A ssessment study on

MEDIA AND THE CORPORATE SECTOR FOR GOOD GOVERNANCE

Conducted by



Supported By





Assessment Study On Media And The Corporate Sector For Good Governance

A ssessment study working group

T eam leader Moazzem H ossain Editor, The Financial Express

Team members
I nam Ahmed, News editor, The Daily Star
Shawkat Hossain Masum, Business Page Editor, Daily Prothom Alo
Shamim A. Zahedy, Business Page In-charge, The Daily Star

C oordinator H asibur R ahman, Executive Director, MRDI

January 2007



Management and R esources D evelopment Initiative (MR DI)

2/9 Sir Syed R oad (3rd Floor) Block-A, Mohammadpur, Dhaka-1207

Phone & Fax: +880-2-9134717, Email: info@mrdibd.org bmrdi@yahoo.com

www.mrdibd.org

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Published: 2007

Design: Goutam Chakraborty Photography: MRDI Team Printing: KARUKRIT

Printed in Bangladesh.

Foreword

MRDI started the project "Bridging Corporate Sector and Media for Promoting Good Governance" in the backdrop of a number of failures of the corporate houses to ensure transparency and uphold stakeholders' interest with the perceived need that the media have to play a stronger role in ensuring corporate governance. When the MRDI proposed the project, Manusher Jonno Foundation readily agreed to fund it, realizing the importance of the work.

Since then a lot has been accomplished. A total of three roundtables, three workshops and a national forum on the theme of the project have been conducted where 159 corporate executives and media professionals discussed the issues in details. Corporate and media people have been interviewed to know how to improve corporate governance and enhance media role. Finally, we have come to a certain set of recommendations, which should pave the way forward.

Whatever has been achieved through this project was no easy job and it involved the deep cooperation of a large number of people from different sectors. First, we want to thank Manusher Jonno Foundation for its tremendous support for the project. Had it not come forward, this project would not have materialized.

We would like to thank all the participants of the roundtables, workshops and national forum for giving their valuable inputs and time. Those who were the focus of our interviews have given us an insight into the working of the media and corporate houses. We want to reach our deepest appreciation for their support. The members of the taskforce, which was formed following the recommendations of the national forum, deserve special thanks for finding time from their busy schedule to get together and push the issue forward.

Finally, we would like to thank the assessment team members for doing a wonderful job.

Acronyms

AGM = Annual General Meeting

BBC = British Broadcasting Corporation

BGMEA = Bangladesh Garment Manufacturers & Exporters A ssociation

BKMEA = Bangladesh Knitwear Manufactures & Exporters A ssociation

BSCIC = Bangladesh Small & Cottage Industries Corporation

BSR = Business for Social Responsibility

CEO = Chief Executive Officer
CG = Corporate Governance

CSR = Corporate Social Responsibility

DBBL = Dutch-Bangla Bank Ltd

DCCI = Dhaka Chamber of Commerce and Industry

DSE = Dhaka Stock Exchange

EMAS = Eco-Management and A udit Scheme

FBCCI = Federation of Bangladesh Chambers of Commerce and Industry

FSCD = Fire Service and Civil Defense GO = Government Organization

GSP = Generalized System of Preferences

HACCP = Hazard A nalysis and Critical Control Point

HR = Human Resources

HSE = Health, Safety and Environment

ILO = International Labour Organization

IPO = Initial Public Offering

ISO = International Standards Organization

MJF = Manusher Jonno Foundation

MRDI = Management and Resources Development Initiative

NBR = National Board of Revenue

NGO = Non-Government Organization

NOAB = Newspaper Owners' A ssociation of Bangladesh

OECD = Organization for Economic Cooperation and Development

OHSAS = Occupational Health and Safety A dvisory Services

PR = Public Relations

RMG = Ready-Made Garments

SEC = Securities and Exchange Commission

V ol P = V oice over Internet Protocol

WEAB = Women Entrepreneurs Association of Bangladesh

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1. Executive Summary

The Management and Resources Development Initiative (MRDI) implemented a two-year project titled "Bridging Corporate Sector & Media in Promoting Good Governance" supported by Manusher Jonno Foundation during August 2005 to July 2007. The project closely scrutinized a number of issues including the status of corporate governance and Corporate Social Responsibility (CSR), the media organisations' functioning and limitations in covering corporate issues and the lacking of the business houses in making effective communication with the media.

The project took a multi-pronged approach -- holding of workshops, roundtables and a national forum with media and business sector stakeholders, newspaper content analysis, interviewing journalists and sureying corporate sector -- to accomplish the task.

A number of common issues surfaced across all project activities, which strengthened the validity of the observations. But some observations of one activity did not corroborate the findings of the other, which leaves room for further research.

The project found that both media and business personnel agree on the need for promoting better corporate governance for transparency and accountability in business. It is one way of improving managerial skills and efficiency, enhancing business competitiveness and establishing a cordial employee-employer relationship. Ensuring some compliances such as Social Accountability 8000, ISO certification, International Accounting Standards and ILO conventions is a way of having good corporate governance in place. Strong watchdogs have to be in place to ensure compliance.

It was found that the business houses, specially in the readymade garment (RMG) and leather sectors and the non-listed companies, lack proper corporate structure as their businesses are family held. The non-listed firms and the RMG and leather sector companies also have few professional chief executive officers. There are also contradictions between their claims and common knowledge on accounting and auditing standards, two major indicators of corporate governance. Majority of the surveyed firms claimed to be following international auditing practices. But it is widely believed that malpractices by auditors resulting from lack of transparency and accountability of the corporate houses have led to compromises on quality of the accounting and auditing standard in Bangladesh. The same contradiction is reflected in taxation as all but one of the surveyed firms said they duly pay tax although tax evasion is rampant in Bangladesh.

Though the loan default culture is common, especially among the directors of companies, some progress has been made in this regard due to strengthening of monitoring and supervision by the Bangladesh Bank and the stringent rules on IPO flotation introduced by the Securities and Exchange Commission (SEC) under which no company can float shares if any of the directors has on loan default. The findings of the study show that the practice of defaulting loan is small. Only 8 per cent of the companies covered, all of which are from other sector/categories, have reported that they have loan defaults.

It was also found that the firms have good Human Resource (HR) Policy with well-defined organogram, job description, recruitment policy, compensation package and promotion policy. But in contradiction, it was found that the percentage of workers in the age bracket

of 15 years or less is still high. Above everything, there is a high resistance to trade union rights, specially in RMG and leather sectors. Although the companies claim to have zero discrimination against race, colour, age, gender, ethnicity, religion, disability, union membership or political membership and to have acted against harassment in workplaces, they could show little proof of mechanism in place to support their claims.

A large portion of the companies including those in RMG and leather sectors claim to have ensured minimum wage for their employees as per the government rules. But the reality in the RMG sector is different as proven through the recent labor turmoil.

A large number of companies, especially the RMG and leather firms, does not provide provident fund to their employees and one-fifth of the surveyed corporate houses has no insurance for their employees. On top of this, the average HSE standards of the companies are very low and only a small number of companies comply with HSE legislation and few have the HSE certification. However, the listed companies mostly hold Annual General Meetings (AGM) regularly.

Along with corporate governance, corporate social responsibility (CSR) is important as the corporate sector's job is not to make profit only, but to contribute also to the society's wellbeing. The businesses would feel encouraged to perform CSR if the government allows special tax rebate on such spending.

The study shows that local corporate houses have yet to develop expertise to practice CSR. Besides, the media needs to have a clear understanding of CSR. The study reveals that most of the companies believe the practice of CSR works as advertisement of their company and creates a positive

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impression in society, but it does not have much effect on the company's long-term profitability. Most of the companies do not have any separate department to deal with CSR activities. The top management, human resources department, accounts or administrative staff look after whatever CSR activities they carry out.

A common finding was that most corporate houses do not have any Public Relations (PR) wing and also lack proper structure and manpower. This reflects that the corporate sector is yet to appreciate the role and importance of PR. For the RMG and leather sectors, PR is even a lesser area of priority. Despite the poor maintenance of PR wing by the companies, many of them feel that they do not face any problem in getting access to the media. However, getting access to the media and its effectiveness remain under question as almost half the firms said that they get minimum or moderate coverage in the media.

But since PR outfits are an important part of modern business and one of the essential tools for promoting and disseminating good corporate governance practices, they need to be strengthened through training of the PR personnel.

The project found a love-and-hate relationship between the corporate sector and journalists. While the corporate people feel that the media are not playing a positive role and publishing negative reports, the journalists alleged that the corporate houses control media contents through advertisements and non-cooperation, and the media owners, who are essentially businessmen, control news. This is a hurdle to media's playing the watchdog role to ensure corporate governance. The newspaper content analysis also supported this point as it shows that the media are heavily supportive of the corporate sector in general and hardly critical of it, for maintaining good relations with them for their survival.

But it was established beyond any doubt that the journalists need better training on corporate issues so that they can be better equipped for in-depth analysis and reports. The corporate sector and the media also need to cooperate for objective news coverage. The journalists need to talk to the corporate sector personnel before reporting on any pertaining issue as much as the corporate sector needs to be open to responding to media queries for such synergic cooperation.







Above such debates, what transpired in the project is the perceived need for more media coverage on local corporate news as although national corporate news account for 95 percent of the total business news coverage, they get only 56 percent of the total space. It was also true that although newspapers in recent times have been giving more coverage to business news and employing more business reporters, the Bangla dailies still suffer from space constraints andrecruitment of relevant manpower is not adequate. Also, issues of corporate governance and CSR are little focused. This proves that journalists lack proper capacity or environment for in-depth and analytical stories. The reporters are driven by the passive nature of reporting as reflected by the overwhelming number of surface reporting. The situation of the district level newspapers, which have little access to the corporate world, is even worse.

2. Introduction

A. Project Objectives and Target Groups

The one-year project "Bridging Corporate Sector & Media in Promoting Good Governance" aims at creating an enabling environment for better corporate governance, using PR practitioners and the media as catalytic and follow-up agents. Its specific objectives were to build capacity of PR and media practitioners, make business community and media more responsive to governance and human rights, and to facilitate them in setting an agenda and adopt an action plan to institute corporate good governance, social responsiveness, labour rights, and environmental and other standards. The project also aims at facilitating the target beneficiaries to set an agenda and adopt an action plan to advocate for and implement towards that end. The target groups are journalists, PR practitioners and corporate houses.

B. Project Focuses

The project was based on the premise that a transparent and responsible corporate sector aided by better flow of information by the media would create good corporate governance to the benefit of the stakeholders. It was felt that most corporate entities face communication failure because of their weak public relations wings. At the same time, the media were not properly sensitised and equipped to work for instituting better governance and corporate social responsibility. Therefore, the project focussed on the roles and responsibilities of the media and corporate sector, good corporate governance, corporate social responsibility, public relations, labour rights, and environmental and other standards of the corporate sector.

C. Objectives of Assessment

The objective of the assessment was to find how to ensure better flow of information between the media and the corporate sector to make them more responsible and transparent, how to improve relations between the media and the corporate sector, how to ensure better governance in the corporate houses, and how to make the media houses more equipped in handling corporate issues.

D. Various Components/parts of Assessment

As part of the project, three roundtables and three workshops were held in Dhaka and Chittagong, a content analysis of newspapers was conducted, and two surveys through questionnaires -- one of journalists and the other of corporate officials - were conducted.

E. Overall Structure of the Report

This report is based on details of the awareness and commitment building process of the media and corporate houses. It includes conceptual / discourse on corporate governance; research based assessment of the CSR; assessment of newspaper gatekeepers; assessment of corporate sector; content analysis of newspapers; roundups and detailed reports on the roundtables and workshops with major findings on CSR; summary of activities accomplished under this project.

3. Conceptual/discourse on Corporate Governance

A. Corporate Governance, CSR and their Elements

Corporate governance is the set of processes, customs, policies, laws and institutions affecting the way a corporation is directed, administered or controlled. Corporate governance also includes the relationships among the many players involved (the stakeholders) and the goals for which the corporation is governed. The principal players are the shareholders, management and the board of directors. Other stakeholders include employees, suppliers, customers, banks and other lenders, regulators, the environment and the community at large.

Corporate governance is a multi-faceted subject. An important theme of corporate governance deals with issues of accountability and fiduciary duty, essentially advocating the implementation of guidelines and mechanisms to ensure good behaviour and protect shareholders. Another key focus is the economic efficiency view, through which the corporate governance system should aim to optimize economic results, with a strong emphasis on shareholders welfare. There are yet other sides to the corporate governance subject, such as the stakeholder view, which calls for more attention and accountability to players other than the shareholders (e.g.; the employees).

On the other hand, Corporate Social Responsibility (CSR) is one of the most effective ways that the businesses have for expressing their commitment to the broad social goals in the light of the expectations of the stakeholders and the people about their companies. It is a relatively new development with responsible businesses and is gaining ground all over the world.

The conceptual social framework of CSR relates to work practices of businesses, their

ethical principles, their industrial performances. safety environmental stewardship and their contribution to employment, research, local development and poverty alleviation. It is considered a continuous process for responsible business entities to respond to social expectations and public responsibilities. It involves some tangible objectives on the part of the companies, depending on the nature and area of their operations.

The CSR is not running a business just about profit. It means doing business with integrity and fairness. It must not be equated with charity and voluntary donations where connections between tangible.





objectives and outcomes in pursuit of the goals, relating to corporate social responsibilities process, are tenuous. Procedures, practices and performances, as far as the CSR is concerned, are otherwise clearly defined and disclosed, though it — the CSR — is a voluntary process.

However, it is to be noted that the Organisation for Economic Cooperation and Development (OECD), the International Labour Organization (ILO), the Global Compact and other relevant international bodies have laid down some principles relating to the CSR. A good number of transnational business organisations follow the requirements about CSR reporting process under the international standard — AA 1000 — that revolves around dialogues sessions, embracing close and interactive discussions between the companies and their stakeholders.

Business in most parts of the world do now appreciate — better than before — of the importance of their strong and genuine commitment to corporate social responsibility as one of the key factors for ensuring their long-term viability. This is so, notwithstanding the fact that the CSR does still largely involve voluntary commitment of companies. But this commitment itself reflects the intention of the business to move forward with some tangible CSR objectives. In the process, this has underpinned the steady improvement in CSR practices. Thus, the way of companies present their sustainable development performance now tends to be increasingly standardised in many countries, facilitating analysis and comparison. This will, in turn, drive further improvement in this area. The CSR has, indeed, become an essential ingredient of good corporate governance.

In this backdrop, the participants in the roundtables and the workshops held under the project -- Bridging Corporate Sector and Media in Promoting Good Governance -- of the MRDI have generally been appreciative of the role of CSR for improving corporate governance practices in the country.





Their deliberations have reflected a broad understanding of the importance of commitment on the part of business to embracing CSR for defining the value of doing good business. This understanding does otherwise show that business organisations are aware of the fact that they do not live in a vacuum and they owe their very existence to the society they inhabit.

This realisation is a positive aspect of the roundtables and workshops. However, there are still lots of grey areas, the most notable one here being about the conceptual aspects of the CSR that are not synonymous with mere charitable or philanthropic activities.

The concept of CSR is not just social but is more than just corporate philanthropy and charity. Just making a contribution towards a charitable organisation, religious institution or good causes does not constitute CSR. Rather, CSR is an all-year-round responsibility that businesses or companies should accept to serve for the community. For that matter, it must integrate with corporate values, culture and company's strategy and more to add in order to have further sustainability. Also, stakeholders' perception of CSR process has to have clarity.

Follow-up-actions, greater awareness, motivation and orientation can be useful for encouraging business to adopt CSR with some tangible objectives for their long-term viability and sustainable development.

In this context, the media personnel will also require inputs for both contextualising and conceptualising the CSR-related issues through training, orientation and skill upgradation programmes.

B. Role of Media, PR and Important stakeholders in CG

Corporate governance (CG) is an important and integral part of modern business entity, which other than making the organisation efficient and successful creates the ethos about the business body. This ethos in a cyclical order helps build goodwill and create more business. How the shareholders, management and the board of directors behave for the company creates the image of the company, how the company interacts with other stakeholders such as employees, suppliers, customers, banks and other lenders, regulators, the environment and the community at large make the company transparent and accountable to the society. A transparent and accountable business organisation becomes traustworthy and gets more business to the path of success.

It is exactly for this reason that the Public Relations (PR) wings of a company is so important to properly project its image in the winder public mind. An efficient PR wing knows which opportunity to grab, which media to explore and which time to choose for image building. All organisations are bound to face some difficulties and misunderstanding with the regulators and stakeholders at large at some given point of



time. It is then the role of an efficient PR is so very important to keep the flagship sailing high. On the contrary, negative PR due to bad media handling can lead to disastrous results.

A properly trained media is also important for promoting CG. A media which can understand the issues and analyse the underlying causes can interpret a business organisation in a better way and differentiate a good company from a bad company. Enron is a case in point where the media played the whistleblowers' role to bring down the corporate empire because of its bad corporate governance practices. Therefore, a well-educated and well-resourced media is a prerequisite for the society to promote CG.

4. Research Based Assessment on CSR & CG

A. Newspaper Content Analysis

Objective, sample size, methodology

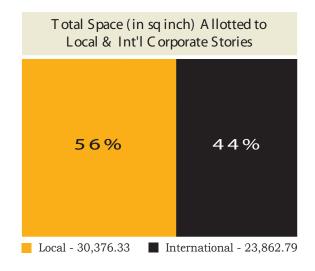
The objective of the newspaper content analysis was to assess the coverage of corporate news - both national and international - in the selected national and divisional dailies. The MRDI monitored eight dailies - five Bengali and three English - in the month of A ugust 2005. The dailies are - The Financial Express, The Daily Star, New A ge, Jugantor, Prothom A lo, Ittefaq, Janakantha and Purbokone. The assessment was made based on the space allocated by these dailies for the corporate reports and photographs.

Highlights of findings

Though local corporate news published in the eight dailies topped in number in A ugust 2005, international items were given better coverage in terms of space allocation. Higher number of national corporate news shows that priority was given for accommodating more local corporate items though there is a lack of in-depth and analytical stories.

Total Corporate Story Coverage by Newspapers

Geo- category	No. of items	Total Size (sq inch)
Local	1,935	30,376.33
International	106	23,862.79
Total	2,041	54,239.12



English language dailies allocated more space than the Bengali dailies for international corporate news coverage. It was not an exception but regular practice.

The number of stories and space allocation given by the English and Bengali language newspapers in covering news of international corporate world show that there is a basic characteristic difference between these two categories.

News dailies published local corporate stories but there had not been adequate information and were not able to satisfy their readers in

some cases. It was found that information were given by the business houses concerned and there had not been even any scope for the reporters to interact with the people involved in the process.

The study shows that in many cases that business houses are able to influence newspapers to publish their news and pictures serving their corporate interests.

However, there is a big gap between the corporate houses and the divisional newspapers. Most of the corporate houses grab bulk of the Dhaka-based media coverage.

Interestingly, all the three English language newspapers allocated more space for graphics than that of any of the Bengali language newspapers.

The study shows that around 99 percent of the total corporate news coverage was

comprised of surface reports and photographs. Number of in-depth and follow-up reports and interviews was negligible. It also shows that reporters had been driven by passive nature of reporting and had very little interactive role in covering local corporate news.

On the other hand, there may be lack of skills on part of the reporters for bringing in analytical angle in corporate news coverage. There is also a need for imparting training and improving capacity of economic reporters.

The study shows that the media does not want to dig out wrongdoings of the business world. Newspapers do not want to be critical about the corporate sector; rather they want to maintain good relations with them for their survival.

Of the total local corporate news coverage, 90.6 percent stories focused on corporate governance while only 9.4 percent items were about corporate social responsibility.

Reports relating to corporate governance dominate corporate news coverage. It also shows that CSR is a neglected topic showing either corporate bodies do little in this regard or journalists are not well aware of these issues.





Both corporate governance and CSR have been heavily neglected issues by not only newspapers but also corporate people themselves. It was found that understandings about corporate governance and CSR are not clear and corporate people consider their philanthropies as CSR in many cases.

Trend shows a lot of reports were generated from either spot events or press releases as is evident from the large number of news falling under the heads of annual general meetings, association news, dialogues, training, and stock market.

The study shows that media took little independent interest in looking into some vital CSR and corporate governance, issues such as environment, consumer safety, etc. But when a food safety drive was launched, that led to good news coverage, showing once again the passive nature of corporate journalism.

B. Assessment on Newspaper Gatekeepers

In recent times, mass media have given special importance to business and financial news as many newspapers have more than one business reporter. Even some newspapers have separate sections with at least one dedicated page for business news. Besides, important business stories including corporate reports are published on front and back pages.

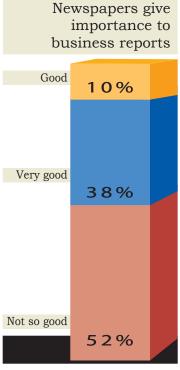
In a written questionnaire, some 29 newspersons, including newspaper gatekeepers and reporters, were asked to make comments on business reports, quality of reporters and obstacles to printing business reports.

Importance of Business Reports

The respondents are almost equally divided on how the newspapers are giving importance to business news. Fifteen, or 52 percent, respondents say the newspapers are not giving much importance to business reports. The rest 48 percent respondents say 'good' or 'very good' and of them, 38 percent say 'very good'.

Thirty nine percent respondents think corporate reports are getting 'good coverage' and 10 percent say the corporate stories are getting 'very good' coverage. Thirty four percent respondents rate the corporate news coverage as 'average'.

But the issues such as corporate social responsibility (CSR), labour standards, and corporate governance are not getting much coverage. Seventy percent respondents say the newspapers give 'average' importance to these issues. Only 10 percent say 'enough' or 'very good'.



Capacity of Journalists

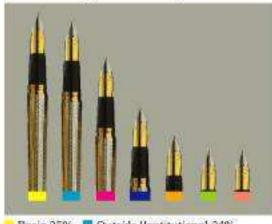
Newspapers do not recruit adequate number of business reporters, say 59 percent respondents. Most newspapers have 2-6 business reporters.

Most respondents think the existing number of business reporters is not adequate. Respondents from 10 newspapers say 'inadequate' while respondents from the rest 7 newspapers say 'adequate'.

There has not been any clear explanation for inadequate number of business reporters as 41 percent say managements are 'reluctant' to recruit more reporters while 52 percent think the managements are 'not reluctant'. Seven percent respondents have not replied to the question.

Journalists list a number of obstacles to business reports, which include lack of space, non-cooperation from enterprises, poor Public Relations (PR) wings of business houses, unseen pressure from big companies in the event of negative stories and last but not least advertisement, the main source of revenue for newspapers. Besides, dearth of competent reporters and less interest from readers are other hurdles to business news, some respondents say.

What type of training needed?



Basic 25% Outside/Institutional 24%
Field level 19% Mid-level 12%

🖪 Advanced 8% 📕 Other 6% 📕 In House 6%

Importance of Training

Everybody stresses the need for training. One hundred percent respondents think reporters need training. Reporters and sub-editors hardly get any training. They get training after a long interval. There has been no mechanism to ensure that they receive training every year.

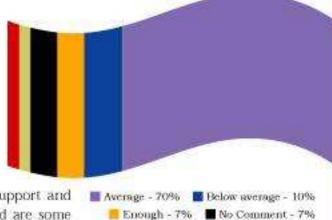
About the nature of the training, most respondents favour basic, field and institutional training.

More Business and Corporate News

Journalists think more business and corporate reports should be printed in newspapers. Twenty five respondents, out of 29, say

newspapers should allocate more space for business and corporate stories.

Although newspapers print corporate reports, general public are not getting much information as they (newspapers) are not publishing corporate results and audit analysis. Sixteen respondents say their newspapers publish corporate results and audit analysis while 13 say they do not. Lack of skilled reporters, management reluctance, space constraint, lack of study on readers'



Very little - 3% Over Average - 3%

choice, non-existence of editorial policy support and dearth of knowledge about corporate world are some of the reasons for poor coverage of corporate results and audit analysis in newspapers.

The study shows the newspapers are not giving much importance to CSR, labour standard and corporate governance. Seventy percent rate coverage of the issues as 'average' while 7 percent rate as 'adequate'.

Obstacles to Objective News Coverage

Most respondents say advertisement is a huge obstacle to objective news coverage. Nine three percent say advertisement influences news coverage. Only two respondents say advertisement does not influence news coverage.

Again owners' business interest hampers objective news coverage. Twenty one respondents say owners' business interest is an obstacle while 8 say it does not.

Gatekeepers' personal relations also influence the news coverage. Fifty two percent respondents say gatekeepers' personal relations influence the news coverage. Forty five percent think the relations do not influence.

Self-censorship of reporters and gatekeepers is also an obstacle to free coverage of news, Fifty five percent acknowledge self-censorship while 38 percent rule out.

Assistant editors, who write newspaper editorials, are also not free to write articles on corporate affairs. Forty one percent say they face problems while 38 percent they say they do not. Twenty one percent did not comment.

PR department of corporate houses, which is one of the major sources of business page reports, also influences news coverage. Sixty three percent

Is management reluctant to recruit more business reporters?



■ No 52% Yes - 41% No Comment - 7%

think PR department influences news coverage while 28 percent think it does not.

Are the Advertisement influencing news?



More Obstacles

The recent trends of advertorials show that, an advertisement that is written and presented in the style of an editorial or journalistic report, or sponsored-visits for reporters to cover events abroad also stand in the way of objective news coverage. Seventy six percent say sponsored-visit is an obstacle.

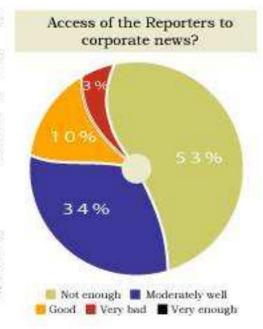
Besides, many organisations arrange trips to display their projects at home and abroad and fellowship for journalists, resulting in erosion in objective news coverage. Forty five percent say the sponsored-events influence coverage while 52 percent say they (sponsoredevents) do not.

Journalists' Understanding About Corporate

Seventy six percent or 22 newspaper gatekeepers and reporters consider CSR, labour standard and corporate governance important. But their understanding about the issues is not adequate. Only 59 percent respondents think they have good understanding while 41 percent journalists say they do not have.

Access to Corporate News

Fifty three percent respondents say reporters' access to corporate news is very poor. Thirty four percent rate the level of access as 'average'. Nobody rates the level of access as 'very good'. Three percent of respondents describe the access level as the 'worst'.



C. ASSESSMENT OF CORPORATE SECTOR

In our assessment of the corporate sector, we analyzed some broad-ranged corporate factors that include ownership of the business, management authority of the business entity, transparency of the entity's financial statements, internal controls and the independence of the entity's auditors, dividend policy, the role of board of directors in day-to-day business, practice of regular tax payments and default loan culture. Among the surveyed companies, about 50 per cent are listed, 33 per cent are non-listed and 17 per cent are of other forms of ownerships.

The survey findings show that around 17 percent of companies are family dominant while about 35 percent reported that their businesses are widely diffused. This indicates a declining trend in family oriented corporate structure in recent years.

Analyzing the role of the Chief Executive Officer (CEO), the survey finds that the proportion of hiring a professional chief executive is higher among the public limited companies compared to that of private limited companies.

The survey reveals another positive factor that is three-fourths of the companies' board of directors does not interfere in day-to-day corporate affairs.

The findings show a good track record of the companies, especially those of the publicly listed companies, in holding AGM on a regular basis. Dividend pay-out ratio is however not at a satisfactory level among the surveyed companies.

Assessing the accounting standard and audit quality, the survey finds that 76 per cent of the companies have both internal and external auditing of accounts.

The practice of loan default is also insignificant among the companies. However, the

picture is still far from satisfactory level when one looks at it on national level. The default loan culture is common among the directors of companies. Some progress has been made recently because of strengthening of monitoring and supervision.

The existing policy and strategy pertaining to employees show a good track record of the companies in respect of all the factors taken under consideration such as having a well-defined organogram (87%), Job description (84%), proper compensation package (87%), well-defined promotion policy (76%) and well-defined termination policy (84%).





Ensuring gender equality at working place leaves still much to be done in Bangladesh, according to the survey findings. A wide degree of gender disparity still persists at work place. However, companies' initiative to protect harassment at workplace is positive.

Though substantial improvement has been made on child labour issue, proportion of workers whose age is 15 or less than 15 is still high at working place.

Companies are less interested to allow trade unionism. Only one-fourth of the total number of the surveyed companies has trade unions.

The survey findings show that 53 per cent of the companies have CSR strategy in their businesses while 43 per cent of them do not have any CSR strategy. Practice of CSR is relatively high among the companies. The findings show that 65 per cent of companies pursue some kind of CSR activities despite not having any strategy. Twenty three per cent of companies do not initiate any kind of CSR activities at all. Except few instances, most of the companies do not have any specific department that can handle the CSR activities.

The key area of CSR includes issues like health and HIV, education, environment, vocational training, sports and culture, natural disaster management etc. Since a strategic framework is inevitable to fully comply with certain objective, one can presumably infer that without a proper CSR strategy, the present rate of CSR practice does not predict its long-run sustainability.

Only 45 per cent of the companies have public relations wings in their set-up while 41 per cent responded by saying that they do not have PR wings. Most of the companies which do not have PR wings consider that they do not require PR wing.

Despite the poor maintenance of PR wing by the companies many of them (69 percent) feel that they do not face any problem in getting access to the media. But it remains under question whether getting access to the media is properly effective or not. Perhaps, that is why there exists a gap between the two entities. However, 40 per cent of them said they have good coverage and 44 per cent have said that they get minimum or moderate coverage in the media. The divergence between having no difficulties in getting access to the media and the resultant success of media coverage may be due to lack of effective communication between the two.



5. Roundtables, Workshops and National Consultation based Findings on CG and CSR

A. Major objectives of these events, places, target groups

When the project was conceptualized, it was felt that a number of roundtables, workshops and, in a later stage, a bigger programme should be organised where the issues of CG, CSR, PR and media would be discussed in a threadbare manner to pinpoint issues for intervention. With this idea in mind, three roundtables, three workshops and a national consultation were held. Two roundtables and two workshops were held in Dhaka, and one roundtable and one workshop in Chittagong were held. The national forum was also held in Dhaka.

All these programmes put special emphasis on three sectors - RMG, leather and pharmaceuticals - beside other fields. CEOs, top executives and board members of companies, leaders of business chambers and associations, editors of both electronic and print media, and senior PR practitioners were invited to the events.

B. Major findings of Roundtables

Three roundtables were held -- two in Dhaka and one in Chittagong -- to discuss the issues relating to corporate governance, CSR, role of the media and role of PR practitioners. The roundtables, participated by media professionals, corporate officials and PR practitioners, came up with some specific recommendations and observations, many of which were analogous.

The following are the salient observations and recommendations of the roundtables:

Structure of Corporate House

- Business houses lack corporate structure.
- ► The non-sponsor members of the Board of Directors do not govern the companies.
- C orporate culture is yet to be developed.

