

Alsarhani, Khaled (2005) *Saudiization and job performance: opportunities and constraints in the management of Saudi national employees in the public sector*. PhD thesis.

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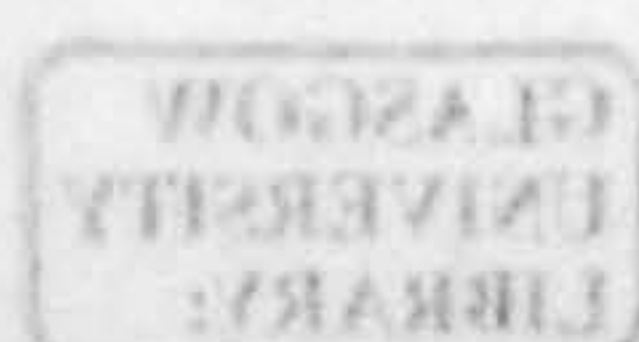
**SAUDIIZATION AND JOB PERFORMANCE:
OPPORTUNITIES AND CONSTRAINTS IN THE
MANAGEMENT OF SAUDI NATIONAL EMPLOYEES
IN THE PUBLIC SECTOR**

BY: KHALED ALSARHANI

**A THESIS SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR A DOCTORAL DEGREE
AT THE UNIVERSITY OF GLASGOW**

JANUARY 2005

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ABSTRACT

Saudiization is part of a nation-wide development strategy prepared by the Saudi government that involves extending the employment and professional capabilities of Saudi citizens. Besides strategic, economic, social and security objectives, one of the most important ambitions of the Saudiization policy is to improve Saudi employee performance and organisation effectiveness. Despite this important managerial and organisational dimension, the practical impact of Saudiization on management and organizational activities has not been seriously addressed. Previous studies have concentrated on the strategic and economic aspects of Saudiization, privileging its 'putative' advantages. There is a remarkable lack of critical attention, especially to management and organizational issues. Consequently, the impact of Saudiization, on work organisations in general and job performance in particular, remains unclear.

This study aims to develop an in-depth understanding of the policy of Saudiization, situating it within its real-life context in the Saudi public sector. The purpose is to evaluate critically how national culture-based programmes like Saudiization, infused as they are with universalistic assumptions, can affect organisations, focusing specifically on their impact upon job performance and organisational effectiveness. Adopting an holistic and integrative approach, Saudiization is examined, both in process and content terms, and from different dimensions (strategic, cultural, organisational, and managerial). Within each dimension, related literature is critically reviewed to guide the discussion and frame the investigation of the linkage between Saudiization and job performance.

By using a multiple case study strategy, data was collected from five public organisations located in different regions of Saudi Arabia. The main findings reveal the reality of Saudi society and work organizations to be diverse, yet neglected in policy deliberations. There are cultural differences, diversities and contradictions within Saudi society and organisations, despite commonalities and similarities at the macro level. These differences and diversities have been found to influence work-related values,

attitudes, behaviour, relationships and practices significantly, making the link between national culture, organisational culture and job performance more complex than predicted through Saudiization and in previous studies. The failure to recognize this diversity and complexity limits the potential of Saudiization, and in some areas detracts from the stated aim of improving job performance and organisational effectiveness.

Taken together, the theoretical and empirical sections of this thesis provide a more compelling and realistic picture of the cultural diversities within Saudi society and organisations, counteracting the influence of narrow yet popular accounts of homogeneity. Pluralist thinking is incorporated to provide a better understanding of the complex link between organisational culture and job performance and to highlight the pitfalls of the crossvergence perspective when examining the link between national culture and local management practices. The crossvergence perspective tends to omit intra-cultural differences and subcultures, implying that management values and practices are culture or country-specific.

The practical and managerial implications of this study are directed to Saudi planners and policy makers at strategic levels and to managers at implementation levels. Emphasis is placed upon the need for an explicit commitment towards the developmental aims of Saudiization, especially at grassroots levels of decision-making and everyday managerial practice. Saudiization also needs to be comprehensively and continuously evaluated against expressed aims to make sure that its applied relevance (e.g. on recruitment and training) are consistent and non-contradictory. In addition, Saudi planners and policy makers need to consider cultural diversity within Saudi society when designing national plans and policies. Saudi managers also need to be sensitive to the cultural differences within their organisations, acknowledging the significance of these for local programmes and applied exercises under the banner of Saudiization. On this aspect some practical managerial lessons are drawn to stimulate awareness and anticipate relevant skill development and training activities.

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ACKNOWLEDGMENT

First of all, thanks to Allah; without his help this work would not have been completed. Then, I would like to express my appreciation and gratitude to the following individuals for their kind assistance, support, cooperation and encouragement in the production of this work:

Grateful thanks to my parents for their moral and tangible support and encouragement in completing this study. Thanks and gratitude also to my wife and children (Waleed, Meshaal and Abdulaziz) for their cooperation, patience and optimism throughout the period of the study. I also offer especial thanks to my supervisors Dr. Martin Beirne and Prof. Fiona Wilson for their useful feedback and insightful guidance. Finally, I would like to thank the management and employees of the GPYW for their participation in this study.

CHAPTER 1

INTRODUCTION AND OVERVIEW

1.1 BACKGROUND AND RESEARCH PROBLEM

In the wake of the oil discovery in 1930s, and the steadily rising accumulation of

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INTRODUCTION AND OVERVIEW

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indigenous manpower, the Saudi government, along with many private organisations, resorted to hiring numerous trained and skilled workers from various countries around the world (Al-Farisy, 1986; Yavas, 1999). Multinational workers were engaged not only to maintain and manage oil fields and petrochemical and infrastructure projects, but also to operate other service and manufacturing projects and to perform different professional and administrative jobs. Statistics indicate that expatriate workers accounted for 66.7% of the total workforce in Saudi Arabia in 1990, the highest percentage during the last two decades. Table 1 illustrates the gradual increase in the percentage of non-Saudi workers during the period from 1975 to 1995.

CHAPTER 1

INTRODUCTION AND OVERVIEW

1.1 BACKGROUND AND RESEARCH PROBLEM

In the wake of the oil discovery in 1930s, and the steadily rising accumulation of surpluses from its sales in the following years, Saudi Arabia has witnessed an enormous economic boom, particularly in 1970s and early 1980s. During this period of time, the production of crude oil markedly increased from 3.8 million barrels per day in 1970 to 8.5 in 1974 and then to 9.5 in 1980. This increase in oil production, with the buoyant conditions in the world oil market at that time, positively enhanced the Saudi economy. The figures indicate that the oil revenues rapidly rose from 33.50 (US\$ billions) in 1976 to 113.300 in 1981. This extraordinary growth of the Saudi economy was accompanied by pressing challenges involving building up a modern infrastructure, providing good public services, and ensuring the future welfare of the community, which are by nature quite labour intensive. In other words, there was a critical and crucial need for an immediate influx of trained and skilled workers to help maintain, manage and invest oil production revenues, and therefore continue development in all sectors and fields (Al-Farsy, 1990; Sirageldin *et al.*, 1984; The Ministry of Planning, 1985; 2000b; 2001a).

In order to face this challenge, and in light of qualitative and quantitative shortages of indigenous manpower, the Saudi government, along with many private organisations, resorted to hiring numerous trained and skilled workers from various countries around the world (Al-Farsy, 1986; Yavas, 1999). Multinational workers were engaged not only to maintain and manage oil fields and petrochemical and infrastructure projects, but also to operate other service and manufacturing projects and to perform different professional and administrative jobs. Statistics indicate that expatriate workers accounted for 66.7% of the total workforce in Saudi Arabia in 1990, the highest percentage during the last two decades. Table 1 illustrates the gradual increase in the percentage of non-Saudi workers during the period from 1975 to 1995.

Years Labour	1975		1980		1985		1990		1995	
	N	%	N	%	N	%	N	%	N	%
Saudis	128600	80.4	1411400	57	1786000	34.1	1923200	33.3	2357100	39.4
Non-Saudis	314000	19.6	1059800	43	3458600	65.9	3848600	66.7	3628200	60.6
Total	1600000	100	2471200	100	5244600	100	5771800	100	5985300	100

Table 1: The percentage of Saudi and non-Saudi workers for the period (1975-1995).

Source: 1. The Ministry of Planning, The Five-Year Plans of Development.

2. Khaleel, Riyadh Trade, (1993: 28).

This massive inflow of foreign labour into the Saudi workplace helped to propel the country's immediate growth ambitions. It generously participated in establishing the necessary infrastructure for development. It also contributed to the improvement of governmental services in areas such as water supply, electricity generation, education and health provision, transport and housing. Despite all of this, however, the Saudi government realized that a continuing dependence upon non-Saudi labour would impose costs and minimize investment in national human resources (The Ministry of Planning, 1985; Al-Farsy, 1986). Hence the attraction of Saudiization, essentially as a means of replacing non-Saudi with Saudi workers for economic advantage.

Saudiization is one of the Saudi Arabian Government's (SAG) key policies in utilizing its entire human resources. It is part of a nation-wide strategy of development, which has been advanced by the SAG through Five-Year Development Plans (FYDPs) since 1970. Overall, the strategy aims to transform the Saudi economy from being highly dependent upon oil exports to becoming a diversified economy, fully utilizing national natural, economic and human resources. Accordingly, the Saudiization policy seeks to increase the effectiveness of national human resources by extending the employment and professional capabilities of Saudi citizens, and therefore reducing dependency on foreign labour. Besides its political and social objectives, sustaining economic and organisational development is a key policy objective, and a central legitimating factor in the programme of Saudiization (The Ministry of Planning, 2000b; Al Humaid 2002).

After establishing the necessary infrastructure for development during the first three plans (1970-1985), Saudiization has come to the forefront of the SAG's policy agenda, and has been set as a primary objective of the FYDPs (The Ministry of Planning, 1985; Al-Farsy, 1986). The FYDPs set out to achieve this objective by utilizing available Saudi human resources, thereby reducing dependence on non-Saudi manpower (Sirageldin *et al.*, 1984). In complementary and supporting stages, the plans express the aim of developing, improving and increasing these human resource potentials, abilities and skills. For instance, the SAG has expanded the physical facilities of free education and training for Saudi citizens at all levels. Eight universities, 35 girls' colleges, 3082 secondary schools, 5896 intermediate schools and 12196 primary schools have been established during the last thirty years. Considerable attention has also been given to technical education and vocational training, in order to meet the demands of the Saudi economy. The number of technological colleges, technical education institutes and vocational training centres has increased from 3 colleges, 3 institutes and 4 centres in 1970 to 12, 68 and 3082 respectively in 1999 (Khaleel, 1993; The Ministry of Planning, 2000b).

The Institute of Public Administration was also established to provide pre-service and in-service administrative training to a wide range of Saudi employees. The number of graduates from the Institute has increased from 997 in 1970 to 19464 in 1999 (The Ministry of Planning, 2000a). The private sector has also been encouraged to expand training programs through government loans that are conditional upon the full involvement of Saudi nationals. Furthermore, the government commitment to the Saudiization policy is discernible in the expenditure levels on native human resources development. Financial expenditure rose from SR. 164.6 billions in 1990 to SR. 216.6 billions in 1995 and SR. 276.9 billions in 2000, the latter equalling 56.7% of total government expenditure (The Ministry of Planning, 2000a; 2000b).

At the end of the Sixth Development Plan (reviewed in 2000), the SAG has, with these efforts to support Saudiization, been optimistic that *'Human resources have been developed to such an extent that makes it possible now to saudiize most governmental*

jobs' (The Ministry of Planning, 2000a: preface). Official statistics reflect this optimism, showing that dependence on foreign workers in the public sector declined to 12% in 1999 (The Ministry of Civil Service, 2000a: 21). However, although these statistics and achievements are taken as positive indicators of the success of the Saudiization policy in developing and utilizing Saudi human resources, the Seventh Development Plan points out that, *'Notwithstanding the growing attention paid in pervious development plans to raising the productivity of Saudi workers, Saudis indicate that actual achievements in this regard are still below targeted levels'* (The Ministry of Planning, 2000b: 158). This governmental statement has generated significant debate about the limited advance of job performance levels, with expressions of surprise given the efforts made and investment devoted to native HR development. More importantly, it raises a critical question about the link between Saudiization, job performance and organisational effectiveness. Has the policy and its related programmes really delivered developmental improvements? Have the anticipated gains been realized? In terms of conceptualization and practice, is Saudiization fit for purpose?

1.2 RESEARCH AIMS AND OBJECTIVES

Against this background, the current study aims to develop an in-depth understanding of the Saudiization policy from explicitly managerial and organisational perspectives. It aims for a critical evaluation of how cultural-based programmes like Saudiization actually affect management and work organisation, focusing specifically on their impact upon job performance and organisational effectiveness. Of course, this does not suggest that a direct, causal or linear relationship exists between Saudiization and job performance, although such a view is perpetuated by some commentators (e.g. Al-Adaily, 1983; Al-Kathiri, 1989; Alsinani, 1998). By contrast, the objectives of this study focus on:

- 1) Understanding and explaining the driving logic and momentum behind the Saudiization policy.

- 2) Exploring possible hidden assumptions behind cultural-based programmes like Saudiization, and the ways in which they are interpreted by practitioners and employees.
- 3) Uncovering the connection between Saudiization and views of Saudi societal culture, and how these reflect on ways of understanding and managing Saudi organisations.
- 4) Examining the Saudiization perspective on organisational culture, and how it impacts upon operational management, and therefore on job performance improvement and organisational effectiveness.

1.3 RESEARCH ISSUES AND QUESTIONS

The study also aims to consider the following issues and questions:

- 1) Identifying the specific forces behind the development of Saudiization as a national policy (e.g. why it came to prominence, what concerns it addresses, what debates it has raised).
- 2) How Saudi managers and employees understand and interpret Saudiization, and how that reflects upon the applied relevance of Saudiization (e.g. recruitment strategies, training systems, etc.).
- 3) The potential for misunderstanding and misinterpreting national culture-based programmes like Saudiization, and the possibility that they are informed by questionable assumptions.
- 4) Whether and to what extent the Saudiization assumptions about cultural homogeneity affect Saudi managers in their attempts to manage staff and job performance.
- 5) How the Saudiization perspective on management practice influences job performance and organisational effectiveness in Saudi organisations.

1.4 RESEARCH FOCUS

The Saudiization policy has covered most organisations in the Saudi public sector, while it is still being implemented gradually in the private sector. It is estimated that 90% of the total workforce in public sector organisations is Saudi, while the percentage in the

private sector is less than 20% (Al Humaid, 2003; The Ministry of Civil Service, 2000a). Reflecting this preponderance, this study will focus on the Saudi public sector. The high percentage of Saudi national workers in the public sector will enable us to magnify the issues around Saudiization, and therefore anticipate its likely impact more generally.

Saudiization is also a nation-wide policy that covers all regions across the country. This research will cover organisations from different regions, explicitly to account for cultural diversities and subcultural influences, and to contrast these with the formal logic behind the policy and programme of Saudiization. The research scope will also cover various categories of Saudi national workers in order to establish some baseline for comparison across and within the selected organisations. Although this attempt to include different regions, organisations and participants is time and money consuming, and could make data analysis more difficult, especially with the adoption of a qualitative approach, this strategy will enable a thorough and effective examination of Saudiization, prompting a better understanding of its influence on management and organisations.

1.5 RESEARCH IMPORTANCE

Nowadays, Saudiization is considered to be one of the most important issues in Saudi Arabia. As noted, it receives considerable attention from government, academics, practitioners and public opinion. Moreover, significant resources have been invested in it, and high hopes pinned on it. Besides its political, social and economic objectives, the Saudiization policy seeks to improve Saudi employee job performance, increase organisational effectiveness, therefore enhancing the national economy. This is the frequently publicised logic that is reproduced in governmental documents such as the Five-Year Development Plans. Despite the managerial and organisational dimensions of Saudiization, however, previous studies (as can be seen in chapter 2) have yet to address the specific dimensions of managerial, organisational and job performance improvement. To date, the main thrust has centred on economic, political, social and security issues, stressing positive aspects for Saudi society. There is a remarkable lack of critical attention to management and employee relations and work organisation issues.

Consequently, the relationship between Saudiization and performance improvement remains unclear.

The importance of the current study emerges from its attempt to fill this gap by studying Saudiization from a managerial and organisational perspective. A critical approach will be taken, examining the assumptions behind, and techniques associated with, Saudiization and connecting them to performance issues and practical developmental challenges within public sector organisations. In the process, recommendations will be made to Saudi policy makers and managers, identifying the practical implications of the study, both for the design and management of the policy and for the development of Saudi employees in general.

Much of the value of this study will emerge from its attempt to consider subcultures and cultural diversity in Saudi society, and to correct for previous oversimplifications. Saudiization is a national culture-based programme, privileging cultural homogeneity and asserting a positive influence on work organisations and management. By adopting a perspective on cultural diversity within Saudi society, this study aims to develop a more realistic picture of factors influencing performance and at the same time contribute theoretically to a more informed and sensitive understanding of cultural, managerial and organisational features.

1.6 STRUCTURE OF THE THESIS

To achieve the research aim and objectives, this study has been divided into twelve chapters. Having set the scene and magnified the research issues, chapter 2 deals with the context and environment surrounding Saudiization. It also reviews previous studies of Saudiization and similar programmes in other countries, highlighting resources and directions for the current study, and developing a viable conceptual framework. Based on this basic framework, the following four chapters (3, 4, 5 & 6) review related literature, focusing on strategic, cultural, organisational and managerial dimensions of Saudiization, respectively.

Chapter 3 concentrates on Saudiization as a governmental strategy, reviewing pertinent literature to examine its effectiveness and applied relevance at implementation level (in recruitment, job security and training practices). In chapter 4, the Saudiization assumption of socio-cultural homogeneity is discussed by reviewing the existing literature on Saudi national culture (specifically Hofstede, 1980; 1991; Bjerke, 1999). The link between national culture and organisational culture is examined in chapter 5. Here, the Saudiization perspective on organisational culture is discussed by reviewing debates around the theory of corporate culture and unitary and pluralist thinking on organisational relationships. The impact of Saudiization on operational management is highlighted in Chapter 6. More specifically, this chapter examines the persistent assumption that universal 'best' management practices can be instituted by this means, using the theoretical debate on convergence-divergence-crossvergence around HRM practices. By presenting and discussing the main conceptual framework for the empirical work of the study, this chapter also connects the theoretical part of this study to the processes of data collection and analysis.

Chapter 7 is related to research methodology. It discusses and justifies the adopted research approach and the selected methods of data collection. It also explains the field work and the strategy of data analysis. The findings of the study are presented and discussed in four chapters (8, 9, 10 & 11). Each of these chapters concentrates on one of the main dimensions of Saudiization, exploring the findings related to it. The aim is to ensure a high level of coherence and consistency between the theoretical and empirical projects. Finally, chapter 12 draws the main findings of the study together, providing some practical implications for Saudi practitioners, and explaining our theoretical contribution to knowledge. In the process, it acknowledges some of the limitations of the study, suggesting possible directions for future research.

CHAPTER 2

SAUDIIZATION: CONTEXT AND PREVIOUS STUDIES

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This general background on Saudi Arabia aims to acquaint the reader with the most salient features of the geographical, political, social and economic environment of the country, situating Saudization explicitly in the context for which it was planned and is being implemented.

CHAPTER 2

SAUDIIZATION: CONTEXT AND PREVIOUS STUDIES

2.1 INTRODUCTION

It is often argued that to gain a better understanding of a particular problem or phenomenon, it should be studied in its real-life context (Bryman, 2001; Cassell and Symon, 1994; Dean *et al.*, 1969; De Vaus, 2001). This means that we need firstly to understand the context and environment wherein the phenomenon exists. Saudiization is a governmental policy that originated and developed in the Saudi public sector. It is a nation-wide policy that has political, social and economic dimensions. Acknowledging the importance of understanding contextual issues, this chapter aims to shed light on the environment within which Saudiization was and is planned and carried out, focusing particularly on the public sector.

The chapter begins by providing a general background on Saudi Arabia. It then explains the pattern of manpower development in the country, reviewing the SAG's Five-Year Plans of Development. The emergence of the Saudiization policy and its development during the last few decades is also examined, again focusing particular attention on the Saudi public sector. The chapter then moves on to review previous studies of Saudiization, identifying gaps and directions for additional work. Finally, a basic framework is established to guide the literature review.

2.2 A GENERAL BACKGROUND ON SAUDI ARABIA

This general background on Saudi Arabia aims to acquaint the reader with the most salient features of the geographical, political, social and economic environment of the country, situating Saudiization explicitly in the context for which it was planned and is being implemented.

2.2.1 GEOGRAPHICAL ENVIRONMENT

The Kingdom of Saudi Arabia is situated in the south western part of Asia. It is bordered by Jordan, Iraq and Kuwait to the north; by the Sultanate of Oman and Yemen to the south; by the Arabian Gulf, Bahrain, Qatar and the United Arab Emirates to the east; and by the Red Sea to the west. The kingdom occupies about four-fifths of the Arab Peninsula, with a total area of over 2,240,000 square kilometers (The Ministry of Planning, 1999). Aside from the country's religious and economic significance, *"the potential importance of Saudi Arabia's geographical position is quickly apparent: it is strategically located between Africa and mainland Asia, lies close to the Suez Canal and has frontiers on both the Red Sea and the Arabian Gulf"* (Lipsky, 1959: 19).

Geographically, the country consists of five major regions. These are the central, western, eastern, southern and northern regions. Because of the large area of the country, these regions have varied topographical structures. There is also remarkable variation in the climate among the regions. Accordingly, the basic economic activities exercised by people in these regions are various (Al-Farsy, 1986; Dew, 2003; Johany *et al.*, 1986). The central region, *Najd*, is the heartland of the country, both physically and culturally. It consists of a series of eastward-sloping plateaux separated by ridges. It also contains a number of marshes and broad valleys. This region enjoys a continental climate: dry and hot in summer and cold in winter. Trade is the main economic activity in this region with a significant amount of agriculture that relies on fossil water. At the central of this region is the Kingdom's capital, Riyadh.

The western region, *Hijaz*, consists of a low coastal plain along the Red Sea with a mountainous range parallel to the coast. The climate of this region, especially the coastal part, is renowned for its heat and humidity, and lack of rainfall. Economically, the region contains one of the major seaports of the country, Jeddah. It is the economic capital and industrial centre of the country. Religiously, this region is also the site of the two holy cities of Islam, Makkah and Al Medinah, which attract around two million pilgrims annually. At the other extreme, there is the eastern region, *Al-Hasa*. It is mainly a flat, desert expanse dotted with oases with a coastal plain along the Arabian Gulf. As a

coastal desert area, this region has a special climate. It is mainly hot and humid with dust-storms and strong north-westerly winds, reaching their greatest frequency in June. This region is the wealthiest area in the country. It is the site of the massive oil and gas fields which are the main sources of Saudi Arabia's economic development. It has the second seaport of the country on the Arabian Gulf, and is considered to be an important commercial and industrial centre.

The southern region, *Asir*, is a fertile mountainous area, much of which lies above 3,000 meters. The climate of this region is relatively cold with a considerable amount of rainfall throughout the year. As a result, agriculture is one of the most important economic activities. The region is also considered to be one of the most attractive areas for tourists. At the opposite end of the country is the northern region, *Al-Shamāliyah*. A large part of this region is a desert covered with sand dunes. The climate is generally hot in summer and cold in winter, and its rainfall tends to be confined to winter. The prevalent economic activity in this region remains nomadic pastoralism and agriculture.

2.2.2 SOCIAL ENVIRONMENT

The 1974 census put the population of Saudi Arabia at just over 7 million. Since then, the population has grown dramatically. Preliminary results of the 1992 census gave a figure for total population of 16.9 million, of which 12.3 million were Saudi nationals. In 2000, the population was estimated to be above 21.4 million. Three-quarters of them are Saudis, almost equally divided between the sexes, with about 50% of working age (15 and over) (Dew 2003; The Ministry of Planning, 2000b). The high rate of Saudi population growth can be attributed to several factors. First, the high birth rate and the drop in the death rate as a result of the enhancement and expansion of the health services, as well as the improvement of economic and social conditions, in the country (Al-Shuaibi, 1991). It is also attributed to the normality and acceptance of large families in the society, and to the limited involvement of women at the workplace (Johany et al., 1986).

Most Saudi people are Muslim. They often descend from Arabian origins and share common cultural values that are derived from Islam and tribal traditions. However, this does not mean that Saudi society is fully homogeneous. While Islam is the main religion, there are different religious doctrines in the society. For example, about 90% of Saudis are Sunni Muslims spread out in most of the country's regions. A considerable segment of the population of the Eastern Region is Shiite Twelvers. Twelver and Ismaili sects are also to be found in Asir and Hijaz, and Zyadism in Asir Region (Al-Farsy, 1990; Alsaeeeri, 1993; Vassiliev, 1998).

Saudi society is also socially diverse, although it is often classified into different categories. These include tribal and non-tribal communities, rural people and urbanized city dwellers (Al-Saif, 1997; Mohammed, 1988; Shata, 1985). Until the late 1930s, most of the Saudi tribes were nomadic or semi-nomadic, such as Belahmer, Baqum, Thaqif, Asir, Harb, Qahtan, Helal, Anaza, Otaiba and Shammar (Al-Farsy, 1990). Today, due to rapid economic and urban growth, these tribes have settled either in rural villages or urbanized cities. Despite urbanization, and the need for some citizens to leave their tribal communities for education and work, tribal people still maintain their tribal identity and comprise the majority of the Saudi population.

Kinship relationships are often strong and, though sections of a tribe may be opposed to one another, they regard themselves as one unit, an outlook that generates respect for rival tribes. The tribe is headed by a chief (the Sheikh), whose position is socially derived rather than officially formalized. The Sheikh enforces his decisions through moral influence and by forging a consensus among tribal elders. Consequently, he must possess qualities that command respect. These usually include seniority, wisdom and impartiality. In addition to overseeing their tribes' members, the Sheikhs serve as advisors to the government in tribal affairs. They also act as a communication link between the government and their tribes (Mohammed, 1988).

Although representing a minority of the overall population, non-tribal communities comprise mixed ethnic groups, most of whom are immigrants from different countries.

Reviewing the history of Saudi Arabia, Vassiliev (1998: 428), points out that “*there had always been numerous immigrants of both Arab and non-Arab origin in the country – slaves and freemen, mostly African, as well as the descendents of the Muslim pilgrims from many countries who had settled in Macca and Jeddah*”. In the Hijaz region, for example, there are substantial Indian and Indonesian communities in Makkah and Al Medinah, the two holy cities. In Jeddah, there are also descendants of Persians and Hadramis (from Hadramaut, or Aden), as well as Africans and people from other parts of the Arabic-speaking world. In addition, the population of the Eastern Region has been infused for decades by foreign labourers, who came with their families looking for work opportunities via oil investment companies. Despite living in Saudi society for a long time, most of these communities are not fully assimilated into the society. They retain their original cultural identity and exercise different traditions and customs, including marriage, funeral and naming traditions (Al-Saif, 1997; Shata, 1985).

Saudiization, as a nation-wide policy, covers all the geographical regions and social categories. It aims to invest in the development of all national human resources, irrespective of regional or other contrasts. Its concern is to qualify and train Saudi nationals to be able to replace the expatriate work force anywhere in the country. Yet it is possible to find organisations and departments which consist of employees from different social categories and geographical regions across the country. Despite the importance of subcultures and cultural diversity across organisations and regions, Saudiization is infused with assumptions about homogeneity, as subsequent chapters will demonstrate.

2.2.3 POLITICAL ENVIRONMENT

The Kingdom of Saudi Arabia was established by the late King Abdul Aziz Al Saud in 1932. It is a monarchy supported by a political system based on Islamic law (*Shari'a*), comprising a Council of Ministers, a Consultative Council (Majlis Al-Shura) and 13 provincial governments (*Mintaqah*) (Alsaeri, 1993; Al-Shaqawy, 2002). The Council of Ministers is the main body of the Saudi government, and was established in October 1953. It consists of the King, who is the Prime Minister, two Deputy Prime Ministers,

twenty two Ministers, and eight Ministers of State. The Council is reshuffled every four years, the last being in April 2003. The Council is responsible for drafting and overseeing the implementation of internal, external, financial, economic, educational and defense policies, and the general affairs of state.

In 1993, the Consultative Council was established to act as an advisory forum for the King. It is also in charge of initiating legislation, overseeing the workings of government departments, and reviewing all governmental policies. When inaugurated in 1993, the Council consisted of 60 members in addition to the chairman, which increased to 90 in 1997 and to 120 in 2001 (Al-Shaqawy, 2002; Dew, 2003). The members of the Council, appointed by the King for a four-year renewable term, represent the spectrum of Saudi society. That said, the formation of the Consultative Council should not be seen as an introduction of western style of democracy, but rather as an enhancement of long-standing consultative processes at work since the foundation of the country. Nevertheless, this Council is considered to be a movement towards the decentralization of power, sharing governing and decision-making responsibilities among an educated and knowledgeable elite from different categories of the society.

Administratively, Saudi Arabia is divided into 13 provinces (*Mintaqah*). These include Riyadh, Makkah, Al Madinah, Al Bahah, Asir, Jazan, Najran, Al Qasim, Ha'il, Tabuk, Al Jawf, the Eastern Province and the Northern Border. Each of these provinces is headed by a governor (*Amir*) who is usually a prince of the Royal House of Al-Saud (Alsaeri, 1993). The primary role of the provincial governors is to administer their area of responsibility according to public policies and underlying regulations. High priority is given to the maintenance of public security and order, and to overseeing local, social and economic development (Dew, 2003). This administrative structure aims to ensure that all parts of the kingdom benefit from the country's continuing progress. One of the strategic principles of the Sixth Development Plan (1994-1999) clearly articulates this objective. It emphasizes the importance of realizing balanced growth and development throughout the Kingdom (The Ministry of Planning, 2000b).

The provincial governments play a key role in implementing the Saudiization policy. In each province there is a main committee, with subcommittees, of Saudiization headed by the governor. This committee takes over field supervision, monitoring Saudiization to ensure that all the relevant resolutions and regulations are implemented effectively within each province (The Manpower Council, 2002a). This idea of the provincial committees of Saudiization has created an atmosphere of enthusiasm and competition between provinces around the pace of implementation. For example, in his review of experience within the Al Madinah Province, Alsinani (1998) attempts to show the efforts and achievements of the local committee on Saudiization. He demonstrates that in 1997, the committee targeted about 9128 jobs (occupied by non-Saudis) mainly in the private sector. At the end of that year, 32% of these jobs were sauditized, an unprecedented achievement in comparison with other provincial committees, he argues. Each committee also produces an annual report to show statistically the progress of Saudiization in the province.

2.2.4 ECONOMIC ENVIRONMENT

The economy of Saudi Arabia is dominated by the oil sector. It is often described in terms of a single-commodity (i.e. oil), not well-diversified economy (Al-Shuaibi, 1991). Just six years after the establishment of the State, in 1938, oil was discovered, and has become the main source of economic prosperity. In the late 1970s and early 1980s, the production of oil reached its highest level at 9.5 million barrels per day, with US\$ 113.300 billions in revenue, showing a significant real growth of the oil sector in particular and the national economy in general. As a result of the development of the world oil market and the entry of new producers, oil production fell to 3.2 million barrels per day in the mid 1980s. After a period of fluctuation in the late 1980s and early 1990s, the production of oil increased to 7.56 million barrels per day in 1999, to 8.11 in 2000 and then to 9.9 in 2003. Today, Saudi Arabia is considered to be the largest producer of crude oil, possessing 262.8 billion barrels or approximately 25% of the world's proven oil reserves (Dew, 2003; OPEC Annual Statistical Bulletin, 2002; The Ministry of Planning, 2001a)

During the last three decades, the contribution of the oil industry to government revenues has been significant. It ranges between 57.2% in 1997 (the lowest rate) and 94.1% in 1974 (the highest rate) of total revenue (The Ministry of Planning, 2001a). Despite this significance, however, the Saudi government has realized the importance of diversifying the national economy and reducing dependence upon the production and exportation of oil, which is an exhaustible resource, subject to fluctuating world markets. This is obvious from the persistent attention of successive development plans to diversifying the economic base and utilizing other economic and natural resources in the country. The general objectives and strategic bases of the Seventh Development Plan (2000-2005) emphasize the importance of continuing *“to reduce dependence on the production and export of crude oil as the main source of national income... and to diversify the source of national income and to expand the production base of services, industry and agriculture”* (The Ministry of Planning, 2000b: 107).

Moreover, the government has realized that the ultimate source of a nation's wealth increasingly lies in its human resources and its productive and skilled labour force, its so called 'human capital'. Hence, greater attention has been given, since the Fourth Development Plan (1985-1990), to national human resources development through continuous support of training Saudi human resources, preparing them for work, providing them with appropriate job opportunities and, consequently, minimizing dependence upon foreign labour (The Ministry of Planning, 1985). In this context, Saudiization has emerged as a central pillar of governmental policy towards human resource development.

2.3 MANPOWER DEVELOPMENT

During the last three decades, manpower has been defined as a major problem area in Saudi Arabia which has been described as 'capital-rich, labour-poor' (Al-Shuaibi, 1991; Alsaeri, 1993). From a clear shortage of indigenous manpower some years ago, the problem has been redefined in terms of increasing rates of unemployment among Saudi youth, recently estimated to be 8.34% (Al Humaid, 2003; The Ministry of Planning,

2001b). A review of the Five-Year Development Plans can help to understand this problem and how Saudiization figures in attempts to resolve it.

The Five-Year Development Plans

The huge increase in oil revenues since the 1970s has given the Saudi government the financial ability to devise a comprehensive development programme with the aim of improving the economic conditions of its people in all aspects, through a series of five-year plans. One of the key objectives of these plans is to develop national human resources and replace non-Saudi manpower by qualified Saudis (The Ministry of Planning, 2000b). Over the past thirty years, six development plans have been devised, and the Seventh Development Plan is being implemented during the period 2000-2004.

The First Development Plan (1970-1975), with a total expenditure of SR. 34.1 billion, established the foundation for the country's rapid transformation into a more advanced nation. It focused on the provision of infrastructure and basic government services such as water supply, electricity generation, health and education. To achieve this goal, and in the light of a quantitative and qualitative shortage of indigenous manpower, the government resorted to importing foreign workers from various countries. By the end of the plan, the number of non-Saudi workers was 314,000, consisting of about 20% of the total workforce. The average expenditure on infrastructure and human resource development during this plan was 41.4% and 20.6% of total government expenditure respectively. This indicates a significant investment in infrastructure development, with human resources investment trailing behind and requiring a heavy reliance on non-Saudi manpower.

As Saudi oil revenues increased substantially with crude oil prices in international markets, The Second Development Plan (1975-1980) prompted an expansion of transport, electricity, water and housing infrastructure with a total expenditure of SR. 347.2 billion. It also focused on fostering energy-intensive industrialization, especially in relation to downstream oil and gas, with the establishment of two new industrial cities (The Royal Commission for Jubail and Yanbu). Since these were by nature labour

intensive, and in light of continuing shortages of indigenous manpower, the reliance on foreign labour increased. By the end of this plan, 43% of the total manpower was non-Saudi.

The Third Development Plan (1980-1985) operated with a total expenditure of SR. 625.2 billion, and sought to continue building hydrocarbon industries and extending the infrastructure projects to all regions, making more efficient use of non-Saudi labour. A sizeable influx of foreign labour was the logical consequence. During this planning period, the number of non-Saudi workers increased from about 1.5 to 3.5 million, consisting of more than 65% of the total manpower in Saudi Arabia. In fact, this foreign workforce played a vital role in implementing this and the two previous development plans, and in speeding up the economic development of the country. However, the stabilization of world demand for oil in the second half of this planning period caused a sudden downturn in the Kingdom's revenue position, which was subsequently reflected in falling economic growth rates. This emphasized the need for a more diversified economy, with full investment of indigenous human resources during subsequent planning periods.

The Emergence of Saudiization

The Fourth Development Plan (1985-1990) witnessed the official emergence of Saudiization as a policy aiming to invest in national human resources and to reduce reliance on foreign manpower. Saudiization came to the forefront of the Saudi government's interests, retaining this status as a primary objective of development plans to date. The main emphasis during this plan was to prepare Saudi citizens to take a more active role in the economic and social development of their nation. More specifically, a strong emphasis was placed on enhancing the capabilities of the Saudi workforce through a qualitative and quantitative expansion of education and training. Financially, the government expenditure on education and training rose markedly from 18% in the previous plan to 33% of total actual expenditure with this plan.

While the Forth Plan marked the formal introduction of a Saudiization policy, thinking around this issue predates it significantly. According to Madhi and Barrientos (2003), Saudiization can be traced back to oil exploration and exploitation agreements in 1930s, which included a requirement that local workers be employed where possible. In his opening address at one of the Saudi vocational training schools in 1974, King Faisal pointed out that *“this country (the Kingdom of Saudi Arabia) in this particular stage of its development, is in greater need of adopting the vocational trend, because the implementation and carrying on of projects requires manpower and that should only be ensured from the country’s own sons”* (cited in Al-Shalawi, 1988:124). The King’s address emphasized the need for reliance on a Saudi national workforce, similar to that now envisaged with Saudiization; and indicating that Saudiization is not in itself a new idea. Nevertheless, the formal emergence of Saudiization with the Fourth Plan amounts to the first policy initiative in this direction.

By the end of this plan, the outcomes of Saudiization (in terms of increasing numbers of employed Saudi nationals) were not encouraging. The plan had anticipated an increase of the Saudi manpower to 51% of the total workforce, with annual growth rates of 3.8% for males and 5.2% for females. However, the actual figures indicated that the contribution of Saudi manpower was lower than 35%. This was attributed to delays in implementation and, more seriously, to the gap between education and training results and labour market demands (Al-Sudani and Abdulkhair, 2001; Esmaeel, 1999).

The Fifth Development Plan (1990-1995) consolidated the Saudiization policy by emphasizing the matching of educational outputs with the requirements of labour markets. More specifically, it emphasized the need for further expansion of education and training, particularly in technological, vocational and technical areas. During the implementation of the plan, four new training institutes were opened in different cities. The government expenditure on human resource development also rose to 48% of total actual expenditure during this planning period. In addition, the plan sought further encouragement from the private sector, especially in the appointment of Saudi manpower.

Despite an increase in Saudi manpower to 39.4% of the total workforce by the end of this plan, the problem of unemployment became apparent. Due to the rapid growth of the Saudi population and a lack of job opportunities, since jobs were already occupied by non-Saudis, the problem of indigenous manpower shortage shifted to a concern for high rates of unemployment. During this planning period, unemployment rates among Saudis were estimated to be running at 3.2% of the total population of working age (Madhi and Barrientos, 2003).

To tackle the problem of unemployment in its early stages, the development and utilization of national human resources continued to be one of the central themes of the Sixth Development Plan (1995-2000). The absorption capacity of universities, educational institutions, vocational training and technical colleges was increased during this plan, with emphasis given to the quality and development of curricula across education and training sectors to meet the needs of the labour market. More than half (51.5%) of the government's total expenditure during this period was invested in human resource development. In addition, the plan aimed to address human resource development constraints, replacing expatriates with Saudis, and encouraging the private sector to provide additional job opportunities for Saudi citizens.

During the implementation of the plan, the total Saudi national workforce increased from 2.54 million workers at the beginning of the planning period to 3.17 million by its end. This increase in the percentage of Saudis in total employment (4.5% annually) was cited in some government documents and reports (e.g. The Ministry of Planning, 2000a) as an indication of significant progress in meeting the targets set out in the Saudiization policy. However, due to the high growth rate of the Saudi population of working age, which was estimated in 2000 to be about 9 million, and the relative lack of activity on Saudiization in the private sector, unemployment rates reached 8.34% according to the official estimation in 2000 (Al Humaid, 2003; The Ministry of Planning, 2001a).

With this increasing rate of unemployment, the Seventh Development Plan (2000-2004) came to place further emphasis on human resource development and the Saudiization

policy. Planned expenditure on human resources during the plan is estimated to be SR. 276.9 billion, or 56.7% of total expenditure on development, with an increase of 24.6% compared to the previous plan. In addition, the plan has set a target of providing 817, 000 jobs for Saudis by creating new opportunities or by replacing expatriates. By doing this, it is estimated that the Saudi workforce will reach 3.99 million by the end of the planning period. Since the Saudi population is estimated to approach 40 million in 2020, of which 29.7 million will be Saudis, the Seventh Development Plan also estimates a further increase of the Saudi national workforce to 8.26 million in 2020, an annual growth rate of 4.69% (Al Humaid, 2002; The Ministry of Planning, 2000b).

The significant point here is that Saudiization is expected, by the government, to play a key role in this increase, mainly through qualifying and training Saudi citizens to replace expatriates in both the public and private sectors. In July 2003, the government announced its decision to reduce the number of expatriate workers to 20% of the total population in a decade, thereby opening more jobs to Saudis (Looney, 2004). There is also a growing commitment to Saudiization in the public sector, with a target towards 100% native employees by the end of this decade (Al-Harbi and Al-Dosary, 2001).

2.4 THE SAUDI PUBLIC SECTOR AND SAUDIIZATION

The Saudi public sector is considered to be the birth place of Saudiization. It is also the place where Saudiization has been nearly completed, albeit quantitatively. As mentioned earlier, available statistics indicate that around 90% of the current workforce in the public sector are now Saudis. This contrasts with the private sector where the rate for native employment is about 16% (Al Humaid, 2003; The Ministry of Civil Service, 2000a). These figures suggest that issues relating to Saudiization can be more clearly observed and examined within Saudi public sector organisations. The Saudi public sector provides the best insight into the real-life issues around Saudiization, offering an opportunity to evaluate its development, structure, activities and establishments.

In the early stages of formation and unification of the Kingdom in 1932, the structure of the Saudi public sector was simple and limited to very few functions. Only three

ministries (i.e. Foreign, Interior and Finance) were established, providing basic services and keeping law and order. During the 1940s and early 1950s, the government, with the availability of oil revenues, began to expand service provision to health, education and transportation. This prompted the growth of public sector agencies and administrative centres, including the establishment of several ministries and governmental agencies (e.g. Health, Education, Transport, Trade, and Agriculture Ministries).

In the 1950s and early 1960s, the public sector witnessed accelerated growth as these agencies increased their responsibilities, though not without administrative and financial problems. These included a lack of efficiency and administrative effectiveness. There was a high degree of overlap in responsibilities and functions among these establishments, accompanied by shortage of skilled and qualified manpower.

To tackle these problems, the government asked for technical assistance from some specialized international organisations such as the International Monetary Fund, the World Bank, the Technical Cooperation Administration of the United Nations, and the Ford Foundation. The recommendations of these organisations concentrated on restructuring the public sector and its existing establishments, developing new financial and administrative systems, and establishing more governmental agencies such as a central agency for planning to be in charge of short and long-term economic planning, and a training institute for public administration to take over the responsibility of qualifying and training public employees. Accordingly, and as a consequence of continuing economic development, the Saudi public sector witnessed significant development during the 1970s and 1980s, expanding in terms of the number of establishments, budgets, activities and services (Al Melhim, 2000; Alsaeri, 1993).

In the early 1990s, a comprehensive administrative structure was devised. It included 21 ministries, 12 government agencies, 14 regional municipalities, 6 municipalities for major cities, 3 agencies for central control, 32 public corporations, 5 independent agencies, 6 agencies for administrative development, and the Council of Ministers at the top (Alsaeri, 1993). From the late 1990s to date, this structure has been amended and

adopted. For example, on June 16, 1999, the Ministry of Civil Service was created to replace the Civil Service Bureau. On September 16, 2002, the Ministry of Agriculture and Water was subdivided, creating a 23rd ministry (i.e. the Minister of Water). Recently, on March, 22, 2004, the Ministry of Labour and Social Affairs was split into two separate ministries: the Ministry of Labour and the Ministry of Social Affairs (Okaz Newspaper, Tuesday 23 March 2004, No. 1010).

This growth and expansion in the size and structure of the Saudi public sector was accompanied by increasing demands and growing responsibilities, including these for enhancing economic and social development in the country. With the private sector still playing a limited role, the public sector has taken the strain of generating development projects, coordinating them within the confines of a comprehensive plan, supervising their execution, and both operating and maintaining them (Al Nimir and Palmer, 1982). As a modernizing country, the role of the Saudi public sector has also increased, not only to provide basic services, but also to ensure the welfare of citizens. This has prompted enormous and diverse investment in industrialization, agriculture and education projects.

Moreover, the Saudi public sector has become the main source of employment for Saudi citizens. The Civil Service Regulations (1977) states that employment in the public sector requires “*Saudi nationality; an exception may be allowed for non-Saudis to work temporarily in those positions that require special qualifications not available in Saudi nationals*” (the Saudi Civil Service Law, 1977: 9). Over the period from 1975 to 1995, public sector employment increased at an annual rate of 9% (Madhi and Barrientos, 2003). Accordingly, the number of civil employees in the public sector increased from 116.665 in 1975 to 916.000 in 2002 (Al Humaid, 2003; The Civil Service Bureau, 1982). With the implementation of the Saudiization policy, the public sector created the greatest opportunities for the employment of Saudi nationals, and has therefore been central to the strategic goal of utilizing domestic human resources.

Most public sector employees are now Saudis. In fact, the attractiveness of public sector employment plays an important role in the achievement of Saudiization. Saudis ostensibly prefer public sector employment, where pay and benefits are better and where shorter working hours (five working days a week with seven working hours a day), generous vacation and sick leave, security of tenure and training incentives prove attractive. Moreover, government employment is preferred for its considerable social status in Saudi society (Al Azaz and Yousef, 1999; Al-Harbi and Al-Dosary, 2001).

It is also worth noting that the public sector is the place where Saudiization, as a governmental policy, is planned and controlled. Although all ministries and public agencies contribute to the implementation of Saudiization, three government organisations are directly in charge of planning, supervising and controlling the Saudiization policy. These are the Manpower Council, the Ministry of Labour, and the Ministry of Civil Services.

The Role of The Manpower Council

The Manpower Council was established in 1980. It directly reports to the Prime Minister and is responsible for manpower planning, development and training. Since its inception, the Council has taken full responsibility for formulating Saudiization plans and policies as part of its main tasks and responsibilities (The Manpower Council, 2003), which include:

1. Studying the current needs for Saudi and non-Saudi manpower in accordance with the requirements of economic development plans and programmes, and formulating policies to be followed by all government entities.
2. Coordinating government programmes aimed at developing the Kingdom's human resources, assuring that related educational and training programmes are in line with manpower development requirements.
3. Formulating policies for diversifying and upgrading the skills of Saudi manpower.

4. Formulating policies for the distribution of Saudi and non-Saudi manpower to achieve the optimum utilization of manpower, and taking steps to reduce dependence upon foreign labour.
5. Formulating policies to increase the share of Saudis in total manpower, especially those who can participate effectively in the economic development efforts.

As a result of a decision taken on March, 22, 2004 to divide the Ministry of Labor and Social Affairs into two separate ministries, the Manpower Council has been dissolved and its responsibilities passed to the Ministry of Labour.

The Role of the Ministry of Labour

Clearly, the Ministry of Labour is also concerned with the development and use of Saudi human resources. It is now responsible for manpower planning, labour relations and the general monitoring of all matters relating to employment, especially in the private sector (AL-Farsy, 1990). More specifically, the Ministry covers all activities relating to labour and employee affairs, including enforcement of labour laws, resolution of labor disputes, recruitment within the private sector and the recruitment of foreign workers. With the increase in non-Saudi manpower in the private sector, the ministry has an important task in implementing the Kingdom's intensified campaign for the Saudiization of the private sector. In 2001, the Ministry set a goal of 25% Saudiization in the private sector for 2002, reproducing the ambitions of the Seventh Development Plan. Early in 2003, the Ministry also ordered an accelerated Saudiization of bank jobs held by expatriates (Looney, 2004).

