



Evaluating Employee Fringe Benefits Provided by the Entrepreneurs in BSCIC Industrial Estates

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Abstract

Purpose: The objective of this study is to evaluate the fringe benefits provided by the entrepreneurs in BSCIC (Bangladesh Small and Cottage Industries Corporation) industrial estates in light of the relevant labor laws of Bangladesh. Research question: Fringe benefits are one of the major factors in compensation that play a vital role in employee satisfaction. However, the issue has yet to be taken into consideration in the industrial units. So, the question arises: what is the present condition of employee fringe benefits in industrial estates? **Research design, data, and methods:** To conduct this mixed-methods research, a total of 222 respondents were selected randomly from employees and entrepreneurs. Two sets of self-administered questionnaires and KIIs were used to collect primary data, while SPSS was used to analyze the data. **Major findings and conclusions:** The study shows that the conditions of leave and holidays do not comply with labor laws. Further, aspects of maternity leaves, disability/death benefits, retirement benefits, and other financial and non-financial benefits are found not to be at a satisfactory level and do not comply with the existing labor laws. However, the benefits relating to environmental issues are found to be satisfactory. It is expected that the study findings will contribute to the existing literature related to fringe benefits and will help stakeholders and policymakers in formulating and monitoring compensation packages.

Keywords: Fringe Benefits, Compensation, BSCIC Industrial Estates, Environment.

JEL Classification Code: I31, J31, M520, Q50

1. Introduction

Employee fringe benefits are some of the motivating factors that can ensure the optimum utilization of employees' expertise. Employee satisfaction largely depends on fringe benefits, which should not be ignored for the sake of organizational development. Fringe benefits are additional

rewards, usually not related to job performance that employees receive from their organizations for being members of the organization and for their position in the organization (Ali, 2009). Employee benefits for the time they are away from work are payments for time not worked, also known as supplemental pay benefits. It refers to the pay received while on leave for reasons such as maternity,

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paternity, illness, civic duty, lunch break, personal leave, etc. (Artz, 2010). Benefits are also specified as indirect forms of total compensation; they include paid time away from work, insurance and health protection, employee services, and retirement income (Milkovich & Boudreau, 2000). Often, companies can provide these protections to employees cheaper than employees can obtain them for themselves (Milkovich et al., 2009). Though, these benefits largely depend on various external factors like Government policies and regulations like The Bangladesh Labor Code 2006.

BSCIC is one of the leading government autonomous institutions in the industrial sector of Bangladesh. Its main objective is to develop the industrial sector in Bangladesh by facilitating land, loans, training, infrastructure, consultation, and other facilities for entrepreneurs. It has created 5.50 lakh employment opportunities, invested Tk. 19380.15 crore, and paid revenue to the government of Tk. 2650.34 crore (BSCIC, 2014-15) BSCIC has also provided the required facilities to build up 5,773 industrial units in 74 industrial estates (BSCIC, 2014-15). Industrial units in Rajshahi division have also created 43,385 employment opportunities and paid revenue to the government of Tk 114.63 crore (BSCIC Regional Office, Rajshahi, 2017). It is found that the overall contribution of the industrial estates of Rajshahi Division to the national economy is good enough. A good number of workers, including females, are engaged in this sector and contributing to the national economy.

Thus, these contributions keep a strong appeal to pay attention to the level of satisfaction of the employees, which may be possible by including the fringe benefits with the existing compensation packages. Moreover, the number of studies in the field of fringe benefits is very rare in Bangladesh. Especially, in the industrial units in BSCIC industrial estates, this kind of research has not yet been conducted. So, the question arises, what is the scenario of fringe benefit that prevails in the industrial units? And what are the latent underlying variables in the working environment? Therefore, the main objective of this study is to evaluate the employee fringe benefits provided by the entrepreneurs in BSCIC industrial estates in Rajshahi division in light of the relevant labor laws of Bangladesh. The specific objectives of this study are to: assess the condition of leaves and holidays; investigate the scenario of allowances, incentives, and other financial and non-financial benefits; find out the nature of disability, death, and pension plans; reveal the nature of the working environment; and extract the most influencing latent factors of the working environment of the industrial units in industrial estates. Meanwhile, the null hypothesis in this respect is that there are no latent underlying variables and that all of the variables measuring the working environment have equal loads.

2. Literature Review

Fringe benefits help protect employees from the financial risks inherent in daily life. These include pay for time not worked, disability and death benefits, allowances, leaves, holidays, pension/retirement benefits, etc., which are very important to satisfy the employees working in an industry (Henderson, 2012). That is why employee fringe benefits should be considered in the present competitive business world for the betterment of employees. A study shows that fringe benefits may be a substitute for wages for wage earners as most of the benefits are tax exempt and can be available and cheaper than the market (Alpert, 1987).

