
Preface

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Biographical notes: Anisul M. Islam obtained his PhD in Economics from the University of Alberta, Canada, in 1985. He has been serving as a full-time tenured faculty member in the rank of full Professor of Economics at the University of Houston-Downtown since 1990. He also serves as Coordinator of Economics and International Business degree programs at the university and as the faculty advisor of the International Business Association, which he founded. In the professional area, he has served as Chapter Chair of the Academy of International Business – US Southwest Chapter, President of the Southwestern Society of Economists and as a member of Board of Directors of the Federation of Business Disciplines. His field of expertise and research interests are in the area of international economics, international finance, economic development and industrial organisation. He has published several books, a number of book chapters, and many peer-reviewed journal articles in academic journals in the USA and abroad. He has received many awards internally at the university and externally outside of the University for excellence in teaching, scholarship, and professional activities and engagements. He also serves as reviewer and editorial board member and Editor-in-Chief of a number of professional and academic journals in the USA and abroad.

It has been a great honour for me to serve as guest editor of the special issue of the esteemed peer-reviewed Scopus indexed and Cabell's Directory listed journal, *Journal of Global Business Advancement*. This journal is sponsored by the Academy of Global Business Advancement (AGBA). I am very thankful to the founder and CEO of AGBA, Professor Dr. Zafar U. Ahmed, for two reasons: firstly to invite me to serve as Guest Editor of this special issue; and secondly, for selecting Bangladesh as the focus of this special issue, which is devoted to the theme of 'Frontiers of Business Research across Bangladesh'.

Bangladesh has come a long way since its political independence from Pakistan in 1971. The country was dubbed as the 'Basket Case' by Henry Kissinger, the then US Secretary of State under the Nixon Administration. Bangladesh is located in South Asia and is surrounded in almost all sides by India and a very small part in the North-East by Myanmar and the Bay of Bengal in the South. Bangladesh is a country with a large population (180 million) living in a very small land mass of only 54,000 square miles, thus being one of the most densely-populated countries in the world (after two island nations Singapore and Hong Kong). Furthermore, the country possesses very limited natural resources and is prone to many natural disasters. Despite these major

constraints, the country has managed to reach a moderately high rate of economic growth over the last decade, ranging between 4% and 7% per annum in real terms. This achievement was possible partly due to its policies to open up and integrate the economy with the rest of the world, and partly due to the hard work of its abundant low-wage labour force and the role played by a group of younger generation pioneering entrepreneurs who were willing to take the initiative and associated risks to engage with the rest of the world in the readymade garment industry.

Given the above context, this special issue consists of six interesting and outstanding papers related to various topics on economic and business issues on Bangladesh. The following paragraphs would discuss a brief review of these papers included in this special issue.

The first paper, titled 'HRM practices, employee engagement, organisational commitment and work-related social support', was contributed by Aktar and Pangil. This paper discusses the relationship between human resource practices of business organisations and the employee engagement. The paper is timely for Bangladesh, and it deals with an interesting and important topic. It is to be noted here that this is only a conceptual paper, hence no empirical data or results are presented. Given that employee engagement is one of the dominant topics in human resource management literature, adequate attention has not been paid yet to provide clarity on this topic. The paper carefully reviews both qualitative and quantitative research on employee engagement to explore the manifestation of engagement and its predictors. The paper notes that the findings of previous studies have sometimes been unsystematic and inconsistent. It has also been found that there is confusion concerning the concept and overlaps between organisational commitment and engagement.

This study tries to fill these gaps in the academic literature with a conceptual model suggesting the mediating role of organisational commitment on the human resource management and employee engagement nexus. Moreover, this paper suggests the moderating role of work-related social support to buffer the relationship between organisational commitment and employee engagement. In addition, this study explains the relationships among the variables of this research framework, under the norms of social exchange theory, and gives guidance for future research. As the paper is just conceptual in nature with no empirical evidence provided, it opens up the avenue for other researchers to fill the gap and work on empirical testing of the conceptual framework developed in this paper.

The title of the second paper is 'The impact of the microcredit interest rate on capital creation in Bangladesh', and it was written by Prince, Patel, Borman and Al-Fazari. As is well known in the field of microcredit finance all over the world, the Nobel Laureate Dr. Muhammad Yunus pioneered the concept of microcredit and introduced it in Bangladesh, and the concept now has spread across the world. Many studies have been done on the topic of microcredit, particularly related to employment and income generation and poverty alleviation. Unlike other studies, this paper takes a different look to examine critically the role of microcredit interest rate on business capital formation in Bangladesh. From that perspective, this is a very interesting and relevant paper to read.

It is well understood that capital creation is very important not only for business expansion but also for overall economic development of any developing and emerging economy such as Bangladesh. This study developed a conceptual framework on the relationship between microcredit interest rate and capital creation in Bangladesh.

A conceptual model was developed based on the theory of planned behaviour. The authors used primary data collected from a stratified random sample of 364 clients from a microfinance institution located in Lalmonirhat region of Bangladesh. The findings indicate that although microcredit generates capital, the excessive interest rates charged by the microcredit organisations tend to inhibit the creation of capital to the desired level in Bangladesh. The research extends the existing literature by demonstrating that the interest rate mediates the relation between microcredit and its capital creation. The authors competently executed the empirical estimation. Interpretation of the results was done well. The paper is an important and interesting read. However, more replication of the study would be useful to further verify the results.

