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Governance Related Challenges in the Operation of Mobile Telecommunication Industry in Bangladesh

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Abstract*— The mobile telecommunication Industry in Bangladesh is conquered by only four players: Grameenphone, Banglalink, Robi Axiata and finally the state-owned company Teletalk. The oligopolistic nature of this industry in Bangladesh offers a fascinating prospect to study. Bangladesh positioned 5th in Asia Pacific Region and 8th globally in terms of market size for the inimitable mobile subscriber. The mobile telecommunication industry contributed GDP is 1.8% of the country through their voice call and internet. The mobile telecommunication industry is in gush for the increasing demand of smartphone as time progress. This industry is also contributing 30% job opportunities in the country. The aim of this paper is to highlight the main governance related challenges being faced by the companies operating in this industry. The data were mainly collected by captivating interviews with the company CEO, Company Secretary, Internal Audit Head, External Audit, Independent Directors and BTRC Chairman. Also, some secondary data were collected from company websites, annual reports, other related publicly available documents. The pragmatic evidence discovered area specific governance challenges such as lack of formal training for the board members, absence of cyber security introduction, no presence of institute directors of Bangladesh, lack of in-house program, absence of robust succession planning, lack of formal compliance and ethics programs in-house and industry level etc. Also, the various sub-committees (i.e. audit committee, nomination committee, remuneration committee etc.) were found ineffective to some extent. The study proposed some recommendations to overcome these lacking. The findings to the study are expected to have significant policy implication in reforming the corporate governance regulations in Bangladesh and Mobile Telecommunication industry in particular.

Index Terms*— Bangladesh, Challenges, Governance, Telecommunication.

I. INTRODUCTION

The mobile telecommunication Industry in Bangladesh is conquered by only four players: Grameenphone, Banglalink, Robi Axiata and finally the state-owned company Teletalk. The oligopolistic nature of this industry in Bangladesh offers a fascinating prospect to study. Bangladesh positioned 5th in Asia Pacific Region and 8th globally in terms of market size for the inimitable mobile subscriber.

The telecommunication industry in Bangladesh is dominated by a few influential players which means the market is not very competitive. The companies should in theory be able to collude in order to get away with poor governance practices. In addition, there are many challenges that are unique to Bangladesh which cannot be observed in other countries all at the same time: corruption, political instability, poor bureaucratic practices and high levels of relative taxation. The study will allow us to understand the interaction of corporate governance policies in contrast to the challenges that Bangladesh has to offer. The market structure of the telecommunication industry in Bangladesh provides an interesting opportunity to study the oligopolistic nature of the industry.

II. LITERATURE REVIEW

A. Telecommunication Industry of Bangladesh

The global telecommunication industry's approximate value was $2,693.4 billion at the end of the year 2018 [1]. The compound annual growth rate (CAGR) was nearly 4.4% and by the year 2022, the growth rate is expected to reach 6.4%. The telecommunication industry can be segmented based on different geographies such as Europe, North America, Sub-Saharan Africa, Asia Pacific, and the rest of the world. Among these regions, Asia Pacific is holding the largest market, accounting for nearly 36.6% of the global industry, with a CAGR of 8.6% [2].

The telecommunication sector of Bangladesh, a country within the Asian region, is contributing nearly 1.8% to the total GDP by providing two crucial services e.g. voice calls and internet service [3]. Bangladeshi telecommunication industry started its journey in 1989 with CDMA technology; later, prepaid service was launched which eventually resulted in 1 million subscribers by the year 2002. After that, in 2005, the SIM tax was introduced. In 2012, state-owned telecom company, Teletalk first came up with 3G mobile network technology in Bangladesh and instantly, this new network technology was adopted by the other market players that immensely resulted in 100 million connections by the following year.

Researchers believe that this industry is experiencing unremitting growth opportunities because of the ceaseless development of telecommunication infrastructure, mobile technology, and government initiatives. However, some researchers state that the invincible growth of the telecommunication industry may face some challenges.

Bangladesh telecommunication industry has occupied the 5th position in terms of market size in the region of Asia Pacific; simultaneously it ranks 8th globally in terms of unique mobile subscribers; In terms of total mobile subscriptions, there are 173.35 million subscribers as of February 2021 [4]. The mobile connectivity is impacting the economy in both direct and indirect ways as it has created employment opportunities for more than 760 thousand people around the country. Similarly, research found that the mobile ecosystem has contributed more than 30% of direct job opportunities. Furthermore, the mobile telecommunication industry is experiencing a surge in high-tech smartphone users who are completely having internet dependency and demanding high-speed 5G wireless network technology [5]. Hence, service providers are keeping pace with digitalization because ceaseless modification of information technology makes the market more competitive day by day.

B. Corporate Governance

Corporate governance is a complete framework with a set of rules, practices, principles or procedures by which a corporation certifies its transparency, accountability, and fairness in correspondence with each of its stakeholders [6]. In an unambiguous way, corporate governance can be interpreted as a relationship between the board of directors of the corporation and the employees of the organization [7]. Corporate Governance "...is the relationship among various participants in determining the direction and performance of corporations. The primary participants are (1) the shareholders, (2) the management, and (3) the board of directors" [8]. It circumscribes the procedures whereby the corporation and those leading power who are in control are made accountable [9]. Another study found that corporate governance is the rightful way where investors can have the assurance that they will be given the largest portion of yield on their investments. Corporate governance is the formation of practices that persuade management to interiorize well-being of stakeholders [7]. According to ASX Corporate Governance Council, owners and board of directors need to identify how to maintain and set up the specific objectives of the organization, find out the way to achieve goals and mission, evaluate and keep the risk under surveillance, and optimize accomplishment [9]. The functional corporate governance framework invigorates corporations to generate practicality by entrepreneurialism, revolution, enlargement, and investigation and come up with accountability, and system of command corresponding with risk implication.

The OECD Principles define corporate governance formation as administering the principles and accountability among various divergent participators of the organization such as the authority, board of directors, executives, employees, shareholders, and stakeholders; it clarifies ordinance and course of action for creating adjudication on corporate proceedings. This further renders the formation by way of which the objectives of the organization are established [6].

When a corporation identifies its standpoint, the significance is set on the association between the board of directors and stakeholders [10]. From general policy aspects, corporate governance mentions the layout for sustainability, advancement, and furtherance of the corporation, and focuses on company's accountability in the application of command and authority over the organization [11]. The motive of generalizing policy is to regulate organizations and simultaneously, motivate them to reduce dissimilarity between individual and communal interests.

If we look back in history, the major governance fiascos that have made us realize the corporate governance measure's need in the recent times was caused by short-term goals [12]. Companies that were regarded as top performers such as Enron, WorldCom, Tyco, Qwest and Global Crossing all went bankrupt because the top management was busy fulfilling their own self agenda [13]. They were focused on fulfilling the short-term goals which has resulted in the oversight of the long-run future of the respective organizations.

In order to have sustainable long-term goals for the development of the organization, the business must be viewed as an organic whole [14]. When the corporation is given an identity of its own, only then can the top management detach its self-interest from that of the business. Then, the stakeholders' interests can be catered to which is necessary to sustain the long-term future of the business. The stakeholders are investors, suppliers and buyers which are all an essential part of the business in order to be functional on a regular basis [12]. The corporate governance framework needs to address the core principles that can supplement the longevity of operation and growth of the company in order to have relevance with implementing the framework.