Moreover, the employees also think that the fringe benefits can be a substitute for the main wages, and they are willing to receive more benefits in exchange for their basic pay (Woodbury, 1983). The employees also rate insurance (3), paid leave (4), and maternity leave (5) as the most important types of fringe benefits (Gurung & Choi, 2019). In addition, according to Nisar and Siddiqui (2019), payment for time not worked appears to be the most essential sort of fringe benefit when it comes to the level of employee satisfaction since it has a large positive impact on employee satisfaction. Employees are more at ease and less likely to get sidetracked from their obligations in their work lives the more paid time off they receive. Moreover, benefits that support a balance between work and family life are the most significant for employees (Galanaki, 2013). According to his research, work loyalty and organizational commitment are favorably connected with maternity, bereavement, and compassionate leaves. Additionally, Tarafdar et al. (2021) found that there is a significant correlation between fringe benefits like insurance and retirement benefits, paid leaves and holidays, and employee welfare benefits and employee loyalty.

But, in developing countries like Bangladesh, compensation is one of the important aspects of HRM, whereby the employees are low paid with little or no fringe benefits (Chowdhury, 2000). So, the question arises: to what extent do entrepreneurs provide fringe benefits in BSCIC industrial estates? This should be investigated, as the aforesaid situation may lead the employees to be dissatisfied with the industrial organizations, which can reduce employee performance to a notable extent. A study found that fringe benefits like medical insurance, yearly leaves, and overtime influence employee performance (Adeaze et al., 2018). In addition, fringe benefits can also influence the productivity, quality output, and efficiency of the employees (Somanath & Urs, 2018). Moreover, organizational assistance through fringe benefit policies can also assist in reducing turnover intentions among employees (Hu et al., 2022). The impact of fringe benefits on employees' mental health also varies depending on the location of the

organization. A study found that urban dwellers who are provided with a free lunch are less likely to experience depression. Likewise, rural residents who get food subsidies are also less prone to experience depression. On the other hand, employees in rural areas who receive housing assistance are more prone to experience depression, which is an atypical outcome (Luo et al., 2022).

On the other hand, the scenario of fringe benefits varies on the basis of the nature of the organization, the industrial sector, the nature of business, and organizational culture. A Study shows that the non-financial benefits of private sector enterprises are found to be better than those of public sector enterprises in Bangladesh (Absar et al., 2010). A study shows that the employees of public sector enterprises were highly dissatisfied with pay and benefits (Ali, 1989). Various allowances like housing, lunch, transportation, medical, etc. also play a vital role in employee satisfaction. A study shows that the employees of almost all foreign companies in China expect housing, transportation, and other allowances (Fong, 2004). Another study conducted in 24 small enterprises in Dhaka shows that 87.5% of the enterprises pay one or more types of allowances, whereas only 7% pay festival bonuses and 20% pay medical allowances (Rab, 1991).

Grameenphone and Robi provide their employees with some common benefits like health plans, group life insurance, and motorbikes for territory officers and long service awards, whereas Robi arranges some more benefits like childbirth gifts, soft furnishing allowances, marriage gifts, marriage loans, holiday allowances, meal allowances, accommodation allowances, and daily allowances for overseas travel (Reema & Islam, 2013). In a study conducted on the private sector of Bangladesh, it was found that 80% of the executives and 85% of the workers availed themselves of gratuities. This study also found some other benefits like tea allowance, medical cost reimbursement, group insurance, personal insurance, provident fund, profit participation, house maintenance, full time car with fuel cost and drivers' salary, pool car, lunch allowance, entertainment, utility, and co-product (Huda, 1998). Although these benefits do not always ensure employee satisfaction. Artz (2010) found in a study that fringe benefits may influence job satisfaction negatively if the employees think they are unnecessary because of what is currently available to them. In addition, another study conducted by Kulikowski and Sedlak (2020), found that pay, benefits, and incentives are not sufficiently supported by data to be correlated with employee work engagement.

BSCIC industrial estates have not been able to draw the attention of the researchers to a greater extent so far, despite having a noticeable contribution to the national economy through accelerating the industrialization process, creating a good number of employment opportunities, and creating

skilled manpower. A study has been conducted on BSCIC industrial estates in Rajshahi division emphasizing the marketing practices of small-scale industries, wherein the researcher discussed product, pricing, promotion, and distribution strategies (Shamsuddoha, 2000). Another study was carried out on the BSCIC initiatives for institutional support for the development of small-scale industries, whereas the researcher emphasized infrastructural development, skill development, credit programs, marketing assistance, and promotion and extension activities (Islam, 2006). A study was conducted on evaluating small and medium scale industrial development through industrial estates in different districts and divisions of Bangladesh (Latif & Islam, 2013). Another study was carried out revealing the capacity utilization of SMEs on selected BSCIC industrial estates in Sylhet Division (Latif et al., 2014).

The above literature survey shows that the fringe benefit issues have been taken into important consideration by many foreign organizations and researchers. But in Bangladesh, fringe benefit issues remain nearly insignificant for employee satisfaction. Moreover, the industries in BSCIC industrial estates are a mere virgin field of research in this respect. Therefore, this study is conducted with a view to filling this obvious research gap.

3. Research Methods

3.1. Research Approach, Sampling Area, and Sample Size Determination

This is a mixed methods study that is dominated by quantitative data and supplemented by qualitative data. So, a convergent research design is used in this study for data analysis and triangulation. The industrial estates of Rajshahi, Naogaon, and Bogura districts have been selected using simple random sampling (SRS) as the study area. For ensuring representativeness and generalization (statistical inferences) of the findings, a total of 222 respondents from 78 industrial units out of 399 were selected as a sample using SRS, whereby W.G. Cochran's sampling formula was used (Cochran, 1977).