The Role of the Ministry of Civil Service

The Ministry of Civil Service was established in 1999 to replace the Civil Service Bureau. It is responsible for manpower development in the public (government) sector, to ensure that the competence of civil servants matches the requirements of the Kingdom as it implements its various development programs. As a supervising and executive body, the Ministry takes over three main tasks: 1) suggesting and supervising implementation of the civil service systems and regulations in public sector organisations; 2) advising government departments and public organisations on relevant

matters or correcting their procedures; and 3) recruiting and selecting public sector employees, in cooperation with personnel departments in organisations (Al-Farsy, 1990; The Ministry of Civil Service, 2000b; 2001).

The last task is the most important one, especially in relation to the implementation of Saudiization. Following the Civil Service Regulations, the Ministry gives Saudi nationals priority for employment. It also, through a centralized strategy of recruitment, seeks to accelerate the replacement of existing expatriate workers with Saudis in all public organisations. Accordingly, the employment of foreigners in administrative professions has been banned. Renewing the contracts of foreign employees has also been restricted and confined to some medical and educational professions. The maximum period of employment for foreign employees in other professions has been limited to 10 years (Looney, 2004; Madhi and Barrientos, 2003). As a result, 11653 Saudi nationals replaced non-Saudi workers during the period from 1998 to 2002 (see table 2).

Gender	Number of Saudi employees					Total
	1998	1999	2000	2001	2002	
Male	610	1353	1424	1766	629	5782
Female	1777	1076	443	1190	1385	5871
Total	2387	2429	1867	2956	2014	11653

Table 2: Numbers of Saudis who have replaced non-Saudi workers in the public sector (1998-2002)
Source: The Ministry of Civil Service, Civil Service by Numbers, (2002: 48).

Having provided environmental and contextual details, it is now possible to review previous studies of Saudiization and similar programmes in other Arab countries.

2.5 SAUDIIZATION IN PREVIOUS STUDIES

Saudiization has received a great deal of attention from the Saudi government, academics, practitioners and public opinion, since its emergence. Nonetheless available studies and symposia have yet to address its practical impact on management and organizational activities. To date, the principal interests have centered upon strategic, economic, social and security issues, stressing positive aspects by various macro level indicators.

For example, in a study of the Saudi labour market, Al-Sultan (1998) focuses on the economic and social dimensions of Saudiization. He suggests that Saudiization can replace more than 4 million expatriate workers, contributing to a real investment in the development of national human resources. Using the national census in 1992, he points out that a persistent reliance on foreign labour has restricted the contribution of Saudi citizens in the labour market to 30%. Yet 50% of the total Saudi population is of working age (estimated to be more than 12 million at that time). He also contends that the large number of foreign workers effectively overloads public services, placing additional burden on governmental expenditure.

In another study of localization programmes in Saudi Arabia, Esmaeel (1999) concentrates on the social and strategic dimensions of Saudiization. He argues that the high number of foreign workers has taken its toll on both society and economy. Ostensibly, by minimizing the number of expatriates, Saudiization can give a more accurate picture of demographic realities in Saudi society, ensuring the effective distributing of national resources and public services, such as water, electricity, education and health.

Reviewing the history of the Saudi labour market, Al-Thaqafi (2000) also concentrates on the social, economic and security dimensions of Saudiization. He argues that dependence upon foreign labour reduces job opportunities for Saudi youth, thereby increasing unemployment rates, which he positively correlates with crime rates. Citing crime statistics during the period from 1988 until 1997, he contends that about 22.35%

of crimes were committed by unemployed Saudis. He also reveals that more than SR. 597 million was remitted by foreign workers to their respective home countries during the same period. By providing job opportunities to Saudi citizens, Saudiization will not only solve the growing problem of unemployment, but also greatly reduce the outflow of money from the country, he believes. This is ostensibly a good reason for accelerating the implementation of Saudiization in the private sector.

These trends in the analysis of Saudiization continue to dominate the most recent publications. Loony (2004) examines the compatibility between Saudiization and the general approach to economic reform in Saudi Arabia, focusing on its strategic and economic implications. After reviewing some present economic, educational, political, and social reforms in the country - such as foreign direct investment, WTO membership, full integration with the Gulf Cooperation Council countries, and participation of Saudi women in the labour market - Saudiization is considered to be compatible with the country's economic reforms and positively correlated with economic diversity, competitiveness, growth potential and employment generation. Loony argues that larger domestic markets will be generated by replacing expatriates with Saudis, reinforcing the country's reform efforts by facilitating growth in the non-oil sector and providing a stimulus to private sector investment.

Clearly, the thrust of previous studies has been to examine and evaluate Saudiization in terms of outcomes rather than as a process. In addition, attention has been paid to the slow progress of Saudiization, especially in the private sector. The issues here centre on the number of jobs Saudiization can create, and the obstacles that implementation encounters. Reviewing statistical evidence on manpower utilization in the Saudi private sector, Al-Sudani and Abdulkhair (2001) identify the achievements of Saudiization and its future in this sector. They argue that progress towards policy objectives is still slower than expected, since the percentage of Saudi nationals in the private sector remains at less than 10%. The researchers believe that the gap between the supply and demand of national labour is one of the main obstacles to progress in this sector. They attribute this to the special characteristics of Saudi labour in terms of education, skill and wage levels,

compared to their foreign counterparts. They reveal that the level of Saudi labour is higher in terms of education and pay, yet lower in skill. By contrast, the level of foreign labour is lower in terms of education and wages, but higher in skill. As a result, private sector organisations seem to prefer foreign labour over Saudi staff. The researchers conclude their study by offering some suggestions about how to increase the number of Saudi nationals in the private sector, including intensified training programmes for Saudis and tighter administrative and financial regulations (e.g. non-Saudi labour taxes) to minimize the incentive for importing foreign labour.

Focusing on the quantitative outcomes of Saudiization, Al Humaid (2002) also discusses the slow progress of Saudiization in the private sector. He argues that the contribution of the private sector to the implementation of Saudiization is still limited. More than 95% of total foreign labour works in private organisations. The percentage of Saudi labour in the private sector is still under 16%. To achieve progress with Saudiization in the private sector, he goes on to identify some supportive arrangements, such as a human resource development fund for the private sector, and a national project of joint vocational and technical training.

In another study of outcomes, Madhi and Barrientos (2003) concentrate on employment and career development in Saudi Arabia. Using data collected by the Saudi Central Statistics Department and Saudi Council of Chambers of Commerce, they highlight the structure of the Saudi labour force and the nature of employment and career development in both the private and public sectors. They reveal that employment and career opportunities are strongly differentiated by nationality and sector. By the 1990s, non-Saudis accounted for close to two-thirds of the labour force, around 90% of them employed in the private sector. A majority of Saudi nationals found employment in the public sector. Since Saudiization, in practice, requires a shift in Saudi employment from the public to the private sector, they suggest that it is bound to have important effects on employment and career development in the country. In conclusion, they point to important constraints, especially in terms of its impact on the productivity and

competitiveness of the Saudi economy, which could slow down the progress of Saudiization in the private sector.

Considering the slow progress of Saudiization in the private sector, other prescriptive studies have concentrated on plans, models, processes and approaches for more successful and effective implementation. Al-Harbi and Al-Dosary (2001) introduced a multistep process for private companies to consider when saudizing their labour force (see figure 1). These include: firstly, a formal policy and practical commitment to identifying and employing local personnel. Secondly, management adherence to accepted rules and regulations governing the importation of overseas labour. In effect, companies should adopt government-sanctioned rules and regulations for the protection of workers rights. Thirdly, there is a need for a rational policy to identify jobs that can be Saudiized, and for active cooperation with government departments concerned with needs analysis. Fourthly, a policy statement about motivation and reward systems should be made available. This should be a part of an overall policy “commitment to retain local workers”.

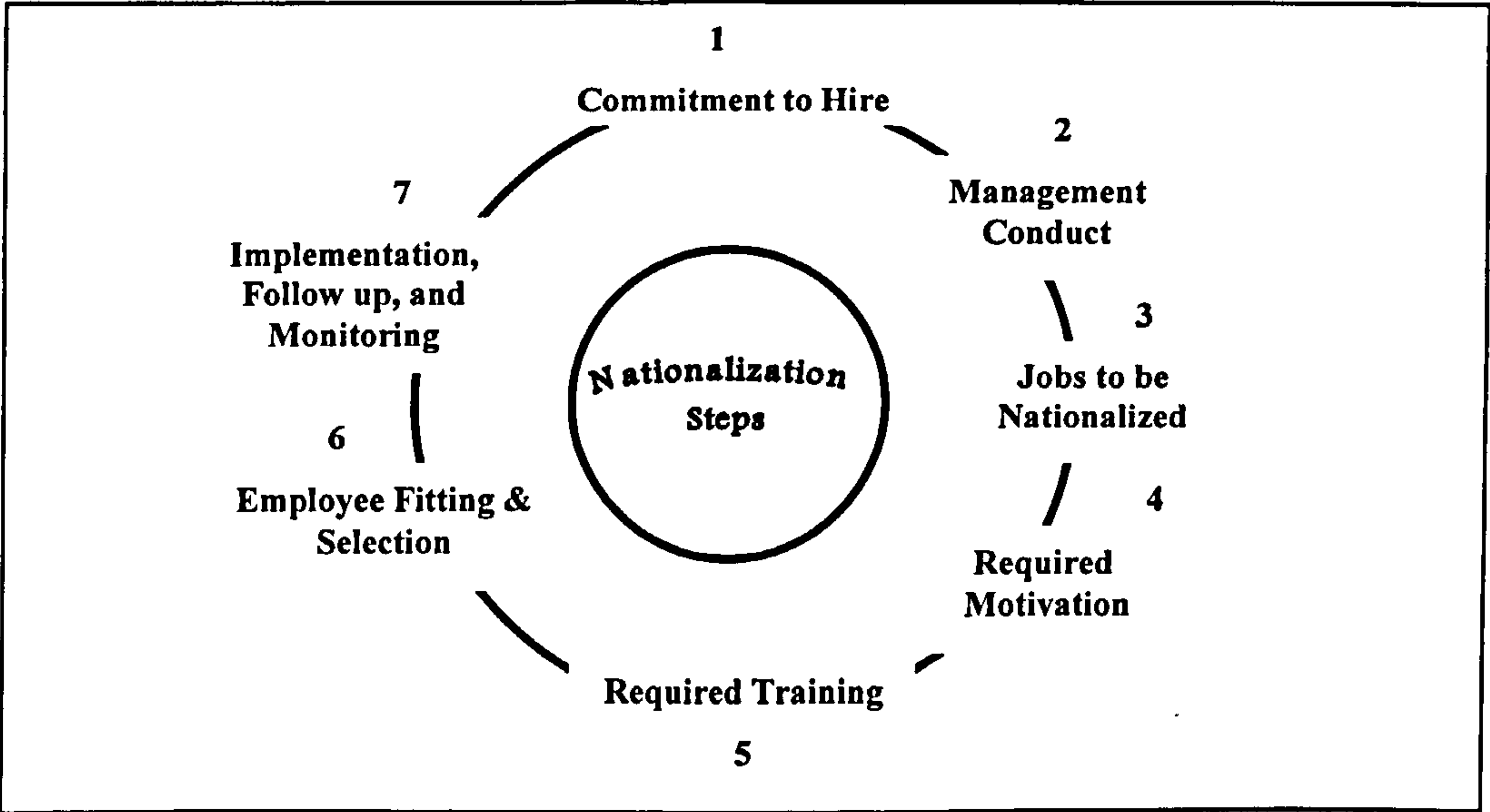


Figure 1: A suggested Process for Nationalization of Labour Force by Al-Harbi and Al-Dosary (2001: 62)

Fifthly, intensive and specialized classes and on the job training programmes should be designed and implemented to improve the skill profile of local workers and, in turn, to satisfy job skill requirements. Six, there is a need for a fair and systematic policy of selection. This would target local employees whose abilities and education fit available job requirements. Finally, the seventh step includes the 'proper' implementation of planned Saudiization with continuous monitoring of the local employees' performance. Having suggested this multistep process, the researchers argue that it should be applied to other localization programmes.

In another recent study of the Saudi HRD and manpower policy, Al-Dosary (2004) goes even further. After outlining some reasons for the decline of the Saudi share of employment in the private sector, and problems associated with the large number of foreign workers, he suggests a comprehensive approach to the nationalization of the labour force, supporting more detailed implementation policies and practices to effectively saudiize the labour force. This includes: 1) improving the competitiveness and professional standards of Saudi workers so that they can out-perform foreign workers, 2) enhancing the commitment to hire, train and retain Saudi workers, and to provide policy measures to ensure that this approach succeeds, 3) enhancing the role of government mass media campaigns to increase public awareness of the importance of nationalization, and to change the public attitude towards work, 4) reconstituting wages and benefits packages in the private sector in order to attract local workers, and 5) legislating all of the above via more focused government laws and regulations. In conclusion, Al-Dosary argues that no single solution can be attached to Saudiization, so the policy should include a combination of these approaches.

Extending our coverage of reviews to include conferences and symposia, encouraging the private sector to effectively implement the Saudiization policy is a familiar theme. Reports and papers gathered from a broad range of events (1- The symposium of training and Saudiization, 13-14 May 1991; 2- The Symposium of Nationalized Labour, 13-14 February 1993; 3- A conference on Higher Education in Saudi Arabia: Future Vision, 22-25 February 1998; 4- The 4th Annual Conference of the Arabian Society for Human

Resources in 16-19 November 1998; 5- The symposium of Saudiization and Recruitment, 30-31 December 2001) make recommendations to consolidate and extend Saudiization as a positive social, political and economic policy.

In addition to reviewing Saudi research output on the policy, it has been instructive to relate it to similar programmes and experiences in other countries (see table 3). These include Omanisation in Oman (e.g. Al-Alawi and Shiban, 1999; Al-Lamki, 1998; Al-Sajwani, 2002; Eisa, 1984; Ghapoosh, 1990), Qatarization in Qatar (e.g. Hussein, 1989; Nasier, 1995), Bahrainisation in Bahrain (e.g. Al-Banna, 2002; Wadea, 2000), Emiratisation in the Arab United Emirates (e.g. Al-Qutami, 1989; Kapiszewski, 2000), Kuwaitization in Kuwait (e.g. Loony, 1993; Obaid, 2000; Personnel Office, 1989), and Malaysianisation in Malaysia (e.g. Abdul-Aziz, 2001; Chin, 2002). An overview of these programmes reveals that they share similar objectives to Saudiization. It also reveals that previous studies share similar trends and tendencies when studying these programmes.

Firstly, there has been a tendency to privilege strategic, security, social and economic aspects, in fact the putative advantages of these programmes. Secondly, there has been a distinct lack of critical analysis of these programmes, especially from organisational and managerial perspectives. Thirdly, great attention has been given to the outcomes of these programmes rather than associated processes, leading to a lack of clarity about how they work, what impact they have on work organisations, and what influence they exert on job performance.

This review of previous studies, conferences and symposia related to Saudiization suggests that a significant gap left by previous research, and that this creates space for the current study. It highlights the need for a more detached, detailed and critical investigation of the managerial and organisational implications of Saudiization. It also reinforces the need for examining Saudiization in terms of process and content rather than only outcomes.

Programmes	Trends and Focus of Previous Research							Some Selected Studies
	Strategic	Social & Security	Economic	Outcomes	Mgt.	Org.	Process	
Saudiization	✓	✓	✓	✓	✓			(e.g. Ahmad, 1993; Al-Azaz and Yousef, 1999; Al-Dosary, 2004; Al-Ghaith, and Al-Maashoug, 1994; Al-Harbi, and Al-Dosary, 2001; Al-Humaid, 2002; Al-Jouhani, et al., 1998; Al-Sudani, and Abdulkhair, 2001; Al-Thaqafi, 2000; Esmaeel, 1999; Howlett, 2001; Karsoom, 1996; Loony, 2004, Madhi and Barrientos, 2003)
Omanisation	✓	✓	✓	✓	✓			(Al-Alawi and Shibani, 1999; Al-Lamki, 1998; Al-Sajwani, 2002; Eisa, 1984; Ghapoosh, 1990)
Qatarization		✓	✓	✓				(Hussein, 1989; Nasier, 1995)
Kuwaitization			✓	✓				(Loony, 1993; Obaid, 2000; Personnel Office, 1989;)
Bahrainisation			✓	✓				(Al-Banna, 2002; Wadea, 2000)
Emiratisation			✓	✓				(Al-Qutami, 1989; Kapiszewski, 2000)
Malaysianisation	✓		✓	✓				(Abdul-Aziz, 2001; Chin, 2002)

Table 3: Trends and focus of previous research of Saudiization and similar programmes

2.6 THE BASIC FRAMEWORK OF THE STUDY

Having determined the direction of this research, it is now appropriate to unpack the framework governing the investigation. Figure 2 provides an overview of the basic conceptual framework of the study, identifying various dimensions that characterise national culture-based programmes like Saudiization. These incorporate strategic, societal and cultural, organisational, and managerial aspects. Although each of these appears to stand alone, they are in fact highly interrelated. As noted, Saudiization, as a governmental strategy, seeks to develop Saudi human resources and to enhance the national economy. At the same time, it has cultural and social dimensions that impact upon organisational and managerial activities within work organisations. Hence, the framework aims to promote an integrative and holistic analysis of these different aspects, providing a more realistic picture of the link between Saudiization and job performance. The framework will be explained in detail through chapters 3, 4, 5 and 6.

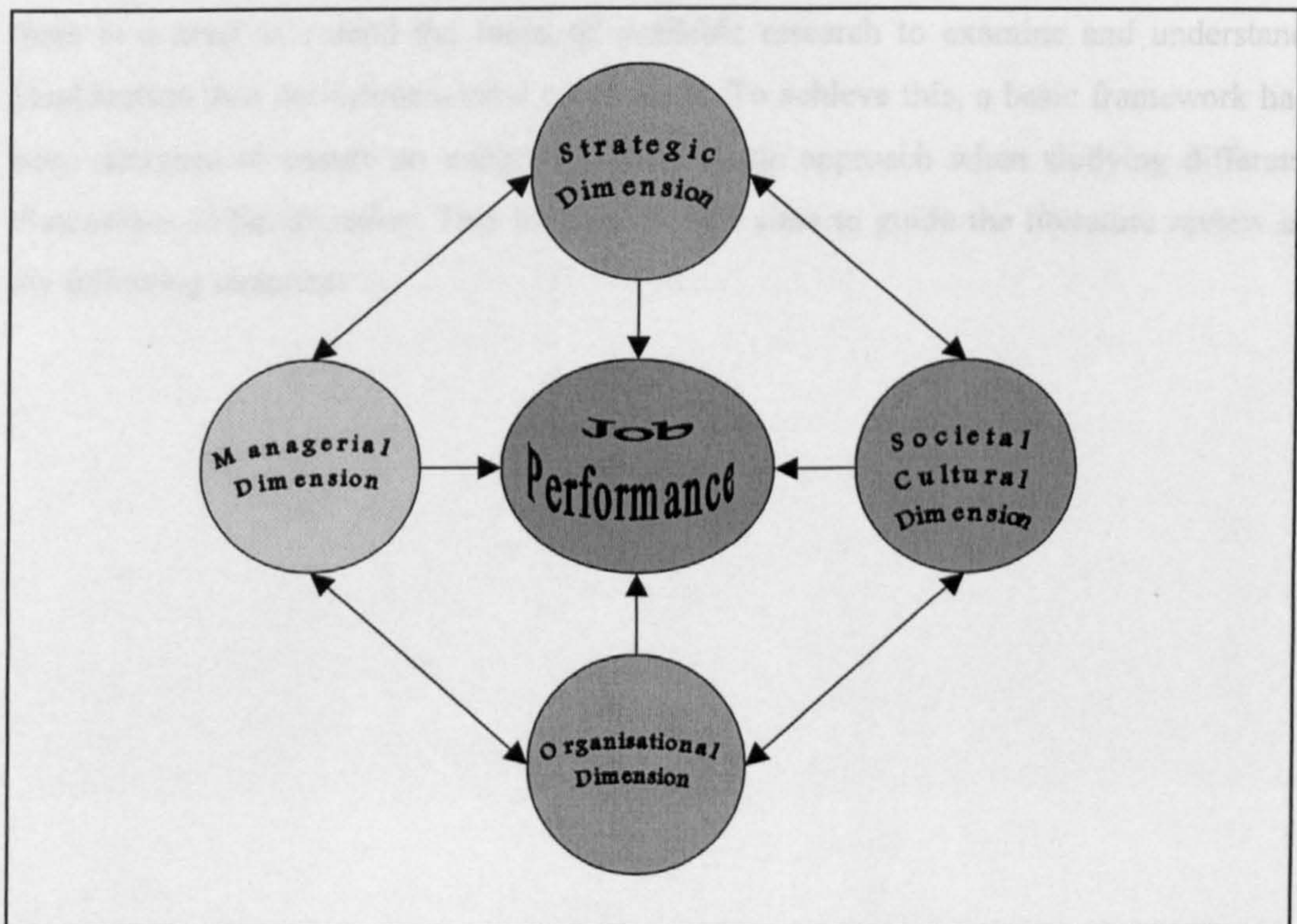


Figure 2: The basic or initial conceptual framework of the study.

2.7 SUMMARY

This chapter has highlighted the context and environment of Saudiization, explaining the governmental preoccupation with strategic, economic and developmental objectives and outlining geographical and administrative factors that have a bearing upon its application. By reviewing seven Five-Year Development Plans (1970-2004), manpower development issues and their significance for the development of Saudiization became clear. The public sector was also identified as a key location, with Saudis comprising 90% of the total workforce, and the Saudiization processes and influences unfolding in a fashion that can support detailed investigation.

This chapter also reviewed previous studies, conferences and symposia on Saudiization and related programmes. Despite the volume of published material, there is a dearth of critical analysis, especially from organisational and managerial perspectives. Attention has also been concentrated on outcomes rather than the processes and content. Hence, there is a need to extend the focus of available research to examine and understand Saudiization as a multidimensional programme. To achieve this, a basic framework has been designed to ensure an integrative and holistic approach when studying different dimensions of Saudiization. This framework also aims to guide the literature review in the following chapters.

CHAPTER 3

SAUDIIZATION AS A GOVERNMENT STRATEGY

3.1 INTRODUCTION

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presenting Saudization as a strategy of Saudi manpower development. The second is a narrower view and tends to dominate most implementation documents as well as previous studies, perceiving Saudization as a programme of replacement and a solution

CHAPTER 3

SAUDIIZATION AS A GOVERNMENT STRATEGY

3.1 INTRODUCTION

To cement the conceptual framework for this study, the literature review extends over four chapters. Each chapter focuses on one of the main dimensions of Saudiization, highlighting related theories, models and perspectives in a way links all of the dimensions together. While the following three chapters concentrate on social, organisational and managerial dimensions of Saudiization, respectively, this chapter deals with strategic aspects, focusing on its formal objectives, procedures and applied relevance.

This chapter begins to review how Saudiization is defined, examining different views towards it both at strategic, implementation and academic levels. It then highlights the formal principles and objectives of Saudiization, focusing on assumptions about job performance and developmental human resource objectives. The applied relevance of Saudiization in terms of recruitment strategies, job security systems and training programmes will then be considered.

3.2 WHAT IS SAUDIIZATION?

Commonly, Saudiization is a term linguistically derived from the name of the Kingdom of Saudi Arabia to identify the Saudi Government's policy of employing Saudi nationals (Al-Shalawi, 1988; Madhi and Barrientos, 2003). However, by reviewing available governmental documentations and other publications, it becomes clear that there are two distinct views on the policy of Saudiization. The first is strategic and more theoretical, presenting Saudiization as a strategy of Saudi manpower development. The second is a narrower view and tends to dominate most implementation documents as well as previous studies, perceiving Saudiization as a programme of replacement and a solution

to unemployment problems. These two views are discussed in more details in the following sections.

3.2.1 SAUDIIZATION AS A MANPOWER DEVELOPMENT STRATEGY

At strategic level, Saudiization is defined as part of a long-term developmental strategy. The official documents relating to the Five-Year Development Plans present it explicitly as a strategy of national manpower development. The Fourth Development Plan (1985-1990) promotes possibly the clearest statement of this developmental approach: “... *the issue of Saudiization centres on the intensification of efforts to develop national manpower through a quantitative and qualitative expansion of education and training, especially in technical and vocational areas*” (The Ministry of Planning, 2000b: 171). The aim is to meet labour market requirements and to increase the total numbers of Saudis in employment in all sectors, investing in national human resources and reducing dependence on foreign manpower.

Subsequent Development Plans, including the latest (Seventh, 2000-2004) emphasize the importance of Saudiization as a strategy of national manpower development. The dominant emphasis is on Saudiization as a concerted attempt to upgrade the skills and efficiency levels of Saudi citizens, therefore ensuring a continuous supply of national manpower to support the national economy (The Manpower Council, 1997; The Ministry of Planning, 2000b).

3.2.2 SAUDIIZATION AS A REPLACEMENT PROGRAMME

Beyond these developmental aspirations, there is also an expressed commitment to Saudiization as a programme of replacement or succession. This realm of thinking promotes the replacement of expatriate workers with Saudi nationals, suggesting that this will solve the unemployment problem in the country. This narrower view tends to dominate most of the current implementation documents on Saudiization. For example, the official implementation guide to Saudiization defines it as “*a restriction of employment to Saudis and gradual replacement of existing expatriates with national labour according to a number of dimensions, reaching at the end of the day an ideal*”

localization of employment with full usage of national manpower” (The Manpower Council, 2002a: 10). Accordingly, most of the implementation resolutions and initiatives on Saudiization to date relate to its quantitative aspects. For example, the most prominent resolution of Saudiization (No. 50 issued in 1995) requires that companies with 20 workers or more sadiiize their positions by no less than 5% annually (The Manpower Council, 1997). The initiative of the Ministry of Labour in early 2003 is also among the recent implementation initiatives to accelerate the progress of Saudiization in this regard, ordering expatriates out of 9771 bank jobs by the end of the year (Loony, 2004). These resolutions and initiatives view Saudiization quite simply as a means to tackle unemployment without relating this to broader economic and developmental considerations. The data marshaled for statistical documents on progress relate only to how many Saudis have been employed and how many expatriate workers have been replaced.

This narrow view of Saudiization is also dominant in the literature. Saudiization is considered by most Saudi and other academics to be a replacement policy that targets foreign labour. For example, Al-Harbi (2000: 55) defines Saudiization as the *“replacement of foreign labour with Saudis”*. Madhi and Barrientos (2003: 70) view Saudiization as a substitutive policy adopted by the Saudi Government *“to increase participation of Saudi workers in the private sector and to reduce its reliance on foreign workers”*. In a similar vein, Esmaeel (1999: 88) defines Saudiization as *“a process of replacing foreign labour by Saudis”*, which he asserts will leading to positive social and economic outcomes. Alzalabani (2002: 132) also refers to Saudiization *“the need to replace non-Saudi manpower with Saudi nationals so that they take a more active role in the economic and social development of their country”*. From an economic perspective, Howlett (2001: 12) portrays Saudiization as *“a way for employers to revitalize their business by placing Saudi nationals in positions where they will clearly add to company profits”*.

This view of Saudiization as a “positive” replacement programme, has figured prominently at organisational development in recent years. Yavas, *et al.* (1990: 3)

describe Saudiization as a major goal in Saudi Arabia, aiming to “*reducing the number of expatriates in the workforce at both professional and lower levels*”. Substitution has also been evident in management positions. Hunt and At-Twaijri (1996) point out that Saudiization has generally involved the replacement of expatriate managers with Saudis. Loony (2004) confirms this by revealing that appointment to most management positions is now confined to Saudis.

While these commentaries focus on the absolute replacement of expatriates with Saudis, other more cautious studies take Saudiization to mean restricted replacement. Al-Nimir (1994: 6), for example, defines Saudiization as a “*process of replacing non-Saudi residents with Saudi citizens in particular areas, on the understanding that the latter possesses sufficient qualifications and abilities to perform these jobs*”. Similarly, Al-Shalawi (1988: 3) warns that Saudiization cannot be implemented without the availability of adequately trained and skilled manpower. Accordingly, he redefines Saudiization as “*the replacement of expatriates by qualified and trained Saudi nationals*”. Despite this qualified emphasis on restricted replacement, these studies offer a variation on the narrow theme that Saudiization is no more than a replacement programme, legitimizing it solely on these terms.

In an attempt to broaden the focus, Al-Harbi and Al-Dosary (2001: 61) approach Saudiization from a managerial perspective, using localization as a synonym for Saudiization and concentrating on “*the process of managing a trained and qualified local labour force, not for replacing expatriates, but rather for systematically planning and managing the manpower requirements of the company*”. Whether this definition successfully reaches beyond the narrow focus on replacement and succession is a moot point, however. It still restricts attention to one side of Saudiization, that which relates to managing already trained and qualified employees. In fact, training and qualifying a wider pool of Saudi people is an important part of Saudiization, before and after recruitment (Al-Dosary and Garba, 1998; Al-Salamah and Wilson 2001; The Ministry of Planning, 2000b; Yavas, 1999). Official pronouncements express longer-term aims to educate, train, qualify and manage Saudi human resources. This has wider implications

for organisational effectiveness and job performance, requiring a more detailed examination of procedures and processes that channel relatively inexperienced and freshly developed Saudi nationals into significant positions.

These contrasting views of Saudiization signal a general misunderstanding about the real purpose of Saudiization at the strategic level. Each view seems to be driven by a different logic. The first privileges developmental objectives and investment in national human resources, portraying Saudiization as a means to an end. By contrast, the second view glorifies Saudiization as a legitimate end in itself, reactively using unemployment as the justification for excluding other resources, regardless of economic prudence. Though popular, this view is restrictive, overlooking broader developmental issues.

This divergence also reveals a gap between strategy and implementation. Each view tends to represent Saudiization at a particular level (i.e. strategic and implementation levels). The first view focuses on Saudiization at strategic level, referring to it as a government strategy with long-term developmental objectives. On the other hand, the second view focuses on Saudiization at implementation level, considering it as a reasonably rapid and self contained solution to unemployment. The question that raises itself here is whether one or other of these views accord with the interpretations of Saudi managers and employees. What in practice is the driving logic and momentum behind Saudiization at local level? Is there a gap between strategic and implementation objectives? If so, how does it impact upon the precise practices of Saudiization and, in turn, upon the prospects for securing its developmental objectives? Before moving to examine the applied relevance of Saudiization, the next section highlights the formal objectives of Saudiization.

3.3 FORMAL OBJECTIVES

As a multidimensional policy, Saudiization has a number of strategic, social, economic and security objectives. Some of these were highlighted in our review of previous studies of the phenomenon in the previous chapter. Here, the focus will turn to the formal developmental aspirations of Saudiization as set out in available government

documents and related literature. These offer both explicit and implicit objectives in this regard. The explicit objectives are clearly stated in government documents such as the Seventh Development Plane (2000b: 174) and the Manpower Development Strategy in Saudi Arabia (1997: 8). Overall these seek to prepare and develop national manpower so that the country can be self-sustaining and exert a more independent influence on its fortunes. They include long term and short term objectives.

Long Term Objectives:

- 1- Reach full employment for the national labour force.
- 2- Optimize the utilization of national manpower in such a way as to increase the number of those entering the labour market and facilitate their employment.
- 3- Generate a sense of affiliation, patriotism and positive work attachment in Saudi society.
- 4- Ensure that manpower development is sufficiently flexible to deal with changes in economic, social and security factors.

Short Term Objectives:

- 1- Minimize foreign labour, optimize their recruitment and utilization, and restrict employment in some sectors and occupations to national labour.
- 2- Achieve more matching between the academic and training activities, and the needs of the labour market for national manpower.
- 3- Achieve integration between manpower planning and development.
- 4- Build an integrated, comprehensive and up-to-date base for labour market information.
- 5- Improve and upgrade productivity levels among national labour resources, applying technology changes as appropriate.

Moreover, the implicit objective of Saudiization is to change organisational culture and work behaviour in a “positive way”, through deepening the sense of patriotism and

affiliation, and by developing a social, intellectual and psychological identification with work and productivity-oriented life styles. This can be understood from the attention that the Development Plans give to deepening the values of national loyalty and belonging, as well as to images of the productive national citizen (The Ministry of Planning, 1995). These elements can also be detected in the commentaries of some Saudi writers who believe that non-Saudi workers lack the feeling of affiliation and loyalty to the society in general and to their organisations in particular, since they live and work in a foreign country, which in turn influences their morale, satisfaction, productivity and job performance in the Saudi context (Al-Adaily, 1983; Al-Kathiri, 1989). These writers tend to suggest that having Saudi employees is beneficial, that Saudiization has the potential to enhance feelings of affiliation and loyalty among employees, raising their morale and levels of satisfaction, therefore improving their job performance.

3.4 SAUDIIZATION AND JOB PERFORMANCE

It is obvious that improving the job performance of Saudi nationals is one of the key objectives of the Saudiization policy, implicitly and explicitly. Yet how is job performance defined? Does this terminology also conceal a set of contrasting meanings and associations?

3.4.1 HOW IS JOB PERFORMANCE DEFINED?

While there is a general agreement that job performance is an important variable in work organisation, it has been defined in different ways. For instance, some researchers view job performance generally as the accomplishment of assigned tasks and duties (McEvoy and Cascio 1989; Nagy, 2002; Randall, *et al.*, 1999). Others see it as an outcome, referring to employee productivity in his/her job (Abdulkhaliq, 1982; Ferris, 1981), while others yet again examine the quality of work completed (Yousef, 1998). Despite these differences, however, all of these authors present a one-dimensional conceptualization. This amounts to an oversimplification which unifies its meaning, generalizing across different types of organisation.

One-dimensional conceptualizations of performance are far from novel, and have been found to give an incomplete picture of the relationships between performance and other organizational variables, such as job security, satisfaction, and commitment. According to Campbell *et al.* (1993), narrow views of performance reproduce one of the most pervasive fallacies that has dominated research in this area, viz., that job performance is unidimensional (see also Suliman, 2001).

Amongst other things, a one-dimensional view of performance, in attempting to unify the meaning of the concept, omits the different impulses that inform managerial decision making. Focusing on cultural contrasts, Hempel (2001) argues that managers with different cultural backgrounds appear to view subordinate performance differently. He notes, for example, that many Chinese managers define performance in terms of personal characteristics, attributes such as loyalty and obedience, rather than by reference to outcomes, as typically happens in the West. Such studies introduce variability, casting doubt on attempts to generalize the concept of performance across organisations and societies.

Cheng and Kalleberg (1996) examine employee job performance in Britain and the United States using two dimensions (i.e. 'work much' and 'work well'). Hempel (2001), in attempting to discover differences between Chinese and Western managerial views of performance, identifies three dimensions of performance: namely outcomes, personal attributes and behavior. Suliman (2001) adopts five dimensions to study employee performance in Jordan (i.e. work duties, work skills, work enthusiasm, job performance, and readiness to innovate). In their study of the link between culture, strategy and performance, Ghobadian and O'Regan (2002) also argue that performance should be considered as a multidimensional concept, and performance measurement ought to include more than just financial measures. They use a broad range of performance dimensions, which include avoiding problem areas, improving long and short term performance, financial performance, innovation, and organisational effectiveness. These studies (among others) show the advantage of adopting a multidimensional view of performance. Essentially, this considers performance to be a multifaceted concept,

allowing researchers to investigate the effects of job performance from different aspects, rather than limiting them to traditional and singular views.

In Saudi Arabia, like other Arab countries, the unidimensional conceptualization tends to dominate the management literature (e.g. Abdulkhaliq, 1982; Al-Adhaylah, 1995; Asaad and Rislán, 1984; Yousef, 1998) and official documents. In the Five-Year Development Plans, for example, performance refers to productivity either at individual or organisational level, and performance or productivity indicators are usually measured quantitatively. Resisting this tendency and acknowledging the variability highlighted by the authors listed above, this study deals with job performance as a multidimensional concept. More specifically, the five dimensions of performance developed by Suliman (2001) - namely understanding work duties, obtaining work skills, work enthusiasm, quality and quantity, readiness to innovate - are adopted to examine the influence of Saudiization on job performance in the Saudi workplace. These dimensions have merit in clarifying the realms of action and behaviour, rather than confining performance to outcomes. This connects Saudiization to work-related values, and to detailed relationships, behaviours and practices within Saudi organisations, thereby correcting for one-dimensional images. In other words, there will be a better chance to understand how Saudi employees work, communicate and deal with each other.

There is also an advantage to be gleaned from following Suliman's lead on this, since his study was conducted in Jordan, one of the Arab countries that has a very similar geographic, social and political environment to Saudi Arabia. This provides the basis for a comparative understanding of relevant factors. However, it should be understood that Suliman's dimensions of job performance are not taken to be exhaustive, or to deflect attention from other contextual influences.

3.4.2 THE SAUDIIZATION AND JOB PERFORMANCE LINK

Clearly, there are no direct, linear or causal relationships between Saudiization and job performance. In fact, attention to this issue requires a longitudinal study, using comparative indicators of job performance before and after Saudiization to really assess

whether its developmental objectives have been realized. Thus, the analysis of this study will concentrate on the process and content of Saudiization. In the following section, an attempt at critical evaluation concentrates on its applied relevance for recruitment, job security and training. It is proposed that the implementation processes and procedures of the policy directly hinder its developmental role in enhancing Saudi employee performance and organizational effectiveness at local level.

3.5 APPLIED RELEVANCE

In order to achieve its developmental objectives, Saudiization is implemented on the ground through some bureaucratic administrative systems, procedures and processes. These include recruitment strategies, job security systems and training programmes, which aim together to qualify, train, employ and retain Saudi national employees. To understand clearly whether, and to what extent, the Saudiization policy is able to achieve its developmental objectives, particularly those of improving job performance, it is necessary to examine its applied relevance for recruitment and training.

3.5.1 SAUDIIZATION AND RECRUITMENT

In general, Saudiization involves recruiting Saudi nationals and creating job opportunities for them. In the Saudi public sector, this is implemented within a centralized recruitment strategy, mainly carried out by the Ministry of Civil Service (MCS). This aims at the strategic level to organize recruitment processes and procedures, to unify its criteria and, therefore, to prevent nepotism, favoritism and any unfair discrimination (Al-Maashoug and Aldoaij, 2002; The Ministry of Civil Service 2001). At the implementation level, centralized recruitment also aims to support, control and accelerate the implementation of Saudiization in the public sector (Al-Shalawi, 1988; The Ministry of Civil Service 2000b).

A variety of methods and approaches are used to support recruitment in the public sector, such as direct appointment, pre-service appointment, exempted positions, and general competition (Al-Maashoug and Aldoaij, 2002; Al-Shalawi, 1988). In this study,

the focus is on the general competition method, since this is most widely associated with the implementation of Saudiization. This includes four main stages:

- 1) **The Identification Stage:** the Council of Manpower (CM), the legislative body of the Saudiization policy, identifies annual percentages and types of employment to be Saudiized. Accordingly, personnel departments in governmental bodies identify their positions and categories of work to be Saudiized, including new jobs, vacancies as a result of retirement, dismissal, transfer, death, etc, and positions occupied by expatriates. The details of these are usually sent as a list to the MCS several times a year.
- 2) **The Advertisement Stage:** the MCS and its branches, after checking and revising the details of the jobs to be Saudiized, advertise them via the official newspapers, indicating conditions and qualifications required.
- 3) **The Selection Stage:** by the end of the advertisement stage, the MCS starts to receive applications, and initiate recruitment procedures such as interviews, written exams, and so on. At the end, selected candidates are directed to the government departments or public organisations concerned.
- 4) **The Appointment and Replacement Stage:** the personnel departments complete administrative procedures for appointments and successions, enabling the selected candidates to embark on new jobs for a trial period of one year. In the case of replacement, experienced expatriate workers are sometimes asked to train and teach Saudi candidates during the last period of their job contract.

Although some responsibilities and tasks of recruitment are delegated to the regional branches and some government departments, centralization is the main feature of Saudiization in public sector recruitment. But does this enhance or impede the developmental role of Saudiization in improving employee performance and enhancing organisational effectiveness?

Recruitment Centralization

Generally, recruitment centralization is based on standardizing recruitment policies and procedures to be applied through a particular unit or department. This centralized system is not a new technique in the Saudi public sector. It has evolved, in conjunction with merit systems, to support public administration reforms and anti-corruption initiatives since the end of the 1880s (Wortman and Meyer, 1969; McCourt, 2001). Today, recruitment centralization is still considerably considered as a bulwark against corruption and favoritism in most public sectors. In studying the recruitment strategy in Nepal, McCourt (2001) points out that the greatest strengths of centralized recruitment are to be found in its independence and integrity. He goes on to say that the centralization of recruitment is universally recognized as being free from patronage and bias.

Theoretically, creating a fair working environment in organisations is a logical consequence of recruitment centralization. It is generally argued that the more centralized the personnel functions, the more likely it is that a comprehensive merit system will be in operation, and the more likely it is that employees will receive equitable treatment (Wortman and Meyer, 1969; McCourt, 2001). It is also argued that the creation of a fair working environment is positively correlated with employee job satisfaction. HR theories tend, on the whole, to suggest that feelings of fairness generated by such systems deliver job satisfaction among employees (e.g. Expectancy Theory; Equity Theory). This logic is reproduced within Saudi organisations, with suggestions that it represents a means by which Saudiization will secure its developmental objectives. However, there are reasons to be sceptical about the effectiveness of centralized recruitment in achieving this fairness in practices, especially in the Saudi context.

Critics of recruitment centralization are not wholly convinced of the impartial nature of centralized recruitment. In an early study of centralized personnel functions in state governments, Wortman and Meyer (1969) revealed that in the USA most of the personnel at state and local levels were certainly not free of political considerations.

Nowadays, in most African countries, although recruitment strategies in public sectors tend to be highly centralized, recruitment procedures have also been found to be heavily influenced by social relationships (Nyambegera, et al., 2000; Beugre and Offodile, 2001). Thus, it is argued that the centralized recruitment does not necessarily result in fairness and satisfaction. Its impartial and independent nature cannot be guaranteed on the ground.

Instead of creating a fair and satisfied work environment, centralized recruitment could become a reason for employee dissatisfaction. Al-Nimir (1993), in studying Saudi employee job satisfaction, reveals that most of his study sample were not satisfied with their jobs, as their specified duties and tasks were not commensurate with their qualifications, skills and specializations. He finds that such mismatching can be attributed to the failure and insensitivity of centralized recruitment processes and procedures. McCourt (2001) supports Al-Nimir's findings, pointing out that in the Nepalese public sector, the Ministry of Health often complained that staff appointed centrally by the Public Sector Commission to work in posts in remote areas were often unsuited to and unsatisfied with their jobs.

Centralized recruitment has also been identified as a reason for the misallocation of employees. According to Asaad and Rislán (1984), some government departments and public organisations in the Saudi public sector have been increasingly overstaffed, while others continue to be seriously understaffed. This misallocation is expected to have negative effects not only on the organisations concerned but on individual contributions. In Jordan, Al-Trawnah and Al-Lawzi (1995) demonstrate that duplication and overlaps in jobs are mostly attributable to errors in centralized recruitment systems that deliver 'redundant' employees to inappropriate areas.

While centralized strategies of recruitment have both advantages and disadvantages, the narrow view of Saudiization (as a replacement programme to solve the problem of unemployment) tends to accentuate their disadvantages in the Saudi context, especially in terms of misallocation, overstaffing and dissatisfaction. As subsequent empirical

sections will demonstrates, this is enough to hinder and even obstruct developmental agenda for Saudiization.

3.5.2 SAUDIIZATION AND JOB SECURITY

With the implementation of Saudiization, standard employment (i.e. life-long and full-time) has become now represents the most popular format for the Saudi public sector. By contrast, non-standard or flexible employment, including temporary contract, part-time, shift work and telework is growing very slowly. Indeed, both employers and employees are apparently uncomfortable with this type of employment. Ostensibly, the reason is to be found in political, economic, social and cultural factors. For instance, in order to have more control and achieve a sense of stability in organisations through Saudiization, the government offers long-life employment for national labour, restricting the use of flexible employment to annual-hours and fixed-term contracts. Employment of this type is considered to be low class, with low salaries, presented as a means whereby non-skilled and uneducated people find jobs (Al-Maashoug and Aldoaij, 2002). Saudi citizens are not attracted by this type of employment, unless they find themselves to be among the unemployed. According to Al-Harbi and Dosary, (2001), social status, low wages and insecurity are the most important reasons that lead Saudi job seekers to reject such employment. Ali *et al.*, (1991) also reveal that Saudi managers regard a stable social life and propensity for job stability to be important qualifying conditions when interviewing for staff.

There are also other relevant organisational and managerial factors. Michie and Sheehan-Quinn (2001), through studying labour market flexibility and its relation to performance, reveal that, despite the movement towards flexible employment practices in recent years, the use of non-standard and temporary employees is negatively related to commitment and innovation. The reason they offer is that non-standard workers often receive fewer opportunities for training, and hence motivation and commitment, which in turn may have a negative impact on innovative employment practices. Allan (2000), from a case study of non-standard employment, also reveals that the reliance on temporary workers undermines HR initiatives to encourage employee commitment.

There was apparently a belief among his respondents that the temporary workers (nurses) were less committed to their hospital and slightly more difficult to manage. From another study, Hesselink and Vuuren (1999) add that temporary and part-time jobs cause job insecurity, recording the lowest score on organizational commitment.

All of this sits uneasily with the Saudiization policy, which at the strategic level aims to deepen the sense of patriotism, loyalty and commitment of national employees towards their society in general and organisations in particular. This is clearly stated within the key objectives of Saudiization (see section 3.3 in this chapter). However, the implementation of Saudiization as a programme of replacement tends to impact negatively on this developmental objective. While Saudiization, through providing Saudis with long life employment, is able to achieve job security for Saudis, this is not enough to achieve organisational commitment.

Job Security and Organisational Commitment

Job security has received considerable attention among researchers and practitioners as an important variable in the work place deeply influenced by what an organisation offers and what an employee desires. Broadly, Herzberg (1968) defines job security as the extent to which an organisation provides stable employment for employees. Similarly, Meltz (1989) defines job security as an individual remaining employed with the same organisation with no diminution of seniority, pay, pension rights, etc. The importance of job security stems from the view that it is critical for influencing organisational commitment and, in turn, job performance. Besides its objectives of having control and achieving stability in an organisation, it has been argued that job security leads to greater organizational commitment, better job performance and a greater willingness to be innovative at work (Al-Twajery, 1988; Fey, *et al.* 2000; Michie and Sheehan-Quinn, 2001; Storey *et al.*, 2002). Part of the logic of this argument is that employees will be prepared to contribute discretionary effort and to carry the risks involved in innovation only if they have a sense of security in their employment and are committed to their organisations. Marchington and Grugulis (2000: 1106) make this explicit: "*it is*

regarded as unrealistic to ask employees to offer their ideas, hard work and commitment without some expectation of security on their part”.

Most of the available studies in the Arab literature also emphasize this positive association between job security and organizational commitment. For instance, Al-Qattan (1987) examined the level of organizational commitment between Saudi and expatriate workers. His findings reveal a difference between Saudis and expatriates in terms of the relationship between job security and commitment, the former presents this as a key consideration. In another study, Bhuian and Islam (1996) examined the relationship between satisfaction with job security and commitment among employees in Saudi Arabia, and concluded that feelings of job security are significantly correlated with organisational commitment. From the United Arab Emirates, Yousef (1998) agreed with Bhuian and Islam that there is a positive correlation here. In his view, the more that the employees are satisfied with the security of their jobs, the more committed they become to their organisations. Looking at the Jordanian workplace, Al-Adhaylah (1995) also argued that there is a positive relationship between an individual's job security and his/her commitment towards the organisation.

