respondents had less than five years of experience, about 24% between six and ten years, and approximately 9% more than ten.

Results

ITEMS	RESULT	Threshold
Non-response Bias	300 responses were received with 250 usable responses indicating a response rate of 83.3%.	The response rate was acceptable (Knight et al., 2019).
The Post-coding Procedure	16.76 % of survey items left answered	>25% of survey items left unanswered should be excluded (Sekaran & Bougie, 2013)
Missing Data	There were nineteen (19) missing data removed from the dataset.	Missing data <5% for all variables is acceptable (Hair et al., 2013).
Data Outliers Examination	Minimum Z score was -2.99 & Maximum Z score was 1.91	Acceptable Z score is up to ± 3.29 large size, i.e. >80 (Hair et al., 2006).
Data Normality	skewness and kurtosis value for items values were within ± 2 and ±7	Normality that meet the requirement is not more than ± 2 and ±7 (Hair, 2006)
Common Method Bias	Values were less than 10 and greater than 0.1	Multicollinearity is indicated by VIF values >10 and <0.1. (Pallant, 2007)

Results

ITEMS	RESULTS	SUPPORTED BY STUDY
Measurement Model: Construct Reliability & Convergent Validity	a. Cronbach's alpha is >0.7 b. Composite reliability (rho_a and rho_c) CR is >0.7 c. Average Variance Extracted (AVE) is >0.5 d. Outer loadings is >0.7	a. Nunnally & Bernstein (1994) b. Ringle et al. (2014) c. Henseler (2009) d. Vinzi et al. (2010)
Measurement Model: Discriminant Validity	e. Fornell Larcker: The square roots of all constructions' AVEs were > respective inter-correlations. f. Heterotrait-monotrait(HTMT) : <0.90 scores g. Cross Loadings: The bearing factors of a structure were greater than those of all other structures.	e. Fornell and Larcker (1981) f. Henseler et al. (2015) g. Gefen et al. (2011)
Structure Model:	a. Path Coefficient: P & T values-<0.05 and >1.96 b. Endogenous variable determination (R2): 0.716 and 0.786 (up to 25 % increase) c. Effect size (f2): CMS is 0.185 (Medium) d. Predictive Relevance (Q^2): >zero e. Variance inflation factor (VIF): the highest VIF value was 5.033 (<10.0)	a. Hair et al. (2014) b. Gaur & Gaur (2006) c. Sarstedt et al. (2019) d. Hair et al., (2019) e. Pallant (2011)

Results

- The total number of respondents is 250 respondents. This study focuses on the Conflict Management Techniques (CMS).
- CMS is a dependent variable whose association with Work Ethics is an independent variable.
- CMS has a standard deviation of 0.674, resulting in a mean of 4.497. The standard deviation of SC is 0.728 and the mean is 4.595.
- All of the constructs have averages greater than 0.3 and standard deviations less than 2 (Podsakoff *et al.*, 2003).
- This means that the ±2 confidence interval encompasses all of the constructions.