3.2. Sources of Data and Data Collection Tools and Techniques

For primary data collection, respondents were surveyed during the years 2018-2019 with a self-administered questionnaire containing multiple choice, closed-ended, open-ended, and 5-point Likert scale questions (Likert, 1932). In the questionnaire, some of the questions (open or closed end) were for collecting demographic information; some

questions (multiple choice) were for collecting information about leaves, holidays, and allowances; and some questions (Likert scale) were for collecting disability/death benefit information and environmental issues. Questionnaires for employee data collection were distributed among 180 employees working in industrial estates. 156 of those questionnaires were returned, while 144 of the fully completed questionnaires were sorted out and entered into the SPSS software. Similarly, questionnaires for the entrepreneurs were distributed among the 120 entrepreneurs in the industrial units. 91 of the questionnaires were returned, while 78 fully completed questionnaires were sorted out and entered into the SPSS software for further analysis. Before the final survey, a pilot survey with 20 respondents was conducted, and the data was analyzed for necessary modifications before finalizing the survey questionnaire. Qualitative data was collected from four BSCIC officials as KIIs. Secondary data were collected from various reports, articles, journals, books, government gazettes, and rules and regulations.

3.3. Data Analysis Tools and Techniques

Frequency distribution tables, charts, and factor analysis have been used to represent the findings of the analyses. Primarily, the data had been analyzed with the help of SPSS

version 22 software. Afterward, the analyses related to the demographic characteristics and leaves and holidays were imported into MS Excel to build up the figures. On the contrary, the analyses dealing with allowances, disability/death benefits, and environmental issues were represented in accordance with the output of SPSS. Charts and tables showing the percentage of responses on allowances, disability/death compensation, welfare benefits, and working environment have been used as the descriptive statistical findings, while factor analysis has been used to find out the latent underlying variables measuring the working environment of the employees. The Bangladesh Labor Code 2006 has been emphasized as a benchmark for comparing and contrasting the results of the study. In addition, information from KIIs has been used to triangulate the discussion section.

3.4. Data Reliability, Normality and Validity

The collected data were analyzed to check for scale reliability. Analysis shows that Crobach's alpha value is 0.807, which means that the measurement scale is reliable. Furthermore, the scree plot shows that the data is normally distributed and fits the factor analysis for the variables measuring working environmental issues (Figure 1).

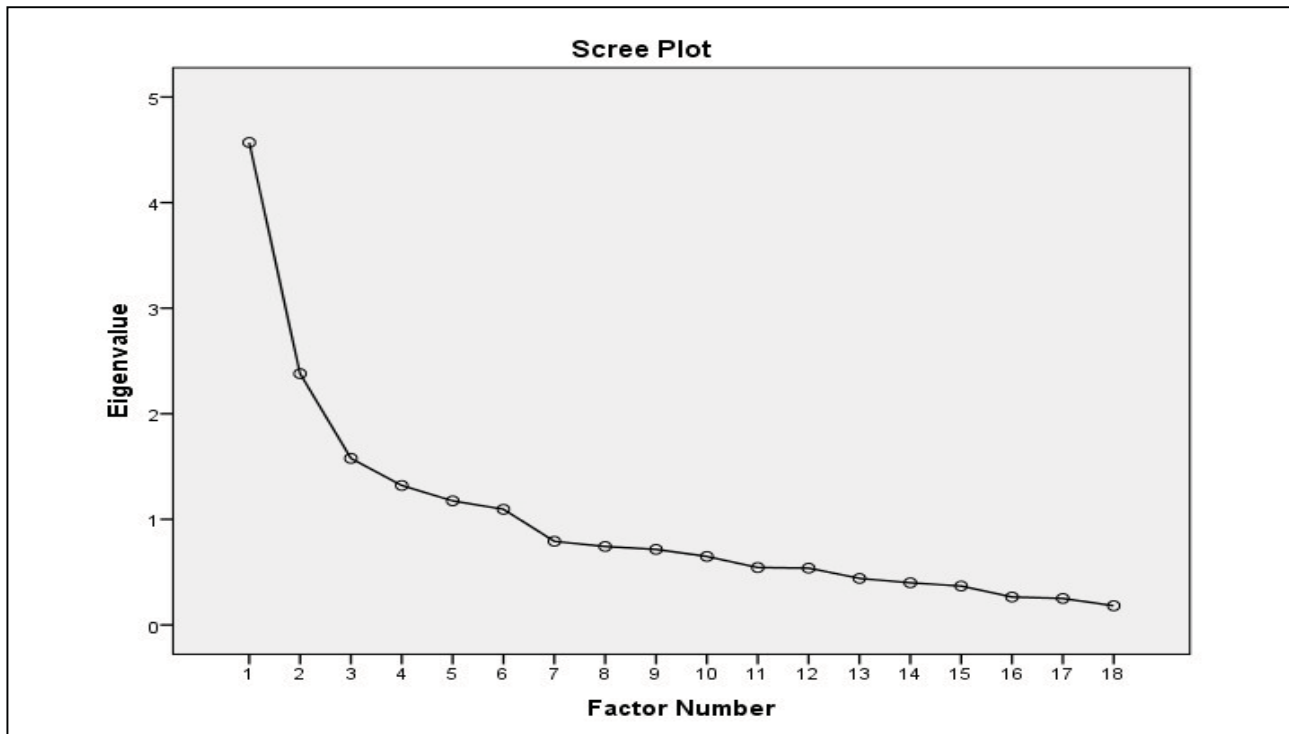


Figure 1: Scree plot

3.5. Demographic Characteristics

The sample characteristics of the study depict that 54.2% of the respondents are male and 45.8% are female. It is also observed that about half of the respondents (49.30%) are