Corporate Social Responsibility (CSR)

- C orporate governance cannot be ensured overnight.
 - CSR is linked with corporate governance.
- ► The RMG sector faces some problems because it has been developed in an unplanned manner.
- ► The extent of the CSR must be realistic and based on the socio-economic reality of a country.
- ► The kind of CSR practised by the corporate bodies in the developed countries cannot be applicable in a country like Bangladesh.

Corporate Social Responsibility (CSR)

Newspapers have a great role in establishing corporate governance, a term which is unknown to most business houses.

- Newspapers should be careful when reporting on CSR because the media are not always free for commercial reasons.
- Misreporting in newspapers can hurt the interest of a corporate house and the country as a whole.
- Corporate bodies need the cooperation from newspapers to ensure social compliance.

Newspaper Coverage

- ► The newspapers are not playing their due role in promoting the business activities.
- If the newspapers give good coverage of corporate houses, the general public will get proper knowledge about the business houses, have confidence to invest in the companies through the stock market.
- Bangla newspapers do not give much coverage to the issue.

Media-corporate Interaction

- ► The growth of business and the growth of business journalism are interlinked.
- ► The corporate houses need to help grow free media.
- ► The corporate houses have developed a bureaucratic attitude when it comes to talking to the media.
- ► The media need cooperation from the corporate world for writing about fair business practices.

Obstacles to Free Media

- ▶ There are a number of threats that affect the role of the media.
- Journalists are always afraid of contempt cases.
- ► A dvertisement is another obstacle to free media.

Recommendations

- Need training of journalists to build capacity.
- Local entrepreneurs should come forward to carry out the capacity building activities.
- ► The corporate entities should pick issues according to the nature of their business.
- Corporate houses and business bodies need special orientation on corporate governance.
- ▶ More interactions between the corporate world and the media are needed for bridging the gap.



C. Major Findings of Workshops

Following the roundtables, three workshops were held -- two in Dhaka and one in Chittagong -- where the highlights of the three earlier-held roundtables, newspaper content analysis, survey highlights of the corporate sector officials and media gatekeepers were presented. This enabled a deeper analysis of the situation and in-depth discussions on the issues. After each workshop, participants were asked to put their recommendations in writing.

The following are the salient observations and recommendations of the workshops:

Criticisms of Newspapers

- Newspapers lack objective, follow-up and in-depth reports.
- ► The Media are often found irresponsible in covering sensitive issues.

Recommendations for Newspapers

- Objective, follow-up & in-depth reports and responsible journalism are needed.
- ▶ Journalists should practise professional ethics.
- ► The reporters as well as newspaper gatekeepers need capacity development training.
- More interactions are needed between the media and the corporate sector to bridge the gap.
- Newspapers should publish more positive stories.
- Instituting governance in the media is also important. The newspapers should have
 - Recruitment policy
 - HR policy
 - Compensation policy
 - A dvertisement policy
- More business/economic reporters should be recruited.
- Responsible and free media is essential.

Criticisms of Corporate Sector

- Corporate world is intolerant to its criticism.
- Corporate houses lack efficient PR wings.
- Sometimes corporate houses do not provide adequate information to the media.

Recommendations for Corporate Sector

- C orporate world should tolerate criticism.
- Training on Corporate Governance (CG) and Corporate Social Responsibility (CSR) for corporate personnel is a must to defuse bureaucracy in the corporate sector.

- ▶ There should be separate PR wings and professional PR personnel in the corporate houses.
- ▶ PR training for the staff is a must.
- ▶ PR personnel should have decision-making power and they should act as spokesperson of the company.
- G ood corporate practices should be shared with the media.
- C orporate houses should be more transparent and accountable.
- C orporate houses should practise corporate culture.
- C orporate houses should organize training on Financial & Business Reporting for reporters and newspaper gatekeepers.

See Annex-4 for details

D. National Consultation Based on Previous Activities

At the end of all the project activities, a national consultation was held in Dhaka with the participation of media professionals, corporate sector representatives and business leaders to chart an advocacy action plan to raise awareness among media and corporate professionals about the need and importance of corporate governance and CSR. Summary of the past activities were presented at the consultation and the participants, who were also present in the previous activities of the project, selected topics and target groups for advocacy for the next phase of the programme.

Selected Topics for Advocacy

Issue-1: Corporate Governance

Disclosure & compliance issues (AGM report, Internal governance, compliance issues)

Public A ffairs/relations issues

(Target: SEC, DSE, Chartered Accountancy Association, Employers Association, Chambers, NBR)

Issue-2: Corporate Social Responsibility (CSR)

CSR issues

Public A ffairs/relations issues

(Target: Leather, Pharmaceuticals, RMG and Frozen Food Association, Chambers)

Issue-3: Media

To increase space for business news

Enhance capacity of the journalists on business issues

Media coverage on corporate governance issues

Media perspectives on corporate governance issues

(Target: NOAB)

MEMBERS ADVOCACY TASKFORCE

Rokia Afzal Rahman

President

Women Entrepreneurs Association of Bangladesh

Syed Fahim Munaim

Managing Editor The Daily Star M. A. Momen

President

The Dhaka Chamber of

Commerce and Industry (DCCI)

Annisul Hug

C hairman

Mohammadi Group

Shaukat Mahmood General Secretary National Press Club

See Annex-5 for details

6. Conclusion

The 11-month project assessment had been an eye opener for the stakeholders about how the corporate sector and the media look at the issues of corporate governance, CSR, role of PR and role of media. While the corporate sector could feel that much of their understanding about corporate governance and CSR are based on wrong premises, the media could feel their limitations in covering these issues in a holistic way. These realities led the project to conclude that more actions can be taken at various levels - corporate, watchdogs, NBR (e.g. auditors, Securities and Exchange Commission etc) - to encourage the corporate sector to become more transparent and responsive to practice corporate governance and CSR. At the same time, there seems to be a tremendous scope for training of media and PR professionals. This will lead to more in-depth coverage of issues and better interactions between the media and the corporate houses. However, although the media organizations always showed interest translated into action to train up their journalists, the corporate houses could not live up to their promises of getting their PR wings trained. This showed any further action would require more intensive interactions with the corporate bosses to change their attitude.

The project's analysis of newspaper content, which showed the highest

circulated dailies allocate the lowest space for corporate coverage, also signifies the untapped scope of working with the newspapers to expand their business pages. As the analysis further showed that a bulk of the corporate stories are international and the few local corporate news are basically based on press releases, this further convinced the project that more actions can be taken to change the scenario through both classroom and on the job training. Such scopes were further confirmed in the project's other assessment and activities.

ANNEX- 1

ASSESSMENT OF CORPORATE SECTOR

Introduction:

This section has focused on finding out a systematic relationship between the corporate sector and the role of media in pressuring corporate managers and directors to behave in ways that are "socially acceptable". An assessment has been made on businesses and corporate houses in Bangladesh based on surveyed data with regard to companies' policy toward the employees' right, working environment and the responsibility of the corporate houses to divert resources to the sole advantage of society. This also takes into account the gravity of media in the eyes of the corporate people and their initiative to improve the corporate-media relations in order to ensure better corporate governance in Bangladesh.

The survey covered the policy status of the companies in a number of areas which included companies' performance and policies with respect to labour standards, workers' health and safety and working environment, HIV/AIDS, equal opportunities, incentives and human rights, working hour, child and forced labour, remuneration, personnel, corporate social responsibility and public relations strategy. The findings of the study have important implications for assessing the feasibility of reforms in corporate sector.

Sources of data:

The study is a field-level survey in which corporate managers, executives and directors from 75 business houses of different sectors were asked to respond to a set questionnaire. The survey covered firms from 11 sectors that included pharmaceuticals, leather, ready-made garments, bank, insurance, cement, tobacco, textile, engineering, food/ICT and telecommunications. However, for the analytical purpose we divided all the sectors into four broad categories, namely RMG, leather and pharmaceuticals while the rest of the sectors is compiled into a separate category.

Fourteen firms from the RMG sector, 17 from the leather sector, five from the pharmaceutical and 39 from other sectors have responded to the questions. A round 50 per cent of the firms are public limited companies while 33 per cent private limited companies and 17 per cent fall into other forms of private ownership.

Limitations of the Study:

This part of the study reflects the views about and business activities of the respective corporate houses in light of corporate governance practices as followed by the top and senior level officials. As a result, information about some of the factors may conceal the real scenario of the corporate houses. The limitation of the study is that the survey failed to conduct a simultaneous investigation, especially regarding financial matters as well as accounting, auditing and employment practices of the companies. This is beyond the scope of the study due to time and resource constraints. However, in some instances regarding some of the factors like loan default, auditing system, tax, harassment at working place, better working environment and health standards at workplace etc. the findings have been supplemented by secondary data available from recent literatures and media reports related to corporate governance and company affairs. However, other findings are entirely based on the surveyed data.

State of the Corporate Sector in Bangladesh

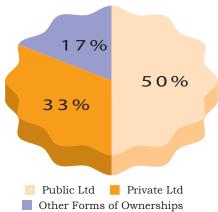
We start by analysing the link between the corporate governance principles and the companies' policies and type of businesses they are running through. To understand the corporate governance principles in the context of Bangladesh, we take into account some of the broad ranged corporate factors that include ownership of the business, management authority of the business entity, transparency of the entity's financial statements, internal controls and the independence of the entity's auditors, dividend policy, the role of board of directors in day-to-day business, practice of regular tax payments and default loan culture.

While the corporate governance debate has mostly focused on listed companies with dispersed shareholdings, issues such as financial transparency, the role of access to outside capital and conflict resolution are also important for the non-listed and family controlled companies which play a major also the economies. Therefore, prioritising the importance of corporate governance both within the listed and non-listed companies as well as other form of ownerships, we have surveyed companies of all the different forms of ownerships. A bout 50 per cent of the companies are listed, 33 per cent are non-listed and 17 per cent are of other forms of ownerships. A verage age of the businesses is 24 years old, percentage of the companies which are more than 25 years and above in the business is 36.

Distribution of Companies in the Surveyed Data

Within the publicly listed companies, sponsor share-holders possess a larger portion of the-shares compared to the general shareholders though margin between the two is limited in this regard. On average, out of every five shares held by the sponsor shareholders of a company, number of shares held by general shareholders are 4. This proportion is larger in sectors of other category where sponsors hold larger quantity of shares compared to the general shareholders. The ratio is 4:3. In the leather sector sponsors held a larger number of shares compared to the general shareholders (7:3). However, a reverse scenario can be seen in the pharmaceutical sector where the proportionate shareholding by the general public is

Distribution of Companies in the Surveyed Data



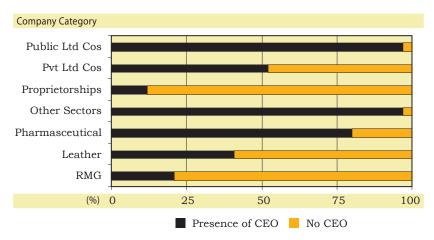
larger than the sponsors. A gainst each 10 shares held by the sponsors, the general public held 11 shares. This, however, does not give the actual scenario of the public-sponsor share holding ratio of the pharmaceutical sector as the number of firms taken into consideration is small.

Family dominant business is a common practice in Bangladesh. While forming a company, the entrepreneur prefers to select directors from their family members, relatives, and kith and kin. Though the tendency of this type of practice declined in recent years within the banking sectors due to the on-gong financial sector reforms initiated by the Bangladesh Bank and within some of the public limited companies due to stringent rules of IPO-flotation imposed by the Securities and Exchange Commission, family-oriented corporate

culture remains at large in Bangladesh. The survey findings show that around 17 per cent of companies are family dominant while about 35 per cent of the companies reported that their businesses are widely diffused. It is evident from the given data that family business is predominant within the RMG and leather sectors — 54 per cent of the companies of the leather sector and 38 per cent of the RMG sector reported that the ownership of their businesses is closely held. Proportion of the widely-held companies in terms of ownership is more in the category of other sectors — 73 per cent of the companies reported that they are widely-held businesses while the number of closely held companies is very few. Proportion of widely held businesses is relatively small in sectors like RMG and leather sector.

The Chief Executive Officer (CEO) has a critical role in corporate management. Being accountable to the Board of Directors for the success of the entire organization and having authority over its staff the CEO needs to take the lead to comply with the corporate governance issues. The chief executive is the only actual employee of the Board; the rests are employees under the top executive. Much of a company's credibility and its governance issues, therefore, depends upon the performance of the CEO.

The surveyed data show that the proportion of hiring a professional chief executive is higher among the public limited companies compared to that of private limited companies. A bout 97 per cent of the listed companies have professional and/or appointed CEOs. However, it does not mean that all these companies comply with the principles of corporate governance in accordance with the general code of conducts of the CEOs in particular. In case of non-listed companies, 52 per cent have responded that they appointed professional CEOs. The tendency of hiring professional CEOs is very low among the proprietorship companies, being 12 per cent.



The variation in the appointments of professional CEOs persists from sector to sector. The presence of CEO is the highest among companies in sectors mainly those in banking, insurance, cement, textile engineering, food, ICT and telecommunications,

tobacco etc. denoted as other category. Over 97 per cent of the companies in this sector reported that they have professional CEOs while 80 per cent of the companies in pharmaceutical sector reported so. However, tendency of appointing professional chief executive is lower in the leather and RMG sectors, which are respectively 41 per cent and 21 per cent. As it was already mentioned that entrepreneurs in leather and RMG sectors maintained family-oriented business; it may be one of the reasons for which these companies are less inclined to appointing professional CEOs.

Propensity to appoint a professional chief executive officer is higher among the publicly listed companies than the private ones. This also varies from sector to sector. Rate of appointing a CEO is the highest among companies within the category of other sector followed by the pharmaceutical sector. Companies from the leather and RMG sectors are less interested to appoint a CEO. This may be due to the fact that the companies within the sectors are closely held.

An effective Board of Directors, properly constituted, is the kingpin of good corporate governance. The boards are responsible for managerial performance in meeting the stated objectives of the corporation, compliance with applicable laws and regulations, and protection of shareholder rights. The board should be composed of qualified individuals of integrity with a diversity of experience. While it is important for each board member to devote sufficient time to his/her duties and responsibilities, at the same time the boards should be composed of a substantial number of independent directors. A well designed board should pursue following responsibilities to ensure corporate governance:

- Endorse a core philosophy and mission of the company;
- Monitor and evaluate corporate strategy;
- Monitor and evaluate corporate performance;
- Evaluate board performance;
- Review and approve material transactions not in the course of ordinary business;
- Determine executive compensation;
- Evaluate senior management performance;
- Manage Executive Director/CEO succession;
- Maintain legal and ethical practices;
- Communicate with shareholders.

Due to limitations, the study has failed to take into consideration the composition of the Board of Directors of the surveyed companies. What it takes note of that is the interference of the Board of Directors in the day-to-day business affairs. The survey result shows that the Board of Directors of a few number of the companies interferes in the daily business affairs. In other words, 75 per cent of the companies said that the Board of Directors do not interfere in day-to-day corporate affairs while 16 per cent reported such interference in the daily business affairs. The rest, however, did not make comment. Those which have reported to have Board of Directors' interference are either mostly from the leather sector and/or do not have a professional CEO. Most of these companies are also private limited companies and closely held. Only a few number of companies, which are listed and/or also have appointed CEOs, face interference from the Board of Directors in the daily business matters.

Disclosure and transparency: Disclosure and transparency, which demonstrate the quality

and reliability of information -- financial and non-financial-- provided by management to lenders, shareholders, and the public, are the two key elements of the corporate governance principles that include honesty, trust and integrity, openness, performance orientation, responsibility and accountability, mutual respect and communication to the organisation. Based on these moral ethics, corporate organisations should clarify and make publicly known the roles and responsibilities of board and management to provide shareholders a level of accountability from time to time. They should also implement procedures to independently verify and safeguard the integrity of the company's financial reporting. Disclosure of material matters concerning the organisation should be timely and balanced to ensure that all investors have access to clear factual information. Empirical evidence indicates that high standards of transparency and disclosure can have a material impact on the cost of capital as well as help build a good image of the companies. Reliable and timely information increases confidence among decision-makers within the organisation and enables them to make good business decisions directly affecting growth and profitability. Disclosure helps public understanding of a company's activities, policies and performance with regard to environmental and ethical standards, as well as its relationship with the communities where the company operates. Besides, regular monitoring and evaluation of shareholders' rights would indeed maximise the shareholders' value, which in turn can ensure corporate governance.

One way to disclose the companies' yearly performance to its shareholders is through annual general meeting, which is one of the key components of the corporate governance. A ccording to the Companies A ct 1994, Bangladesh, all companies should hold A G M on a regular basis and should provide the company information to its shareholders immediately after holding the A G M. W hile it is mandatory for the listed companies to hold A G M, there is no such compulsion in case of private limited companies.

Findings of the survey show a good track record of the companies, especially those of the publicly listed companies, in holding A G M on a regular basis. Except one or two instances, all the public limited companies updated holding their A G M till 2004 and 2005. The findings also show conformity with the A G M records of the listed companies maintained by the Dhaka Stock Exchange. It revealed that number of A G M defaulting companies is on a downward trend. Taking into account both the public and private limited companies, 71 per cent of the companies hold regular A G M, and 21 per cent don't, while the rest did not answer. A ll the publicy listed companies published the agenda of their A G Ms in a couple of dailies as per the SEC order while all the banking companies, whether listed or non-listed, are required to disclose their financial statement - half-yearly and yearly - in at least two-dailies as per the Bangladesh Bank guidelines.

AGM Status of the Companies

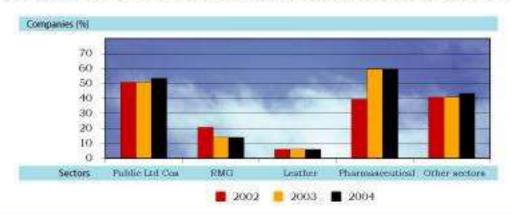
One of the main purposes of corporate governance is to protect the interests of the shareholders. Basic shareholders' rights should include the right to secure ways of registering ownership, transfer shares, obtain timely and relevant information on the corporation, and share in the profits in the form of dividend. As far as the public listed companies are concerned, a substantial improvement has been achieved in this regard over the last few years with the introduction of de-mate share trading in 2003. Electronic Book Entry,

recording and maintaining securities accounts and registering transfer of securities, changing the ownership without a physical movement or endorsement of certificates and execution of transfer instruments are some of the means through which minority shareholders' interests have been protected. The instantaneous delivery through electronic book entry resulted in immediate transfer of ownership. The electronic trading has also eliminated the risks of damaged, lost, forged and duplicate share certificates and put an end to tedious procedures for verification of securities and transfer deeds.



Dividend pay-out ratio is not at a satisfactory level with the listed companies covered under the survey though this does not reflect the entire scenario of the dividend pay-out practice. The survey data showed that 51-54 per cent of the listed companies had given dividend to its shareholders during the last three years. Of them, 89 per cent distributed the dividend consistently during the period and their dividend pay-out ratio was quite good.

Percentage of Companies Distributing Dividend between 2002-2004



Around 71 per cent of the total companies - public and private - under consideration held their AGM on a regular basis while 21 per cent of the companies refrained from making comments in this regard. Those who did not make comment were the private companies. Almost all the public listed companies held their AGM on a regular basis.

Dividend pay-out ratio of the listed companies is not satisfactory. The survey data showed that 51-54 per cent of the companies distributed dividend to their shareholders.

Accounting Standards and Auditing System: The wave of financial crisis began in 1998 in few Asian countries and spread to other regions of the world, as well as some recent incidents of bankruptcy cases in the United States, underlined the need for reliable and transparent accounting and financial reporting to support sound decision-making by investors, lenders and regulatory authorities.

A ccounting standards and audit quality are essential to the efficient functioning of the economy because decisions about the allocation of resources/investment rely on credible, concise, transparent, easily comparable and understandable financial information about the operations and financial position of companies. A picture about perfect financial reporting can be ensured through maintaining international accounting standards and crosschecking the report by both internal and external auditing systems. Scrupulous adherence to high standards of disclosure on regular basis and strict compliance with legal requirements are essential to protect shareholder interests and promoted investor confidence. Imperfections in the financial reporting process that raise from moral hazard and adverse selection will cause imperfections in the effectiveness of corporate governance. This should ideally be corrected by the working of the external auditing process, but lack of independence may prevent this. For example, to monitor manager's behaviour, an independent third party (the auditors) attests the accuracy of information provided by management to investors. It is the auditors who ensure that the financial statements comply with established accounting and disclosure standards. The auditor's opinion enhances the credibility of financial information, thus helping management, shareholders and other relevant stakeholders to make sound decisions. Failure by auditors to report accounting manipulations or noncompliance can lead, not only to individual bankruptcies, but also to overall loss in investment confidence.

A ccounting standard and audit quality remain poor in Bangladesh. This can be explained from three different aspects. Firstly, existing weakness in Companies Act 1994, which was based on the Companies Act 1956 of India, is one of the main reasons for poor accounting standard and audit quality. The outdated Act still contains the clichéof 50 years old auditing and accounting practices, which may not be required in today's context. The disclosure requirements in the financial statements under the current Companies Act contain unnecessary and irrelevant points. For example, it should not be in the list of disclosures what raw materials and also in what proportion the same have been used in producing a certain product, which is totally secret thing for a company. Secondly, the accounting standard and audit quality have deteriorated due to absence of an independent monitoring body and malpractices by many of the auditing resulting from weakness in enforcement of the regulatory agency and lack of professionalism within auditing firms. Thirdly, more often than not corporate houses in Bangladesh are family dominant as directors of the board are selected from the family members. The problem is that most of them even do not consider that a business should be a separate entity and they are only the shareholders. Excepting filing some tax returns, they often do not seem to fulfil their other corporate responsibility like maintaining proper financial statement and auditing practice.

A through examination of the quality of accounting and auditing practices by the firms is beyond the scope of our study. However, the survey takes into account the firms' practice of the accounting standard, the type of auditing practice in their accounts and position of the companies to make the financial statement public. Findings of the study in this regard are quite encouraging as almost all the companies except one have reported that they follow international accounting standard. However, the authenticity of such self-proclamation remains subject to scrutiny. It was found from the survey that 76 per cent of the companies had both internal and external auditing of accounts. Excepting a few, most of the public

listed companies followed both the external and internal auditing practices. A few numbers of the private limited companies also pursued both the practices. The percentage of the companies following only external auditing practice is 20, many of them being private limited companies. Only a negligible number of firms, which are mainly proprietorship businesses, only have internal auditing of their accounts.

In sectoral analysis it was found that all firms in the pharmaceutical sector follow both internal and external auditing practice. Tendency of pursuing both the auditing system is also high among companies within the other sector category and those in the leather sector; 82 per cent of the reported companies from each sector stated that they followed both the practices. In RMG sector, companies are more inclined to follow internal auditing practice. This may be due to the fact that many of the RMG businesses are family owned. The companies that

Auditing Practices in Corporate Houses

Type of Companies	Internal & External A uditing (%)	External A uditing (%)	Internal & A uditing (%)
A ggregate	76	20	4
Public Ltd C os	86	14	0
Private Ltd C os	69	23	8
Proprietorships	64	29	7
RMG	43	36	21
Leather	82	18	0
Pharmaceutical	100	0	0
Other Sectors	82	18	0

follow both the auditing practices are less than 50 per cent.

When the tax evasion is a common phenomenon across the country at both individual and company levels as various media reports suggested, the findings of the study show a surprising outcome. All the companies, excepting one, claim that they do regularly pay the corporate tax to the government exchequer. The study has failed to conduct a cross-examination due to limitations.

As far as accounting standard and auditing system is concerned findings of the study, reflects some contradiction. The survey result shows that 76 per cent of the companies reported to follow international auditing practice while many of the companies practice both internal and external auditing, which provide a case of departure from what is generally perceived. It is widely believed that ineffective monitoring mechanism and malpractices by the auditors resulting from lack of transparency and accountability of the corporate houses have pulled down the quality of the accounting and auditing standards in Bangladesh. The sectoral analysis shows that all firms in the pharmaceutical companies follow both the internal and external auditing practice while 82 per cent of the companies each from other sector and leather sector follow both the systems.

A scrupulous examination was inevitable to crosscheck whether the self-proclamation of the companies validated the actual scenario of the accounting and auditing standards. However, this is beyond the scope of the present study.

Therefore, it may be misleading to generalize the above findings for reaching any conclusion about all the firms paying their due share of corporate tax on a regular basis.

It is important to note that the blame game, which emerged in recent years between the businessmen and the NBR, indicates that bureaucratic hazard is also responsible for the malevolent tax practice in Bangladesh. According to the media reports, it is alleged that while some of the tax evaders mischievously avoid paying tax and/or pay less than the required amount through unscrupulous practice, the existing bureaucratic tangle entails many hassles for the genuine tax payers.

The practice of loan default is also insignificant among the companies. A round 8 per cent companies have responded that they have default loan, all of which are from the category of other sectors. This claim also corroborates several media reports in recent months.

The image of a company is also linked with the directors' moral behaviour in the context of compliance with corporate rules and regulations. Any unethical practice by the directors whether it is tax evasion or defaulting on loan repayment or any kind of abuse of power surely would undermine the credibility of the companies. Corporate governance within a company can never be ensured if its board consists of fraudulent directors. Though the survey's findings show quite positive scenario on the two fronts of tax and default loan practices, the picture is still far from satisfactory. It is quite gloomy in Bangladesh when one looks at individual level.

The default loan culture is also common among the directors of companies. Some progress has been made within the banking sector because of strengthening of monitoring and supervision by the Bangladesh Bank. So far 65 bank directors and chairmen lost their directorships for loan default, insider lending practices and other violations. Four managing directors of banks were removed. Also the situation with the public limited companies has been improving as the Securities and Exchange Commission has introduced stringent rules on IPO flotation under which no company can float shares if any of the directors has default loan. However, the loan-defaulting directors in the private limited companies remain still at large due to weakness in monitoring and supervision on the part of the office of the Registrar of Joint Stock Companies.

Employment Practices in Corporate Houses

The role of Board of Directors and CEOs, ownership structure of the companies, relationship among their shareholders, their accountability and transparency in matters of financial reporting and auditing system have received due attention in recent years' discourses of corporate governance. But the role of employees in corporate governance has got hardly any attention. The issue therefore surmised a few questions: Do corporations adopt in their governance structures the role of the employees into consideration? Does such governance structure take the need for a better working environment for its employees, its consideration? Although human capital is widely acknowledged to be the most important asset of many firms, its role has rather been treated as a labour issue and not as a policy concern of corporate governance. Nevertheless, it is important to take note of how boardroom decisions affect employees and how employees can affect corporate governance.

This section has taken into account the employment practices within the corporate houses in Bangladesh. The survey for this section has been conducted mainly for three purposes: first, the company's policy on employment, environment at working place and minimum

wage, and other facilities for the employees. Though it will be difficult to establish a systematic relationship between corporate governance and the employment -- practices given the limitation of the data on firms' net turnover and labour productivity -- empirical evidence shows that a better working environment helps to improve workers' efficiency, which has a direct impact on companies' earnings. And of course, ambiance of corporate governance within the corporate houses is positively linked with the companies' profitability. This, however, depends upon the corporate ethics of the business entity, much of which depend on the role of Board of Directors and their accountability and transparency.

Employment Policy of Companies:

A well-defined employment policy and strategy of a company include a wide range of factors to ensure long-term stability in the employees' recruitment process. For our study, we have taken into account nine such factors that include: company's organogram, HR policy, well-defined job description, promotion policy and practice, recruitment through advertisements, compensation package, legal employment, termination rules practice and minimum notice period prior to leave a job.

While in general there are negative perceptions about the employment standard in Bangladesh, the company owners themselves do not consider it so dismal. The existing policy and strategy pertaining to employees show a good track record of the companies in respect of all the factors mentioned above. However, the exercise of this policy remains fuzzy in reality due to absence of proper legal enforcement in the country. Performance of companies in pharmaceutical sectors and other categories show that they are relatively well equipped in terms of policy and strategy for employees compared to that of leather and RMG sectors.

Employment Policy of Companies

	Well Defined Complete Organogram HR Policy				l Defi Descri	ntion	Well Defined Promotion Policy & Practice			R ecruitment through advertisements			Legal Employment Practice			T ermination R ules			Prio Notice Period Prior to leave or Job			C ompensation Package					
	Yes		No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment
Over All	8	1	2	7	2	7	8	1	3	7	1	7	9	4	3	8	3	9	8	1	4	3	5	1	8	8	5
Over All	7	1		0	3	-	4	3	-	6	7		3			8			4	2		2	7	1	7		
DMC	6	4		6	3		8	1		5	4		8	1	7	8	1	-	8	1	-				7	2	7
RMG	0	0		7	3		7	3		3	7		0	3		7	3		5	5					3	0	
	7	1	1	3	4	1	7	2	5	7	2	-	9	6		7	-	2	7	2	-	2	7	5	7	2	-
Leather	6	2	2	5	7	8	1	4		1	9		4	-		6		4	1	9		4	1		6	4	
D.I.	1	-	-	1	-	-	1			1	-		1		-	1	-		1	-	-	4	2	4	1	-	-
Phamac- euticals	0			0			0			0			0			0		-	0			0	0	0	0		
cuticals	0	-	-	0	1		0			0			0			0			0						0		
	1			8	3	6	8	1	5	8	1	5	9	-		9	-		9	5	3	3	5	1	9	3	3
Others	0			1			4	1		4	1		7		3	2		8	2			2	5	3	4		
	0																										

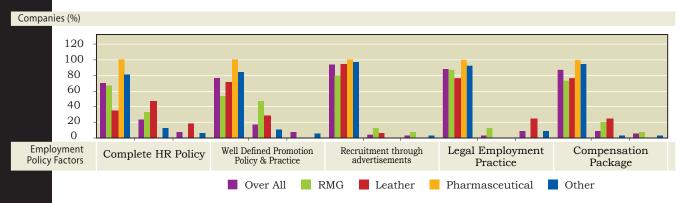
Empirical data shows that 87 per cent of the total surveyed companies have well defined organogram and 84 per cent have well defined job description required for employees to be target oriented. A relatively less number of companies follow a complete HR policy as the finding shows that 70 per cent of companies have an established corporate framework for human resources, which ensures respect for core labour standards, management of employee relations and communications, training for skill development, health and safety and equal opportunities. Twenty-three per cent reported that they do not follow the HR policy framework. The finding also show consistency with other empirical evidences. For example, a recent study conducted by the Centre for Policy Dialogue shows that 68.9 per cent of the companies have a framework for human resources 1.

Most of the companies (93 per cent) claimed that they recruit employees through advertisements, as they believe that an open invitation to the job seekers would help the companies find the suitable candidate for a particular post. The findings show that 93 per cent of the companies recruit employees offering opportunities through advertisements.

Job security is one of the prime concerns in today's corporate world. The question of job security has emerged with the flourishing of the private sector where hiring and firing are prevalent. The legal employment practice, however, provides some sort of protection to the employees as far as their job is concerned. It has been observed that around 84 per cent of the employers follow the legal employment by issuing appointment letters to the employee. However, in a country like Bangladesh where enforcement is a problem such practice has little to do with ensuring job security.