C. Overview of Corporate Governance Environment in Bangladesh

Whilst, the economy of Bangladesh has accomplished a spectacular growth, corporate failure has been experienced by several firms due to weak governance [15]. Due to deficiencies in corporate governance standards, this nation has experienced two massive collapse of the capital market in 1996 and 2011 respectively [16]. Consequently, it is not unusual to figure out the growing interest in corporate governance guidelines and codes, for emphasizing the significance of practicing good governance.

The development of the corporate governance practices in Bangladesh is slightly different from that of other developing counties. Bangladesh has a colonial past as this nation was once a part of Pakistan till 1972. The industrial structure of Bangladesh after independence was strongly dependent on socialist ideologies. This meant that the industries operated under the ownership of the state which didn't necessitate the enforcement of corporate governance. Also, due to the agricultural dependency of the nation, the industrial infrastructure took time to grow. The importance of corporate governance was developing as the country went through de-nationalizations of the industries for public ownerships during 1975.

The corporate governance framework adopted in Bangladesh is that of the developing nation as this is still an emerging nation [17]. The growth prospects of emerging nation have attracted its fair share of investors in Bangladesh. In order to sustain the investor's interest, the establishment of a well-functioning corporate governance framework is necessary as this is the primary measure of boosting the confidence of the investors. The long-term survival of the growing industries in any developing nations needs foreign investors to fast track the future potential of the industries. The corporate governance framework is mandated by many government agencies such as: "Securities and Exchange Commission, Bangladesh Bank, The Institution of Chartered Accountants of Bangladesh, Bangladesh Enterprise Institute, the Institute of Cost and Management Accountants of Bangladesh" to ensure that good governance practices are being followed [17]. However, there is fair share of reports of widespread corruption in terms of mandating the good governance practices; the corporate governance framework and the authority to mandate these practices exist in theory. The reality is that the enforcement of these best practices is quite relaxed. The companies do not have any incentive to implement the good governance practices as the local market never rewards them. The lackluster performance of the capital market does not provide any financial dependency for the companies and the non-existent enforcement of corporate governance practices from the authorities makes the implementation of good governance polices unnecessary.

However, the situation in improving as the government is encouraging the export industry to grow. In order to do business with other countries, the good governance frameworks are essential as the long-term potential is determined by this. The foreign investors are being encouraged to invest in Bangladesh which mandates the implementation of corporate governance framework so that the foreign counterparts can compare the performance of the local firms and determine their future potential. Transparency and corporate social responsibility are gaining popularity in Bangladesh to keep pace with the rest of the world. .

III. RESEARCH METHODOLOGY

The primary objective for this study is to analyze the major corporate governance challenges in the mobile telecommunication industry of Bangladesh.

The specific objectives for this research are given as follows:

1) To state the current practices and highlight unique features of existing Corporate Governance practices in the mobile telecommunication sector of Bangladesh.
2) To address area-specific and sub-committee level major hindrances/barriers in practicing good Corporate Governance.

For collecting data, semi-structured interviews with respondents such as Company Secretary, Independent Director, External Auditor, and Head of Internal Control were conducted. The later stage consisted of an in-depth interview with the BTRC Chairman and the Chief Executive Officers of the four companies - for collecting further information on corporate governance practices in the telecommunication sector.

For data analysis, grounded theory was used in this study as it provided a systematic and accurate process of collecting and analyzing the data. After collecting data from interviews, data analysis was conducted through several stages of coding. Coding comprises of a short label that identify the core concepts, notional repetition in data, and creates the crucial link between accumulating or generating data therefore, originating a theory that clarifies the data. In this study, in the primary stage of line-by-line coding, the initial coding phase started with the purpose of fragmenting the data; later, significant words were labeled. Next, intermediate coding was structured based on initial coding; the researchers started to modify the basic data toward an abstract concept, letting the theory to appear from the data. After that, advanced coding produced a theory which was grounded in the information and contained explanatory power. To analyze the line-by-line coding under quantitative data, this study had used NVivo software as it transcribed the data.

IV. FINDINGS AND ANALYSIS

A. Corporate Governance in the Telecommunication Industry

In the telecommunication sector, corporate governance is performing a critical role as positive results or negative impacts are highly dependent on how the companies follow corporate governance. To monitor and regulate the action of the telecommunication sector, Bangladesh Telecommunication Regulatory Commission is working to ensure corporate governance compliance [18]. There are four major market players in the industry: Grameenphone, Robi Axiata, Banglalink, and the only government-sponsored mobile operator Teletalk Bangladesh Limited. By ensuring good corporate governance, the industry is being able to keep sustainability regarding investors' trust, ethical behavioral implementation, worth of shareholders, and protection of shareholders' interest.

Bangladesh Telecommunication Regulatory Commission is acting independently to regulate the industry and the authority is concerned about policymaking, controlling, imposing laws and enforcement of laws. The authority inaugurated its operation in 2002 with the motto of ensuring cost-effective telecommunication services by expanding the tele density [4]. BTRC started its journey with a number of responsibilities and implementing acts where the acts are constituted with both domestic and international laws. There are major acts that are being implemented in regulating and monitoring the current telecommunication industry such as national policy, national legislation, and international law. Four national policies are explicitly related to the telecommunication sector: "National Telecommunication Policy-1998", "National Information Communication Technology Policy, 2002", "International Long-Distance Telecommunications Services (ILDTS) Policy, 2010" and "National Broadband Policy, 2009". All the policies aim to maintain cost-effective telephone services, develop ICT infrastructure and Voice Over Internet Protocol Services, and ensure access to broadband internet. National legislation is governed by "The Bangladesh Telecommunication Act-2001"; fundamental rules and regulations are mentioned there. Also, "The Information and Communication Technology Act-2006" is under national legislation that provides legal support in terms of cybersecurity affairs. In international law, BTRC is obligated to follow "Agreement Establishing the World Trade Organization", "General Agreement on Trade in Services" (GATS) and "International Telecommunication Union" (ITU)"; these entities try to ensure that mobile telecommunication industry of Bangladesh is maintaining international standards and regulations.

B. Challenges to Corporate Governance

The researchers have also been able to identify the numerous corporate governance related challenges within the scope of this study which will be discussed in detail below:

Lack of board member training on crucial aspects

In order to be able to guide the company to follow the good governance practices, the board of directors need proper knowledge regarding the corporate governance guidelines and their implications. A training program can ensure that they are able to correctly apply their theoretical knowledge regarding the corporate governance principles so that their actions benefit the wellbeing of the company while respecting the internal best practices observed by that company. The corporate governance best practices may not be conveyed in a robust manner if the board does not sync their actions with how the company functions. An External Auditor has commented on a common malpractice regarding this issue:

Even though there are a myriad of trainings for management, board members barely have to attend trainings. Because of this, they are not updated about the latest changes in the governance rules, they don't know what is needed (External Auditor)

Lack of formal training requirements for board members

The general practice in the telecommunication industry of Bangladesh suggests training requirements for the board members is non-existent. The company is solely relying on the board members experience and understanding of the corporate governance principles. The members are likely to not be able to cater to the company's needs when operating under the corporate governance framework. This is evidence from the interview data and company disclosures that the board members do not receive any formal training regarding their position or responsibilities. Even if the criteria of electing the board members are met according to the corporate governance guidelines, their participation may not benefit the company's corporate governance practices. The members may feel that they are just there to maintain formalities rather than performing their actual duty. As a result, the role of the members in terms of fulfilling their functions are not very effective.