Results

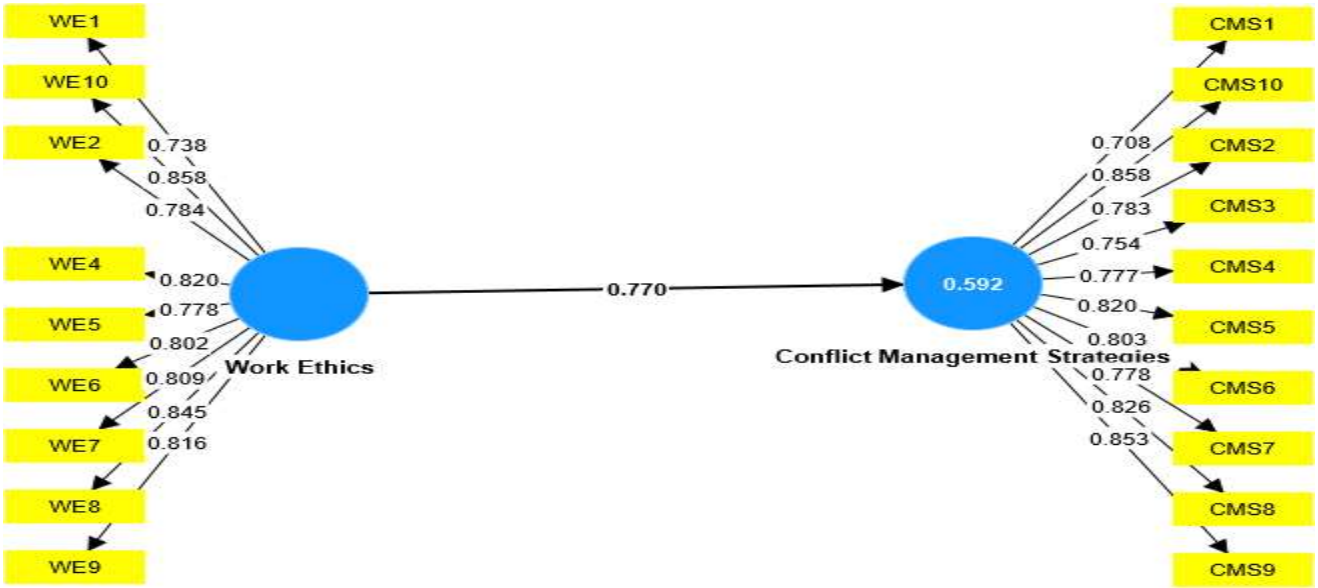


Figure: Measurement Model of the Study

Results

Hypotheses (Direct Effect)	Original Sample	T statistics	P values	Results
WE -> CMS	0.337	4.708	0.000	Accepted

Results

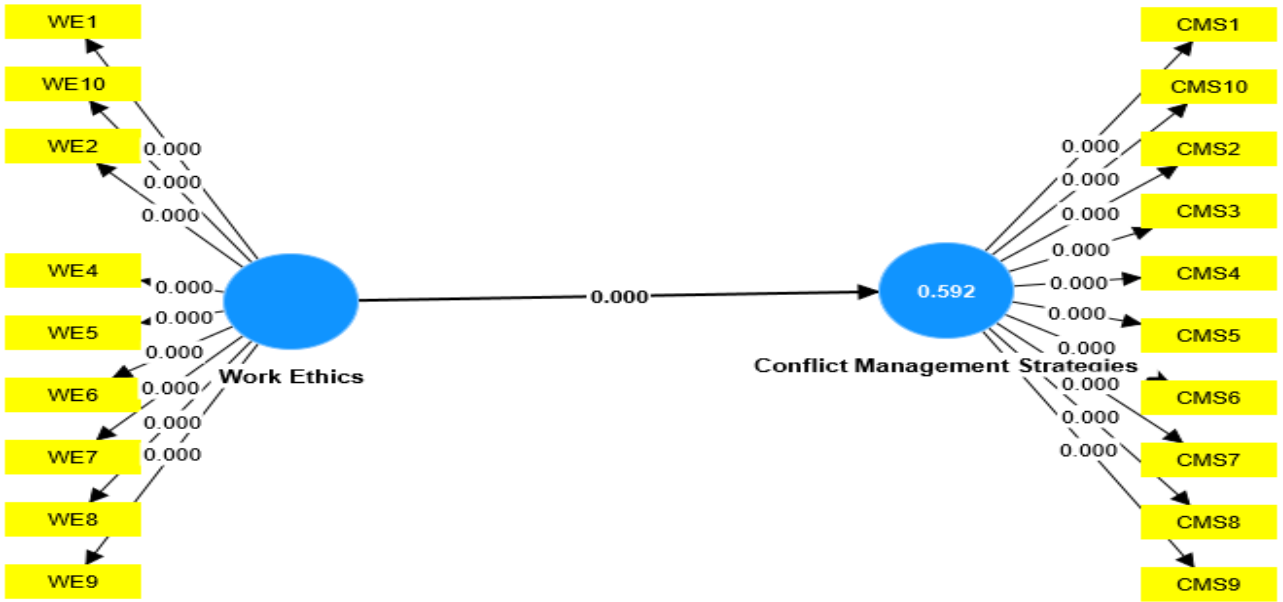


Figure: Structural Model

Results

The hypothesis of this study is that **there is a significant relationship between work ethics and Conflict management in the RMG industry.**

This present study found that the hypothesis is **supported** which is consistent with El Badriati et al., (2022), Bag & Dhamija, 2022; Uddin et al., 2022, and (Ferine and Rahmadana, 2021).