Although organizational commitment is a multidimensional concept, these studies operate unidimensionally. They purport to demonstrate a direct and positive relationship between job security on the one hand and organizational commitment and job performance on the other. However, while job security is commonly associated with commitment, and reciprocity is central to the conduct of employment relations, the link is far from straightforward and unambiguous. Security does not necessary lead to high levels of job performance. As Abdalla and Al-Homoud (1995) point out in a study of Kuwaiti employees, government policies can guarantee high job security while staff remain in the organisations exerting nothing more than the minimum effort required for executing a certain task.

From a multidimensional view, Porter *et al.*, (1974) and Porter and Crampon (1976) usefully characterized organizational commitment by three elements: a) a strong belief

in, and acceptance of, the organization's goals and values; b) a willingness to exert considerable effort on behalf of the organisation; c) a strong desire to maintain organizational membership. Angle and Perry (1981) have also identified two dimensions of organizational commitment, namely value commitment and continuance commitment. Value commitment is referred to as a person's belief in and acceptance of organizational goals and values, and willingness to exert maximum effort in the interest of the organisation. Continuance commitment is defined as no more than a desire to stay in the organisation. Similarly, Ben-Bakr and Al-Shammari (1994) have differentiated between value commitment and continuance commitment as predictors of turnover among employees in Saudi organisations.

Adopting this multidimensional view of organisational commitment, Saudiization can be considered to have the potential to promote job security for nationals, however, it cannot be assumed to deliver commitment as a corollary of this. The job security achieved through life long and full time employment policies may play a negative role in influencing employee attitudes, thereby contradicting the developmental objectives ascribed to Saudiization.

3.5.3 SAUDIIZATION AND TRAINING

As mentioned earlier, Saudiization is not limited to recruiting Saudi nationals and replacing expatriates. As a strategy of developing national human resources, it also plays a key role in designing, developing and implementing education and training systems and programmes in Saudi Arabia. One of the main objectives is to achieve a greater alignment between education and training outcomes and the needs of the labour market. This strategic objective has been stressed explicitly in the Five-Year Development Plans. The Fourth Plan (1985-1990) indicated that structural changes in the Saudi economy would increase the demand for professional and skilled labour. At the same time, a growing number of Saudis were expected to enter the labour market looking for lower-skill jobs. Thus, a wider gap between national manpower supply and demand was projected for the future. The Plan emphasized that, *"this being the central issue of Saudiization, it will be necessary for the whole educational system to become more*

explicitly oriented towards the labour market in all relevant activities” (The Ministry of Planning, 1985: 51).

Emphasizing the importance of training as a viable dimension of Saudiization, the Sixth Plan (1995-1999) also stressed the need to match national manpower supply and demand. The concern centred on *“increasing the absorptive capacity of universities, educational institutes, vocational training and technical colleges, with due emphasis on the quality and development of curricula at all education and training levels in order to meet the requirements of development”* (The Ministry of Planning, 1995: 39).

The Seventh Plan (2000-2004) recognised the shortage of indigenous manpower in technical and vocational specializations in the public and private sectors, stressing the need to intensify efforts to improve and upgrade the efficiency of national provision. Accordingly, a quantitative and qualitative expansion of technical education and vocational training systems has been projected, with an aim of eliminating the gap between the output of these systems and the requirements of the labour market by 2020 (The Ministry of Planning 2000b).

Given this expressed commitment to diversifying education and training outcomes, the numbers of technological colleges, technical education institutes and vocational training centres have increased as mentioned previously (see page 4). Statistics also show a gradual improvement in the number of Saudi graduates in these specializations during the last five years. Table 4 highlights the increase in Saudi graduates from technical education and vocational training programs during the period 1999-2001. With respect to technical education, the first row of the table illustrates that the number of Saudi graduates increased from 1758 in 1999 to 2323 in 2000, and then to 3641 graduates in 2001. In relation to vocational training, the second row of the table illustrates that the numbers of Saudi graduates from vocational training programmes, particularly morning programmes, totaled 4785 in 2001 compared to 3866 in 1999, indicating a positive average annual growth rate of 11.3%.

Specialization	Saudi Graduates			
	1999	2000	2001	Growth rate
Technical education	1758	2323	3641	43.9%
Vocational training	3866	4793	4785	11.3%

Table 4: Numbers of Saudi graduates from technical education and vocational training programs during the period (1999-2001). **Source:** The Manpower Council, Annual Report (No. 20), (2002: 8, 65).

These statistics give an indication that Saudiization, with its emphasis on training diversification, is able to match education and training supply with labour market demand. Despite this, however, pre-service education and training systems and programmes are still continuously accused of not being effective in supporting the strategy of national human resources development. According to previous research (e.g. Al-Dosary and Garba, 1998; Calvert and Al-Shetaiwi, 2002; Madhi and Barrientos, 2003; Yavas, 1999), education and training outcomes continue to be inadequately aligned with labour market demands. Consequently, more than 3.2 million expatriate workers still occupy professional and non-professional positions. At the same time, there has been growing unemployment among Saudi youth.

Mismatch of Education and Training Supply

In their study of the education and training systems in Saudi Arabia, Al-Dosary and Garba (1998) highlight an increase in the capacity of these systems. They attribute this to a determination to increase the national manpower supply and reduce the level of dependence on imported foreign labour. However, they agree that rather than matching labour market demand, the increased national supply has added to the incidence of unemployment. The researchers attribute this to several factors, including an inefficiency in wage distribution, inappropriate labour laws, industry specific demands, and the influence of imported labour on hiring patterns. They conclude that growing unemployment together with continued reliance on foreign labour indicates the ineffectiveness of existing training and education systems, and indeed the failure of the national manpower and human resources management framework as a whole.

In another study of education and training systems in Saudi Arabia, Yavas (1999) looked at the alignment of pre-service education and training outcomes with the needs of the private sector. In doing so he highlighted some key areas of weakness, indicating mismatches between the importance of skills and training required within organisations on the one hand, and preparation levels at the universities and training institutions on the other. One of his key findings suggests that the skills of personnel management were ranked high in importance in work organisations, but low in preparation levels at universities and training institutions. He also reveals that Saudi executives not only perceive such skills as important, they feel that Saudi graduates are not well prepared to develop them. As a result, and despite the explicit goals for Saudiization, expatriates continue to be employed by Saudi organisations.

Madhi and Barrientos (2003) argue that, despite some improvement in the education and training systems in Saudi Arabia, a number of problems remain. First, higher education is the preferred option for young Saudis, compared with vocational and technical education. Most Saudi secondary school graduates who continue to study prefer to do so at university. The researchers attribute this to prevailing attitudes among young Saudis, which are against manual and technical occupations, and in favour of white-collar jobs. Another problem is that the distribution of higher education students is overwhelmingly skewed towards particular subjects. The researchers reveal that in 1995 about 80% of all graduates of local universities studied humanities, including arts, literature, education, sociology, and religious studies. The remaining 20% were distributed among technical and scientific subjects. This profile, they believe, suggests that education and training systems are not able to supply the economy with the range and quantity of skilled workers it requires, hence the mismatch between manpower supply and demand will, in all likelihood, continue into the future.

Undoubtedly, this problem of mismatch exists today. In a recent study of HRD in Saudi Arabia, Al-Dosary (2004) argues that the Saudi workforce's share of employment in the private sector is too low. By contrast, the estimated unemployment rate for Saudi youth is currently about 25-30%. He stresses that this is due to the gap between training

outcomes and labour market demands. He goes on to suggest that technical and professional training programmes need to improve and to be continuously linked to what is needed in the market. This requires the intensive coordination of development across the public and private sectors, he believes.

Despite the efforts of previous research to highlight the mismatch between education and training supply and labour market demand, the influence of this mismatch on the developmental role of Saudiization, especially in terms of job performance and organisational effectiveness, remains unclear. The majority of previous studies have concentrated on the Saudi private sector, where the progress of implementing Saudiization is considered to be too slow. They use quantitative measures to reveal that the mismatch between supply and demand is the main reason for this slow progress. Yet Saudiization already covers about 90% of the total employees in the public sector. Does this mean that education and training supply effectively match demand in the public sector? If so, what does it indicate for developmental aspirations of Saudiization in public sector organisations?

Another issue neglected by previous research is the influence of Saudiization on in-service training. While the Saudiization policy includes pre- and in-service training, previous studies concentrated on pre-service training only. Consequently, questions such as how Saudiization influences, or is influenced by, in-service training systems, procedures and outcomes, and how that reflects on Saudi employee performance and organisation effectiveness, remain unanswered.

3.6 SUMMARY

This chapter examined Saudiization as a process, focusing on its applied relevance for recruitment and training. It argued that recruitment strategies, job security systems and training programmes in the Saudi public sector tend to be driven by a distinctive view of Saudiization that dwells on strategic aspirations, hindering the realization of developmental objectives at local level. Considering Saudiization to be a solution for unemployment, the advocates of centralized recruitment aim for a more controlled and

accelerated implementation of Saudiization. Yet, recruitment centralization seems to be a major reason for misallocation, overstaffing and dissatisfaction. Long-life employment systems also aim to achieve job security for Saudi nationals, generating feelings of patriotism and ostensibly enhancing organisational commitment. However, looking at commitment as a multidimensional concept, long-life employment and the resultant job security may not be enough to achieve positive commitment.

The sort of training programmes envisaged through Saudiization may also be insufficient to meet the demands of the labour market for national manpower. The narrow view of Saudiization as a replacement policy tends to shift the focus of training and education, concentrating only on quantitative aspects. This ignores the mismatch issues, downgrading the developmental aspirations of Saudiization.

CHAPTER 4

SAUDIIZATION AND SOCIETAL CULTURE

4.1 INTRODUCTION

By contrasting available views on the applied relevance of Saudiization and dwelling on the importance of good values when implementing change, the chapter suggests that recruitment and training of Saudiization is a two-dimensional role of Saudiization. Addressing both of the aspects, this and the following two chapters move to in detail.

CHAPTER 4

SAUDIIZATION AND SOCIETAL CULTURE

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In the debate in this chapter, it will be useful, at the beginning, to review management pronouncements on the topic, especially on societal culture.

4.2 WHAT IS CULTURE?

Culture is considered to be one of the fuzziest and most difficult to define concepts in the literature (Friedrich, 1989; Ralston, *et al.*, 1993). This is not only because the term is intellectually complicated, but also because it has so many overlapping, and even

CHAPTER 4

SAUDIIZATION AND SOCIETAL CULTURE

4.1 INTRODUCTION

By contrasting available views on the applied relevance of Saudiization and dwelling on the importance of process rather than privileging content, the previous chapter suggested that recruitment and training systems tend to hinder the developmental role of Saudiization. Adding depth to the analysis, this and the following two chapters move on to examine the cultural, organisational and managerial dimensions of Saudiization, highlighting some questionable yet hidden assumptions that limit its coherence and relevance.

Focusing on the societal and cultural dimensions, this chapter discusses one of the most widespread assumptions attached to Saudiization, that of socio-cultural homogeneity. This assumption crucially undermines the policy and contributes to other weaknesses and limiting managerial assumptions that will be discussed in the following two chapters. Here the link between Saudiization and Saudi societal culture is examined. The emergence and development of assumptions about cultural homogeneity will be explained and connected to the developmental agenda of Saudiization. The chapter also attempts, through a critical discussion of relevant literature, to demonstrate how this assumption promotes an unrealistic picture of the Saudi societal culture, which, if taken for granted by practitioners will restrict implementation. Since culture lies at the core of the debate in this chapter, it will be useful, at the beginning, to review management pronouncements on the topic, especially on societal culture.

4.2 WHAT IS CULTURE?

Culture is considered to be one of the fuzziest and most difficult to define concepts in the literature (Freilich, 1989; Ralston, *et al.*, 1993). This is not only because the term is intellectually complicated, but also because it has so many overlapping, and even

contradictory, understandings and usages. The term culture is widely used in many different fields, from anthropology and sociology to ethnology, ethnography, politics, economics and management. It is also variously defined to suit special purposes within these disciplines. According to Spradley (1972), there are eight different types of definition. These include the human-nature definition, which is used to differentiate human beings from animals. Another type is the human-group definition, which equates culture to a particular society, community or even a geographical grouping. Beyond that, the cognitive definition is used to explain culture in terms of ideas, beliefs, and knowledge. Clearly, with this wide and various usage, there is no one single, all-encompassing definition of culture that is acceptable to all, despite the fact that culture has received, and still receives, a great deal of attention.

This chapter looks principally at societal culture. The main reason is to concentrating on the societal and cultural dimensions of Saudiization and highlighting a tendency towards socio-cultural homogeneity. Societal culture helps to explain much of the variance in work-related values, attitudes and behaviour (Dastmalchian, *et al.*, 2000; Hofstede, 1991; Soutar *et al.*, 1999). It is commonly understood in terms of the collective characteristics of a particular society that in turn shape its members' way of life (Beugre, and Offodile, 2001; Haralambos and Holborn: 2000). A similar, but more elaborate, definition refers to societal culture as '*the main characteristics of a society which are shared via language (spoken or written), knowledge, skills, norms, values, beliefs, customs, etc; these combine to make up the 'way of life' of a society*' (Marcus and Ducklin, 1998: 18). Along similar line, Hofstede (1991: 5) defines culture as "*the collective programme of the mind which distinguishes the members of one group or category of people from another*". Other researchers add that, while beliefs and values may be modified or redefined across generations, culture evolves over time. Thus, societal culture is specifically viewed by them as '*those beliefs and values that are shared in a specific society at a particular point in time*' (Ralston *et al.*, 1993: 250).

From these definitions, four key characteristics of societal culture can be identified: 1) societal culture relies upon shared beliefs and values between people, 2) it is mainly

derived from their life and their societies, 3) it influences both social and work life experiences, and 4) it differs among societies according to differences in religion, language, ethics, norms, values, traditions and so on. These characteristics raise a very important question, that is, do differences and diversities only apply between societal and national cultures? Does this mean that single societal or national cultures are uniform and homogeneous?

Some researchers (e.g. Bjerke, 1999; Bjerke and Al-Meer, 1993; Hofstede, 1980; Muna, 1980) implicitly support cultural homogeneity. They concentrate on cultural commonalities at the macro level, downgrading and omitting cultural differences at the micro level. Others (e.g. Al-Aiban and Pearce, 1993; Al-Farsy, 1990) explicitly support the assumption of cultural homogeneity, ignoring the possibility of subcultures or cultural diversities within a single society (especially in relation to Saudi society).

This accords with the social content of Saudiization. One of the implicit objectives of Saudiization is to reduce cultural diversity, counteract the presence of expatriate workers, privileging the homogeneity of the Saudi societal culture and seeking employment benefits by maintaining this homogeneity particularly within work organisations. This tendency towards socio-cultural homogeneity is critically questioned throughout this chapter. The next section explores the link between Saudiization and Saudi societal culture, highlighting the emergence and development of questionable assumptions within Saudiization and considering their implication for national human resources development.

4.3 SAUDIIZATION AND SAUDI SOCIETAL CULTURE

With the belief that Saudi society is culturally unique, thriving on its own values, beliefs and on traditions that have been transmitted from generation to generation, maintaining the societal culture has figured prominently in Saudi government thinking. All the Development Plans give the highest priority to religious and cultural values, explicitly stating that the first objective of development is to safeguard Islamic values, duly observing, disseminating and confirming Islamic law (*Shari'a*). The aim is to ensure that

the people do not lose their sense of identity or integrity while other aspects of their lives are changing, and that economic and social innovations are tempered and blended into appropriate forms which constitute the national culture (The Ministry of Planning, 1985).

At the same time, the government has shown concern for the high percentage of expatriates in the county, considering this threatens the uniqueness of Saudi societal culture. Expatriate workers and their families have been considered to have a negative impact on the national culture, since they bring their own contrasting values and traditions into the society and into Saudi organisations. This is largely a reaction to the consequences of economic growth, which accommodated the vast number of non-Muslim and non-Arab workers needed for the nation's development. According to the Fourth Development Plan (1985-1990) *"The Saudi population is host to large numbers of foreign workers from non-Arab cultures,...meaning that most Saudis are directly and indirectly acquainted with many foreign cultures"* (The Ministry of Planning, 1985: 63). Saudi Officials also express concern about the influence of foreign workers on the societal culture: *"we welcome the foreigners; we need them, their technology and their labour. We do not, however, need their social and cultural input into our society. They are a threat to our morals and traditions"* (Ali and Al-Shakhis, 1990: 19).

Given this concern to maintain 'Saudi Culture', it is not surprising that Saudiization aims to limit the impact of foreign labour and keep Saudi society culturally homogeneous. Since its emergence within the development plans, Saudiization has sought to contribute to this by minimizing the number of foreign workers in Saudi society, therefore reduce the influence of different values, traditions and customs. According to Mohammed (1988), one of the major goals of the Saudiization policy is to harness foreign manpower yet preserve the identity and the cultural and religious values of Saudi society. Jamil Al-Hujailan, the Secretary General of the Gulf Cooperation Council (GCC), stated in October 1998: *"The problem of expatriate workers is starting to represent a danger for GCC nations...They pose grave social, economic and political problems that could grow more complicated in the future"* According to Al-Hujailan,

the only solution to these problems *“is to replace expatriate workers with nationals”* (Kapiszewski, 2000: 5).

Many Saudi academics and writers share this view about the role of Saudiization and the merit of homogeneity (e.g. Al-Adaily, 1983; Al-Anazi, 1997; Al-Harbi, 1999; Al-Harbi, 2000; Al-Kathiri, 1989; Al-Shareedah, 2002; Alsinani, 1998; Al-Sultan, 1998; Al-Thaqafi, 2000; Esmaeel, 1999). Al-Harbi (2000), for example, argues that one of the key advantages of Saudiization is to minimize the influence of external cultures that come into the country via foreign workers, keeping Saudi society and its cultural values and traditions pure. Sharing the same view, Al-Anazi (1997) argues that the large number of expatriates, non-Muslim and Muslim, who do not share the typical Saudi's orthodox and conservative mindset could undermine 'unique' Saudi values. Considering Saudiization to be a remedy, Esmaeel (1999) argues that foreign workers have a negative impact on the social life of the country, stressing the damaging influences on local children from their foreign nannies and from expatriate teachers in local schools.

Extending this view to work organisations, Al-Kathiri (1989) suggests that Saudiization has the potential to create a more homogenous working environment. He argues that when foreign workers are required to work with Saudis in one workplace, the variety of multicultural ideologies and religions produces different and even contradictory values, attitudes and beliefs, which affect the work environment and lead to passive behavioural changes. As an example of this, he cites the dangers of insincerity and indifference towards workplace responsibilities, duties and obligations, attributing this to the temporary presence of the foreign workers. He alleges that nearly every foreigner thinks of the time when he will have sufficient money to leave the country, producing a potential for disloyalty and disruption in unsettling workplace relations and damaging performing. Another example is found in the dissatisfaction that Saudi citizens express about foreign employees who occupy some functions and positions at their expense. Al-Kathiri regards such feelings as damaging the morale and enthusiasm of Saudi employees, leading to lower levels of job performance and productivity among Saudi nationals.

Privileging the role of Saudiization in work organisations, Al Dosary (2004) also argues that the influence of foreign workers not only contradicts social, cultural and religious values, it also sets new trends in work habits and practices that may not fit the Saudi culture. He goes on to add that job relationships are influenced by the temporary presence of foreign workers, and the language differences and cultural barriers between nationals and expatriates. Similarly, Al-Adaily (1983) argues that multiplicity of cultures in work organisations is the result of having workers from different countries. He claims that expatriate workers in Saudi organisations bring their various work-related values with them, creating a more conflictual and less cooperative work environment.

It is obvious that the national view implicit in Saudiization has encouraged researchers to rehearse the putative social advantages of such a programme across society and organisations. Keeping Saudi society more culturally homogeneous is seen to be a positive and virtuous ambition. This interpretation of Saudiization supports the universalistic and unifying tendencies in its agenda, reproducing assumptions about the merit of socio-cultural homogeneity in Saudi work organizations. Yet, contrasting themes can be detected in some available studies that point to diversity among and within organisations in the Saudi context (e.g. Alsaeri, 1993; Robertson *et al.*, 2001; Hunt and Al-Twaijri, 1996). The assumption of socio-cultural homogeneity that is implicit in the Saudiization policy, and which informs so much of the existing literature, gives a misleading picture of Saudi society and oversimplifies the nature and impact of Saudi culture on organisational life.

4.4 THE ASSUMPTION OF CULTURAL HOMOGENEITY

The expansion of international business and the emergence of globalization has drawn many researchers' attention to cultural differences and diversities at international level. Management research has focused on cultural differences between countries, for instance Black, 1999; Dastmalchian, *et al.*, 2000; Hofstede, 1980; Parker and Bradley, 2000; Raghuram, *et al.*, 2001. Other researchers have concerned themselves with diversities within national cultures, including 'Arab Culture' (e.g. Beugre and Offodile, 2001; Bjerke, 1999; Koopman, *et al.*, 1999; Muna, 1980), while others yet again discuss

cultural differences between country clusters, such as the 'Third World' or 'Developing Countries' (e.g. Huo, *et al.*, 2002; Mendonca and Kanungo, 1996; Nyambegera, *et al.* 2000; Wasti, 1998). These, for the purpose of comparison, attempt to highlight cultural differences and their impact on management and organisation across countries, considering that people in a particular country, nation or group have signature values that characterise their behaviour.

To be fair, such cross-cultural studies help us to appreciate some key differences between cultures, and to explain, albeit partly, similarities and variances in work related values, attitudes and behaviours. However, cross-culture studies tend to concentrate on commonalities at the macro level, omitting diversities at the micro level. In other words, they often overstress dominant or common values that are seemingly representative, while subcultures and variances in how people articulate these values are largely ignored (Chrisman, *et al.* 2002; Soutar *et al.* 1999). According to Tayeb (2001: 95): “...*national culture is a complex construct and we simplify them at our own peril. But regrettably, many authors of cross cultural studies have a tendency to focus on a few dimensions and ignore various aspects of cultures which might have equally significant bearings on people's values, attitudes and behaviours*”. The risk in this type of study is that selection and universalism at the macro level create an assumption of homogeneity that oversimplifies key issues.

“*Culture Consequences*” is one of the most famous cross-cultural studies that reproduces assumptions about cultural homogeneity. In this study, Hofstede (1980, 1984, 1991, 2001) attempts to differentiate between 40 (increased later to 50) national cultures by developing four dimensions of culture (developed later to five, including short-term/long-term orientation). The main dimensions include: 1) Power Distance: the extent to which a society accepts the unequal distribution of power in institutions and organisations, 2) Uncertainty Avoidance: the extent to which people in a society feel threatened by uncertain and ambiguous situations, 3) Individualism vs. Collectivism: individualism pertaining to the tendency of people to look after themselves and their immediate family only, which implies a loosely integrated society. Collectivism, as its

opposite, pertains to the tendency of people to belong to groups and look after each other in exchange for loyalty in a tightly integrated society, and 4) Masculinity vs. Femininity: masculinity is the extent to which the dominant values in a society tend towards assertiveness, the acquisition of money and material things. On the other hand, femininity refers to the extent to which the dominant values reflect caring for others, the quality of life or people considerations.

When developing these dimensions, it seems that Hofstede relied upon some common and dominant social values at the macro level, arguing that these are truly representative of national cultures. For example, he considers that the commonality in religion and language accurately represents the Arab national culture, assuming that Arab countries are culturally identical. Accordingly, he combined Arab-speaking countries including Saudi Arabia under one category, describing it as exhibiting a high power distance, high uncertainty avoidance, low individualism and low masculinity. With this uniform description of Arabian countries' cultures, an outsider to these countries would expect Arab employees to attach similar values to the importance of such work goals as centralization, bureaucracy, employment security, and the opportunity to help others and society in general. At best, this combination of the Arab countries' cultures highlights some patterns and similarities between them, but crucially it omits differences between and within these cultures, leading to an incomplete picture of national culture.

Indeed, since these dimensions were aggregated based on similarities and differences between countries, we learn nothing about the true uniqueness of particular national cultures. Hofstede paid insufficient attention to the dynamics and qualities of the respective populations from which his sample was taken. Indeed he deflects attention from any variance in the degree to which individuals adhere to value sets identified (Baskerville, 2003; Eckhardt, 2002; McSweeney, 2002; Sondergaard, 1994; Wallace *et al.*, 1999). According to McSweeney (2002), the population of a nation can be differentiated on many grounds, but Hofstede claims that regardless of these divisions every national population somehow shares a unique identity. For example, although the state of Great Britain is composed of three nations (i.e. England, Scotland and Wales),

Hofstede treats it as a single entity with a single national culture. By contrast with Hofstede, McSweeney argues that the national culture does not represent the totality of culture within a nation. Instead it points to features that are territorially significant and which distinguish the members of one nation from another. Baskerville (2003) reinforces this, arguing that Hofstede equated nation states with cultures, failing to realize that within one nation there are a number of diverse cultures and sub-cultures.

Reviewers of Hofstede's work also question whether gathering data from a single organisation is sufficiently valid to make inference about national cultures (Banai, 1982; Peterson, 2003; Smith and Dugan, 1996). Some of his sample material (e.g. of IBM employees) was representative only of a country's middle class. Yet other research has found considerable variation between social classes in terms of work values (Black, 1994; Kidd, 1982; Nyambegera *et al.*, 2000). In addition, Hofstede's work covered managers rather than workers as other stakeholders in organisations. Multiple subcultures were ignored yet these can vary dramatically in outlook and orientation (Portwood, 1982).

Hofstede also paid insufficient attention to the dynamic nature of culture. He argued that mechanisms in society "*permit the maintenance of stability in culture patterns across many generations*" (Hofstede, 1984: 22). Critics of his work question whether the dimensions developed from data collected between 1968 and 1973 are really indicative of the period of analysis (Nyambegera *et al.*, 2000; Sondergaard, 1994). Rowley and Benson (2002) point out that while Hofstede noted that there is evidence of increasing individualism in Japan, the changing values of the younger generation have made employers reconsider some work practices. In Korea ideas concerning greater individualism and less collectivism have also gained some ground. In a replicative study of Hofstede's work, Al-Twajiri and Al-Muhaiza (1996) explain the difference between their findings and the original study's findings (i.e. Hofstede's findings) about culture in Arab countries by referring to social changes which occurred over the period between the 1970s and 1990s.

It is obvious from this that Hofstede's view of culture omits dynamics, diversity and variety within particular national cultures, implicitly creating an artificial homogeneity. According to Oudenhoven and Zee (2002), the assumption that implicitly underlies Hofstede's work is that within nations and within organisations, members share mental programs that are characteristic to their specific culture and that there is considerable homogeneity with respect to cultural values within a nation or an organisation. Kozan and Ergin (1999) also comment that such simple classifications of 'whole' culture present in homogeneity that rarely exist and is highly misleading. Robertson *et al.* (2001) also caution that while Hofstede's results are interesting, the grouping of Arab countries into one homogeneous entity serves as a cultural panacea for the problem that relate to diversity in the region. Although in later work Hofstede (1991: 12) tends to contradict himself – stating, for example,; *'Today's nations do not attain the degree of internal homogeneity of the isolated, usually nonliterate societies studied by field anthropologists, but they are the source of a considerable amount of common mental programming of their citizens'* – the cultural homogeneity of societies or nations is still the central theme in his work and in derivative cross-cultural studies.

"The Arab Executive" produces another example, attributing socio-cultural homogeneity to Arab people, and axiomatically to each Arab country. This study was carried out by Muna (1980) to examine the influence of the "Arab Culture" on an executive's managerial values, attitudes and behaviours. With a sample of 52 executives from 6 Arabian countries (Egypt, Jordan, Kuwait, Lebanon, Saudi Arabia, and the United Arab Emirates), Muna argued that Arab nationals share with each other three closely interrelated bases of cultural identity: language, religion, and history. They also share common socio-cultural values and norms. These include loyalty to family and clan, reputation in community, nepotism, fusion of business, social and personal life, place a low value on time, and take an individualistic approach to work. On this view, Muna hypothesized that the cultural commonality across and within Arab countries leads to distinctive managerial thinking and behaviour.

Providing a comparative analysis of five major cultures (American, Arab, Chinese, Japanese, and Scandinavian) and how they reveal themselves in business practices, Bjerke (1999) also implies cultural homogeneity across and within Arab cultures. He placed all Arab countries in one category, claiming that Arab culture is very informal, social and collectivistic, prioritising care of others more than individual freedom. Accordingly, he perceived, Arabs look at work organisation in terms of social integration rather than as depersonalized systems. There is an emphasis on belonging and membership. Arabs also apparently have an emotional dependence on their organisations and institutions. Thus, employees become morally involved, while subordinates and superiors become highly dependent on each other. This, as he believes, is attributable to Arab values and norms, as well as to the collectivistic structure of Arab society, which emphasizes kinship ties in group affiliation and group interaction.

While agreeing with Bjerke, Muna and Hofstede that managerial behaviour is certainly influenced by society's social structure, values, norms and traditions, the pattern is far from straightforward, and is mediated by intervening variables. These will be discussed in detail though subsequent empirical chapters which will highlight the cultural diversities across and within Arab countries that are ignored by these studies. In the mean time we take a closer look at 'Saudi Culture' as portrayed in the literature.

4.5 'SAUDI CULTURE' IN THE LITERATURE

While cross-cultural studies implicitly assume socio-cultural homogeneity across and within Arab countries, including Saudi Arabia, other studies explicitly stress the cultural homogeneity of 'Saudi Culture'. For example, Al-Farsy (1990: 199) claimed that: *"The population of the Kingdom of Saudi Arabia is homogeneous. All citizens share the same cultural heritage, the same religion and the same language. Because this is so, the problems sometimes associated with multi-cultural societies (polycommunality) do not arise. In many developing countries, any study of the ethnic composition would immediately involve the concept of polycommunality. By this we mean that in countries like India, the Lebanon, Nigeria, Pakistan, where problems of cultural and religious heritage, language and ethnic origin exist."* He went on to add that although expatriate

workers have come to the kingdom of Saudi Arabia from all over the world, with cultural backgrounds very different from the indigenous population, the homogeneity of Saudi Arabian culture and society has been entirely unaffected. Al-Aiban and Pearce, (1993: 47) also believed that *“Saudi Arabia has a comparatively smaller and more homogeneous population - ethnically and religiously - than does the United States.”* In the same vein, Al-Adaily (1983:162) also alleged that, with its distinct religious and cultural values *“Saudi society is the most homogenous society in the world.”*

This literature is obviously more confident about the resilience of Saudi culture than official documents supporting Saudiization which, as noted, fear dilution. Nonetheless, socio-cultural homogeneity is still a central analytical feature. Three main ingredients sustain such imagery in respect of Saudi society specifically the religion of Islam, Arabic ethnicity and language, and common cultural values that are derived from Islamic teachings and Arab traditions. Examining these three elements, as components of the Saudi culture, we argue that cultural diversities and subcultures exist, yet are typically neglected.

4.5.1 RELIGION OF ISLAM

Islam is the main religion, and in fact the only officially permitted religion, in Saudi Arabia. Saudi people are 100% Muslim, sharing a common Islamic faith (Al-Twajiri and Al-Muhaiza, 1996: Anastos *et al.*, 1980; Mohammed, 1988) which is openly valued not just a religion but as a way of life. It is the source of all legal, political, social and economic acts. According to Al-Shalawi (1988), Islam is central to the Saudi way of life. It is also the basis of the constitution and laws in the country. The Saudi people accept its practical legal system which lays down precise rules for behaviour. More specifically, Mohammed (1988) argues that Islam takes care of all aspects of life, shaping a Saudi's behaviour and personality. At the political level, for example, Islam organizes the relationships between the leader and the people. It calls for rule through consultation and for consensus in the political decision making process. At the social level, Islam also enjoins noble virtues and traits such as honesty, chivalry, hospitality, generosity,

truthfulness, the keeping of a promise, repayment of one's debts, hard work and time management.

At the economic level, Sebhatu (1994) similarly argues that Islamic religious values play a key role in shaping the Saudi business leaders' behaviour and attitude, since they are exposed to Islamic religious teachings at an early age both at home and at school. In a more detailed argument, Anastos *et al.* (1980) point out that Islamic values influence Saudis' behavioural attitudes toward the conduct of business and attendant management practices. They reveal that the major Islamic influences on business and organisational operations include the emphasis on high ethical standards. Thus, Saudis as Muslims are encouraged to maintain high ethical standards in the conduct of business relationships. This, in turn, leads business contracts to take on a religious significance, with individuals reluctant to casually abrogate an agreement (more of this will be discussed in chapter 6).

From this it is widely perceived that Saudi Arabia is an homogenous Islamic society in which all political, social and economic aspects are guided by an adherence to Islamic cultural values. This is why Saudiization is assumed, by some, to foster cultural homogeneity within the society. Yet, the above studies, as well as the Saudiization policy, neglect some important issues. While Islam is the only religion in Saudi Arabia, there are different degrees of adherence to its teachings. According to Ali and Al-Shakhis (1989: 181), Islam views hard work positively, but the endorsement of the work ethic often reflects a commitment to principle rather than to practice. Islam also encourages consultation in decision making. Nevertheless, Saudi managers have been found practically to make decisions paternalistically, confining consultation to some selected people (Bjerke and Al-Meer, 1993). In addition, although all Saudis are Muslim, Saudi society cannot be considered to be fully homogenous. Alsaeri (1993) demonstrates that, despite the fact that the majority of Saudis are Sunni Muslims, a considerable segment of the population of the Eastern Region includes Shiite Twelvers. There are also other doctrinal sects such as Ismailis and Zaydis.

4.5.2 ARABIC ETHNICITY AND LANGUAGE

Arabic ethnicity and language are undoubtedly important components of Saudi culture. Most Saudi people are Arabs, and Arabic is the official and main language in the country. This commonality of ethnicity and language has led previous research to assume cultural homogeneity. Al-Farsy (1986: 85), for example, claimed that: *“as to native residents of cities, towns and villages ,little can be said, except that the population of Saudi Arabia is ethnically homogenous.”* Focusing on Saudi Arabia, Bjerke (1999: 110) also argues that Arab language, as a means of communication, is a very important gate to understanding Arab culture. Verbal communication between Arabs, as he describes it, is implicative: This means that Arabs when communicating with each other rely heavily on hidden, implicit, contextual cues such as nonverbal behaviour, social context and the nature of interpersonal relationships. Assuming uniform meanings and interpretations of verbal communication among Arabs, Bjerke suggests some conversational rules for foreigners to follow. These include:

1. Avoid bringing up subjects of business before getting to know the host.
2. Avoid any question or comment about a man's wife or any female adult relatives.
3. Avoid private financial matters (even brothers do not discuss their pay).
4. Arabs are taught to look a person in they eye, especially when greeting.
5. Arabs belong to a high-touch culture and stand very close when talking.

Of course, most Saudi people are Arabs and Arabic is the main language for written and verbal communication. Yet, this should not be taken to mean cultural homogeneity within Saudi society. According to Mohammed (1988), Saudi society can in fact be divided into three categories: nomadic and semi nomadic Bedouin tribes, settled agriculturists, and urbanized city dwellers. Al-Kathiri (1989) also points out that Saudi society is composed of tribal and non-tribal classifications. These categories and classifications may reflect different cultural values, traditions and norms within Saudi society. Logically, urban respondents might be presumed to be somewhat less wedded to tradition than their rural counterparts and would have, presumably, become more receptive to modern values (Al Nimir and Palmer, 1982). Cultural variations might also be found between the nomads (*Badu*) and the settled (*Hadr*) (Alsaeri (1993). Since

Saudi culture is a high-contextual culture (and Bjerke admits this himself), these categories, classifications and subcultures may also lead to various forms of nonverbal communication or even different interpretations of the same symbols and body language.

4.5.3 COMMON CULTURAL VALUES

Saudi cultural values are essentially derived from the teachings of Islam and Arab heredity and traditions (Hunt and At-Twajiri, 1996; Mohammed, 1988). For an outsider, this may indicate that Saudis share uniform and universal values in their society and, in turn, in their organisations. In fact, this is a central point of the Saudiization assumption of socio-cultural homogeneity. To examine cultural values and demonstrate their variety and richness, attention in the present study has been paid to family allegiance, tribal belonging and friendship commitment.

These three particular aspects can be justified as follows: First, values in general are the most important elements in any culture (Soutar *et al.*, 1999; Wallace, *et al.*, 1999), and people in tribal societies strive more actively to achieve them (Beugre and Offodile, 2001). Secondly, as emphasized by both Islamic teachings and Arabic traditions, these values are considered to be the most dominant, prevalent and lasting among Saudi people (Al Nimir and Palmer, 1982; Asaf, 1983). According to Al-Twajiri and Al-Muhaiza (1996), although life style changed in the Arab world between the 1970s and 1990s, some values did not change. One of these involves the association between individuals and families, tribes and other forms of associations. Thirdly, these values may help to understand the reality of Saudi culture better than any artificial and aggregated values. In similar tribal societies in Africa and some Asian countries, previous studies reveal that the accurate selection of certain cultural values and profiles is vital in obtaining a realistic picture of how the society operates and to discover realistic links between wider social and organisational cultures (e.g. Beugre and Offodile, 2001; Mendonca and Kanungo, 1996; Nyambegera *et al.*, 2000). Finally, in contrast to cross-cultural studies, these cultural values are examined in the present study to correct for the Saudiization assumption of cultural homogeneity. Hence,

demonstrating variation, diversity and difference among Saudis in terms of their adherence and/or interpretation of these dominant values can strongly support our argument. So what are the key references when the three areas are discussed?

Family Allegiance

Islam calls for the strengthening of family ties and instructs the individual to take care of his relatives. In Arab traditions, family also takes precedence over the individual. An Arab individual is born into extended families and is socialized in this kind of family structure. He/she is identified by his/her family and takes pride in being a member of an extended family. According to Muna (1980), when Arab people meet their countrymen, for the first time, they usually attempt to establish each other's family identity. As a result, among Arabs, there is a deep commitment to family honour, loyalties and responsibilities (Ali *et al.*, 1991; Bjerke, 1999; Mohammed, 1988). In Saudi society, as a Muslim and Arabian society, family is considered to be the most important social unit. Alsaeri (1993) reveals that Saudi society differs largely from other societies in that it is an Arabian and Islamic community which considers the family unit as the main social structure to which they are loyal.

In Saudi society, the family is hierarchically structured. Family identity is tied to the father, who is the head of the family and decision maker. The elder son takes over his father's responsibility in his absence or death and looks after his mother and younger brothers and sisters. Religiously and traditionally, a daughter lives at her family house as long as she is not married. Once she is married, she moves to her husband's home. A woman's closest male relatives, such as a father or brother, are legally obligated to support her if she is divorced or widowed. Accordingly, the structure of Saudi family is expanded beyond the 'nuclear' or 'traditional' family (Al-Saif, 1997; Mohammed; 1988). It is common in Saudi society to see grandparents, parents, brothers and their sub-families, sisters and sometimes uncles and aunts living in a single house. Furthermore, polygamous marriage, despite being in the minority, also expands the structure of the Saudi family. According to Islamic law, men are permitted to marry as many as four wives. Kamo (2000: 212) defines the extended family as '*a household unit including any*

family members outside the core nuclear family unit'. In short, the Saudi family is generally characterized to be hierarchical and extended with tied relationships between its members. These characteristics of Saudi family enhance the allegiance of an individual not only to his/her nuclear family, but to the extended one.

Tribal Belonging

Allegiance of Arabs to the extended family is extended to another important social entity, i.e. tribe. Relationships among the tribe's members are very strong and though sections (e.g. clan) of a tribe may be opposed to one another, they regard themselves as a single unit with respect to other tribes. The maintenance of tribal reputation and dignity is the most important and significant concern in Arab traditions. Thus, tribal belonging is argued to play distinct role in determining behaviour of Arab individuals. According to Robertson *et al.* (2001) the influence of strict tribal codes of loyalty and honor combined with a strong patriarchal family structure is powerful on Arab culture. Al-Twajiri and Al-Muhaiza (1996), also argue that collectivist cultures, like Arab cultures, control their members more through external societal pressure (shame), while individualistic cultures control their members more through internal pressure (guilt). Similarly, Al-Kathiri (1989) argues that tribal prestige, status and honour are ingrained and impressed in Arab individuals, in that the desire to maintain them governs the individual's behaviour. More specifically, Mohammed (1988) demonstrates that if a member of tribe does not make good on a promise or cheats on a deal, this may cause him to lose honour. In turn, this may put him under criticism and affect his tribal relationships.

Before the foundation of Saudi Arabia, Saudi society was a group of Bedouin tribes spreading out in divergent regions in the Arabian Peninsula. Those tribes, due to lack of transportation and difficulty of movement, lived at that time quite isolated from each other. In addition, due to the poor economy and absence of social welfare, tribal members relied on each other for economic sustenance, a reality that enhanced the sense of tribal belonging. This social and economic situation has changed since the unification of the country and with the discovery of oil. Many services and facilities, particularly in the realm of education, employment and transportation, have been provided. These

services and facilities have given those tribes' members opportunities to move around the country, to find better jobs, and to communicate and integrate with each other (Al-Farsy, 1986; Sirageldin *at al.* 1984). Despite this change and the marked urban development of Saudi Arabia over the last three decades, most Saudi people today still maintain their tribal identities and exercise tribal traditions and customs in their daily life. Belonging to a tribe is still considered to be a very important source of prestige and pride. Tribal belonging goes beyond holding the name of the tribe, emphasizing commitment to established traditions and norms, and being supportive of other members. Failure to fulfil this moral obligation evokes the displeasure of others and can sometimes lead to ostracism (Al-Kathiri, 1989; Mohammed, 1988).

Friendship Commitment

The concern for friendly relationships is also attributed to Islamic teachings and Arab traditions. According to Bjerke and Al-Meer (1993), Islam is considered to be important for a highly collectivist orientation. It emphasizes concern for others and a friendly relationship among people. Muna (1980) also argues that, in Arab culture generally and Saudi culture particularly, friendship remains an important and prevalent value, even in the functioning of formal institutions and groups. Consequently, it is not surprising to find the Arab executive relying upon friendship ties for getting things done within his organisation and society, he believes. Emphasizing the concern for friendship, Al-Faleh (1985) also argues that the concept of friendship in Arab culture is taken beyond boundaries that are familiar in the West, e.g. making it very unusual for an Arab openly to refuse a request for a friend.

While these cultural themes (family allegiance, tribal belonging and friendship commitment) are commonly considered to bond Saudi people, a number of questions arise. First, how do Saudi people interpret and articulate such cultural values? Do Saudi people adhere to them to the same degree? Whether and to what extent do these cultural values influence Saudi people when performing their jobs? By answering these questions, we aim to argue against the Saudiization assumption of socio-cultural homogeneity.

Previous studies and official documents emphasise adherence to these care values as a means of improving job performance. Significant attention has been given to the value of family allegiance and tribal belonging on Saudis, such as stimulating a Saudi individual to find a good job. Ali *et al.* (1991) claims that work is seen as a means to foster family interest and to improve its reputation in Saudi society. A family's image and prestige will apparently be strengthened if its members have work and assume respected positions. Similarly, Al-Kathiri (1989) argues that, in Saudi society, being unemployed with the ability to work, or even having a low status job, is socially unacceptable to family and tribe.

Moreover, the values of family allegiance, tribal belonging and friendship commitment have been alleged to act as a 'positive' guide for the behaviour of Saudi managers at work. According to Ali *et al.* (1991), Saudi managers often attempt to build a good reputation, not only for themselves but also their family, tribe and friends, by being honest, wise, generous, and committed to social relationships. Sebhatu (1994) argues that Saudi managers show concern for the quality of the working life of their employees, especially if they share membership of the same family, tribe or community. This, Sebhatu believes, enhances trust between Saudi managers and their employees and, in turn, encourages participative and cooperative leadership in Saudi organisations. From here, Bjerke and Al-Meer (1993) allege that Saudi managers prefer a tight social framework in their organizations, relying heavily on family and friendship ties to manage their employees.

It is obvious that these studies accentuate the positive aspects of such cultural values, assuming or claiming that all Saudis interpret and articulate to them in the same way. These studies explain what Saudiization implicitly promotes in terms of the creation of some kind of trust, satisfaction, cooperation, loyalty and commitment in Saudi organisations, leading to a better work atmosphere and better job performance. Yet, these studies, in the same way as Saudiization, tend to undermine differences between Saudis as groups or individuals in terms of interpreting, believing in and articulating cultural values. For example, most of these studies were carried out in a single region

(Eastern or Central Regions) in Saudi Arabia, taking cultural homogeneity among regions for granted. As they found differences in managerial beliefs about work among Saudi and Iraqi managers, Ali and Al-Shakhis (1989), cautioned against theoretical and personal observations that might assume similarities of Arab values in various Arab countries. This caution is extended here to those who assume homogeneity of Saudi values in other regions.

Common cultural values like family allegiance, tribal belonging and friendship commitment are interpreted in different ways. In similar tribal societies, these cultural values have been found to put social relationships and interests over organisation goals, leading to a negative effect on job performance and organisational effectiveness. Beugre and Offodile (2001), in their study of African culture and organizational effectiveness, for example, demonstrate that the strong relations of extended families and tribes bear on Sub-Saharan African workers' obligation to their relatives' social needs more than to work duties, which often leads to distractions or a limited workplace commitment. They also find that Sub-Saharan African managers, under pressure from ethnic and tribal systems, are socially required to satisfy employees who share the same ethnic background or tribal identity. As a result, the appraisal of subordinate performance is often based on non-job-related criteria such as ethnicity and tribalism. In addition, financial rewards and promotion are often influenced by nepotism and favoritism.

Similarly, Nyambegera *et al.* (2000) demonstrates that in Kenyan organisations those in authority often misuse their positions by staffing the organisation with their relatives. They reveal that such behaviour tends to negatively affect employee performance, either by deflecting their attention from important workplace issues, or by creating an unfair environment. In India, another tribal society, Kanungo (1996) reveals that family and tribal relationships negatively influence the processes of performance evaluation and feedback. With nepotism, evaluation and feedback have been found to be misconstrued as being more influenced by personal and social relationships. He concludes that the diffusion of nepotism, favoritism and discrimination in the workplace is largely

attributable to common misinterpretations of cultural constants like family, tribal belonging and loyalty.

Even in Saudi society, these common values of family allegiance, tribal belonging and friendship commitment have been found to be interpreted in different ways to those which Saudiization promotes. Mohammed (1988), for example, revealed that the tribal system of the Saudi society has an impact on staffing and recruitment practices, both in government and in the private sector. Anastos *et al.* (1980) demonstrated that loyalty to family and friends constrains the Saudi manager's ability to develop the most effective group for a given task. Managers were often unable to terminate the contracts of employees who were not performing to the standards set for the position. Similarly, in studying administration in Saudi Arabia, Asaf (1983) identified some negative aspects of friendships in work organisations. He found that Saudi employees often give priority to friendships over organizational goals and performance. Muna (1980: 84) also revealed that rules and regulations in Saudi organisations are being applied about 20% of the time. This is not because these rules and regulations are unsuitable, but rather because there are too many exceptions that are attributable to friendship and adjustments for relatives.

In their study of organisational behaviour in Saudi organisations, Al Nimir and Palmer (1982) find that the group-oriented characteristic of Saudi culture is the main reason for minimizing achievement values and maximizing uncertainty avoidance in Saudi organisations. The researchers attribute this finding to the social interpretations of loyalty within families, which make Saudi individuals unwilling to relocate in geographic areas away from their relatives. This unwillingness, in turn, reinforces behaviour such as the maintenance of job security, avoidance of uncertainty and risk-taking. They concluded that such behaviour combined to shape Saudi organisations with bureaucratic rather than innovative cultures, which appear to be poorly suited for the developmental role envisaged by recent Saudi development plans (i.e. Saudiization).