Board members usually do not get the scope to interact with other members as their usual conversations take place during board meetings. As a result, there is usually a communication gap that exists between the board members. Furthermore, onboarding members who have just joined the board need to break the ice with the other members so that the decision-making process can get streamlined. An Independent Director has expressed their dissatisfaction regarding this situation:

Even an initial onboarding formal training session can help in alleviating some of the barriers that may exist between the board members and the company. All parties can act in a synchronized way once everyone is on the same page. Sadly, that is missing as well. (Independent Director)

Absence of cyber-security introduction

The growth of digital platforms only raises the importance of the telecommunications industry. Cyber security is a real concern as this can almost instantaneously halt any kind of digital service; personal data may be breached which can result in the company losing a great deal of money. Interestingly, the corporate governance code of conduct does not have any regulations regarding cyber security. Cyber security can be considered as the backbone of the telecommunication industry as this ensures that the companies can function effectively without any short comings. However, the board members in the telecommunication industry of Bangladesh do not receive any detailed introduction regarding this and they may also not be familiar with this topic given the diverse backgrounds a board is usually composed of. This results in the board not being able to predict or guide the company when there is a cyber-attack which can threaten the existent of the company. The board of directors in general do not have a technical background. As a result, they are not equipped with the expertise of dealing with a cyber-attack. One of the Head of Internal Control has expressed grave concerns regarding this dire situation:

Definitely, Data breach is a real issue and a good proportion of companies around the world learned this the hard way. Even though, the board members cannot do anything directly regarding this issue, being acquainted with the defense protocol can save the future of a company. They will be better prepared with the contingency plan when a data breach occurs so that loses can be cut in order to sustain the business. Introducing the board members to the world of cyber security threats enables the company to maintain another layer of defensive measure against the fragile security system (Head of Internal Control)

No presence of institute of directors in Bangladesh

The elected board of directors represents the shareholders of the company, and their best interests are protected by complying to the corporate governance guidelines. When the directors are affiliated with a regional institute of directors, it ensures that the elected personnel fulfill certain standards to perform their tasks. However, an institute of directors does not exist in Bangladesh which means that the elected board representatives are only judged based on guidelines provided by the corporate governance code. The guidelines can provide a threshold for filtering the directors who are fit for the role but the longevity of being suitable for their role is not ensured. If Bangladesh had had an institute of directors, then the standard for the board members who are fulfilling their duties could have been established on a regular basis.

The board members need to understand the industry well in order to fulfill their responsibilities while maintaining the standards of the guideline. The challenge arises when the members are not familiar with the issues that may threaten their operation in the industry. It is necessary to ensure that they are properly informed regarding the dynamics of the industry they are operating in so that they can fulfill their duties in an effective manner. The board members are a crucial part of bridging the gap that may exist between the stakeholders and the top management, so their expertise should be backed by proper regulations and formal support to ensure that they can contribute to the smooth functioning of the company.

The board members should be able to keep their pace with recent developments in order to carry on with their duty. The initial stage of doing this is through gaining familiarity with the industry they are working in. However, as it was mentioned previously, the corporate governance guidelines in Bangladesh does not mandate any kind of training requirements for the board members. This results in varying levels of deficient capacity developments for the board members.

Lack of in-house programs

When a new member joins a team, it is common practice to get them up to pace on the functions of the company. Board members are no exception to this phenomenon. When the members have better understanding regarding the governance best practices of the particular company, they will be able to comply to their responsibilities in an effective manner. However, this norm is rather deficient in practice for Bangladesh. The bare minimum is done in most circumstances to get the board members up to speed with the organization they have just joined, and the telecommunication industry of Bangladesh is no exception to this. As a result, the board members are not very familiar with the team they are working with and also, they are able to gather limited knowledge regarding the best practices of the organization they have just joined. Thus, their actions can have the consequence of being detached from that of what is generally followed by the company. The interview data collected implies to this perceived challenge in a similar manner.

An in-house program designed to onboard the members would have been a more structured way of addressing the multidimensional requirements of the company and their stakeholders. This provides an opportunity to develop the interpersonal relationships of the onboarding board members and the existing company employees. As a result, their decisions will be more catered towards the best practices of that company. Furthermore, the organization can fine tune the program to clearly define the roles of each individual member so that they can be an effective member of the board who can contribute towards leading the company from day one. An industry insider has acknowledged the importance of this:

The onboarding program if defined in a detailed manner can provide the best outcome from the board members leadership. Unfortunately, such well-defined programs to induce the onboarding members do not exist in the telecommunications industry of Bangladesh.

Ill-defined KPIs for board members

Key performance indicators are an essential part of any organization for utilizing data to set goals to measure the success rate. The use of key performance indicators is not solely reserved for product services offered by the organization but this idea can trickle to measuring the board's and management's performance appraisal process as well. The management in the telecommunication industry of Bangladesh goes through a stringent process of evaluating their performance by adopting robust key performance indicators. However, the same cannot be said for the board members. The only requirements they are required to fulfill is the ones set by the corporate governance guidelines. As a result, the board can suffer from inefficiencies as they are not evaluated on a regular basis which is especially true for Bangladesh. If they were required to meet the performance indicator targets, the board would be composed of more competent members who would be able to uphold the representation of the stakeholders of the company on a more diligent level.

Key performance indicators provide a comparative measure to evaluate the returns of investment that the company has made on the leadership skills development of the board members. The measure can be a beneficial way to distinguish the company's efforts to sustain the corporate governance best practices to respect the stakeholder's best interests. However, the only way to do so is by clearly defining the individual measure such as accountability, disclosure etc. Then the effectiveness of the board members of fulfilling their leadership duties of upholding corporate governance best practices can be evaluated. Furthermore, the

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KPI measures are not present for two of the operators which is evident from their poor performance for the board evaluation category.

Absence of robust succession planning

A position cannot be held on to infinitely, it has to be passed on. The board of directors are no exception to this ideology. The same members do not stay in their position throughout the life of the organization. In order to ensure that the board is able to properly support the company a robust succession planning is required so that when the time comes the board can still maintain their duty. But such planning of succession is lagging in some cases.

The strategic approach towards succession planning should be proactive in nature. The policy developed for succession planning should be dynamic in nature in order to accommodate the evolving criteria of the corporate governance guidelines observed in the region the company is operating in. The board is responsible for supervising the leadership roles of the organizations they have been appointed in. In order to carry on with their duties diligently the board must perform in full capacity where all the members have well-defined roles. It is not unlikely for unanticipated departures of one or board members to take place which can hinder the leadership roles of the company. Furthermore, when there are criteria changes in the corporate governance guideline requiring more board members or independent directors, it can leave the company in frenzy to resolve the issue. When there is a well-designed succession planning in place, the strategies to combat these situations are already in place enabling the board to successfully guide the company to follow the good governance practices. A proper succession planning for the upcoming incumbents can allow the company to organize their preferences and requirements for the members they want to appoint which enables the company to have leaders whose goals align with that of the organization's. Succession planning is essential to ensure that the board is composed of the right mix of individuals with different backgrounds who can contribute towards the leadership building of the company thorough following proper accountability and disclosure measures. However, in most instances the succession planning was either weak or non-existent for Bangladesh. This is also true for the telecommunications industry. Also, the state of the leadership body might be quite dire when an emergency succession may need to take place. There are accounts where the board member position was not filled in immediately after it was vacant. Moreover, companies are facing the issue of attracting and retaining the employees for management position. They are unable to replace the positions that may be vacant immediately which hampers day-to-day business operations. The human resource is struggling to attract and retain the talent pool required to sustain the development of the company because of the lack of succession planning.