between the ages of 18 and 25, while 30.6% are between the ages of 26-35. 90.3% of the respondents are married, while the rest are unmarried. In addition, 65.40 percent of the industries are small, while the rest are cottage and medium scale enterprises. The details of the sample characteristics are represented in Figure 2.

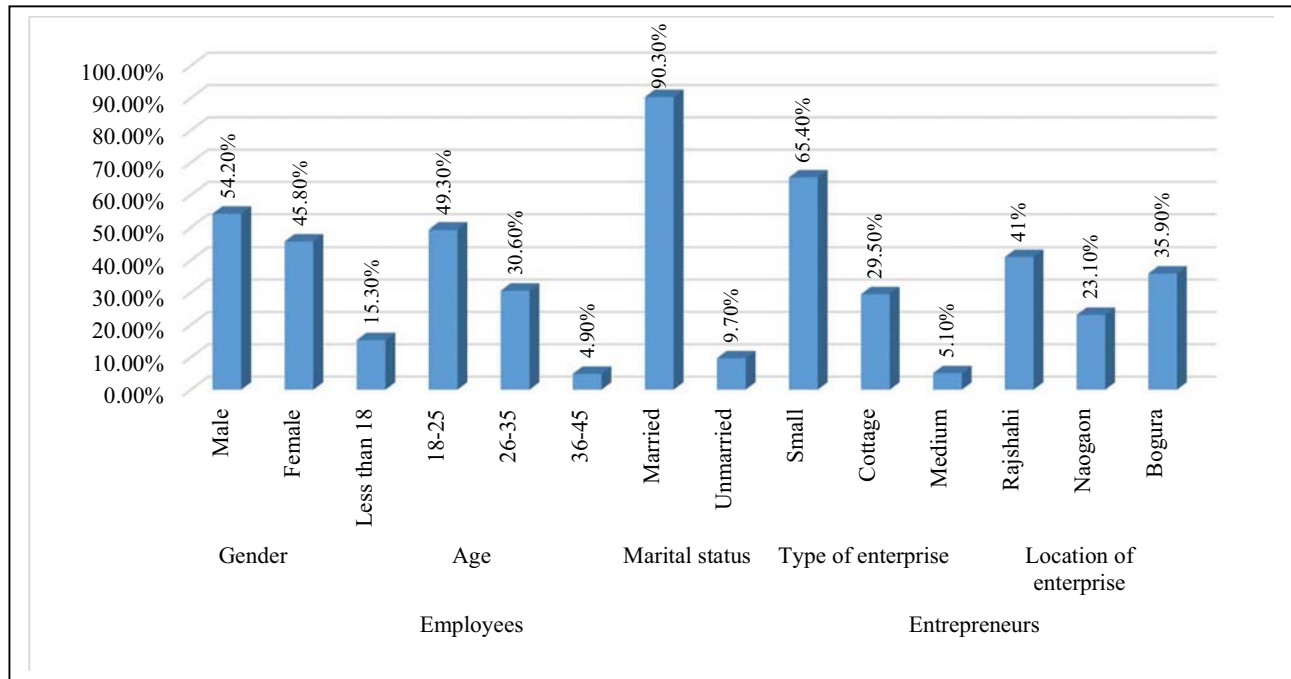


Figure 2: Demographic Characteristics of the Respondents

4. Results

4.1. Leaves and Holidays

This section depicts the scenario of leaves, the duration of maternity leaves, and yearly holidays. Figure 3 shows the scenario in detail. Analysis shows that only 24.3% of the employees avail themselves of yearly paid leaves, whereas 33.33% of the organizations allow yearly paid leaves. On the other hand, in the case of maternity leave, 38.9% of the employees admitted that female employees are facilitated with maternity leave, whereas 62.8% of the entrepreneurs agreed that they permit maternity leave. In the case of sick leave, 79.9% of the employees admitted that they avail sick leave, whereas 93.6% of the entrepreneurs admitted that they allow sick leave with pay.

On the other hand, employee data shows that 24.3% of respondents avail maternity leave with pay for a duration of

less than four months, 13.9% avail four months, 0.7% avail five months, and the rest (61.1%) didn't give any answer because the employees don't have maternity leave for any duration. However, in the organization data, it is found that maternity leave with pay for a duration of less than four months and four months is 42.3% and 20.5%, respectively, and the rest, 37.2% of the respondents, did not give an answer in this respect because of their ambiguous position regarding this issue.