Labour mobility has increased in many folds with increasing role of the private sector in the economy. A well-defined compensation package, coupled with required promotion policy, has become inevitable with increasing competition in the job market. Eighty-seven per cent of the firms reported to have a well-defined compensation package while 76 per cent follow a well-defined promotion policy for their employee. A bout 84 per cent of the companies followed well-defined termination rules of employment and 57 per cent of the companies do not require to have prior notice period for the employees to leave the job, which indeed provide flexibility.

Employment Policy & Practice in Corporate Houses



A sectoral analysis shows that companies in the pharmaceutical and other sectors that include banks, insurance, telecommunications, IT, engineering, food etc., have performed

better in respect of all the factors. All companies in the pharmaceutical sector maintained a well-defined organogram and HR policy framework. All of them follow legal employment practice with well-defined job description and provide good compensation package and pursue promotion policy for their employees. Their employment policy also contains. Companies in the other sector category also perform above the average in all these respects.

The employment policy and strategy remained poor in the RMG sector as 60 per cent of the firms within the sector have well defined organogram and 67 per cent have HR policy framework. Though 73 per cent of firms claim to have a well-defined compensation package for their employees, 20 per cent still do not have such package. Moreover, 47 per cent of the firms do not have any well-defined promotion policy and practice.

Only 35 per cent of the firms in the leather sector have complete HR policy. In terms of compensation package and promotion policy for the employment, relatively higher numbers of companies in the leather sector have reported that they do not maintain such a policy. The companies, which do not have complete HR policy lack in such a policy for their employment. A bout 24 per cent of the companies said they do not have well defined compensation package and 29 per cent do not have any promotion policy.

However, whether the employers fully implement the employment policy remains under question, as there is no evidence on audit report of effective implementation of companies' core labour policy.

The existing policy and strategy pertaining to employees show a good track record of the companies in respect of all the factors taken under consideration. The findings show that companies performed well in terms of maintenance of a well-defined organogram (87%), job description (84 %), and HR policy (70%). Most of them also have well-defined policies related to employee recruitment, which ensures transparent recruitment procedures i.e. recruitment through advertisement (93%), workers job security (for e.g. 84 per cent of the employers follow the legal employment by issuing appointment letters to the employee), proper compensation package (87%), well-defined promotion policy (76%) and well-defined termination policy (84%).

Working Environment and Minimum Wage

The empirical evidence shows that working environment at the factory level is poor both in terms of the place itself and the mangers' attitude towards their workers. It has been also found that more often the female workers are the victims of both verbal and physical abuse in a male dominant working environment. A recent joint study by the World Bank and International Finance Corporation shows that building standards at the factories in RMG sector is inadequate 2. Labour laws are mostly un-enforced and outdated; most of the workers are unaware of the labour laws. It also said attitude of the factory managers towards their workers remain poor though our present study shows some positive instances in respect to some of the factors required for ensuring a better working environment as most of the response come from either from the owners or from the top executive level of the corporate houses.

A cross-checking was needed to validate their response as many a time they were indecisive while filling in the questionnaire. However, the cross-examination through primary level investigation is beyond the scope of the present study. Therefore we take helps from data available from the secondary sources in with respect to some of the factors related to working environment to get a better view of the actual scenario.

Ensuring gender equality at working place leaves still much to be done in Bangladesh. A wide degree of gender disparity still persists at workplace. This has yet again been revealed from our present survey, which shows that proportion of male employees is far higher at workplace compared to their female counterparts. The result also is in conformity with other empirical evidences, which show that employers are more prejudiced towards hiring male than female employees, as the relative productivity is comparatively higher in case of the former.

Working Place Environment & Mininum-Wage

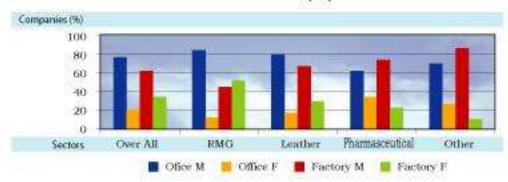
	Ma	lle-fen	nale ra	itio	1		mum ng age		Factors compar decision	ny's	ffecting hiring]n discri	hanis ninimi minati rk pla	se on at	Prot	rassme ection king P	n at	Trac	de U n	ion*		mploy rike R	
	Off	ice	Fac	tory	1	1 5	1 4	NT -	37	No	No	37	MT -	No	37	NT -	No	37	NT.	No	37	No	No
	M	F	M	F	5 <	3	4	No	Yes	NO	com- ment	Yes	No	com- ment	Yes	No	com- ment	Yes	No	com- ment	Yes	INO	com- ment
Over All	7 9	2	6 4	3 6	7 5	1	1	1 3	-	1 0 0	-	5 2	1 7	3 1	9	5	5	2 5	5 0	2 5	1	8 6	1 3
RMG	8 7	1 3	4 7	5 3	1 0 0	1	1	-	1	1 0 0	-	4 7	4 0	1 3	8 7	1 3	1	4 7	5 3	1	1	1 0 0	-
L eather	8 2	1 8	6 9	3 1	7 6	1 8	6	-	-	1 0 0	-	4 1	2 4	3 5	1 0 0	_	_		-	_	-	9 4	6
Phamac- euticals	6 4	3 6	7 6	2 4	6 0	1	1	4 0	1	1 0 0	-	6 0	-	4 0	1 0 0	-	-	4 0	-	4 0	1	6 0	4 0
Others	7 2	2 8	8 9	1 1	6 6	1	-	2 3	-	1 0 0	-	5 8	8	3 4	8 4	5	1 1	2 4	4 5	3 1	3	7 9	1 8

The study takes into account the male-female ratio of the companies' employment both at office and factory level. The findings show that proportion of male employees is higher both at office and factory level, however, relative share of female employees is higher at factory than at office. At the office level, the share of male employee is 79 per cent and the share of female employee is 21 per cent while at the factory level, the share of male employee is 64 per cent and share of female is 36 per cent. Relatively, higher share of female at factory than at office is mainly due to the fact that number of female workers is higher at RMG sector. Other possible reasons may be due to the fact that female workers are easily accessible and they are easy to get hired and fired.

If we disaggregate the sectors into four categories i.e. RMG, leather, pharmaceuticals, and other sectors, mail dominant work setup is prevalent in all the sectors. At office level, the ratio of female employee is relatively higher in pharmaceutical and other sectors, which account for respectively 36 per cent and 28 per cent whereas share of female employees are low in RMG and leather sectors, respectively 13 per cent and 18 per cent. At the factory level, except in the RMG sector, the ratio of male workers is far higher than their female

counterparts as evident from the above table. The findings in the RMG sector show a sharp contrast to the general perception that 90 per cent of the total employment in the RMG sector is women. Of 20 per cent of the total number of companies selected from the RMG sector, the survey result shows that 53 per cent of the total employees at factories are female against 47 per cent of male employees. This wide degree of fluctuations may be due to limited numbers of firms as selected for the survey from the RMG sector.





Findings show that proportion of male employee is higher at workplace - both at office and factory level. However, participation of women is relatively higher at factory level. At the office level, the share of male employee is 79 per cent and the share of female employee is 21 per cent while at the factory level, the share of male employee is 64 per cent and share of female is 36 per cent.

Sectoral distribution of male-female at workplace shows that male workers are prevalent in all sectors. At office level, participation of women is relatively higher in pharmaceutical and other sectors, which account for respectively 36 per cent and 28 per cent whereas share of female employees is low in RMG and leather sectors.

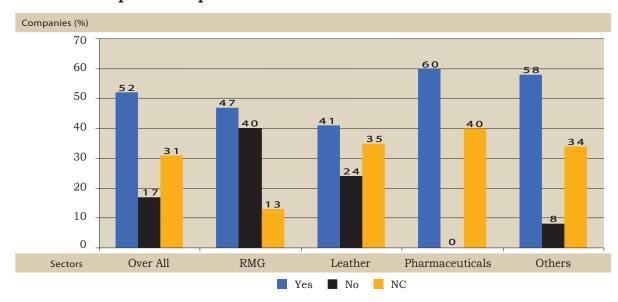
Keeping in mind the child labour issue that was a burning concern especially in the RMG sector during the later half of 1990s, the study focused on the age of youngest employee at the workplace. Though substantial improvement has been made on child labour issue, proportion of workers whose age is 15 or less than 15 is still high at working place. The findings show that at least 25 per cent companies either have reported that they have the youngest employee of age 15 or less, or the question has remained unanswered on the issue. Relatively better picture is found in the RMG sector. None of the companies reported that they have workers with age less than 15, ages of all the workers are wither 15 or above 15. Though the situation in RMG sector has improved a lot on child labour issue since mid 1990s as they face severe criticism from the buyers in western countries, a through investigation at work place, which is beyond the scope of the study, is required to validate the claim of the factory owners. In leather sector, 24 per cent of the companies reported to have their youngest employee at age 15 or less than 15. Companies from the pharmaceutical sector and that of other sector remained sceptical about the age of their youngest employee, 60 per cent from the pharmaceutical companies and 66 per cent of the companies from other sectors have age of their youngest employee above 15 years.

Percentage of workers with age 15 or less is still high in Bangladesh. The findings show that at least 25 per cent companies either have reported that they have the youngest employee of age 15 or less, or have not answered the question on the issue. Relatively better picture is found in the RMG sector. None of the companies reported that they have workers with age less than 15, ages of all the workers are 15 or above 15. A. However, investigation at work place is required to validate this claim.

A policy of equal opportunity for all employees for employment, without regard to race, colour, age, gender, ethnicity, religion, disability, union membership or political affiliation can ensure a work environment in which all individuals are treated with respect and dignity. This policy needs to apply to all terms and conditions of employment, including -- but not being limited to -- hiring, placement, promotion, discipline, termination, transfer, leave of absence, compensation and training. It is a fact that discrimination of these kinds at workplace prevails in Bangladesh. However, when interviewed all the companies have claimed that their decisions on hiring employee is not affected by any external factor. They also claim that they maintain a fair recruitment procedure where only merit and efficiency prevail rather than kinship or prejudice.

Though almost all the companies have claimed that they discard discrimination at work place, many of them do not have any effective mechanism to minimise such discrimination when the issue arrives. The findings show that 48 per cent of the companies do not have mechanism to minimise discrimination at workplace. Companies (52 per cent), which reported to have mechanism to minimise discrimination at workplace, said that their respective HR departments take the matter into account under stringent rules and regulations. Some of them have reported that they maintain committee, which strictly monitors the compliance with equal opportunity employers policy and evaluate the employees' performance. Directors and managing directors' intervention have been reported in some instances.

Companies Adopt Mechanism to Minimize Discrimination at Work Place



Almost all the companies under consideration claimed that they discard discrimination such as race, colour, age, gender, ethnicity, religion, disability, union membership or political affiliation at workplace in respect of hiring, placement, promotion, discipline, termination, transfer, leaves of absence, compensation and training.

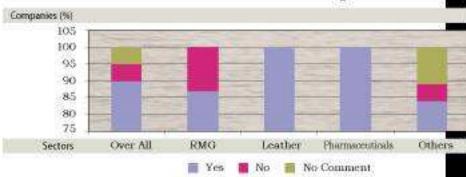
It is obvious that employees are likely to feel socially secured at workplace. They would likely to get the security if the work environment is congenial. Any kind of harassment based on race, religion, sex, age, marital status, and genetic characteristic at workplace is unwelcome to ensure a good ambiance at working place. Harassment is negatively interlinked with human psychology. It may cause workers to be morally depressed, thus reducing their efficiency level. Any kind of harassment not only would lead to deficiency in the productivity but also pose an offence to individuals' dignity. Therefore it is imperative for the companies to strictly prohibit any kind of unwelcome sexual advances, requests, demands, or pressure for sexual favours at workplace.

Sexual harassment, which absolutely depends on individual traits, is common and typical kind of nuisance, incidence of which is quite frequent at workplace in many countries including Bangladesh. Various studies and media report suggests that the prevalence of sexual harassment is high in Bangladesh's garment factories where 90 per cent of the workers are women. This harassment occurs at various forms ranging from tugging dress to showing unwanted sexual desire, and even molesting by touching body. Many a time, whether it is at the factory or outside the factory, the female workers are offended by the vulgar words used against them. Such incidences are still widespread in the garment industry. In 2005, 44.1 per cent of the women had been molested physically, 19.4 per cent women are the victim of tugging dress, 50 per cent of the women confessed that they often have been teased by the slang words 3.

Keeping in mind such prevalence of harassment, the study has focused on the initiative of the companies to protect harassment at workplace. The findings show that 90 per cent of the companies take measures to protect sexual harassment at workplace while 5.0 per cent of the companies said that they do not take any kind of measure to protect harassment and 5.0 per cent of the companies did not respond to the question. Absence of harassment protection measure is relatively higher in the RMG sector, 13 per cent of the companies said that they do not have any measure to protect harassment.

Leather and pharmaceutical sectors reported that they have full precautionary measure to prevent such untoward circumstances while 84 per cent of the companies other sector have taken measures on harassment protection.

Companies Adopt Harassment Protection at Workplace



However, implementation of such measures remains in a dubious state, as there is no mechanism to keep the record of harassment and monitor the subsequent actions against harassment. The actions of labour rights agencies remain at suboptimal in this regard.

Trade unions help employees to have an effective bargaining power to address their concern.

C ompanies' initiative to protect harassment at workplace is positive. About 90 per cent of the companies take measures to protect sexual harassment at workplace while 5 per cent of the companies said they do not take any kind of measure to protect harassment and 5 per cent of the companies did not respond to the question. Some 13 per cent of the companies in the RMG sector do not have such protective measure while companies in leather and pharmaceutical sectors have reported that they have taken full precautionary measure.

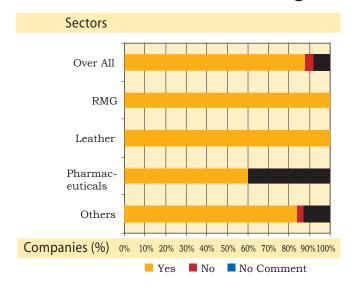
As shown in the above table 47 per cent of factories have allowed trade unionism while the rest have not. There is absolutely no trade unionism in the leather sector. In pharmaceutical and leather sectors, respectively, 60 per cent and 24 per cent are allowed for trade union activities. A good number of companies in these two sectors are indifferent while giving their opinion on trade union. Except for few sporadic incidents, most of the companies claimed that they did not face any kind of employees' strike and/or blockade. A bsence of trade unionism or firms' indifference to such agencies and employees' less interest to call for a strike may be because of the fact that employees might face forming threat of job loss or any other punitive actions if they demand for a trade union.

C ompanies are less interested to allow trade unionism. Only one-fourth of the total number of the surveyed companies has trade unions, 50 per cent of the companies have no trade unions while 25 per cent did not make any comment in this regard. There is absolutely no trade unionism in the leather sector. In pharmaceutical and leather sectors, respectively, 60 per cent and 24 per cent are allowed for trade union activities respectively. Workers are little proactive about a trade unionism as they might face the threat of job losses.

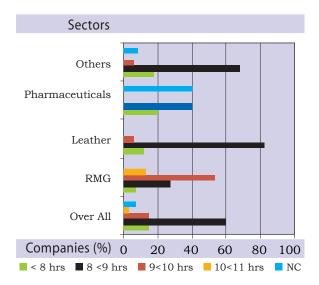
Facilities and Incentive for Employees:

The study shows a quite rosy picture about facilities and incentives provided by the companies to their employees. A round 88 per cent of the companies claimed that they provided minimum wage to their employees as per the government rules. A simultaneous survey on workers was, however, required to investigate whether the claims by the companies were justified or not. R A nayanna shows that in 2003 only 43.9 per cent of the employees get the minimum wage rate fixed by the government. If we look at the minimum wage scenario, as shown in the table below, all the companies taken from RMG and leather sectors fully complied with the minimum wage criteria whereas 60 per cent and 84 per cent of the companies respectively from pharmaceuticals and other sector category maintain the minimum wage criteria.

Companies (%) Ensure Minimum-Wage



Minimum Working Hours at Work Place



The minimum working period of 60 per cent of the companies is stipulated between 8 hours and 9 hours. There are around 15 per cent companies whose working duration is between 9 hours and 10 hours. The number of companies whose working period is above 10 hours is small i.e. only 3 per cent. Working hours are relatively higher in the RMG sector, 53 per cent of the companies reported that their working hours between 9 hours and 10 hours while 13 per cent said that their minimum working hours exceed more than 10 hours. The minimum working hours of many of the companies in leather, pharmaceutical sectors range between 8 hours and 9 hours. There are only few companies in all the sectors whose working hours are less than 8 hours. A bout 87 per cent of the companies said the workers are paid for overtime duty while 11 per cent do not pay for overtime work. All the companies in RMG, leather and pharmaceutical sectors pay the workers for overtime duty; however, 74 per cent of companies in the category of other sectors pay for extra-hour works.

Incentives for Employees at Corporate Houses in Bangladesh

		inimu king V		Mi	nimur	n W or	king H	lour		ensati er time	on for duty	Prov	ident	Fund		isurani erage F			nsport Facilit	
	Yes	No	No com- ment	< 8 h r s	8 < 9 h r s	9 < 1 0 h r s	1 0 < 1 1 h r s	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment
Over All	8 8	4	8	1 5	6 0	1 5	3	7	8 7	1 1	2	4 4	3 6	2 0	7 6	1 9	5	4 7	4 9	4
RMG	1 0 0	-	-	7	2 7	5 3	1 3	-	1 0 0	_	-	2 0	3 3	4 7 2	1 0 0	-	-	4 0	4 7	1 3
L eather	1 0 0	_	-	1 2	8 2	6	_	-	1 0 0	_	_	2 4	5 2	4	5 9	4 1	_	3 5	6 5	_
Phamac- euticals	6 0	-	4 0	2 0	4 0	-	-	4 0	1 0 0	-	_	1 0 0	-	_	8	2 0	-	1 0 0	-	-
Others	8 4	3	3 1	1 8	6 8	6	_	8	7 4	2	5	7 4	1 5	1 1	7 4	1 8	8	5 0	4 7	3

A bout 88 per cent of the companies claimed that they ensured minimum wage for their employees as per the government rule. RMG and leather sectors fully complied with the minimum wage criteria whereas 60 per cent and 84 per cent of the companies respectively from pharmaceuticals and other sector category maintained the minimum wage criteria.

Most of the companies (60%) have working duration between 8 hours and 9 hours and the duration is stipulated between 9 hours and 10 hours in few companies (15%). Working hours are relatively higher in the RMG sector, 53 per cent of the companies reported that their working hours was between 9 hours and 10 hours while 13 per cent said that their minimum working hours exceeded more than 10 hours. Minimum working hours of companies in leather sector (82%), other sectors (68%), and pharmaceutical sector (40%) ranged between 8 hours and 9 hours.

Provident fund is not fully operated in the corporate house in Bangladesh. Only 44 per cent of the companies have full provident fund facility while 36 per cent have it partially. The scenario is more depressing in sectors like RMG and leather where respectively only 20 per cent and 24 per cent of the companies have full provident fund facility for their workers. In RMG sector, 47 per cent of the companies do not have any provision for provident fund. In pharmaceutical sector, 100 per cent of the companies maintain full provident fund facility for their workers while 74 per cent companies from the other sectors ensure this facility.

Insurance coverage policy of the companies shows a relatively better picture. A bout 76 per cent of companies have insurance coverage policy for their employees while 19 per cent of them do not have such policy. All companies in the RMG sector maintain insurance policy for the workers. The family of a worker gets Tk one lakh on dead eighty per cent of the companies in the pharmaceutical sector and 74 per cent in the other sector have insurance policy. A bout 41 per cent of the companies in the leather sector do not have insurance policy for their workers.

Other forms are given in the following table, which shows that a large section of the companies do not have any retirement benefit for employees. While 95 per cent of companies provide maternity leave, only 13 per cent of the companies introduced paternity leave though it is not common in Bangladesh. Of the other benefits, only 5 per cent of the

While provident fund is not fully operated in many of the companies, only 44 per cent of the companies have full provident fund facility while 36 per cent have it partially. Insurance coverage policy is relatively better as 76 companies follow insurance coverage policy. Nevertheless 19 per cent of the companies do not have any insurance policy. Sectoral analysis shows that the state of RMG and leather sector is quite depressing in terms of provident fund; only 20 per cent and 24 per cent of the companies respectively from the two sectors, ensure full provident fund while 100 per cent and 74 per cent of the companies respectively from the pharmaceutical sector and other sectors ensue full provident fund for their workers. All companies in the RMG sector maintain insurance policy for the workers.

companies provide schooling for children and 17 per cent introduced day care centre. The culture of providing stock option and dividend to the employees is quite limited as only 9 per cent of the companies provide stock option and 12 per cent provide stock dividend.

Health, Safety & Environment (HSE):

Today's heightened interest in the proper role of businesses has been prompted by increased sensitivity to environment and ethical issues. Protection of health, safety of the companies' employees and other persons affected by the companies' business activities and prevention of environmental pollution with respect to companies' business activities and other operations have become important with the emergence of privatisation corporatisation. Issues like environmental damage, improper treatment to workers, and faulty production leading to customers inconvenience or danger, are highlighted in the media. It is imperative for the companies to comply with all applicable laws and Others Incentives for Employees

	Type of Companies	Yes (%)	No(%)
a.	Gratuity	67	33
b.	Maternity Leave	95	5
c.	Paternity Leave	13	87
d.	C asual Leave	99	1
e.	Earned Leave	95	5
f.	LFA	33	67
g.	Provident Fund	77	23
h.	Festival Bonus	97	3
i.	Stock Option	9	91
j.	Dividend	12	88
k.	Subsidized Food	17	83
I.	Schooling for Employees' Children	5	95
m.	Daycare Centre	17	83

relevant industry standards of practice concerning protection of health and safety of their employees in the work place and other persons affected by their business activities and the prevention of environmental pollution. In this regard, the companies' management should take such actions as are reasonable and necessary to achieve standard HSE practice. The management needs to continuously evaluate the health, safety and environmental aspects of the business.

At the same time the government needs to play a pro-active role to ensure fully compliance with HSE issue. In some countries governments' regulation regarding environmental and social issues has increased, and standards and laws are also often set at a supranational level while in other countries the regulations in this regard remains hazy.

The study takes into account a number of factors to have an idea of the HSE status quo at the business houses in Bangladesh. The findings show that average HSE standard of the companies is low. Only a small number of companies complies with HSE legislation and few have the HSE certification. Many of them lack policy and procedures to follow HSE, which may due to absence of awareness by the companies' management. There are only few companies who take the initiative making awareness among its staff through training programme. The absence of ethical practice of HSE not only dampens the governance system of the companies but also puts employees' lives at stake.

The empirical result shows that only 29 per cent of the total companies interviewed comply with the applicable local and national HSE legislation. This reflects that there is hardly any exigency among the companies to follow the HSE legislation.

The weakness in the compliance of HSE legislation may also due to the fact that most of the companies lack policy guidelines in respect to HSE as the findings show that only 20 per cent companies have HSE policy. The companies are also less inclined to have a certified HSE management system for e.g. ISO 14001, OHSAS 18001 or EMAS. Only 25 per cent of the companies have certified HSE management system while the rest do not have. A bout other certificates related to environment, product quality and working condition the result remain dismal. Only a handful number of companies have environment related certificates from the Ministry of Environment, some of the companies have got ISO 9001, HACCP, HALAL, ISO 9000 and14001. It also seems that there is hardly any compulsion among the firms to get certification on working condition.

State of HSE Compliance

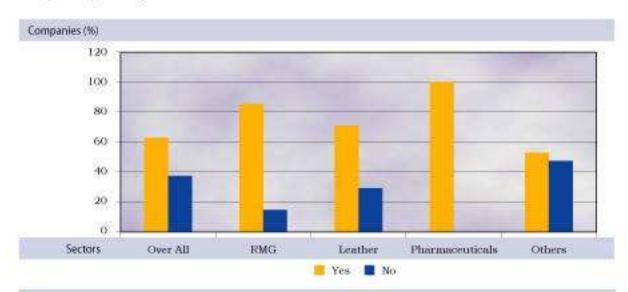
Sectors		W ater Itment F	Plant	Fire	Protect	ion Sys	tem*	Degre	ee of Ma Safetie			protect nment		pliance Legisla	
	Yes	No	NC/NA	Own FB	Pub FB	NA	Fire Alarm System	Partial	Full	NC/NA	Yes	No	Partial	Full	No
Over All	35	32	33	35	25	40	49	31	33	36	63	37	29	28	43
RMG	23	23	53	31	23	8	77	46	54	_	85	15	62	23	15
Leather	35	47	18	76	18	6	59	59	35	6	71	29	41	18	41
Phamaceuticals	100	-	_	20	40	20	80	-	60	40	100	-	20	80	_
Others	32	13	55	26	26	9	50	18	16	64	53	47	18	29	53

- * FB: Fire Brigade, Alarm System include both automatic and manual
- ** Violation of law include environmental law, factory hazard code/factory building C ode
- *** HSE management system include ISO 14001, OHSAS 18001 or EMAS
- **** one company reported to have 28 accidents, 64 per cent did not make comment, 29 per cent reported no accident took place

Sectors		gulatory lation of	action	IVI anag	ed HSE Jement m***	Policy		SE al/proce	edures			raining ramme			blish Re On HS	•
	Yes	No	NC	Yes	No	Yes	No	Partial	NC	Yes	No	Partial	NC	Yes	No	NC
Over All	25	75	-	25	75	20	33	13	34	20	28	17	35	13	67	20
RMG	8	92	_	8	92	46	38	16	0	38	15	47	-	23	77	0
L eather	-	88	12	65	35	12	59	24	5	18	65	12	5	6	88	6
Phamaceuticals	0	100	0	60	40	20	0	40	40	20	0	40	40	40	0	60
Others	-	92	8	11	89	18	24	5	53	16	18	21	45	11	63	76

The sector-wise analysis shows that RMG sector performs better in HSE issue compared to other sectors. This is because of the buyers' growing concern about compliance issue in the

sector. Around 46 per cent of companies have HSE policy; the percentage is far below in case of other sectors compared to the RMG sector as shown in the above table. Companies' steps to protect environment show that pharmaceutical sector takes the lead as all the companies said that they take measures to protect environment followed by the RMG sector where 85 per cent of the companies take such steps. Compliance with HSE legislation is also higher within the pharmaceutical sector as 80 per cent of companies are complied by the legislation.



The findings shows that average HSE standard of the companies is low. Only a small number of companies complies with HSE legislation and few have the HSE certification. Many of them lack policy and procedures to follow HSE, which may due to absence of awareness by the companies' management. There are only few companies who take the initiative making awareness among its staff through training programme. Only 29 per cent of the total companies interviewed comply with the applicable local and national HSE legislation, reflecting that there is hardly any appreciation of the need on the part of the companies to follow the HSE legislation. The weakness in complying with HSE legislation may also due to the fact that most of the companies lack policy guidelines in respect to HSE.

However, few media reports completely contradict the findings. A recent report shows that lives of workers of 1,500 garment factories in the country are at stake as they do not maintain the minimum working environment as per rule 4. Many of them lack adequate security and even do not have fire extinguishing system despite an order from a court in 1997 making it mandatory for every factory to ensure fire extinguishing system and a safety exit (see the Box).

About the companies' initiatives to protect environment and other health and safety-net programmes, the data shows that only a few companies take precautionary steps to protect environment and less equipped with health and other safety measures. It is revealed from the findings that only 37 per cent of the companies take steps to protect environment.

1,500 garment factories are at risk across the country

Lives of workers of about 1,500 garment factories are at a precarious state as the working condition inside the factories is not safe.

The factories are running at the residential houses for years and do not comply with the code of safe working environment.

Of total 4,700 factories in the country, some 1,500 remained closed while some 1,700 factories have been running with poor standard, according to the Ministry of Labour and Employment.

The working environment of the remaining 1,500 factories is not at per with the buyers' requirements.

Both the BGMEA and BKMEA used to pay TK one lakh on a worker's death in any accident at the work place as compensation. However, the liability has been transferred to the insurance company recently as most of the factories have become insured now-a-days.

A field investigation shows that in most of the cases the factory buildings do not abide by the condition concerning the workers' security. Many of them lack adequate security and even do not have fire extinguishing system despite an order from a court in 1997 making it mandatory for every factory to ensure fire extinguishing system and a safety exit.

Though many of the factories have constructed a safety exit of the buildings after the court order, the field investigation shows that the stairs of these way-outs have become another death trap as they are too narrow to move for a single person. Also these exit points are always locked up and the keys are not readily available at the time of incidence of accident.

Source: Daily Prothom Alo, February 25, 2006.

Different companies have pointed out different measures they take to protect environment. For example, companies from the RMG sector said that the kind of measures they take to protect environment include cleaning factory, use of effluent treatment plant, setting up green belt in factory area and using environment friendly scrap-yard. Companies from the leather and pharmaceutical sectors said that they avoid using polythene, proper drainage of waste chemical, using bio-filter, controlling noise level etc. The companies from the other sector, however, failed to make any concrete statement regarding their measures to protect environment. Some of them, however, have claimed that they take steps for building awareness to protect environment and keeping the factory environment hazard-free.

Few numbers of companies are equipped with water treatment plants and personal protection equipment like safety shoes, safety glasses, ear plugs, gloves etc. Percentage of the companies having water treatment plant is 35 and 28 per cent of the companies have

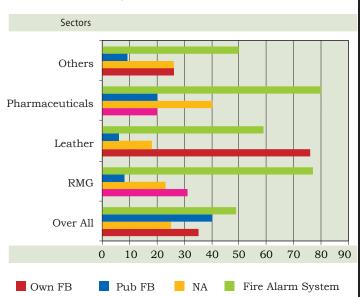
the personal protections kits. The degree of machine safety and fire protection system is inadequate. Only 35 per cent of the companies have own fire brigade system and 33 per cent ensure machine safety-ness to prevent workers from any unsafe occurrence or injuries. More than 50 per cent of the companies even do not have fire-alarming system. When interviewed most of them refrained from making comments on this matter. A few of them, however, have claimed that they are partially equipped with heath and other safety partially measures. In case of any unprecedented fire causality, most of the companies cannot take any instant action to extinguish fire, as they have to depend on government owned fire brigade systems, which take at least 15 minutes to make the fire brigade service available at the spot.

All the interviewed companies in the pharmaceutical sector have water treatment plant; also the degree of machine safety-measurers and availability of personal protection equipment is high within the companies under the sector. Except leather sector, many of the companies from other three categories depend on public fire brigade service to bring the fire, if any, under control.

The companies did not disclose property the number of accidents as most of them refrained from making comments on the number of accidents they have met during 2005. More than 70 per cent to 75 per cent of the companies did not make comment on this issue. Altogether it was reported that 10 accidents took place during the year -7 in readymade garments and, 2 in pharmaceutical sectors and one in a company from the other sector category.