Lack of formal compliance and ethics programs

Compliance and ethics programs are essential tools to preserve the virtue of good governance practices for any kind of business culture scenarios. A business is usually a part of the community when the stakeholders' best interests are respected. As a result, the companies have to abide by some rules and regulations. A compliance and ethics program enables the organization to properly equip the establishment to respect the local and international rules and regulations the business is directly involved with. While the compliance section directly tackles the issues with laws, the grey area of moral obligations is governed by the ethics polices. The challenges face by the telecommunication firms in Bangladesh due to non-existent formal compliance and ethics programs will be discussed below.

Absence of ethics program at the industry level

Compliance programs can engage the employees, top management and board of directors, when the approach is value-driven. When the organizations core principles are reflected by the compliance policy, the management will be more enthusiastic with implementing them. While compliance addresses the situations where the laws are well-defined for the business to react on, the area of moral dilemmas cannot be accommodated with compliance polices, no matter how robust it is. That is when ethics programs come into play. A robust ethical program can aid companies with identifying risks that can arise at its earliest stage and mitigate the risk while it is still possible. The organization would not be hind sighted by unexpected ethical risks as they will have some preparation in terms of combating the situations where moral dilemmas are involved.

The companies operating in the telecommunication industry in Bangladesh has robust compliance polices in place that eases the flow of daily operations. However, the grey area of moral dilemma which is the ethics program is non-existent. The reason for this dire situation of the ethics policy adoption by the organization operating in Bangladesh is their attitude towards corporate social responsibility where majority treat the topic as purely cosmetic or rhetoric issue. However, ethics policies have the most impact in terms of empathizing the social impact that a business might generate and achieving a win-win outcome for all the parties involved either directly or indirectly with the business. A Head of Internal Control has suggested some possible reforms regarding this situation:

The telecommunication industry in Bangladesh has a long way to go to establish a proper industry level ethics program which will have substantial impact in the real world rather than just being a theory on paper. We need formal ethics board to uphold integrity at the industry level (Head of Internal Control)

Lack of focus on environment, sustainability, and governance (esg) programs

When a company operates in a region by default, they are going to affect the people and surroundings who are either directly or indirectly involved with that organization. The consideration of the trio, environment, suitability and governance; plays a crucial role in determining the long-term future endurance of that business. In order to sustain the continued growth of the company, effort of building a better society is also essential. When companies invest extensively on the trio of environment, sustainability and governance; that acts as an indication of their commitment towards operating in the business for the foreseeable future. Then the shareholders would not hesitate to invest in the business as the organization is committed towards sustaining their long-term growth. A robust ESG program is a testament from the company regarding their commitment towards being a responsible and productive part of the society.

However, ESG can also be sometimes treated as a mere cosmetic or rhetoric idea that only exists on paper as a theory which is usually not taken seriously. The companies under consideration had some form of ESG policies in place, especially Grameenphone who has scored admirably across the board. Unfortunately, two of the four companies did not have any mission statement near the ballpark of having an ESG program. Even though, some companies had some form of program dedicated towards the development of ESG responsibilities they did not have any particular major mission statement dedicated for this issue. The telecommunication industry in Bangladesh is still unable to decipher an industry standard to mandate a standard ESG program.

Risk blindness of the board members

It is not uncommon to be hind sighted by risk if the individuals are inadequately prepared for possible risks that may arise. Organizations operate on a fine balance which can be hindered by even the most finite disruption to the regular functions. Even the most established corporation can be brought to its knees if the board is unable to foresee the possible risks that may hamper the reputation of the business. Board members can develop blind spots for possible risks if they are not continuously updating their skills as time progresses. The researchers will discuss about some challenges that arise due to the risk blindness of the board members in the telecommunication industry of Bangladesh below.

Inadequate resilience/ preparedness

The recent pandemic that was caused by the SARS-CoV-2 virus is an example where the resilience of the industry leaders towards risk was examined to a great extent. The organizations all over the world had a very short period of time to react to the possible change that could be expected in the marketplace if severe restrictions were enforced. This is also true for the telecommunications industry in Bangladesh. On the bright note, the industry has performed admirably when the whole system was reliant on their infrastructure. Even when they faced some difficulty while the event was unfolding; they have managed to recover and provide uninterrupted service that was direly needed to not halt the existence of daily economic activity. The board members did a commendable job at not being hind sighted by the risk of the pandemic.

However, the same level of commitment towards mitigating the risks that may arise from tax compliance and cybersecurity was not observed for the telecommunication industry of Bangladesh. The companies get wrapped in issues regarding tax compliance with the respective authority often. Furthermore, the board's preparation regarding a cyber security attack is rather inadequate and lackluster given the eminent threat that this possesses. If the authorities keep missing the trend, they will expose the company to unnecessary risks that may disrupt the whole industry. An Independent Director has expressed their concern regarding the dire state of the industry:

The overall state of the counter risk measures adopted by the board members of the telecommunications industry of Bangladesh is a hit or a miss, at some instances they have done a commendable job while at others the challenges keep piling up and ready to explode at any given moment (Independent Director)

Risk management plans should be a common practice in order to foresee possible risks that may arise and the action plan that should be followed when certain scenarios occur. The whole process of getting things back under control can be more systematic if a robust protocol exits to address possible risks instead of being overwhelmed with a public relations nightmare due to poor preparations. The state-run organization has lackluster risk management strategy in areas of cybersecurity, operational issues, and nonfinancial aspects of business. With regards to risk, the local stat- owned firm Teletalk does not have robust risk management plans. To address this issue, the government regulatory board can take steps to accommodate for policies that can address situational compliance that provides a baseline counter measure. This can solve the challenges of risk velocity and transparent vulnerabilities that the companies may face, giving them the opportunity to cope with sudden shock that may interrupt their operations. One of the CEOs have expressed some similar thoughts regarding this:

Companies cannot shy away from adopting contingency risk management plans and prepare for the worst at all times. If nothing happens then it's all rainbows and sunshine for everyone as they survive to do business another day but if the worst happens, they will have some preparation to cope with the situation (CEO)

Difficulty in communication with the regional counterpart

Two companies in the telecommunications industry of Bangladesh have sub-committees at the regional level only This regional level sub-committees are unaware of the political or bureaucratic climate of this region. When the local authorities operating in Bangladesh want to convey the situation to the board members, the process of illustrating the

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complete picture is tough. This is caused by not having the board members operating within the borders of this country, thus being unfamiliar with local norms and challenges. The process of passing down the message at the board level is rather inefficient given the present disassociation with the board members. A CEO has confirmed the difficult situation this practice is causing:

It is often very difficult to explain the situation to them. You understand right? You have to live in Bangladesh to understand the culture and norms here. Otherwise, it is really tough to make foreigners understand this (CEO)

Challenges at the sub-committee level

The board composes of sub-committees in order to take effective decision. Just like the head of the nation cannot take all decisions at every level of operation within a country, the core board members cannot take effective decisions for every business area. It is essential to divide the duty by maintain sub-committees. This area of governance was not consistent in all the telecommunication firms that was studied in this research which will be discussed.