It was found that 100% of the employees and entrepreneurs admitted that they have holidays during religious festivals. 30.6% of the employees get leave on Labor Day, and 35.9% of the entrepreneurs allow leave on the same day. Though the rest of the days like Victory Day, Independence Day, Bangla Nababarsha, etc. are not mentionable. Although 26.4% of the employees avail themselves of leaves and 29.5% of the entrepreneurs permit leaves for other purposes.

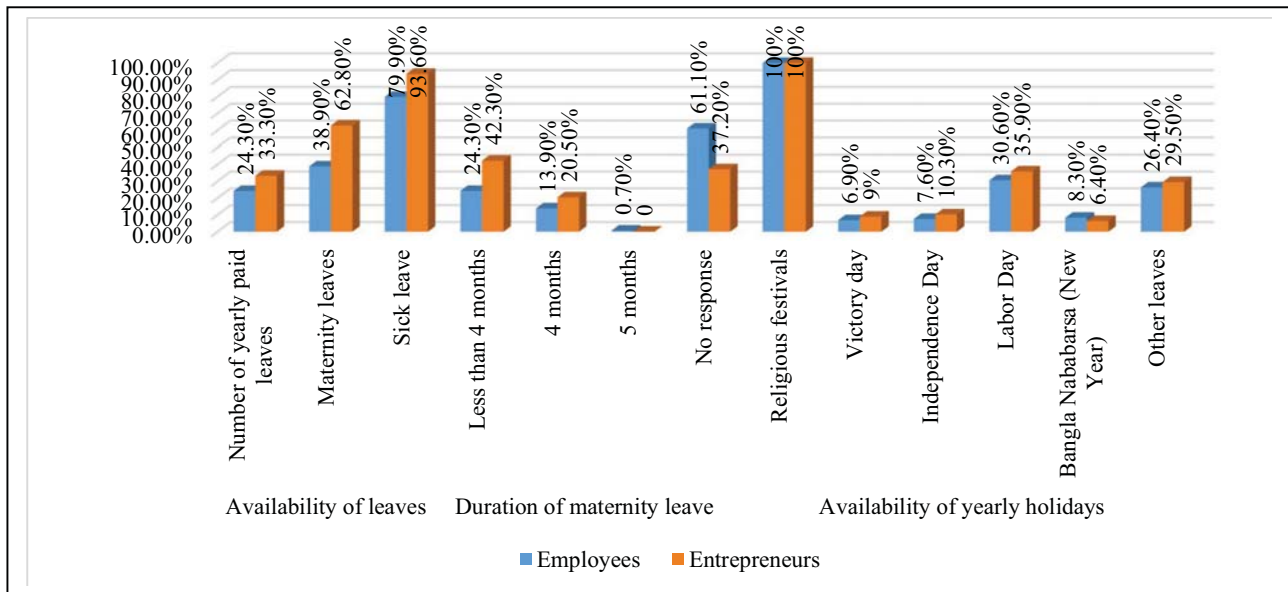


Figure 3: Scenario of Leaves, Duration of Maternity Leaves, and Yearly Holidays.

4.2. Allowances, Disability/Death and Pension Benefits, and Welfare Benefits

The result of the analyses shows that 32.6% of employees avail house rent, 62.5% get medical allowance, and 36.1% get other allowances, whereas 35.9% of entrepreneurs pay house rent, 57.7% pay medical allowance, and 32.1% pay other allowances with the base wage or salary.

In addition, in employee and enterprise data analysis, varying scenarios of disability, death, and pension premium are found. In the case of compensation for short term disability, lifetime disability, and death, the agreed and strongly agreed respondents were found to be 50%, 50.7%, and 56.2%, respectively, in the employee data. But in enterprise data, those are 59%, 51.3%, and 66.7%, respectively. That means the employees are given these fringe benefits in a small number of enterprises. The rest of the fringe benefits regarding disability, death, and pension premiums are not available in the enterprises. In most of the cases, disagreed and strongly disagreed respondents were found to be higher than agreed respondents.

In the case of pure drinking water, medical facilities, festival bonuses, prayer corners, and toilet facilities, most of the respondents from both data sets agreed or strongly agreed. Other facilities offered are demonstrated in Table 1.

Table 1: Allowances, Disability/Death and Pension Benefits, and Welfare Benefits

Particulars	Employees	Entrepreneurs
Allowances		
House Rent	32.6%	35.9%
TA (Travel Allowance)	21.5%	21.8%
Lunch Allowance	2.1%	1.3%
Medical Allowance	62.5%	57.7%
Other Allowances	36.1%	32.1%
Disability/death and Pension Benefits		
Compensate for Short-term Disability	50%	59%
Compensate for Lifetime Disability	50.7%	51.3%
Compensate for Death	56.2%	66.7%
Compensate for Unemployment	13.2%	0
Exist pension Premium Plan	6.9%	10.3%
Exist Death Benefits	9.7%	7.7%
Exist Health Care Payments	24.3%	37.2%
Exist Festival Bonus after Retirement	11.1%	11.5%
Exist Family Income Continuation	2.8%	2.6%
Welfare Benefits		
Available Canteen Facilities	36.8%	55.2%
Exist Child Care Centers	00	00
Available Pure Drinking Water	95.1%	98.7%
Medical Facilities are Available	64.6%	75.6%
Provides Transport Facilities	44.4%	42.3%
Incentive Bonus	23.6%	28.2%
Exist Festival Bonus	69.4%	79.5%
Provide Housing Facilities	16.7%	10.3%
Exist Place for Prayer	77.1%	79.5%
Toilet Facilities Available	100%	100%

Note: It contains 222 respondents from employees (144) and entrepreneurs (78).