However, the secondary sources give a more depressing scenario about the causalities at the factories. A ccording to the media reports over, 350 garment workers have died and some 1,500 been

Fire Protection System at Work Place



injured in fire-related incidents since 1990. In recent months, at least 23 people died in fire at Shaan Knitting and Processing Limited in Narayanganj on January 7 last year, six at a spinning mill in Shafipur of Gazipur on February 9, and five at a label-making factory in Tejgaon Industrial A rea on January 20. On May Day 2004, seven female workers were killed in a stampede while trying to rush out of a garment factory in Mirpur following a transformer blast nearby (see Box-).

Despite the fact of low standard of HSE within the corporate house, the regulatory action remains weak in Bangladesh as it is reflected from the findings. Only 25 per cent of the total companies confessed that they face regulatory action for violation of law that includes environmental law, factory hazard code, and factory-building code. Corruption, poor monitoring and lack of accountability are few reasons for regulatory inactions on HSE issues.

Fire-related incidents in garment units kill over 350 since '90

Over 350 garment workers died and some 1,500 were injured in fire-related incidents since 1990.

As there is no official figure regarding the number of casualties in fire, the death toll so far has been based on newspaper reports.

Meanwhile, on the day following the incident, 54 people were confirmed dead and over 100 injured in fire at a composite textile factory in the BSCIC Industrial A rea of the port city -- the worst in the country's history -- according to media reports.

President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Tipu Munshi said some 300 garment workers might have died in fire and stampede set off by fire or fire alarm in the last 20 years.

In most of the fire incidents, the casualties go high as the factories keep their main gates shut and as a result, the workers struggle to make a quick exit even during an emergency.

A top official of Fire Service and Civil Defence (FSCD) said almost all the factories do not comply with the safety rules.

On condition of anonymity, he said most of the factories keep their entrances locked, flouting the safety rules. He said many of them even lack fire exits, emergency lights, searchlight boxes with batteries and enough water to put out fire.

At least 23 people died in fire at Shaan Knitting and Processing Limited in Narayanganj on January 7 last year, six at a spinning mill in Shafipur of Gazipur on February 9, and five at a label-making factory in Tejgaon Industrial Area on January 20.

On May Day 2004, seven female workers were killed in a stampede while trying to rush out of a garment factory in Mirpur following a transformer blast nearby.

Sources allege many factories in the capital operate precariously with faulty electric wire, switchboard and other electric instruments.

Source: The Daily Star, February 25, 2006.

What is more unfortunate is that there is no official figure regarding the number of causalities in fire, the above death toll is based on newspaper reports. Response from the government on HSE issue only become visible in the wake of any causalities like building collapse, fire incidence etc, which is mainly due to the resultant impact of the media coverage. However, the government becomes inactive on the issue after few days of the incident. This is due to the fact that the concern of media also diminishes over time till another incident takes place.

Garment Factories Have Virtually Become Death Traps

In response to two cases filed against two garment factories seven years ago, the High Court had issued a ruling asking the factory owners to ensure security for the workers during working hours in garment factories. Sramik Nirapatta Forum Coordinator Hamida Hossain told the BBC Bangla Service on February 24, 2006 that none bothers to obey the court's order. The High Court order says every factory must keep the doors open during working period, but most factory owners do the opposite, she observed.

She also suggested forming a monitoring committee drawing representatives from government, factory owners and workers to make sure no more incidents of fire occur in the factories.

Garment workers' leaders often complain that the country's garment factories have virtually become death traps for the workers as most of them lack fire-fighting equipment and other safety measures.

Besides, many of the factory owners have a tendency to ignore the safety rules such as keeping heat and smoke detectors and an alternative electricity system.

The authorities responsible for ensuring a safe atmosphere for thousands of garment workers too seem indifferent to taking actions against the owners failing to maintain basic safety measures.

Moreover, lack of knowledge on the part of garment workers about how to use safety measures including emergency exits and fire extinguishers are also a reason behind higher causalities, say sources in the sector, the top earner of foreign currency for the country. Many of the factories have emergency exits but in most cases of fire and other mishaps in the past, panicky workers did not use those and rushed to the staircase together, resulting in deaths and injuries in stampede, added the sources.

Source: Internet

Corporate Social Responsibility:

Corporate social responsibility (CSR) is an expression used to describe what some see as a company's obligation to be sensitive to the needs of all of its stakeholders in its business operations. The principle is closely linked with the imperative of ensuring that these operations are "sustainable" i.e. that it is recognised that it is necessary to take account not only of the financial/economic dimension in decision making, also the social and environmental consequences of sustainable development.

In today's corporate world some investors and investment fund managers have begun to take account of a corporation's CSR policy in making investment decisions. Some consumers have become increasingly sensitive to the CSR performance of the companies

from which they buy their goods and services. These trends have contributed to the pressure on companies to operate in an economically, socially and environmentally sustainable way. Some would argue that it is self-evidently "good" that businesses should seek to minimise any negative social and environmental impact resulting from their economic activity. It can also be beneficial for a company's reputation to publicise, for example, any environmentally beneficial business activities. A company which develops new engine technology to reduce fuel consumption will, if it chooses, be able to promote its CSR credentials as well as increase profits. Some commentators are cynical about corporations' commitment to CSR and sustainable development and say that the idea of an "ethical company" is an oxymoron.

Before going into our analysis in detail, it is important to distinguish CSR from charitable donations and "good works". Corporations have often, in the past, spent money on community projects, the endowment of scholarships, and the establishment of foundations. They have also often encouraged their employees to volunteer to take part in community work thereby create goodwill in the community which will directly enhance the reputation of the company and strengthen its brand. CSR goes beyond charity and requires that a responsible company will take into full account the impact on all stakeholders and on the environment when making decisions. This requires them to balance the needs of all stakeholders with their need to make a profit and reward their shareholders adequately. This holistic approach to business regards organisations as ,for example, being full partners in their communities, rather than seeing them more narrowly as being primarily in business to make profits and serve the needs of their shareholders.

CSR in Bangladesh: Though CSR is yet to get momentum in the milieu of corporate culture in Bangladesh, the issue has got some heightened interests, especially among some top-level corporate entities partly because of the pressures from international buyers community due to the resultant impact of globalisation of the economy. In Bangladesh the perspective of CSR varies from company to company. Several literature reviews show that according to business enterprises CSR principles include labour practices, community relations or investments, employee involvement and environmental responsibilities. From employee perspective, the CSR principle includes working hours, child labour, health and safety regulations and compliances, benefit packages for the employees and the commitment for the environment. Civil Society Organisation, on the other hand, consider CSR from the view point of community help, participation, child labour, working hours and overtime practices and compliance with minimum wage rules, human rights and environmental rules 5.

Given the various perspectives of the CSR, this section of study has dealt with the present status of the companies' involvement in CSR practice in Bangladesh. This section has primarily focused on whether the companies have any CSR strategy in their policy at all and what are broad areas and activities they cover in their CSR policy. It also takes into account the companies' opinion on how CSR activities can be productive in their business.

^{5.} Corporate social responsibility Bangladesh perspectives: findings from literature review And focus group discussions Bangladesh Enterprise institute.

CSR in Corporate Houses

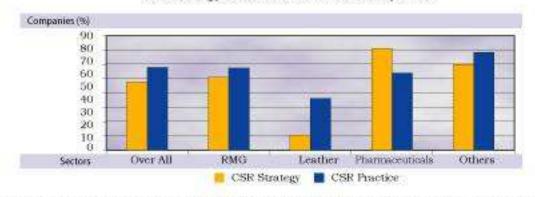
	C	SR Stra	itegy	CS	R Prac	tice		Benefit	s of CS	R for Co	mpanies	
	Yes	No	NC/NA	Yes	No	NC/NA		Circulos Strakius Impression	Economics Economics In Profit	Prove on a good Corposite Citizen	Comply with Dayson Inquirants	Attricts Bayers
Over All	53	43	4	65	23	12	59	79	44	63	39	35
RMG	57	43	0	64	36	- 0	7	71	14	57	29	10
Leather	12	88	0	41	59	0	82	82	65	59	65	71
Phamaceuticals	80	20	0	60	40	0	80	80	20	20	0	0
Others	67	31	2	77	15	8	64	79	46	36	31	31

From the above table, it can be shown that at the aggregate level 53 per cent of the companies has CSR strategy in their businesses while 43 per cent of the companies have disclosed that they do not have any CSR strategy. However, CSR practice by the companies is relatively high as 65 per cent of the companies reported that they follow CSR practice even though many of them do not have any strategy in this connection. Percentage of companies, which do not initiate any kind of CSR activities, is 23. The key area of CSR includes issues like health and HIV, education, environment, vocational training, sports and culture, natural disaster management etc. Since a strategic framework is inevitable to fully comply with certain objective, one can presumably infer that without a proper CSR strategy, the present rate of CSR practice does not predict its long-run sustainability.

The evidence shows that the companies from the developed countries show that they maintain a proper CSR strategy in their company policy.

Except for few instances, in which there is a separate trustee/ foundation to deal with CSR activities, most of the companies including those who have a CSR strategy do not have any specific department that can look after the CSR activities. In most of the cases, it has been found that management, board of directors, human resource department, accounts and administrative department are responsible to deal with CSR activities.

CSR Strategy & Practice within the Companies



The sector-wise analysis shows that percentage of companies which have CSR strategy is high among the pharmaceutical sectors, however, their practice rate is relatively less as it is discernable from the above table. Firms having a CSR strategy and their practice rate are also high in number in RMG sector as well as those in the other sectors. A bout 67 per cent of the companies from the other sectors and 57 per cent of the companies from the RMG sector have the CSR strategy and their practice rate is respectively 77 per cent and 64 per cent, higher than the companies in another sector. Firms in the leather sector shows the worst performance in this respect as only 12 per cent of them have CSR strategy and 41 per cent follow CSR practice.

A bout 43 per cent of the companies do not have any C SR strategy. Though many of the companies lack C SR strategy, practice of C SR is relatively high among the companies. The findings show that 65 per cent of companies pursue some kind of C SR activities simultaneously with their business activities whereas 23 per cent of companies do not initiate any kind of C SR activities at all. Except few instances, most of the companies do not have any specific department that can handle the C SR activities. Sectoral analysis shows that though percentage of companies having C SR strategy in the pharmaceutical sector is high their practice rate is relatively low. Firms having C SR strategy and their practice rate is relatively higher in the RMG and other sectors. The condition of leather sector is worst in this regard as though 41 per cent of the companies involve in C SR activities, only 12 per cent of the companies have C SR strategy.

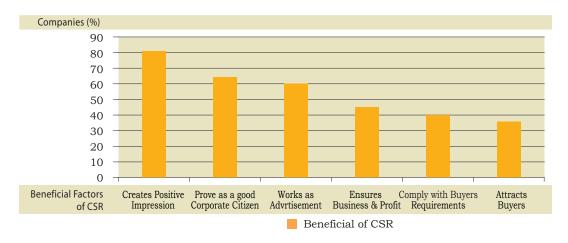
also high in number in RMG sector as well as those in the other sectors. A bout 67 per cent of the companies from the other sectors and 57 per cent of the companies from the RMG sector have the CSR strategy and their practice rate is respectively 77 per cent and 64 per cent, higher than the companies in another sector. Firms in the leather sector show the worst performance in this respect as only 12 per cent of them have CSR strategy and 41 per cent follow CSR practice. Benefits of CSR: Apart from being a good corporate citizen a CSR activity generally can only be effective in achieving social or environmental outcomes to the extent it uplift companies' image and hence maximise profit: therefore the CSR slogan is an emblem of "doing well by doing good." And for this reason it is important to note that the resources applied to CSR activities must have a higher return than those resources could obtain if applied anywhere else of productive investment. Some critics of CSR, such as the economist Milton Friedman argue that a corporation's principal purpose is to maximise returns to its shareholders, whilst obeying the laws of the countries within which it works. Others argue that the only reason corporations put in place social projects is utilitarian; that they see a commercial benefit in raising their reputation with the public or with government. For example, investment in any social utilitarian project would give a positive impression about the company to the society as a whole and also works as a good advertisement for the companies. This in turn has an indirect link to the profitability of the companies. However, our present findings show a slight deviation from the given argument as shown here in below.

To find out the benefits of investment on CSR, we have taken six factors that include whether or not the CSR works as an advertisement, creates positive impression about the companies, ensures business and profitability, provide proof about good corporate

citizenship, comply with buyers' requirements and attract buyers. Firms were eligible to respond to more than one factor. The following figure shows that most of the companies think that CSR activities create a positive impression about the companies and work as a tool for advertising the companies. However, only few of them consider that investment on CSR ensures business and profits. A bout 59 per cent of the companies said that CSR works as an advertisement for the companies while 79 per cent said that it creates positive image about the companies. On the other hand, 44 per cent of the companies have given approbation that investment on CSR ensures business and profits of the companies. This finding gives a contradiction of the above statement that investment on CSR has link with the profitability of the companies. However, this finding does not establish that investment on CSR does not have any link with the companies' profitability. A detailed work needs to be done to make a conclusive statement in this context.

With regards to other factors, 63 per cent have said that it helps to be as a good corporate citizen, 39 per cent and 35 per cent, respectively, were of the view that CSR helps to comply with buyers' requirements and attract buyers.

Benefits of CSR



If we disaggregate the data, it shows that most of the companies in the RMG sector do not feel that CSR works as an advertisement; however, 71 per cent considers that it creates positive impression about their companies. Whereas most of the companies in other three categories were of the view that CSR helps both to work as advertisement for the companies as well as to create positive impression about the companies. More interestingly the leather sector, which is less enthusiastic about having a CSR strategy and practising of CSR activities, opined that it helps to create positive image about the companies as well as works as a tool for advertisement. Relatively a-large number of companies from this sector considers that CSR also ensures business and profit for the companies.

Corporate Governance and Public Relations:

Media have an impact on corporate governance both in positive and negative ways. A report can helps encourage, induce or enforce the companies to be compliant with laws a report can also draw a company into a messy situation. A country with inadequate laws and malfunctioning judicial system can experience some of the benefits of better governance if

the pressure of the media is sufficiently strong, supporting the norms of good governance. On the other hand, the direction in which the press exercises its influence may cause disaster if the reporting, say, on any scam relating to the company matters, is not based on adequate information. The incident of this type happens, though not frequently, mainly because of the lack of communication between the corporate house and the media. Perhaps, the sweet and sour relationship between the two entities as evident from across the world is due to lack of communication gap. It is, therefore, imperative for wedging the gap between the two entities. It is the public relations wing - internal and external - of the companies that can play the due role to minimise the communication gap between the two. It is inevitable to develop professionalism on both sides to bridging the gap between media and the corporate house.

The ways to develop media-corporate house relationship are facilitation of socialisation, interaction and interfusion between media and corporate people. Corporate houses should involves the media people while promoting any business development through not mere holding a press briefing but also discussing alternative strategies and, exchanging views and opinions to get a better idea for the both sides so that social issues can be properly addressed. This will not only enhance the profitability of the companies but also optimise the social welfare.

This section of the study emphasise the role of media in the eyes of corporate people and the effectiveness of the public relation wings in making a bridge between the media and the corporate houses. We have taken a wide range of factors to detail out our analysis. This section is divided into four subsections: first subsection deals with the present status of the companies, public relation wings and their experiences to get access into the media; second one explains what type of stories companies consider should get the media coverage; the penultimate section deals with companies' views regarding getting access to the media; and the last section elaborates the position of the companies on providing training to their public relations officers as well as reporters and the importance of companies to develop a rapport with media.

The absence of proper communication system is apparent from the above table as only 45 per cent of the companies have public relations wings in their set up while 41 per cent responded by having said that they do not have PR wing. Most of the companies which do not have PR wings consider that they do not require PR wing and in some instances it has been reported that the issue is dealt by the top management level. Companies in the RMG sector and leather sector put less emphasis on PR issues as it can be seen from the following table. Only 14 per cent and 41 per cent, respectively, of the companies have PR wing. Except in companies from the other sector, where the number of manpower varies between 3 and 10 in their PR wing, the manpower size is restricted between 1 and 3 in the PR department of most of the companies. Most of the PR professionals are either from commerce background or from journalism. The number of PR officers who offered PR related certified course is insignificant. Except few, most of the companies avoided making comments on their annual budget allotted for PR wing. Some companies from the category of other sectors said the expenditure on PR wing varies from 1-2 per cent of the total budget while other reported 10-20 per cent. Only few of the companies have well defined

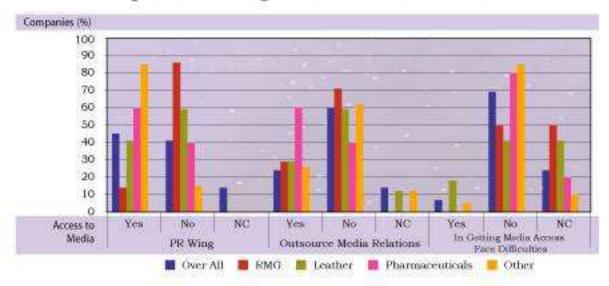
organogram in their PR wing. The above findings partly tell about why the gap between media and corporate houses exist. Lack of effective communication between the corporate house and media is also reflected from fact that only 21 per cent of the companies have spokesperson that can talk to media on behalf of the companies.

Public Relations & Corporate Affairs

		R Wi	ng	Spe	okesp	etson	7 1 12	ource lelatio	Media ms	h	Diffic Genti dia A			ompar verage		THE SECOND STREET		dven				erage parites
	Уом	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Min	Mode- rate	Good	No com- ment	Yes	No	No com- ment	Yes	No	No com- inent
Over All	45	41	14	21	56	23	24	60	14	7	69	24	13	31	40	14	11	81.	8	60	7	33
RMG	14	86		7	93		29	71		0	50	50	7	21	7	65	7	64	29	14	20	57
Leather	41	59	0	*3	76	24	29	59	12	18	41	41	41	35	-12	12	6	94	0	41	0	39
Phamaceuticals	60	40	0.	40	20	40	60	40	0	0	80	20	0	20	80	0	20	40	40	60	0	40
Others	85	15	0	33	49	18	26	62	12	5.	85	10	5	36	59	0	13	87	0	85	-3	12

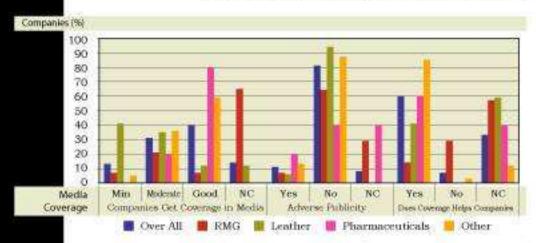
Despite the poor maintenance of PR wing by the companies many of them feel that they feel that they do not face any problem in getting access to the media. But it remains under question whether getting access to the media is properly effective or not. Perhaps, that is why there exists a gap between the two entities. Only 7 per cent of the companies from leather and other sector category said that they face problem in getting access to the media while none of the companies in pharmaceutical and RMG sector hardly having any PR wing does not face difficulties in getting access to the media. At aggregate level 69 per cent of the companies consider that they do not face any problem in getting access to the media. However, coming into the question of coverage, 40 per cent of them said they have good coverage and 44 per cent have said that they get minimum or moderate coverage in the media. The divergence between having no difficulties in getting access to the media and the resultant success of media coverage may be due to lack of effective communication between the two.

Companies' PR Wing Status & Access to the Media



The lack of effective communication did not make any adverse impact on reporting as 81 per cent of the companies said that they do not face any adverse publicity in reporting while 11 per cent of the companies, most of which do not have any PR wing, reported that they face adverse publicity in the media. Many of the companies said the coverage in the media helps their companies in several aspects, in terms of the growth of their businesses. About 60 per cent of the companies said that the media coverage helps their companies while 7 per cent feel that media coverage does not help their companies as shown in the table. Most of the companies in leather and RMG sector did not respond to the query in this connection. While giving the reasons, the companies said that the adverse publicity is due to personal enmity and/or miscommunication. Some of them also pointed out advertisement as the reason. The best way ways to address the adverse publicity as pointed out by the companies are organising a press briefing to put up the real facts, sharing meetings with journalists and gatekeepers and arranging field visits.

Media Coverage Status of the Companies (%)



The above findings, however, deviate from observations. the which are The three outcome of workshops held recently under a part of the present study 6. In the workshops corporate sector people made critical remarks on the role of

media, saying that the media give a lot of coverage to negative and one-sided stories at the expanse of positive stories. Media people, however, refuted those observations arguing that positive news also get wide coverage and pointed out that it is the duty of the media personnel to unveil wrongdoings of business houses.

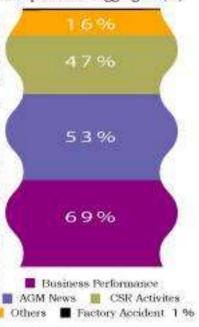
Types of Stories Get Media Coverage

	Туре	of Stories	Get N	fedia Co	verage.	put	Intere Historia Activit	CSR		seminat AGM N				vennent
	Business Perfor- mance	CSR Activities	AOM Nove	Factory Accident	Others	Yea	No	No com- ment	Yea	No	No com- ment	Yes	No	No com- ment
Over All	45	47	53	- 4	16	44	32	24	58	21	21	60	21	19
RMG	14	7	21	7	0	7	36	57	21	36	43	21	36	43
Leather	41	35	24	0	0	35	41	24	24	29	47	47	41	12
Phamaceuticals	60	62	74	3	26	62	38	0	79	16	5	40	20	40
Orhers	85	80	80	.0	-20	20	20	60	100	0	0	82	8	10

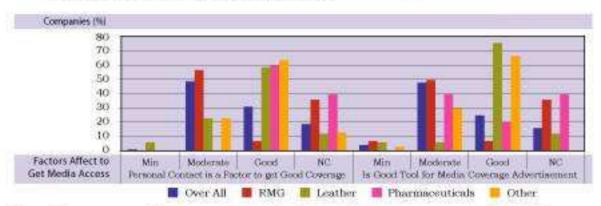
The workshops held on 21, 24 and 28 January 2006 as part of the present study tilled Bridging Corporate Sector and Media in Promoting Good Governance;

Companies At Aggregate (%)

In response to the question about the type of stories that the companies get coverage in the media, most of them said business performance is mostly covered 7. At aggregate level 69 per cent of the companies said the media covers stories related to companies' performance followed by the AGM news, which consists of 53 per cent where the stories related to factory accidents placed bottom of the ranking. Only 1 per cent of the companies, which is from RMG and pharmaceutical sectors said that story covered by the media was related to factory accidents. Besides, 47 per cent of the companies said the media also covers stories relating to CSR activities. While asked about companies' interests in publishing stories related to CSR and companies' achievements, companies said they are more interested in publishing their achievements than those relating to the CSR activities.



Factors Affect to Get Media Access



About 44 per cent of the companies prefer their achievements in general and 60 per cent prefer for the CSR relevant activities. Companies in the other sector category are more interested in publishing their achievements than those of others.

Due to absence of effective PR management within the companies, many a time companies take resources to personal contacts to get the media coverage. This practice is common in Bangladesh. When the survey enquired about to what extent the personal contact help to get the media coverage, 31 per cent of the companies responded that they get good coverage if they go for personal contact while 41 per cent of them responded as moderate coverage. This has been extended further by asking whom they prefer for personal contact. More than 61 per cent of the companies said they contact with the reporter to get their events to cover by the media while the 57 per cent prefer business editor to contact. Editor, news editor and chief reporter follow respectively in this connection as shown in the following figure. It is also evident from the above table that most of companies feel that advertisement works as an effective tool to get media coverage. At aggregate level, 25 per cent of companies viewed that advertisement as a good tool to get media coverage while 48 per cent expressed moderate opinion.

Ways to Access into Media

		ersonal s a Fact Good C	or to g	T			Who	o Con	tact			Tool fo Cov		
	Min	Mode- rate	Good	No com- ment	Editor	News Editor	Chief Reporter	Husiness Editor	Reporter	Adventi- sement Propie	Min	Mode- rate	Good	No com- ment
Over All	1	49	31	19	53	51	49	57	61	32	4	48	25	16
RMG	0	57	7	36	64	37	64	71	15.	50	7	50	7	36
Leather	6	23	59	12	53	47	53	59	65	41	6	6	76	12
Phamaceuticals	0	0	60.	40	100	40	40	40	40	20	0	40	20	40
Others	0	23	64	13	64	64	62	64	.69	.41	3.	30	67	0

The following table highlights some of the factors relating to available training facilities for PR as well as advance plan for PR activities within the companies and their interest to take up steps for developing rapport with media. It also pinpoints companies' observations on what they consider the accuracy or objectivity of the media reports and reporters understanding about the labour and CSR, which are the burning issues in today's corporate world.

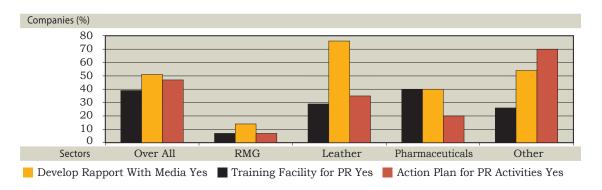
Ways to Facilitate PR Activities

		ing F for Pl	acility R		lop Ri	apport dia	I TO SECURE OF THE PARTY OF THE	nce P Activ	lan for rities	10	ality of Repor and CS	t Labor	ar.		2950000000	racy ir a Repo	
	Yes	No	No com- ment	Yes	No	No com- ment	Yes	No	No com- ment	Min	Mode- rate	Good	NC	Min	Mode- rate	Good	NC
Over All	39	29	32	51	25	24	47	31	22	3	-44	53	0	3	17	60	20
RMG	7	43	50	14	57	29	7	50	43	7	86	7	7	7	36	21	36
Leather	29	24	47	76	3	21	35	59	6	0.	29	24	47	0	29	29	42
Phamaceuticals	40	40	20	40	20	40	20	0	80	0	20	20	60	0	20	40	40
Others	26	31	43	54	21	25	70	15	15.	3	-33	49	15	-5	10	79	5

The finding shows that only 39 per cent of the companies provide training to their PR personnel while 29 per cent do not provide the training. The rest did not make comment. The inclination towards imposing PR training is relatively stronger among companies in the pharmaceutical sector followed by leather sector. Propensity to provide PR training is relatively lower (26 per cent) among the companies incorporated in the other sectors' category where most of the companies have the PR wings. As far companies' steps to develop rapport with the media is concerned, 51 per cent of them said they take rapport-building programmes that include communication sessions to enhance awareness and mutual appreciation for both the parties, organise press conferences and meet the press programmes on regular interval, invite media people to regular events and to visit plant site of the companies, organise media tour, arrange social gathering through sponsoring seminars, workshops, conference etc. Companies from the RMG sector, however, are sceptical in this regard as none of the companies did respond to the relevant issue in this

connection. Many of the companies said reporters' quality to report on labour standard and CSR issues is good and, to some extent, moderate. On an average 52 per cent companies viewed that reporters quality to report on these two issues are good while 44 per cent opined as moderate. This response is more discernable from companies in RMG and other sector. A bout the accuracy of the media report, 60 per cent of the companies termed it as good while 17 per cent as moderate. However, many of the companies suggest that provision of training for reporters and field visit on a regular interval are required to improve the quality of the reports further.

Companies' (%) Response to Facilitate PR Activities



Nevertheless, it is widely believed that bridging the gap between media and the corporate houses is imperative for ensuring better and authentic reporting, whether it is positive or negative, on corporate houses. In this regard, the corporate persons in the workshops observed that the media personnel do need to talk to the corporate sector before publishing negative stories. The media people made the same observations about the corporate houses on some events or developments concealing information and in many instances avoiding to face the media at the critical stage of reporting which requires crosscheck. As a result this leads to erroneous reporting. There is no question of denying the fact that more interactions between the corporate houses and media are required to minimise the misunderstanding between the two. In this connection, an efficient PR wing, having specific spokesperson to talk to media, is highly recommendable.

ANNEX-2

NEWSPAPER CONTENT ANALYSIS

Introduction:

The Management & Resources development initiative carried out a one-month newspaper content analysis aiming to identify- by close examination and quantitative & qualitative analysis- the lacks, loopholes and constraints in media coverage on Corporate Governance & Corporate Social Responsibility needing corrective intervention as well as the positive factors that should be boosted. It was carried out to measure and evaluate the quantity and quality of item coverage of the project activity areas.

The content analysis also aimed at facilitating co-operation between the business community and media in implementing their agreed action plan, motivating media to increase coverage of and focus on corporate governance and social responsiveness, and equipping the media workers with necessary knowledge, information and resources to better understand the issues and their context to lend the coverage more depth and quality.

Study Objectives

The specific objectives of the study are

- To assess and analyse the following aspects of the media coverage on Corporate Governance and Corporate Social Responsibility:
- Quantity/size and category, characteristics, treatments and other relevant qualities, both positive and negative, of reports, features, editorials, posteditorials, columns, articles, photographs, etc
- Conceptual clarity
- Priority and treatment
- Media perspective on the issues

Study Sample

Under this study 4 Bangla vernaculars and 3 English national and one rural daily selected on the basis of highest circulation were monitored for the month of A ugust 2006.

			Profile	es Of Newspa	apers Studie	d		
Daily	Base	Language	Regular No. of pages	Regular No. of colored pages	Regular No. of B/W pages	Column width	Space per page (sq inch)	No. of Supple- mentary
Jugantor	Dhaka	Bangla	20	8	12	1.75"	287	2
Prothom Alo	Dhaka	Bangla	24	6	14	1.75"	287	3
Ittefaq	Dhaka	Bangla	20	4	16	1.75"	287	0
Janakantha	Dhaka	Bangla	20	5	16	1.75"	273-282.5	0
Daily Star	Dhaka	English	20	6	14	1.75"	287	3
New Age	Dhaka	English	20	6	14	1.75"	287	1
Financial Express	Dhaka	English	16	4	12	1.75"-1.60"	287-262.4	0
Purbokone	Ctg	Bangla	12	4	8	1.75"	287	0

Content Analysis Methodology

The analysis mainly focused on the news coverage in the regular pages. This approach was adopted to ensure a level field for comparison between the dailies.

Each day, a coding team scrutinised the dailies selected for the study and clipped the reportage, analyses, opinions and editorials on selected topics.

The team encoded the clipped coverage mentioning:

- name of the daily
- date of publication
- primary topic covered
- any secondary topic/topics
- heading
- type of coverage or item
- writer or source of the coverage
- width of coverage or heading size (across how many columns)
- ► the page (e.g. front, national, back, metro etc) the item was published in
- the page number
- number of the page to which the item has jumped (if at all)
- numbers of colours used
- the column/s it occupied
- the exact placement of it above or below the fold
- any special treatment it received
- primary/dominant actor/s in the event or process
- any secondary actor/s who may have played a vital role
- clarity and readability of the item
- ▶ the total size of coverage in sq inches
- ► the size of text (including heading, highlights inserts etc) in sq inches and
- the size of graphics (pictured, illustrations logo etc) used in sq inches

In measuring the size of coverage the study used square inches of usual column inches, as the width of column varies from newspaper to newspaper. It even varies from issue to issue of a single daily if it changes the page/lay out format or the size of the broadsheet, like in case of The Financial Express, the column width came down from 1.75 inches to 1.60 inches as the business daily went for narrower paper.