Absence of subcommittees

The presence of subcommittees in the telecommunication industry of Bangladesh was rather inconsistent. While the only listed company scored consistently because they maintained all the areas to ensure that governance is adhered to strictly, others did not follow the same suit. They did not maintain the subcommittees at the local level for numerous areas. However, the situation was not the same when their parent company was considered. While their parent company fulfilled all the requirements, the local level deficiencies of these companies enable them to be handicapped at taking business area focused decisions. Also, the stakeholders have the right to be represented by the effective board members in every subcommittee level. If the companies fail to ensure that they are represented properly, the best interests of the stakeholders are not being protected.

With regards to absence of sub-committees, the case of cybersecurity requires special attention, given the increasing reliance on data. Moreover, the fatal flaw of conveying cyber security measures in Bangladesh is the demography. The developments are usually catered towards the urban areas while it trickles down to rural parts at a snail's pace. This is not a desirable trait when enforcing cyber security protocols as a possible weak point can make the whole system useless. In the next section, few major reasons for not having a cybersecurity subcommittee are explained:

Relevant questions on cybersecurity not asked to management

The management of the companies are not being questioned regarding their protocol to potential stop these cyber-attacks or about a contingency plan. A cyber-attack on the telecommunication industry can potentially cripple the entire economy when the chain of communication breaks down. Given the situation the companies' board members are still not asking relevant questions to management to protect their best interests. Only the act of asking relevant questions can shed light on the issue and the outcome can lead to the development of a contingency plan.

Lack of systems to assess cybersecurity risks

While it is essential to have internal control of assessing cyber security risks the action may not always be effective. Assessment of cybersecurity risk is a specialized area as it requires specialized skill to analyze the risk and take necessary precautions. However, due to the lack of awareness regarding the possible dangers of cybersecurity attacks in Bangladesh the systems to assess cybersecurity risks is either bare bone or does not exist. This leaves all sorts of industries in Bangladesh exposed to cyber security attacks such as a 'duck sitting idle in a warzone'. When precautions are better than finding treatments for a disease, the same applies for cybersecurity risks, where assessing the risk beforehand can provide a level of protection from the attack. The shear lack of system to assess cybersecurity risks has compromised the whole technological infrastructure in Bangladesh.

Limited scope of work for the subcommittees

The subcommittees in the telecommunications industry of Bangladesh are usually more concerned with financial matters. As a result, mostly financial audits are carried out which have direct monetary value. However, there are countless non-financial sides of a business that have significant impact on the stakeholder's wellbeing which also needs to be audited. The compliance standards being followed, environmental impact of the organization's operations, and employee satisfaction are some of the non-financial areas that have significant contribution to the sustainable growth potential of the company. These non-financial audits are somewhat ignored except for corporate social responsibility where occasional reports can be observed. An Independent Director has affirmed facing similar issues:

In most of the organizations, the focus is only on financial matters. Non-financial works are barely within the scope of the sub-committees. The area of work needs to be broadened here (Independent Director)

Lack of independence

Independent directors have significant contributions towards fulfilling the duty of representing the stakeholders at the board level and present a neutral perspective. However, in reality, the independent directors are not able to express their unbiased views at the board level. The board of directors often use their influence to skew the contribution of the independent directors. The interviews for the study provided evidence of instances where the independent directors were removed from their post because of their stance against influential members on the board. Furthermore, independent directors are unable to contribute effectively at the board level because their recommendations are not implemented as other members of the board do not agree with the suggested change.

Absence of independent views

The issue of board effectiveness in taking decisions is aggravated by the lack of independent representation in two of the companies operating in the telecommunications industry of Bangladesh. Banglalink and Teletalk are in the focus of this challenge of lacking the presence of independent directors. While Banglalink does not have any board members at the local level, Teletalk on the other hand is different. The sole local firm without any foreign stakes are unable to take neutral decisions to serve the best interest of the stakeholders. They have scored poorly on all the governance scores. Their financials and market share base do not tell a pretty story. The existence of independent directors on the board allows the company to receive neutral advice that they can implement in order to turn things around for the better. If they fail to do so, they repeatedly fall in the same trap and only make the issue worse. An Independent Director expressed their concerns regarding the industry practice:

Independent Directors are like watch dogs. They stop the ship from taking a wrong turn. Without their presence, it is very difficult to stop all the biased decisions here (Independent Director)

Reporting and disclosure

Reporting and disclosure practices is the 'bread-and-butter' process for evaluating the performance of any organization. Depending on the accuracy of the reports, it can either make or break the first impression of a company. There were some challenges that the study discovered with regards to reporting and disclosure which will be discussed below.

Poor Disclosure Practices

The interview accounts mention that the companies who participate in the stock market are mandated by the reporting and disclosure requirements to maintain the standard of quality for their financial reports. However, that was not the case for the companies who were not publicly listed. The results also show that the companies failed to score well in the governance index due to their quality reports. Although the scores did manage to recover when the parent companies were considered but this reflects that the regulatory body is not giving proper attention to the local companies who are unlisted. The quality of their reporting can be improved if the regulators mandated it. Moreover, the situation is far more grime for voluntary disclosure practices. Disclosure practices of few operators are not up to the mark of global practices. This is not ideal for mitigating information asymmetry for the investors to interact with the business's growth in an informed manner. An External Auditor shared their experience regarding this issue:

From taking a look at the reports of this company, it is very hard to understand its health. They do not have detailed information on management analysis, company outlook, and many more. How am I supposed to understand their current state of affairs? (External Auditor)

Financial reports in general provide a bird's eye view of the entire business performance areas. They are great for inspecting the company's health at a glance to date. However, this is not enough to understand the company's long-term prospect in the industry. Separate area for industry analysis, risk identification and mitigation policy and management discussions can help identify the organization's long-term growth plans. This allows stakeholders to have better idea regarding the company's contingency plans so that they can make informed investment decisions. In most instances, the other sections besides the financial statement were not detailed when the study was being conducted which made the task of assigning corporate governance scores more difficult. Having these sections in a report can provide much need information for new investors who have not been following the market to make more informed decision.

Lagging internal reporting practices

The internal reporting practice allows the organizations to evaluate their performance internally. However, as there are no external stakeholder overseeing this practice, the internal reports lack the finesse of providing rigorous analysis of the companies' internal state of affairs. The issue is with the idea of the reports being generated by these audits to remain within the company which does not encourage the individuals who are conducting the audit to be meticulous with the report. As a result, the reports that are generated only fulfill the good governance formality while no valuable insight is provided to the board to base their decision on. The issue arises when management utilize these reports to take business decisions as this can lead to unforeseeable consequences. Without properly mandating the standard of reporting practices, the internal reports sometimes continue to be lackluster and provide at best marginal insights when taking important business decisions. This is not an effective way of allocating valuable company resources. An Industry Insider has confirms the ineffective disclosure practices being observed at the organizational level:

As the internal reports are for management purposes and it remains within the company, they are often done in an okay-ish manner. But this practice is really harmful in making management decisions. Mandate is needed to ensure that this reporting improves significantly.

Poor web reporting

As noticed from conducting this research, web reports often lack detail. The current study required financial statement and governance information of the respective companies. While some of the information was collected through survey, others were extracted from their respective websites. Financial reports were available to most extent with the exception of Teletalk where they only had reports from 2013-2015. In addition, the main issue was with governance disclosures which was not widely available for two companies in this research. This may be because there is no regulation that mandate disclosure measures on the digital media platforms for easy access by the general public. While some companies do provide all the necessary information on their website, others may have no incentive to do so. In this digital age, web-based availability of reports can aid in all stakeholder's decision-making process as this makes information more accessible for the vast majority of people. Poor web-based reporting practices can lead to asymmetry of information which is not a desirable trait for upholding investor confidence.