The third paper, titled 'Determinants of intellectual capital disclosure of financial institutions in an emerging economy', was contributed by Mamun, Aktar and Safiuddin. The paper deals with a very interesting business topic on Bangladesh. Intellectual capital plays a critical role in enhancing the competitive advantage of a business organisation. At the same time, the timely disclosure of such information to investors and stakeholders can increase competitive strength and reduce the asymmetric information problems. Given this background, this paper examines the determinants of intellectual capital disclosures of financial institutions in an emerging economy, namely Bangladesh. The study develops an intellectual capital disclosure index based on the disclosure of intellectual capital information in the annual reports of 53 listed financial institutions in the country. The study applies both parametric and non-parametric tests to examine the relationship of different company characteristics with the intellectual capital index.

The empirical test results suggest that profitability and riskiness of firms are important determinants of intellectual capital disclosures. These findings should be useful for regulators and company policy-makers to formulate appropriate strategy to create intellectual capital and disseminate the information about intellectual capital, which in turn, may increase the competitive strength of financial institutions and reduce the information asymmetry problems. Results of this study also contribute to the conceptual understanding of intellectual capital reporting by highlighting the lack of comprehensive use of agency theory in explaining the relationship between different company characteristics and intellectual capital disclosure in the context of financial institutions of Bangladesh. The study is very interesting and timely for Bangladesh. It would also be beneficial to the country if more studies of this nature were done for other industries beyond the financial industry.

The fourth paper in this special edition was written by Wahid and Prince. The title is 'High performance work systems and employee performance: the moderating and mediating role of power distance'. The role and importance of national culture in business decision making and business performance was pioneered by Geert Hofstede. Among five original measures of cultural dimension that Hofstede proposed, an important one is power distance. This paper focuses on examining the moderating and mediating role of power distance in understanding the relationship between high performance work systems (HPWS) and employee performance. The study is focused on examining this relationship in the context of Bangladesh.

It is evident that cultural differences between countries may increase or decrease the relationship between HPWS and employee performance. In line with this, the present research aims to discover the impact that HPWS has on employees' performance.

The study has developed a conceptual model based on a literature review and the knowledge gap identified. The model was tested using structural equation modelling. The results indicated that HPWS has a positive impact on employees' performance in a non-Western context. In addition, the findings indicated that power distance mediates and moderates the relationship between HPWS and employee performance. In light of the above evidence, the researchers raise the alarming issue of 'brain drain' regarding the Bangladeshi context. The paper makes a very important contribution in understanding employee performance in the context of Bangladesh.

The next paper, titled 'An exploration of the Halal food export potential for Bangladesh' was contributed by Kabir and Ali. This paper is written on a very interesting and timely topic, i.e., on the evolving global Halal food market and the potential of Bangladesh to increase its exports to this growing market. With about two billion Muslim population in the world spreading in many countries, there is a growing market for Halal food in these markets. Since there is not much literature on this topic for Bangladesh, it is a very timely topic and will add value to the trade literature of the country.

This paper conducts some empirical estimation of the trade potential of the country in the global Halal food market using commodity-specific time-series data from the UNComtrade database. The paper examines Bangladesh's export potential for 21 major food/food related commodities using FAOSTAT published trade data from 2000 to 2016. It reports that Bangladesh has high potential for export expansion to the global Halal food market for 11 commodities. This paper concludes with contributions to the literature, policy guidelines for enhancing Halal food export from Bangladesh to these markets and future directions for further research.

The last paper in this special issue is titled 'Globalisation, foreign demand, real exchange rate and Bangladesh exports: some empirical tests', was written by Islam. The topic of this paper falls in the international economics subject area, focusing on estimating an aggregate export demand function for Bangladesh. The paper uses the longest available annual time-series data from 1972 to 2017 on aggregate exports and other variables used in the study. The study examined the time-series properties of the data and found that the variables are generally non-stationary. Hence the paper applied the Johansen-Juselius multivariate cointegration analysis to estimate the long-run export demand function. The cointegration tests and the associated short-run dynamic analysis confirmed the existence of a long-run cointegration relationship among the variables: real exports, foreign demand, real effective exchange rate and the degree of globalisation. The estimated model was found to be stable with an estimated speed of adjustment of about 18% per year to return to equilibrium in case of any unexpected external shocks to the system.

The estimated results clearly show the dominant and positive role of foreign demand and the country's global integration on its export performance. However, the real effective exchange rate variable displayed results that were not consistent with the traditional hypothesis for the emerging economy of Bangladesh. The paper discussed some policy implications of the estimated results. Based on the empirical results, the paper suggested that the policy-makers and business organisations need to be less concerned about any gradual exchange rate appreciation unless it appreciates very rapidly. Rather, they should focus their attention and efforts on better integration of the economy with the rest of the world through further internal and external policy reforms, and put extra efforts to explore more foreign markets through trade missions, diplomatic efforts, and mutual trade agreements, and increase export capacity internally. Internally,

export capacity can be improved through physical and technological infrastructure improvement, diversification of export products, among others. Taxes and subsidies can also be used more effectively and in a targeted way to encourage exports. All these efforts are expected to make more effective contributions to the country's export performance on the global stage. However, the paper cautions that more empirical studies on exports, incorporating additional variables along with the use of disaggregated data, would be helpful to reconfirm the results.