The Saudiization assumption of cultural homogeneity tends also to omit differences of organisational and demographic variables at individual level. According to Ali and Al-Shakhis (1989), managerial beliefs are influenced by factors other than the commonality of Islamic and Arabian values, such as organisational and demographic variables. In studying work values among Saudi managers, Hunt and At-Twaijri (1996) found that marital status had a significant effect on the values of Saudi managers at all levels. In general, married respondents rated organisational goals as more important than did their single counterparts. Robertson *et al.* (2001) also found that Saudi managers with graduate degrees had significant differences in the work beliefs. For example, they displayed a stronger work ethic than less educated workers.

With these findings it cannot be assumed that Saudis share common values simply because of commonalities around religion, language and nomadic heritage. Although Saudiization may exert an enabling influence on some Saudis' work-related values and relationships, there is likely to be significant variation in reaction to it. Hence, the outcomes may be more contingent and problematical than promotional accounts suggest.

4.6 SUMMARY

By neglecting cultural diversities and differences, cross-cultural studies implicitly and sometimes explicitly support cultural homogeneity. Similarly, Saudiization, with its social ambition to minimize the cultural differences generated by expatriate workers, supports socio-cultural homogeneity within Saudi society. This chapter argued against this assumption, explaining how it promotes an unrealistic picture of Saudi life.

The chapter began by reviewing how the concept of culture is defined in the literature. It then examined the link between Saudiization and Saudi societal culture, highlighting the emergence and development of its assumption of socio-cultural homogeneity. Through a critical discussion of literature relevant to Saudi culture, the chapter demonstrated how the assumption of cultural homogeneity can be misleading at social, organisational and managerial levels. Some of the ramifications of this assumption for organisation and

management were also identified, a theme that will be extended in the following two chapters.

CHAPTER 5

SAUDIIZATION AND ORGANISATIONAL CULTURE

5.1 INTRODUCTION

CHAPTER 5

SAUDIIZATION AND ORGANISATIONAL CULTURE

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Organisational culture is one of the most popular concepts to have attracted the attention of researchers, consultants, and managers since the late 1970s and the early 1980s (Maitlis *et al.*, 2001; Mwaura *et al.*, 1998). One of the main reasons for this popularity is the assumption of a positive relationship between corporate culture and organisational

CHAPTER 5

SAUDIIZATION AND ORGANISATIONAL CULTURE

5.1 INTRODUCTION

The warring assumptions of Saudiization are not confined to socio-cultural homogeneity. At organisational level, it exhibits a form of unitarism and a concern for culture management that undermines local diversity while promoting patriotism, loyalty, commitment, cooperation, stability and controllability (e.g. Al-Adaily, 1983; Alsinani, 1998; The Manpower Council, 1997). At this level, Saudiization embodies a governmental initiative to change the culture of Saudi organisations in a “positive way”, privileging a uniform value system as the means of improving job performance.

Saudiization is a movement for organisational culture change and unification in Saudi organisations. This chapter attempts to examine the influence of Saudiization on organisational culture by reviewing relevant literature and concentrating on three main factors involved in the Saudiization project. These include the role of the Saudi government, Saudi public sector macroculture, and national cultural influences. By discussing the role of these factors in shaping organisational cultures, the impact of unitary assumptions will be demonstrated. Their tendency to misrepresent the reality of organisational culture in Saudi organisations will also be established. To make the argument clearer, it is useful, at the outset, to explain the connection between Saudiization and the organisational culture debate, clarifying key issues of conceptualization.

5.2 THE CONCEPT OF ORGANISATIONAL CULTURE

Organisational culture is one of the most popular concepts to have attracted the attention of researchers, consultants, and managers since the late 1970s and the early 1980s (Maull, *et al.*, 2001; Mwaura *et al.*, 1998). One of the main reasons for this popularity is the assumption of a positive relationship between corporate culture and organisational

performance, effectiveness, success and growth. This was heavily influenced by, and based on, a perception that corporate cultures played a key role in the success of Japanese companies at that period of time (Al-Khalifa and Aspinwall, 2001). This should not be taken to mean that there is a consensus on the meaning and relevance of the concept, however. Rather, the last two decades have witnessed a widespread debate, and considerable disagreement, about what organisational culture is; whether it can be easily changed, controlled and managed; and what influence on performance it may have.

Since its emergence in the management literature, the concept of organisational culture has been defined in a variety of ways. For instance, Deal and Kennedy (1982:4) generally define culture in an organisation as *'The way we do things around here'*. As a basic indication this illustrates that an organisation can be distinctive and that its members can be conscious of contrasts with other employers. This definition also implies that managers can create or change their organisations cultures' as simply as they change the way they do things in the organisation. More complicatedly and problematically, Schein (2001:46) defines culture as *'the taken-for-granted, shared, tacit assumptions that people hold'*. By this definition, Schein argues that culture may be thought of as existing at several levels (i.e. manifest, espoused and in shared tacit assumptions). He also asserts that to understand the culture of a particular organisation, we need to dig deeply into the non-negotiable assumptions that constitute its essence.

This definition implicitly indicates that culture is static and most difficult to change (Collins, 1998). Seel (2000: 3) takes a more dynamic view, defining organisational culture as *"the emergent result of the continuing negotiations about values, meanings and proprieties between the members of that organisation and with its environment"*. He believes that culture dynamically emerges as a result of all the daily conversations and negotiations between the members of an organisation.

This variation in the way that organisational culture is defined can be attributed to different perspectives on the conception of both organisation and culture. Through

reviewing available literature pertaining to organisational culture (e.g. Collins, 1998; Davies *et al.*, 2000; Ghobadian and O'Regan, 2002; Maull *et al.*, 2001; Muldrow, *et al.*, 2002; Ogbonna and Harris, 1998, 2000, 2002; Ouchi, 1982; Park, 2001; Parker and Bradley, 2000; Peters and Waterman 1982; Post and Coning, 1998; Schein, 1992, 2001; Smircich, 1983; Willcoxson and Millett, 2000), three main conceptual perspectives can be distinguished. First, a perspective on culture as something an organisation has. This perspective portrays culture as a variable separate from the organisation and which can be manipulated and controlled. Second, a perspective on culture as something an organisation makes, which portrays organisation as a culture-producing phenomenon, where established culture becomes static and difficult to change. Third, a perspective on culture as something an organisation is. This perspective considers the dynamic nature of organisational culture.

These conceptual perspectives are discussed in more detail throughout the following subsections. The aim is not to question whether or not a particular concept of organisational culture is, in fact, correct. The main aim is to highlight the complexity and sensitivity of the concept of organisational culture, especially when examining its relationship with other organisational factors (e.g. job performance and organisational effectiveness). Moreover, the discussion of these different perspectives will help to establish the link between Saudiization and organisational culture, and to examine the Saudiization assumption about unitarism, and how it can be illusory and unrealistic.

5.2.1 ORGANISATIONAL CULTURE: 'SOMETHING AN ORG. HAS'

This perspective portrays culture as one of the component parts of an organisation (along with strategy, structure and systems) which can be managed in order to achieve organisation-wide values and pursue wider organisational objectives. This can be traced back to the work of the *Corporate Culture* movement, driven by authors such as Deal and Kennedy (1982), Peters and Waterman (1982), and Ouchi (1982), who argued that organisations with 'strong corporate cultures' are apt to be more effective and successful. For these authors, 'strong' cultures are thought to express values and beliefs that organisation members come to share. These shared values and beliefs serve as a

guide for thinking, feeling and behaviour within organisations. Creating such a guide is considered to be a key task for managers, serving as a quick fix to improve organisational performance and effectiveness. Accordingly, advocates of this view argue that change managers and agents should be properly trained for this challenging task, a process that requires professional knowledge and skills (Park, 2001).

Overall, the most serious assumption informing this perspective, and publicised by many authors (e.g. Maull *et al.*, 2001; Ogbonna and Harris, 2002; Parker and Bradley, 2000; Smircich, 1983), is that culture can be easily changed and controlled through the direct interventions of management. Smircich (1983), for example, explains this assumption by arguing that the concept of corporate culture conceives culture as an organisational variable that can be changed consistently with managerial purposes.

5.2.2 ORGANISATIONAL CULTURE: ‘SOMETHING AN ORG. MAKES’

In contrast to this view, the image of culture as ‘something an organisation makes’ portrays organisations themselves as culture-producing phenomenon. In other words, it portrays culture as something that an organisation makes around the time of inception, which thereafter becomes a nonnegotiable artefact and set of rules that govern overall behaviour. Schein (1992:12), as one of the main supporters of this perspective, assesses culture as being: *‘a pattern of basic assumptions- invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration- that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems’*. Similarly, Hofstede (1991) argues that organisational culture is developed inside an organisation through the collective practices of its members. Since these collective practices, as he believes, depend heavily on founders-leaders’ values, they result in collective values that reinforce the original ones and become extremely difficult to change.

In general, advocates of this view argue that culture in organisations can be produced at three levels, manifest artefacts, espoused values, and shared assumptions (Davies *et al.*,

2000; Hofstede, 1991; Muijen and Koopman, 1994; Schein, 1992, 2001). Basic assumptions at the deepest level have been considered to be the essence of culture as they tend to be taken for granted and are treated as nonnegotiable. For Schein (1992), basic assumptions are developed as each member of a “*new*” group brings his/her own cultural learning from prior groups. The new group then develops its own-shared history, producing modified or new assumptions which make up the culture of the group. This perspective implicitly indicates that founder(s), leader(s) or manager(s) of a particular organisation, by frequently experiencing particular problem-solving methods or decision-making processes, consciously or unconsciously create rules for the organisation. As these rules are taught to all new members as the right way to think, feel and behave, they become solidified as unchangeable basic assumptions that shape the organisation culture.

This school of thought, by assuming that culture is solid and difficult to change, challenges the first view of organisational culture as manageable and controllable. However, this school has been criticized for over-socialization (Collins, 1998; Ogbonna and Harris, 2002; Smircich, 1983). It tends to ignore the social aspects of culture and the influence of day-to-day activities on organisational members, thereby losing a key dynamic of culture. Ogbonna and Harris, (2002) argue that whilst the view that culture can be easily changed seems to be more optimistic, it is clear that the contrary view, that organisational culture is static and cannot be changed, may equally represent an incomplete account of the complexity and dynamism of the concept. Collins (1998), by examining Schein’s assumption of solid and unchangeable organisational culture, demonstrates that culture in this perspective seems to be viewed as some kind of collective mental programming and not primarily as the outcome of complex social interaction, experience and conflicts.

5.2.3 ORGANISATIONAL CULTURE: ‘SOMETHING AN ORG. IS’

Challenging both of these perspectives is the view that regards culture “as something an organisation is”. This presents a dynamic view of organisational culture. It advances the view that organisational culture should be understood as a set of social conventions

embedded within a wider cultural context (Maull *et al.*, 2001; Seel, 2000; Smircich, 1983). This system represents all of the daily conversations, negotiations, relationships, activities, etc. of the organisation's members, which in turn represent the organisation culture. According to Seel (2000), culture emerges as the result of all daily conversations and negotiations, and continuously changes as long as these conversations and negotiations proceed. Stressing the dynamic perspective on organisational culture, Smircich (1983) also believes that the school of thought that underlies culture as a metaphor of social organisation gives culture a much less concrete status, emphasizing its dynamic nature.

It is obvious that organisational culture remains an elusive concept, fuelling diverse and competing perspectives. Despite such diversity, however, one underlying assumption about organisational culture seems to be shared by the first two perspectives. The assumption of unitarism tends to dominate these perspectives since they portray organisational culture as one entity. For example, perceive organisational culture to be singular, tending to omit different factors that may affect the organisation and appearing to lose sight of multiple subcultures. The third perspective (i.e. the dynamic perspective) exhibits greater realism, regarding a culture as something that changes dynamically. Yet this perspective often fails to explain the differences in values, attitudes and beliefs between members that give organisations this dynamism.

5.3 UNITARISM VS. PLURALISM

The above discussion connects to a wider debate in the literature that is highly relevant to the notion of Saudiization as a movement for culture change and unification. This one concentrates on unitary assumptions and pluralist thinking.

5.3.1 UNITARY ASSUMPTIONS

According to Provis (1996), unitary assumptions about organisational culture refer to the unitary theory of industrial relations. This suggests that every work organisation is an integrated and harmonious whole existing for a common purpose. It has been associated notably with the rise of human resource management and other management ideas such

as 'TQM' and 'Customer Focus' that often seek to create and maintain 'strong' organisational cultures as a way to increase effectiveness and competitiveness. This assumption has proven to be attractive, not least for its theoretical simplicity (Jones, 2000; Provis, 1996). Despite this, however, the unitary assumption has been criticized for its tendency to provide an unrealistic picture of organisational culture. Jones (2000), for instance, argues that since unitarism views differences (e.g. conflicts, disagreements and disputes) in an organisation as something to be avoided, it attempts to line people up behind a common vision, core values, harmonious interests and consistent purposes. Similarly, Willcoxson and Millett (2000) argue that since unitary assumptions perceive the existence of subcultures to militate against effectiveness, they should be eliminated via strong, top-down leadership.

Collins (1998), when critically evaluating the influence of unitary assumptions, also notes that users of unitary models often claim to be dealing with practical matters in a common-sense way. He goes on to argue that the unitary assumptions concentrate on uniformity and universality, and portraying people as passive and reflecting an inability to rationalize their different orientations and responses to factors that really affect organisational culture. Wilson (1999) also argues that, while there may be shared behaviour and practices in an organisation, it does not necessarily represent the shared values and beliefs of its all members. Organisation can be composed of various subcultures that can compete overtly and covertly as different groups of members seek to establish or impose their distinctive values and beliefs.

5.3.2 PLURALIST THINKING

Unlike unitarism, pluralism advances the view that organisations are composed of various interest groups; that they are exposed to different internal and external influences, and that members respond to these influences or factors differently (Collins, 1998; Jones, 2000; Post and Coning, 1998; Quinn, 1984, 1988; Quinn and Rohrbaugh 1983; Willcoxson and Millett, 2000). Although it originated in broader social and political theory, pluralist thinking has been drawn in to industrial relations as a means of conceptualizing the conflict of interests between employees and employers (Provis,

1996). It has then been drawn towards management, especially in organisational culture debates, to consider cultural diversities and subcultures within an organisation and to capture contradictory values, beliefs, attitudes and interests among its members (Collins, 1998; Jones, 2000).

Articulating a pluralist view, Quinn and Rohrbaugh (1983) have developed their Competing Values Framework (CVF), emphasizing the existence of cultural diversities and subcultures within organisations. In this they identified four types of organisational subcultures (human relation, open system, rational goal, and internal process). From this they acknowledge that some members may seek stability and control, while others encourage adaptability and flexibility. Similarly, while some members may emphasize internal productivity and human resources development, others may emphasis external development and corporate growth. This identification of organisational subcultures, of course, does not specify a set of universal organisational cultures or subcultures. Rather, it asserts the diverse nature of organisational culture and shows that subcultures can coexist in a single organisation, despite appearing paradoxical at times, or odds with one another.

Since it considers cultural differences and subcultures within work organisations, pluralism has been argued to offer a more realistic insight into cultural issues than unitarism. Jones (2000) demonstrates the contrasts by examining two cultural development strategies at Traidcraft plc in the UK (i.e. unitarist and pluralist). His study reveals that the new top-down strategy of increasing employee commitment towards Traidcraft's financial goals never fully materializing. This was attributed to the unitary assumption behind the new strategy that concentrated on developing greater shared values, omitting different interests and values between the organization's members. On the other hand, the traditional bottom-up strategy of social equity was more realistic and flexible since its pluralist view was able to consider and embrace differences of opinions, values and interests of the organisation's members.

Since it considers an organisation as a unit of wider society exposed to numerous external influences, pluralist thinking has also been argued to acknowledge the influence of the world outside organisations, more so than unitarism. In public sector organisations, such as Queensland Health, Willcoxson and Millett (2000) found pluralists were able to recognize the role of medical and nursing associations in developing professional sub-culture groups within the organisation. Jones (2000) also reveals that the Traidcraft's pluralist strategy was effective in accommodating the influence of external factors on the organisation, such as different societal cultural backgrounds of employees.

In addition, pluralist thinking has been argued to help managers to understand and manage their organisations better than unitary assumptions. In pluralist thinking, subcultures and cultural diversities are not sources of disruption that need to be eliminated. Rather, subcultures and cultural diversities are inevitable and sometimes innovative, although they need to be carefully managed. Collins (1998) argues that while differences and diversities of values and interests are unavoidable, addressing them is a key element within pluralist management, and can be seen as a process that facilitates change and development. He goes on to stress that the most important, and perhaps the most difficult, management task may be that of managing such differences and diversities. Willcoxson and Millett (2000) also emphasize that, as pluralist thinking recognizes the existence of diversity, organisational success springs from the effective management of diverse subcultures, rather than attempts to eliminate them.

Besides highlighting the complexity of the concept of organisational culture, this brief theoretical review reveals that unitary assumptions provide popular yet unrealistic images of organisational life. It also reveals that most organisational culture change initiatives are based on such assumptions, ignoring diversities and subcultural issues. As a movement for organisational culture change, Saudiization is no exception. The content of Saudiization implies changing and unifying organisational cultures in Saudi organisations in a "positive way", privileging this as a way of improving job performance and organisational effectiveness. In fact, unitarism is another central

assumption of Saudiization. The next section demonstrates this, highlighting how it could be unhelpful or even misleading for Saudi managers when aiming to understand and develop their organisations.

5.4 SAUDIIZATION AND ORGANISATIONAL CULTURE: THE UNITARY ASSUMPTION

Saudi governmental documents are often infused with unitarism. The Saudi Manpower Development Strategy, for example, reveals that one of the long term objectives of Saudiization is to implant the concepts of affiliation and patriotism, and to cultivate positive work ethics among Saudis. The aim is to create a universal corporate culture among and within Saudi organisations, characterized by a sense of loyalty, commitment and cooperation, seeing this as the route to better job performance (The Manpower Council, 1997). By restricting work only to Saudis, Saudiization aims to nationalize and stabilize the workforce in Saudi organisations, minimizing cultural diversity and the work value differences that emerged as a result of the heavily reliance on multinational workers. Most importantly, it aims to enhance the feeling of patriotism and loyalty among employees, connecting this to greater commitment and cooperation within organisations (e.g. Al-Adaily, 1983; Alsinani, 1998).

It is clear that Saudiization involves a movement to change organisational culture across and within Saudi organisations. As such it relies on three main factors, government action, sectoral macroculture in the public sector, and nationalistic culture. Based on a mixed review of Western and Arab literatures, the following subsections discuss the role that these factors play in shaping organisational cultures. The discussion is organised in two parts. The first aims to give a general review of pertinent literature. The second part focuses more on Saudi literature and examines how these factors influence the culture of Saudi organisations. Again we are arguing against the unitary assumptions in Saudiization.

5.4.1 GOVERNMENT AND ORGANISATIONAL CULTURE

In the literature, it has been argued that governments have a great deal of influence in shaping and forming cultures within public organisations. This appears to be a belief that a government, by having the authority to shape the mission of an organisation and to select individuals who demonstrate the commitment necessary to pursue the mission, can directly affect and shape the organisations culture. In studying organisational culture in Queensland public sector in Australia, Parker and Bradley (2000), for example, reveal that the Queensland public sector organisations have been influenced heavily by the 32 year-government of the conservative party, reflecting bureaucratic cultures and adopting traditional approaches to public administration.

There is also a perception that founders and leaders of organisations often draw up policies, rules and practices that contain their values, interests and assumptions. By passing these policies, rules and practices on to their employees, as the right way to act and behave, they reinforce the original values and assumptions and, in turn, indirectly influence organisational culture (Ogbonna and Harris, 2000; Schein 1992). In a study examining the influence of national culture on organisational culture in 10 European countries, Muijen and Koopman (1994) demonstrate that some organisational and managerial practices are not necessarily in line with national cultural preferences. They find that, although Croatia and Slovenia score high in power distance and uncertainty avoidance indices, organisational practices in the two countries show low scores on the rules-orientation culture, suggesting management practices such as decentralization of decision-making, empowerment and innovation. The researchers attribute this finding to different values of the founders and important leaders of the organisations and conclude that while national culture influences the values within an organisation, the values of its founders and important leaders are also influential.

Saudi Government and Hierarchy

Like other governments, the Saudi government is considered to be the founder and sustainer of public organisations. Officials, leaders and top managers of these organisations are considered to be representatives of the government, and the

implementing bodies of its strategies. Thus, researchers and those interested in Saudi organisational cultures often suggest that Saudi governmental organisations tend to mirror the hierarchical culture of the Saudi government. As an Islamic and monarchic government, the hierarchical culture of the Saudi government integrates religious and political leadership. The political leader (i.e. the king) is also the 'Imam' or religious leader. As a result of this integration of leadership, executive power and decision making are centralized at the top, and filtered through many layers of hierarchy (Al-Aiban and Pearce, 1993; Robertson, et al., 2001).

From this perspective, Chackerian and Shadukhi (1983), examining organisational cultures in two of the Saudi ministries, reveal that the hierarchical culture of the Saudi monarchy dominates the two ministries. Decisions are often made at the top of the hierarchies of both ministries. In addition, communication and information flows are hierarchically ordered and often aim to have commands and instructions clearly articulated and understood as directives. In an attempt to investigate computer impacts on Saudi public organisations, Atiyyah (1988) also emphasizes the dominance and influence of monarchic hierarchical cultures on these organisations. Instead of showing the impact of technology and computerization on organisational cultures, his findings reveal the extent to which hierarchy and centralization have influenced the usage of computers and technology in managerial functions. In effect, computers are being used to extend the reach of established control functions to areas such as planning and decision-making.

It is obvious from these findings that the hierarchy and centralization are equated with efficiency and productivity in Saudi public organisations, certainly in Government thinking. By extension, Saudiization is regarded as a movement of cultural consolidation, reinforcing the uniform culture that meets the government's interests and expectations. In other words, Saudiization, from a unitary point of view, seeks through hierarchy and centralization to regulate, clarify and control employment relationships, leading to a productive culture and better performance in Saudi organisations.

That said, while Saudiization is regarded as an enabling tool by the Saudi government, the assumption of cultural unitarism is open to question. Based on pluralist thinking, Saudi employees may not share the same interests and expectations of the government. Indeed, they may have contradictory feelings and attitudes to the sort of culture being presented to them, creating cultural differences and subcultural tensions at organisation and/or department levels. This argument is supported by evidence from previous research and change initiatives showing that attempts of governments, founders, leaders and top managers to change organisational culture do not necessarily result in predicted outcomes.

For instance, in examining the management initiative to change organisational culture in Westoc, one of the major food-retailing organisations in the UK, Ogbonna and Harris (1998) find that the management change initiative 'Westoc Millennium' had little success in achieving what the management predicted and expected in terms of organisational culture change. That is, while the Westoc Millennium resulted in change to material manifestations and behaviours, this was the result of instrumental value compliance and not genuine change. The researchers point out that the Westoc Millennium was introduced by executives as an attempt to create a customer-focused culture with an aim of ensuring that the organisation remained profitable and effective into the next century. However, perceptions about the rationale for the Westoc Millennium differed between the espoused official justifications and employee beliefs. Store managers at regional branches considered the official company line as merely a smoke-screen to obscure the real reasons for the change. They believed that Westoc Millennium was an attempt to reduce the number and power of store managers. Shopfloor workers also indicated their suspicions that the Westoc Millennium changes were designed to exploit shopfloor workers through the control of their working practices and conditions. The researchers concluded that although the Westoc Millennium initiative led to an alteration to the organisational culture, this change was most apparent at a material level (e.g. in structure and remuneration systems) and in behavioral compliance (e.g. acceptance of unwanted extra hours), but not in values or orientation.

In another study of two separate UK food retailers, Ogbonna and Harris (2002) also find that their programmes were based on the values and assumptions of the companies' top management, and as a result clearly faltered, producing behavioural rather than value modifications. One of the two programmes '*King Customer*' was driven by the management view that customer satisfaction was a key factor for remaining competitive in the market. An attempt was made to re-orientate the attitude, beliefs and values of employees towards a competitively superior level of customer focus. As part of the programme, workers were encouraged to smile all the time showing a pleasing welcome to customers. An 'Employee of the month' award scheme rewarded individuals who exhibited the behaviours which represented the new culture. While these attempts achieved changes in artifacts, manifestations and behaviour in the company, no evidence of widespread changes to employee values was found. One of the shopfloor workers says: *"It is hard to chat and smile at a stranger who is calling you 'love' and making conversation you don't want. Why should I smile to a complete stranger? They pay me to fill shelves not to flirt with customers"*. (Ogbonna and Harris, 2002: 686)

Davies *et al* (2000), in examining the influence of organisational change on the quality of health care in the UK, also pointed out that most previous attempts at cultural change in NHS often ended with success at a superficial level. The authors cited the Griffiths' reforms of the 1980s that tried to overlay an overt management culture onto an organisation with an otherwise public service orientation. They argued that while these reforms succeeded in changing some of the surface manifestations of medical culture (e.g. the development of budgets and contracts), they were less successful in penetrating the deeply entrenched values and beliefs that underpin clinical practice. They concluded that as a result of superficial change, clinician autonomy remained largely unchanged.

5.4.2 SECTOR 'MACROCULTURE' AND ORGANISATIONAL CULTURE

Another factor that has been found to contribute to shaping organisational culture is the 'macroculture' of sectors or industries (e.g. Dastmalchian *et al.*, 2000; McHugh and Bennett, 1999; McHugh, *et al.* 2001; Ogbonna and Harris; 2002; Parker and Bradley, 2000). In their study of the interplay between organisational and national cultures in

organisations from six different industries and sectors in Canada and South Korea, Dastmalchian *et al.* (2000) reveal that, even though some aspects of organisational culture can be attributed to the differences between the two national cultures, industry and sector variables contribute to a significant extent to the perception of organisational culture. Their findings show that the differences for organisational culture are considerably more significant when comparisons are made by industry. Hospitals in both countries, for example, place great emphasis on the values of entrepreneurship and clan culture, whereas communications and utilities companies have the highest score on hierarchical culture. Manufacturing industry has the highest score for results-oriented culture, but the lowest on hierarchical culture. Based on these findings, the researchers conclude that industry or sectoral macroculture promotes certain values that can be shared by organisations from the same broad industry groups.

In their later study in the UK Food Retail Sector, Ogbonna and Harris (2002) also emphasize the importance of sectoral macroculture and its impact on organisational cultural. They find that all the top five companies in the UK Food Retail Sector have similar culture change programmes to the '*King Customer*' initiative adopted by company A, and in each company, the espoused rationale for change was also similar. As the researchers attribute these similarities to the macroculture of the food retail sector, they argue that the accumulated experiences and learning within that sector lead every organisation to orientate its organisational culture to the industry macroculture. They go on to suggest that the multiple peculiarities of particular industries may lead to unique cultural characteristics which are ultimately shared by all of the organisations within each industry.

Similarly, studies conducted on public sectors argue that machine bureaucracy is the typical structure (e.g. McHugh and Bennett, 1999; McHugh, *et al.* 2001; Parker and Bradley, 2000). Focusing on six organisations in the Queensland public sector, Parker and Bradley (2000) demonstrated that, despite being encouraged to depart from traditional bureaucratic values and to adapt a greater emphasis on change and flexibility, four of the six organisations remain heavily skewed to hierarchy, conformity and the

utilization of formal rules and procedures. The researchers concluded that public sector organisations will continue to emphasize the values of a bureaucratic organisational culture.

Saudi Public Sector and Bureaucracy

From the same perspective, most studies that have examined managerial or organisational issues in the Saudi context argue that the Saudi public sector is a classic example of bureaucratic culture. The typical features include vertical hierarchies, centralized decision making, formalized communication mechanisms, and strict rules and procedures (e.g. Ahmad, 1991; Al-Aiban and Pearce, 1993; Al Nimir and Palmer, 1982; Atiyyah, 1988; Bhuian, *et al.* 2001; Bhuian and Islam, 1996). In examining organisational behavior in a number of Saudi public sector organisations, Al Nimir and Palmer (1982) stress that bureaucracy dominates the Saudi public sector culture. They identify three main types of bureaucratic behavior among Saudi bureaucrats. These include a) low values of achievement; b) negative attitudes towards change; and c) high routinization. Particularly relevant to this section is their discussion about the reasons behind the spread of routine behaviour in Saudi public organisations. The researchers reveal that the focus of the Saudi public sector on rules, procedures and formal top-down communication to achieve stability and control has led to individual conformity, compliance and routine behavior. In other words, Saudi bureaucrats often follow routine rules and procedures when doing their jobs, instead of consulting significant others before decisions are taken.

In describing organisational behaviour in the Saudi public sector, Ahmad (1991) also emphasizes the dominance of bureaucratic culture over Saudi public organisations. Based on Weber's "Ideal Bureaucracy", he perceives common characteristics of organisational culture in Saudi public organisations including the presence of structured hierarchies, systems of rules and procedures, formalized decision-making processes, job descriptions and specialization, and formal work relationships. The researcher attributes these characteristics to the bureaucratic tendencies of the Saudi public sector, and concludes by supporting Weber's claim that such bureaucratic characteristics can

achieve more control, stability, predictability, clarification, while minimizing conflict and disorder. In the original work, Weber (1947) alleges that efficiency is a straightforward result of bureaucratization. He believes that rational and impersonal regulation of superior-subordinate relations is one of the main advantages of bureaucratic structures, ensuring that decisions are taken rationally and on the basis of organisational goals. This rationality and objectivity, he claims, can minimize corruption, bias, nepotism and discrimination. He also believes that clear rules and regulations within bureaucracy can facilitate the clarification of individual duties and responsibilities, management control, and stability in an organisation.

Since it has been, and is being, implemented through bureaucratic systems and procedures (e.g. recruitment, training and promotion), Saudiization implies a desire to enhance the bureaucratic orientation in Saudi organisations, emphasizing goals like control, stability and predictability. In other words, Saudiization sustains a unitary view of organisational culture, seeking to create uniform and universal bureaucratic cultures in Saudi organisations, and treating this as crucial for performance and effectiveness. To this extent, Saudiization is referred by officials as exerting an enabling influence of bureaucratic cultures in Saudi organisations. However, the premise that operating in the same sector can enhance cultural uniformity, universality or uniqueness across organisations is questionable. The claim that there is a particular type of culture that is crucial for performance in all organisations is also questionable. It is argued that organisational factors and variables such as size, profession and technology can contribute to the shaping of organisational cultures, and lead to diversities and subcultures among and within organisations. Thus, what seems to be effective in one organisation or department may not be the same in others. By using one type of industry setting (the hotel industry) to conduct his study, Hope (2004) felt that industry culture was being controlled. However, his findings revealed that the size of the organisation was significant. Large hotels tended to have a different culture from small hotels in terms of empowerment, communication and team working. Dastmalchian *et al.* (2000) also state that the size of the organisation is positively associated with hierarchy culture and negatively with employee-focused culture.

5.4.3 NATIONAL CULTURE AND ORGANISATIONAL CULTURE

Since employees, as carriers of their national/societal cultures, bring part of these cultures with them into the organisation, organisational culture is also influenced by national cultures. In other words, national or societal cultures impact on organisational cultures by shaping members' values and norms, which, in turn, influence both institutional structures and the management practices of organisations. In fact, the influence of national cultures on organisations has received a great attention in the literature (e.g. Johnson and Golembiewski, 1992; Hofstede, 1991; Mendonca and Kanungo, 1996; Mwaura *et al.*, 1998; Oudenhoven and Zee, 2002). However, as most of these studies are cross-cultural, they often concentrate on comparisons between national cultures and their organisations. They use national or geographical boundaries to represent overly broad units of analysis, sharing a universalistic view of national culture. According to Kozan and Ergin (1999), cross-cultural studies often compare countries known to differ along certain cultural dimensions, using the nation state as a unit of analysis and overlooking differences that exist within the country. This tendency to examine national culture as a homogeneous culture has led to an assumption that national culture can have universal and uniform influences on organisations that operate in the same nation or country.

Based on a comparative management view that seeks to chart patterns of beliefs and attitudes as well as managerial practices across countries, Hofstede (1991) theoretically claims that national culture with its 'unique' dimensions plays a key role in determining types of culture and management practices in organisations. An example of this claim is his proposition that in weak uncertainty avoidance cultures like USA, UK and Sweden, organisational cultures seem to be more flexible and have fewer rules and procedures. Managers and employees alike feel definitely uncomfortable with systems of rigid rules. Whereas, in strong uncertainty avoidance cultures, like most of the Latin world, organisational cultures are less flexible, with an emotional need for rules and procedures. People in these organisations apparently feel uncomfortable without the structure of a system of rules, even if many of these are impractical and impracticable. Another example can be seen in his allegation that in large power distance countries, like

Malaysia, Philippines and Arab countries, organisations centralize power as much as possible in a few hands, when employees are expected to be told what to do. There are a lot of supervisory personnel, structured into tall hierarchies of people reporting to each other. On the contrary, in small power countries, like Denmark and Austria, organisations are fairly decentralized, with flat hierarchical pyramids and limited numbers of supervisory personnel. Employees expect to be consulted before a decision is made that affects their work.

Using Hofstede's cultural framework to examine the influence of Russian national culture on organisations, Fey, *et al.* (1999), also claim that national culture determines universal characteristics of organisational culture for success and effectiveness in each country. Accordingly, they suggest eight key characteristics of performance-enhancing organisational cultures in the Russian context. These eight characteristics include company spirit, empowerment, training, team orientation, coordination/integration, implicit behaviour norms, customer focus, and strategy. The researchers concluded that organisations, especially foreign firms, should adopt these cultural characteristics to remain successfully and effectively survive in the Russian context.

In another study, Johnson and Golembiewski (1992) adopted Hofstede's dimensions of culture to examine the relationship between organisational development success rates and the degree-of-fit between organisational development values and national culture. The researchers argue that if organisational culture in general and organisational development values in particular fit national culture (as described by Hofstede's dimensions) the success rate of an organisational development project will be high. On the other hand, the success rate of an organisational development project will be lowest in the case of the highest differences between national culture and organisational culture. As this study assumes that a single national culture is homogenous, it implies that there are uniform and universal characteristics of organisational culture for success in each nation or country.

'Saudi Culture' and Collectivism

Similarly, collectivism has been considered to be one of the key characteristics of organisational success and effectiveness in Saudi Arabia. This has been attributed to the influence of the collectivistic nature of Saudi national culture, which is perceived to be homogenous. According to At-Twajri and Al-Muhaiza (1996), Islam emphasizes the idea of unity, where people are urged to care and help each other. In addition, Arabs are fundamentally organized into tribes and families and strongly associate themselves with these unity symbols. This is a major reason for the highly collectivistic culture in Saudi society, they believe. Likewise, Bjerke and Al-Meer (1993), when describing Saudi national culture to be highly collectivistic, attribute this characteristic to the Islamic values of brotherhood and solidarity, and to the gregarious nature of Arabs. They reveal that Saudi managers, as Muslims, are required to cooperate with other Muslims and to share one another's sorrow and happiness. They are also required to offer non-Muslim groups social and cultural rights on the basis of friendship and the common bonds of humanity. As the researchers claim that Saudi national culture is homogenous, they believe that the collectivistic characteristic of Saudi culture is distinctive and important for the success and effectiveness of Saudi organisations.

As previously explained, these studies share the assumption of Saudi cultural homogeneity, implying that this contributes to universal collectivistic cultures at organisational level. From this perspective, Saudiization as a national culture-based programme exerts an enabling influence on organisational culture, enhancing principles of cooperation, loyalty and commitment. This hope comes in line with the claim that individuals in collectivist cultures interpret their organisational relationships from a moral perspective, where there is a psychological commitment and a sense of loyalty to the group (Hofstede, 1980). Thus, employees come to view their organisation as their own; its successes become their successes and organisation failures become their failures too. This hope is also consistent with the belief that employees with collectivist values commit to organisations primarily due to their ties with managers, co-workers and subordinates, as opposed to those with individualistic values who place more emphasis on the job itself and on compensation schemes (Wasti, 1998). From here, Saudiization

implies that, with only Saudi employees, Saudi organisations can have corporate and uniform collectivistic cultures, which enhance performance and effectiveness.

However, as discussed in the previous chapter, there are cultural differences and subcultures in Saudi society. In addition, Saudi people tend to interpret and articulate cultural values and traditions in different ways. Accordingly, Saudi organisations have far from uniform and universal cultures. Rather, cultural diversities and subcultures will continue to exert an influence among and within organisations so long as Saudi people belong to different societal categories (e.g. tribal and non-tribal communities) and have different interpretations of apparently common cultural values.

5.5 SUMMARY

Based on its assumption about socio-cultural homogeneity, Saudiization perpetuates another problematic assumption about organisational and cultural unitarism. This is apparent in government documents, and rehearsed by some Saudi commentators who claim that Saudiization can change and unify organisational cultures in a positive way. In other words, it promotes the idea that having only Saudi employees can contribute to peaceful and productive organisations with distinctive characteristics such as patriotism, loyalty, commitment, cooperation, stability and controllability.

The notion of Saudiization as a movement for cultural change and performance improvement has been questioned throughout this chapter. After discussing the connection between Saudiization and the organisational culture debate, the chapter examined the influence of Saudiization on organisational culture, focusing on three main factors (i.e. the role of Saudi government, Saudi public sector macroculture, and national culture influences). While Saudiization as a government policy is often considered to exert an enabling influence, it may in fact enhance bureaucratic tendencies in the Saudi public sector. Moreover, by restricting employment to Saudis, it may contribute to inefficiency at the workplace.

The association of Saudiization with unitarism has been critically questioned. For example, doubts have been expressed about the capacity of the government, leaders and top managers to shape organisational culture as they wish. Variations in organisation size, in professional affiliations and in technology, as well as societal cultural differences, have been shown to be a source of diversity across and within organisations. Finally, there is an issue about the nature of the relationship between organisational culture and job performance. Is there a specific or particular organisational culture that is crucial to maximizing performance, or is the relationship more complex than Saudiization implies? Our analysis supports the latter.

CHAPTER 6

SAUDIIZATION AND OPERATIONALIZATION

6.1 INTRODUCTION

CHAPTER 6

SAUDIIZATION AND OPERATIONALIZATION

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CHAPTER 6

SAUDIIZATION AND OPERATIONALIZATION

6.1 INTRODUCTION

It has been argued that Saudiization conceals a number of worrying managerial assumptions. These crystallise in the belief that Saudiization is a programme for developing 'best-management practice' in Saudi organisations. By restricting employment to Saudis, Saudiization tends officially to unify management practices within the Saudi public sector. Most management practices, particularly personnel and HRM practices are derived mainly from the Civil Service Law, which has basically been designed to conform with Islamic teachings and Arab traditions (Al-Shalawi, 1988). However, the official association of Saudiization with standardization management practices does not mean that 'best-management practice' will materialize, or that there is a specific set of practices that can encourage all Saudis to work effectively. This chapter argues that the assumptions behind Saudiization ignore the complexity and dynamics of operational management processes, again oversimplifying the links between employment restriction and job performance and organisational effectiveness.

In this chapter, the convergence-divergence-crossvergence debate around HRM practices is reviewed to guide the investigation of 'best-management practice' that is implicit in available accounts of Saudiization. The chapter first highlights what is meant by 'best-management practice'. It then gives a theoretical insight into the influence of national culture on management practices, focusing on convergence, divergence and crossvergence theories and their connection to Saudiization. Finally, it discusses the Saudiization perspective on crossvergence and its link to assumptions about 'best-management practice'. The chapter concludes by pulling our theoretical and analytical threads together, and by summarising the framework model that shaped the empirical research on which subsequent chapters are based.

6.2 WHAT IS 'BEST-MANAGEMENT PRACTICE'?

Despite the considerable interest in 'best-management practice' in recent years, it is still a controversial topic (Davies and Kochhar, 2002; Marchington and Grugulis, 2000). In the literature, the concept of 'best management practice' has been found to be strongly associated with the principles and practices of human resource management (HRM), and to be defined according to two main trends. The first focuses on benchmarking to improve performance and increase competitiveness capabilities. Citing the glossary of benchmarking at the American Productivity and Quality Center, Jarrar and Zairi (2000) argue that there is no single 'best' practice because best is not best for everyone. Best applies to those practices that have been shown to produce superior results; and can be judged to be exemplary, good, or successfully demonstrated. 'Best' practices are then identified and adapted to fit a particular context, organisation or situation. Davies and Kochhar (2002) also argue that 'best' practices are context specific. Along similar lines, Marchington and Grugulis (2000) stress that 'best management practice' neither represents a universal panacea, nor does its absence imply that other approaches are ineffective. 'Best' practices that appear to be effective in a particular industry or for particular groups of workers, may be relatively unattractive or inappropriate in other industries or with other groups of workers.

The second trend in dealing with 'best management practice' focuses on the universalism of HRM. Advocates of this trend argue that there is a particular group of HRM practices that can effectively increase the performance of companies irrespective of their context. In two of his popular books, *Competitive Advantages through People* (1994) and *The Human Equation: Building Profits by Putting People First* (1998), Pfeffer identifies seven management practices that produce successful organisations (i.e. employment security, selective hiring, self-managed teamworking, high compensation contingent on organisational performance, extensive training, reduction of status differences, sharing information). He claims that this particular set of HRM practices can increase company profit, and hold good for all organisations and industries irrespective of their context. Supporting this universalistic perspective, Hughes (2002) also alleges that HR practices and principles, such as establishing a service-oriented

culture, building a strong capital base, motivating employees, and providing employees with the opportunity to contribute, are considered universal and should be adopted by all organisations as ‘best’ practices, regardless of size, industry, or business strategy. Although Hughes was more interested in the hospitality and hotel industry, he was over-optimistic in generalizing these so-called ‘best practices’ to apply to other industries.

It is obvious that the second trend of defining the concept of ‘best-management practice’ is more problematic than the first. It is also more relevant to the content of Saudiization, which tends to promote standardized and universal management practices for all Saudis, regardless of cultural differences and subcultures at the micro level. Relating this understanding of ‘best-management practice’ to the assumptions of universality and standardization, this chapter examines the link between Saudi culture and operational management, again highlighting weaknesses and over-simplifications. However, before entering into the details of this, a review of relevant literature will provide direction.

6.3 NATIONAL CULTURE AND MANAGEMENT PRACTICES

In a range of management disciplines, there has been growing interest in operating and transferring management practices across and within countries (e.g. Anakwe, 2002; Child, 1981; Dunphy, 1987; Hope, 2004; Huo, et al., 2002; Khilji, 2002; McGaughey and De Cieri, 1999; Paik, *et al.*, 2000; Ralston, *et al.*, 1993; Ralston, *et al.*, 1997; Rowley and Benson, 2002; Thomas, 2003; Wasti, 1998; Webber, 1969). The main debate centers on convergence, divergence and crossvergence theories. One side of the debate, convergence suggests that similarities in industrialization and economic development produce convergent work values and ‘best-management practices’ across and within countries. The opposing position (divergence) contends that cultural differences remain a force for different management values and practices among countries, nations and cultures. Between the two, a third possibility (named crossvergence) exists, where a unique set of work values and practices is formed as a result of both non-cultural and cultural influences. To highlight this debate and to understand its link to Saudiization, convergence, divergence and crossvergence theories are discussed in more detail through the following subsections.

6.3.1 CONVERGENCE THEORY

The convergence theory suggests that there is an increasing similarity in management values and practices across countries, despite national cultural differences. Advocates of this view hold that management practices are culture-free and can be transferred between nations, countries and communities (e.g. Harbison and Myers, 1959, Huo *et al.*, 2002; Kerr, *et al.*, 1960; Veblen, 1915; Webber, 1969). They claim that non-cultural variables such as the process of industrialization and the spread of advanced technology move all countries towards a common pattern of work values and rational management practices, irrespective of cultural differences. They also believe that globalization and international trade place substantial pressure on firms to standardize management practices and policies.

Veblen (1915), one of the earliest advocates of the convergence theory, alleged that as countries modernize, their organisational cultures and values systems inevitably converge. Thus, managers in these countries will exhibit common values and adopt universal practices. This argument tends to highlight industrial and technological developments and their effects on organisations, overlooking the impact of cultural diversities and varieties. Similarly, Huo *et al.* (2002) claim that as a result of the advance of contemporary information technology, the trend toward convergence seems to be irresistible. The convergence, they foresee, will accelerate the diffusion of management practices (e.g. in recruitment). Kerr *et al.* (1960) also believe that the logic of modernism and industrialism generates economic and technological imperatives that overwhelm national differences. An implication of this, they claimed, is that these imperatives form common values with regard to economic activities and lead to increasing standardization and the universal take up of management practices across countries. According to Child (1981: 308), convergence perspectives, based on technological development, tend to *“impose a logic of rational administration which it becomes functionally imperative to follow in order to achieve levels of performance sufficient to insure survival of the organisation”*.

Along with this contention about the impact of industrialization and economic development, misleading assumptions like cultural clustering have been found to add impetus to the notion of convergent management values and practices among countries. Paik *et al.* (2000) argue that the idea of cultural clusters, generated by some cross-cultural studies, has served as a tool in boosting the convergence line. In other words, cultural clustering illusively suggests that management techniques and practices can be transferred and generalized across the countries associated with the same cluster of culture values. Examples of this are found in both developed and developing countries, along with claims about the convergence of management practices within each cluster. Wasti (1998) suggests that individuals in developing countries typically have a stronger sense of fatalism, as opposed to those in developed countries, who have an internal locus of control. Thus, the internal work culture in developing countries is more conducive to the Theory X (carrots and stick) model of management. By contrast, in developed countries the Theory Y (participative) model is considered to be more suitable. Another example is apparent in that argument that Japanese management practices and methods should transfer more readily to other Eastern Asian countries in the same cultural cluster such as Taiwan and South Korea (Huo, *et al.*, 2002). Similarly, it has been suggested that the experience of the European Union (EU) will increase the homogeneity of management practices among European countries (Paulson, *et al.* 2002).

While it receives considerable attention in some management circles (e.g. HRM and TQM), the convergence theory has been questioned. Rowley and Benson (2002), for example, argue that convergence perspectives tend to imply that there are 'universalistic thrusts', giving too much emphasis to the impact of technology and industrial development, and omitting cultural differences among countries. They go on to say that such perspectives echo Taylor's 'scientific management', and may result in misleading views about the 'one best way' of managing. In an empirical work to examine the influence of national culture on management practices in Nigerian organisations, Anakwe (2002) finds that Western-style management practices such as empowerment and performance appraisal prove inappropriate for Nigerians. He explains that this inappropriateness can be attributed to country-specific characteristic, such as culture,

socio-economic factors, and the political-legal climate. He concludes by arguing that as convergence does not account for such cultural differences, it leads to inappropriate and misguided managerial principles, policies and practices. This, in turn, results in negative consequences for both employees and their organisations. Nyambegera (2002) also questions the convergence perspectives by arguing that considerations of complex social structuring in multi-ethnic societies (e.g. Sub-Saharan Africa) are missing in contemporary Western models of HRM. In other words, the universalism of the convergence perspectives fails to capture cultural diversity and variation in HRM.