Management Challenges

Management is the backbone of any company. The competency of the managers running the company dictates the performance that the company can achieve. A good management structure is essential for sustaining the health of the business. Any weakness in this area can be a hazard for the entire organization. Some of the possible weak links in the management practice of the telecommunications industry will be discussed below.

Difficult lateral entry

The norm of fulfilling a vacant position within a company relies on either internal or external candidates. However, for Bangladesh the reliance is heavily on internal candidates rather than externals. This is not an exception to the telecommunication industry of Bangladesh either. Especially, the state-owned companies are more restricted to internal candidates while in some instances, the other organizations would hire employees from outside the company. However, this is not a desirable practice for the companies as in-house employees may not always fulfill the experience requirements for a role. One such area is the cyber security department where lateral entry of qualified employees could give an edge to cyber security development for most organizations rather than relying on internal promotions. Difficult lateral entry is only harming the organization's efficiency in Bangladesh as they are not being able to entrust the responsibilities on adequately qualified candidates.

Lengthy decision making

Effective management competency is dictated by their faster decision-making abilities. When the process of taking decisions get lengthy, opportunities can pass by which may not be beneficial for the company. The management's decision-making process can be rather lengthy for the telecommunications industry in Bangladesh and this is not unique to this industry. This happens because of the bureaucracy involved in every stage of operation in this country which slows down the management's ability to take effective decisions regarding new opportunities. As a result, the time constraint has handicapped the managers from moving quickly to exploit new opportunities. A Head of Internal Control has expressed their frustration regarding this situation:

When it comes to implementing a new governance mechanism, there is often too many steps to fulfill to get board approval. Moreover, due to the lack of financial benefits associated with these policies, the process gets even lengthier at times (Head of Internal Control)

Lagging performance management policy

The performance measures implemented by the telecommunication industry of Bangladesh is outcome oriented rather than being process oriented. This is the same situation in other industries in Bangladesh, not just specific to the telecommunications industry. The fatal flaw of depending on outcome-based development in key performance indicators is the illegal or unethical measures that may be adopted in order to meet the performance targets. This goes against the best interest of the stakeholders who will be hurt from this method. In order to promote good governance practices, organizations must implement the performance management policies that are process oriented as this is desirable for the stakeholders. This issue could be avoided if the government mandated the practice of avoiding performance management policies that are outcome oriented only. However, such guidelines do not exist which does not give the organization any incentive to adopt process-based performance management policies.

C. Recommendations

Macro-level Recommendations

The macro-level policies ensure a benchmark regulation for the entire industry. This enables the particular sector to adhere to certain standards. This is only meant to give the baseline guidance for the whole industry from the regulatory body's level to maintain certain minimum standards. Some of the macro-level recommendations will be discussed in this chapter in order to improve the state of the telecommunications industry of Bangladesh.

Strengthen cyber security

The cyber security protection is lagging in the telecommunications industry of Bangladesh. This leaves the telecom sector vulnerable to cyber-attack that can compromise individual's personal data. The researcher will discuss about some remedies to avoid this issue below.

Mandatory attestation for cybersecurity

The idea of protecting confidential data is not very prominent in Bangladesh as the local government does not consider cyber-attack to happen in Bangladesh very likely. However, this is a real threat and the government should mandate some measure to ensure privacy security. Attestation of cyber security ensures that sensitive data is protected from cyber-attack. Even if an attack takes place, the mechanism can mitigate the risks of data loss and send early warning so that the authorities can react to the situation. This sets in a level of trust which acts as the first line of defense against possible cyber-attacks.

Imposition of web-reporting and disclosure requirements

It is not uncommon for individuals to have access to the internet nowadays. When the financial reports and disclosures are available on the company's website the whole process or researching the financial health of the organization becomes much easier. The benefits of imposing web-reporting and disclosure requirements will be discussed below.

Some of the companies in the telecommunications industry in Bangladesh do not provide the required reports and disclosure on their company website. However, the required information is made available during the annual general meeting or when the respective authority is asked to provide so. This process is not very efficient at making information freely available for all concerned stakeholders. When the reporting and disclosure is transparent and freely available; this enables investors to quickly judge the financial health of the organization and growth potential to take investment decisions. As a result, the financial performance of the firms in question can improve as they make their reports and disclosures more freely available.

Web disclosure of Credit Rating may increase compliance

Credit ratings are a great indication of the good governance practices that are being implemented by an organization. When the information is made available in the company's website, anyone can have access to the current rating state of the organization. As a result, the company is likely to have more stringent compliance policies to ensure that the rating does not drop for them.

Adherence to 'comply or explain' principle

Companies can have certain reservations regarding some of the corporate governance codes imposed by the country they are operating in. 'Comply or explain' gives them the option of not fulfilling all the corporate governance guideline requirements. When they choose not to do so, they can simply state their reasons in a detailed explanation which must be freely disclosed to the general public. Since this ensures that the stakeholders can attain proper knowledge on the issue the principle can mitigate information asymmetry. Adherence to 'comply or explain' can be a great tool for maintaining proper information regarding a company. However, this policy is not being implemented with sufficient rigor. In case of non-compliance, companies often just mention that they are not complying now, but they are working on the compliance issue. In cases of such non-compliance, explanation needs to be detailed and thorough.

Ensure coordinated regulation

The competency of the regulator is dependent on how effectively they can convey the policies they introduce across the entire industry. Once the regulator loses their credibility, the effectiveness of the policy coordination cannot be ensured. Some of the recommendations to ensure coordinated regulation will be discussed below:

Stop interference from the state

The golden rule of thumb for ensuring the legitimacy of a regulatory body is by distancing the regulators from the state. If the government keeps interfering in the regulator's business, the regulator would not be able to mandate polices at an independent level. State oversight can lead to biased regulations that benefits the government rather than the wellbeing of the industry. This phenomenon can lead to an industry wide distrust of the regulatory body, resulting in ineffective polices being implemented by the regulatory body as organization lose their faith on them. Insulating the interference from the state from the regulator's decision-making process can address this problem. Thus, it is essential to ensure that the regulator is not being influenced by the state but rather an independent entity outside the jurisdiction of the government, if needed.

Set up effective competition commission

Competitive market promotes innovation, either by quality-of-service improvement or lower prices. An effective competition commission can enable the market to maintain the competitive state of the industry. This is essential for the telecommunication industry of Bangladesh as the market is monopolistic in nature. While Grameenphone has already reached the significant market power status, the rest of the market share is gobbled up by two other firms. When the competition is non-existent, the firms participate in price-setting strategies which is not desirable for consumer welfare. An effective competition commission of this state can ensure that the competition returns in the telecommunication industry of Bangladesh which can drive up innovations benefitting the consumers at the end of the day and the industry as a whole.

Micro-level recommendations

In reality one macro level policy would not be suitable for the entire industry. This requires regulations based on individual requirements at the company level based on their requirements. Only then the policies can be effectively translated to make them effective. Some of the instances where micro level policy can be more beneficial will be discussed as the chapter progresses.