Source: Analysis of field survey data, 2018-2019

4.3. Working Environment

On the frequency distribution (Table 2), the percentage of agreed and strongly agreed respondents on the variables found to be at an acceptable level also means that the working environment is good. On the other hand, in the case of entrepreneurs, it was also found that the majority of respondents agreed on a good working environment, and the percentage is also significant.

Table 2: Agreed and Strongly Agreed Responses on Working Environment

Particulars	Employees	Entrepreneurs
(WE1) Workplace is conducive to health	99.3%	98.7%
(WE2) Enough space for movement	100%	100%
(WE3) Enough ventilation	97.9%	100%
(WE4) Sufficient lighting	86.1%	97.4%
(WE5) Working place is clean and healthy	95.8%	96.2%
(WE6) Machine or instrument is updated	88.2%	89.7%
(WE7) Washing facilities	91.6%	92.3%
(WE8) Fire extinguisher	84%	74.4%
(WE9) Good relationships among the employees	95.1%	92.3%
(WE10) Cooperation among the employees	93.7%	96.2%
(WE11) Employer-employee relationship is good	92.4%	96.2%
(WE12) Temperature of workplace is at optimum level	75%	89.8%
(WE13) Noise level	63.9%	75.6%
(WE14) The workplace is smocking free	86.8%	80.8%
(WE15) Female employees do not face sexual harassment	92.3%	96.2%
(WE16) Dust and waste are cleaned regularly	100%	98.7%
(WE17) Preventive equipment is available	65.2%	75.6%
(WE18) Sufficient safety and security	80.5%	92.4%
The working environment is satisfactory	96.5%	98.7%

Source: Analysis of data collected from field survey, 2018-2019

4.3.1. Extraction of the Latent Underlying Factors of Working Environment

With a view to extracting the key factors of the variables underlying the working environment, factor analysis based on EFA (Exploratory Factor Analysis) using principal axis factoring is performed in this study. The table Communalities (Table 3) shows the initial and extraction communalities. Whereas the extraction communalities for a variable give the total amount of variance in that variable explained by all the factors. Here, 75.8% of the variances of

temperatures at the workplace are at the optimum level, which is explained by the extracted factors.

Table 3: Communalities

Particulars	Initial	Extraction
WE1	.551	.597
WE2	.479	.491
WE3	.435	.488
WE4	.538	.585
WE5	.483	.475
WE6	.296	.350
WE7	.200	.237
WE8	.349	.372
WE9	.425	.486
WE10	.472	.467
WE11	.391	.512
WE12	.648	.758
WE13	.652	.709
WE14	.305	.627
WE15	.218	.314
WE16	.510	.510
WE17	.443	.485
WE18	.516	.752

Extraction Method: Principal Axis Factoring

Table 4 summarizes the total variance explained by the FA (Factor Analysis-Principal Axis Factoring) solution. It also gives an indication about the useful factors, whereas the first part, titled Initial Eigenvalues, gives the variance explained by all the possible factors. The column Initial Eigenvalues has given the eigenvalues for all the possible factors in decreasing order. The column Extraction Sums of Squared Loadings has given the information for factors with eigenvalues greater than 1, as an Eigenvalue greater than 1 is considered to be a meaningful factor having more variance than a single variable. The FA solution found six factors having the initial eigenvalues more than 1 which are to be extracted as the six-factor solution. The column Cumulative percent depicts that the six extracted factors explain 51.2% of the variance whereas the cumulative initial eigenvalues explain 67.318% of the variance. The Scree Plot (see Figure 1) also suggested that a six-factor solution is enough to describe all of the variables.

The table Factor Loadings (Table 5) gives the factor loadings for each of the variables in each of the columns representing factors. All of the variables are listed according to the decreasing order of factor loadings for tracing the positions of the variables easily. It is to be noted that the factor loading less than 0.40 has been excluded from the analysis as a rule-of-thumb. There are some variables with high loadings on one or more than one factor in the factor matrix from which it is difficult to find out the expected six factors to be extracted.

Table 4: Total variance explained

Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.569	25.383	25.383	4.102	22.787	22.787	2.881	16.005	16.005
2	2.380	13.221	38.604	1.995	11.084	33.871	1.966	10.924	26.929
3	1.578	8.764	47.368	1.106	6.146	40.017	1.810	10.056	36.985
4	1.321	7.338	54.706	.847	4.708	44.725	.983	5.462	42.447
5	1.175	6.528	61.234	.613	3.405	48.130	.832	4.620	47.067
6	1.095	6.084	67.318	.553	3.070	51.199	.744	4.133	51.199
7	.792	4.398	71.716						
8	.742	4.125	75.841						
9	.715	3.974	79.815						
10	.648	3.601	83.416						
11	.544	3.021	86.437						
12	.537	2.986	89.423						
13	.441	2.447	91.870						
14	.399	2.217	94.087						
15	.368	2.046	96.132						
16	.264	1.468	97.600						
17	.251	1.393	98.993						
18	.181	1.007	100.000						

Extraction Method: Principal Axis Factoring.