Providing an historical summary of convergence/divergence theories, Dunphy (1987) also argues that although convergence perspectives are built on the basis of technological determinism, this does not occur as predicted. Evidence shows that similar general technology could be operated by different social systems. As he describes, the Japanese have continued to borrow technology, techniques, and managerial practices from the West and have integrated them into their overall mode of operation. At the factory floor level, for example, Japanese managers stress multi-skilled personnel over the specialization of labour that prevails in the U.S. In organisation-wide personnel policies, they offer more permanent employment. He adds that the 'uniqueness' of Japanese management practices appears to be a response by Japanese managers to their cultural environment. As a result, Japanese managers and workers continue to exhibit some consistent and distinctive values, behaviours and practices in the work place. This, he believes, shows little evidence for convergence. Rather, it demonstrates that determinism may related more to cultural than technological factors, suggesting a divergence of management practices.

6.3.2 DIVERGENCE THEORY

In contrast to the convergence theory, divergence perspectives recognize that management values and practices remain culturally bound. That is, they are deeply grounded in the surrounding national culture, and vary significantly among and within countries. Supporters of this approach stress that people from different cultures have different reactions to the same set of management practices and continue to observe and

sustain cultural dissimilarities (e.g. Beugre and Offodile, 2001; Hope and Muhlemann, 2001; Mwaura, *et al.*, 1998; Nyambegera, 2002; Paik, *et al.*, 2000; Rowley and Benson, 2002).

This is consistent with many cross-cultural studies that emphasize the effects of national cultural differences on organisational and managerial activities. In his cross-cultural work, Hofstede (1980, 1991), for example, argues that as organisations and managerial practices are 'culture-bound', there are no universal answers to the problems of organisation and management. Rather distinct practices develop. He demonstrates that culture provides an important source of variance in the utilization of different organisational practices across cultures. His classification of cultures points to diverging management practices, for example, between the collectivistic cultures of the Arab countries and the individualistic cultures of the West. In examining international human resource management practices in four Asian countries, Rowley and Benson (2002) advocate Hofstede's approach to divergence. They find that the individual principles and practices of American HRM (in appraisal systems and performance-related remuneration) do not find fertile ground in the collectivist cultures of Japan and Thailand.

In a similar vein, Paik *et al.* (2000) investigate performance appraisal management in four Southeast Asian countries, rejecting cluster homogeneity and convergence to account for management practices in these countries. Hence, they find significant differences in performance appraisal design within their sample. While Thai managers preferred relationship-oriented supervision and the development of close personal relationships with employees, Malay managers preferred to maintain aloof from employees and exercise formal and external control. Such contrasts are attributed to cultural differences between these countries. They conclude by suggesting that management practices need to be carefully designed and implemented according to the cultural distinctiveness of each country and to avoid blindly applying regio-centric approaches.

Taking cultural differences into consideration, Mwaura, *et al.*, (1998) support divergence, arguing that management practices are seldom directly transferable, but have to be modified to fit in with cultural values in a particular country. They identified several characteristics of Chinese culture through a sequence of observed critical incidents, and emphasized that Chinese culture has very different attitudes, values, beliefs, habits and convictions from those of its western counterparts. Chinese culture, as they describe it, is predominantly influenced by Confucianism which emphasizes the value of education, a desire for accomplishment and an obligation to family. It encourages people to work hard, be responsible, and help others. Based on these characteristics, Mwaura and his colleagues suggest that Western managers take note of the key areas of divergence between Chinese and Western culture.

In examining the relationship between culture and management practices in India, Mexico, Poland, and the United States, Robert, *et al.* (2000) also argue that management practices, to work effectively, should be considered in the context of a particular culture, an approach they refer to as a practice-culture fit. Part of their findings reveals that employees in the U.S., Mexico and Poland develop favorable views of supervisors who empower them, whereas Indian employees give their supervisors a low rating when empowerment is high. They suggest that some management practices (e.g. empowerment) are better received in particular cultures (e.g. low power distance cultures such as the U.S., Mexico and Poland), but do not fit others (e.g. high power distance cultures such as India). The researchers conclude that foreign management practices should be carefully selected and modified to fit the national culture.

Despite this recognition of cultural differences, divergence perspectives do not give a complete picture of the complexity of operational management. While attention to diversity and divergence is important, internal convergence is still a central assumption in these studies. There is an implicit indication that since a particular culture differs from others, it is homogenous in itself. In other words, internal diversities and subcultures which exist within a single culture seem to be overlooked. Rowley and Benson (2002) argue that one of the drawbacks of divergence is the tendency to present a uniform view

of national culture, failing to recognize the diversity, contrast and contradiction that may exist within one society, community or organisation. Dunphy (1987) also demonstrates that the divergence perspective on Japanization assumes uniqueness and distinctiveness, ignoring intra-cultural differences and diversities.

Furthermore, divergence perspectives tend to omit the dynamics of operational management processes by assuming that culture is static and unchanging over time. According to Rowley and Benson (2002), the problem with divergence approaches is that they give too much emphasis to history and individual perceptions. Changes over time and among generations seem to be omitted. For instance, it was noted by Hofstede in the early 1980s that there is evidence of increasing individualism in Japan. Today, Japanese younger generations exhibit changing values that have made employers reconsider some working practices. In addition to conceiving cultural factors as immutable, divergence theory tends to undermine other non-cultural aspects, such as contextual, economic and organisational factors. Khilji (2002) argues that privileging one set of factors usually leads to incorrect findings, hence neither the divergence nor convergence perspectives are sufficient to explain the dynamics and complexity of operational management. In fact, a combined analysis is essential.

6.3.3 CROSSVERGENCE THEORY

The crossvergence theory combines both convergence and divergence, and is open to both sets of factors (i.e. cultural and non-cultural), offering another possible direction (Khilji, 2002; McGaughey and De Cieri, 1999; Ralston *et al.*, 1993). With roots in the anthropology of acculturation, the concept of crossvergence suggests that when two cultures meet, a blending may result in some new 'cross-bred' forms of values that are 'in between' the two parent cultures (Beals, 1953).

Adopting such a view, Ralston *et al.* (1993) conducted a comparative study of management values in U.S., Hong Kong and the People's Republic of China. They found that the integration of national cultures between Hong Kong and China, and similar economic ideologies between Hong Kong and the U.S. produced a unique value

system in Hong Kong that is located between those of the United States and the People's Republic of China. Consequently, they characterized the crossvergence approach as 'in between' or 'a melting pot philosophy' of management values and practices. Similarly, Anakwe (2002) defines crossvergence as the recognition of national culture and economic ideology, and the integration of these. He reveals that the proponents of crossvergence contend that such an integration of cultural and ideological influences results in a unique value system that borrows from both.

In a later study of the impact of national culture and economic ideology on managerial work values in U.S., Russia, Japan and China, Ralston, *et al.* (1997: 183) argue that defining crossvergence as 'in between' is a narrow perspective and may not capture the true essence of the crossvergence concept. Hence, they define crossvergence as occurring "*when an individual incorporates both national culture influences and economic ideology influences synergistically to form a unique value system that is different from the value set supported by either national culture or economic ideology*". Comparing the two definitions, Ralston and his colleagues believe that the recent sense of crossvergence as 'something different' rather than something 'in between' adds richness to understanding. Indeed, the latter definition is wider and can consider different possible directions for the development of management practices.

However, defining crossvergence in this way is still problematic. According to McGaughey and De Cieri (1999), rather than simply ascribing the mode of change (i.e. blending), the new concept (i.e. something different) binds the construct to its supposed causes (i.e. national culture and economic ideology). In other words, the concepts of convergence and divergence and their causes seem to be combined as given, without questioning. While economic ideology is assumed to be a force for convergence, culture is treated as a force for divergence. They are treated as separate and then added up. This view of crossvergence suggests that management practices are depicted as becoming more similar in terms of non-cultural variables, while maintaining their level of dissimilarity in terms of cultural variables, leading to diametrically opposed perspectives.

The new concept of crossvergence is also a simplifying view of what appears to be more complex and dynamic processes. Such a simplification manifests itself in Rowley and Benson's (2002) comments that universal 'best' practices would result in convergence at policy level and divergence at the practice level. They reveal that while there is some convergence towards Western HRM policies, there is a degree of divergence in practicing them in the four Asian countries studied. A similar simplification can also be seen in Adler and his colleagues' (1986: 489) suggestion that *'organisations are becoming more similar in terms of structure and technology (macro-level variables), whereas people's behaviour within those organisations (micro-level variables) continues to manifest culturally based dissimilarity'*. These simplifying interpretations of crossvergence, although combining both sets of factors (cultural and non-cultural factors), portray them as if they have linear relationships and direct lines of influence on organisation and management (Khilji, 2002; McGaughey and De Cieri, 1999). For instance, while such interpretations recognize that cultural factors influence values and the modes of behaviour of people, they fail to acknowledge that organisational structures and management practices are influenced by, and chosen in consistence with, these modes and values. Indeed, these simplifying views of crossvergence appear to recognize linearity in such relationships, while alternative and non-linear directions remain unexplored, offering misleading interpretations.

Finally and most importantly, the crossvergence theory still implies unique and distinctive management values and practices for a particular culture or country. It tends to portray national culture as one entity with uniform and universal influences on management practices, taking for granted intra-cultural homogeneity. It also assumes that people from the same country reflect similar attitudes and responses towards the same cultural and non-cultural factors. Moreover, it perpetuates the view that management practice developed at the macro level can be universally effective and work well at the micro level.

There are many examples of this way of adopting the crossvergence perspective in the literature. One of them is the attempt made by Wasti (1998) to identify management

practices which would be culturally suitable for Turkish people. He argues that a blend of universal management practices, developed in industrialized countries such as the USA and Japan, and indigenous practices, influenced by country-specific features (such as national culture), shape management practices in Turkish organisations. These include on-the-job training practices borrowed from Japan, especially in the form of job rotation that allows employees to increase their familiarity with a broad range of issues and to better grasp the workings of their organisations. As this apparently meets the Turkish employees' primary expectation of a job (i.e. learning new things), it accords with their interests and orientations. He adds that Turkish employees, as members of a high power distance culture, feel more comfortable with clear vertical roles and tall hierarchies. They, as members of a collectivist culture, also favour a paternalistic style of management and are likely to resent the impersonal and delegating style of American management.

This work of Wasti, and other similar writers (e.g. Anakwe, 2002), attempts to distinguish management practices in a particular country, taking into consideration the influence of national cultural differences. Yet, little attention has been paid to subcultures and cultural differences within the country and organisations. This lack of attention to diversity and differences has generated an implicit assumption that management practices are country or culture specific, and are subculture free.

In fact, this is exactly the image that Saudiization promotes. Saudiization tends to embrace such a crossvergence perspective, suggesting culture-specific or unique management values and practices to fit all Saudis. In other words, with exclusively Saudi employees, 'best-management practices' can be created in all Saudi organisations. This perspective manifests itself in Bjerke and Al-Meer's (1993) claim that the strong uncertainty avoidance and the feminine nature of Saudi culture makes job security and feelings of belonging the best motivation for Saudis. By doing this, Saudiization tends to pay limited attention to diversities and contrasts that exist within Saudi society and organisations, and to their impact on management values and practices. It tends to suggest that management values and practices in Saudi Arabia differ from others, but

they are internally homogenous. In the next section, the crossvergence perspective that informs Saudiization on management values and practices is discussed, highlighting some previous research findings that have been conducted in the Saudi context and used to promote this perspective.

6.4 SAUDIIZATION 'TRADITIONAL' CROSSVERGENCE

Crossvergence in Saudiization is distinctive. On the one hand, it tends to adopt an 'External Divergence' perspective by demarcating Saudi culture from other cultures, emphasizing the uniqueness and distinctiveness of the Saudi national culture and its influence on management practices in Saudi organisations. On the other hand, it tends to adopt an 'Internal Convergence' perspective by assuming homogeneity in work-related values and preferences among Saudis across the country, promoting universal and effective management practices at regional and organisational level.

6.4.1 EXTERNAL DIVERGENCE

As discussed in chapter 4, the Saudiization assumption about socio-cultural homogeneity promotes the uniqueness of Saudi culture as Islamic and Arab. It also privileges the influence of this culture in shaping unique work-related values among Saudis. As a complementary assumption, 'best-management practices' tend to emphasize the importance of adapting management behaviour to these values. In other words, there is an emphasis on national culture-fit when developing management practices, especially when they are imported from other cultures or countries. Advocates of this view often argue that Saudi culture, as a blend of Islam and Arab traditions, contributes to the differentiation of work-related values and management practices in Saudi organisations from those in other cultures and countries (e.g. Al-Aiban and Pearce, 1993; Anastos *et al.*, 1980; Bjerke, 1999).

In a study of the development of modern management practices in Saudi Arabia, Anastos *et al.* (1980) emphasize the role of Saudi culture in developing management practices in Saudi organisations. They reveal that Saudi management practices continue to be distinctive, as they are heavily influenced by Islamic values. Among these values

are the Islamic principle of egalitarianism and the Muslim's belief in God's control over personal events in his/her life. The researchers demonstrate that the principle of egalitarianism is derived from the strong Islamic belief in human equity in social, political and economic affairs. Thus, it contributes to shape the pattern of Saudi organisational structures and management styles. This, they believe, is manifest in Saudi preferences for horizontal and flat organisational structures with a broad span of control and relative democracy in the decision-making process which involves consultation with colleagues and subordinates.

Anastos and his colleagues also reveal that the belief in God's control over life contributes to the form of management practices in Saudi Arabia. This belief is captured by the expression "*Inshallah*", or "*Allah willing*", and means that each individual has only limited control over personal events occurring in his/her daily life. It is frequently used to express a Muslim's acceptance of occurrences that may interrupt planned activities. Consequently, this belief tends to foster preferences among Saudis for flexible, short-term and contingent planning. According to the researchers, as long as these Islamic values and other Arab traditions continue to influence Saudis work-related values and preferences, Saudi management practices will remain distinct from other foreign practices, despite the fact that joint venture companies are increasingly transferring Western management techniques into the Saudi workplace.

Similarly, in an attempt to provide a comparative analysis of management styles across cultures as part of his study of five different national cultures, Bjerke (1999) articulates a descriptive account of management practices in Arab countries (particularly Saudi Arabia), claiming that these practices distinguish and differentiate Arab management styles and approaches from others. For instance, he believes that Arabs, and Saudis in particular, live in a highly uncertainty avoidance oriented culture which results in more emotional resistance to change among Arab managers. As a result, he alleges that problem-solving procedures and practices often follow precedent or adapt old practices to new situations, and when change is to happen or a strategic decision needs to be made, the Arab type of culture supports more detail in planning. Thus, it is not

surprising that Arab managers tend to take more variables into account when making change or strategic decisions, he believes.

In examining the influence of social values and traditions on management practices in Saudi Arabia and the United States, Al-Aiban and Pearce (1993) also emphasize the distinctiveness of Saudi management practices. Part of their findings reveal that Saudi managers report significantly more traditional and less bureaucratic practices than their American counterparts. Saudi managers have been found to be less rule-bound, using more non-merit criteria in personnel decisions, such as those related to promotion and rewards. Apparently this is not because Saudi managers are unable to run their organisations bureaucratically. Rather, they have made a choice that is intended to express their cultural preferences. In other words, Saudi managers tend to run their organisations traditionally according to Saudi social values and traditions, particularly collectivistic traditions. This, the researchers claim, distinguishes Saudi organisations and management practices from American ones.

Although some of these findings are inconsistent with the account of 'positive' management practices (e.g. bureaucratic practices) in Saudiization, they still support Saudiization on external divergence. They emphasize the role of Saudi national culture in shaping and developing work-related values and management practices, differentiating these values and practices from others in different cultures and countries. In fact, the influence of Saudi culture on management values and practices is not questioned. However, their claim about the distinctiveness of Saudi management values and practices is controversial. As these studies concentrate on the influence of national culture, as a single uniform entity, on work-related values and management preferences, they say little about the role of subcultures and cultural diversity on these values and preferences. In other words, there is an implicit position on internal convergence.

6.4.2 INTERNAL CONVERGENCE

As far as internal convergence is concerned, Saudiization assumes that work-related values and preferences will converge with the exclusivity of employment. This will

facilitate the introduction of universalized and standardized management practices or what they called 'best-management practices', which again fit all employees and therefore improve performance. Clearly, this perspective on management is influenced by the assumption of socio-cultural homogeneity, as well as by non-cultural similarities in the Saudi public sector, including governmental laws and regulations, and the preference for bureaucratic structures.

While this perspective is implicit in the comparative studies noted earlier, some studies adopt this perspective explicitly. Believing in the cultural homogeneity of Arabia, Muna (1980: 1), for example, makes claims for the internal convergence of management styles and practices among Arabs. He states that "*Society's influence is similarly reflected in the executive's distinctively Arab styles in decision making, management of conflict, and interpersonal relations*". In terms of decision-making style, Muna alleges that consultative behaviour is pervasive and dominant among Arab executives. In his view, this behaviour is attributable to the encouragement that Islam gives to the collectivistic and consultative form of decision making. In addition, consultation is considered one of the most important characteristics of Arab community, not only at the social levels of family, clan or tribe, but also in business.

In terms of conflict management, Mona also claims that Arab executives, as collectivist oriented people, dislike conflict and, when it happens, they prefer to avoid open confrontation. Societal values and norms dictate the use of a third person (a mediator) to convey the message of rejection, affecting the Arab executive's style of managing conflict. Mona goes on to argue that the Arab executive's interpersonal style is also influenced by the Arab collectivistic culture. He alleges that the Arab executive's interpersonal style is characterized by a strong preference for personal and informal (rather than impersonal and formal) approaches when managing his organisation.

Similarly, Bjerke and Al-Meer (1993) also claim that Saudi managers dislike the formal and impersonal notion of "business is business". Rather, they prefer more traditional and personal styles of management such as paternalistic decision making, traditional

consultation with relatives and friends, and subjective performance appraisal. The researchers attribute these work-related values and preferences to the collectivistic and tribal nature of Saudi culture, where a member of a particular group (e.g. extended family or tribe) is socially requested to look after his group members. The researchers go on to describe Saudi culture as exhibiting large power distance, strong uncertainty avoidance and more femininity. With this homogeneous view of Saudi society, they suggest that some organisational structure types (i.e. bureaucracy) and management practices (i.e. job security) will work best in Saudi organisations. This suggestion exemplifies the logic of Saudiization, supporting the internal convergence of management values and preferences among Saudi employees and promoting universal 'best management practices'.

With Saudiization, ideas about 'best management practices' are tied to crossvergence. Saudiization tends to emphasize the role of Saudi national culture to distinguish Saudi work-values and preferences from others. At the same time, it promotes the internal convergence of these values and preferences among Saudis, taking cultural homogeneity for granted. As a result, it assumes that Saudi management practices developed at the macro level can universally work at micro level and, therefore, contribute to real improvements in Saudi job performance. This is clearly manifest in Hunt and At-Twajiri's (1996: 54) pronouncement that *"the degree of similarity in work values of all levels of Saudi management should be encouraging to Saudi organisations because people with similar value systems work more harmoniously and tend to be more satisfied with their jobs"*. In fact, the attractiveness and simplification behind such a suggestion make it theoretically acceptable in some areas. However, it should be noted that the researchers made this assumption despite finding significant differences in work-related values among Saudis (according to their demographic variables, such as marital status). This reveals that the reality is more complex than the theory suggests.

This interpretation of Saudiization and its link with management practices evokes an important and often neglected issue about the influence of national culture on operational management, raising many controversial questions. For example, are

management practices subculture-free? Can national culture-based programmes like Saudiization form or create country-specific management practices (e.g. localization vs. globalization), reinforcing the ‘traditional’ crossvergence of work-related values and preferences in a particular country? Alternatively, will subcultural differences be sufficient to suggest ‘dynamic’ crossvergence when developing, adopting and operating management practices in a single country? Finally, while one of the Saudiization developmental objectives is to improve job performance and organisational effectiveness, will its traditional perspective on crossvergence help or hinder attempts to realize this objective?

6.5 SUMMARY

Saudiization incorporates assumptions about ‘best management practice’. These are usually hidden yet they promote cultural homogeneity and unitarism within Saudi society and organisations. Work-related values and management preferences are ostensibly converging as a result of Islamic teachings and Arab traditions, and will happily deliver improvement in job performance and effectiveness. By reviewing the existing debate on convergence, divergence and crossvergence, it has been argued that this aspect of Saudiization oversimplifies what in fact is a complex and dynamic process.

The argument presented over the last four chapters (3, 4, 5 & 6) calls for a more sophisticated analysis of Saudiization and its applied relevance. Each chapter concentrated on one of the main dimensions of Saudiization (i.e. governmental, cultural, organisational and managerial), highlighting process and content issues. Our extensive review of the literature has endeavoured to justify the basic conceptual framework outlined in the second chapter. As can be seen in Figure 3, this promotes a multi-dimensional view of Saudiization. As a government policy of HR development, Saudiization is implemented through strategies and systems of recruitment, job security

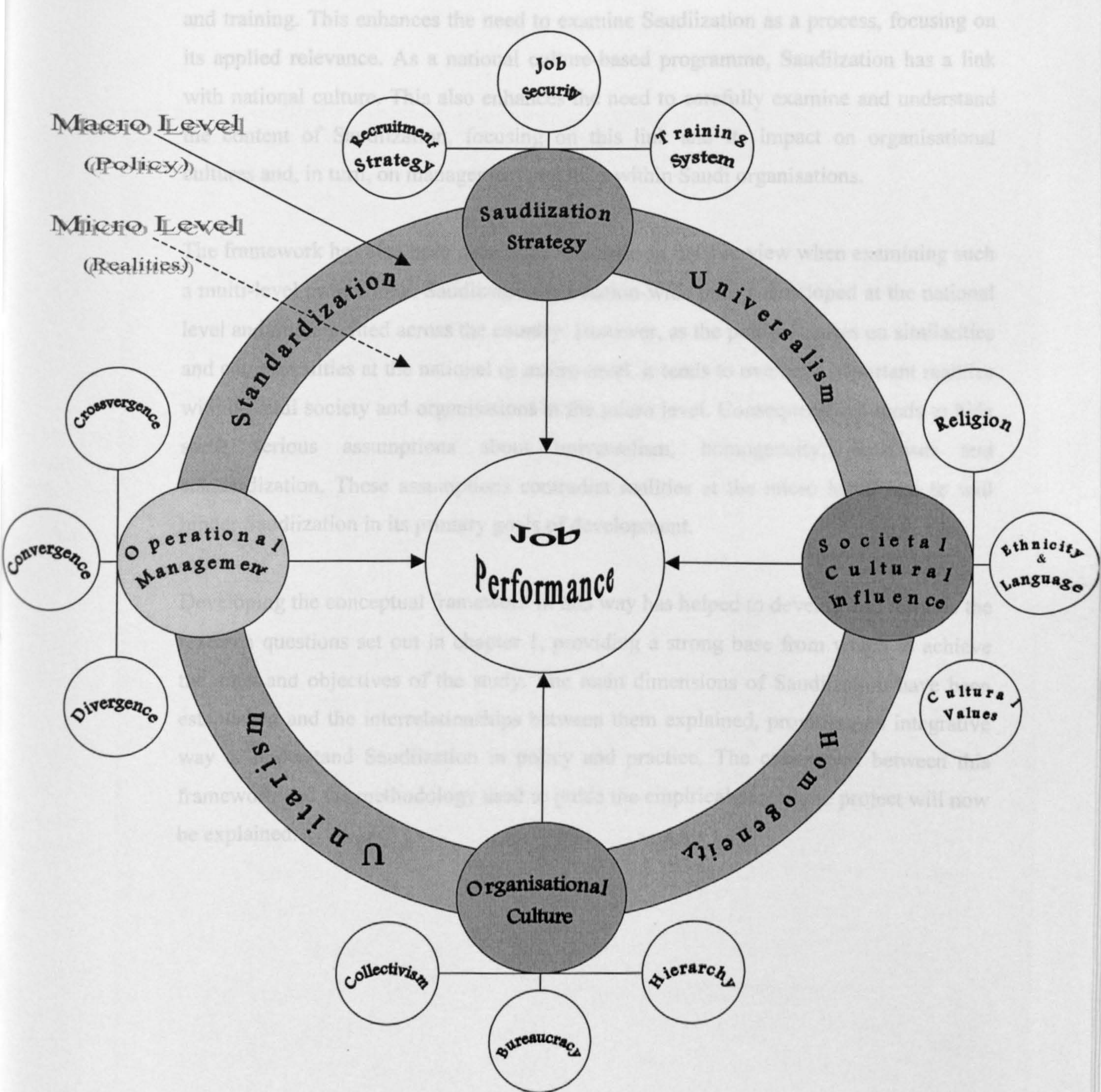


Figure 3: The main conceptual framework to examine Saudiization and job performance link.

The main dimensions of Saudiization:

Governmental Dimension	Social and Cultural Dimension
Organisational Dimension	Managerial Dimension

and training. This enhances the need to examine Saudiization as a process, focusing on its applied relevance. As a national culture-based programme, Saudiization has a link with national culture. This also enhances the need to carefully examine and understand the content of Saudiization, focusing on this link and its impact on organisational cultures and, in turn, on management practices within Saudi organisations.

The framework has also been developed to ensure an holistic view when examining such a multi-level programme. Saudiization is a nation-wide policy developed at the national level and implemented across the country. However, as the policy focuses on similarities and commonalities at the national or macro level, it tends to overlook important realities within Saudi society and organisations at the micro level. Consequently, it tends to hide some serious assumptions about universalism, homogeneity, unitarism and standardization. These assumptions contradict realities at the micro level, and so will hinder Saudiization in its primary goals of development.

Developing the conceptual framework in this way has helped to develop and reframe the research questions set out in chapter 1, providing a strong base from which to achieve the aims and objectives of the study. The main dimensions of Saudiization have been established and the interrelationships between them explained, providing an integrative way to understand Saudiization in policy and practice. The connection between this framework and the methodology used to guide the empirical part of the project will now be explained.

CHAPTER 7

CHAPTER 7

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CHAPTER 7

RESEARCH DESIGN AND METHODOLOGY

7.1 INTRODUCTION

The purpose of this study is to understand Saudiization in its real life context. This involves an in-depth investigation into how this programme is interpreted and implemented by Saudis themselves and, therefore, how it impacts upon job performance and organisational effectiveness. In the preceding chapters, theoretical debates were reviewed and applied to develop a more detailed understanding of Saudiization and its applications. The conceptual framework was developed, providing a direction for empirical research and for achieving the study's aim and objectives. This chapter sets out the methodology that guided this research, enabling relevant data to be collected and interpreted. Initially, the chapter highlights epistemological issues, covering important considerations in the process of research design. Subsequently, it outlines how data collection and analysis methods were applied, emphasizing the advantages, and also the limitations, of the selected methods.

7.2 PROCESS OF RESEARCH DESIGN

Yin (1994: 19), a well-known name in case study organisation, defines research design as *'the logical sequence that connects the empirical data to a study's initial research questions and, ultimately, to its conclusions'*. He goes on to explain that research design is an action plan for getting from here to there, where *here* refers to the initial questions to be answered, and *there* is a set of answers about these questions. Between the two positions (i.e. here and there), the plan contains a number of major steps to be considered, including the collection and analysis of relevant data. Similarly, Bryman (2001) states that research design is a framework or structure for a research project that provides a guide to the collection and analysis of data. Supporting these views of research design, Thietart *et al.*, (2001) highlight the importance of a framework through

which the various components of the research (question(s), objectives, methodology and results) are brought together to address the central problem.

A key theme here is that the equation of research design with data collection method(s) often leads to a narrow concept of research design (De Vaus, 2001; Yin, 2003). Although data collection methods are deemed to be at the core of the process, research design is a wider concept, expanding throughout the life time of a project. Recently, Saunders *et al.* (2003) emphasized the consistency of research design by using the metaphor of an ‘onion’. They depicted the process of research design as a process of onion peeling. As can be seen in Figure 4, data collection methods constitute the centre of the research ‘onion’, and before coming to this central point, there are important layers that need to be peeled away.

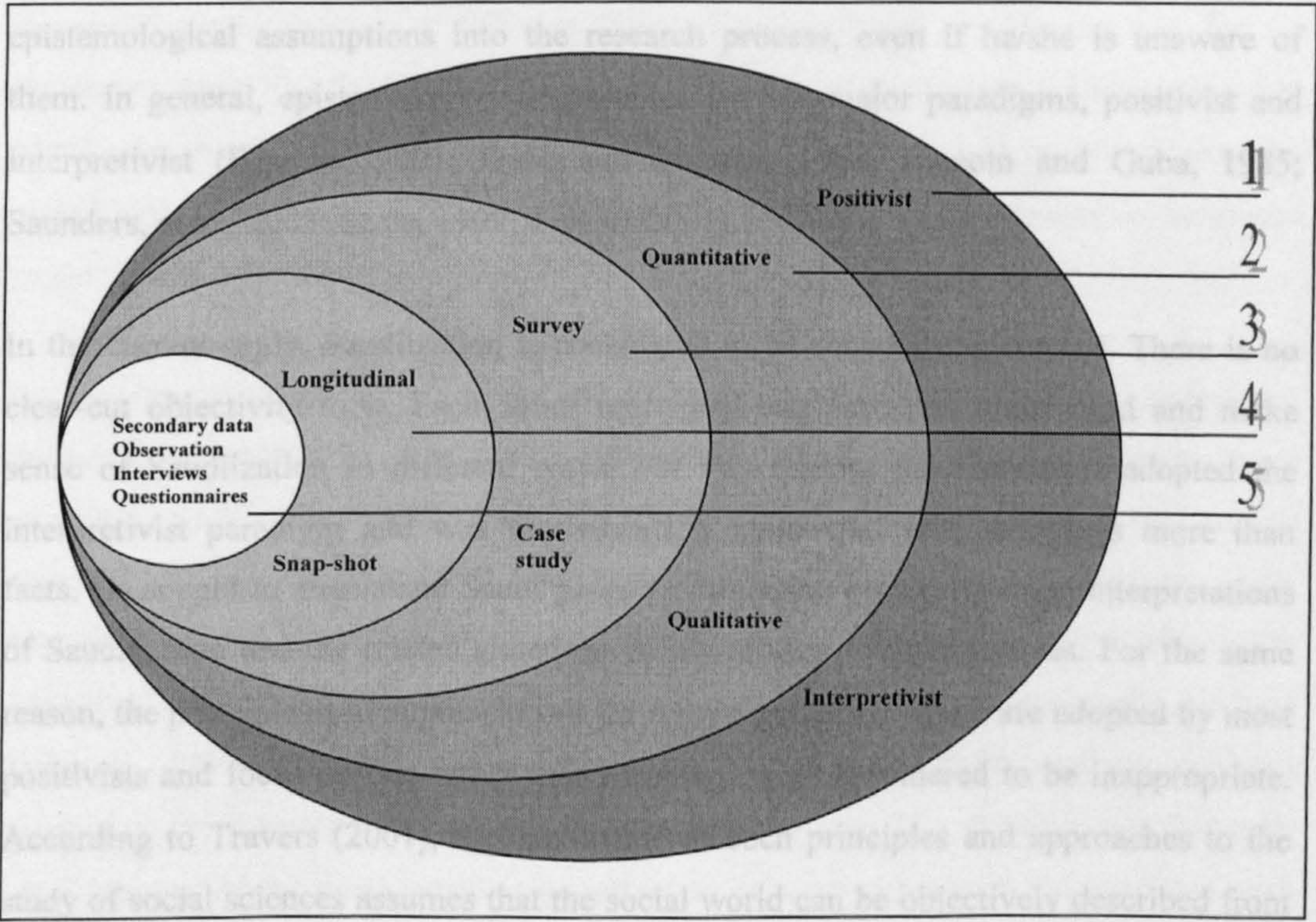


Figure 4: The research design process (adapted from Saunders *et al.* (2003: 83))

- | | | |
|------------------------|----------------------------|----------------------|
| 1: Research philosophy | 2: Research approach | 3: Research strategy |
| 4: Time horizon | 5: Data collection methods | |

The first of these layers raises the question of the research philosophy adopted. The second considers the research approach that flows from that research philosophy. The third layer represents the main strategy of the project, and the fourth refers to the time horizons applied to the research. Ultimately, peeling away all of these layers leads to the central point of the research 'onion', where an appropriate choice of data collection and analysis methods can be made. This metaphor was adopted in the current research, aiming to ensure that the research is consistently and appropriately designed and conducted.

7.3 RESEARCH PHILOSOPHY

Research philosophy is defined as the epistemological position a researcher adopts; the way he/she sees the world. This affects, albeit unwittingly, the way they conduct the research. According to Travers (2001), every researcher brings some set of epistemological assumptions into the research process, even if he/she is unaware of them. In general, epistemology is represented by two major paradigms, positivist and interpretivist (Bryman, 2001; Guba and Lincoln, 1989; Lincoln and Guba, 1985; Saunders, et al., 2003; Seale, 1999; Travers 2001).

In the current study, Saudiization is considered to be socially constructed. There is no clear-cut objectivity to it. Each Saudi individual can perceive, understand and make sense of Saudiization in different ways. For this reason, the researcher adopted the interpretivist paradigm and was fundamentally concerned with meanings more than facts. He sought to understand Saudi people's subjective perceptions and interpretations of Saudiization and the related situations in which they find themselves. For the same reason, the principles and approaches of the natural sciences, which are adopted by most positivists and focus on fact rather than meaning, were considered to be inappropriate. According to Travers (2001), the application of such principles and approaches to the study of social sciences assumes that the social world can be objectively described from a scientific vantage point, turning a blind eye to the subjective differences between people. Using observational approaches as an example, Partington (2002) states that observations that are guided by positivist assumptions often use established

terminologies, concepts and theories, and tend to provide a common basis for unifying the research enterprise. As such, the different perceptions that people have regarding reality seem to be not considered.

Another reason for the inappropriateness of positivist principles to the current study can be found in what they impose upon the role of the researcher, namely, the need to become independent and isolated. Saunders *et al.* (2003) consider the positivist assumption that reality exists apart from any differences between people, encouraging the use of highly structured methodologies and encouraging the researcher to be independent of what is being researched. Although this independent or 'spectator' role is advocated in the natural sciences, the situation is different in the social sciences. Bryman (2001) argues that since the concern and the subject matter of the social sciences (i.e. people and their organisations) is different from that of the natural sciences, the study of the social world requires a different logic of research and a different role for the researcher, reflecting the distinctiveness of the human and social world. He suggests that social science studies need to consider differences between people, which requires the researcher to interact with the people he/she studies and to view events in the social world through their eyes.

For this reason, the current study involved interaction with Saudi people, to understand their interpretations of Saudiization, rather than being independent in measuring or explaining Saudiization itself. Interacting with Saudi employees in different regions and organisations also provided a means to understand how the employees work, communicate and deal with each other, and how cultural diversities and subcultures impact upon their relationships, rather than being isolated in predicting the uniform influence of Saudi national culture. Having adopted the interpretivist paradigm, does not mean that one paradigm is 'better' than another, however. The point here is that self-consciousness about these issues is important to enhance coherence and consistency in the research design process.

7.4 RESEARCH APPROACH

The tension between positivist and interpretivist epistemologies has resulted in debates about research approach, specifically in the dichotomy between quantitative and qualitative approaches (Bryman, 1992; Denzin, 1978; Lofland and Lofland, 1984). As Cassell and Symon (1994) point out, the epistemological position of the researcher is offered as the main explanation for differences between qualitative and quantitative approaches. While qualitative approaches emerge from the interpretivist paradigm, the positivist paradigm is the underlying epistemology of quantitative approaches. In addition to this, the distinction between the two approaches has been attributed to the nature of the research topic itself (Bryman, 2001; Ghauri and Gronhaug, 2002; Saunders, *et al.*, 2003). According to Saunders, *et al.* (2003), with research into a vague topic on which there is little existing literature and which needs in-depth understanding, it may be more appropriate to adopt a qualitative approach in order to generate and analyze data, reflecting on what theoretical themes the data suggest.

In the current study, the epistemological position adopted (i.e. interpretivism) as well as the nature of the research topic (i.e. Saudiization) together determined the research approach employed. A qualitative approach was considered to be the most appropriate approach for conducting this research. As the preceding section outlined some issues regarding the epistemological position adopted, this section concentrates more on the nature of research problem, justifying the choice of the qualitative approach.

A little known topic

Due to the lack of detailed empirical research, Saudiization is still an ambiguous, vague and little known topic, especially from an organisational and managerial point of view. This characteristic of Saudiization entailed exploratory endeavour, so as to understand how Saudiization works, how it is interpreted and what is going on in working organisations with its implications. Developing such an understanding is considered to be one of the main strengths of a qualitative approach. According to Cassell and Symon (1994: 4), when conducting exploratory research, a qualitative approach is particularly suitable. This is because the “*researcher is less driven by very specific hypotheses and*

categorical frameworks and more concerned with emergent themes and ideological descriptions". Padgett (1998) also argues that a qualitative approach works best to explore a topic about which little is known. He goes on to say that in contrast to a quantitative approach, the qualitative way is flexible in nature, allowing the researcher to go back and forth between the stages of data collection and data analysis, therefore chasing down the required data where they emerge. Bryman (2001) also believes that the flexible and unstructured nature of the qualitative approach allows the researcher to change the direction of the investigation much more easily than in quantitative research. He adds that having alternative avenues of enquiry and ways of thinking adds momentum and provides a detailed account of what goes on in the setting being investigated.

A sensitive issue

Saudiization is also a sensitive issue; and discussion of it is often avoided due to its sensitivity. This sensitive character is inherent not only in Saudiization itself, but also in the relationship between Saudiization and the context within which it is carried out. In Saudi society, for instance, being a critic of Saudiization as a national programme is taken to suggest a lack of commitment to the policy. In turn, this is often misinterpreted as an indication of a lack of patriotism and loyalty to the nation. In fact, this sensitivity provided a challenging context for the research. Getting access (as will be discussed later) was very difficult, and many Saudi employees refused to participate in the study. Those who participated were hesitant when answering particular questions, and sometimes the degree of frankness was quite low. This, as Renzetti and Lee (1993) point out, can be attributed to the potential consequences or implications that may threaten the participants in such sensitive research.

This provides additional justification for the qualitative approach. According to many researchers, qualitative approaches in comparison to their quantitative counterparts are considered more appropriate in addressing sensitive topics (e.g. McCall and Simmons, 1969; Padgett, 1998; Renzetti and Lee, 1993). One reason, as Padgett (1998) puts it, is that the flexibility found in most qualitative approaches can appropriately pursue

sensitive topics and get in-depth information, whereas the standardized and closed-ended questions used in most quantitative approaches may not. Furthermore, an important characteristic of a qualitative approach in this regard is that it makes effective use of relationships the researcher can establish with those studied. According to McCall and Simmons, (1969), a qualitative researcher has an opportunity to be close to the participants and to establish trusting relationships. This trust and the confidence that participants can place in the researcher are more important for such topics than for others. Indeed, the qualitative approach employed was valuable for investigating Saudiization. It allowed the researcher not only to build trusting relationships with Saudi employees and their managers, but also to get close to the Saudi workplace and to understand the context much better.

The importance of the context

Understanding Saudiization entails study and investigation within its natural setting. Saudiization is a governmental programme which is hoped by the Saudi government to positively affect work-related values and behaviour within Saudi public organisations. To understand whether or to what extent Saudiization does that, employees' values and behaviour need to be observed and understood within Saudi public sector organisations. In addition, it is hoped that Saudiization as a national programme can be beneficial for citizens and organisations across the regions. Again, to understand how beneficial Saudiization is, the ways that Saudi employees think, behave and act need to be considered in their context (i.e. on a regional basis).

While quantitative approaches consider contextual understanding as a secondary facet of study, one of the key advantages of the qualitative approach is that it helps to understand the context within which study takes place. Bryman (2001) points out that in-depth details, typically emphasized by qualitative approaches, contribute to the understanding of context. This is, in turn, very important to understanding human responses since behaviour that may appear odd or irrational can make perfect sense when the context within which that behaviour takes place. De Vaus (2001) also advocates the importance of the study of context, as behaviour takes place within a context and its meaning stems

largely from that context. The same behaviour can mean very different things depending on its context. This is really true. In light of the Saudiization policy, for example, the participants, Saudi managers and employees, were found to share common cultural values. Yet, in different contexts (i.e. regions and organisations), significant behaviour, actions and communications were found to hold different meanings (this will be discussed in more detail when presenting the findings in the following chapters). The point here is that the qualitative approach, by allowing the researcher to be close to the context, and to be integrated with participants, facilitated the purposeful uncovering and understanding of such differences and their influences.

Supporting the role of qualitative approaches, Dean *et al.* (1967) argue that their flexible and non-standardized characteristic enables the researcher to be in close contact with, and better understand, his/her study context. They go on to suggest that contextual understanding avoids misleading and meaningless questions, and also captures the “lived experience” from the perspectives of those who live it and within the context in which they live it. In organisational research, Cassell and Symon (1994) also argue that an important characteristic of qualitative approaches is that they seek to provide an holistic view of the organisations being studied. Individual or organisational behaviour is perceived not as the outcome of a finite set of discrete variables, but rather as a lived process within the social setting (i.e. organisation)

Process rather than outcome

Saudiization like other development programs has processes and outcomes. It can be studied and evaluated as *process* (what takes place during the programme) and/or in terms of *outcomes* (success or failure in achieving the programme’s objectives and goals). Using quantitative approaches, most previous studies, as discussed in chapter 2, concentrated on evaluating Saudiization in terms of its outcomes. Survey questionnaires and statistical data were mainly used to evaluate the success of Saudiization in achieving economic, security and social goals. While quantitative approaches have proven useful for statistically evaluating outcomes, they do not tell the full story, however. We know nothing about what takes place during the process to achieve these outcomes. Yes, we

have been informed that Saudiization statistically succeeded in employing a high number of Saudis. However, we do not know how Saudis work, communicate and deal with each other, how work relationships have changed, and if they have, how individual performance has improved.

Such questions reinforced the need for qualitative approaches in this research. They are more appropriate to an in-depth understanding of what goes on before getting to the outcomes. Padgett (1998) argues that qualitative approaches excel when used to explore the inner workings of programmes. This is the process dimension of programme evaluation. He adds that while quantitative approaches emphasize programme evaluation based on operationalizing and measuring outcomes, qualitative approaches allow us to get inside the “black box” of the programmes studied, providing an in-depth understanding of how and why they succeed (or fail). Qualitative approaches are also more able to encompass dynamic situations. According to Cassell and Symon (1994), with quantitative approaches we may be able to establish that a change has occurred over time, but we cannot say how or why it has occurred. By contrast, qualitative approaches are sensitive enough to allow the detailed analysis of change in organisations. Bryman (2001) also emphasizes that qualitative approaches are able to observe the ways in which events develop over time. They are also able to observe the ways in which the different elements of a social system (e.g. values, beliefs, behaviour and relationships) interconnect. He concludes that qualitative approaches can convey a strong sense of process to our understanding of social life.

In short, the epistemological position adopted (i.e. interpretivist) and the nature of the topic itself (i.e. Saudiization) played a key role in establishing the qualitative approach as the most appropriate for this research. In turn, this choice enabled the researcher to take a more informed decision about the research strategy.

7.5 RESEARCH STRATEGY

Research strategy is the connecting link between the research philosophy and approach and the means of collecting empirical material (Denzin and Lincoln, 2000; Saunders, *et*

al., 2003). It provides a general plan of how to go about collecting the required data and therefore answering the research question(s). According to Saunders, *et al.* (2003), the research strategy contains clear objectives derived from the research questions, and can be considered as a guide for the data required, a specification of the sources from which to collect the data, an estimation of the time needed to collect the data, and appropriate methods to collect and analyze the data. Considering experiment, survey, archival analysis, history and case study as research strategies, Yin (2003: 3) defines research strategy as a “*way of collecting and analyzing empirical evidence, following its own logic*”. The logic, he suggests, is basically based on three criteria for distinguishing between different research strategies: (a) the type of research question posed, (b) the extent of control a researcher has over actual behavioural events, (c) the degree of focus on contemporary as opposed to historical events.

Following these criteria, a case study strategy was selected as the most appropriate to answer the current research questions. The following subsections attempt to justify this selection.

7.5.1 CASE STUDY STRATEGY

As the aim of the present study is to understand how and why Saudiization is interpreted and implemented, studying Saudiization out of its real-life context is meaningless. Saudiization and Saudi organisations are not distinguishable in real-life situations, since the boundaries between them are not clearly evident. Thus, studying Saudiization within its context (i.e. the Saudi society and Saudi public sector organisations) was an essential and imperative condition that gave a case study strategy priority in the current research.

Saunders *et al.* (2003) argue that case study strategy is useful to gain a rich understanding of the phenomenon within its context. Compared with other strategies, Yin (1981; 2003) also argues that case studies are the preferred strategy when “how” or “why” questions are being asked about contemporary events within their real-life settings. He goes further to state that other strategies such as surveys, even when they try to deal with phenomenon and context, have limited ability to investigate the context. So, too, history studies, even though they can consider the context. In the literature, there are

many examples of the effectiveness and success of case study strategy in examining and understanding a phenomenon or an event within its real-life context, which can be cited. Among them is the famous study of TVA and the Grass Roots, carried out by Selznick (1949). Selznick's work aimed to investigate the organizational behaviour and problems that occurred as a result of the TVA act. In order to achieve this, he used a case study strategy to understand how the act worked within its context (i.e. the Tennessee Valley Authority as an organisation). Punch (1998) comments that using a case study strategy enabled Selznick to investigate the case in depth, and in its natural setting, leading to a good understanding of the organisational behaviour and processes within the TVA.

Case studies have been widely used in studies of organisational behaviour (Cassell and Symon, 1994). They have also been significant in understanding formal and informal processes in organisations (Gummesson, 2000). According to Cassell and Symon (1994) case studies have the capacity to explore social processes as they unfold in organisations, and are more useful where it is important to understand those social processes in their organisational and environmental context. This strength of case study strategies supported its selection in the present study. As Saudiization is expected to exert enabling influences on organisational behaviour and relationships within Saudi public sector organisations, there was a need to observe and understand everyday practices, which would not be available through surveys or historical studies. There was also a need to understand Saudiization and relevant concepts from the eyes of Saudis themselves. In fact, adopting the case study strategy contributed to elucidating what different concepts (e.g. patriotism and collectivism) meant to Saudi employees in different regions, organisations and departments, and how that reflected on their relationships, behaviour and job performance. This could not be achieved if a survey strategy was used.

Another important strength of case study strategies is the ability to consider the wholeness and unity of the case being studied. Saudiization as a social and governmental programme operates on multi-dimensions, involving many social, organisational and managerial variables and factors over which the researcher has no control. This

reinforced the need for a case study strategy and also made survey methods inappropriate. According to Ghauri and Gronhaug (2002) case study research is particularly useful when the concepts and variables under study are difficult to quantify. Stake (1995) also argues that case study has an holistic focus, aiming to understand the wholeness and unity of the case. Similarly, Punch (1998) points out that one of the main characteristics of case studies is the attempt to preserve the unity and integrity of the case being investigated.

In general, studying Saudiization as a whole, within its dynamic real-life context (i.e. Saudi public sector organisations), and basing this on a thorough understanding of the meaning of daily organisational behaviours and relationships, meant that the case study was the most viable strategy. Before explaining how the cases (i.e. regions, organisations and departments) were selected, the type of case study employed is discussed.

7.5.2 TYPE OF CASE STUDY EMPLOYED

In general, there are two types of case study strategy: single and multiple (Bryman, 2001; Denzin and Lincoln, 2000; De Vaus, 2001; Hakim, 2000; Punch, 1998; Yin, 2003). According to Yin (2003), the single case strategy is appropriate when the case is extreme, unique or typical. It is also appropriate when gaining a better understanding of the case itself. Stake (1995) calls this the ‘intrinsic case study’, where the case is selected not because it represents other cases but the case itself is of interest. Single case studies are not confined to these situations, but can also be used in other situations, such as in a pilot study or as an exploratory study that serves as a first step to a later, more comprehensive study (Ghauri and Gronhaug, 2002).