Incorporate cyber security sub-committee and develop a multi-year cyber-security roadmap

A nation-wide policy on cyber security can act as a first line of defense for possible cyber-attack threats. However, this does not ensure that the policy will be sufficient at ensuring risks for each individual company as depending on size, the organizations may be subjected to various range of risk. Individual firm level committee can better utilize the organization's resources to devise fine-tuned cyber security policies that better suits them. Industry wide polices are based on limited data sample. Even though, these policies cover a wide range of concerns, they are not very effective at the individual firm level. When companies invest in multi-year cyber-security roadmaps, they can take their time to evaluate the risk factors. It gives them the opportunity to formulate their defense strategies in an active participation manner. As a result, the policies that are the outcome of this roadmap better integrates the cyber-attack risks specific to that individual organization. This is just like a well-tailored suit where the defense strategy was designed specifically to protect the best interest of the respective firm in question. The cyber-security defense roadmap is likely to provide the optimum protection required by the company by taking a multi-year roadmap approach. In addition to developing a roadmap, organizations need to identify emerging cyber risks. Cyber security is a dynamic risk. One-time policy development does not ensure the protection to last forever. As time passes by, cyber attackers get smarter as they learn about more effective ways to infiltrate the company's protection mechanism. It is essential for organizations to invest in resources so that emerging risks can be identified in order to devise appropriate strategies to mitigate that risk. Companies need to take an active role in identifying emerging risk to mitigate the risk of attack by being caught off guard.

Simultaneously, cyber audit is an effective way of ensuring that the organization in question is fulfilling all the required precautionary steps in order to defend against possible cyber-attacks. This can be in the form of both internal and external audits. By doing so, the companies will be able to ensure that they have the appropriate crisis response system in place when a possible attack may take place. Cyber ownership and budget allocation are important criteria that can determine the quality of defense against the cyber-attacks. Additionally, proper audit disclosures can benefit the stakeholders by making them more informed regarding the company's defense state. Cyber-audits benefit the stakeholders to assess the organization's future which can have an impact on the financial performance of the respective company. Being in the technology industry, this is an essential area of consideration that no company can escape from.

Recruit board members with technological expertise to identify threat actors

Board members are responsible for providing unbiased opinions which satisfies the best interest of the stakeholders. However, under the corporate governance guidelines of Bangladesh, there are no requirements for recruiting board members based on their technological expertise. Technological expertise is essential in the telecommunications industry because of the nature of this sector. Even though, companies are not mandated by corporate governance guidelines to do so, they should recruit some board members based on their technological expertise so that there is fresh unbiased opinion regarding the status of the respective organization's cyber defense protocol.

Assess the requirement of cyber insurance to hedge against the rising cyber threats

Given the key survival decisions are being taken by human beings in any organization, cent percent surety cannot be maintained regarding the efficacy of any policy. This is the same for cyber securities. All possible threats cannot be detected but attacks can still take place. Thus, cyber insurance allows the companies to hedge their risks against possible cyber threats. The damage done to the company when the attackers compromise the defense system can be mitigated. This insurance should be used along with other measures to ensure that the premium is cost effective, just relying on insurance would not benefit the stakeholders' welfare. Cyber insurance is just another effective defense measure against cyber-attack threats.

Bring structural change in the board

The board can suffer from biased opinion exchange or lack of idea generation if proper diversity is not maintained. To promote the flow of intellectual environment, different members from different backgrounds can be combined.

Increase gender diversity

Gender diversity can promote the exchange of ideas as this allows to develop a room for discussion regarding gender specific issues. When the diversity of gender on the board is increased, it is likely to promote the flow of unique ideas. Gender diversity can be enforced by respective companies in order to promote fresh unbiased exchange of ideas. The stakeholders of any business are composed of diverse range of genders. It is likely that all concerned parties will be represented equally or fairly when the board is composed of different genders with adequate representation. Representation of diversity on the board is a rising governance issue of the 21st century.

Ensure presence of foreign nationals on the board to increase investor interest

Foreign nationals can be an attractive feature for boards, especially in the context of developing economies. This can entice some investors to pay closer attention to the development progress of the company. Also, foreign nationals can bring in new ideas which the local board members could have missed or had no prior experience with. Diversity in the nationalities of the board through foreign stakes in the telecommunications companies can ensures that multi-national exchange of perspective stays. Thus, presence of foreign nationals in the board can help promote increased interest from the investors. Moreover, foreign nationals can ideate and implement updated international governance practices in the firms operating in Bangladesh.

Set up separate audit/nomination/other sub-committees at the local level

While reginal level sub-committees can address the basic concerns due to communications gap, the polices may not align with that of good governance practices. Thus, respective organization can mandate local level sub-committee to ensure that the organization's good governance goals always align effectively throughout the company. This is especially important as the enormous operations size of the telecommunication firms might witness chaos when any mishaps take place due to any communication breakdown.

Enhance transparent disclosure and communication

Stakeholder trust is essential to ensure that the investments flow in. It can take forever to earn the trust but if it's not maintained, damage to reputation can be the cause of downfall for the organization. The effective way of engaging the stakeholders is thorough transparent disclosure and communication. Some of the recommendations will be discussed below.

Perform periodic and event-based disclosure

A periodic and event-based disclosure even outside the annual general meeting can ensure that all the stakeholders are staying informed regarding the financial health of the organization. If the disclosure takes place at specific intervals and an event is utilized to convey the information, there would not be any room for speculation regarding the company. When the financial reports are being disclosed on a transparent basis, the stakeholders will be at ease with their investment which benefits the organization's financial growth. In this case, rather than using conventional media which facilitates only one-way communication, online platforms such as Facebook Live can be used as it facilitates two-way communication.

Periodic innovation reporting

Growth is a dynamic process which involves innovation. This is especially true for industries in the technological sector such as the telecommunications industry. A report dedicated to the stating of innovation achievements of the organization can convey a positive vibe amongst the stakeholders. A periodic disclosure of innovation report can serve as a statement for the growth of the company which can attract more investors while encouraging the current stakeholders to keep supporting and trusting the organization.

Stakeholder reporting

While shareholders are an important part of any organization, they are still numerous other stakeholders. The modern way of addressing this issue is to publish stakeholder reports rather than shareholder report. This includes all parties who participate with the business operations in a regular business. The companies' adopting stakeholder reporting would be considered more inclusive of the concerned parties. This sets a good tone for the organizations which is likely to have a positive outcome from the stakeholders. The major characteristic of stakeholder reporting would be to dedicate specific sections of the report that outline value creation to individual stakeholder groups, thus promoting stakeholder education and engagement.

Improve internal reporting practices

Internal reporting has important implication in the development of key performance indicators for respective departments within an organization. Improvements in internal reporting practices can enable the companies to set organization goals that can promote the operating performance of the company. Internal reporting is an effective way for detecting the inefficiencies within an organization at its earliest state which can then be catered to so that the external disclosures are not affected. Improvements in internal reporting practices only strengthens the organizational performance.

Design governance enhancing programs

Good governance practices are the backbone of every company. Corporate governance policies ensure that the stakeholders are protected against the selfish agendas of top management. Designing programs to enhance the good governance practices of the organization raises the stakeholders' welfare. Some of the policies to implement this practice will be discussed below.

Design certification course for the board members

Board members are the core individuals who ensure that a company is adhering to good governance practices. They are an essential part of ensuring stakeholder's rights along with the corporate governance policies. Certificate courses for the board members will ensure that the are up to date with any recent developments of corporate governance guidelines and how to implement them within the organization in the most effective manner possible. A certification course can be designed for the respective organizations where core values and recent developments can be taught to the board members. As a result, they are likely to perform optimally when fulfilling their duties as the protectors of good governance policy in their respective organizations.