Table 5: Factor Matrix

Particulars	Factor					
	1	2	3	4	5	6
WE2	.677					
WE1	.661					
WE5	.642					
WE4	.636					
WE10	.608					
WE18	.581		-.411			
WE9	.532			.421		
WE3	.532					
WE17	.475					
WE6	.411					
WE8						
WE12		-.762				
WE13	.412	-.682				
WE16	.460	.529				
WE11		.484	.430			
WE15						
WE14			-.472	.507		
WE7						

Note: Extraction Method: Principal Axis Factoring.

N.B. Factor loadings less than 0.40 are excluded from the analysis as a rule of thumb.

The Rotated Factor Matrix (Table 6) assisted us in reducing the difficulty whereby Varimax with the Kaiser Normalization rotation method has been used and the

variables corresponding to particular factors are obtained.

Table 6: Rotated Factor Matrix

	Factor					
	1	2	3	4	5	6
WE9	.657					
WE3	.612					
WE10	.587					
WE2	.562		.406			
WE4	.552					
WE5	.515					
WE1	.501					
WE16	.408					
WE6						
WE12		.854				
WE13		.794				
WE18			.782			
WE17			.650			
WE11				.586		
WE15				.557		
WE14					.772	
WE7						.477
WE8						

Note: Extraction Method: Principal Axis Factoring

Rotation Method: Varimax with Kaiser Normalization.

N.B. Factor loadings less than 0.40 are excluded from the analysis as a rule of thumb.

Thus, it is observed that the null hypothesis is rejected as there are some latent underlying factors in employees' working environments. The extracted latent underlying factors of the working environment are: i) the working environment; ii) heat and noise level; iii) safety and security; iv) relationships; v) smoking scenarios; and vi) washing facilities. These factors can be acceptable as the scale reliability analysis (see Figure 1) table has shown a Cronbach alpha value of 0.807, which validates the reliability of measuring the same underlying construct because a Cronbach alpha value above 0.70 can be used as a reasonable test of scale reliability.

5. Discussion

The analysis shows that, the scenario of yearly paid leaves does not match with the existing Bangladesh Labor Code 2006, whereby it is specified that,

Every adult worker who has completed a period of one-year continuous service in the establishment, shall be allowed, during the subsequent period of twelve month leave with full wages for a number of days at the rate of one day for every eighteen days of work (Halim & Rahman, 2016).

If it is summed up, it stands at 20 days per year for the type of establishment this study dealt with. The employees also take leaves on holidays like religious festivals (100%), Labor Day (30.6% and 35.9%). But other holidays like Victory Day, Independence Day, Bangla Nababarsha, etc. are not mentionable. Though, in the case of sick leave, the scenario is better (79.9% and 93.6%). This situation may reduce the employees' loyalty to their organizations as the leaves have an impact on employee satisfaction (Galanaki, 2013; Nisar & Siddiqui, 2019; Somanath & Urs, 2018; Tarafdar et al., 2021).

On the other hand, in the case of maternity leave, the scenario is a little bit better. Though, data provided by the employees and entrepreneurs varies to a notable extent (38.9% and 62.8%). In contrast, only 24.3% of respondents availed of maternity leave with pay for a duration of less than four months; that is incongruent with the labor code, which specifies mandatory maternity leave for a period of 16 weeks (Ministry of Labor and Employment, 2006). Every female employee is entitled to maternity benefits for four months, and the employer is liable for the payment of the maternity benefits. However, in most organizations, this benefit opportunity is violated. It happens in most cases due to the unconsciousness of employers and employees about the Labor Act. This situation can also reduce employee satisfaction (Adaeze et al., 2018; Artz, 2010; Somanath & Urs, 2018; Tarafdar et al., 2021).

The employees avail house rent (32.6%), medical allowance (62.5%), festival bonus (69.4%), and benefits like pure drinking water (95%), medical facilities (55%), toilet facilities (100%), and prayer space (77%). However, since most of the benefits are not found to be 100% in the study area, the situation can be a little bit satisfactory, as some of these types of allowances are found to be similar in some other organizations in Bangladesh (Chowdhury, 2000; Huda, 1998; Rab, 1991; Reema & Islam, 2013). Though employees in many Chinese foreign companies expect these benefits (Fong, 2004). A varying scenario of disability/death and pension premium is found as the employees are provided compensation for short-term disability (50%), lifetime disability (50.7%), and death (56.2%). That means the employees are given these fringe benefits in a small number of enterprises. The rest of the fringe benefits regarding disability, death, and pension premiums are not available in the enterprises. In most of the cases, disagreed and strongly disagreed respondents were found to be higher than those of agreed respondents. Though, in the case of short-term and long-term injuries to the employees, the employer shall be liable to pay compensation in accordance with the provisions of the labor code (Reema & Islam, 2013). Another source stated that

"If a worker dies while in service after a continuous service of not less than two years, his nominee or, in the absence of any nominee, his dependent shall be paid by the employer compensation at the rate of 30 days wages for every completed year of service, or for any part thereof in excess of six months, and in case of death arising out of accident while working in the establishment, 45 days wages or gratuity, if any, whichever is higher, and this amount will be in addition to any other benefit to which the deceased worker would have been entitled had he retired from service" (Ministry of Labor and Employment, 2006).