Coverage Of International Corporate Items

Date	No. of Items	Total Size (sq inch)
1/8/05	4	756.93
2/8/05	3	903.21
3/8/05	4	799.89
4/8/05	3	727.12
5/8/05	3	773.83
6/8/05	3	925.52
7/8/05	3	852.47
8/8/05	4	784.38
9/8/05	3	921.79
10/8/05	6	753.86
11/8/05	3	761.60
12/8/05	4	979.65
13/8/05	3	752.67
14/8/05	5	476.98
15/8/05	3	533.82
16/8/05	3	773.44
17/8/05	3	626.26
18/8/05	3	714.76
19/8/05	3	993.79
20/8/05	5	682.83
21/8/05	3	1,217.86
22/8/05	3	747.93
23/8/05	3	503.47
24/8/05	3	740.46
25/8/05	3	924.01
26/8/05	3	830.64
27/8/05	4	738.83
28/8/05	3	662.70
29/8/05	4	755.62
30/8/05	3	801.58
31/8/05	3	444.89
31 Days	106	23,862.79

All the data of the one-month monitoring were then entered into an MS Excel file, processed and analysed.

The quantitative analyses have focused on dates of coverage, items or coverage types, sized of texts and graphics, topics, writers or news/coverage sources, and what pages they were published in.

While the qualitative analyses have been based on the heading size, page of publication, colours used, placement in terms of columns and in relation to the fold and special treatments received besides clarity and readability.

A nalyses of data were made to find the trends in coverage including treatment of various issues, actors and events, the differences between the coverage by the national dailies and one local daily as well as between the individual newspapers. Trends of coverage in time, by day, week and month were identified. By comparing the trends, it was possible to get a sense of how the press in general and the individual newspapers run stories on CG & CSR-related topics.

The daily total coverage on international corporate events/developments peaked on A ugust 10, with 6 items occupying total 753.86 sq-inch space followed by A ugust 14 and A ugust 20 with the same number of five items.

Int'l Corporate News Run by Individual Dailies

Dailies	No. of Stories	Total Size (sq inch)
Daily Star	31	3,158.81
F Express	31	9,054.09
New Age	30	11,495.88
Prothom Alo	5	84.15
Jugantor	5	29.07
Ittefaq	2	30.59
Janakantha	2	10.20
Purbokone	0	0.00

Interestingly, newspapers carried the same number of only 3 international corporate news in most of the days of A ugust. Only 3 items were published in 22 days while 4 items in 6 days. As a result, on an average 3.42 items were published daily in the 31-day month.

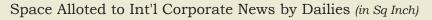
In terms of coverage, the highest allocation for international corporate news was given on A ugust 21 having 1,217.86 sq-inch space for only 3 items followed by A ugust 19 with the same number of 3 items occupying 993.79 sq-inch space.

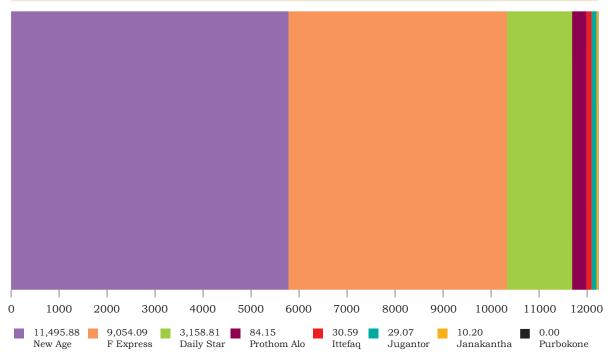
The least coverage was on A ugust 31 with 3 items occupying 444.89 sq-inch space followed by A ugust 14 with 5 news having 476.98 sq-inch space.

The average monthly coverage allotted by a daily on international corporate news was 2,982.85 sq inches. The average daily coverage by all the dailies was 769.77 sq inches and for a single daily, it was 96.22 sq inches only.

In A ugust 2005, eight newspapers spent 225.12 sq-inch space for each item on an average for international corporate news coverage.

English language dailies allocated more space than the Bengali dailies for international corporate news coverage in A ugust 2005. It was not an exception but regular practice.





Of the 106 stories run by 8 newspapers in August 2005, three English language dailies together accounted for 87 percent or 92 items. The rest 5 Bengali dailies altogether gave space for 13 percent or 14 stories.

In terms of coverage, 3 English language dailies altogether accounted for 99.35 percent or 23,708.78 sq-inch of the total space while only 0.65 percent or 154.01 sq-inch space was given by 5 Bengali newspapers for international corporate news.

Divisional daily Purbokone did not publish any international corporate-related story in A ugust 2005.

English language dailies on an average published 30.66 international corporate items in the month while average space allocation was 7,902.93 sq inches.

On the other hand, 5 Bengali dailies published average 2.8 stories and they spent 30.80 sq-inch space on an average.

The number of stories and space allocation given by the English and Bengali language newspapers in covering news of international corporate world show that there is a basic characteristic difference between these two categories.

Of the English dailies, The Daily Star and The Financial Express jointly topped in number with 31 stories while The New Age lagged slightly behind with 30 items. In terms of space allocation, New Age, however, gave more space than other two English language dailies.

New A ge allocated 11,495.88 sq-inch space for its 30 international corporate related items. Financial Express was second in spending space for global corporate news coverage with 9,054.09 sq-inch. The Daily Star allocated less space than other two newspapers in A ugust 2005 with 3,158.81 sq-inches.

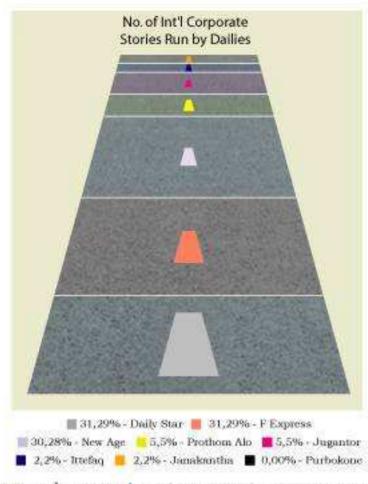
Of the 5 Bengali language dailies, Prothom Alo and Jugantor jointly topped with 5 items while Ittefaq and Janakantha ran 2 items each.

In terms of space allocation, Prothom Alo stood first with 84.15 sq-inch and Ittefaq second with 30.59 sq-inch space for its 2 stories.

The Daily Star and The Financial Express jointly ranked top with 31 items focusing on global corporate world (29 percent of the total number run by 8 dailies) while New Age stood second with 30 stories or 28 percent.

Total Local Corporate News Coverage

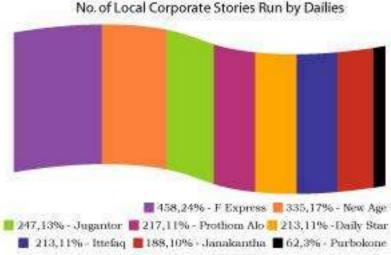
Of the total 2,041 corporate stories published in August 2005 in the eight daily newspapers, 1,935 had been local corporate



items occupying 30,376.33 sq-inch space. In terms of number, national corporate news accounted for 95 per cent of the total coverage but occupied only 56 per cent of the total space.

Of the total space allotted for covering 1,935 local corporate items, text accounted for 20,795.13 sq-inch or 68.46 percent and graphics 9,581.20 sq-inch or 31.54 percent. It shows that nearly one third of the total space allocated for local corporate was spent for graphics, mostly pictures.

News dailies published local corporate stories but there had not been adequate information and were not able to satisfy their readers in some cases, It was found that information were given by the business houses concerned and there had not been even any scope for the reporters to interact with the people involved in the process.



It shows that it is a common practice in Bangladesh in many cases that business houses are able to influence newspapers to publish their news and pictures serving their corporate interests.

No. of items	Text (sq inch)	Graphics (sq inch)	Total (sq inch)
1935	20,795.13	9,581.20	30,376.33

Of the total 1935 items focusing on local corporate, 7 Dhaka-based newspapers ran 1873 stories, occupying 29,447.95 sq-inch out of the total space. On an average, Dhaka-based dailies published 267.57 stories and 4,206.85 sq-inch space in A ugust 2005.

Daily	No. of Items	Text (sq inch)	Graphics (sq inch)	Total Size (sq inch)
F Express	458	5,445.73	2,380.18	7,825.91
New Age	335	4,292.36	1,883.64	6,176.00
Jugantor	247	1,950.34	1,002.64	2,952.98
Prothom Alo	217	2,264.69	603.23	2,867.92
Daily Star	215	2,663.53	1,323.94	3,987.47
Ittefaq	213	1,416.56	1,027.15	2,443.71
Janakantha	188	2,077.28	1,116.68	3,193.96
Purbokone	62	684.64	243.74	928.38

Of the national dailies, Financial Express topped the list in both terms -- number and coverage -- occupying 7,825.91 sq-inch followed by The New Age having 6,176 sq-inch space. Financial Express alone published 458 items, which was 24 percent

of the total number and New Age 335 items, which was 17 percent.

Top circulated English language newspaper The Daily Star lagged much behind than other two English dailies and also some Bengali newspapers in covering local corporate news. Daily Star stood fifth in terms of number with 215 items, which was only 11 percent of the total number while third in terms of coverage with 3,9987.47 sq-inch space.

Of the Bengali language news dailies, Jugantor published the highest 247 items or 13 percent on local corporate followed by Prothom A lo with 217 stories and Janakantha ran the lowest number of 188 items or 10 percent in the month.

Of the total 8 newspapers monitored in August 2005, the lone divisional newspaper Purbokone gave very poor coverage for the local corporate with only 62 items or only 3 percent occupying 928.38 sq-inch space. In both terms, the divisional daily also remained much behind the average of the Dhaka-based newspapers.

Of the national dailies, Financial Express topped the list in covering local corporate news occupying 7,825.91 sq-inch space. It reflects that The Financial Express gives priority in business news coverage according to its policy.

Also, The New Age gave substantial coverage for the local corporate houses standing second among all the national dailies with 6.176 sq-inch space.

Of the English language national dailies, leading newspaper The Daily Star was the lowest among the three dailies in local corporate news coverage spending 3,9987.47 sq-inch space. As is seen in the table, all the Bengali dailies had less focus on local corporate news than the English dailies. In space allocation, Janakantha stood fourth among the national newspapers but first among the Bengali dailies occupying 3,193.96 sq-inch space followed by Jugantor having 2,952.98 sq-inch and Prothom A lo with 2,867.92 sq-inch space.

Ittefaq was the lowest among all the national newspapers spending 2,443.71 sq-inch space. On the other hand, the lone divisional newspaper Purbokone gave very poor coverage for the local corporate occupying only 928.38 sq-inch space. In both terms -- number and space allocation - the divisional daily also remained much behind the average of the Dhaka-based national newspapers.

It shows that there is a big gap between the corporate houses and the divisional newspapers. Most of the corporate houses grab bulk of the Dhaka-based media coverage. It also indicates that local newspapers even don't have access to interact with the top executives of the corporate houses.

Ranking of the dailies in spending space for graphics:

All the dailies including the divisional one spent substantial space for graphics, mostly pictures in August 2005. Of the total space allocated for local corporate news coverage, text accounted for 20,795.13 sq-inch or 68.46 percent while graphics 9,581.20 sq-inch or 31.54 percent. Almost one third of the total space allocating for local corporate was spent for graphics.

In some cases, quality of the pictures was very poor but unnecessarily given more space than they actually deserved. On many occasions photos were accommodated, as the corporate houses wanted them to be published and mostly provided by the public relations departments of the corporate houses. Prothom Alo

is the country's most circulated newspaper. But in case of allocating space for local corporate

Sq Inch	Total Graphics Allotted by Dailies to Local Corporate Stories
2,560.00	i)
2,000.00	A
1,500.00	114
1,000.00	HAAAA
500.00	S Canilla Exam &
0.00	
lewspaper	■ F Express New Age Daily Star Janakantha Ittefaq Jugantor Prothom Alo Purbokone Prothom Alo Purbokone Prothom Alo Purbokone Purbokon

Ranking of dailies in terms of space allocation

Daily	Total Size (sq inch)		
F Express	7,825.91		
New Age	6,176.00		
Daily Star	3,987.47		
Japakantha	3,193.96		
Jugantor	2,952.98		
Prothom Alo	2,867.92		
Ittefaq	2,443.71		
Purbokone	928.38		

news, it remained at the bottom among the national dailies having only 603 sq-inch space. Only divisional newspaper Purbokone spent less space, which was 243.23 sq-inch, than the Prothom Alo.

It shows that most circulated daily does not necessarily gives more graphic coverage to local corporate news.

As usual, Financial Express stood first in spending space occupying 2,380.18 sqinch for graphics followed by The New Age having 1,883.64 sq-inch and The Daily Star with 1,323.94 sq-inch space.

Interestingly, all the three English language newspapers allocated more space for graphics than that of any of the Bengali language newspapers. Of the Bengali dailies, Janakantha remained at the top occupying 1,116.68 sq-inch followed by Ittefag with 1,027.15 sq-inch and Jugantor 1,002.64 sq-inch space for graphics.

Total Daily Coverage of Local Corporate Items

,,,,,,,	No. of Text Graphics Total Siz				
Date	No. of Items	Text (sq inch)	(sq inch)	(sq inch)	
1/8/2005	95	903.26	382.60	1,285.86	
2/8/2005	70	689.79	318.73	1,008.52	
	82	893.16	342.24	5000000000	
3/8/2005	337-73	2000000000	0.00000000	1,235.40	
4/8/2005	89	1,037.75	474.31	1,512.06	
5/8/2005	65	903.62	464.38	1,368.00	
6/8/2005	32	408.53	185.24	593.77	
7/8/2005	49	542.58	285.44	828.02	
8/8/2005	86	830.70	413.24	1,243.94	
9/8/2005	69	617.68	349.35	967.03	
10/8/2005	74	621.02	275.42	896.44	
11/8/2005	58	518.15	245.07	763,22	
12/8/2005	48	417.02	198.61	615.63	
13/8/2005	32	386.20	170.08	556.28	
14/8/2005	61	805.51	229.31	1,034.82	
15/8/2005	56	536.66	327.68	864:34	
16/8/2005	45	386.56	274.58	661.14	
17/8/2005	116	1,372.89	511.98	1,884.87	
18/8/2005	65	738.96	322.23	1,061.19	
19/8/2005	52	735.11	297.53	1,032.64	
20/8/2005	36	501.90	228,60	730.50	
21/8/2005	47	529.08	313.05	842.13	
22/8/2005	77	800.07	392.92	1,192.99	
23/8/2005	.55	561.43	302.39	863.82	
24/8/2005	83	1,010.57	378.49	1,389.06	
25/8/2005	46	352.85	262.36	615,21	
26/8/2005	63	641.71	285.92	927.63	
27/8/2005	30	408.37	198.80	607.17	
28/8/2005	89	861.90	264.00	1,125.90	
29/8/2005	34	285.76	199.47	485.23	
30/8/2005	69	748.05	397.76	1,145.81	
31/8/2005	62	748.29	289.42	1,037.71	
31 Days	1935	20,795.13	9,581.20	30,376.33	
OT Days	2200	20,130.10	3,001120	20,070.00	

Local Corporate News Coverage Per Day

The daily total coverage peaked on August 17, as seen in the following table, with 116 items occupying total 1,884.87 sq. inches comprising 1,372.89 sqinch text and 511.98 sq-inch graphics followed by August 1 with 95 items occupying total 1,285.86 sq inches having 903.26 sq-inch text and 382.60 sq-inch graphics.

The third highest daily total coverage, in terms of number, was on August 4 and August 28, covering 89 items each respectively. A total of 1,512.06

sq inches space was spent August 4 comprising 1.037.75 sq-inch text and 474.31 sq-inch graphics. On the other hand. newspapers altogether allocated 1.125.90 inches space on August 28, of which 861.90 sq. inch text and 264,00 sq. Inch. dailies in terms graphics.

Daily	Graphics (sq inch)	
F Express	2,380.18	
New Age	1,883.64	
Daily Star	1,323.94	
Janakantha	1,116.68	
Ittefaq	1,027.15	
Jugantor	1,002.64	
Prothom Alo	603.23	
Purbokone	243.74	

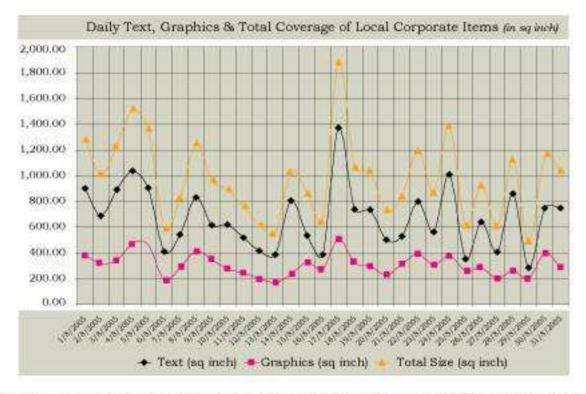
Ranking of of graphics used The fourth highest daily total coverage by all the dailies under analysis was given on August 8, with 83 items occupying total 1,243.94 sq inches, of which 830.70 sq inches text and 413.24 sq inches graphics.

And the next highest daily total coverage was on August 24, with 83 items occupying total 1,389.06 sq inches and having 1,010.57 sq inch text and 378.49 sq inches graphics.

The least total coverage, in terms of number, was seen on August 27 with only 30 items occupying 408.37 sq-inch text and 198.80 sq-inch graphics of the total 607.17 sq-inch space on the day.

On the other hand, all 8 news dailies altogether spend highest 1,884.87 sq-inch space on August 17. Space allocation for text and graphics also peaked on the same day.

The second highest space allocation was on August 24 with only 83 items occupying 1,010.57 sq-inch for text and 378.49 sq-inch for graphics of the total 1,389.06 sq-inch space on the day.



The least space was allocated on August 29 with 34 items having 285.76 sq-inch text and 199.47 sq-inch graphics of the total 485.23 sq-inch space on the day.

Of the total space allocated for local corporate news coverage, text accounted for 20,795.13 sq-inch or 68,46 percent while graphics occupied 9,581.20 sq-inch or 31.54 percent.

The highest space for text was allocated on August 17 having 1,372.89 sq-inch followed by August 4, having 1,037.75 sq-inch and August 24 with 1,010.57 sq-inch space. The least space for text was spent on August 29, occupying only 285.76 sq-inch space.

On the other hand, the highest space for local corporate news coverage accommodating

graphics was also spent on A ugust 17, with 511.98 sq-inch followed by A ugust 4, occupying 474.31 sq-inch space. The least space for graphics was allocated on A ugust 13, with 170.08 sq-inch followed by A ugust 6, with 185.24 sq-inch space.

Graphical presentations pinpoint trends of local corporate news coverage. Bottom graph shows daily trend of space allocation for graphics, mostly pictures and the middle one indicates space allocation for text and the top graph total space allocation by all the daily newspapers monitored.

Weekly Trend of Local Corporate News Coverage:

WEEKLY TOTAL COVERAGE

As can be discerned from the daily coverage trend shown above, the first week of the month from A ugust 1 to 7 witnessed the highest number of 482 items published. First week total -- 7,831.63 sq-inch space having 5,378.69 sq-inch text and 2,452.94 sq-inch graphics - was devoted by the 8 dailies for covering local corporate topics. Week 1 was also first in space allocation.

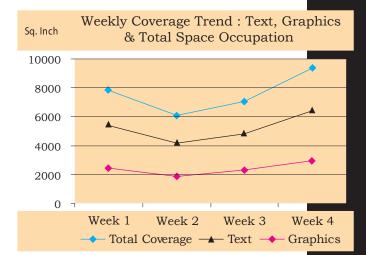
Week 4 from A ugust 22 to A ugust 28 came out second with 443 items occupying 6.721.78 sq inches with 4,636.90 sq-inch text and 2,084.88 sq-inch graphics.

Week 2 was the third with 428 items in 6,077.36 sq-inch space but was the last in space allocation with a total 6,077.36 sq-inch and also the lowest in graphic accompaniment with 1,881.08 sq-inch space.

The least-coverage week 1 saw 417 items in 7,076.81 sq-inch space comprising 4,801.16 sq-inch text and 2,275.65 sq-inch graphics.

As A ugust 2005 had total 31 days, trend of the first four weeks from A ugust 1 to A ugust 28 was considered and coverage of the rest 3 days from A ugust 29 to A ugust 31 was not taken into

account in the graphical presentation but made available in the table.



Types Of Local Corporate News Coverage

The major bulk of the 1,935 local corporate news published in A ugust 2005 by the 8 dailies studied comprised of hard or surface reports. A total of 1,588 surface reports came up in 25,322.12 sq-inch space including only 6,479.51 sq-inch for graphic illustration. The average size of a surface report was 15.95 sq inches.

Text Size	Graphics Size	Total Size
5378.69	2452.94	7831.63
4196.28	1881.08	6077.36
4801.16	2275.65	7076.81
6419	2971.53	9390.53
	5378.69 4196.28 4801.16	Size 5378.69 2452.94 4196.28 1881.08 4801.16 2275.65

Of the total number of items, the second highest was photographs with a substantial 4,293.89 sq-inch space.

Type of Story	No. of Items	Text (sq inch)	Graphics (sq Inch)	Total Size (sq inch)
Surface Report	1,588	18,842.61	6,479.53	35,322.12
Photographo	306	1,263,39	3,000,50	4,253.89
In-depth Report	6.5	265.70	20.47	265:20
Letter	6	74.490	0.00	74,450
Орицен	a	165.48	1284	178-52
Forture/Interview	9	142.09	21.33	163,42
Editional	5	69.45	0,00	00,41
Follow as Report	10	17.10	0,00	17.00
Post-editorial	10	680	5.55	12.55
Total	1,938	20,798,13	9,881.20	30,376.33

The number of in-depth reports was not adequate with only 6 items occupying a meagre 245.23 sq-inch space. They occupied 1,391.51-sq-inch newspaper space, with text accounting for 1,299.83 sq inches and graphics just 91.68 sq inches. On the other hand, the number of follow-up report was also only 1 covered by all these 8 newspapers in the whole month having only 17.10 sq-inch space without any graphics.

Other types of local corporate news published in these daily newspapers include

letters 6, opinion 3, feature/interview 3, editorial 2 and post-editorial 1.

In terms of frequency, surface reports accounted for 82 per cent of the total local corporate news, followed by photographs of 16.8 percent.

It shows that around 99 percent of the total corporate news coverage allocated by all the 8 dailies is comprised of only surface reports and photographs. Number of in-depth and follow-up reports and interviews had been negligible. It also shows that

Évent Status	No. of Items	Text (sq inch)	Graphics (sq inch)	Total Size (sq inch)
Positive	1,009	16,295.83	9,056.67	25,352,00
Negative	266	1,199.80	524/59	5,024.83
Total	1,935	20,795.13	9,581.20	30,376.33

reporters had been driven by passive nature of reporting and had very little interactive role in covering local corporate news.

On the other hand, there may be lack of skills on part of the reporters for bringing in analytical angle in corporate news coverage. There is also a need for imparting training and improving capacity of economic reporters and some sort of incentives to make some changes in the present trends.



Of the total local corporate news coverage published in August, 1,669 items or 86 percent were positive and the rest 14 percent negative stories.

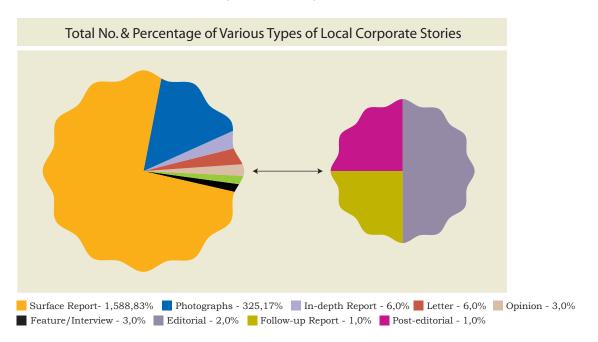
It shows that the media is heavily supportive of the corporate sector in general and does not want to dig out wrongdoings of the business world. Newspapers do not want to be critical about the corporate

sector, rather, they want to maintain good relations with them for their survival-

This may also indicate their lack of skill for close view of the corporate affairs. Of the total 25,352 sq-inch positive corporate news, text accounted for 16,295.33 sq-inch and graphics 9,056.67 sq-inch space. On the other hand, negative corporate news had -- 5,024,33 sq-inch space with 4,499.80 sq-inch text and 524.53 sq-inch graphics.

Of the total local corporate news coverage, 1753 or 90.6 percent stories focused on corporate governance while only 182 or 9.4 percent items were about corporate social responsibility.

As 86 percent of the total were positive stories, there is an indication that most of the news published in the month contained positive aspects of the business world, favouring the interests of the corporate sector. And these were mostly one-sided stories. It indicates that the reporters concerned either did not have interests to go into the details due to lack of skills to see the other side of the picture or corporate houses did not want them to do so.



Reports relating to corporate governance dominate corporate news coverage. It also shows that corporate social responsibility (CSR) is a neglected topic showing either corporate bodies do little in this regard or journalists are not well aware of these issues.

Both corporate governance and CSR have been heavily neglected issues by not only newspapers but also corporate people themselves. It was found that understandings about corporate governance and CSR are not clear and corporate people consider their philanthropies as CSR in many cases.

It was also found that corporate governance and CSR practices in the multinational

enterprises are better vis-à-vis the local companies and the practices in large companies are better vis-à-vis the smaller companies

Of the local corporate news coverage, corporate governance accounted for

26,918.02 sq-inch space with 18,670.70 sq-

Primary Topics of Local Corporate Coverage

Primary Topic	No. of Items	Text (sq inch)	Graphics (sq inch)	Total Size (sq inch)
Corporate Governance	1,753	18,670.70	8,247.32	26,918.02
CSR	182	2,124.43	1,333.88	3,458.31
Total	1,935	20,795.13	9,581.20	30,376.33

inch text and 8,247.32 graphics. On the other hand, CSR issues occupied only 3,458.31 sq-inch space having 2,124.43 sq-inch text and 1,333.88 sq-inch graphics.

No. & Percentage of Local Stories Related to Corporate Governance & CSR



Corporate Governance - 1,753,91%

CSR -182,9%

Almost half, 47.91 percent, of the total local corporate news covered by all the 8 dailies in August 2005 was company events occupying 14,370.15 sq-inch space.

And taking into account the association news, 152, dialogues/training, 132, annual general meeting, 82 and stock market items, 238, along with company events, the number of items was even more -- totaling 1,531 or 79.12 percent of the total local corporate news coverage.

Trend shows a lot of news were generated from either spot events or press releases as is evident from the large number of news falling under the heads of annual general meetings, association news, dialogues, training, and stock market.

On the other hand, issues such as industrial safety (26), corruption (18), labour unrest (13), consumer safely (8), environment (6), trade union activities 5, wage 3, and human rights violation (1), altogether accounted for only 80 items or 4.13 percent of the total number.

Issues such as CSR activity (173), government's corrective action (49) and regulatory action (24), altogether accounted for only 12.7 percent of the total local corporate coverage.

It shows that media took little independent interest in looking into some vital CSR and corporate governance, issues such as environment, consumer safety, etc. But when a food safety drive was launched, that led to good news coverage, showing once again the passive nature of corporate journalism.

Specific Topic Based Segregation of Local Corporate News Coverage

Topic	No. of Items	Text (sq inch)	Graphics (sq inch)	Total Size (sq inch)
Company Events	927	8,037.79	6,332.36	14,370.15
Stock Market	238	2,262.88	124.83	2,387.71
CSR Activity	173	1,944.69	1,226.98	3,171.67
Association News	152	2,769.70	255.84	3,025.54
Dialogues/training etc	132	1,323.07	808.20	2,131.27
AGM/Company Results	82	444.73	206.28	651.01
Govt's Corrective Action	49	1,134.07	215.49	1,349.56
Export-Import	37	512.02	109.53	621.55
Industrial Safety	26	596.94	125.61	722.55
Regulatory Action	24	329.19	0.00	329.19
Corruption	18	329.61	29.75	359.36
Achievement	16	152.57	69.61	222.18
Govt Policy	13	272.72	4.50	277.22
Labour Unrest	13	127.18	21.09	148.27
Consumer Safety	8	128.31	47.07	175.38
Environment	6	153.04	4.06	157.10
Trade Union Activities	5	55.80	0.00	55.80
Wage	3	30.87	0.00	30.87
HR Violation	1	19.23	0.00	19.23
Others	12	170.72	0.00	170.72
Total	1,935	20,795.13	9,581.20	30,376.33

ANNEX-3

REPORT ON ROUNDTABLES

Roundtable-1 in Dhaka

Moazzem Hossain, team leader of the project on 'Bridging Corporate Sector and Media in Promoting Good Governance' and editor of The Financial Express, was the moderator of the roundtable. He started by thanking the participants for attending the roundtable.

Moderator's Statement

Mr Moazzem Hossain said the objective of the roundtable is to bridge the gap between the corporate sector and the media in promoting good governance. He urged the participants to share their experiences and give feedbacks on a questionnaire prepared for the project.

Mr Moazzem presented a slide show to describe the project activities. The objective is to create an enabling environment for better corporate governance, corporate social responsibility, labour standards and environmental compliances using PR practitioners and the media. And after the presentation, Mr Moazzem invited the participants to open discussion.

A nis U d Dowla, chairman of A C I Ltd, said the practice of good corporate governance has a number of angles to it. C orporate governance cannot be ensured overnight.

CSR

A bout CSR, he observed that the corporate entities should pick issues according to their nature of business. For example, a pharmaceutical industry can work on health issues such as setting up free clinics. So the companies should not try to implement all goods things in the world, which are mostly the domains of the government and the NGOs, he pointed out. In justification, he stated that the business companies know how to do business but they don't have any core competency to implement social welfare projects. The government should implement the social projects and the companies provide the government with taxes to run the activities, he added.

Mr Dowla noted that the effluents that the companies discharge should be treated by the companies themselves.

He said the UN insistence to implement CSR as part of UN Action Plan is unnecessary as businesses are already aware of CSR. He stressed that the businesses should not be diverted to areas where they have no core competency.

The above issues should be kept in mind when discussing the role of companies in CSR, he added.

Media's Role

Mr Dowla said the media should be careful when reporting on CSR because the media are not always free for commercial reasons. So, the media should be careful not to misguide the public as their reports affect the shareholders of the company.

Bangla Newspaper's Shortcomings

Matiur Rahman, editor of the Prothom Alo, said the print media, especially the Bangla language newspapers, lack adequate knowledge about corporate governance. Although

English language papers cover some news on corporate governance, Bangla language papers fail to ensure adequate coverage of the issue.

Mentioning a survey, he said Bangla newspaper readers are not much concerned about the business and commerce. So, it may be a reason that Bangla newspapers do not give much coverage to the issue.