Based on the objectives of the present research, the single case strategy was considered less appropriate to address the research questions. This is because the current study did not aim to test any specific hypothesis or theory. It did not strive to understand a particular organisation in itself, but rather to use organisations to understand issues related to Saudiization. Moreover, there was no unique or typical organisation that could

provide all the requirements for examining and understanding Saudiization, since Saudiization is a national programme which covers all Saudi public sector organisations in all regions. Most importantly, one of the main objectives of the present study was to examine, understand and compare issues of Saudiization in different organisations and in different regions, which could not be achieved through a single case study. Ghauri and Gronhaug (2002) argue that the single case study is an extremely weak design as it does not allow for any comparisons. They believe that the multiple case study strategy is essential for comparative studies.

Indeed, multiple case studies were essential for the present study because Saudiization involves issues of Saudi culture, which entail an examination and comparison of cultural diversity and subcultures in different regions. It also contains hidden assumptions about unitarism and the universality of management practices, which require detailed consideration of subcultures among and within organisations. A multiple case study strategy was essential for the present study as it has inductive purposes. According to De Vaus (2001), given sufficient resources and access to cases, multiple case strategies are more powerful and convincing, and provide more of an insight than single case strategies. Hakim (2000) also stresses that although conducting multiple case study research requires extensive resources and more time than single case study research, it provides more compelling evidence, therefore enhancing the overall impact of the study. Now, let us see how the cases were selected.

7.5.3 THE STRATEGIC SELECTION OF THE CASES

A strategic approach was adopted to case selection (as opposed to statistical and random selection) to ensure the highest possible coverage of Saudiization, and therefore an analysis based on its most developed practical expression. Should problems be discernable through a best case investigation, reasonably safe conclusions can then be drawn about the impact of the policy and its associated programmes elsewhere.

The Saudi public sector was selected because the Saudiization policy has covered most public organisations, while it is still being implemented gradually in private

organisations. With 90% Saudi employees, the public sector provides the best insight into the real-life issues around Saudiization. The opportunity to observe and examine how Saudis work, communicate and deal with each other is greater here than in the private sector where expatriate workers occupy many senior and other positions. Although a comparative analysis will ultimately give a better understanding of the impact of Saudiization on management and organisational activities, Saudi private sector organisations currently operate with less than 20% Saudiization (Al Humaid, 2003; The Ministry of Civil Service, 2000a). At this stage, the basis for a meaningful comparison is missing. Recognizing the significant differences in the rate of Saudiization, the best case approach offers a more fruitful platform for research at the moment.

In fact, there is no intention here to stretch the study beyond its acknowledged limits, or claim too much with the findings. Nevertheless, the high percentage of Saudi nationals in the public sector will enable us to magnify the issues around Saudiization, and therefore anticipate its likely impact more generally. The terms of this extrapolation will be discussed in more detail towards the end of this chapter.

Within the Saudi public sector there are a number of ministries and governmental bodies. Some of these were difficult to access (e.g. The Ministry of Interior), while some others were inappropriate to meet the study's requirements, since they are still staffed by a large number of expatriate workers (e.g. The Ministry of Health). By using a case screening technique - through searching different sources of data about Saudiization such as the Five-Year Development Plan Reports, statistical records of The Ministry of Labor and Social Affairs, and via personal contact with The Ministry of Civil Services - the GPYW (abbreviation/anonymous) was selected amongst other ministries and governmental bodies. It was selected because it has achieved, during the last twenty years, a remarkable increase in the percentage of Saudiization. As can be seen in Table 5, it is estimated that 98% of its employees are Saudis. In fact, this high parentage provided an ideal context in which to examine Saudiization. As most managers and employees are Saudis, many of the social and organisational issues related to

Saudiization were accessible, particularly in terms of work-related values, behaviours, relationships and practices.

Governmental Employees		The Saudiization percentages (1980-2000)				
		1980	1985	1990	1995	2000
Saudis	Number	512	912	1206	1511	1564
	%	60%	81%	92%	97%	98%
Non-Saudis	Number	341	215	102	42	27
	%	40%	19%	8%	3%	2%

Table 5: The development of Saudiization (in numbers) in the GPYW during the period (1980-2000)

Source: 1) Annul Statistic Book, GPYW, Riyadh, 1999 pp. 27-65. 2) Archives data of GPYW

The GPYW was also selected because full access was given to the researcher in comparison with the restricted access granted by other ministries and bodies. Two other ministries were found to meet the criteria set for appropriate cases for this research (i.e. achieving a high percentage of Saudiization during the last ten years). Unfortunately, however, access was subject to using a questionnaire, which was not the appropriate method for the research.

Within the GPYW the number of selected cases (i.e. organisations and departments) was kept at a minimum, since the objectives of the study demand in-depth insight into Saudiization. Many researchers argue that there is no correct number of cases to include in a case study design. However, they stress that a small number of cases is more appropriate to capture depth and richness than a large number (De Vaus, 2001; Ghauri and Gronhaug, 2002; Padgett, 1998; Saunders, *et al.* 2003; Yin, 2003). Based on the study’s conceptual framework and objectives, five organisations were selected from the main five regions in the country. Within the organisations, twelve departments were selected; two departments from each organisation, at least. The organisations and departments were also selected on the basis of their high percentages of Saudiization. Table 6 summarizes the number and some characteristics of the selected organisations and departments.

Region	City	Organisations (Holistic cases)	Departments (Embedded cases)
Central	Riyadh	Headquarters	4
Western	Jeddah	Regional Office	2
Northern	Hail	Regional Office	2
Eastern	Dammam	Regional Office	2
Southern	Abha	Regional Office	2
Total		5	12

Table 6: The number of organisations and department participating in the study.

Having highlighted the type of case study and the strategic selection of the cases adopted, it is important now to reveal how long the case study took to collect the required data. The next subsection discusses the time horizons of the study, justifying the selection of cross-sectional research.

7.6 TIME HORIZONS

Saudiization is neither a short-term policy nor a recent programme. It has been officially implemented since 1985 (The Ministry of Planning, 1985), and continues nowadays with great public and governmental attention. For such policies and programmes, it has been argued that longitudinal research is more appropriate as it has the capacity to study changes and developments in the policy or programme (Bryman, 2001; De Vaus, 2001; Sarantakos, 1998; Saunders, *et al.*, 2003). Indeed, this is true, and could be useful, since longitudinal research can facilitate comparisons on the development of Saudiization and performance over time. However, the opportunities to conduct longitudinal research were limited in the present study. First, as a sensitive topic, it is not easy to have access for a sustained period of time, especially in the Saudi public sector where strict bureaucracies and legislation inhibits access. Second, longitudinal study is time consuming, and limited time was available for this PhD. According to Bryman (2001) and Saunders, *et al.* (2003) a cross-sectional policy is more appropriate when time is

constrained. Hence, the study was cross-sectional or ‘snapshot’ where data were collected during a particular period of time, i.e. July, August and September, 2003.

The appropriate selection of research philosophy, approach, strategy, and time horizons contributed to the research design in a consistent and logical way. In other words, the consistency and coherence of the research design permitted an appropriate choice of data collection methods (i.e. participant observation and Interviews). In the following section, the selected data collection methods are presented and discussed.

7.7 DATA COLLECTION METHODS

Participant observation and semi-structured interviews were selected as the most appropriate methods to collect the required data. The two methods were employed as one process consisting of two stages. The first stage (participant observation) was deemed to be a base for the next one (interviews). In the following subsections, the reasons for selecting these two methods and how they were undertaken are discussed in more detail.

7.7.1 PARTICIPANT OBSERVATION (FIRST STAGE)

As a data collection method, participant observation is defined as a *‘method in which the observer participates in the daily life of the people under study, either openly in the role of researcher or covertly in some disguised role, observing things that happen, listening to what is said, and questioning people, over some length of time’* (Becker and Geer, 1967: 322). One of the main advantages of this method is that it gives the researcher an opportunity to be close to the setting studied and, therefore, obtain a fully rounded picture of the everyday life of the people observed. In their sociological study of a mental hospital ward, Schwartz and Schwartz (1955) point out that conducting participant observation allowed them to be close to the ward patients and staff, to gain their trust and, therefore, capture a profound understanding of the meanings that the patients and staff attached to their actions. Waddington (1986) also maintains that when the researcher’s concern is the experience of people, the way that they think, feel and act, participant observation is the best way of obtaining such information.

Another advantage of participant observation is its ability to discover new concepts, meanings or dimensions that could be investigated deeply through other methods. This advantage is appreciated by many researchers. Padgett (1998), for example, argues that participant observation is very useful in producing valuable raw data that can lead to a more focused follow up via other methods such as interviewing. Becker and Geer (1967) also advocate the importance of participant observation, not just in opening new doors or directions, but also in providing a yardstick against data gathered by interviews. From their experience in a course of participant observation among medical students, the authors discovered that what they were told about was not consistent with their observations. They conclude that advanced participant observation is useful to make it possible to discover any distortions in later interviews.

Participant observation is also useful to facilitate informal access from the right participants (e.g. employees). According to Bryman (2001), although access is usually obtained through top management, the researcher may need to secure a certain level of acceptance from lower levels in the hierarchy. Indeed, gaining formal or official access is not necessarily enough to get access to required information from any levels in the organisations. In his study of a local union leadership, Miller (1952) made some mistakes when conducting his research, which affected the process of data collection. Realizing these mistakes himself, Miller points out that his tendency to get formal access, to be close to the leaders and to develop a rapport with them, made it difficult to get needed information when he was interviewing rank and file individuals.

With these advantages in mind, participant observation was selected to be the first stage in the process of data collection. In each of the five organisations, 5-10 day participant observation episodes were conducted. The observations focused on how Saudis work and communicate (verbally and non-verbally) with each other. They also concentrated on observing the relationships between Saudi employees and their managers and among employees themselves in the light of the Saudiization policy. Although the time for these observations was concentrated, they were very useful in paving the way for the second stage, i.e. interviewing. There afforded a good opportunity to observe and participate in

a number of social and organisational activities, formal and informal (including welcoming parties, collective breakfasts, and out of work meetings), which highlighted many important themes and questions that were discussed more deeply during the interviews. For example, the relative punctuality of Shiite employees emerged as an issue (see page 197-199), as did the sense of collectivism among tribal employees (see page 200-208), and the gestures and voice tones used to augment conversation in the Western Office (see page 209-212).

The participant observations also made it possible to identify appropriate respondents for the next stage of interviewing. This included not only identifying their personal information, but, more importantly, building trusting relationships with them, which made the interviewing stage easier and secured a flow of information. For example, interacting with the participants and sharing their informal time away from work during the observation stage made it easier to discuss the more sensitive topics in Saudi society (e.g. the Sunni and Shiite dichotomy). Although following the opposite doctrine to the researcher, Shiite employees talked openly and honestly about their feelings of discrimination. They trusted me as a researcher and as a new friend. This personalized approach was very helpful in enhancing the accuracy of data collected at interview. Depersonalized approaches (e.g. questionnaire) would not have generated such useful insights and material on sensitive topics, or delivered the same degree of data accuracy. There is also an issue of questionnaires not being taken seriously in Saudi Arabia (Al-Trawnah and Al-Lawzi, 1995; Nyambegera et al, 2000). Indeed, from experience, it can be noted that Saudi workers have little interest in participating in survey research. There are various reasons for this, among them what Saunders *et al.* (2003) identify as a reluctance to spend time providing written answers, especially if the questions are open-ended or if the meaning of any question is not entirely clear. Another reason that is more applicable to this study is that participants may be reluctant to fill in a questionnaire that they feel seeks sensitive information.

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information, but, more importantly, building trusting relationships with them, which made the interviewing stage easier and secured a flow of information. For example, interacting with the participants and sharing them their informal meetings off work during the observation stage facilitates discussing one of the most sensitive topics in the Saudi society (Sunni and Shiite dichotomy). Despite being from the opposite doctrine, Shiite employees were talking with the researcher about their feeling of discrimination comfortably and honestly. They trusted him as a researcher and considered him as a new friend. This personalized approach was very helpful to enhance the accuracy of data collected by interviews. In comparison, depersonalized approaches (e.g. questionnaire) would not be useful to carry out such as sensitive topic with the same degree of data accuracy. There is an issue of questionnaires not being taken seriously in Saudi Arabia (Al-Trawnah and Al-Lawzi, 1995; Nyambegera et al, 2000). Indeed, from experience, it can be noted that Saudi workers have little interest in participating in survey research. There are various reasons for this, among them what Saunders *et al.* (2003) flag as a reluctance to spend time providing written answers, especially if the questions are open-ended or if the meaning of any question is not entirely clear. Another reason that is more applicable to this study is that participants may be reluctant to fill in a questionnaire that they feel seeks sensitive information.

The participant observations were also useful in interpreting and understanding many of the participants' (i.e. Saudi managers and employees) behaviour, attitude and relationships in their natural situations. Examples of this were the punctuality, collectivism and individuality observed among some of the participants, which reflected some cultural differences within Saudi society (see chapter 9 & 10). The participant observations also enhanced the validity of the research. Data collected from the interviews were checked against the observations, and vice versa (the validity of the research will be discussed later in this chapter in more detail).

The role of the researcher

The roles researchers adopt in observing their subjects are various and, in turn, have different effects on data production (Bryman, 2001; Sarantakos, 1998; Waddington,

1986). Based on degrees of involvement with, and detachment from, members of social settings, Gold (1958) has distinguished four theoretically possible roles of researchers conducting participant observation. These range from the complete participant at one extreme to the complete observer at the other. Between them are the participant-as-observer and the observer-as-participant. According to Gold (1958), the complete participant is usually a covert observer, where the researcher attempts to engage fully in the activities of the people under study, keeping his/her true identity and purpose unknown to them. The complete observer role is also performed in an unobtrusive way. However, unlike the complete participant, this role entirely removes a researcher from social interaction with informants. On the other hand, the participant-as-observer role is the same as the complete participant one, but those under study are aware of the researcher's status as a researcher. In other words, it is an overt observation. Similarly, observer-as-participant role entails a researcher revealing his/her identity and purpose, but with little involvement and participation in the situation under study.

In the present study, the first two roles (i.e. the complete participant and the complete observer) were not chosen for two main reasons. Firstly, being a covert observer means not being able to implement the second stage of the data collation method (i.e. interviews). While the participant observation is important, it is not enough in itself to answer the research questions, and the interviews are central. Secondly, and most importantly, although using a covert role may reduce reactivity and produce more accurate information (Bryman, 2001; May, 2001; Padgett 1998), since people are less likely to adjust their behaviour because of the observer's presence, such a role was avoided for ethical considerations. According to Saunders, *et al.* (2003), conducting covert observation is a kind of spying on people, and is not justifiable.

The second two roles (i.e. participant-as-observer and observer-as-participant) were selected, and adopted interchangeably according to possibility and situation. They were selected because of the significant advantages they have for the present study. One of the main advantages was that revealing the identity and purpose of the researcher helped to remove any doubts about his aims, and therefore, enhanced the trust in him. Trust was

important to capture the natural feelings, attitudes and behaviour of the participants. In his study of police work in Amsterdam, Punch (1998) adopted overt observation and strongly recommends it. He reveals that the clearness of his identity as researcher enabled him to develop a trusting relationship with police officers whom he was studying, which, in turn, enabled him to gain access to activities and information that would otherwise have been difficult to obtain.

Another advantage of these types of observation was that the researcher was able to focus on the research problem physically and psychologically. Physically, the researcher and the respondents were aware that the main task of the researcher in the field is his research work. In addition, there was no psychological stress or worry for the researcher about detection of his real identity and purpose. Emphasizing this advantage of overt observation, Gans (1968) argues that being researcher-participant in most of his field work enabled him to play the required participation role, but physically and psychologically he was uninvolved in order to be able to study what was happening. Bryman (2001) also argues that participant observation is a stressful research method and the worries about detection can add more stress and anxiety. In fact, the overt participant observation, either participant-as-observer and observer-as-participant, enabled the researcher in the present study to behave, ask questions, conduct informal interviews and take field notes more easily and freely.

Field notes

Field notes are considered to be crucial to participant observation (May, 2001; Seale, 1999). They refer to the researcher jotting down what he/she observes, in order to remember later when recording the data in more detail. Although it is not necessary to hide the jotted notes in overt observations, the researcher preferred to minimize using written notes when in the field. He relied on his mental notes, with day-to-day observed events immediately written up after coming out of the setting. The main reason was to allow the group to forget that they were being observed, so that their behaviour and interactions would remain natural. Nachmias and Nachmias (1996) point out that

recording in their presence may influence the behaviour of the group members and also limit the researcher's ability to participate in the group activities.

Before conducting the observations, it was realized that it is not only impossible to take notes on everything, but also undesirable. Hence, the observations were guided by the study framework, and were more focused on things that answer the research questions. This included, for example, observing how societal values, traditions and customs in the five regions are expressed and articulated by Saudis; how Saudi employees work, communicate and deal with each other; and whether and to what extent their relationships at work were influenced by such societal values and traditions. Seale (1999) advocates such a systematic strategy of observation suggesting that observations should have underlying assumptions to guide them. However, following the study framework does not mean losing the flexibility that is important in participant observation. According to May (2001), while theoretical interests should guide observations, they, in turn, may modify or alter them.

Limitations

The above advantages of participant observation do not mean that the method is free of limitations. Methodologies draw attention to the possibility of the participant observer affecting what he or she observes (Bryman, 2001; Denzin and Lincoln, 2000). Actually, this limitation was noticed at the beginning of the observations. Some of the participants were skeptical of the role of the researcher and were sometimes not behaving normally. However, being involved with the participants in their informal and social activities (e.g. collective breakfast) contributed to a breaking of the ice and to building trusting relationships. This, in turn, minimized the effect of the researcher's presence on the group under study. Using personal contact to informally introduce the researcher (myself) to the participants was also beneficial, enhancing their trust and minimizing this limitation of participant observation.

Time availability is another limitation of participant observation that is frequently mentioned by methodologists. Seale (1999), for example, argues that interviewers can

recall and summarize a wide range of observations in seconds, which would take weeks and months of observational work to achieve. While this is true, the researcher's familiarity with Saudi society in general and the Saudi public sector in particular, reduced this danger. Being familiar with the research settings helped the researcher to overcome many barriers such as culture, language and systems and, therefore, reduced the need for long-time participant observation. According to Nachmias and Nachmias (1996) and Vidich (1955) a participant observer in his/her own society has the advantage that communication is conducted in the same language and symbolic system.

Finally, the difficulty of gaining access is the most significant limitation of participant observation stressed in the methodology literature (Bailey, 1996; Bryman 2001; Saunders, *et al.*, 2003). In fact, the difficulty of gaining access was expected and encountered in the current study. As mentioned earlier, some ministries and governmental bodies refused to give access, particularly for the observation method. However, after gaining official access, participant observation turned out to be very helpful in facilitating informal access, enhancing the employees' participation and cooperation in the second stage interviews.

7.7.2 INTERVIEWS (SECOND STAGE)

Interviewing is one of the most widely employed methods in qualitative research (Bryman, 2001; Fontana and Frey, 2000; Punch, 1998). It is regarded as one of the most important sources of case study information in particular (Yin, 2003). Indeed, it is the facility for understanding human behaviour, attitudes and meanings that makes interviewing so attractive. In the present study, interviewing was selected for the second stage of the data collection process because of its potential for an in-depth penetration of the issues around Saudiization, especially those related to the perceptions of the Saudi employees and their managers. King (1994) argues that since an interviewer tends to see the research topic from the perspective of the interviewee, and to understand how and why he or she comes to have this particular perspective, he is capable of producing data of great depth. Punch (1998) goes further to commending interviewing as one of the

most powerful ways of accessing people's perceptions, meanings, and definitions of situations, thereby acquiring a genuine and accurate understanding of the situations.

Interviewing includes a wide variety of forms and a multiplicity of uses. The most common form of interviewing is Fontana and Frey's (2000) three-way classification of structured, semi-structured and unstructured interviewing, and their application to individual and group interviews. Individual, semi-structured interviews were selected to fulfill this study's purposes. The reasons can be summarized as follows.

Individual, Semi-structured interviews

Individual interviews simply refer to 'one-to-one' and 'face-to-face' interviewing. Although this is quite expensive and time consuming (Fontana and Frey, 2000; Punch, 1998), it was preferred over group interviewing because of the problem of group effects. This includes the obvious challenge of dealing with dominant and/or reticent speakers (Ghauri and Gronhaug, 2002; Saunders, *et al.*, 2003), which may restrict a multiplicity of contributions, or may inhibit any opposing opinions. Bryman (2001) argues that *'there is evidence that, as a group comes to share a certain point of view, group members come to think uncritically about it and to develop almost irrational attachments to it, which would lead us to expect more agreement than disagreement in focus group discussion'*. Moreover, this type of interviewing was preferred over phone or indirect interviewing because the latter leads to the loss of opportunity to observe the non-verbal behaviour of respondents (Sarantakos, 1998).

Semi-structured interviews were preferred in the current study because of the balance that can be drawn between the advantages and disadvantages of structured and unstructured ways of conducting interviews. For instance, while structured interviewing is usually based on a predetermined and standardized set of questions, with pre-coded answers, emphasizing the importance of uniformity, objectivity and comparability, it lacks flexibility in that it omits possible differences between respondents and the influence of context. Fontana and Frey (2000) argue that advocates of structured interviewing are often unaware that the interview takes place in a social context and that

it is influenced by the interaction involved. In their study of organizational culture in the UK financial services sector, Doherty and Perry (2001) used a structured interviewing form as they were fairly confident about the issues they wished to explore. Although the structured interviews allowed them to make direct comparisons between the views of different respondents, their concentration on content rather than the context meant that the differences between respondents fell out of focus. On the other hand, unstructured interviewing is more flexible. There are no predetermined lists of questions to work through in this situation. Instead respondents are free to answer according to their own thinking. This form of interviewing allows for reflection, and can provide a greater breadth and depth of data (Ghauri and Gronhaug, 2002; King, 1994; Saunders *et al.*, 2003). However, the unstructured nature of such interviewing makes comparability and/or replication difficult (Fontana and Frey, 2000).

Semi-structured interviews offer a balance between flexibility and the need for comparability in the current study as a multiple case study research. From the literature review and the study's theoretical framework, a number of Saudiization-related themes and questions were incorporated into an interview schedule (see Appendix 1). The questions were developed out of the main dimensions of the conceptual framework. They were classified into four main sections, where each represented one of the main dimensions of Saudiization (i.e. governmental, social and cultural, organisational, and operation management dimensions). This provided a structure for comparability between cases (i.e. regions, organisations and departments). Of course, this does not mean that the interviewing questions were standardized and inflexible. In fact there was enough flexibility to pursue emerging topics, to consider differences between respondents, and to recognize the social context effect. Some questions were reformulated, omitted or added in particular interviews. The order of questions was also varied depending on the flow of the conversation.

Fifty seven semi-structured interviews were conducted. All the interviews were held at the work place of the participants and lasted between 1 and 3 hours. The interview sample was purposively selected to include different categories of Saudi managers and

employees (see Appendix 2a & b). For example, different cultural categories of Saudi society were considered. As can be seen in Table 7, some interviewees were selected specifically because they belong to different religious sects (i.e. Sunni and Shiite). Other participants were selected because of their tribal and non-tribal origins, whereas others based on their belonging to urban and rural communities.

Religious Sects		Tribal or Non-Tribal		Urban or Rural	
Sunni	Shiite	Tribal	Non-Tribal	Urban	Rural
52	5	40	17	41	16
91%	9%	70%	30%	72%	28%
57		57		57	

Table 7: Distribution of the interviewees according to subcultural categories

The interview sample was also selected to include different organisational and demographic categories of Saudis. As can be seen in Table 8, the interviewees were selected from different occupational levels. This included managers at high and low levels and employees. The interviewees were also selected from different age categories, representing younger and older generations. The selection also included participants of different marital status.

Occupational Level		Age			Marital Status	
Managers	Employees	25 & less	26 - 44	45 & over	Married	Single
22	35	9	23	25	45	12
39%	61%	16%	40%	44%	79%	21%
57		57			57	

Table 8: Distribution of the interviewees according to organisational and demographic categories

In addition, the participants were selected from different positions and professions. As can be seen in Table 9, five of the most senior managers of the organisations as well as the five heads of the personnel departments were selected since they have a key role in implementing the Saudiization policy, especially in terms of managing and implementing recruitment and training strategies and policies. Ten managers and 35 employees from different departments also participated in the interviews, providing rich

data from different sources. Finally, a representative of the Saudi Manpower Council and another from the Institute of Public Administration took part in the study. They were selected because both governmental bodies play a strategic role in planning, controlling and implementing the Saudiization policy.

Participants	Organisations					Total
	HQ.	WRO.	NRO.	ERO.	SRO.	
Head Manager	1	1	1	1	1	5
Head of Personnel Dep.	1	1	1	1	1	5
Head of Department	2	2	2	2	2	10
Employees	11	6	6	6	6	35
Subtotal	15	10	10	10	10	55
Representative of the Saudi Manpower Council						1
Representative of the Institute of Public Administration						1
Total						57

Table 9: Distribution of the interviewees according to position and professions
 HQ: The Headquarters of GPYW WRO: Western Regional Office NRO: Northern Regional Office
 ERO: Eastern Regional Office SRO: Southern Regional Office

This selection of interviewees from different categories was essential. It enabled comparisons to be drawn across categories, providing an insight on cultural and organisational differences and work-related values, behaviours, relationships and practices that contrast with the assumptions implicit in Saudiization (see chapter 8-11).

The participants were 100% male. Although gender is a significant issue for research on Saudiization, access problems made it impossible to build this into the field research. Firstly, the participation of Saudi woman in the labour market is still very low. It is estimated that Saudi female workers composed only 4.55% of total workforce in 2002 (Al Humaid, 2003), mostly working in education and health. Consequently, the employment of females in the GPYW is very limited. Secondly, and most importantly, it was impossible for the researcher (as he is male) to extend the participant observation and interviewing methods to include female workplaces. This challenges Islamic teachings and Arab traditions on communication between the sexes (Abdul-Muhmin, 1998; Roded, 1999; Seddon and Khoja, 2003; Wilcox, 1998). The Qur'an (the holy book of Islam) and Hadith (sayings of the Prophet Mohammed) emphasize gender separation and the privacy of Muslim women. They also stress that in public Muslim women must

wear their veil (*Hijab*) and avoid talking with men directly. The following Qur'anic verses are indicative:

“... And when you ask (the wives of the Prophet and believing women generally) for anything you want, ask them from behind a screen: this is purer for your hearts and their hearts”. (Surah Al Ahzab - The Confederates, 33:53)

“O Prophet! Tell your wives and your daughters, and the women of the believers to draw their cloaks (veils) all over their bodies (i.e. screen themselves completely except the eyes or one eye to see the way). That will be better, that they should be known (as such) and not molested”. (Surah Al Ahzab - The Confederates, 33:59)

“And say to the believing women that they should lower their gaze and guard their modesty, that they should not display their beauty and ornaments except what (must ordinarily) appear thereof, that they should draw their veils over their bosoms and not display their beauty except to their husbands, their fathers, their husbands' fathers, their sons, their husbands' sons, their brothers or their brothers' sons, or their sisters' sons, or their women, or the slaves whom their right hands possess, or male servants free of physical needs, or small children who have no sense of the shame of sex”. (Surah Al Nur - Light, 24:31)

As the second most important source of Islamic law and normative behaviour after the Qur'an, Hadith also influences Muslim women's behaviour especially in public and in their communications with men:

“Narrated 'Aisha: the wives of the Prophet used to go to Al-Manasi, a vast open place (near Baqia at Medina) to answer the call of nature at night. 'Umar used to say to the Prophet "Let your wives be veiled," but Allah's Apostle did not do so. One night Sauda bint Zam'a the wife of the Prophet went out at 'Isha' time and she was a tall lady. 'Umar addressed her and said, "I have recognized you, O Sauda." He said so, as he desired eagerly that the verses of Al-Hijab (the observing of veils by the Muslim women) may be revealed. So Allah revealed the verses of "Al-Hijab" (A complete body cover excluding the eyes)”. (Sahih Al-Bukhari (1979) Vol. 1, Book 4, No. 148)

“Narrated 'Aisha: my foster uncle came and asked permission (to enter) but I refused to admit him till I asked Allah's Apostle about that. He said, "He is your uncle, so allow him to come in." I said, "O Allah's Apostle! I have been suckled by a woman and not by a man." Allah's Apostle

said, "He is your uncle, so let him enter upon you." And that happened after the order of Al-Hijab (compulsory veiling) was revealed. All things which become unlawful because of blood relations are unlawful because of the corresponding foster suckling relations". (Sahih Al-Bukhari (1979) Vol. 7, Book, 62, No. 166)

Arabic traditions also impose restrictions. According to Yamani (2000), Saudi women have equal financial rights and economic capacity. However, Arabic traditions (e.g. the concept of honour and family shame) simultaneously venerate and isolate women. Consequently, commerce and trade remain the most prominently-segregated environments, with separate banks and shops owned, managed and patronized by women only.

Reflecting these religious teachings and Arabic traditions, academic researchers encounter serious difficulties that prohibit access to female work places in Saudi Arabia. Justifying the few female respondents in their study, Seddon and Khoja (2003) argue that because of the strict separation between the sexes in Saudi Arabia and the cultural emphasis on privacy for women, females are very hard to reach for data collection purposes. Abdul-Muhmin (1998) also stress that it is almost considered taboo for a man to walk over to a Saudi woman he does not know to request her to complete a questionnaire. Consequently, the few female respondents in his sample were mostly expatriate nurses working in hospitals in the cities in which the data were collected.

In fact, the gender issue is very important in the discussion of cultural diversity. It has been argued that organizations differ according to their gender regimes. People weave together the symbolic order of gender in an organisational culture as they construct their understanding of a shared world or of difference (Gherardi, 1995; Wilson, 2004). In their study of gender and race issues in the regional office of a federal agency in the United States, Fine, et al. (1990) argue that men and women do not share a common culture of organizational life. Rather, each group identifies, defines, and organizes its experience in the organization in unique ways. The answers to the survey questions regarding position in the organization, communication networks and the criteria for promotion indicate that men and women have different experiences in organizations and

are often unable to see or understand the experiences of others. The authors suggest that a theoretical perspective in which gender and race are viewed as cultures provides a useful framework for understanding cultural diversity in the workplace and a necessary starting point for managing a diverse workforce.

Despite its importance and relevance to the current research, gender was not included for the reasons noted above. Hence, I was forced to exclude gender issues from the discussion. Acknowledging this omission, future research is recommended as a priority for female researchers or by using different research approaches or methods that can help to overcome the problem of access to Saudi female workplaces (see page 274).

Limitations

Despite the advantages of semi-structured interviews, methodologists call for caution about the effect of the interviewer on the interviewee and the possible bias that can be generated. Saunders *et al.* (2003), for example, point out that comments, tone or even non-verbal behaviour can create bias in the way that interviewees respond to the questions being asked. Al Nimir and Palmer (1982) in their study of bureaucracy in the Saudi public sector have found that interviews placed pressure upon respondents to search for answers they believed the interviewers would find pleasing. Such a bias, when it occurs, can weaken the study's validity and reliability (Saunders *et al.*, 2003). In fact, the subjectivity of qualitative approaches can be justified by the argument made to stress that objectivity, to some extent, means losing the participants' perspectives on and interpretations of the situation, which are of value in understanding behaviour (Cassell and Symon, 1994). Nevertheless, taking this limitation into consideration, the use of the two methods (i.e. participant observation and interviews) promotes accuracy and sensitivity, therefore enhancing the validity and robustness of the study.

Another limitation, particularly with semi- and unstructured interviews, arises when analysing data. May (2001) argues that structured interviews are often preferred because of the greater ease of comparative analysis. With a large number of participants, interviews are also both expensive and time consuming (Bryman, 2001; Sarantakos,

1998). Given these limitations, an attempt was made to surmount them by conducting data collection and analysis simultaneously. This not only saved time, but also encouraged feed back from respondents, strengthening the study results and making the analysis process more effective.

7.8 DATA ANALYSIS

For many researchers, data analysis is the most difficult stage of qualitative research. May (2001: 142), for example, points out that “*the hard work starts only when the data are collected and analysis begins*”. Referring particularly to case study research, Yin (2003) argues that the analysis of case evidence is one of the most difficult aspects of doing case studies. This, he explains, is due to the lack of definition and weaker development of analytic strategies and techniques. He goes on to suggest that to overcome this difficulty the case study researcher needs to have a clear strategy and technique(s) of analysis. Some researchers recommend that the strategy and technique(s) should be decided before starting to collect data, so that collection and analysis can occur simultaneously (Ghauri and Gronhaug, 2002; Saunders *et al.*, 2003).

7.8.1 ANALYSIS STRATEGY AND TECHNIQUES

Following the above suggestions and recommendations, it was decided to begin data analysis early during the data collection phase. It was also decided to rely on the study’s theoretical framework as a general analytic strategy. This is because the theoretical framework would already shape the data collection plan, giving priority to what to analyze and why. It would also be helpful to focus attention on relevant data, since it is time consuming and may not be useful to include all of the collected data in the analysis process. However, this does not mean that the analysis process was confined to the initial concepts and propositions, but rather it sought to discover and develop new concepts, themes and meanings. According to Becker (1958), the most important advantage of doing data collection and analysis simultaneously is to generate new concepts and indices within the field setting, which will enable the researcher to develop his understanding of the social setting.

Having decided which general analytic strategy to follow, it was helpful to specify appropriate analytic techniques. There are some techniques which have been developed to analyze qualitative data in general and case studies in particular. These include pattern matching, explanation building, time-series analysis, logic models, and cross-case synthesis (Bryman, 2001; Sarantakos, 1998; Yin, 2003). According to Yin (1981; 2003), the pattern matching technique essentially involves a comparison between the empirically based patterns and patterns predicted at the outset of the study. The explanation building technique concentrates on an explanation of cause-effect relationships, and is a more suitable for explanatory studies. Time-series analyses are more relevant to a case study when there are specific indicators to be traced over time. Similarly, logic models often stipulate a complex chain of events over time, which are often based on cause-effect patterns. While these techniques can be used with either single or multiple case study research, the cross-case synthesis technique is more appropriate to multiple cases. It involves a comparison between cases, while each individual case can be treated as a separate study.

Although there is no one best technique to follow, two were used to analyze the collected data, i.e. pattern matching and cross-case synthesis. These techniques met the required levels and units of analysis in the current study, facilitating a good understanding of how Saudiization works within and across the five organisations. For example, at regional level, each organisation was treated as a single or holistic unit. Data collected from all departments were analyzed by using the pattern matching technique, focusing on common and shared patterns (i.e. work-related values, behaviours and relationships). Then, the cross-case synthesis technique was used to compare the organisation to other organisations based on the promoted patterns by Saudiization. An advantage of the holistic unit of analysis is that it takes together elements and components of the organisation providing a full understanding of the whole (Denzin and Lincoln, 2000; De Vaus, 2001).

However, a typical problem with holistic analysis is that the units may be conducted at an abstract level, leading to an incomplete picture of diversities and differences which

may exist within a particular organisation (De Vaus, 2001). This limitation of the holistic unit analysis was effectively overcome by using the same two techniques to analyze data at deeper levels and units. In other words, since the objectives of the study entailed examination of diversities and differences within Saudi organisations, as opposed to what Saudiization assumes to be homogeneity and uniformity, data were analyzed on a subgroup basis. At organisational level, for example, each department was considered as a single or embedded unit within the organisation. Data collected from the department's members were analyzed using the pattern matching technique and then compared to other departments using the cross-case synthesis technique. Similarly, the two techniques were used to analyze data and to compare different occupational (managers and employees), religious (Sunni and Shiite), and societal (tribal and non-tribal) units. According to Chrisman *et al.* (2002), an advantage of such subgroup level examination is to allow the uncovering of variances and diversities within the same culture. They go on to argue that national culture is not necessarily homogenous and should be examined at the group level, such as region, urbanization, ethnicity and nativity.

In fact, these techniques, levels and units of analysis were advantageous, providing a better picture of Saudiization in all its complexity. Many cultural differences and subcultures within and among the five organisations, in terms of work-related values, work relationships and preferred management practices were discernible, enabling the researcher to draw effective conclusions.

7.8.2 DATA ANALYSIS PROCESS

Practically, data analysis process was conducted in two stages. First, initial analysis in the field. This involved careful analysis of observation notes and interview transcripts on a one by one basis (i.e. department by department, and organisation by organisation), to ensure reflective research practice and systematic progress through further contact and subsequent investigations. This preliminary analysis was also useful in having the participants' feedback as a cross-check of the data analysis process. A summary of the main themes, concepts and interpretations that emerged from this process was given to

about half of the participants from each organisation, covering all categories of participants. Although the response rate (39%) was not high as anticipated, 2 high level managers, 2 heads of personal departments and 5 employees responded with comments which confirmed that the analysis indeed represented their view of Saudiization and many key issues of their work and social lives. On the other hand, 1 senior manager and 1 employee partly agreed with the analysis, raising some issues (e.g. Shiite employees' punctuality) that were taken for consideration during the second stage of the process.

The second stage of data analysis involved more detached appraisal of the whole data base. This was considered to be the main analysis and was conducted in a frequent and continuous way, following the three approaches recommended by Coffey and Atkinson (1996). These include 1) coding and categorizing; 2) retrieving and exploring; and 3) displaying. According to Coffey and Atkinson (1996), once the data are coded and categorized, the categories can be retrieved, split into subcategories, spliced, linked together, and then displayed. Miles and Huberman (1994) also reveal that coding, reduction and display are continuous activities throughout the process of analysis. While coding involves reducing and categorized data, data display helps to present reduced or selected data in meaningful ways, which may be coded, reduced, and displayed again and again.

Starting with the coding and categorizing approach, the data was manually coded and categorized based on the conceptual framework. In other words, the data was classified into categories and subcategories, according to the four main dimensions of Saudiization (i.e. strategic, cultural, organisational and managerial). The aim here was, as Coffey and Atkinson (1996) put it, to condense the bulk of the raw data into analyzable units and therefore reduce the vast amount of data collected. The second analytical approach involved "playing with the data". The condensed data were retrieved and read, looking for similarities and differences between respondents. The data were also read with an open mind to discover and develop any new concepts, themes or sub-themes.

The third approach of data analysis was to display the data (e.g. concepts, themes, similarities, and differences) in a meaningful way. This involved showing explored and developed information on a single page rather than in extended text. Describing different ways of displaying data (e.g. matrices and networks), Miles and Huberman (1994) stress that data display is very helpful to recognize relationships and patterns, to discover new concepts and propositions, and therefore drawing and verifying conclusions. To ensure that the themes and concepts generated through the analysis process were interpreted and linked together in light of the main dimensions of Saudiization and the theoretical discussion in the previous chapters, data were displayed using the conceptual framework. As mentioned above, this process of data analysis was continuous, that is, the three approaches were repeated several times. This process was really fruitful and many interesting findings were discovered in this way. Before moving on to present and discuss the main findings of this study in the following chapters, let us conclude this chapter by discussing some important issues in research methodology (i.e. validity, reliability and generalizability).

7.9 VALIDITY, RELIABILITY AND GENERALISABILITY

The case study strategy has enhanced the validity of the current study, helping to understand Saudiization as a whole within its real-life context. Comparing the case approach with other strategies, Bryman (2001) points out that while validity relates in other strategies (e.g. experiments and surveys) to the issue of causality, in case studies it often refers to capturing daily life experiences, meaning, opinions, values, attitudes and knowledge. The latter form of validity, as he calls it, is internal or 'ecological validity'. He goes on to argue that a study using a survey strategy may be technically valid but has little to do with what happens in natural settings. Yin (2003) also argues that case study strategy can achieve excellent internal validity by providing a profound understanding of the case being studied.

The combination of observation and interview methods has also enhanced the validity of the current study. Both methods provided rich data and considerably enhanced our understanding of Saudiization and especially of how Saudi people subjectively perceive

and interpret it via the situations in which they find themselves. Both methods also contributed to the accuracy of the data since some recorded observations were reinforced, explained and sometimes corrected by the participants during interviews, and vice versa.

On the other hand, case study strategies and qualitative methods in general have been widely criticized as lacking external validity, reliability or generalizability. Yin (2003) refers to external validity as establishing the domain to which a study's findings can be generalized. He points out that critics of case studies frequently argue that a profound understanding of a case provides a poor basis for generalizing to the wider population beyond that case. Punch (1998) also points out that a common criticism of the case study is generalizability. That is, while the case study strategy is often based on studying only one or a few cases, how can we generalize? Some advocates of case study strategy have responded to this by arguing that it is not the purpose of case research to generalize, but rather to understand the case(s) being studied in context (Punch, 1998; Stake, 1995). They go on to suggest that damage may occur when the commitment to generalize runs so strong that the researcher's attention is drawn away from features important for understanding the case itself (Denzin and Lincoln, 2000).

Despite focusing on one phenomenon (i.e. Saudiization), within a particular context (Saudi public sector), and using a few cases (5 organisations), the findings of the current study can be generalized. This is because generalization in case study research should be distinguished from that in survey research. According to Gummesson (2000), generalization from statistical samples is just one type of generalization. It is not general, and it is rarely applicable to the case approach. There are two types of generalization that have been distinguished: 'statistical generalization' and 'analytic or theoretical generalization' (Blaikie, 2000; De Vaus, 2001; Yin 2003). In statistical generalization, an inference is made about a population based on empirical data collected about a sample. This is the most common way of generalizing when doing surveys or analyzing archive data. However, it is less relevant way for case study strategies. Simply, this is

because cases are not as same as sampling units (Blaikie, 2000; Cassell and Symon, 1994; Yin, 2003).

Theoretical generalization, on the other hand, involves generalizing from a study to a theory (Punch, 1998; Yin, 2003). Rather than asking what a study tells us about the wider population (statistical generalization), a researcher is striving to generalize a particular set of results to some broader theory. Punch (1998) argues that there are two main ways that a case study can generalize to theory: the first by conceptualizing, the second by developing theoretical propositions. He goes on to explain that discovering the important aspects of a new research topic, developing an understanding of them, and conceptualizing them for further study, is often best achieved through the case study strategy.

Based on the above discussion, it is not the purpose of the current study to generalize to other organisations or sectors in Saudi Arabia (statistical generalization). The cases (i.e. the five organisations) were not considered to be representative sampling units, as in surveys. Rather, the organisations were selected to provide a real-life context to examine and understand Saudiization and therefore achieve the study aims and objectives. However, as the study contributed to an intensive examination of Saudiization as a new topic, to capture a deep understanding of it within its real-life context, and to develop new concepts that will help to explain some aspects of Saudiization, it has the potential to inform future deliberations on Saudiization in different sectors and in similar programmes in other contexts (theoretical generalization).

7.10 SUMMARY

According to Punch (1998), a research design whose components do not fit together has questionable validity. The onion metaphor was adopted in this research to ensure the consistency and overall validity of the process of research design. The research was designed in a consistent and coherent manner. All of its components were interrelated and based on the research questions and objectives. An interpretative philosophy was adopted to support the discovery nature of the research questions and objectives. This

was enhanced by a qualitative approach in order to obtain meaning rather than facts, and to access the Saudi respondents' behaviour, attitude and relationships. A multiple case study strategy was selected to acquire an in-depth understanding of Saudiization within its real-life context, as well as to support contemporary comparisons between the selected cases. Based on this philosophy, approach and strategy, participant observation and semi-structured interviews were chosen to collect the required data. Finally, the assembled data were analyzed and interpreted according to the conceptual framework, as a general analytic strategy, generating significant and interesting findings.

CHAPTER 8

SAUDIIZATION STRATEGY & IMPLEMENTATION:

DRIFT, MISMATCH AND CONTRADICTION

CHAPTER 8

SAUDIIZATION STRATEGY & IMPLEMENTATION: DRIFT, MISMATCH AND CONTRADICTION

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CHAPTER 8

SAUDIIZATION STRATEGY & IMPLEMENTATION: DRIFT, MISMATCH AND CONTRADICTION

8.1 INTRODUCTION

Findings are the extract of any piece of research. They need to be presented and discussed in a convincing and coherent way. Taking this into consideration, the main findings of the current study have been split up into four chapters. While the following chapters (i.e. 9, 10 and 11) present and discuss findings within the cultural, organisational and managerial dimensions of Saudiization respectively, this chapter concentrates on the main findings within the governmental and strategic dimension. The aim of this division is to ensure a high level of coherence and fluency, and to ensure consistency between the theoretical and empirical elements of the project.

In this chapter, a serious gap between Saudiization strategy and implementation is identified. This gap refers to a mismatch and contradiction between the formal objectives and principles attached to Saudiization at strategic level on the one hand and practices and attitudes at implementation level on the other. The chapter begins by explaining this mismatch and contradiction, examining the drift that occurred in the driving logic and momentum behind Saudiization as a result of different attitudes towards Saudiization at the two levels. It then moves on to highlight the relevance of this drift for some of the practices of Saudiization (i.e. recruitment and training), concentrating on emergent attitudes and beliefs that tend to contradict the developmental objectives and principles attached to Saudiization. Linking the findings with the earlier theoretical analysis, the chapter concludes with a discussion of the gap between strategy and implementation, summarizing the main findings within the governmental and strategic dimension of Saudiization.

8.2 ONE STRATEGY, DIFFERENT PERSPECTIVES

At both strategic and implementation levels, the term Saudiization has the same meaning, that is employing Saudis. Its overall aim reinforces this, referring to a reliance on native labour instead of expatriates. While there are clear ambitions to achieve this aim in the private sector, the movement is more advanced in the public sector. That said, the objectives and principles of development attached to Saudiization at strategic level seem to fall short of the stated objectives at implementation level. As a result of different perspectives on Saudiization, a drift in the driving logic and momentum behind Saudiization, as well as in its focus, has occurred. This drift has led to a serious mismatch, and even a contradiction, between the developmental objectives and principles at strategic level on the one hand and practices and attitudes at implementation level on the other.

As can be seen in Figure 5, Saudiization is perceived and introduced by the state and policy makers as part of a long-term strategy of development (i.e. The Five-Year Plans of Development). The driving logic and momentum behind it is to develop native human resources, focusing on economic viability via diversification. That is, instead of depending heavily upon oil, the Saudi Government seeks, through Saudiization, full and effective investment of native human resources and, therefore, the full utilization of national natural, economic and human resources. Reducing unemployment rates is, in this case, considered a rational result. This developmental objective has been stated in many governmental documents. The Seventh Five-Year Plan of Development (2000-2004) has, for example, revealed that:

“..the ultimate source of a nation’s wealth increasingly lies in its human resources and the productive skills of its labour force, or in its “human capital”. Recognizing this trend from the onset of development planning, the Kingdom’s (Saudi Arabia) successive plans have given greater attention to human resources development through continuous support of primary, intermediate, secondary and higher education, as well as of technical education, vocational training, and pre-service and in-service training....