In addition, the employers are also bound to pay for the medical examinations in the case of an accident. In the case of retrenchment, the employee shall be paid additional compensation or gratuity. The employers are also bound to comply with the rules made by the government relating to the provident funds (Ministry of Labor and Employment, 2006). The study shows that many of the fringe benefits are not at satisfactory level and are not provided according to the referred standards of labor laws of Bangladesh that might lead to loss of productivity (Adaeze et al., 2018; Somanath & Urs, 2018) loss of employee loyalty (Tarafdar et al., 2021) employee dissatisfaction (Nisar & Siddiqui, 2019) employee depression (Luo et al., 2022) and employee turnover (Hu et al., 2022).

In the case of the working environment, the percentage of agreed and strongly agreed respondents on the variables

found to be at an acceptable level (nearly 100%) also means that the working environment is good and satisfactory. Though information from the KIIs elucidates that the actual picture is different as most of the employees don't know the standard of fringe benefits. In addition, reports of the Directorate of Inspection for Factories and Establishments of Bangladesh (DIFE), Rajshahi also says that the actual picture of fringe benefits in industrial estates is not up to standards. However, it is a matter of hope that the DIFE is working to increase awareness among employers and employees regarding their duties, responsibilities, and rights.

After the extraction of the key factors from the variables underlying the working environment, the FA solution found six factors with initial eigenvalues greater than 1, which explain 51.2% of the variance, whereas the cumulative initial eigenvalues explain 67.318% of the variance. The Rotated Factor Matrix helps reduce the difficulty whereby Varimax with the Kaiser Normalization rotation method has been used and the variables corresponding to particular factors are obtained. Thus, the most influencing factors of the working environment are found to be: i) the working environment; ii) heat and noise level; iii) safety and security; iv) relationships; v) smoking scenario; and vi) washing facilities. Findings show that both groups of employees and entrepreneurs are satisfied with the existing working environment in BSCIC industrial estates. Though an official was partially opposed to the standard and opined that the working environment in industrial units needs further improvement. In this case, the latent underlying factors found in the factor analysis may need attention.

6. Conclusions

Employee satisfaction can be increased with fringe benefits that can positively influence performance. A huge number of employees are working in industries in BSCIC and contributing a lot to the national economy, which urges them to pay attention for the betterment of the employees and conduct research on it. So, this study was undertaken with a view to evaluating the fringe benefits provided by the entrepreneurs in BSCIC industrial estates. The findings reveal that, provided leaves and holidays are not optimal as specified in the Bangladesh Labor Code 2006, It was found that 75.7% and 66.7% of the respondents do not avail themselves of the yearly paid leaves and holidays. The other paid holidays, except festival leave, are not also given to the employees. However, the other variables regarding leaves and holidays were found satisfactory, except the maternity benefits. The working environment was also found to be satisfactory, according to the respondents. On the contrary, the condition of compensation for disability/death benefits and the pension plan are also found dissatisfactory.

Although pure drinking water, medical facilities, festival bonuses, a place for prayer, and toilet facilities are found to be satisfactory, the state of canteen facilities, child care centers, transport facilities, incentive bonuses, and housing facilities does not comply with the labor code.

The study has multifold implications for the development of employees in BSCIC industrial estates in Bangladesh. The higher-level officers of the department of inspection for factories and establishments can be well informed through the study findings and take necessary initiatives to protect the employees' rights. The study findings can also help other regulatory authorities monitor the prevalent working conditions and fringe benefits and help policymakers formulate and modify pertinent rules and regulations in Bangladesh.

Moreover, the entrepreneurs and managers of the industrial units can take the initiative to incorporate the issues of fringe benefits, especially paid leaves and holidays, disability or death benefits, pension plans, and incentives, into the pay plan for the employees' satisfaction with a view to increasing productivity. Furthermore, the employees can also be aware of the rights they are entitled to have from their employers according to Labor Laws and factory laws. They must be able to seek legal assistance from the labor court for redemption of their deprivation. Furthermore, all stakeholders, along with BSCIC industrial estate officers, can immensely benefit from performing their duties and responsibilities with greater accuracy, efficiency, and effectiveness. In addition, the study contributes to the existing literature by filling up the niches relating to fringe benefits, as the fringe benefits provided to the employees in the industries of BSCIC industrial estates in Bangladesh have not been covered in studies to date.

However, the study has many practical implications and also has some notable limitations. Many theories and studies have argued and revealed that fringe benefits have strong positive correlations with employee satisfaction and productivity. This relationship is overlooked in this study. Moreover, individual item-wise in-depth analysis and discussion have not been possible in this study as it aims only at the overall evaluation of fringe benefits provided by the entrepreneurs in BSCIC industrial estates. Only descriptive statistical analyses are represented throughout this study. The degree of satisfaction of the employees with the existing fringe benefits provided by the entrepreneurs has not been measured in this study as well. Therefore, further studies can be conducted to fill up the gaps showing item wise in-depth analysis (quan-qual) in light of the prevailing labor laws and degree of employee satisfaction using inferential statistical analysis.

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