Media Should Increase Corporate Coverage

Mr Matiur said the media should highlight business communities and their activities for the economic development of the country. But it is true that the media are not playing their due role to promote the business activities, he pointed out.

Talking about his own paper, he said initially the Prothom Alo had a two-page business section and now it has reduced to one page. It shows the paper is giving less priority to corporate news. The reasons, he said, may be that other news are getting priority due to readers' interest and advertisement pressure.

But, he observed, the media need to emphasise the corporate governance for the economic development of the country.

Corporate Help Needed

Mr Matiur sought help from the corporate sector for better understanding of corporate affairs for good and balanced media coverage. He also underscored the need for training of journalists to build their capacity.

Business Reporting a New Trend

Mahfuz A nam, editor of The Daily Star, said the growth of both corporate sector and free media is a recent phenomenon and that the growth business and the growth of business journalism are very much interlinked. He pointed out that corporate sector in Bangladesh is new and so is the business journalism.

Need for Free Media

Mr A nam expressed that the corporate or business leaders have to appreciate the need for and role of free media. If free market is the heart of capitalism, free market operates on a free flow of authentic information about good investment, he added.

If the media give good coverage of corporate houses, the general public will get knowledge about the business houses, grow confidence and invest in the companies through the stock market, he maintained.

Corporate Sector Should Support Free Media

Mr Mahfuz A nam said corporate houses need to help grow free media. Often it is found that when a newspaper publishes any negative story like corruption story about a business house, the company reacts angrily to the coverage and often stops advertisements to the paper, he mentioned.

Both the corporate world and the media suffer from a kind of arrogance and superiority complex, which make a bad case for free journalism, he pointed out. Media think they are the protectors of righteousness. On the other hand, the corporate world thinks they are the

possessors of wealth, and power and they can do whatever they want for the their own interest even at the cost of general public's interest. Mr A nam said both the sides should lower their arrogance and help each other operate freely for the benefit of the economy.

Need for Training

Fazlul Hoque, president of Bangladesh Knitwear Manufacturers and Exporters Association, admitted that corporate houses especially the RMG units lack corporate governance. But on the other hand, the media also lack practice of business journalism. Journalists need special training to cover business news, he felt.

Need for Responsible Journalism

In ensuring social compliance and social responsibility Mr Hoque sought responsible journalism from the media. Misreporting in newspapers can hurt the interest of a corporate house and the country as a whole, he added.

Citing an example, he said following the Spectrum garment factory incident a newspaper report said 90 percent RMG factories are vulnerable to collapse. This kind of sweeping comments affects buyers who shift orders to other destinations. Mr Hoque maintained that both the media and corporate world should help each other for establishing corporate governance.

Reasons for Poor Corporate Coverage

Bazlur Rahman, editor of the daily Sangbad, said newspapers, especially the Bangla language ones, do not give good or wide coverage to business news because their readers are not prepared to read them. At the same time, as the corporate world in Bangladesh is not big, its coverage is also little in newspapers.

Stress on Training for Journalists

Mr Rahman stressed the need for training of journalists for better understanding of the corporate world.

Media's Role in Corporate Governance

Helal Chowdhury, general manager of Phoenix Leather, said media have a great role to establish corporate governance, a term which is unknown to most business houses. Corporate houses also need special orientation on corporate governance. The corporate entities lack proper understanding about social responsibility, and the media can highlight the issues to educate the businesses.

Media's Role Questioned

SAMM Nuruddin, managing director of Kid Leather Industries, said leather is a neglected sector and the media often carry news about environmental pollution without trying to know the reasons behind the pollution.

Obstacles to Free Media

Shawkat Mahmud, city editor of daily A mar Desh and general secretary of the National Press Club, said good governance is not possible without free flow of information. But there are a number of black laws and threats that affect the role of the media.

He observed that the judiciary obstructs free flow of information as journalists are always afraid of contempt cases.

Mr Mahmud mentioned parliament as another institution hampering objective news coverage. It is difficult for the media to run stories on the wrongdoing by the MPs, he added.

Mr Mahmud said advertisement as another obstacle to free media. The media cannot write against the big corporate houses as any criticism will deprive them of advertisements, the prime source of revenue.

Need for Training

Mr Mahmud also agreed that journalists need to build their capacity and felt that local entrepreneurs should come forward to carry out the capacity building activities. He objected to any such effort by the NGOs or foreign institutions.

Media-Corporate Sector Cooperation

Mr Mahmud said the corporate bodies must cooperate with the media people to disseminate information. But unfortunately, the corporates have developed a bureaucratic attitude when it come to talking to the media. He expressed that the media need cooperation from the corporate world for writing about fair business practice.

Shah Mohammad Ibrahim, Head, HR Novartis (Bangladesh) Limited, said the media can create awareness about corporate governance. In this regard, cooperation between the media and corporate houses is a must to disseminate information, he observed.

Mr Ibrahim said the media should promote corporate houses that practise corporate social responsibility.

Most RMGs Lack Corporate Structure

A nnisul Huq, president of Bangladesh Garment Manufacturers and Exporters A ssociation, said hardly 10 percent of total RMG companies which are really big can be treated as corporate houses.

Most RMG units cannot operate as corporate entities because they are first generation business ventures and lack corporate structure, he reasoned. Most of them are run by owners and not by professional CEOs, he pointed out.

Strong Capital Market Needed

Mr Annisul Hug stressed a strong capital market for the development of corporate bodies.

Lack of Corporate Structure

Mr Annisul Huq said corporate governance is yet to be developed in Bangladesh. The companies are not governed by the board of directors, but by one or two individuals.

RMG Sector Needs to Ensure CSR

Mr Annisul Huq said corporate social responsibility is linked with corporate governance and added that the garment sector has to ensure social responsibility, which is also a way of

complying with the buyers' requirement. In his regard, he mentioned that there have been strong international pressure and NGO interference in the RMG sector to ensure social compliance.

The garment sector is also willing to ensure social responsibility and compliance, he maintained. But in doing so the sector faces some problems because it has been developed in an unplanned manner. But in the post-MFA era the RMG units are becoming more socially responsible, he observed. At the same time, Mr Huq added that the extent of the social responsibility must be realistic and based on the socio-economic reality of a country. He pointed out that the kind of social responsibility practised by the corporate bodies in the developed countries cannot be applicable in a country like Bangladesh.

The garment sector is trying to ensure some social responsibilities when it comes to workers' rights and privileges such as minimum salary, leave, proper calculation of overtime bills, maternity leave etc. But it is difficult to go beyond them, he observed. Other facilities such as housing programme for workers depend on the whole economy and politics of the country. It also depends on the financial strengths of the corporate houses, he expressed.

Media-Corporate Sector Interaction

Nr Annisul Huq said the media can help the corporate houses develop the structure of their responsibility. But, he added, in some cases the reporters lack adequate knowledge about some issues when they communicate with businesses, leaving the scope for misreporting.

So, more interaction between the corporate world and the media is key to bridging the gap between the corporate sector and the media in promoting good governance.

Corporate Culture Absent

Engineer A bu Taher, managing director of Fortuna Group, said corporate culture is yet to be developed in the country.

Media's Role in CSR

Engineer A bu Taher said corporate bodies also need the cooperation from the media to ensure social compliance. But he noted that media must not do anything that can damage the very interest of the country. Media cannot only promote a sector but also hurt it.

Corporate Governance Absent

Mr Iftekher Rashid, director of Lalmai Footwear Industries Ltd, admitted that corporate governance is yet to be developed in Bangladesh.

Media's Role in CSR

Mr Md Ruhul A min Molla, distribution manager of Bata Bangladesh, said the media should come forward to encourage the corporate bodies to practise corporate social responsibility.

Roundtable-2 in Dhaka

Moazzem Hossain, team leader of the project on 'Bridging Corporate Sector and Media in Promoting Good Governance' and editor of The Financial Express, was the moderator of the roundtable. He started by thanking the participants for attending the roundtable.

Moazzem Hossain said the objective of the roundtable is bridging the corporate sector and media in promoting good governance. He urged the participants to share their experiences and give feedbacks on a questionnaire prepared for the project.

Moazzem Hossain presented a slide show to describe project activities. He said objective of the project is to create an enabling environment for better corporate governance, corporate social responsibility, labour standards, environmental and compliance using PR practitioners and media.

And after the presentation, Moazzem Hossain invited the participants to open discussion

Jamaluddin Ahmed, former deputy prime minister, said corporate sector has a very big dimension. The corporate sector can be divided primarily into two parts-- state corporate sector and the private corporate sector.

"The linkage between corporate sector and social responsibility is important for the discussion. Until recently we knew that social responsibility is the job of the government and humanitarian organisations. But now we see the change. Now corporate houses have also responsibility towards society, a company's job is not only to make profit or do business, but also to make contribution to the society."

Now many countries offer special tax rebate for corporate social responsibility. Social sector can be divided into -- social sector in poor countries and social sector in the developed countries.

In poor countries, health and education are top priority areas. On the other hand, in developed countries neglected areas get priority, such as people are trained and retrained on various subjects such as IT.

"Over the ten years people have developed much interest in media. But most newspapers show interest in politics, and they have become more commercialised. The newspapers carry more ads than news. Newspapers must maintain the total impartiality when it comes to news dissemination."

Nasir A. Chowdhury, managing director of Green Delta Insurance, said corporate bodies in Bangladesh do not follow corporate norms. In many business organisations, entrepreneurs do whatever they like showing no respect to corporate norms.

A mong some 60 insurance companies, only a few, to be precise 4-5, follow corporate norms. In most companies, the managing directors are not CEOs in true sense, chairmen or directors run the organisations from behind the scene.

Companies should come forward to promote social causes as part of their social responsibility.

In many countries, the governments give tax exemption or rebate facilities to companies that practise corporate social responsibility. But these facilities are not available in Bangladesh. In many cases, companies cannot practise corporate social responsibility as it [CSR] involves higher management costs. So, the media can highlight the issue and come in the aid of the companies to promote corporate social responsibility.

He said the media also can help people educate about the corporate norms and corporate social responsibility by publishing relevant news and articles.

He said despite some incidents of yellow journalism, the overall journalism in Bangladesh has made much progress in terms of news dissemination and news coverage. Electronic media are a new dimension to the journalism in Bangladesh.

Shyamal Dutta, acting editor of the daily Bhorer Kagoj, said democracy and media walk together. Newspaper is itself a corporate house. Politicians and businessmen are the owners of the newspapers, and they ensure their interest in the newspapers. But social responsibility is not getting priority in newspapers.

Dutta said of course media will look into commercial or business side, but that should not be done at the cost of the social responsibility.

"C orporate houses are using media for their own purposes. The recent debate over Holcim cement is an example." "Recently an untoward incident took place in Bashundhara City shopping mall. Some newspapers run the news. And the business house that owns the shopping mall stops advertisements to the newspapers. This is the new reality in the media."

He also said in foreign countries the interests of politicians or businesspeople are reflected in newspaper editorials, not in news. But in Bangladesh the case is different.

Dutta also said in Bangladesh the media cannot run stories on corruption or misdeed of big corporate houses, because they [corporate houses] control the media through advertisements.

Sometimes, newspapers advertisement section people influence news coverage of newspapers, he said.

The media also need to ensure corporate governance, he added. "Newspapers publish graft stories on certain projects of companies. At the same time newspapers entertain advertisements of the same projects. This is unethical."

Nawsher Alam of Dhaka Chamber of Commerce and Industry said media can play good role to make business houses, especially RMG units, aware of the social compliance and thereby social responsibility.

The media can also help eradicate corruption from corporate houses, he added.

Dewan Sultan Ahmed, vice president of Federation of Bangladesh Chambers of Commerce and Industry, said the media also can play a role to up production and cut graft in the country.

As the politicians are the owners of both business and media, good governance is at stake,

he said. When politics, business and the media are controlled by the same group, good governance will never be ensured, he added.

In neighbouring India, business tycoons such as Tatas and Birlas are not members of parliament, they [businesspeople] only concentrate on business. "But in Bangladesh, businesspeople are lured into politics, and this trend is dangerous for the nation," he said.

He also said as the parliament in Bangladesh has not been functioning for the last 15 years, the media have a role to make the legislature functional.

He also called for encouraging businesspeople as they are creating employment. Businesspeople should not be lured into politics for the sake of the country's economic development.

He said the media should also give more priority to development news, they should not carry much advertisement.

Mohiuddin Babar, communications manager of Lafarge Surma Cement, said CSR is actually a very vast thing. In the US, it's BSR, business for social responsibility.

CSR Means Giving Back to the Society

The media have a very vital role in making people --both common and corporate -- aware of CSR. The issues of health and hygiene and occupational safety are very important organs of CSR.

The media have three roles -- (1) catalytic role between corporate bodies and common people or workers, (2) the role of an educator, media can educate corporate people about CSR, as many business houses do not know what is CSR, by highlighting and projecting best practices of CSR, and (3) watchdog role, the role media have played to unmask the Worldcom and Enron. The errant companies could not continue doing the wrong thing because of the media role.

The managing directors or owners of companies or factories should not be solely responsible for CSR. The entire employees should understand the CSR, and here the media have a role to play. But the media too need capacity building.

Mr Mohiuddin Babar said the media, both print and electronic, run more ads than news. So, people are being deceived.

The media too have social responsibility and by giving more space or time to ads the media are in fact avoiding the responsibility, he said.

The media are only dependable means to promote CSR issues, he said, adding that media should also develop neutral mindset.

He related his experiences he had during a CSR conference in Jakarta where Bangladesh's Dutch-Bangla Bank Ltd received an award. He said companies in the region are much ahead of the companies in Bangladesh when it comes to CSR.

Human rights, environment and legal compliance are interlinked with CSR; it is not

ensured only by setting up a hospital or an educational institution, he said.

Jamaluddin A hmed, former deputy prime minister, said as media, business and politics have been mingled, the overall governance has been lost.

Had the multinational medicine makers adopted the policy to release drugs at fair prices, many living in A frica could have been saved, he said. "CSR is nothing but fundamental rights," he said adding that the media should promote governance everywhere.

Mamun Hashmi of GrameenPhone said accountability is linked to CSR. Mahbubur Rahman of Dhaka Sheraton Hotel said CSR begins at company.

Nesar M Khan, director DCCI and Bengal Ceramics, said CSR is comprised of (1) legal compliance, (2) ethical practices and (3) social contribution.

He said the government should give incentives to companies practising CSR.

Shaymal Dutta, acting editor of the daily Bhorer Kagoj, said the media also practise social responsibility. He praised CSR activities of Dutch-Bangla Bank Ltd.

Turning to the allegation that the media run more ads than news, he said there has been no policy on ad especially in print media in Bangladesh. Many newspapers publish full-page ad even on the back page. But this is not the case in many countries, where newspapers do not entertain ad on front page.

Jamaluddin A hmed, former deputy prime minister, said the media are the most powerful instrument, and more powerful than politics. The media control politics.

"A minister has to approach a TV channel to make his presentation. And in some cases, media dictate his/her presentation. So, media must be restrained to ensure corporate social responsibility."

"Politics and governance will be improved if media are restrained." He said some newspapers try to create sensation while presenting news, especially political news. This has become a trend and in this area the media lack social responsibility."

Moazzem Hossain, the moderator of the roundtable, said corporate governance and corporate social responsibility are linked to broader governance. He also said media must also be transparent and accountable. Finally, Moazzem Hossain wrapped up the session.

Roundtable-3 in Chittagong

Moazzem Hossain, team leader of the project on 'Bridging Corporate Sector and Media in Promoting Good Governance' and editor of The Financial Express, was the moderator of the roundtable. He started by thanking the participants for attending the roundtable.

Moderator's Statement

Mr Moazzem Hossain said the objective of the roundtable is to bridge the gap between the corporate sector and the media in promoting good governance. He urged the participants to share their experiences and give feedbacks on a questionnaire prepared for the project.

Mr Moazzem presented a slide show to describe the project activities. The objective is to create an enabling environment for better corporate governance, corporate social responsibility, labour standards and environmental compliances using PR practitioners and the media.

And after the presentation, Mr Moazzem invited the participants to open discussion.

Saifuzzaman Chowdhury, president of Chittagong Chamber of Commerce and Industry, said corporate houses must pursue a policy of transparency and accountability to ensure corporate governance.

As part of corporate governance companies have to ensure legal and social compliance apart from accounting transparency, said Mr Saifuzzaman.

Mr Saifuzzaman also mentioned companies can establish corporate governance by ensuring some compliance such as Social Accountability 8000, ISO certification, international accounting standards and ILO conventions.

Benefits of Corporate Governance

Corporate governance helps companies in many ways, said Mr Saifuzzaman. It helps improve managerial skills and efficiency, enhance business competitiveness and establish cordial employees-employers relation, contributing to the country's overall economic growth, he added.

Media's Role

Mr Saifuzzaman said both electronic and print media can play an important role to create awareness about good practices in corporate houses. "It's the duty of media to make both corporate and common people aware of the ethical business practices."

Role of Corporate Houses in Social Development

A ZM Tabarakullah, advisor (industrial relations) to Bangladesh Garment Manufacturers and Exporters Association, said the government or state alone cannot ensure social development. The business community too has the responsibility to move forward to practise human rights, labour rights and environment conservation, he added.

It is the duty of corporate houses to implement ILO conventions to eradicate discrimination in recruitment, said Mr T abarakullah.

Role of Media

Only the media can educate the corporate bodies and the society as a whole about social compliance, labour standard and environment conservation, said Mr Tabarakullah. He also said the media should come forward to dismantle all barriers to corporate governance.

Responsible and Objective Journalism Needed

SM A bu Zaker, senior vice president of Exim Bank Ltd, stressed the need for responsible and objective journalism. Giving an example, he said when a leader of Islami Oikya Jote was killed in Chittagong a few days ago many newspapers blamed Islamic militant outfits for the murder. But later it was known that the man was murdered because of personal enmity.

Mr Zaker also said newspapers reveal their political allegiance when it comes to coverage of events such as elections. He said the government should institute a body to monitor whether the newspapers maintain neutrality and objectivity. And measures should be there to take legal actions against the newspapers who fail to maintain objectivity, he added.

Training for Journalists

Mr Zaker said journalists need training for better understanding of corporate affairs.

Better Salary for Journalists

Mr Zaker said competitive salary package can help journalists improve their professional skills.

Stress on More Corporate News

Mr Zaker said newspapers should publish more corporate news especially company affairs. He said balance sheets of companies should be printed in newspapers.

The roundtable was participated, among others, by Belayet Hossain, deputy managing director, Purabi Insurance Company Ltd; Md Rashangir Chowdhury, senior vice president and manager, Bank Asia Ltd; Dr Parvez Sazzad Akhter, president, Bangladesh Shipping Agents Association; MA Latif, vice president, Chittagong Chamber of Commerce and Industry; Rafique Ahmed, chief executive, Mamata; Mansur Ahmed, finance manager, Chittagong Stock Exchange; M Kamruzzaman, director, Fish Preservers Ltd; and Kalim Sarwar, general secretary, Chittagong Press Club. M Nasirul Haque, chief reporter of The Suprovat Bangladesh, coordinated the roundtable.

The speakers also said effective relationship between corporate sector and the media is needed to promote corporate governance. They said the corporate houses should be more transparent, tolerant, and accountable to the society as a whole.

While discussing good practices of some corporate houses, the speakers said the firms that practise corporate governance are becoming successful.

The participants said apart from private sector the public sector should also practise corporate governance for the sake of economic growth of the country.

ANNEX- 4

REPORT ON WORKSHOPS

Workshop-1 in Dhaka

The first of a series of three workshops was moderated by Mr Moazzem Hossain, team leader of the project on 'Bridging Corporate Sector and Media in Promoting Good Governance' and editor of The Financial Express. He was assisted by MRDI Executive Director Mr Hasibur Rahman and Mr M Emamul Haque, head of Advocacy Unit of the World Food Programme, Dhaka. Mr Moazzem started by thanking the participants for attending the workshop.

Moderator's Statement

Mr Moazzem said the objective of the workshop is to bridge the gap between the corporate sector and the media in promoting good governance. He urged the participants to share their experiences and give feedbacks on findings, based on two separate questionnaires-one for corporate houses and the other for the media people-- prepared for the project.

Mr Moazzem presented a slide show to describe the one month's (A ugust 2005) newspaper content analysis, and the findings, based on the questionnaires for corporate houses and media.

(Newspaper content analysis, and the findings, based on the questionnaires for corporate houses and media have been attached.)

And after the presentation, Mr Moazzem invited the participants to open discussion.

Mr M Emamul Haque, head of Advocacy Unit of the World Food Programme, Dhaka, opened the discussion, saying the media need support from corporate houses for objective news coverage. He stressed the need for specific recommendations for the corporate sector for free practice of journalism.

Media Give Much Coverage to Negative Stories

Ms Jennefa Jabbar, compliance consultant, Bangladesh Garment Manufacturers and Exporters A ssociation (BGMEA), said the media often print negative and one-sided stories, which ultimately hurt Bangladesh's interest, especially in the post-MFA era.

Media Need to Talk to Persons Concerned Before Publishing Stories Ms Jennefa also said newspaper people should consult individuals and companies concerned before publishing any story. She said interactions between the corporate houses and the media will help eradicate misunderstanding between them.

Ms Jennefa said the social securities given to workers in foreign countries cannot be ensured in Bangladesh. The social securities should be defined in Bangladesh perspective, she added.

Ms Jennefa also said the media have the tendency to publish only negative stories. The media do not give much space to positive or successful events of corporate houses. Newspapers should also publish positive stories.

Media Need to Talk to Persons Concerned Before Publishing Stories Mr Mohammad Hatem, proprietor of MB Knit fashion, said the media often run one-sided story while covering any labour unrest or violence. Giving an example of labour unrest and violence, which took place recently in Narayanganj, Mr Hatem said media reports were based on rumours, not facts. He said some newspapers made exaggeration of the incident, adding that the newspaper reports accommodated only workers' views not the views of employers.

He said this kind of one-sided and negative story hampers the country's exports. He also stressed the need for bridging the gap between the media and corporate houses.

Corporate Houses Should Provide Media With Necessary Info Zillul Hye Razi, trade officer, Delegation of the European Commission to Bangladesh, said it is the primary responsibility of the corporate houses to provide the media with information and facts to clarify their positions for objective media coverage.

Helpful Media Role

He also lauded the media's role to help the European countries lift ban on frozen food export from Bangladesh.

Core Labour Standard a Must, Not CSR

Mr Razi said CSR and labour standard are separate issues. He said the core labour standard should be implemented first and CSR is the next step.

Media Should be Neutral

M Azizul Huq, managing director of GlaxoSmithKline Bangladesh Ltd, said the media should have credibility when it comes to news coverage.

Mr Azizul said local corporate houses have no expertise to implement CSR. The country's RMG units are implementing labour standard in phases, he added.

He said the media also need clear understanding about labour standard and CSR.

Mr Azizul criticised the media for not publishing 'objective news'. He said newspapers print conflicting information on a same event. Different newspapers come up with contradictory information on a same event, he observed.

He said newspapers should talk to corporate houses before printing any news, adding that the media should practise governance.

 $M\,r$ A zizul said governance in corporate houses is a must, not the CSR.

Efficient PR Wings Needed

Mr M Emamul Haque, head of A dvocacy Unit of the World Food Programme, Dhaka, said corporate houses should appoint spokespersons to avoid confusion. Efficient PR wings in corporate houses will be helpful.

Mr Md Shahdul Islam, managing director of Rupa Group, said awareness about importance of corporate governance is needed. The media can help corporate houses in this regard, he added. He also called for responsible attitude from media.

Owners Control Media Coverage

Mr Shawkat Mahmood, Editor, Boishakhi TV, said commercial interest of owners controlthe media coverage. He also said the media have the responsibility to write for workers' minimum wages and labour standards.

Efficient PR Wings Needed

He said objective corporate news coverage depends on free flow of information. But PR wings in the corporate houses do not co-operate with journalists, leaving scope for misunderstanding.

Mr Shawkat urged the businesses to provide journalists with adequate information for objective media coverage.

Media, Corporate Houses Lack Quality Manpower

He also said both the media and corporate houses lack quality manpower.

Owners Control Media Coverage

Rashed Chowdhury, editor, BDN ews 24, said basically media owners control news coverage. Media serve owners' interests, he added.

Advertisement Influences Media Coverage

He also said advertisement stands in the way of objective news coverage and professionals have little role in news treatment.

At this stage, Mr Moazzem Hossain, the moderator, said if professionals do not behave professionally, the media will not exist.

Owners Control Media Coverage

Mr Rashed-ul-Nabi Babu, executive editor of the Amar Desh, said aim of the owners of newspapers is to make profit. Owners' interest bars professionals from publishing objective news.

He also said businesspeople and politicians are now controlling the country. They control the media too, he added.

Advertisement Influences Media Coverage

Mr Rashed-ul-Nabi said big corporate houses try to put pressure on media coverage through advertisements.

Giving an example, he said a few days ago a scuffle, involving Bashundhara City shopping mall security personnel and visitors of a function, took place at the mall. Bashundhara Group stopped advertisements to the newspapers which published the news on the event, he said.

He also said it is very difficult for newspapers to print negative stories against cellphone companies because the companies are now the major source of advertisements.

Newspapers Need to Practise Professionalism

So, now it is the responsibility of professionals to practise professionalism, he added. The media are accountable to readers, as a whole to the people. Terming newspaper a product, he said if newspapers fail to play their due role, they will just disappear.

Newspapers Yet to Get Institutional Shape

On the transition of Bangladesh's newspapers, Mr Rashed-ul-Nabi said in the beginning newspapers were 'political institutions' now they have become 'corporate institutions'. Newspapers are yet to get institutional shape in the country, he added.

Newspaper Wage Structure Not Lucrative

He said newspapers should have frameworks for smooth functioning. The newspapers should also follow a wage structure for growth of professionalism. The newspapers should try to woo quality people in their organisations by offering competitive remuneration. The existing wage structure for newspaper professionals is not lucrative, he said.

Labour Standard Should be Fixed in Bangladesh's Context

Mr Rashedul Karim Munna, managing director, C reation Pvt Ltd, said successful business stories do not get much media coverage. He said labour standard should be fixed in Bangladesh's context.

Two Types of CSR

Mr Iftekher Rahid, director of Lalmai Footwear Industries Ltd, said there are two types of CSR -- external CSR and internal CSR. Giving an example, he said running a school by a company is an external CSR while arrangement for special benefits for employees is an internal CSR.

He also said accountability is key to ensuring CSR. He also said philanthropy and CSR are not the same.

Helpful Media Role

Mr Reaz Ahmed, chief reporter of The Daily Star, said it is not true that media always highlight bad news. He said when the country's garment industry announced to stop child labour in 1994, the media did a good coverage of the announcement and subsequent events. He also said the media have highlighted the micro-credit activities in the world.

Duty of Media is to Reveal Wrongdoings

However, he said it is the duty of the media to reveal any wrongdoings.

Core Labour Standard a Must, not CSR

Mr M A bu Taher, chairman of Fortuna Group, said core labour standard is more important than ensuring CSR in Bangladesh perspective.

He said businesses are not much appreciated, although they are contributing to the economic growth. He urged the media to encourage the corporate houses for their success.

Mr Jasim U ddin Khan, business reporter of The Daily Star, said journalists have little access to corporate houses, resulting in misunderstanding between the media and corporate world.

Giving an example, he said during Spectrum Sweater Factory collapse in Savar, there was none from the factory to clarify its position. Despite repeated attempts, reporters failed to get any comments from Spectrum authorities, he added.

Efficient PR Wings Needed

Mr Khan called for setting up efficient PR wings in corporate houses to provide journalists with adequate information.

Efficient PR Wings Needed

Mr Monzur Ahmed, business reporter of the Prothom Alo, said PR wings in corporate houses are key to bridging gap between the media and the corporate houses. He said if journalists have access to information, misunderstandings will disappear.

Later, MRDI Executive Director Mr Hasibur Rahman gave a vote of thanks. Mr Moazzem Hossain, team leader of the project, wrapped the discussion and thanked all participants.

Workshop-2 in Chittagong

The second of a series of three workshops was moderated by Mr Moazzem Hossain, team leader of the project on 'Bridging Corporate Sector and Media in Promoting Good Governance' and editor of The Financial Express. He was assisted by MRDI Executive Director Mr Hasibur Rahman.

Mr Moazzem started by thanking the participants for attending the workshop.

Moderator's Statement

Mr Moazzem said the objective of the workshop is to bridge the gap between the corporate sector and the media in promoting good governance. He urged the participants to share their experiences and give feedbacks on findings, based on two separate questionnaires-one for corporate houses and the other for media people-- prepared for the project.

Mr Moazzem presented a slide show to describe the one month's (A ugust 2005) newspaper content analysis, and the findings, based on the questionnaires for the corporate houses and the media.

(Newspaper content analysis, and the findings, based on the questionnaires for the corporate houses and the media have been attached.)

And after the presentation, Mr Moazzem invited the participants for open discussion.

Corporate News Lacks Depth

Mr SM A bu Tayyab, first vice-president, BGMEA, Chittagong, said these days business news is getting good coverage in media, which is a good sign.

But corporate news lacks adequate information and depth, Mr T ayyab added.

"Journalists' capacity must be improved as they are often found publishing reports on corporate issues with little understanding," he explained.

Good Media Coverage Depends on Ads

Mr Tayyab also said it is unfortunate that good coverage of corporate news depends on advertisements in the media.

Media Should Print More Positive Stories

Mr Tayyab said positive and success stories of corporate houses are not getting enough coverage in the media. The media should come forward to support the fledgling corporate enterprises, he said, adding that the media have a tendency to print only negative stories.

"In my garment factory, we address many social compliance issues such as day-care centre for female workers who have children and dining facilities for workers. But the media do not print this kind of positive story," he added.

If there is any accident in RMG factories, media people come up with big headlines, which ultimately cause harm to the country's export market, Mr T ayyab said.

"If spokespersons are not available in the event of any accident, please do not jump to a conclusion," he urged media.

All RMG Units Not Able to Appoint PR Personnel

Mr Tayyab also said it is not possible for all enterprises especially garment units to appoint PR personnel.

Mr Guitar K. Kanungo, assistant vice-president, Southeast Bank, Chittagong, said it is the responsibility of journalists to reach right persons for comments in a news item.

Need for Two-way Traffic between Corporate Houses, Media He also said there should be two-way traffic between the corporate houses and the media for bridging the gap.

Duty of Journalists is to write in Favour of Workers' Rights Mr Jasim Chowdhury Sabuj, Bureau Chief, The Daily Jugantar, Chittagong, said it is the duty of journalists to report if a factory owner does not give wages to workers. And the newsmen have nothing to do if the media report hurts foreign investment, he added.

Corporate Houses Should Come Up with Their Versions
He also said in the event of any labour unrest involving violence and vandalizing in a factory, it is the primary responsibility of the factory authorities to provide media with their versions. The media cannot wait for versions from authorities concerned, he added.

Mr Jashim said corporate house statements reveal only events such a corporate signing ceremony and opening a new branch, which have little news value.