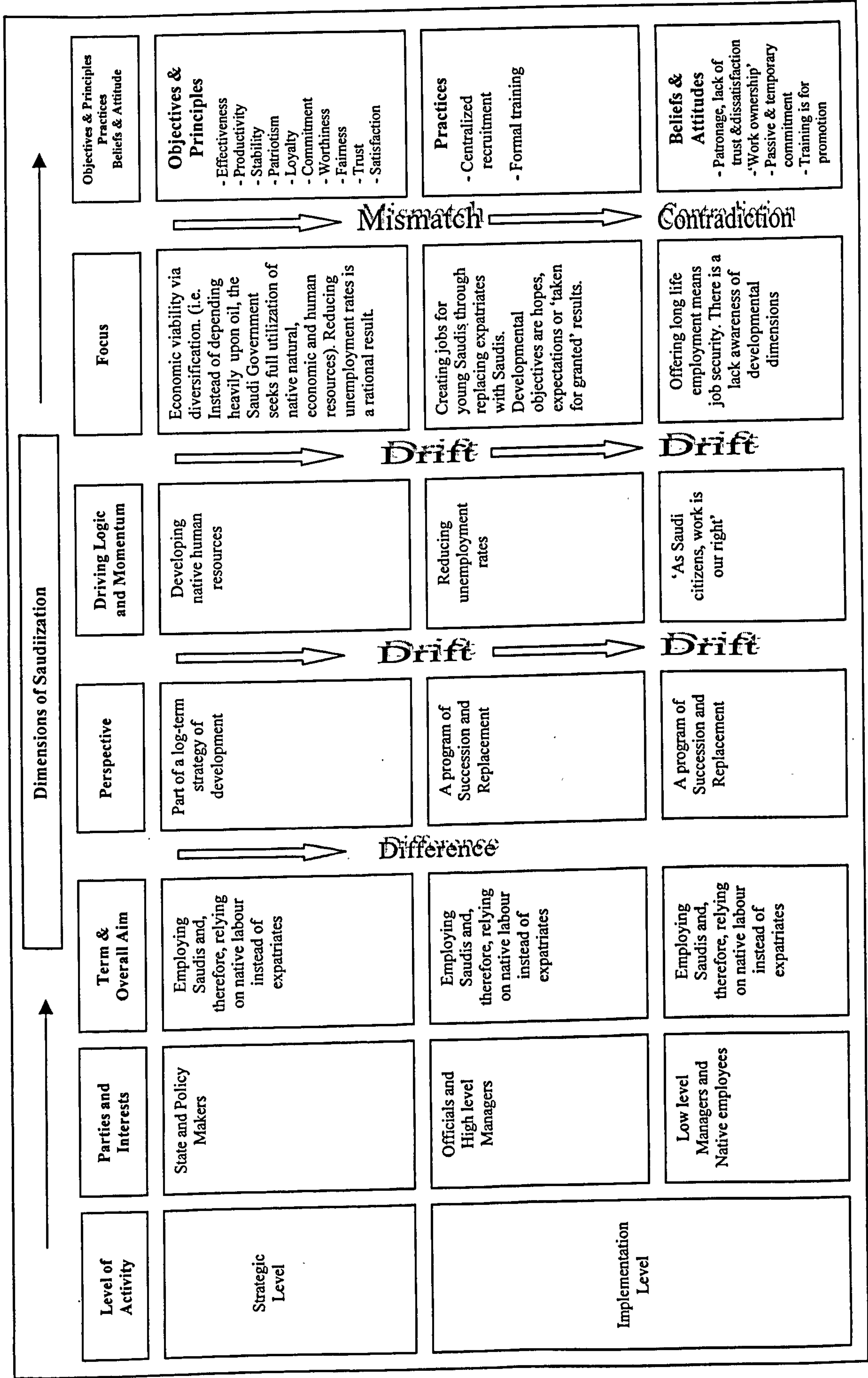


Figure 5: Drift, mismatch and contradiction between the strategic and implementation levels of Saudiization

The aim is:

...to develop human resources and continually ensure an increasing supply of manpower; upgrading its efficiency sufficiently to meet the requirements of the national economy, and replacing non-Saudi manpower with qualified Saudis...and therefore diversifying the economic base and reducing dependence on the production and exportation of crude oil as the main support of the national economy” (The Ministry of Planning, The Seventh Plan of Development, 2000b: 44-58)

The Manpower Development Strategy in Saudi Arabia has also stressed the strategic manpower implications of Saudiization:

“Preparation and development of national manpower to undertake management and development of the national economy...and therefore cope with changes in economic, social and security factors...” (The Manpower Council, The Saudi Manpower Development Strategy, 1997: 8)

It is clear from these quotations that the driving logic, momentum, and focus of Saudiization at the highest levels of strategic decision making are expressed in terms of developmental objectives and principles. These include achieving a high level of effectiveness, productivity, stability, patriotism, loyalty, commitment, worthiness, fairness, trust and job satisfaction on the part of Saudi nationals. As can be seen in the statement below illustrates, one of the main objectives of The Sixth Plan of Development (1995-1999), to be achieved through Saudiization, was:

“to form the productive national citizen through providing him with the appropriate means and sources of income, and ascertaining his reward on the basis of his work” (The Ministry of Planning, The Sixth Plan of Development, , 1995: 59)

Among other general objectives, the Manpower Strategy of Development also seeks through Saudiization:

“a) to improve and upgrade the level of the national manpower’s productivity and to cope with technological changes; b) to implant and dictate the concept of affiliation, patriotism and positive work ethic ... through deepening the religious, social and psychological ethics of work among Saudis..” (The Manpower Council, The Saudi Manpower Development Strategy, 1997: 8-16)

However, these developmental objectives (and the others discussed in chapter 3) have not been matched by practices and attitudes on the ground. The collected data demonstrates that Saudiization, at implementation level, has directly been linked with unemployment problems in the country. It has thus been perceived and interpreted, by officials and high levels managers, as more of a programme of succession and replacement that aims to reduce unemployment rates (that have been rising rapidly in recent years). It has drifted to a focus on creating jobs for young Saudis by reducing the number of expatriate workers and employing as many Saudis as possible. Developmental objectives and principles have, in this case, become hopes, expectations or 'taken for granted' results.

The following quotations reveal the dominant view expressed by six of the seven (86%) participating officials and senior managers in our survey.

“... we have about 6 million expatriate workers in the country, coinciding with an increasing rate of unemployment among Saudi youth. This is really an unacceptable paradox. So, the primary aim of Saudiization is to create job opportunities for Saudis through replacement and succession... ..” (Manpower Council Representative, MCR)

“...Saudiization is a national demand and should be the concern of every Saudi citizen. It effectively helps to tackle the problem of unemployment spreading among Saudi youth. Ten years ago, for example, 50% of our employees were expatriates. Today, through the efforts of Saudiization, our employees are 100% Saudis... I believe that with feelings of patriotism and stability, Saudi employees are more loyal than expatriates... ” (Head of Regional Office, HM-SR)

“...While expatriate workers occupy different jobs and positions, many unemployed Saudi youths are looking for jobs between ministries and governmental agencies. Thus, Saudiization aims to help these youths by giving them priority for employment and, therefore, reducing unemployment in the society.....We hope that Saudiization helps to improve the productivity and effectiveness of Saudi employees and to increase organisational commitment through enhancing the feeling of patriotism and loyalty to the society as a whole...” (Head of Regional Office, HM-ER)

At the implementation level, Saudiization is perceived and interpreted by the participants as a program of succession and replacement, another view that contrasts markedly with the state's pronouncement and the developmental driving logic. Saudiization reflects a widespread grassroots belief that 'As Saudi citizens, work is our right'. In fact the focus has ranged beyond job creation for young Saudis, extending to demands for long-life employment and job security for Saudi citizens overall. At the grassroots, there is a lack of awareness of the developmental dimensions highlighted in strategic thinking. This interpretation of Saudiization was expressed by the majority of the low level managers as well as by employees during their interviews. Eleven (73%) of the fifteen department heads and thirty (86%) of the thirty five employees perceived and interpreted Saudiization in this way. The following quotes are representative:

"...Saudiization means replacing expatriates with Saudis. It is based on the logic that sons of the society are given top priority in jobs and employment...." (Head of Department, K-NR)

"... It is not acceptable to see expatriate workers occupying employment, especially in the governmental jobs, when there are many unemployed Saudis..... as Saudi citizens, work is our right. So, the government programme of Saudiization seeks to replace expatriates with Saudis offering them with long-life employment....." (Employee, A4-HQ)

"...I spent more than six months looking for a job. Eventually, and with the Saudiization program, I have been appointed to long-life employment. This permanent job makes me feel more secure, settled and happier...I think work is one of our rights as citizens, and Saudiization aims to give it to us..." (Employee, Z1-ER)

These quotations suggest a general agreement among the participants at implementation level that Saudiization is principally a programme of replacement and succession. Instead of enacting a developmental strategy of investing in native human resources to enhance economic objectives, Saudiization has become an employment programme that gives little attention to the skills of the replacement staff or to potential problems associated with the removal of expatriate workers. Saudi job security is the overriding concern.

This drift has been found to influence the applied relevance of Saudiization. The accompanying practices (especially recruitment and training practices) at implementation level do not match, or coincide with, the developmental objectives and principles of Saudiization at strategic level. Moreover, these practices have generated contradictory attitudes and beliefs that make the Saudiization mission of development more complex and difficult. The next sections present some interesting findings in this regard.

8.3 INEFFICIENCY OF RECRUITMENT CENTRALIZATION

As discussed in chapter 3, recruitment centralization was introduced, in conjunction with merit systems, to support public administration reforms and the initiatives of anti-corruption at the end of 1880s (Wortman and Meyer, 1969; McCourt, 2001). It theoretically aims at controlling, organizing and managing recruitment processes and procedures in a way that can minimize any unfair discrimination (such as favouritism, nepotism, patronage) and, therefore, create a fair and satisfying work environment. Saudiization at the strategic level seeks the same objective, concentrating on the importance of fairness and satisfaction in its mission of development. Thus, it is implemented in the Saudi public sector through a centralized strategy of recruitment carried out by the Ministry of Civil Service (MCS). According to the Saudi Civil Service Law issued in 1397 H. (1977) by the royal decree No. M/49, this considers worthiness, equity and fairness to be the main criteria for engaging a government employee.

However, since Saudiization drifts to succession and replacement at implementation level, centralized recruitment is little more than fast implementation and rapid placement device that takes fairness and satisfaction for granted. In his interview, the representative of the Manpower Council commented that the greater 'success' of Saudiization in the public sector (than in the private sector) can be attributed to 'effective' centralized recruitment, that has been able to control the recruitment processes, creating as many jobs as possible for Saudis by replacing expatriates. This comment gives an indication that the effectiveness of the centralised recruitment, and hence Saudiization, is judged by

how many jobs are created for Saudis, more than on creating a satisfied, fair and productive work place.

While the effectiveness of centralized recruitment is judged in this way, our data also reveals that centralized recruitment proves to be ineffective and inefficient in delivering anticipated developmental benefits. Indeed, centralization becomes a source of some beliefs and attitudes that contradict the developmental objectives and principles attached to Saudiization at the strategic level, making its role fraught with difficulties. These beliefs and attitudes include patronage, lack of trust, dissatisfaction and 'work ownership'.

8.3.1 PATRONAGE, LACK OF TRUST AND DISSATISFACTION

Although centralized recruitment in the Saudi public sector was introduced to prevent unfair discrimination via safe processes and procedures, the data shows that participants still believe that patronage exists, and that the centralized recruitment of Saudiization has been insufficient to prevent this patronage. Indeed, there is a view that patronage has been centralized in the MCS and at high levels within organisations. Twenty (57%) of the thirty five employees explained that they relied upon relatives and personal relationships, especially in the MCS and/or at the top levels, to get help either in their appointment, transfer or promotion. Cultural and social conventions that are tied to Saudiization (including family allegiance, tribal belonging and friendship commitment) have extended and solidified this process, as will be confirmed in the next chapter:

“...My brother was working in the Headquarters... He helped me to get appointed to a temporary job. Two years later, he also helped me to get promoted to a permanent employment....”
(Employee, H1-NR)

“...I have recently been transferred to this organisation.... My personal relationship with the head manager highly facilitated the process of the transfer...” (Employee, F1-SR)

“...Six years ago I was informed by one of my relatives at the MCS that there were some vacancies to be announced. I quickly applied for one that suited my qualifications and specialization. I successfully completed all the required procedures, and two months later I was

informed by my relative that I got the job... I believe that he played a key role in selecting and appointing me....” (Employee, B4-HQ)

These quotations are more indicative of the view expressed above about the lack of trust towards the centralized recruitment of Saudiization. Looking at the suitability of the latter interviewee’s qualifications against the requirements of the post, he might have been selected and appointed systematically. Nevertheless, he still believes that personal relationships played a key role in recruitment, implicitly indicating a lack of trust in how recruitment centralization in particular and Saudiization in general is carried out. This lack of trust has also been expressed explicitly and persistently in some interviews, this time with considerable dissatisfaction.

“... Today, with the increasing number of job seekers and the shortage in offers of jobs in the public sector, it could be difficult to get employed, transferred or promoted without any interference of personal relationships, unfortunately...” (Employee, F2-SR)

Participating managers also expressed their dissatisfaction about centralized recruitment in another way. Nine (60%) of the fifteen managers, especially heads of personnel departments, felt that, with centralized recruitment, decision making influence is slipping away from them, indicating a lack of trust in them by the high level authorities.

“.....Although we are qualified and well trained to carry out recruitment processes and procedures, we have no role in selecting our employees. They are selected, appointed and then sent to us, and we cannot do anything but accept them... In fact, this is an indication of a lack of trust in us....” (Head of Personal Department, PM-HQ)

On this evidence, centralized recruitment in the Saudi public sector is an obstacle to the theoretical objectives set out to prevent unfair discrimination. It creates a lack of trust and dissatisfaction that contradicts the formal objectives and principles of Saudiization in respect of equity, fairness, mutual trust and job satisfaction. While Saudiization, in conjunction with the Civil Service Law, cites equity and fairness as the main criteria for appointment, it is obvious that centralized recruitment and the concern to reduce

unemployment rates effectively puts nationality as the main criterion, opening the door for social and personal influences.

8.3.2 THE FEELING OF ‘WORK OWNERSHIP’

Saudiization at strategic level aims to educate, train and qualify Saudi citizens to obtain the high levels of skill and motivation that can enable them to replace expatriates and perform jobs more effectively. However, as the recruitment practices associated with Saudiization have reconstituted it as a quick remedy for unemployment, replacement and appointment have been based on less ambitious criteria, or as the Manpower Council put it in 1997 (p 2): *“Work is right for each willing and able citizen to perform it”*. As a result, it is probable that less trained, semi-qualified and inexperienced Saudis will replace more qualified, better trained and experienced expatriates. This was acknowledged by some of the participants during their interviews.

“...Despite the importance of Saudiization, it sometimes leads to losing experienced expatriates. For example, young and fresh Saudis have replaced some qualified expatriate artists (i.e. painters and decorators) who have long experience in the field. The last one departed last week. We really miss them and their skills and experiences....” (Head of Department, A-HQ)

The new criteria have also reinforced a belief in ‘work ownership’, that work is the citizen’s right, regardless of qualifications, trainings or expertise. As mentioned at the beginning of this chapter, the majority of the participants, especially the junior managers and employees, stressed their right to work as Saudi citizens. Yet such a belief in ‘work ownership’ detracts from the formal developmental objectives of Saudiization. During their interviews, five (71%) of the seven high level managers also commented that Saudi employees, as they believe in their right to jobs and that they will not be dismissed for a lack of performance, have low levels of punctuality and often exert nothing more than the minimum level of effort required to do their jobs. When comparing Saudi employees with their expatriate counterparts, the senior managers stressed that the latter were more punctual, more effective, more willing to innovate and often to take the initiative than Saudi employees. The main justification for this, as the managers explained, is that with Saudiization expatriates feel job insecurity so they often attempt to renew their contracts

by expending more effort and showing more initiatives. By contrast, Saudis with long-life employment, through Saudiization, feel that their jobs are protected and more secure, which negatively influence their performance and effectiveness.

8.4 INSUFFICIENCY OF JOB SECURITY

One of the main objectives of Saudiization at strategic level is to deepen the sense of patriotism, loyalty and commitment towards the nation and society in general and within work organisations in particular. This objective has been rehearsed in many government documents. For example, the Saudi Manpower Development Strategy stated that one of the main goals of Saudiization is *“to implant and dictate the concept of affiliation, patriotism and positive work ethic in Saudi society”* (The Manpower Council, 1997: 16). In order to achieve this, Saudiization has action guidelines including, for example, activating the role of the mass media and educational institutions for the preparation and development of social and psychological concepts of community involvement to reinforce patriotism, loyalty, and the more work and productivity oriented life styles.

Yet at implementation level, the patriotism and loyalty of nationals seems to be taken for granted. The recruitment strategy with Saudiization, by offering Saudis long-life employment, assumes that such senses will automatically enhance organisational commitment. This relies on a positive correlation between job security, job satisfaction, organisational commitment and job performance, an assumption cultivated by previous studies (e.g. Al-Adhaylah, 1995; Al-Nimir, 1993; Al-Qattan, 1987; Bhuian and Islam, 1996; Yousef, 1998). These perpetuate the notion that the more an employee is satisfied with the security of his/her job, the more he/she is committed to the organisation, and the better his/her performance is (see chapter 3).

However, this straightforward and positive correlation between job security, satisfaction, and organisational commitment proves to be simplistic and misleading. As argued in chapter 3, the one-dimensional view of organisational commitment adopted by previous studies contributes to this simplified and misleading correlation. While data in the current study supports the two dimensions of organisational commitment (i.e.

Continuous Commitment and Value Commitment), suggested by Porter and Crampon (1976) and Angle and Perry (1981), it goes further to suggest three dimensions of organisational commitment (i.e. Passive Commitment, Temporary Commitment, and Effective Commitment), affirming the multidimensionality of the concept. This multidimensionality makes the relationship between organisational commitment and other organisational concepts such as job security and job performance more sophisticated and complex. Hence, while long-life employment leads to security, this could also produce a passive or temporary commitment. So security is insufficient to obtain effective commitment, and does not necessarily deliver performance improvement.

8.4.1 PASSIVE COMMITMENT

There was a consensus among all of the participants in this study that the system of long-life employment offered through Saudiization is positive, basically because it secures their jobs. The most interesting responses came from those who had been working in temporary jobs before they got promoted to permanent employment. They experienced the two situations (with and without job security) and noticed the difference.

“....I was working for a private company on the basis of an annual contract. At the end of each year, I was worried and afraid that my contract would not be renewed. Three years later, what I anticipated happened. My contract was terminated and I was kicked out. I spent more than six months looking for a job. Eventually, and with the Saudiization program, I was appointed to long-life employment. This permanent job makes me feel more secure, settled and happier...”
(Employee, Z1-ER)

“....When I was working in a temporary job I felt insecurity, especially when I got married and the first child was born. I was always thinking about how I would afford my family's living expenses if I was dismissed.... Today, with my current permanent employment, I feel more secure and satisfied....” (Employee, H1-NR)

Unsurprisingly, the long-life employment and job security offered by Saudiization is valued by the participants. However, would this necessarily result in an effective

organisational commitment? When asked whether they would prefer to stay in their organisations and why, the majority of the participants (33 of 57), particularly low level managers and employees, expressed little concern about being transferred to another department or organisation, especially if there were better alternatives and opportunities in terms of salary and promotion. Among the twenty four participants who expressed their willingness to stay in their organisations or department, fifteen (63%) justified their willingness by some personal, social or medical circumstances, or due to a lack of better alternatives and opportunities.

“..I have recently rejected getting promoted and transferred to another regional office. The main reason for that was my social circumstances entailed my being close to my elderly parents and looking after them...” (Employee, W1-ER)

“...I rejected a transfer to another regional office despite of the good position offered. This is because it is not financially worth it to transfer to another region since a transfer requires buying or renting new accommodation. By staying in this organisation, I live in my own family house...” (Employee, D1-WR)

“...Although my current work (administrative job) does not suit my specialization, as a professional man, I prefer to stay in this department due to my medical condition...” (Employee, C3-WR)

“..What encourages me to stay in this organisation is the traditional proverb that says “keep your bad monkey; you may get a worse one”. There is a lack of better alternatives and opportunities, which forces me to stay. If I found a better job in another organisation, I would never be reluctant to transfer....” (Head of Department, C-WR)

Since most of the participants who expressed a willingness to stay in their organisations cited reasons such as personal or social circumstances, they revealed little willingness to exert additional effort in doing their jobs. Indeed, their attention seemed to focus on the minimum level of effort required. This was frequently mentioned during interviews through repeating phrases like *“I give as much as I get”* and *“Effort equals wage”*. Through the eyes of the participants themselves, these reservations can be attributed to their rejection of some of the organisational and managerial values and practices adopted

in their organisations/departments. For instance, bureaucracy was perceived by the participants, particularly employees, to be a major contributory factor restricting freedom at the workplace. Centralized decision making has apparently created beliefs and attitudes like 'we' (i.e. employees) and 'they' (i.e. management). Furthermore, patriotism seems insufficient to motivate employees. Indeed, the lack of tangible incentives and preoccupation with moral motivation has created a feeling that additional effort is not appreciated.

It is obvious that participants, despite their approval for the long-life employment and job security offered by Saudiization, have no hesitation about transferring to other organisations if there are better opportunities. When they decide to stay, it is for personal, social or medical reasons, expressing little willingness to exert additional effort in the conduct of their work. This finding suggests that job security features of Saudiization can lead to ineffective or passive involvement by employees. Similarly to 'Continuous Commitment', characterized by Angle and Perry (1981) and Porter and Crampon (1976), 'Passive Commitment' can be defined as a desire to remain with the organisation, but with less or no belief in, or acceptance of, its goals and values, and with little willingness to exert additional or serious effort in the interests of the organisation.

8.4.2 TEMPORARY COMMITMENT

During interviews, some managers mentioned that there are some 'good' employees who often attempt to exert additional effort when doing their jobs, such as covering extra tasks, working extra hours, or taking some activities home with them. Through the participant observation phase of this research, some of this goodwill was identified and the employees exhibiting it targeted in order to understand the motives behind their additional efforts. In fact, the motives were different. While some employees explained their extra efforts as a wish to have a good reputation and achieve self-actualization, the most significant and prevailing motive was to sustain good informal and personal relationships with the boss and with colleagues. This can be clearly seen in the following quotations:

“.....I have deserved promotion for some years. Unfortunately, I have not got it yet... I am really disappointed and frustrated. Nevertheless, if my boss asked me to do any job or to come in non-work time, I would be happy to do so..... He treats us very well, always cooperates with us and considers our personal and social circumstances....” (Employee, D3-WR)

“...I am in debt to my boss for his help in appointing me.....I usually exert more effort to show my gratitude. If I had another boss I would not expect to make the same effort...” (Employee, T3-SR)

“..My boss is my brother ...I have a load of work that needs more effort and time. I am willing to do that in order to avoid any accusation of discrimination on the one hand and to ensure the success of the department under the management of my brother on the other...” (Employee, T1-SR)

These employees were willing to exert additional effort in the interest of their bosses, demonstrating a personal, informal or temporary commitment. ‘Temporary Commitment’ can be characterized by a desire to remain in the organisation with or without a belief in, or acceptance of, its goals and values, and with a willingness to exert effort in the interest of one’s particular department, supervisor or co-workers rather than for the good of the organisation as a whole. It can be anticipated that such a temporary commitment will evaporate as soon as the personal ties are broken.

8.4.3 EFFECTIVE COMMITMENT

A few participants (5 of 24) expressed their willingness to stay in their organisations, despite available alternatives, and without personal motivational ties. These participants, as can be seen in the following quotations, considered themselves to be part of their organisations, believing in and accepting organisational goals and values.

“...Despite the availability of other opportunities I prefer to stay in this organisation. The main reason is that I like and enjoy this kind of job, and feel that I perform it successfully. I also have good relationships with my boss, colleagues and employees which help us to work in a healthy environment.... I consider any success or failure for this organisation is also success or failure for me. So I always do my best...” (Head of Regional Office, HM-HQ)

“...working twenty eight years in this organisation was enough to make me feel part of it. Thus, I often and involuntarily find myself in a defensive position when anybody is talking about it. For example, last week in a public place I heard someone saying that this organisation was doing nothing useful for the community. I tried to explain to him and convince him that we serve the community in different ways that he did not know about... ” (Head of Department, T-SR)

While such a commitment was adopted mostly by managers at the top levels, or by experienced employees, in general participants showed a remarkable lack of viable, lasting and effective commitment. Similarly to ‘Value Commitment’, characterized by Angle and Perry (1981) and Porter and Crampon (1976), ‘Effective Commitment’ can be defined as a definite desire to remain with the organisation, despite the availability of alternative opportunities, with a strong belief in, and acceptance of, the organisation’s goals and values. Such a commitment refers to a general attitude towards the organisation as a whole, more than towards particular people or associations.

Briefly, this section offers two key findings. First, it confirms the multidimensional nature of the concept of organisational commitment. Second, it suggests that while the long-life employment system offered by Saudiization is capable of achieving satisfactory job security from the standpoint of many of the participants, job security alone is insufficient to achieve an effective commitment. It may result in a problematic commitment (e.g. passive or temporary), contradicting the developmental objective and principle of Saudiization at strategic level in terms of enhancing organisational commitment and therefore improving employee performance and organisation effectiveness.

8.5 INEFFECTIVENESS OF FORMAL TRAINING

Formal training (i.e. training offered by the Government, either pre-service or in-service training) is an important part of Saudiization. As discussed in chapter 3, one of the main objectives of Saudiization at strategic level is to achieve a greater match between pre-service education and training supply, and the needs and demands of the labour market from national manpower (The Ministry of Planning, 2000b; The Manpower Council, 1997). Despite the fact that about 90% of public sector employees are now Saudis, the

objective of Saudiization to match national manpower supply with demands has not been achieved. Rather, due to the drift in the driving logic and momentum behind Saudiization at the implementation levels, policy objectives for pre-service education and training bear little relation to their actual work duties. This exerts a negative influence on Saudiization, counteracting its developmental objectives.

8.5.1 QUALITATIVE MISMATCH OF PRE-SERVICE TRAINING

Saudiization at strategic level emphasizes the importance of a gradual succession of national manpower to replace expatriates. The purpose is to keep a balance in the labour force, therefore supporting the national economy. Thus, Saudiization was planned to be implemented via a gradual mechanism and specific priorities, starting with some sectors and jobs according to their importance and the possibility of filling them with national manpower (The Manpower Council 1997). This gradual succession has been accompanied by a quantitative and qualitative expansion of education and training in various fields.

However, due to the drift in the driving logic and focus of Saudiization, and with the increasing rate of unemployment, quantitative succession has been the major concern in practice. In other words, Saudiization is promoting the rapid termination of expatriate workers' contracts, replacing them by as many Saudis as possible, with little attention to qualitative succession. This can be clearly seen in the way that Saudiization is being assessed at implementation level. During interviews, the participating officials and senior managers frequently repeated phrases like "We are all Saudis" or "Our employees are now 100% Saudi" to show the successful implementation of Saudiization in their organisations. In his interview, the Manpower Council Representative explicitly demonstrated this perception, stressing that Saudiization is assessed quantitatively more than qualitatively.

"..The most important objective for us is to create job opportunities for Saudi youth, other objectives will come subsequently..... Organisational and managerial aspects are less important for us; Saudiization is our primary concern. We assess our efforts of Saudiization by how many job we saudiize..." (Manpower Council Representative, MCR)

This interpretation has resulted in a qualitative mismatch between pre-service education and training supply and labour market demands. Thirty nine (68%) of the participants revealed that they perform jobs that are often irrelevant to their pre-service education and training. Twenty two (56%) of them revealed that their qualifications and job specifications were basically disconnected from their employment at the time of recruitment. Some of them, for example, specialized in professional and technical (e.g. artistic or electronic) jobs, yet they were appointed to administrative or non-technical positions.

“...I hold a bachelor degree in media.... I worked in the private sector for some years before I got appointed to my current employment as a supervisor of a department doing work irrelevant to my qualification and specialization ... ” (Head of Department, C-WR)

“.....When I applied for employment I held a diploma in sport training. But since there were no available vacant jobs in this specialization at that time, I got appointed on another administrative occupation to work as a typist. Although this occupation was irrelevant to my qualification I could through accumulative experience manage to do it....” (Employee, E2-HQ)

Although their qualifications and specializations matched their employment at the time of recruitment, the remaining seventeen (44%), revealed that this match was on paper only since their actual work does not fit their qualifications and specializations. For instance, some employees who had qualified in sports training were mainly doing other administrative and accounting work, albeit in a sporting context. Through deeper investigation into seventeen cases of this, it was found that centralized recruitment caused this qualitative mismatch. While Saudiization in practice aims for a quick termination of expatriates' contracts, the lengthy and bureaucratic procedures of centralized recruitment generated a delay, disrupting the recruitment processes. This delay meant that most positions previously occupied by expatriates remained vacant for long periods, forcing managers to take action to fill the gap and get the job done. The participating managers exhibited coping strategies by, for example, making internal transfers either at organisation or department level to fill the gap regardless of formal skills or training.

“....previous experience proved that recruitment and replacement processes take a long time, exceeding sometimes one year. So we are forced to move our employees around to fill the gap and get jobs done.....” (Head of Personal Department, PM-ER)

“....Although we have been short by 2 employees for about five months, the two vacancies have not yet been occupied. When we asked about the reason of the delay the answer was: there is a time set for the official announcement of all vacancies; meanwhile we are waiting for other vacancies to be sent from other organisations.... To get the job done, the existing employees were asked to take over some of the two vacancies’ duties....” (Head of Department, K-NR)

This reactive strategy magnified the qualitative mismatch between employees’ pre-service education and training on the one hand and their actual work duties on the other. Although they were dissatisfied with these jobs, the participating employees accepted them to maintain good relationships with their bosses:

“....Although my occupation title matches my qualification and specialization, the actual work that I do is to some extent irrelevant to my previous education and training... I accept doing that because administrative jobs are routine and easy jobs that do not necessarily need specific specialization. At the same time, I would like to have a good relationship with my boss...” (Employee, K2-NR)

“...I was asked by my boss to fill the gap temporarily until a specialized candidate was appointed. Cooperatively I did. However, when the new candidate arrived seven months later, the boss sent him (the candidate) to take over another job, preferring stability in work. Unfortunately, neither the new candidate nor I are doing the right job for our qualifications and specializations...” (Employee, W1-ER)

It is clear that while Saudiization at strategic level seeks a qualitative and quantitative match between pre-service education and training supply and the demands of labour market, the applied relevance of Saudiization for recruitment tends directly and indirectly to create a problem of qualitative mismatch. This, as mentioned above, can be attributed to the different perspectives on Saudiization, and the drift that has taken it away from its formal strategic objectives.

8.5.2 PURPOSE OF IN-SERVICE TRAINING

The drift in the driving logic, momentum and focus of Saudiization at implementation level has also been found to be influencing the in-service training of Saudi employees. Three of the five managers of personnel departments pointed out that in the past there was a lack of interest among Saudis in attending training courses. According to the personal managers, this was due to the absence of motivation that encourages Saudi employees to nominate themselves and join training courses. It also referred to the unwillingness of Saudi managers to send their employees to training courses since this would double the problem of employee shortage, leading to an accumulation of work and subsequent delays.

The three personnel managers also revealed that in order to tackle this problem training had been linked with promotion. The Saudi Civil Service Law (issued in 1977) has set a standard of one-course training for each promotion point in performance appraisals (Al-Abode and Al-Maashoug, 1998). The main aim of this link is to motivate Saudi employees and their managers to attend training courses and continuously improve their skills and potential. This link between training and promotion seems to be beneficial in terms of increasing the importance of training among Saudis and, therefore, improving the attendance level of training courses. During interviews, the majority of the participating employees revealed their enthusiasm to attend training courses. Most of the participating managers also showed their willingness to let their employees attend training.

However, since there was a lack of awareness about the developmental dimensions of Saudiization at implementation level, this link between training and promotion is negatively influencing in-service training. Instead of providing support and encouragement for training, this link has been interpreted by most of the participants as a condition for promotion. Thus, training courses are no longer attended for the purpose of training itself, but rather to achieve points for promotion. Table 10 illustrates that while 11% of participants attributed their attendance at training to new knowledge, skills and experiences, 80% explained that getting points for promotion was the prime motivation.

Responses	Prime motives of training			
	Promotion	Training	Others	Total
Numbers	46	6	5	57
Percentage	80%	11%	9%	100%

Table 10: Prime motives for attending training courses among the participants

As a result of this interpretation, the sort of training attended becomes irrelevant to task or job performance. This can be seen in the following quotations from the participating employees:

“....So far I have attended 10 training courses, the last one was last month. Some of these courses were not suitable for my actual work, but this was not the case. I attended this number of courses to get points for promotion.....if training was not linked to promotion I would not expect to attend all these courses...” (Employee, B1-HQ)

“...to get an approval to attend a training course, the training course should suit the employment title and the actual work. I usually encounter difficulties getting approval since my employment title does not match my actual work. Nevertheless, I have attended 3 training courses; non of them unfortunately suited my real work. But I attended them to get points required for promotion...” (Employee, W2-ER)

Managers also revealed that they often gave approval to their employees to attend training, despite recognising the irrelevance of the training. Refusal to let employees attend a particular course was confined to reasons such as: a) shortage in the number of employees; b) load or accumulation of work; or c) lack of punctuality or misbehaviour. Refusal was rarely related to irrelevance, inappropriateness or unsuitability of training. The following quotations provide examples of the criteria that the participating managers used to approve or refuse:

“...I know that the main purpose of attending a particular training course is to get points for promotion. So I give approval even if the training courses do not meet work demands...” (Head of Regional Office, HM-NR)

“...There is a lack of training opportunities... refusing to send an employee to a training course means hindering him from getting promoted quickly. Refusal will not only negatively affect my relationship with my employees, but also will affect their morale and, therefore, work....” (Head of Department, Z-ER)

8.5.3 ‘ONE-SIZE-FITS-ALL’

The link between training and promotion has also been found to underestimate the training diversification sought by Saudiization at strategic level. While Saudiization calls for diversification of training sources and approaches to meet labour market needs, the usage of training for other purposes (i.e. promotion) confines training to specific sources and approaches that fulfil this purpose. To the participants in the current study, the Institute of Public Administration (IPA) seems to be the main source of training, while formal and traditional approaches tend to dominate in-service training courses and programs.

As can be seen in Table 11, participants in this study have attended about 222 training courses in total. Most of these (58%) were in the IPA. According to the participants, the IPA’s training courses and programmes were preferable to those provided by other training institutes and centres, not only because the institute is the main governmental body that in charge of training the state’s employees, but also because its general training courses and programs are more recognizable for promotion purposes. On the other hand, courses and programs offered by other institutes such as the Institute for Leadership Training (ILT) were less attractive since they were only conditionally accepted for promotion purposes, usually because they last for less than one month.

Responses	Training Sources			
	IPA	ILT	Others	Total
Numbers	129	58	35	222
Percentage	58%	26%	16%	100%

Table 11: The main sources of in-service training courses for the participants

Formal and traditional courses and programmes were also preferred by the participants. Informal training, such as self-training and on-the-job training, was virtually nonexistent. All the five managers of personnel departments, when asked about the lack of informal training in their organisations, observed that informal courses and programs were not acknowledged by the Saudi Civil Service Law as providing points for promotion. Thus, this type of training was not preferred by Saudi employees, they believe.

Instead of the diversification sought at strategic level, it is obvious that the applied relevance of Saudiization is limited by the linking of training with promotion. This amounts to a 'one-size-fits-all' arrangement at implementation level, where the IPA is the main source of in-service training, and where formal approaches tend to dominate. As the following quotes reveal, this 'one-size-fits-all' reality neither meets job demands nor employees needs:

“...The nature of our job requires working in the field; for example, to prepare, organize and supervise cultural and literary exhibitions.... We feel that we learn from each other in the field better than in traditional training courses.... Nevertheless, we are forced to attend formal training courses for the motive of promotion...” (Employee, A2-HQ)

“..Most training courses are held in the IPA in Riyadh.... My social circumstances make it difficult for me to attend these courses. I live with my parents and I cannot leave them alone....So I have not attended any courses yet...” (Employee, H2-NR)

Furthermore, the 'one-size-fits-all' perspective has been found to be underestimating the processes of training needs assessment. All of the participating employees revealed that they often took personal initiatives to decide what training courses, times and places suited them. While decisions were often made on personal and social grounds, there was a lack of attention to actual work or organisation needs. None of the participants mentioned that training needs were systematically assessed according to the needs of their work. Rather they demonstrated that the role of management was often confined to giving final approval for personal choice. The following quote gives a clear picture as to

how training needs were assessed, and what role management played in the process of assessment:

“..when I am in need of some points for promotion, I take the annual brochure of IPA and look for a training course that suits me, especially my social circumstances, in terms of its time, place and conditions. Then, I apply for it to the personnel department who complete the required procedures The role of my boss is to approve or not, but in part he does not mind...”
(Employee, A1-HQ)

This unsystematic and ad hoc approach to training needs assessment directly reflects on processes of training evaluation. Twenty (91%) of the twenty two managers demonstrated little concern for training evaluation as they basically paid little attention towards training needs assessment. Some of the managers, for example, revealed that there was no need to assess or evaluate training since the prime purpose of attending training was to get points for promotion. Others believed that assessment and evaluation should be the task of personnel departments. This attitude sometimes made it difficult for training outcomes to be applicable at work. ‘Do not open the door’ (do not change anything, or leave everything the same as it is) was frequently mentioned by employees during the interviews as a response given to them by their managers at any attempt to apply what was learnt in training courses.

Personnel departments for their part attributed this lack of training evaluation to inadequate cooperation between clients (i.e. the organisations) and training providers (i.e. training institutes and centres). Two of the five personnel managers stressed that their comments and suggestions about training courses and programs were not taken seriously by the training providers (i.e. IPA). Despite of their comments and suggestions, training courses were run on routine plans without any changes, the personnel managers believed. In his interview, the representative of IPA when responding to this accusation commented:

“...At the end of each training course we give a trainee a questionnaire to fill in about his feedback. As well, we send a report to his organisation and ask for their comments and suggestions to be considered in the next courses. While some organisations send them back,

others send them too late, and others send nothing...” (Representative of Training Institute, IPAR)

It is obvious from this that while a lack of attention is paid to training evaluation, the IPA were more concerned with immediate and reactive evaluations about training courses and programmes. The IPA concentrates on immediate feedback, either from trainees through end-of-course questionnaires or through organisation feedback reports. The IPA also concentrates on reactive evaluation through measures of trainees’ satisfaction at the end of each course or programme. What is learnt and applied to the workplace is not evaluated. Nor is relevant knowledge necessarily retained and applied in organisations. Twenty six (74%) of the thirty five employees revealed that despite their satisfaction with training courses, they often returned from training to do their routine work with little change or improvement.

The finding also gives credence to the view that training evaluation is perceived as a short-term process, focusing only on immediate outcomes and as the one-sided responsibility of training providers (e.g. IPA). Saudiization shows itself to be less than successful in improving cooperation and coordination between Government Bodies, especially those who are in charge of its implementation. This again contradicts the developmental objectives and principles attached to Saudiization at strategic level. In other words, while Saudiization as a governmental strategy for developing native human resources seeks more cooperation and coordination between governmental bodies, the implementation emphasis on replacement and succession tends to weaken such a cooperation. The following quotation provided by the Representative of the Manpower Council is more indicative of this narrow approach to Saudiization and the lack of cooperation that results:

“..The most important objective for us is to create job opportunities for Saudi youth, and other objectives will come subsequently..... Organisational and managerial aspects are less important for us; Saudiization is our primary concern. We assess our efforts of Saudiization by how many job we saudiize. Other governmental bodies such as IPA and MCS are responsible for these organisational and managerial aspects...” (Manpower Council Representative, MCR)

To sum up, it can be said that the applied relevance of Saudiization for training is driven by a different logic from the one that guides it at strategic level. Saudiization, as a strategy of human resource development, concentrates on training as a continuous process that attempts to qualify and train Saudis to be able to replace expatriates and perform their jobs effectively. At implementation level, however, Saudiization as a policy of quantitative succession reduces training in general, and in-service training in particular, to narrow concerns that limit its scope.

8.6 SUMMARY

The main findings of this chapter reveal a superficial alignment between the strategy and applied relevance of Saudiization. In other words, there is a serious gap between strategy and implementation. This is largely attributed to the drift which occurred in the driving logic and momentum behind Saudiization. At strategic level, Saudiization is perceived to be as part of a long-term strategy of development, nurturing native human resources and focusing on economic variability via diversification. The emphasis on replacing expatriates and reducing unemployment replaces this in applied content.

It is obvious that this is not a superficial gap that can be attributed only to an inappropriate selection or miss-implementation of Saudiization. Nor can it be closed simply by changing existing practices or adopting new ones. The inefficiency of recruitment centralization, for example, does not mean that decentralization is the solution. With Saudiization reduced to a programme of succession and replacement, recruitment decentralization could be worse. In fact, the gap between the strategic and implementation aspects of Saudiization is highly complex, and in order to close it, development issue needs to be restored to prominence. In short, Saudiization has to be implemented as a strategy of development rather than a mere programme of replacement and succession.

CHAPTER 9

CHAPTER 9

MISLEADING ASSUMPTIONS ABOUT CULTURAL HOMOGENEITY

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CHAPTER 9

MISLEADING ASSUMPTIONS ABOUT CULTURAL HOMOGENEITY

9.1 INTRODUCTION

As discussed in chapters 4-6, Saudiization conceals a series of assumptions about socio-cultural homogeneity, unitarism and the universality of management practices. These assumptions have been accentuated by the drift that has occurred in driving logic and momentum behind Saudiization at implementation level. For many, substituting Saudis for expatriates means replacing difference with similarity, and diversity with homogeneity. However, our findings reveal that the assumptions about socio-cultural homogeneity are misleading. Subcultural differences and cultural diversities exist within Saudi society, and have a crucial bearing upon the impact of Saudiization.

The significance of these cultural differences and subcultures on organisational life and operational management will be highlighted in the following two chapters, respectively. Meanwhile, this chapter aims to shed light on some of the existing cultural differences and subcultures in the society, including, most prominently, those at religious and ethnic levels, through subtleties of language, and in relation to age. These will be shown to contrast with, and even to contradict, the universal work-related values and relationships promoted by Saudiization, and to affect its prospects of realizing the published strategic aims associated with it.

This chapter begins with a reminder of how the assumption about cultural homogeneity within Saudi society emerged, highlighting the view of the participants, especially officials and senior managers. It then demonstrates how work-related values and relationships differ among Saudis, along cultural and subcultures lines. More specifically, differences between religious doctrines (i.e. Sunnism and Shiism); between tribal and non-tribal communities; between urban and rural areas; and across generations

are shown to be highly significant in generating different work-related values, relationships and behaviour among Saudis. The chapter concludes that the homogeneous image of a single culture, society and nation, promulgated by Saudiization, and by many Western commentators, is misleading.

However, one further point should be registered before proceeding, specifically concerning the link between the source data and the findings that counteract homogeneity and reveal the importance of diversity. It is important to disentangle the variables explored in this chapter to ensure that the key aspects of diversity are effectively indicated by the available data. In other words, that the conclusions drawn are robust and that the connections are sound and effective rather than forced or contrived in any way.

As previously noted (page 154) my respondents represented a rich cross section of the Saudi population. The tables in appendix 2 (a and b) provide profile and summary data. Relevant extracts from these tables are introduced ahead of each sub-section to cement the links between sources and findings. For example, significant contrasts are found between respondents with different tribal affiliations. The logic of exploring diversity makes it imperative to capture the contrasts without slipping to a revised version of homogeneity based on tribe rather than society. This would be no more defensible than Hofstede or Bjerke's treatment.

By the same token, we need to be clear that any discernible contrasts are truly attributable to tribal rather than other influences, than, age, gender or position, for example. In order to demonstrate that a discriminating approach was adopted and that the subsections of this chapter capture independent influences, relevant source material will be tabled in advance to reveal how the data was disaggregated. This will add a confidence factor to the results by showing, for example, that the different tribal respondents also lived in different urban and rural areas, and that age and marital status were considered during data analysis. As the tables reveal, key factors have been separated out to capture significant influences on participant outlook and behaviour. Far

from trying to reproduce homogeneity at sub-cultural level, this chapter disentangles currents and influences that are significant now, at this point in time for respondents, and yet are neglected by more sweeping classifications of the Saudi population. We are highlighting cultural contrasts rather than exhaustive or definitive qualities that are given for all time. In this way, differences and subtleties can be appreciated within a dynamic theoretical framework.

9.2 SAUDI CULTURE AT MACRO AND MICRO LEVELS

As discussed in chapter 4, previous cross-culture studies (e.g. Bjerke, 1999; Bjerke and Al-Meer, 1993; Hofstede 1980; Muna, 1980) make assumptions, implicitly or explicitly, about the cultural homogeneity of Saudi society. The comparative and quantitative approaches used by most of these studies concentrate on common cultural characteristics (i.e. religion, ethnicity and language) at the macro level. They take cultural homogeneity for granted, omitting, or at least downgrading, the significance of subcultures and differences at the micro level.

Based on Islam and Arabic ethnicity, some studies refer to ‘Arab Culture’ as if all Arabs (including Saudis) have the same culture, that can be characterized in a uniform way. Muna (1980), for example, argues that Arabs share with each other three closely interrelated bases of identity and commonality, that is, religion, history and language. He also claims that Arabs live in a strong kinship-structured society, and value loyalty to family, clan and tribe. Hofstede (1980 and 1991) also alleges that collectivism is one of the distinctive dimensions of ‘Arab Culture’. He claims that in collectivist societies “*one owes lifelong loyalty to ones’ ingroup, and breaking this loyalty is one of the worst things a person can do*” (1991: 50). While Muna and Hofstede concentrated on similarities at the macro level, they omitted differences at the micro level. For instance, not all Muslims share the same doctrine, nor do all Arabs belong to tribal communities. Moreover, cultural values such as family allegiance and tribal belonging can be interpreted and articulated in different ways by different people.

This view about Saudi society can be identified in much of the discussion around Saudiization. Due to the drift in its driving logic and momentum (i.e. from being a strategy of development to a program of succession and replacement), Saudiization is assumed by many to substitute Saudis for expatriates, therefore replacing difference with similarity, and diversity with homogeneity. In fact, this was the dominant among participants in the current study, especially officials and senior managers. When discussing the cultural dimension of Saudiization, six (86%) of the seven participating officials and high level managers perceived, hoped and sometimes took for granted the view that Saudiization is a means to minimize cultural differences in work organisations, to promote uniform cultural values among employees, and to create a more homogenous work environment. The following quotations are indicative of their pronounced view about the cultural role of Saudiization.

“... If we look at some expatriate workers who come from different cultural backgrounds, they often take a long time to orientate themselves to the Saudi culture since it differs from the one that they used to live in... Saudis as Muslims and Arabs have the same traditions and norms and can adapt and work anywhere in the country more easily... As sons of the society, they (Saudis) are also more loyal to their society, committed to their organisations and cooperative in doing their job...” (Head of Regional Office, HM-HQ)

“...Saudiization can minimize cultural differences in work organisations since all Saudis have the same religion, belong to the same ethnicity and have common values, traditions and norms... Since they feel patriotism and loyalty to their nation, Saudis show more cooperation in their work than expatriates...” (Head of Regional Office, HM-WR)

It is clear from these quotations that the assumption of socio-cultural homogeneity is built into some comparisons between Saudi culture and the cultures of expatriate workers. These comparisons tend to emphasise common characteristics of Saudi society, such as Islamic religion, Arabic ethnicity, and other common cultural values, norms and traditions, perpetuating the view that Saudi culture is homogenous. The quotations also demonstrate that Saudiization is seriously interpreted as unifying work-related values such as patriotism, loyalty, commitment to the group, cooperation and team work.

Although there are demonstrable characteristics that are widely endorsed across the country and that differentiate it from other cultures, the assumption about socio-cultural homogeneity remains a misleading one. The data confirms that persistent assumptions about homogeneity deflect attention from subcultures and cultural diversity at the micro level. There are subcultures and cultural diversities at a religious level, between tribal and non-tribal communities, between urban and rural areas, and among generations. The following sections clearly demonstrate that subcultures and diversities survive within Saudi society, and that these are reflected in work-related values and attitudes that contrast with the Saudiization assumption of homogeneity.