As a result, study into the relationship between work ethic and dispute resolution is necessary (Ferine and Rahmadana, 2021).

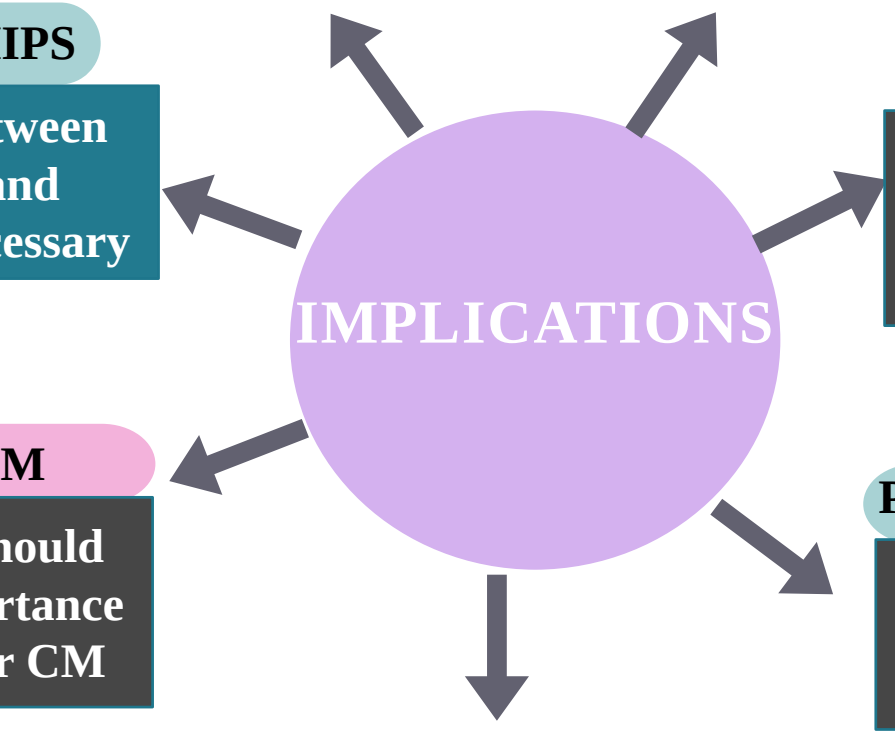
The results demonstrate a strong relationship between professional ethics and conflict resolution strategies.

This finding also demonstrates how work ethics affect productivity and how employers interact with employees.

Implications

Managerial Implications

Policy Makers Implications



RELATIONSHIPS

Strong bonds between the employer and employees are necessary

INITIATIVES

Govt. should devise an effective new RMG business policy & incentive scheme

DEVICE TO CM

Owners & Mgt. should influence the importance of Work Ethics for CM

PRACTICAL SOLUTION

Ensuring happy work environment for sustainable growth

MONITORING

Continuous monitoring to ensure CM influencing factors

Suggestions for Further Research

There are also rooms for causal research to investigate the relationships between conflict management and work ethics, sustainability, etc.



Future research can be conducted in a variety of dimensions, such as qualitative, qualitative or mixed method using CB-SEM, NVIVO or other statistical software.

Only RMG sector in Bangladesh were eligible to take part in this study. Future research may include other industries worldwide, including those in Bangladesh.

Suggestions for Further Research

- Further studies are still required to examine the mediating role of other factors, such as organizational climate on issues of work ethics, social compliance and conflict resolution strategies.

- Further investigation is therefore required to assess the variables and increase the likelihood that RMG will experience sustainable growth.

- The possibility of additional internal or external factors outside the current model may be thoroughly investigated in future studies.

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