Advertisements Control News Coverage

Mr Jashim also said journalists are unable to run corruption stories against big corporate house because they control media through advertisements.

Mr Belayet Hossain, deputy managing director, Purabi General Insurance Co. Ltd, Chittagong, said in the age of globalisation the corporate houses and the media should come forward to bridge the gap between them.

PR Wings Must to Bridge the Gap between Corporate Houses and Media He said PR wings are a must to bridge the gap. He also mentioned in neighbouring India even the small enterprises have PR wings.

"CEOs are not supposed to respond to all media queries. Journalism and PR are interlinked. The main objective of the PR is to provide journalists with information," Mr Belayet said.

Mr Samir Bhattacharya, news editor, The Daily Azadi, Chittagong, said as both the media and the enterprises have limitations, they cooperate with each other for better corporate news coverage.

Less Corporate News in Bangla Language Newspapers He said English language newspapers are giving much importance to corporate news. But the same news is not getting proper attention from Bangla language newspapers because of their readership profile. Readers of Bangla language newspapers include common people who have less interest in corporate news, he explained.

Call for Setting Up PR Wings

He urged the corporate houses to set up PR wings for free flow of information.

Newspapers Need Quality Manpower

Turning to manpower crisis in media, he said newspapers lack adequate number of journalists having adequate knowledge about corporate affairs.

Journalists need to improve capacity

Mr M A Alim, Advisor, Bangladesh Shipping Agent Association, Chittagong, said as reporters have superficial knowledge about corporate affairs, they need to improve their capacity.

Duty of Journalists is to write in Favour of Workers' Rights Mr Sk. Ali Haider, business reporter, the Suprobhat Bangladesh, Chittagong, said journalists have the duty write in favour of workers' rights and labour standard.

Journalists Need to Improve Capacity

He also said journalists lack adequate knowledge and they should try to improve their capacity level for better corporate news coverage.

Advertisements Control News Coverage

A dvertisement is a major factor, which is controlling and influencing the news coverage, said Mr Haider.

Both Media and Corporate Houses Should Uphold Professionalism Mr Mohd. Aslam Chowdhury, CEO of Royal Cement, said both media and corporate houses should uphold professionalism.

He said journalists should cross check information before publishing any negative news against any company and the newsmen should practise ethics.

Mr A slam also said ensuring corporate governance is key to bridging the gap between corporate houses and media.

He also companies often face adverse or negative news for not giving ads to newspapers.

Free Flow of Info a Must for Better Corporate News Coverage Mr Mamun Abdullah, chief reporter, the Prothom Alo, Chittagong, said open and free flow of information is a must for good corporate news coverage. But corporate houses never come up with their versions in the event of corruption news, leaving scopes for misunderstanding, he added.

Giving an example, Mr Mamun Abdullah said reporters never get any help from Bangladesh Petroleum Corporation for its comment. As the reporters do not get any comments from the BPC, their reports lack information, he added.

Call for Efficient PR People

He called on the corporate bodies to appoint efficient PR personnel to help free movement of information for better news coverage.

Free Flow of Info a Must for Better Corporate News Coverage Mr AKM Golam Sarwar, executive director, M/S. Moon International Ltd, called for free

Regarding corporate social responsibility, he said business houses should come forward to help the society. Profit should not be the main aim of the enterprises, he added.

and transparent information for better corporate news coverage.

Mr A bu Taher Muhammad, acting news editor, The Daily Purbakone, Chittagong, called for free flow information for better corporate news coverage. And this free flow of information should be ensured through institutions not through individuals, he added.

Mr A bu Sufian, president of Chittagong Press Club, said the media have played a vital role to flourish business in the country. Good relations between the media and business sector is needed, he added.

Later, MRDI Executive Director Mr Hasibur Rahman gave a vote of thanks. Mr Moazzem Hossain, team leader of the project, wrapped the discussion and thanked all the participants.

Workshop -3 in Dhaka

The third of a series of three workshops was moderated by Mr Moazzem Hossain, team leader of the project on 'Bridging Corporate Sector and Media in Promoting Good Governance' and editor of The Financial Express. He was assisted by MRDI Executive Director Mr Hasibur Rahman and Mr M Emamul Haque, head of Advocacy Unit of the World Food Programme, Dhaka.

Mr Moazzem started by thanking the participants for attending the workshop.

Moderator's Statement

Mr Moazzem said the objective of the workshop is to bridge the gap between the corporate sector and the media in promoting good governance. He urged the participants to share their experiences and give feedbacks on findings, based on two separate questionnaires-one for corporate houses and the other for media people-- prepared for the project.

Mr Moazzem presented a slide show to describe the one month's (August 2005) newspaper content analysis, and the findings, based on the questionnaires for the corporate houses and the media.

(N ewspaper content analysis, and the findings, based on the questionnaires for the corporate houses and the media have been attached.)

And after the presentation, Mr Moazzem invited the participants to open discussion.

Mr M Emamul Haque, head of Advocacy Unit of the World Food Programme, Dhaka, opened the discussion, "Understanding of corporate social responsibility (CSR) is not clear. We need to clarify the nature of CSR. CSR is not building a mosque. Some 37 percent companies have PR wings, but they are not efficient."

PR wings have the role to bridge the gap between the corporate houses and the media, he added.

PR Concept Not Clear to Corporate Enterprises

Mr Sadat Salim, managing director, Anwar Landmark Ltd, said the concept of PR is not clear to corporate many enterprises. He also said the MRDI project should ensure sectorwise representations when it comes to creating awareness about PR wings in corporate houses.

Criticising media role, Mr Salim said PR corporate news does not get adequate coverage in newspapers without advertisements. Giving an example, he said newspaper advertisement people often seek ads from corporate houses in exchange for news coverage.

Media Ethics Sought in Publishing Ads

Mr Salim also questioned the role of newspapers for publishing advertisements. He said water-logging in cities, especially in Dhaka, is the result of illegal filing up of low-lying areas by developers. But these companies with bad reputation dominate the newspaper ad, he added.

Newspapers simultaneously run stories against land-grabbing developers and accommodate advertisements by the same land-grabbers, said Mr Salim, posing a question, "Should newspapers entertain advertisements of companies with bad reputation?"

Kh Fazle Rashid, deputy managing director, Dhaka Bank Ltd, said many people mix up CSR with charity or philanthropy. But these two are altogether different, he added.

Business Reports Lack Depth

Mr Farid Hossain, bureau chief, A ssociated Press, said business news over the past few years has done a revolution to some extent. Now business news is getting good coverage in newspapers, he added. "But do the PR stories of the companies have any impact on society?" he said. He said business reports lack depth and news value.

Too Many Ads in Media

Mr Farid also said advertisements influence news coverage. Besides, newspaper readers are getting annoyed with too many ads in newspapers.

Some Ads Destroying Social Values and Norms

Turning to electronic media ads, Mr Farid said these ads are destroying the country's social values and norms. "In an ad of a cellphone company, an office executive sends a voice message to his female colleague prior to launch break. The man's gesture and body language are indecent," Mr Farid explained. The media should not run this type of indecent ads, he concluded.

Mr Farid also said there are too many ads during TV news.

Call for More Local Corporate News

Mr Syed Yamin Bakht, general manager (Information) of GrameenPhone Ltd, called for more in-depth and timely corporate reports, saying local news gets less coverage than foreign stories in newspapers now.

Business Reports Lack Depth

He also said now business news focuses on non-issues. Urging the media to play a watchdog role, he called on the media to run stories on why VoIP is yet to get legalised and why private cellphone companies have limited access to BTTB land phones.

Turning to the new subscription regulation for cellphone companies, Mr Bakht said the law is not bad, but the formal procedures to receive a SIM card will cost subscribers much.

Failure of Newspaper Editorial Departments

Regarding the observation that PR influences news coverage, Mr Bakht said if it happens, it is the failure of the newspaper editorial departments.

On the survey of the MRDI project, he said the study does not focus on sectoral representations.

CSR is Not Charity

Mr Bakht also said CSR and charity are two different things, they are not the same.

Dewan Sultan Ahmed, vice president of Bangladesh Federation of Chambers and Commerce Industry, said governance in the state level is a pre-condition for ensuring governance in the corporate houses and media.

He said ethical business practice is also CSR.

CSR is Not One-off Event

Lopa Rahman, project coordinator of Bangladesh Enterprise Institute, said ethical business practice is not CSR. It is mandatory for businesses to practise ethics, but CSR is not compulsory, she explained.

She also said CSR is not charity and one-off event. Ms Rahman said companies should continue with CSR activity, it is not a one-off assistance.

Corporate Governance and CSR are Different

She also said corporate governance and CSR are different. Corporate governance is an internal affair of a company while the CSR is an external affair.

Turning to the MRDI study, Ms Rahman said it should have covered more areas.

Journalists Lack Capacity

A siqul Huq, reporter of The Financial Express, said journalists lack capacity in many crucial business and financial issues.

Bureaucratic Attitude of Corporate Houses in Disseminating Info He also criticised bureaucratic attitude of corporate houses in disseminating information.

Reporters Need Training

Nasir A. Chowdhury, managing director of Green Delta Insurance Company Ltd, said newspaper reporters need training on business subjects such as insurance while gatekeepers should practise responsibility and accountability.

Call for More Local Corporate News

Mr Chowdhury also said newspapers should cover more local corporate news.

SEC Guidelines to Help Companies Ensure Corporate Governance Mohd Sanaullah, company secretary and corporate affairs manager, Singer Bangladesh Ltd, said recently launched Securities and Exchange Commission (SEC) guidelines will help companies ensure corporate governance.

He said local companies lack governance in terms of accountability, integrity, and openness.

Need for Combination of Executive and Non-executive Directors Mr Sanaullah suggested combination of executive and non-executive directors in company boards to ensure corporate governance. He said an executive director should not be the chairman of the company.

He also said company audit committee must be headed by a non-executive director.

Audit Committee S ecretary S hould be Made Company S ecretary Mr Sanaullah also said audit committee secretary should be made secretary of the company for establishing corporate governance.

Appointment of Independent Directors is Difficult

Regarding a provision in the SEC guidelines on corporate governance, he said in a country like Bangladesh it is difficult to implement the suggestion to appoint one-fifth of directors from independent category. He said it is difficult because an independent director will neither be a shareholder nor a party to the organisation and the companies may not accept the proposal easily.

He also said an efficient professional company secretary is a key to ensuring corporate governance.

Watchdogs Must Play Encouraging Role

Putting emphasis on strengthening the capacity and removing bureaucracy in regulatory bodies, Mr Sanaullah said the watchdogs should play an encouraging role to ensure corporate governance.

He also said reporters need skill for good coverage of corporate news.

Idea of Non-executive Interdependent Directors is Unrealistic Now A bul Munim Khan, senior vice president and head of Marketing and Development Division, Dutch-Bangla Bank Ltd, said the idea of non-executive interdependent directors is unrealistic now in Bangladesh's context.

In Bangladeshi culture, non-executive interdependent directors may ask for special facilities for their services, which they are not entitled for, Mr Munim explained.

Dutch-Bangla Bank Ltd Board Members Do not Take Remunerations He also said unlike many other organisations Dutch-Bangla Bank Ltd's board members do not have any accounts with the bank and they do not take any kind of remunerations from the bank. They just attend the meeting and all their expenses are borne by themselves, he added.

Dutch-Bangla Bank's Foreign Partners Wanted Independent Director He said although DBBL's foreign partners wanted to have an independent director in the board, the bank authorities did not agree due to non-existence of the company culture.

Employees Get 2.5 Percent Profits of Dutch-Bangla Bank Mr Munim also highlighted his bank's CSR activities. He said the Dutch-Bangla Bank Ltd's two and a half percent of profits go to its employees.

Besides, the bank has been giving scholarships to 125 SSC and 250 HSC students since 2003, he said, adding that the award is not a one-off assistance, the scholarship will continue until the students obtain master's degree or even post-doctoral degree.

He also said the bank's CSR is focused on health, education and environment.

Media Should Encourage CSR Activities

A bout media role, he said newspapers should print CSR activities by some companies to encourage others who are yet to start CSR activities.

A bout newspaper capacity to report on corporate affairs, he said newspapers should be careful and must accommodate 'adequate and proper' versions of a company concerned.

Call for More Business News

Mr Md Rashedul Hasan, executive (Corporate Affairs), AKTEL, said newspapers run too many ads. He also said newspapers should publish more business news.

Companies Should Arrange Training for Journalists

Mr Mustak Hussain, manager (Corporate Affairs), Ranks Telecom Ltd, said companies as part of their corporate social responsibility should arrange training programmes on sectoral issues such as telecommunications and insurance for journalists in association with Press Institute of Bangladesh, National Press Club and Dhaka Reporters' Unity.

Regulatory Body for Ads Can be Set Up

Referring to a remark that the advertisements in the media are destroying the social values and norms, Mr Mustak said there have been watchdogs for ads in many countries in the world. "So, policymakers in the country can think of setting up such a regulatory body."

Company Press Releases Should be More Informative

Mr Pranab Saha, chief reporter of the Prothom A Io, said company press releases should be more informative for better coverage.

He also companies pursue newspapers to get their PR news published, but they hardly come up with important issues such as tele-tapping.

Later, MRDI Executive Director Mr Hasibur Rahman gave a vote of thanks. Mr Moazzem Hossain, team leader of the project, wrapped up the discussion and thanked all the participants.

ANNEX - 5

REPORT ON NATIONAL CONSULTATION

The National Consultation of the project on 'Bridging Corporate Sector and Media in Promoting Good Governance' was moderated by Mr Syed Fahim Munaim, managing editor of The Daily Star. He was assisted by MRDI Executive Director Mr Hasibur Rahman.

Moderator's Statement

Mr Munaim said the overall objective of the project is to create an enabling environment for ensuring better corporate governance, corporate social responsibility, and social compliance using PR.

Briefly describing the project activities, he said the MRDI has so far conducted three roundtables, one month's newspaper content analysis, two assessment studies-- one for newspapers and the other for corporate houses-- and three workshops.

He also said the aim of the national consultation is to fix action plan to ensure corporate governance, labour rights and compliance.

Mr Munaim invited Mr Moazzem Hossain, team leader of the project and editor of The Financial Express, to present a keynote paper before requesting the participants for open discussion.

Need for Clear Understanding About CSR and Corporate Governance Jennefa Jabbar, compliance consultant of Bangladesh Garment Manufacturers & Exporters Association (BGMEA), said there is a need for clear understanding about CSR and corporate governance in the corporate world.

She also said corporate houses need to develop PR departments to provide media with adequate information for better news coverage. She said as policy decisions by the government may have impact on businesses, newspapers should come forward to discuss the decisions. Ms Jennefa said media have a role to highlight corporate success stories.

Ms Jennefa Jabbar also stressed the need for strengthening the PR wings of the corporate houses to bridge the gap with media.

She also said capacity building training is needed both for PR wing and media people.

Corporate Releases Lack Adequate Info

While moderating the national consultation, Syed Fahim Munaim said as corporate press releases often lack adequate information, newspapers find difficulties to print those releases. "Even corporate houses do not know the work style of newspapers. Many releases reach newspaper offices after deadlines [of newspaper offices]".

Strong Editorial Policies Needed to Uphold Professionalism

Mr Fahim also said as media have the watchdog role, they will criticise every wrong doing. "But if they [media] compromise they will lose at the end of the day. Strong editorial policies are needed to uphold professionalism."

Mr Samson H. Chowdhury, chairman of Square Group, said practice of corporate social responsibility (CSR) is being hampered as private sector businesses houses have to pay bribes in government offices to procure different permission papers. He also said private sector entrepreneurs cannot run business without bribing government offices. No files will move unless bribes are ensured, he added.

Anything Beside the Basic Salary is Taxable

"It is a sad news for us that the government has come up with a law now that anything beside the basic salary is taxable. Even the pension fund meant for employees is now taxable," said Mr Chowdhury. "But people in the parliament are getting everything tax-free."

Ms Rokia A. Rahman, president of Women Entrepreneurs Association, Bangladesh, said productivity or good business depends on good relation between employers and employees.

Western CSR Concept Won't Work in South Asia

Ms Rokia said the concept of CSR cannot be the same in the West and in South Asia. She said in the West, state provides social securities, such as education, health and pension for people. But these state facilities are absent in countries like Bangladesh, she added.

Int'l labour Standards Cannot be Implemented in Bangladesh She said international labour standards cannot be implemented in Bangladesh. Bangladesh's labour standards should be fixed in the country's perspective.

Corporate environment in Bangladesh cannot be compared with that in developed countries where an entrepreneur gets utility services with just a phone call and he/she has to deal with educated workforce, Ms Rahman explained.

Ad Interests Should not Prevail Over Objective News

Mr Abdul Quayum, joint editor of the Prothom Alo, said media should also practise corporate social responsibility when it comes to advertisement interest. He said news section and advertisement section of the newspapers should be totally segregated to protect professionalism. The ad section should not know what is going on in news section and vice versa.

And media have to ensure this professionalism to sell their products, he added. In the US and UK, ad sections in the media cannot dictate news sections, he explained.

Referring to an incident, he said an influential advertiser stopped ads to his newspaper after it run a corruption story against the company. But the company later resumed ads to the paper only because it knew this mass circulation paper can disseminate the company messages well, he said. "So, professionalism will prevail over ad interest."

Mr Quayum also said media have a role to highlight the success stories of business houses.

Corporate Governance Linked to Good Governance

Dewan Sultan A hmed, vice president of Federation of Bangladesh C hambers of C ommerce and Industry, said corporate governance is linked to rule of law and good governance.

He categorically said corporate governance cannot be ensured unless good governance is established in the state level.

He said media have a role to make businesspeople aware about the CSR, which is relatively a new concept in Bangladesh where there have been a large number of first-generation entrepreneurs, who need more time to practise CSR.

Govt Should Provide Companies Practising CSR with Tax Rebate Facilities Mrs Mahmuda Haq Chowdhury, former ambassador and adviser to Women Entrepreneurs Association of Bangladesh (WEAB), said the government should provide the companies practising CSR with tax rebate facilities.

Mr Zillul Hye Razi, trade officer of Delegation of the European Commission to Bangladesh, said companies are not legally bound to practise CSR. But as part of globalization local companies have to ensure social compliance.

Areas of Training for PR and Media People Should be Identified

Mr Razi put emphasis on specific training for both PR and media people. He said areas of training should be identified for the better results. He said for example PR people should be educated about business activities of the companies they represent and related national and international trade and business issues to make them better spokespersons.

On the other hand, media people do not need training on news writing techniques. Training should help media people increase their knowledge about corporate houses, he concluded.

Knowledge Gap Leads to Media-Corporate Gap

A bout a gap between media and corporate houses, he said distrust arises from knowledge gap from both sides. He said both the sides need to bridge the gap, but in doing so they should not form any unholy nexus.

Suggestions to Bridge Media-Corporate Gap

Mr Razi put forward some suggestions to bridge gap between media and corporate houses.

Media May Seek Feedback from Readers or Viewers on Gender Issues

A bout gender sensitivity, he said many advertisements carry messages against gender equality but media cannot afford to refuse the ads. In that case, media may seek feedback from readers or viewers on gender issues and try to make the business houses understand that common people will not accept these ads.

Write-ups for Newspapers

He said corporate people who include both management and executives should be encouraged to prepare write-ups for newspapers to bridge the gap. The write-ups could be based on purely academic and marketing issues, or issues such as RMG and GSP facilities, he added. He said media should encourage corporate people to write on their own issues, which will help eliminate distrust between them.

Need for Concerted Effort to Disseminate Info

Mr Razi said there has been a need for a concerted effort to disseminate the information on corporate governance or CSR or core labour standards. Many organizations are working on the issues but there has been no coordination among them, he added.

Many Media Houses Lack Core Labour Standards

Mr Razi also said corporate governance should also be practised in media houses. But many media lack core labour standards as they do not pay staff salaries regularly, he added. "Media should practise before they preach." He said emphasis should also be given on the NGOs that have corporate entities and public sector corporate bodies when it comes to corporate governance and CSR.

Media Have Poor Access to Info

Manjurul Ahsan Bulbul, executive editor of the Sangbad, said media have poor access to information, resulting in misunderstanding between the media and corporate houses. He also said private sector corporate houses do not provide media with adequate information.

Strengthening PR wings is needed to get good media coverage, he said. "PR people must provide adequate information for better coverage."

Top Corporate Executives May Occasionally Meet Media People

He said top corporate executives may occasionally attend in-house meetings in media, creating scopes for more interactions between corporate houses and media.

Shaukat Mahmood, news editor of Boishakhi TV, said commercial interests are getting more priorities in media, resulting in downslide in professionalism. Business sections of newspapers are full of company releases, which have little news value. Newspapers lack in-depth reports. He also added corporate houses react unprofessionally when newspapers run negative stories against them. Citing examples, he said it's a common practice that companies will first stop ads to newspapers concerned.

Chamber Bodies Should Play Watchdog Role to Help Establish Fair Business Practices He said chamber bodies should play watchdog roles to help establish fair business practices by punishing companies, which are resorting to unethical business practice. Mr Shaukat said media must also be careful while reporting wrongdoings by companies.

Watchdog Needed to Bridge Media-Corporate Gap

He recommended formation of a watchdog comprising corporate and media personnel to monitor any wrongdoing both in media and corporate houses.

Watchdog Can be a Platform for Arbitration

He also said this watchdog can be a platform for arbitration, finally contributing to bridging the gap between corporate houses and media. For example, if a newspaper fails to get adequate information for reporting purposes from a particular business house, it [newspaper] can seek help from the watchdog.

Only Monitoring System or a Watchdog Can Produce Results

Mr Shaukat also said unless there has been a monitoring system or a watchdog in place, these discussions and roundtables will be failing again and again to produce results.

Media Must Not Lose Identity After Increased Interactions With Corporate Houses Mr Golam Tahabur, managing editor of The Independent, said media must ensure that they will not lose their identity following increased interactions with corporate houses. He also media should not lose objectivity.

Newspapers Yet to Get Institutional Shape

Mr Rashedul Nabi, executive editor of the Amar Desh, said newspapers are yet to get institutional shape in the country.

No to Newspapers Without Wage Board Implementation

He said if the government implements wage board award in newspaper industry, more professional journalists will be created. Newspaper owners should be barred from publishing newspapers if they fail to implement the wage board that may result in closure of many newspapers, he said. "But pure journalism will be practising in the process."

Stressing the need for meaningful interaction between media and corporate houses, Mr Nabi said both the sides should co-operate each other for bridging the gap.

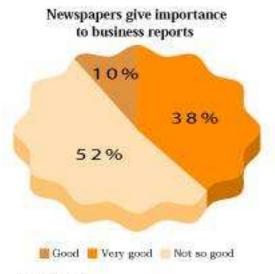
Hossain Ali of Dhaka Chamber of Commerce and Industry said both the sides should cooperate each other to bridge the gap between the media and the corporate houses.

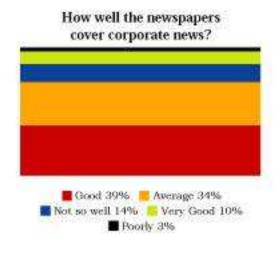
Finally, Syed Fahim Munaim wrapped up the discussion thanking the participants in the national consultation.

ANNEX - 6

MAJOR FINDINGS OF THE ASSESSMENT STUDY ON NEWSPAPER GATEKEEPERS

(Number of respondent: 29)





Findings:

Newspapers feel that business news is well covered. Although a majority of them say that the number of reporters is inadequate, a sizeable number of them (41%) feel that newspapers are reluctant to recruit more reporters.

Question:

What in your view are the main obstacles to covering business news in your paper?

Answers:

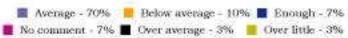
- Lack of space
- Lack of trained/skilled reporters
- Advertisement
- Lack of information- impartial information, access to information
- Bad PR from business houses
- Lack of support from authority
- It does not attract much reader
- Unseen pressure from some corporate houses

Question:

How much importance does your paper attach to CSR, labour standards, corporate governance?

Findings:

Newspapers give very poor importance to CSR, labour standard and corporate governance.



Is the number adequate?

Yes 4 1 %

No 59%

Respondent			
Yes	8	28%	
No	21	72%	

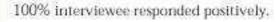
How often?

Question: Do your reporters sub-editors get training on these issues?

Question:

Do your reporters need training for capacity building?

Findings:



What type of training needed?



In House	3
Outside/Institutional	13
Field level	10
Basic	13
Mid-level	6
Advanced	4
Others	3



Findings:

The demand is most for getting trained by specialized institutions and the level of training is demanded is 'Basic'.

Question:

Do you think your newspaper should allocate more space for business/corporate news?

Findings:

An overwhelming number of newspaper gatekeepers feel that their reporters need

more training & their newspapers need to give more space to business news,

Respondent 25 3 NO Comment 1

No comment

Question:

Does your newspaper print analysis on corporate results/audits?

Findings:

Yes

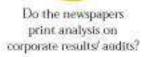
No

Should the newspapers allocate more

No

space for business/corporate news?

The public are not better served by the newspapers as most newspapers do not analyze corporate results



No

Yes

30

25 20

15 10

5

Yes

Question: If not why?

- Have no practice of publishing such items
- Lack of management interest and lack of skilled manpower
- Absence of survey on reader's interest
- Editorial body don't have clear direction so, the reporters don't give enough importance to such analysis.
- Due to lack of understanding and knowledge about the corporate world.
- Newspapers are also private managed company but the owners lack corporate attitudes.
- Space crisis

Question:

Are the advertisements influencing news?

Responde	ent
Yes	27
No	2



Newspapers' freedom to write is curtailed by advertisements, business interest.

Question:

Do the business interest of the newspaper owners influence news?

Findings:

In most cases owners' interest influence corporate news coverage.

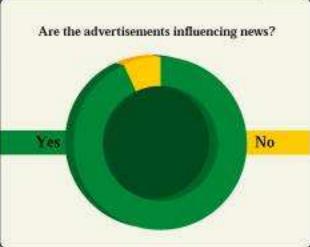
Question:

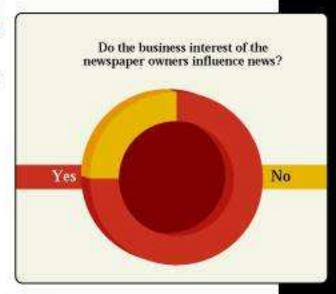
Do gatekeepers' personal connections hamper news coverage?

Findings:

Personal connections affect news coverage to some context.







Question:

Is the management reluctant to recruit more business reporters?

Respondent		
Yes	12	
No	115	
NO Comment	2	

Question:

Do the reporters and gatekeepers have selfcensorship?

Respondent			
Yes	16	55%	
No	11	38%	
NO Comment	2	796	

Findings:

A good number of newspaper gatekeepers feel that they apply self-censorship.

Question:

Does the PR news influence the business page?

Findings:

PR news plays an important part in business news

Question:

Do the reporters consider CSR, labour standards and good governance important?

Question:

Do the reporters have sound understanding on the above?

Respondent			
Yes	12	59%	
No	17	41%	



NO - 52% ■ Yes - 41%
■ No Comment - 7%

Respor	ndent	
Yes	20	63%
No	8	28%
NO Comment	1	.296

Respon	ident	
Yes	22	76%
No	5	17%
NO Comment	2	7%

Findings:

Newspaper gatekeepers consider CSR, CG as important issues.

Access of the reporters to corporate news?



Question:

How much access do the reporters have to corporate news?

Findings:

Reporters have poor access to corporate news.

Question:

Do advertorial / sponsorships affect objective news coverage?

Findings:

Advertorial / sponsorships affect news objectivity.

Question:

Do the assistant editors face any problem in publishing corporate opinions?

Findings:

Opinion writers are not free to write on corporate affairs.

Question:

Are any Industrial visit to certain industries or fellowship managed by any specific organization other than the media house affecting the objective news coverage?

Findings:

Company sponsored visits affect (45%) news objectivity.

Respondent Very bad I Not enough 15 Moderately well 10 Good 3 Good enough 0

Respondent		
Yes	22	7696
No	6	21%
NO Comment	1	396

Respondent			
Yes	11	41%	
No	12	38%	
NO Comment	- 6	21%	

Respondent		
Yes	12	45%
No	15	52%
NO Comment	1	396

Comments from the respondents:

- Reporters often feel obligation to write positive news coverage / in favour of the sponsors
- The sponsors want to buy the newspapers through their corporate interests.

ANNEX-7



Dear Respondent,

This interview is being taken under the project 'Bridging Corporate Sector and Media in Promoting Good Governance' funded by Manusher Jonno and implemented by MRDI. The project uses a four-pronged strategy to achieve its basic aim of creating an enabling environment for better internal governance and labour rights within and outside the corporate sector using public relations (PR) practitioners and the media as catalytic and follow-up agents. Its specific objectives are capacity building of PR and media practitioners, making business community and media more responsive to governance and human rights, and facilitating them in setting agenda and adopting an action plan to ensure corporate good governance, social responsiveness, labour rights, and environmental and other standards.

This interview is part of an on-going study for promoting themes of the project in the private sector. We assure you that your identity relating to the following information will not be disclosed. We would cordially appreciate your cooperation for this study as well as for other components of the two-year project.

Moazzem Hossain

Team Leader, Assessment Study Group & Editor, The Financial Express

Management and Resources Development Initiative (MRDI)

2/8, Sir Syed Road (Ground Floor), Block-A, Mohammadpur, Dhaka-1207, Phone :+880-2-9134717, E-mail : bmrdi@yahoo.com, mrdi@citech.net



লাবুথের ডাব্য manusher jonno promoting human rights and good governance

Bridging Corporate Sector and Media in Promoting Good Governance

A Project implemented by Management and Resources Development Initiative (MRDI) Supported by: Manusher Jonno Foundation

QUESTIONNAIRE

A. About Your Company

1.	a) Is your company a Public Ltd. or a Private Ltd.?	
		□ Public Ltd. □ Private Ltd. □ Others
	b) Do you prefer to remain	□ Public Ltd. or □ Private Ltd.?
2.	Does the company have a profession	nal/appointed CEO?
		□Yes □No
3.		s a 'closely held' (family) or 'widely held' company? (range indicates from 'close' to 'wide')
4.	W hat is the percentage of general p company?	oublic and sponsors' shareholding with your
		%:%.
5.	a) Does your company hold AGMs	regularly?
		□Yes □No
	b) If not why?	

6.	W hat is the dividend pay-out ratio in	the last 3 years?	
7	Do you fully fund your Provident Fundament 1 2 3 4 5	d obligation? (range indicates from 'partial' to 'full')	
8.	Do you borrow from the Provident Fu	nd? (range indicates from 'very low tendency' to 'general tendency')	
9.	W here is your factory located?		
		Please tick the following	
		i. In industrial area	
		ii. In residential area	
		iii. By a river / canal / lake / others	
		iv. Near a power plant	
10.	How old is your factory building?		
	, , ,	Years	
11.	How old is your business?		
11.	Trow ord is your business:	Years	
12.	Does the company pay tax regularly?	ZVee DNe	
	L	□ Yes □ No	
13.	Does the Board of Directors interfere	in day-to-day affairs ?	
		□ Yes □ No	
14.	Does your company maintain internat	tional accounting standards ?	
		☐ Yes ☐ No	
15.	Does your company have		
		a) External Auditing of Accounts	
		b) Internal Auditing of Accounts	
16.	a) Does your company make financial	ctatement nublic?	
10.	, ,	Yes	
	b) If not, why ?		