Form an institute of the board of directors

Board members can change for any range of reasons; this is an expected trait. There is no guarantee that the new director who boards the board next will have his values aligned with that of the expectations of the industry or the organization. When there is an institute formed for the board of directors at the national level, they can get the new boarding member up to speed with the recent industry developments in an effective manner. This is not just true for new members as any policy change can be effectively conveyed to previous directors through the institution. The process of monitoring and maintaining corporate governance

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standards becomes consistent with the formation of an institute for the Board of Directors at a macro level. Additionally, an institute also facilitates training and certification of the directors working in the industry.

Gather compliance rating from licensed practicing professional

Compliance certificate from licensed professional agencies can be an effective way of validating the internal board practices of the organization. These compliance ratings are similar to credit ratings, just like agencies provide credit ratings based on the financial health of the firm, compliance rating can be provided based on the governance practices of the firm. Organizations can introduce this practice to maintain a standard of quality for the effective functions of the board members.

Focus on process audit

Performance targets are an effective way of validating the operational efficiency at individual levels. As a result, the organization is likely to implement result-based strategies to achieve performance goals which can result in unethical practices. This practice is a sign of poor governance practice that harms the respective stakeholders. The telecommunications industry is plagued with the means of outcome-oriented rather that process-oriented results. This is also true for other industries in Bangladesh and not just telecommunications industry. The idea of achieving results based on process-oriented methods can be instilled to solve this problem. Process audit is a great way of ensuring that the organization is investing their resources on process-oriented outcome rather than being result driven, thus promoting proper governance practices.

Initiate multi-lateral enforcement of regulation

Unilateral regulation of polices always have the probability of failing coupled with lack of back-up or contingency planning. Multi-lateral enforcement of regulation allows the policy to have layers of protection so that the integrity of the policy can be effectively preserved. Some of the ways of enforcing regulation in a multi-lateral fashion will be discussed below.

Ensure public enforcement through legal institutions

Promoting legal institutes to intervene when required to enforce regulatory measures can provide a layer of barrier for regulation enforcement. When internal policies fail to maintain good governance practices, public enforcement agencies can act as a guidance to correct the mishaps. Public enforcement through legal institutions can ensure a form of multi-lateral enforcement of regulations if the act is mutually agreed upon by all participants in the industry. The regulatory intervention made by the regulatory body when the companies cannot adhere to their internally audited ratings provides a barrier from further deuteriation of the status of the respective company.

Perform private enforcement through institutional activism and investor awareness

Private enforcement can be another example of multi-lateral enforcement of regulation. The participation of institutional activism and investor awareness can act as an incentive for corporations to adhere to their governance goals. If they fail to do so, some institutional activist who are dedicated to raising investor awareness will detect the shortcomings which acts a layer of protection for the respective institutions. Private stakes are generally more efficient when compared against the public intervention as the participants are directly involved with the organization, thus they have more on the line.

Activate Governance Bundles

The more the variation of enforcement used to instill good governance values within an organization, the better will be the outcome. A combination of both internal and external governance mechanism will provide effective governance measure rather than just concentrating on a particular form of mechanism. The idea is to implement proper governance monitoring mechanism so that possible shortfalls or deficiencies can be addressed when they are detected. In order to properly implement the mechanism both internal and external entities are required. If one form fails, the other will be there to provide a form of contingency plan. The goal is to utilize multiple mechanism so that regulation can be enforced multi-laterally. When the internal evaluators fail to implement the governance values, external agencies can intervene to address the good governance deficiencies which acts as a backup plan to ensure proper standards are mandated.

Formulate corporate governance index to quantify compliance

Corporate governance index combines all the individual functions of business in terms of its governance efficacy to provide a score. As the value provides a comparative measure, the compliance standards can be measured in a quantifiable form by formulating corporate governance index. The compliance structure of respective organizations can be established in an effective manner by using such an index to provide an indication of their performance in the industry which is a beneficial information for the stakeholders. This score can also be utilized to do the compliance scoring of corporate governance as discussed earlier.

Enforce information sharing and transparency throughout the whole value chain

The customers and shareholders have every right to be informed about all necessary information of the organization they are affiliated with. However, other participants within the value chain should have access to information and transparency along with the customers. This ensures the buildup of a level of trust that benefits all the stakeholders. Proper enforcement of this action is a statement of the organization's commitment towards being responsible towards the entire community which is in line with the recent popularity of corporate social responsibility activities.

Develop robust ESG programs

Environment, Sustainability and Governance are important aspects that every corporation must consider in order to make an impact in today's economy. The trio is responsible for determining the relevance of organizations' functions in our community.

Publish ESG rating

S&P is one of the leading agencies in the rating business. Their ratings are considered as industry standard and well-recognized all over the globe. Their interest in ESG and sustainability issues provides signal to the importance of the ESG issue in recent times. When S&P will be able to effectively construct a rating system for ESG other industry leaders will be drawn towards getting validated for ESG compliance standards for their respective organizations. Companies should start investing resources to prepare for ESG programs so that they are prepared to have a good rating when the time comes. Otherwise, they will fail to receive their rating clearances which might not be a desirable outcome for the investors or stakeholders.

ESG enables the firm to signal their long-term survival plans in the market. This is not an essential consideration for the short-term survival of the firm. As a result, when companies invest valuable resources on ESG programs, it indicates that they have overcome their short-term hurdles and now they are concentrating on their long-term growth. This sends a positive signal to the stakeholders of the business. Investors are likely to realize the commitment of the organization to operate in the industry. Also, financial institutions would value the outcome of such programs; government is taking interest in this sector and regulations are right around the corner. All of these developments ensure that the firm is making informed decisions regarding their future which entitles them to receive cheaper funds by demonstrating their constant performance in achieving good ESG rating.

V. CONCLUSION

The research was devised to analyze the contemporary corporate governance practices in the mobile telecommunications industry of Bangladesh. Besides, the major hindrances or barriers of corporate governance best practices that exist in this industry was also analyzed. The pragmatic evidence discovered area specific governance challenges such as lack of board of member training on crucial aspects, lack of formal training for the board members, absence of cyber security introduction, no presence of institute directors of Bangladesh, lack of in-house program, absence of robust succession planning, lack of formal compliance and ethics programs in-house and industry level etc. Moreover, various sub-committee level challenges were also analyzed in this paper.

The numerous policy implications at the organizational level depends on the findings from the study. In order to sustain the growth of the telecommunication industry in Bangladesh the companies must take steps to enforce the infrastructure development adequately and the findings from this project may shed some light on the possible weak links that require immediate attention based on the individual firm levels. Moreover, at the academic level, the study can devise a model to develop corporate governance code of conduct that is suitable for publicly traded and private companies which the government can implement later on to promote good governance measures.

In future studies, texts in the policy documents can be analyzed using natural language processing (NLP) to further enrich the findings of this study. Incorporation of AI in the process can contribute in discovering minute details that might add significant value in the field of research for developing economies, especially given the anomalous nature of these economies compared to the developed ones. By broadening the scope of the present paper, it might be possible to better understand the intricate relationship among corporate governance, human resource management, and firm performance in the textile industry of Bangladesh, and subsequently recommend robust strategies for this industry to ensure that it remains on the growth trajectory in a sustainable manner.

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