17.	Does your company have default loans	5?		
		Yes	□No	□ No Comment
18.	Did the company face any regulatory a environmental law, factory hazard cod		_	ion of
		Yes	□No	□ No Comment
	B. Employn	nent Pra	actices	
1.	Does your company have written/ well	defined orga	anogram?	
		Yes	□No	
2.	Does your company have a complete h	HR policy?		
		Yes	□No	
3.	Does your company have well defined	job descripti	on ?	
		Yes	□No	
4.	Does your company have well defined	promotion p	olicy & practio	te?
	, , ,	Yes	□ No	
5.	Does the company have any well-defin	ned terminati	on rules?	
		Yes	□No	
6.	Does your company have well defined	compensatio	n nackage?	
0.	, , ,	Yes	□ No	
7.	W hat is the male/female proportionate	e with your c	ompany ?	
7.	w nat is the male/lemale proportionat	a) In office	отпратту :	
		b) In factory	,	
8.	Does your company recruit people thro	ough advertis	sements?	
	, , ,	Yes	□No	
9.	A re all of your employees legally empl appointment letters or contracts?	oyed or have	written	
] Yes	□No	\square No Comment
10.	Do factors such as race, colour, age, ge membership or political affiliation infl			•
		l Vac	□No	

11.	Does your company have mechanisms in place to minimize discrimination in the workplace?
	□Yes □No
12.	If your answer to the above question is yes, please provide keywords describing these mechanisms.
	Please describe here
13.	A re your employees protected against harassment at the workplace including sexual harassment ?
	□Yes □No
14.	If your answer to the above question is yes, please provide keywords describing specific measures.
	Please describe here
15.	W hat is the age of your youngest employee ?
	A.<13 Years B. 13 Years C.14 Years D.15 Years E.>15 Years
16.	Do all of your permanent and full-time employees receive minimum wage as per law?
	□Yes □No
17.	How many hours per day are your employees obliged to work?
	A.11 Hours B.10-11 Hours C.9-10 Hours D.8-9 Hours E. <8 Hours
18.	Does the company pay for over time duty ?
	□Yes □No
19.	A re any of your employees required to work for a fixed period of time before they are allowed to terminate their employment with your company?
	□Yes □No
20.	Does company have transport system for employees ?
	□Yes □No
21.	Does the company have insurance coverage of any sort ?
	□Yes □No
22.	Does your company provide its employees with the following facilities/benefits?

	Please tick the following —		
	i. Gratuity		
	ii. Maternity Leave	If yes, how	many days
	iii. Paternity Leave	If yes, how	many days
	iv. Causal Leave		
	v. Earned Leave		
	vi. LFA		
	vii. Provident Fund		
	viii. Festival Bonus		
	ix. Stock Option		
	x. Dividend		
	xi) Subsidised food?		
	xii) School for employees' children.		
	xiii) Daycare centre.		
23.	Does your company arrange the foll	owings for its	employees?
		Please tick	the following —
		i. Professio	nal skill development orientation
		ii. Health &	hygiene orientation
		iii. Fire alar	m orientation
		iv. Awaren	ess programme on HIV/AIDS
		v. Gender	sensitivity awareness programme
24.	a) Does your company allow trade u	unionism?	
		□Yes	□No
	b) If not, why?		
		□Yes	□No
25.	Does your company participate in nemployee associations?	negotiations wi	th trade unions or
		□Yes	□No
26.	a) Did employees in your company	ever call any s	trike?
		□Yes	□No

b) If	yes, why ?
	C. Health, Safety & Environment
1.	Does your company have water treatment plant?
	□Yes □No
2.	W hich kind of fire protection do you have on the site?
	Please tick the following —
	i. Site owned fire brigade / first intervention team available
	ii. Public fire brigade available within 15 minutes
	iii. Automatic or manual fire alarm systems installed
3.	Is personal protection equipment (safety shoes, safety glasses, ear plugs, gloves, etc.) readily available to all working on your site?
	i. Partly ii. Mostly iii. Fully iv. Not applicable
4.	To what degree does your company ensure machine safety to prevent workers from unsafe situations and injuries?
	i. Partly ii. Mostly iii. Fully iv. Not applicable
5.	Does your company take steps to protect environment ?
	□Yes □No
6.	W hat are the measures ?
	A B C
7.	Do you currently comply with the applicable local and national HSE (Health, Safety & Environment) legislation ?
	i. Partly ii. Mostly iii. Fully iv. No
8.	Does your company have a certified HSE (Health, Safety & Environment) management system e.g. ISO 14001, OHSAS 18001 or EMAS?
	□Yes □No
9.	Does the company have any other certificate?
	i. Environment (Name)
	ii. Product quality (Name) iii. Working condition (Name)

10.	Does your company have an HSE (Health, Safety & Environment) policy/ manual / procedures in place?					
		i.No	ii. Partly	iii. Yes	iv. Not appli	cable
11.	training	r company ha program in pla i. No			afety & Enviro	
12.	Does you	ır company pu	ıblish an HSE (Health, Safet	y & Environm	ent) report ?
13.	In the las	st one year, ho	ow many accide	nts did occur	in the factory?	
	D.	Corpora	ate Socia	l Respo	nsibility	(CSR)
1.	Does you	ır company ha	ave CSR strateg	y? □ Yes	□No	
2.	Does the	company pra	ctise corporate	social respons Yes	sibility (CSR)? □ No	
3.	W hat are	e the areas of	the C S R ?			
		Α	В	C	D	
4.	W ho loo	ks after CSR	activities?			
5.	In your view what are the benefits of CSR and corporate governance? Please tick the following —					
	b) It crea		tisement for th mpression abou & profit		ny	
	•	•	a good corpora			
		s to comply w acts the buye	vith buyers' reques rs at large	uirement		
6.	In your v	iew what are	the obstacles to			

C				
D				
E				
W hat is the percentage of CSR	amount in prop	portionate to the annual budget?		
E. Public Relatio	ons : Int	ernal & External		
a) Does your company have a P	R wing?			
	□Yes	□No		
b) If not , why?				
·	□Yes	□No		
How big is the PR wing?				
a) Having	officials,	/personnel		
b) A nnual budget in percentage	2	%		
c) Can PR influence manageme	ent decisions reg	parding internal & external relations		
	□Yes	□No		
d) What is the PR wing organog	gram?			
Is there any training facility for	the PR people?	?		
	□Yes	□No		
W hat's the background of the PR people?				
i. Have graduation in journalism / communication				
ii. Completed PR certified cours	se			
iii. Have social science backgrou	und iv. Have	science background		
v Have commerce background	vi Have	arts background		

5.	a) Does the company have any	spokesperson?	
		□ Yes	□No
	b) When did they last get train	ning?	
	i. Within last 6 months	ii.Withii	n last 1 year
	iii. Within last 2 years	iv. Withi	n last 3 years or more
6.	a) Does your company face an	ny difficulty in ge	etting access to media ?
	b) If yes, please describe.		
7.	Do you think your company ge	•	erage in media ? 'minimum' to 'good enough')
8.	Do you think that you should	d have a program	me to develop rapport with media ?
		□ Yes	□No
9.	If yes, what are the types of pro	ogramme ?	
10.	W hat steps should be taken to corporate houses?	strengthen relat	ionship between media &
11.	Do you plan PR related activ	ities in advance?	
		Yes	No
12.	a) Does your company face a	ny adverse public	city?
		□ Yes	□No
	b) If yes, why?		
	Please tick the following —		
	i. Personal enmity	ii. Misco	mmunication
	iii. Advertisement	iv. Othe	rs
c)	How does the company address	the adverse publ	icity?
	Please tick the following —		
	i. Press briefing		
	ii. Sharing meeting with journ	alists & gatekee _l	pers
	iii. Field visit	iv. Othe	rs

13.	Do you out-source for media relations?
	□ Yes □ No
14.	a) Does your company take necessary measures to publish its achievements in media?
	□ Yes □ No
	b) How is it done?
	a. Press release b. Press conference c. Press tours d. Others
15.	W hat type of stories of your company get media coverage?
	Please tick the following —
	a) Business performance
	b) CSR activities
	c) AGM news
	d) Factory accident
	e) Others
16.	Does the company try to get media coverage of its CSR activities?
17.	Do you think the coverage helps the company?
18.	Do you think the journalists you interact with are adequately qualified to report on labour standards and CSR activities?
	1 2 3 4 5 (range indicates from 'minimum' to 'good enough')
19.	If not, what will be measures to improve the situation?
	Please tick the following —
	a. Organise training for the reporters
	b. Field visit
	c. Others
20.	Do you think personal contact is a factor to get good media coverage?
	1 2 3 4 5 (range indicates from 'minimum' to 'good enough')
21.	W ho are the contacts?
	Please tick the following — a. Editor
	b. News editor c. Chief reporter
	d. Business editor e.Reporter
	f. Advertisement people g. Others

22.	. Is advertisement a good tool to get positive media coverage?
	1 2 3 4 5 (range indicates from 'minimum' to 'good enough')
23.	Do you think the newspapers publish information about your company correctly?
	1 2 3 4 5 (range indicates from 'minimum' to 'good enough')
24.	. If not, what will be the measures to get the information corrected?
	a. Regular interaction with media people
	b. Press briefing
	c. Field visit
	d. Others
25.	. Does the company disseminate A G M news?
	 a) Do the government agencies visit the factory regularly?
	b) Do you have to pay money to the agencies to get certificate?
	2. In your view what are the obstacles to corporate governance
	A C
	D
	F. Others
1.	a) Do the government agencies visit the factory regularly?
	□Yes □No
	b) Do you have to pay money to the agencies to get certificate?
	□Yes □No
2	In your view what are the obstacles to corporate governance
۷.	·
	A B C.
	D E,

ANNEX-8



Dear Respondent,

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<mark>মাবুথের ডাব্র)</mark> manusher jonno

promoting human rights and good governance

Bridging Corporate Sector and Media in Promoting Good Governance

A Project implemented by
Management and Resources Development Initiative (MRDI)
Supported by: Manusher Jonno Foundation

QUESTIONNAIRE

1.	How much importance does your newspaper give to business reports?				
	i.Very little	ii. Below average			
	iii. Average	iv. Over average			
	v. Enough				
2.	How well does your newspaper cover of	corporate news ?			
	i. Poorly	ii. Not so well			
	iii. Moderately well	iv. Good			
	v. Good enough				
3.	a) How many business reporters do you have ? (Specify number)				
	b) Is the number adequate ?				
4.	W hat in your view are the main obsta	cles to covering business news in your paper ?			
	(Specify obstacles. If required, use extra sheet to answer, mentioning the question				
	number):				

5.	How much importance does your paper attach to CSR, labour standards, corporate governance?					
	i.Very little	ii. Below average	iii. Average	iv. Over average	v. Enough	
6.	a) Do your r	eporters, sub-editor	s get training	on these issues?		
			□Yes	□No		
	b) How ofte	n ?				
	i. Every 6	months i	ii. Every year	iii. Eve	ery 2 years	
	iv. No speci	fic time v.	Don't know			
7.	Do your rep	orters need training	for capacity	building?		
			□Yes	□No		
8.	W hat type o	of training do they r	need ?			
	i. In House	ii. Outside / I	nstitutional	iii. Field-Le	vel	
	iv. Basic	v. Mid- Level		vi. Advanced		
	vii.Other, S _l	pecify:				
9.	Do you think	your newspaper sh	ould allocate	more space for bus	siness /corporate news ?	
			□Yes	□No		
10.	Does your ne	ewspaper print analy	ysis on corpor	ate results / audits	?	
	If not, why?	•				
	(Specify reas	ons. If required, use	extra sheet to	answer, mentionin	g the question number)	
11.	Are the advert	isements influencin	g news ?			
			□Yes	□No		
12.	Do business in	nterests of the news	paper owners	influence news?		
			□Yes	□No		
13.	Do gatekeeper	rs' personal connect	ions hamper i	news coverage?		
			□Yes	□No		

14.	Is the management reluctant to reci	ruit more busin	ess reporters ?
		□Yes	□No
15.	Do the reporters and gatekeepers ha	ave self-censors	hip?
		□Yes	□No
16.	Does your paper have separate busin	ness page ?	
		□Yes	□No
17.	Does the PR news influence the bus	siness page ?	
		□Yes	□No
18.	Do the reporters consider CSR, labo	our standards a	nd good governance important ?
		□Yes	□No
19.	Do the reporters have sound unders good governance?	tanding about	CSR, labour standards and
		□Yes	□No
20.	How much access do the reporters h	nave to corpora	ite news ?
	i. Very bad ii. Not enough	iii. Moderate	ely well
	iv. Good v. Good enough		
21.	iv. Good v. Good enough Do advertorial / sponsorships affect	objective new	rs coverages ?
21.	3	objective new □Yes	rs coverages ? □ No
21.	3	□Yes	□No
	Do advertorial / sponsorships affect	□Yes	□No
	Do advertorial / sponsorships affect	□ Yes oblem in publi: □ Yes	□ No shing corporate opinions? □ No
22.	Do advertorial / sponsorships affect Do the assistant editors face any pr	□ Yes oblem in publi: □ Yes	□ No shing corporate opinions? □ No
22.	Do advertorial / sponsorships affect Do the assistant editors face any pr	□ Yes oblem in public □ Yes objective news □ Yes n industries or	□ No shing corporate opinions? □ No coverage? □ No fellowships managed by any
22.	Do advertorial / sponsorships affect Do the assistant editors face any pr Do advertorial/sponsorships affect of a) A re any arranged visits to certain	□ Yes oblem in public □ Yes objective news □ Yes n industries or	□ No shing corporate opinions? □ No coverage? □ No fellowships managed by any
22.23.24.	Do advertorial / sponsorships affect Do the assistant editors face any pr Do advertorial/sponsorships affect of a) A re any arranged visits to certain	□ Yes oblem in publicular □ Yes objective news □ Yes n industries or house affecting □ Yes	□ No shing corporate opinions? □ No coverage? □ No fellowships managed by any g the objective news coverage? □ No
22.23.24.	Do advertorial / sponsorships affect Do the assistant editors face any pr Do advertorial/sponsorships affect of a) A re any arranged visits to certain organisation other than the media	□ Yes oblem in publicular □ Yes objective news □ Yes n industries or house affecting □ Yes	□ No shing corporate opinions? □ No coverage? □ No fellowships managed by any g the objective news coverage? □ No
22.23.24.	Do advertorial / sponsorships affect Do the assistant editors face any pr Do advertorial/sponsorships affect of a) A re any arranged visits to certain organisation other than the media	□ Yes oblem in publicular □ Yes objective news □ Yes n industries or house affecting □ Yes	□ No shing corporate opinions? □ No coverage? □ No fellowships managed by any g the objective news coverage? □ No

Participant List

Roundtables, Workshops and National Forum

1ST ROUNDTABLE ON CORPORATE GOVERNANCE AND MEDIA

28 September 2005, Hotel Sheraton, Dhaka

Matiur Rahman

Editor

The Daily Prathom Alo

Mahfuz Anam

Editor

The Daily Star

Moazzem Hossain

Editor

The Financial Express

Bazlur Rahman

Editor

The Daily Sangbad

Shawkat Mahmood

General Secretary

National Press Club

Syed Ishtiaque Reza

News Editor

ATN Bangla

Inam Ahmed

News Editor

The Daily Star

Shamim A. Zahedy

Business Desk In-charge

The Daily Star

Shawkat Hossain Masum

Business Editor

The Prothom Alo

Annisul Hug

President

Bangladesh Garment Manufacturers and Exporters Association (BGMEA)

Md. Fazlul Hoque

President

Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA)

Engr. M. Abu Taher

Managing Director

Fortuna Group

Iftekher Rashid

Director

Lalmai Footwear Ind. Ltd.

M. A. Helal Choudhury

General Manager

Phoenix Leather Complex

Md. Ruhul Amin Molla

Distribution Manager

BATA Shoe Co. (Bangladesh) Ltd.

SAMM Nuruddin

Managing Director

Kid Leather Industry Ltd.

M. Anis Ud Dowla

Chairman

ACI Limited.

Shah Mohammad Ibrahim

Head, HR

Novartis (Bangladesh) Ltd.

Rasna Hasan

Manager, Corporate Affairs

Novartis (Bangladesh) Ltd.

Hasibur Rahman

Executive Director

MRDI

Md. Sazzad Hossain

Head, Programme & Communications MRDI

2ND ROUNDTABLE ON CORPORATE GOVERNANCE AND MEDIA

1 October 2005, Hotel Sheraton, Dhaka

Mohiuddin Babar Communication Manager Lafarge Surma Cement Ltd.

> Moazzem Hossain Editor The Financial Express

Shyamal Dutta A cting Editor The Daily Bhorer Kagoj

Shawkat Hossain Masum Business page editor Daily Prothom Alo

> Shamim A. Zahedy Business Desk In-charge The Daily Star

> > Sunil Kanti Dey The Daily Sangbad

Muhammad Zakaria The Daily Naya Diganta

Mahmud H asan Staff R eporter The Daily A jker Kagoj

N asir A. Choudhury Managing Director Green Delta Ins. Co. Ltd.

M. A. Mamun Hashmee DGM, Head of External Relations Grameen Phone Dewan Sultan Ahmed Vice President Federation of Bangladesh Chamber of Commerce and Industry (FBCCI)

A K M Nawsherul Alam Acting Secretary Dhaka Chamber of Commerce and Industry (DCCI)

N essar Maksud K han Director Dhaka C hamber of C ommerce and Industry (DCCI)

Mahbubur Rahman A ssistant Director of Marketing Dhaka Sheraton Hotel

Jamal U ddin A hmad, FC A
Former Deputy Prime Minister, Government
of Bangladesh and
Managing Director
Jaroms Industries Ltd.

Mong Thowai Chy' Executive Director Green Hill

H asibur R ahman Executive Director MRDI

Md. Sazzad Hossain Head, Programme and Communications MRDI

3RD ROUNDTABLE ON CORPORATE GOVERNANCE AND MEDIA

17 November 2005, Hotel Agrabad, Chittagong

Saifuzzaman Chowdhury President Chittagong Chamber of Commerce and Industries (C.C.C.I)

M.A. Latif Vice President C.C.C. and Director Shadharan Bima Corporation

> Mansoor Ahmad Finance Manager Chittagong Stock Exchange

A K M B elayet H ussain Deputy Managing Director Purabi G eneral Insurance Co. Ltd.

Ekramul Hoque Senior Assistant Vice President Dhaka Bank

> Mohammed Roshangir Executive Vice President Bank Asia

Md. Manjurul A lam C howdhury CEO, MD. & Brother's and Secretary G eneral Fruits Merchant A ssociation C hittagong

> A I-H aj R afique A hamed Executive Director, Mamata Ex. G overnor Lion Dist. 315-B4 Sayedul A Iam C howdhury

Sr. Executive Officer
Baizid Steel Industries Ltd.
Palash Chowdhury
Coordinator (Finance)
Young Power in Social Action (YPSA)

Md. H arun Programme Officer Young Power in Social Action (YPSA)

> A ZM T abarukullah A dvisor, Industrial Relations BGMEA

Dr. Md. Pervez Shazzad Akter Chairman Bangladesh Shipping Agents Association and Port Usurers Forum

T areck A nis A hmed Bangladesh Shipping A gents A ssociation

Sk. Ali Haider Finance and Business Reporter Suprobhat Bangladesh

K amarudding A hmed Director Fish Preservers Ltd.

Md. Osman Gani Chowdhury
Secretary and CEO
Chittagong Chamber of Commerce and
Industries

A K M G olam Sarwar Director Overseas C orporate

T amal C howdhury A cting News In-charge The Daily Life

Kalim Sarwar General Secretary Chittagong Press Club Chittagong

H asibur R ahman Executive Director MRDI

Moazzem Hossain Editor The Financial Express

A nurup T itu Photographer Suprobhat Bangladesh

Md. Sazzad H ossain Head, Programme and Communications MRDI

1ST WORKSHOP ON CORPORATE GOVERNANCE AND MEDIA

21 January 2006, Hotel Sheraton, Dhaka

Moazzem Hossain Editor The Financial Express

R ashed C howdhury Editor BD N ews 24

> R eaz A hmad Chief Reporter The Daily Star

Shaukat Mahmood General Secretary National Press Club

Md. Jasim U ddin K han Staff R eporter The Daily Star

> Monzur Ahmed Senior Reporter The Prothom Alo

Shamim A . Zahedy In-charge, Business page The Daily Star

Zillul H ye R azi T rade Officer Delegation of the European Commission to Bangladesh

> M. Emamul Haque Head, Advocacy Unit World Food Programme

Jenefa Jabbar Compliance Consultant Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Iftaker Rashid Director Lalmai Footwear Ind. Ltd.

H asibur R ahman Executive Director MRDI

SAMM Nuruddin Managing Director Kid Leather Industry Ltd.

M. A zizul H uq Managing Director GlaxoSmithKline Bangladesh Ltd.

Md. Sazzad Hossain Head, Programme and Communications MRDI

Mohammad H atem Proprietor M B Knit fashion and Former Vice President, BKMEA

Md. Shahidul Islam Managing Director Rupa Group and Director, BG MEA

Md. R ashedul K arim Munna Managing Director C reation Pvt. Ltd.

Jabed H asan Director Tophim BD Ltd.

2ND WORKSHOP ON CORPORATE GOVERNANCE AND MEDIA

24 January 2006, Hotel Agrabad, Chittagong

S. M A bu T ayyab First Vice-president BGMEA

> M. A. Alim Advisor

Bangladesh Shipping Agents' Association

K azi Motaher U dding Manager (Marketing) Mustafa G roup

Mansoor Ahmad Finance Manager Chittagong Stock Exchange

> T areck A nis A hmed C hairman Port U surers Forum

Mohd. A slam C howdhury C hief Executive Officer R oyal C ement Ltd.

> Guitar K. Kanungo Assistant Vice President South East Bank

A K M G olam Sarwar Executive Director M/S. Moon International Ltd.

> Md. Shahadat Hossain Proprietor M/S. S. B. Trading

A. K. M. Belayet Hossain Deputy Managing Director Purabi General Insurance Co. Ltd.

> A Z M T abarakullah A dvisor, Industrial Relations BGMEA

> > Moazzem Hossain Editor The Financial Express

A bu Sufian President Chittagong Press Club K alim Sarwar General Secretary Chittagong Press Club

H asibur R ahman Executive Director MRDI

Md. Sazzad H ossain Head, Programme and Communications MRDI

M. Nasirul Haque Chief Reporter Daily Suprobhat Bangladesh

Samir Bhattacharia News Editor The Daily Azadi

Jashim C howdhury Sabu Special C orrespondent and Bureau C hief The Daily Jugantor

Mamun A bdullah Head of Reporting The Prothom A lo

Sk. Ali Haider Business and Economic Reporter Suprobhat Bangladesh

A bu T aher Muhammad A cting News Editor The Daily Purbakone

T amal C howdhury A cting News In-charge The Daily Life

Fakhrul A lam C hittagong Bureau C hief The Financial Express

K horshedul A lam Shamim C hittagong Bureau C hief Daily A rthokotha

Nipul K. Dey Staff Photographer Daily Suprobhat Bangladesh

3RD WORKSHOP ON CORPORATE GOVERNANCE AND MEDIA

28 January 2006, Hotel Sheraton, Dhaka

K hondker Fazle R ashid Deputy Managing Director Dhaka Bank Limited

A bul Munim K han Senior Vice-president Head of Marketing and Development Division Dutch-Bangla Bank Limited

> Md. Rashedul Hasan PR Executive (Corporate Affairs) AKTEL

> > N asir A. Choudhury Managing Director Green Delta Ins. Co. Ltd.

Md. Bakhteyer Hossain Assistant vice president and Head of foreign trade Mutual Trust bank limited

> Sadat Hossain Salim Managing Director A nwar landmark Ltd. Dhaka

Mohd. Sanaullah Company Secretary and Corporate Affairs Manager. Singer Bangladesh Itd. N essar Maksud K han Director, DCCI and Director, Bengal Fine C eramics Ltd.

Dewan Sultan Ahmed Vice-president Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)

Mustak Hossain Manager (Corporate Affairs) Ranks Telecom Ltd.

A K M N awsherul A lam Secretary Dhaka C hamber of C ommerce and I ndustry (DCCI)

Syed Yamin Bakht General Manager Grameen Phone, Information Dept.

M. I qbal A hmed R esearch A ssociate U nnayan Onneshan-T he Innovators

M. Emamul Haque Head, Advocacy Unit WFP, Dhaka

Moazzem Hossain Editor The Financial Express H asibur R ahman Executive Director MR DI

Farid Hossain Bureau Chief AP (News Agency)

Syed I shtiaque R eza Chief N ews Editor RTV

Sukanta Gupta Alak News Editor Daily Bhorer Kagoj

> Pranab Saha Chief Reporter Prothom A lo

Shawkat Hossain Masum
Business Editor
The Prothom Alo

N azrul I slam Chief C orrespondent The Daily New A ge

Shamim A . Zahedy In-charge, Business Page The Daily Star Monjur Mahmud Staff Reporter The Daily Star

Shaikh Nazrul Islam Sr. Reporter NTV

H asan H afizur R ahman C ameraman NTV

A siqul H uq Reporter The Financial Express

Mir Mostafizur Rahman Chief Reporter The Independent

M.M. Zaman Reporter MNSD

Lopa Rahman Senior Research Fellow and Project Coordinator Bangladesh Enterprise Institute

Md. Sazzad Hossain Head, Programme and Communications MRDI

NATIONAL FORUM ON CORPORATE GOVERNANCE AND MEDIA

6 May 2006, Hotel Sheraton, Dhaka

Moazzem Hossain Editor The Financial Express

Mr Syed Fahim Munaim

Managing Editor

The Daily Star

Jennefa Jabbar

C ompliance C onsultant Bangladesh G arment Manufacturers and Exporters A ssociation (BGMEA)

> Shaukat Mahmood General Secretary National Press Club

Zillul H ye R azi T rade A dviser Delegation of the European C ommission to Bangladesh

Monjurul A hsan Bulbul Executive Editor The Daily Sangbad

> R ashid un N abi B abu Executive Editor Daily A mar Desh

> > Farid Hossain Bureau Chief A P

Samson H. Chowdhury Chairman Square Pharmaceuticals Ltd.

N asir A. Choudhury Managing Director and CEO Green Delta Ins. Co. Ltd.

Dewan Sultan Ahmed Vice-president Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) Md. Rashedul Karim Munna Managing Director Creation Pvt. Ltd.

R okia A fzal R ahman President W omen Entrepreneurs' A ssociation of Bangladesh (W EA B)

H asibur R ahman Executive Director MRDI

Shawkat Hossain Masum Business Editor Prothom A lo

Md. Hossain Ali Economic Consultant DCCI

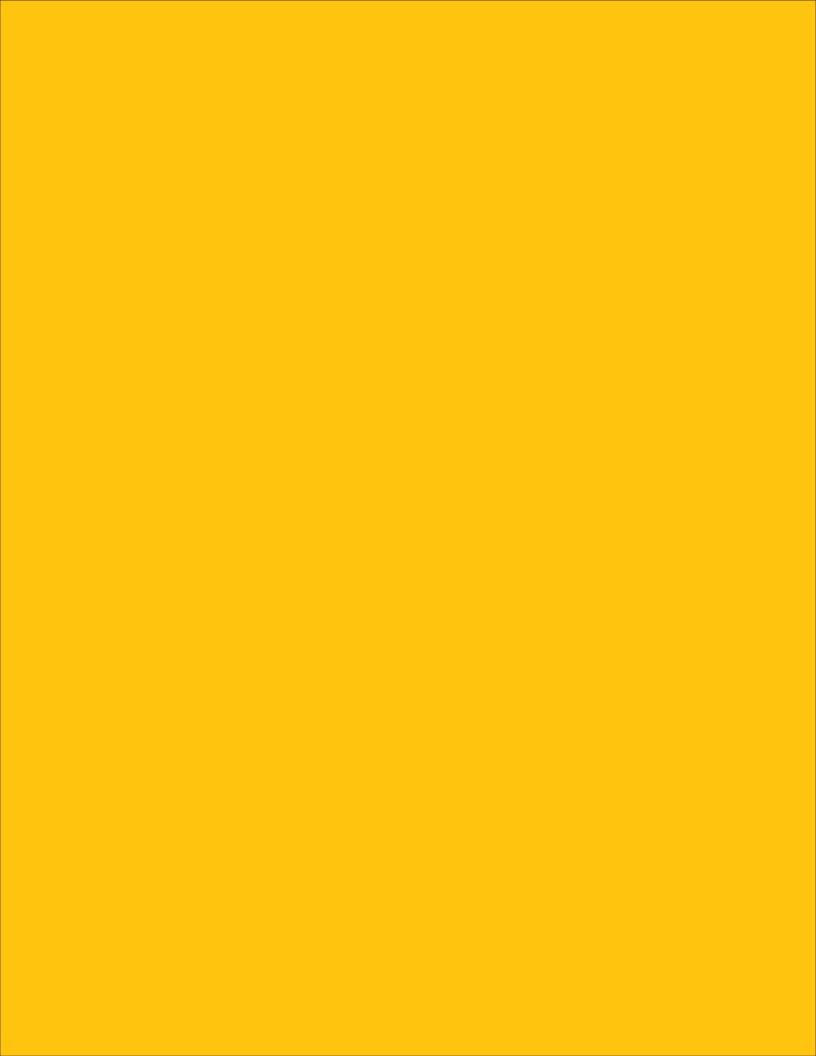
S M Morshed National Advocacy Expert CDMP/UNDP

Shamim A. Zahedy In-charge, Business Desk The Daily Star

Mahmuda Haque Choudhury Advisor, WEAB And Former Ambassador

G olam T ahaboor Managing Editor The Independent

M d. Sazzad H ossain H ead, Programme and C ommunications MRDI



Governance has been a perennial problem in Bangladesh both in public and private sectors. Against this backdrop, MRDI tries to present an in-depth analysis of the policies and operations of corporate houses in the country and their sweet-and-sour relations with the media, which has a catalytic role in promoting good governance. The analysis aims at finding ways to promote good corporate governance in the country through strengthening the media's capability to understand corporate issues and helping the corporate houses to develop their media relations.

Management and Resources Development Initiative (MRDI)

2/9 Sir Syed Road (3rd Floor), Block-A, Mohammadpur, Dhaka-1207 Phone: +880-2-9134717, +880-2-9137147 Fax: +880-2-9134717 Ext- 111 Email: info@mrdibd.org_bmrdi@yahoo.com

Email: info@mrdibd.org bmrdi@yahoo.com www.mrdibd.org ISBN: 984-300-00045-5