9.3 SUNNI AND SHIITE DIFFERENCES

Islam is the main religion in Saudi Arabia, and almost all Saudi people are Muslim. Yet, at the micro level, there are various religious doctrines which differentiate the population, notably Sunnism and Shiism. Available statistics suggest that 90% of Saudis are Sunni whereas 10% are Shiite (Al-Farsi, 1990; Alsaeri, 1993). While Sunni Muslims constitute the majority, most Shiites are centred in one region (Eastern), constituting more than half of its people. It is true that Sunnis and Shiites, as Muslim, are united in many ways. Nevertheless, there are significant differences in fundamental areas, such as the interpretation of the 'Quran', 'Hadith' and 'Khilafah', leaving profound differences in belief, doctrine and some religious practices. Since Saudi culture is correspondingly richer than many accounts suggest, these differences in religious beliefs and practices must be incorporated in the analysis of Saudiization. The following sections will explain the differences between the two categories (i.e. Sunni and Shiite) in terms of responses to, and significance for, Saudiization.

There were 52 Sunni and 5 Shiite participants in this study (see table 12). Both categories shared the common view that Saudiization succeeds in creating job opportunities for them as Saudis. However, they were found to demonstrate some differences in terms of work-related values and attitudes, notably around feelings of egalitarianism and discrimination. Before presenting and discussing our findings in more detail, it should be noted that religious topics are very sensitive in Saudi Arabia, hence

the respondents were reluctant to talk explicitly about this at the interviews or even informally. Nonetheless, we have some telling quotations which are significant and indicative of relevant issues. Observational data was also indicative.

Religious Doctrine	No.	Tribal or Non-Tribal		Urban or Rural		Age			Marital Status	
		T	N-T	U	R	25&less	26-44	45&over	M	S
Sunni	52	37	15	37	15	9	19	24	40	12
Shiite	5	3	2	4	1	0	4	1	5	0
Total	57	40	17	41	16	9	23	25	45	12
		57		57		57			57	

Table 12: Demographic variables of Sunni and Shiite participants

9.3.1 SAUDIIZATION: EGALITARIANISM OR DISCRIMINATION

Saudiization is interpreted by the majority of participating officials and high level managers as providing opportunities for a more equal and fair work environment. This interpretation is discernible in the following quotations which tend to support the orthodox view that having people from the same religious background can minimize religious discrimination.

“...We hear frequently that employees in some multi-religious societies suffer religious discrimination at work. This no doubt affects work relationships in particular and the organisation in general. Saudiization, by confining employment to Saudis, minimizes religious multiplicity caused by expatriates, creating a more equal and fair environment at work...” (Head of Regional Office, HM-NR)

“...In the past, our employees, especially expatriates, might have felt a lack of equity when comparing themselves with their Saudi counterparts in terms of salary and promotion systems. Today, in addition to creating a homogeneous workplace in terms of religion, ethnicity, language and cultural values, Saudiization unifies work systems, facilitating more equity and fairness in the workplace ...” (Head of Regional Office, HM-HQ)

For these respondents, egalitarianism seems to be taken for granted as part of Saudiization. The last quotation is particularly indicative. The respondent tended to concentrate on the role of Saudiization to unify work systems (i.e. salary and promotion), assuming that Saudiization has already created a culturally homogeneous

work environment, therefore facilitating equity and fairness. While it is theoretically true that a multiplicity of religious backgrounds may lead to some religious tension or discrimination, it does not necessarily mean that having people with the same religion leads to religious homogeneity, therefore preventing differences and discrimination.

Although they are Muslim and work under the same work systems with their Sunni counterparts, the Shiite participants communicated during their interviews some feeling of doctrinal discrimination. This feeling was indirectly explored when discussing the punctuality of Shiite employees at work. During the field work, it was noticeable that most of Shiite employees were considerably more punctual and conscious of time issues than their Sunni counterparts. They were the first employees to arrive for work and the most diligent in observing the scheduled time for leaving. Participating managers from this regional office where the Shiites are centred also agreed with this observation. Further investigation revealed that there were hidden motives and justifications of such punctuality. Participants were acutely aware of their minority status, fearful of discrimination and keen to prosper.

The five Shiite participants explained during the interviews that their punctuality at work aimed to prove that Shiites are 'better' than Sunnis, despite their minority status. It also aimed to challenge 'inequity', giving managers little opportunity to favour Sunni employees over them. One of the most interesting stories in this regard involved the transfer of one of the Shiite employees. He narrated his story by saying:

“.. One of my colleagues and I applied for transfer to another regional office for the same reason. My colleague's application was accepted, whereas mine was rejected without good reason. Despite punctuality and all the effort exerted in doing my work to have at least equal treatment, unequal criteria were used...” (Shiite Employee, Z2-ER)

Another indication emerged from management delegation to a Sunni employee instead of a Shiite one. This was recounted by a Shiite head of department, and demonstrates the feeling of discrimination among the Shiite participants:

“...The head of the office was on leave for couple of days. I was the one who should have taken over and led the office in his absence according to both my grade and punctuality at work. Nevertheless, somebody else who was of a lower grade was delegated ...” (Shiite Head of Department, W-ER)

Indirectly these two anecdotes were discussed with the head of the regional office, who responded, saying:

“...We keep good employees and often try to dissuade them from transferring to other offices. By contrast, we prefer to get rid of employees who show a lack of performance and attention to punctuality, and often facilitate their transfer.... In any case of absence, I delegate someone who is more familiar with the other departments’ work and can manage the office without difficulties, such as the head of the personnel department ...” (Head of Regional Office, HM-ER)

These observations do not by themselves confirm that real discrimination occurred. What they reveal is a perception or feeling of discrimination among the participants, which in itself is a significant management and organisational issue. These feelings were not acknowledged or considered by senior management. Yet, the frequency of such reported treatment highlights a neglected issue in Saudi society and organisations. Indeed, people on the receiving end of Saudiization do not come from the same religious background. They interpret it through their wider values and experiences. In light of this, it is significant to say that the Saudiization assumption of cultural homogeneity is misleading.

However, this contrast between Sunni and Shiite doctrines should not in any way be taken to suggest that each doctrine is homogenous in itself. The point is that diversity is significant, not that the categorisations in Saudiization are incomplete or need amendment. Categorising rigidly is unrealistic and yet has consequences for interpretations and for job performance. As can be seen in table 12, Sunni and Shiite participants belong to different tribal and non-tribal communities, live in different urban and rural areas, from different ages, and have different marital status. According to these different demographic variables, the participants demonstrated different work-related

values, attitudes, behaviour and relationships. Much of this is discussed in the following sections.

9.4 TRIBAL AND NON-TRIBAL SUBCULTURES

Saudi society is Arabic; most of its people descend from Arabic origins. This generates an impression that there are no remarkable differences in the Saudi society in terms of ethnicity or race. From here, the Saudiization assumption about socio-cultural homogeneity is uncontroversial. However, while it is true that Saudi people are Arabs, not all of them have tribal affiliations. There is a lack of available census data in this regard, since race, ethnicity and tribalism are not officially recognized for the national census in Saudi Arabia (Al-Saif, 1997; Shata, 1985). Nevertheless, it is commonly known that Saudi society is a tribal society and the majority of its people, despite modernization, still maintain their tribal identity. As can be seen in table 13, among the current study’s participants, there are 40 (70%) tribal people (belong to a range of tribes), whereas 17 (30%) are non-tribal.

Tribal & Non-Tribal	No.	Religious Doctrine		Urban or Rural		Age			Marital Status	
		Sunni	Shiite	U	R	25&less	26-44	45&over	M	S
Tribal	40	37	3	26	14	6	15	19	32	8
Non-Tribal	17	15	2	15	2	3	8	6	13	4
Total	57	52	5	41	16	9	23	25	45	12
		57		57		57			57	

Table 13: Demographic variables of Tribal and Non-Tribal participants

As discussed in chapter 4, the commonality of Arabic ethnicity in Saudi society has tempted many previous studies (e.g. Hofstede, 1984; Muna, 1980; Bjerke and Al-Meer, 1993) to assume that Saudi society is homogenous, characterized by common Arabic values, traditions and rituals. These social values, traditions and rituals, as Bjerke (1999) claims, are transferred to work organisations to support social cohesion and relieve stress because they concur with the values of the people involved, and they have no negative consequences for the organisation or any of its members. Similarly, the Saudiization assumption about cultural homogeneity is reproduced by Saudi officials and senior

managers with assertions that Saudi values, rituals and traditions are universal, and positively influence work values, relationships and behaviour in Saudi organisations.

While Saudiization plays a key role in promoting some common social traditions and rituals, reinforcing them at the workplace, data collected for the current research shows that such traditions and rituals are interpreted by the participants in different ways. These become obvious when comparisons are made between tribal and non-tribal communities. As the following subsections demonstrate, since the participants in this study belong to different tribal and non-tribal communities, their orientation to work reflects different interpretations of common social traditions and rituals. These differences have been found to generate different work-related values and relationships in Saudi organisations, contrasting with the Saudiization assumptions about cultural homogeneity and universal work-related values.

9.4.1 COLLECTIVISM: POSITIVE COOPERATION OR NEGATIVE INFORMALITY

In their interviews, the majority of officials and high level managers showed a belief that Saudis are group-oriented people, and that Saudiization utilizes this orientation to create a collective work environment. They cited some of the common social events and activities in Saudi society, such as welcoming parties, collective breakfasts and wedding ceremonies, and claimed that Saudiization transfers such social events and activities with their collectivistic values and meanings to the organisations, shaping work values, relationships and behaviours with a sense of solidarity, cooperation and working as one family. Investigation reveals that there are differences in the way these social events and activities are interpreted and reproduced within tribal and non-tribal communities. Consequently, the influence of these events and activities on work values and relationships is also different.

Welcoming Party

According to the participants in the study, a welcome party '*Azoomah*' for a new neighbour is one of the most important social traditions in tribal communities. When a

person moves in to a tribal society, for example, neighbours have to invite him to a welcoming party. This aims to introduce the new neighbour and to break the ice. Similarly, when a new employee is appointed to an organisation located in a tribal community, his colleagues arrange a collective welcome party for him. In their interviews, Twenty nine (73%) of the tribal participants revealed that welcoming parties are very important and often impress them, making their relationships at work more collective.

“... Last year I was transferred to this organisation....as soon as I embarked on my new job, my colleagues made a welcome party for me. It was really a good start and had a positive influence in breaking the ice between us and enhancing our relationships at work... We work together in more cooperative environment...” (Tribal Employee, A4-HQ)

“....A new employee is deemed as a guest with the right of hospitality. Thus, we are keen to give him his right through, at least, organising a welcoming party on his honour... Not participating in such parties is considered shameful and must be avoided..., I see the positive influence of such parties in creating a sense of collectivism and cooperation at work, either among employees or between them and the management...” (Tribal, Head of Regional Office, HM-NR)

It is obvious from these quotations that welcoming parties are positively interpreted by tribal participants to be as a means of enhancing collectivism and cooperation between them, reflecting positively on their work relationships and job performance. Moreover, not having a welcome party seems to generate negative reactions for tribal people at work. Twenty three (58%) of the tribal participants pointed out that not having welcome party indicates a lack of consideration of social traditions and customs by work organisations, something which is unacceptable to them. The reaction of a tribal participant who was transferred to another non-tribal society and had not been welcomed in a collective party is indicative of such negativity.

“...Despite the importance of welcoming parties and hospitality as a part of our traditions and customs, I missed them when I was transferred to work for another organisation in a non-tribal community ...They did not welcome me the same as we usually do for new employees. In fact, this kept our relationships more formal and confined to work only... I felt a stranger and could not cope with the situation, so I asked for a quick transfer” (Tribal Employee, H1-NR)

In non-tribal communities, by contrast, welcoming parties are not as important as in tribal communities. A person may move in to a non-tribal community and leave it later without being welcomed or even known by neighbours. In organisations, welcome parties are also of no concern, or rather are interpreted by non-tribal people in a different way. For fourteen (82%) of the seventeen non-tribal participants, it is not necessary to have welcoming parties for new employees. Not having a welcome party seems to be normal and does not have any influence or adverse effect on their relationships.

“...We do not have these parties in our organisation ... I did not expect to have such parties either when I got appointed in my previous organisation or when I got transferred to the current one...” (Non-Tribal Employee, D2- WR)

“....Having a welcome party or not does not mean anything to me. I have good relationships with my boss and colleagues without that...” (Non-Tribal Employee, D1-WR)

Beyond the lack of value that some placed upon welcoming parties, other claimed that they have a negative influence on work. Some of the non-tribal participants (especially managers) believe that such parties can weaken the formal working relationships and therefore undermine the job performance of employees.

“...welcoming parties often depend on personal relationships. I believe that such parties mix work relationships with social and personal relationships, which no doubt will reflect negatively on job performance... For me, I prefer to separate work from social and personal life ...” (Non-Tribal, Head of Department, Z-ER)

It is obvious that these contrasting views have cultural roots. In other words, the meaning, purpose and importance of welcome parties varied among the participants according to cultural differences between tribal and non-tribal affiliations. These variations, as shown above, inform different work-related values and relationships, with contrasting influences on job performance in Saudi organisations. This finding indicates that the influence of cultural diversity within Saudi society on work-related values and relationships can be high. Correspondingly, the failure to consider or manage such diversity under the assumption of socio-cultural homogeneity can have a negative

influence on performance improvement, hindering the Saudiization mission of development.

Collective Breakfast

Another cultural difference between tribal and non-tribal communities was identified through the idea of collective breakfasts in work organisations. In tribal communities, employees were observed arranging informal, collective breakfasts, either at organisation or department level. Each employee, for example, brings a home-made breakfast which is consumed collectively before starting their work. Alternatively, employees contribute to a monthly budget for buying and preparing collective breakfasts. By contrast, in non-tribal communities, employees were observed having their breakfast individually, avoiding collective arrangements.

During the field work, there was a chance to attend some of these collective breakfast meetings. Clearly they were used to enhance informal and social relationships within organisations. They were also used for raising and discussing work issues, suggestions and decisions in an informal way. Apart from understanding advantages and disadvantages, it was important, at this point, to appreciate why collective breakfasting varies between Saudi organisations, and whether and to what extent it impacts upon work values and relationships.

When discussing collective breakfasting with the participants, it became clear that this social idea is interpreted in different ways, reflecting differently on work-related values and relationships in the case organisations. Significant differences can be detected in the following quotations.

“...Socially, we are used to have our meals collectively. At home, for example, all of my family members have to sit together to have meals collectively. In our social events such as wedding and ‘Ead’ ceremonies food is served collectively, too. It is a shame to eat or to have your food in the presence of somebody else with out inviting him to join you. Collective breakfasting in our department, besides maintaining our traditions and rituals, contributes to breaking formality and enhancing our relationships at work...” (Tribal Employee, T3-SR)

“...I am against the idea of collective breakfasts. An employee can have his breakfast alone in his office without a gathering. Collective breakfasts in organisations undermine formality at work, and are often abused, wasting work time, unfortunately...” (Non-Tribal Employee, B3-HQ)

While it is normal in non-tribal communities to have your food individually, this is considered shameful and socially unacceptable in tribal communities. In the workplace, collective breakfasts are interpreted by the tribal participants as a means to enhance informal relationships and in turn increase cooperation and collectivism at work. By contrast, collective breakfasts are interpreted by the non-tribal participants as undermining formal relationships at work, and as a matter of wasting time. These variations in exercising and interpreting collective breakfasts in the workplace are attributed to cultural differences between tribal and non-tribal communities. This contrasts with Saudiization assumptions about cultural homogeneity in Saudi society. It also contrasts with senior management ideas about generating universally positive work-related values and relationships among Saudis.

Wedding Ceremonies

According to the majority of tribal participants, when a tribe member gets married he has to invite all of his relatives, friends and tribe members to the wedding ceremony. Invited people often attend the ceremony in groups (e.g. families or group of friends), presenting a gift, usually money, to the bridegroom to assist the couple in their new life. The gift is often presented in the name of the group rather than individually, emphasising the collective sense in tribal societies. Attending the wedding ceremony is very important for tribal people, especially when absence without reasonable excuse may negatively affect social relationships among them. Ignoring or omitting any member of the tribe or any friend from the wedding ceremony can also weaken social relationships.

Similarly in work organisations, when a tribal employee or any of his family members get married he has to invite all of his work colleagues. For their part, the colleagues attend the ceremony as a group presenting a gift in the name of the organisation. For sixty three per cent (25 of 40) of the tribal participants, both the invitation and actual

attendance at a colleague's wedding ceremony is very important, and reflects upon subsequent work relationships. The following two stories indicate why this social event is important for tribal participants and how it reflects on their work relationships.

“...when I got married I distributed invitation cards to all of my work colleagues to attend the wedding ceremony. Although they attended the ceremony, they were not as many as I expected..... Honestly, I feel that my relationship with those who were absent has become not as good as it was.....” (Tribal Employee, E1-HQ)

“...My son got married one month ago. I had invited all the office staff to the wedding ceremony since it is socially not acceptable to ignore work colleagues. Or rather, the absence of work colleagues is sometimes interpreted as having bad consequences at work... As they all attended, I was very happy and proud of my colleagues in front of my tribe's members. No doubt, such a social event strengthens our informal relationships and leads us to feel as one family...” (Tribal, Head of Regional Office, HM-SR)

While invitation and wedding attendance are interpreted by the tribal participants as very important and necessary for reinforcing social, informal and collective relationships at work, the non-tribal people in our sample report that invitations for wedding ceremony are often confined to relatives and close friends. Collective attendance is not common, and apologies are socially acceptable. It is also not necessarily, and even not preferable, to invite work colleagues. Non-tribal participants considered wedding ceremonies to be a personal matter, separated from work. They also believed that such a social event can weaken informal relationships at work, introducing subjective personal and social influences. The following quote is illustrative of the dominant view among the non-tribal participants.

“...It is not necessary to attend a wedding ceremony unless it is for a relative or close friend... While attending the wedding ceremonies of employees may reinforce social relationships at work, these informal relationships put the manager under pressure when applying work systems ...” (Non-Tribal, Head of Department, D-WR).

It is obvious from this presentation that Saudiization can transfer social traditions and events to work organisations. However, this does not necessarily mean that these

traditions and events have uniform values, meanings and interpretations among Saudis. Rather, they are interpreted in different ways according to cultural differences between communities. These differences provide evidence that subcultures and cultural diversities exist in the Saudi society, exerting a significant impact on work values and relationships within organisations.

9.4.2 FULFILLMENT OF SOCIAL DEMANDS DURING WORK TIME: LACK OF PUNCTUALITY OR FLEXIBILITY

During the interviews, four (57%) of the seven officials and senior managers mentioned that Saudiization is not all positive, but actually has some disadvantages. The most pressing from their standpoint is the problem of frequent absence, Saudi employees regularly arriving late and leaving early. This was associated with Saudiization by the officials and managers, who considered such behaviour to be universal, a characteristic of the conservative and collectivistic culture of Saudi society. In other words, Saudi employees live and work in a conservative and collectivistic society that puts on its male members social demands and obligations such as dropping off and picking up wife and children from work and schools, visiting the doctor with any family members, regardless of the business costs to their organisations. As these demands exert pressures on the Saudi employee, he has to fulfil them even at work time, they believed.

This universal view of the perceived lack punctuality of Saudi employees falls in line with Muna's (1980) claim that it is not easy for Arab executives to compartmentalize their business life, their social life, and their personal life. It is also associated with Bjerke's (1999: 118) allegation that in Arab culture, including Saudi culture, *"loyalty (to family, tribe or friendship) is seen as a virtue and considered more important than efficiency. The latter may even be ranked as a tertiary value"*. It seems that this view is influenced considerably by the assumptions about cultural homogeneity attached to Saudiization, since it focuses only on commonalities at the macro level, ignoring differences at the micro level.

Our data demonstrates that work behaviour such as absenteeism, late arrival and early departure, can be interpreted in different ways, even within the same society. In their interviews, most of the seventeen non-tribal participants considered such behaviour to be unacceptable and to be avoided. Thus, nine (53%) of them resorted to using the family driver to fulfil social demands on their behalf as an attempt to maintain their work punctuality:

“...I have a family driver (a foreign driver) who takes over dropping off and picking up my wife and children from schools. He also helps me to finish lots of things while I am at work... He helps me to save time and to attend and leave work on time ...” (Non-Tribal Employee, W2-ER)

“...while being at work, most of my personal and family business is done by the family driver... This minimizes my absence and the need to ask for permission to come late or to leave early ...” (Non-Tribal Employee, D1-WR)

By contrast, this work behaviour was considered by twenty seven (68%) of the forty tribal participants as normal. Flexibility here was considered necessary. They pointed out that having a family driver is socially acceptable and may offer some kind of prestige in non-tribal communities, using the driver for such purposes is socially unacceptable in tribal communities, unless confined to special circumstances, such as disability or illness. Thus, managers should consider their social traditions and norms and ‘turn a blind eye’ to late arrival or early departure, they believed.

“... I take my daughters to their colleges and schools every day. Although this sometimes means that I’m late coming to work, flexibility is necessary in this case. I cannot let them go with a stranger such as a family driver. It is not religiously nor even socially acceptable to send a woman out without ‘*Mahram*’ (e.g. her father, brother, husband and son)...” (Tribal, Head of Personal Department, PM-WR)

Universal views about the perceived lack punctuality of Saudi employees and the role of the conservative and collectivistic culture of Saudi society tend also to ignore the differences at individual levels. In a recent study of the factors influencing punctuality in Saudi Arabia, Al-Maufe and Al-Mhna (2002) demonstrate that incidence of

absenteeism, late arrival, early departure and leave from work, vary among Saudi employees according to demographic differences. The data collected for the current research supports Al-Maufe and Al-Mhnas' findings and reveals that one factor can have different influences on different people and in different situations. Dropping family members at work and school, for example, was found to be the main reason for late arrival. However, it was also considered by others to be one of the main factors encouraging them to come early to work.

“..During school days I take my children to their schools and come to the work earlier, sometimes before work time, since it is difficult to go back home and then come to work. But, during school breaks and holidays I come to work little late...” (Non-Tribal, Head of Department, D-WR)

From this discussion, it is obvious that there are cultural and subcultures differences within Saudi society, despite that common Arabic ethnicity. By contrast with the Saudiization assumptions about homogeneity and universalism, participants from tribal and non-tribal communities were found to interpret and exercise the common social events, rituals and traditions differently. This, in turn, reflected upon work values, relationships and behaviour. Again, this provides evidence that the Saudiization assumption of cultural homogeneity is misleading, an argument that is reinforced by events at community level. The next section extends this argument to recognise urban and rural subcultures within both tribal and non-tribal communities.

9.5 URBAN AND RURAL SUBCULTURES

Arabic is the official and public language used in Saudi society. There is no multiplicity around language, nor other languages to acknowledge. This commonality, for some like Bjerke (1999), is taken to be indicative of cultural homogeneity. As discussed in chapter 4, he suggests some uniform rules of conversation to be used in Arab society for effective communication, ignoring cultural differences and subcultures within the society. Similarly, all the seven participating officials and high level managers emphasised, during the interviews, the advantage of Saudiization in promoting the same language (i.e. Arabic), especially slang language, as a way of minimizing linguistic

differences, avoiding overlaps and misunderstandings, and improving communication in organisations.

Despite such claims, using the same language does not in itself signal commonality. While the Arabic language is the only language used for written and verbal communications in Saudi society, our data reveals significant cultural contrasts at the micro level, especially when nonverbal communications are included. From the observational part of the research, some important differences were identified in the significance of gestures and body language (e.g. tone of voice, hand movements, and handshaking). These were magnified during contact with urban people (the city-dwellers) and rural people (the village and countryside-dwellers). Among the participants in the study, there are 41 (72%) urban people, whereas 16 (28%) are rural (see table 14).

Urban & Rural	No.	Religious Doctrine		Tribal or Non-Tribal		Age			Marital Status	
		Sunni	Shiite	T	N-T	25&less	26-44	45&over	M	S
Urban	41	37	4	26	15	7	14	20	32	9
Rural	16	15	1	14	2	2	9	5	13	3
Total	57	52	5	40	17	9	23	25	45	12
		57		57		57			57	

Table 14: Demographic variables of Urban and Rural participants

9.5.1 LOUD VOICE: LACK OF RESPECT OR SELF-CONFIDENCE

While collecting data in the Western Region, one of five visited during the field work, it was observed that some employees relied upon a particular style of conversation during the interviews. This style was characterized by a loud voice and exaggerated usage of hands when expressing opinions or ideas. This drew attention to nonverbal communication, especially voice tone and hand movements, in an attempt to understand whether there are significant differences between the participants. Recognising such contrasts, of course, challenges the Saudiization assumption of linguistic homogeneity in particular, and cultural homogeneity in general.

During the interviews, the participants were asked indirect questions like ‘Why do some people raise their voice and exaggerate hand movements during conversations?’ In answering this question, fourteen (88%) of the sixteen rural participants demonstrated a preference for avoiding loud discussion and hand movements while speaking, considering such a style to be indicative of rudeness and lacking respect. This, as can be seen in the following quotations, could signify conflict and dispute, and therefore reflect badly on work relationships. They believed that a low voice while speaking with others is desirable as a way of showing respect, especially to *Shikhs* (the tribes’ leaders), teachers, managers and elderly people. The following two quotations are indicative of this rural view of nonverbal communication.

“...A loud voice and hand movements while speaking are socially considered as a lack of respect of others or may be rude, especially when talking with someone who is older than you....” (Rural Employee, T2-SR)

“... Two years ago we had a Hadhari (urban) employee... Since he was talking and discussing in a loud voice showing a lack of respect, I always got into conflicts and disputes with him....” (Rural, Head of Department, T-SR)

By contrast, nine (22%) of the forty one urban participants expressed their view that speaking loudly and magnifying meaning with hand gestures is socially acceptable. As can be seen from the following quotations, they believe that such a style of conversation contributes to sincerity, convincing others about their ideas and opinions. By contrast, a low or vibrant voice is indicative of a lack of self-confidence.

“... I do not like a low or vibrant voice when talking with others since it indicates lack of self-confidence and weakness in the personality ...Using hands movements can also help to clarify my idea...” (Urban Employee, C2-WR)

“...When I talk with my colleagues or friends, I feel that low voice cannot transmit my opinions convincingly... Speaking loudly and using hand movement are normal in our society...” (Urban Employee, C3-WR)

9.5.2 STANDING HANDSHAKING: RESPECT OR COMPLIMENT

Handshaking is another interesting convention that signifies difference as much as commonality in Saudi social relations. ‘*As-salaam Alaikum*’ (peace be upon you) is a universal salutation in Saudi society. ‘*Wa Alaikum as-salaam*’ is the standard reply and means, ‘and upon you, peace’. In addition to this structured series of verbal exchanges, Saudis greet each other with hand shaking and kisses. However, while the handshake is the common form of greeting in the Saudi society, a significant difference has been found in the way that the handshake is performed.

Most of the urban participants observed shaking hands were seated. By contrast, all of the rural participants were shaking hands while standing up with, sometimes, kisses on the nose. This difference has been interpreted through the eyes of the participants themselves. Thirteen of (81%) of the sixteen rural participants, for example, considered sitting when handshaking as a lack of respect, as arrogance or an unwillingness to meet the other person, which is socially unacceptable. Twenty three (56%) of the forty one urban participants considered standing up when handshaking and kissing on nose as some kind of courtesy, compliment or flattery, which is not necessary (see Table 15).

Gestures and Body Language	Different meanings for different people	
	Urban People	Rural People
Tone of voice and hand movements	Loud voice, and hands often used. Socially accepted A way to show self-confidence To transmit opinions convincingly	Low voice, and hands rarely used. Socially recommended A way to show respect A way to avoid conflict
Handshaking	Shaking hands when seating Socially accepted An indication of normality	Shaking hands when standing up Socially required An indication of respect and modesty

Table 15: a summary of observed cultural differences in gestures and body language between urban and rural people.

These comparisons around using and interpreting gestures and body language indicate that there is high possibility of differences and even mis-communication between Saudi employees, despite the commonality of the Arabic language. Failure to recognise such differences could result in mis-communication or be a source of conflict and dispute, damaging relationships at work. These communicative differences between urban and

rural participants support the basic argument that cultural differences exist even within Saudi society, and that the Saudiization assumption of socio-cultural homogeneity is misleading.

However, does this difference between urban and rural people mean subcultural homogeneity within each category? Of course, it does not. Based on the different demographic variables of the urban and rural participants shown in table 14, the next section highlights how cultural differences can exist even within the same category of people operating across generations, for example.

9.6 CULTURAL DIFFERENCES ACROSS GENERATIONS

As can be seen from chapter 4, the homogeneity of Saudi culture in particular and Arab culture in general has also been claimed in the literature to be based on some common and prominent social values such as family allegiance, tribal belonging and friendship commitment. Bjerke (1999: 115-116), for example, perceived that as Arab people are born and socialized into extended families and clans, there is a deep commitment to family honour, loyalty and responsibilities among them. Thus, he explicitly assumed that *"...as far as fundamental values are concerned, Arabs show a homogenous pattern."* From a similar viewpoint, Muna (1980) portrayed Arab society as one where family and friendship remain important even in the functioning of formal institutions and organisations. Other studies like Bjerke and Al-Meer (1993) and Hofstede (1980) implicitly attribute the cultural homogeneity of Arab and/or Saudi society to collectivism. This collectivistic imagery portrays Saudi Arabia as a group-oriented society where there is concern and emphasis on kinship ties in both social and working lives.

Four of the seven participating officials and senior managers in the current study rehearsed similar popular images, stressing the universality of social values (i.e. family allegiance, tribal belonging and friendship commitment) in the Saudi society. They also assumed, expected and hoped that these values would maximize the sense of solidarity, commitment and cooperation, and minimize conflict, misunderstanding, and self-interest

among Saudi employees. In fact, the majority of the participants revealed, during their interviews, a strong belief in the importance of these social values and a higher adherence to them, particularly family allegiance. The main reason, as can be detected in the following quotations, is that these values are considered essential to Islamic manners and Arabic traditions.

“..Islam enjoins on us to obey our parents and to be dutiful and good to them. Family allegiance is considered as some kind of worship. Hence, I live with my parents, take care of them, usually consult them, and follow their advice... Islam also urges us to keep in touch with our relatives through constant visits and enquiries.....” (Employee, F1-SR)

“...In our society, belonging to a particular family and tribal is an honour. So, everybody is proud of his family and tribe... To express our gratitude and appreciation to our parents, grandparents and leaders we usually give our children their names... ” (Employee, W1-ER)

Despite broad agreement on the importance of family allegiance, tribal belonging and friendship commitment, the participants demonstrated significantly different interpretations and attitudes towards these social values. The most significant were observed between older and younger generations of participants. Most of the older participants (45 and over) were found to interpret social values as moral obligations, which should not be ignored. For the majority of the younger participants (25 and under), these values were considered to be social pressures that should be relaxed at work. These differences between older and younger generations were found to reflect on different work-values and behaviour in Saudi organisations.

Age	No.	Religious Doctrine		Tribal or Non-Tribal		Urban or Rural		Marital Status	
		Sunni	Shiite	T	N-T	U	R	M	S
25&less	9	9	0	6	3	7	2	1	8
26-44	23	19	4	15	8	14	9	19	4
45&over	25	24	1	19	6	20	5	25	0
Total	57	52	5	40	17	41	16	45	12
		57		57		57		57	

Table 16: Demographic variables of Old and Yong participants

9.6.1 SOCIAL VALUES AND TRADITIONS: MORAL OBLIGATIONS OR SOCIAL PRESSURES

Among twenty five older participants, nineteen (76%) agreed that social values, like family allegiance, are moral obligations and should not be ignored. For example, they believed that family members and relatives should provide help and cooperation either in social life or in the workplace. This was expressed in the interviews through phrases like '*relatives have top priority for favour over others*' and '*start with your relatives*'. The older participants also believed that the collective interest of family and relatives should take precedence over individual interests. This was exemplified, as can be seen in the following quotations, by rejecting external promotions and/or training opportunities in order to stay close to family and relatives and to take care of them.

“...I have recently rejected getting promoted and transferred to another regional office. The main reason for that was my social circumstances entailed my being close to my elderly parents and looking after them. It is unacceptable to leave them alone. Rather I have to sacrifice my promotion to give them more care and attention....” (Employee, 46 years old, W1-E/R)

“...Last year, there were a number of training opportunities available for me. Despite the importance of training to get promoted, I rejected all these opportunities as they were external training (in another region). I have to stay close to my parents, family and young brothers and sisters and look after them... (Head of Personal Department, 50 years old, PM-NR)

Interpreting social values as moral obligations also led the older participants to put collective interest of family and relatives over work duties. One older participant was in a hurry to leave his interview. He asked to postpone the interview to another time and justified this by saying:

“ ... I just received a call that some of my relatives are coming today (from another city). I have to pick them up from the airport and to prepare a collective dinner (*Azoomah*) in their honour... They are coming to have some medical check up at the hospital. As I have to accompany them, I don't think I will be in tomorrow either, I am sorry... ” (Employee, 48 years old, A2-HQ)

Older participants also pointed out that fulfilling such social needs is very important to maintaining a good reputation in society, not only an individual reputation but also family and tribal reputation. They stressed that as long as a person meets his relatives' social needs, he will be characterized in the society with phrases like "*Wnaam*" (i.e. he is a helpful person) and "*May Allah brighten his face*" as an indication of having a good reputation.

Although fulfilling the social needs of family, relatives or friends is not confined to a particular generation, it is obvious that the older participants were doing this with a strong conviction. The 'power situation' of old participants as fathers or oldest brothers may contribute to this. According to some Saudi sociologists (i.e. Al-Saif; 1997; Shata, 1985), the hierarchical structure of the Saudi society places fathers and older brothers in higher social positions in terms of respect and obedience, and puts social responsibility on them towards their young relatives.

In comparison with the older participants, the majority (77%) of younger participants revealed that family allegiance, tribal belonging and friendship commitment exert social pressures on them at work. Five young participants demonstrated that although they were unconvinced about putting the social interests of their families and relatives over work duties, they were sometimes forced to do so in order to avoid any social blame. They added that not meeting social needs, whatever the reason, would be interpreted by relatives or friends as an indication of helplessness and lack of loyalty to the family, tribe or friendship.

Two other younger participants demonstrated that, despite the importance of social values (in particular family allegiance and friendship commitment) they always try to get free of them at work. They believed that linking such values to work would add social pressures on them that could negatively affect their punctuality, performance and, therefore, their reputation. Thus, the younger participants, as can be seen in the following quotations, considered that individual reputation should be maintained through punctuality and success at work.

“..I think family and friendly relationships should be separated from work... I always try to maintain a good reputation for me and my family by being more punctual and behaving and performing well at my work...” (Employee, 24 years old, A3-HQ)

“...I have a lot of friends who agree with me that our friendships should be on one side and work on another. In fact, this helps me to do my work freely and without any social pressures that some of my co-workers suffer from... Success or failure at work does not refer only to the individual but also to the name of his family. Hence, I do my best at work to maintain a good reputation for me and my family...” (Employee, 23 years old, K3-NR)

This finding can be attributed to characteristics such as single status, feelings of independence and desire to build a future career. It can also be related to change, as Al-Saif (1997) emphasizes in his sociological study of the Saudi society, that most of the Saudi cultural values, traditions, conventions, norms, customs and rituals have considerably changed over time. He finds differences between older generations (grandfathers and fathers) and younger generations (sons and grandsons) in terms of interpreting, expressing and articulating the social traditions that encourage sons to live with their parents in a single home. While the former consider living with parents in a single home to be necessary and indicative of loyalty and dutifulness, the latter believe that independence is necessary, but it does not mean disloyalty or being undutiful.

This finding is also in line with the findings of Al-Turky's (1987) study of the social values and concepts in Saudi society. In a longitudinal study of an urban community, Al-Turky finds significant variation among generations in terms of the perspective on family and kinship. While the older generation emphasized the extended family, the younger generation preferred autonomy with their nuclear family. She concludes that Saudi social values and traditions changed over time, according to the influence of many different economic and social variables.

In general, as opposed to what the officials and high level managers regard as universal meanings, positive influences and common social values in Saudi society (e.g. family allegiance, tribal belonging and friendship commitment), the findings in this section reveal significant cultural differences between older and younger participants. These

differences show that common social values can be interpreted, expressed and articulated in different ways by different people, reflecting different work-related values and behaviours in Saudi organisations. These differences provide evidence that culture is not static, but changes over time, contrasting with the Saudiization assumption of homogeneity and suggesting cultural diversity instead.

9.7 SUMMARY

As mentioned above, the cultural differences between Sunni and Shiite doctrines, between tribal and non-tribal communities, between rural and urban people, and across generations, as revealed by the study’s participants, do not suggest that there is subcultural homogeneity within Saudi society. While there are cultural differences between Sunni and Shiite doctrines, people from each doctrine belong to tribal or non-tribal communities. These communities culturally differ from each other, despite the common Arabic ethnicity. Within each community, people also live in urban or rural areas where there are linguistic differences which are magnified by gestures and body language, despite the commonality of the Arabic language. Older and younger generations also differ in terms of interpreting, expressing and articulating common cultural values, despite living in the same urban or rural areas (see Figure 6).

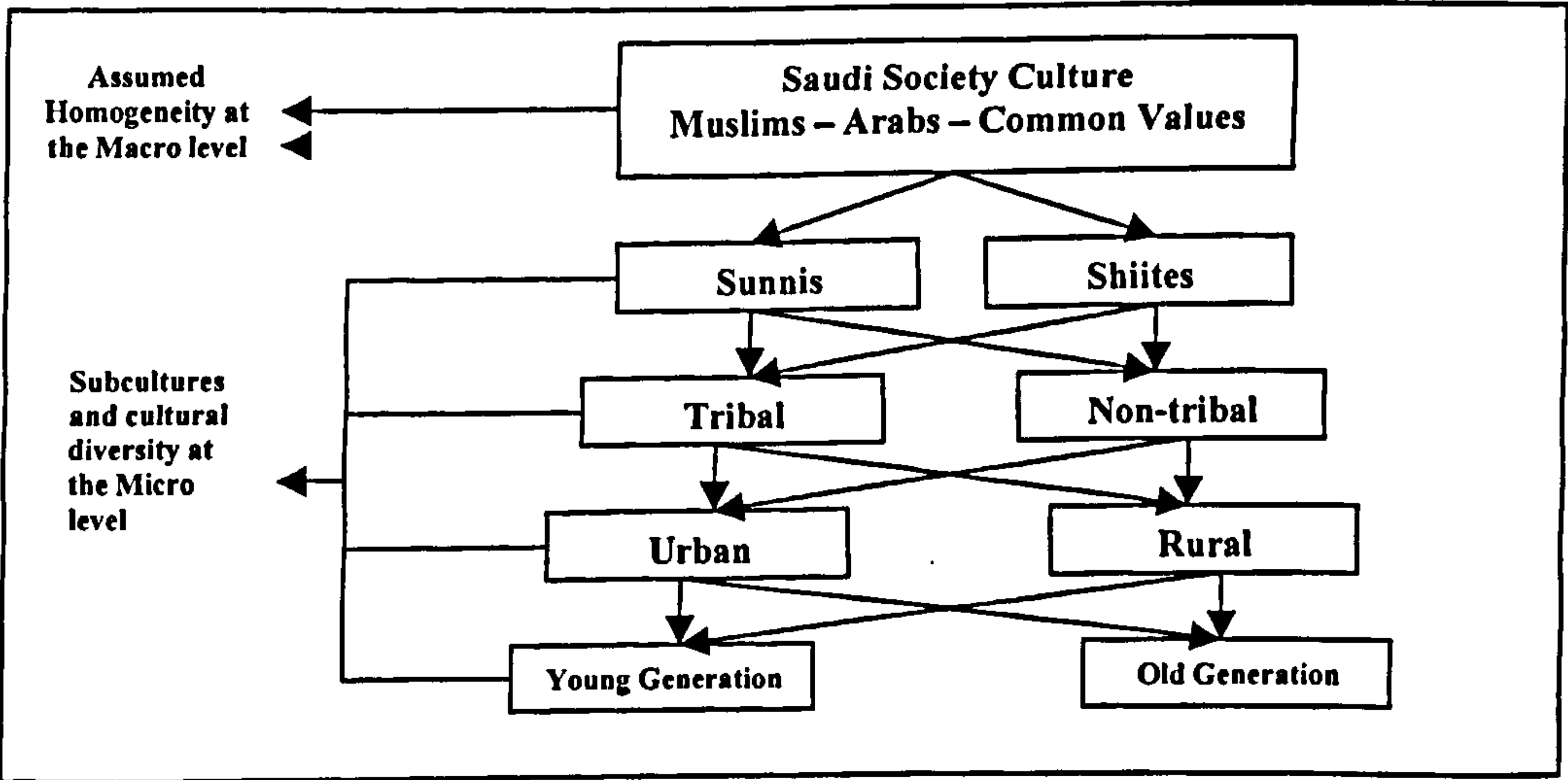


Figure 6: Subcultures and cultural diversities within Saudi society at the micro level.

The significance of these cultural differences is twofold. First, there is a simplistic and superficial view in the literature towards Saudi culture in particular and Arab culture in general. A common view is that Saudi culture is homogenous since Saudi people have the same religion, language, ethnicity and share common values. Consequently, it is claimed by some (e.g. Bjerke, 1999 and Hofstede, 1980) that Saudis share similar work-values, beliefs and attitudes, exchange similar work relationships and behave in a common way. From here, Saudiization reinforces such homogeneity and universalism, and by extension is promoted as having a positive effect on job performance. However, the findings in this chapter show that such assumptions about homogeneity and universalism are over simplistic and misleading. There are subcultures and cultural differences which are found to be reflected in diverse work-related values, relationships and behaviours in Saudi organisations. These diversities need to be recognized and addressed. Ignoring or paying little attention to such diversities can negatively impact on job performance, rendering the developmental mission of Saudiization problematical.

As chapter 10 will reveal, the significance of cultural diversity is that Saudiization transfers unrealistic cultural ideas and ambitions into work organisations, creating the possibility of tensions and misunderstanding. Organisations in tribal communities have been found to reflect organisational cultures that differ from their counterparts in non-tribal communities. For example, some participants in the study revealed a propensity towards collectivistic work and informal relationships at work since they live in tribal communities. By contrast, the participants from non-tribal communities demonstrated remarkably high tendencies towards individualism and formal relationships at work. Anticipating chapter 11, these cultural diversities have a bearing upon management practices in Saudi organisations. For instance, management practices on performance appraisal have been found to be interpreted and implemented differently by tribal and non-tribal participants. With Saudiization, the connection between cultural differences and management practices seems to be overlooked. As the current chapter concentrates more on showing the cultural differences and subcultures in Saudi society, the influence of these differences on organisational cultures and management practices is demonstrated in more detail in the following two chapters, respectively.

CHAPTER 10

UNITARY TREATMENT OF ORGANISATIONAL CULTURE

10.1 INTRODUCTION

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10.2 ORGANISATIONAL CULTURE AND ILLUSORY CHANGE

As discussed in chapter 5, previous studies claim that Saudi public sector organisations mirror the hierarchy of Saudi monarchic government (e.g. Al-Ashar and Pearce, 1993; Chackarian and Shadokhi, 1983), are classic examples of public sector bureaucracy (e.g. Ahmed, 1991; Bhuiyan, *et al.* 2001), and reflect the collectivism of Saudi culture (e.g. Al-Twaijri and Al-Manniza, 1996; Bjerke and Al-Mear, 1993). Focusing on these organisational characteristics (hierarchy, bureaucracy and collectivism), the Saudi

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10.1 INTRODUCTION

As a result of the misleading assumptions about cultural homogeneity, Saudiization is perceived by some to exert an enabling influence on organisations, changing organisational cultures in a 'positive way'. As discussed in chapter 5, this perception of Saudiization as a promotional movement highlights its potential to minimize cultural differences among and within Saudi organisations, creating a unitary organisational culture that will deliver improvements in job performance and effectiveness.

By collecting data from different regions, organisations and departments, this study finds that although Saudiization commonly exerts an enabling influence on the case organisations, the idea of a unitary organisational culture remains unrealistic. To present this finding clearly, this chapter concentrates on two main comparisons: 1) between organisations at regional level, demonstrating cultural differences according to location and size, and 2) between departments at organisational level, demonstrating subcultures influences according to location and nature of work. Before moving on to the details of these comparisons, a commentary on how Saudiization aims to change organisational culture is appropriate.

10.2 ORGANISATIONAL CULTURE AND ILLUSORY CHANGE

As discussed in chapter 5, previous studies claim that Saudi public sector organisations mirror the hierarchy of Saudi monarchic government (e.g. Al-Aiban and Pearce, 1993; Chackerian and Shadukhi, 1983), are classic examples of public sector bureaucracy (e.g. Ahmad, 1991; Bhuian, *et al.* 2001), and reflect the collectivism of Saudi culture (e.g. At-Twajjri and Al-Muhaiza, 1996; Bjerke and Al-Meer, 1993). Focusing on these organisational characteristics (hierarchy, bureaucracy and collectivism), the Saudi

government hopes that Saudiization will create uniform corporate cultures among and within Saudi organisations, promoting the core principles of clarification, regulation, patriotism, loyalty, cooperation, and productivity (Al-Adaily, 1983; Alsinani, 1998; The Manpower Council, 1997).

In the case organisations, it has been found that Saudiization, accompanied by the recent efforts of the government to restructure public organisations (through unifying the application of the Civil Service Law for Saudis) reinforces the governmental hierarchy and public bureaucracy. All five organisations were dominated by universal hierarchical structures and standardized bureaucratic systems covering recruitment, promotion, salary, motivation and discipline. It was also found that, Saudiization, by concentrating only on Saudis, stimulates a common feeling of patriotism. All the participants verbally expressed their feeling of patriotism and loyalty to their nation during the interviews. However, these influences do not mean that the organisational cultures have uniformly changed, or that the anticipated objectives have been achieved in any sort of straightforward fashion.

Rather, hierarchy and bureaucracy were perceived and interpreted by the participants, particularly lower level managers and employees, in different ways. Some interpretations were markedly different from the espoused official view. For example, while hierarchical structures and bureaucratic systems were officially justified as clarifying and regulating work and work relationships, seven of the participating junior managers shared the attitude that hierarchy and bureaucracy imposed greater controls on them, reducing flexibility at work, and making relationships more formal. The following quotes are indicative of this attitude.

“.. Since the hierarchical and bureaucratic systems aim to impose more control, they do not give us enough freedom and flexibility to do our work. For instance, when one of my employees comes late, I have to follow specific official and routine procedures of discipline. Doing this would impact negatively on our relationships at work. So I often try to avoid such procedures, and rely on informal ways to manage my employees ...” (Head of Department, A-HQ)

“...To enhance social and informal relationships at work, which are considered very important to create a comfortable and less stressful work environment, I prefer to minimize hierarchical communications and bureaucratic procedures when dealing with my employees...” (Head of Department, F-SR)

Three other junior managers had a similar belief that hierarchical structures and bureaucratic rules and procedures often slow down communication processes, and cause undesirable delays at work. They demonstrated, as can be seen in the following quotation, that informal and personal communications were preferable and more effective. By contrast, following formal and hierarchical communications was attributed to conformity and compliance, rather than conviction.

“.. In communications either inside or outside the organisation we officially have to follow the hierarchical structures and bureaucratic rules and procedure. However, as we know that this takes a long time, we often rely on informal and personal communications to perform our work without delay ...” (Head of Department, K-NR)

While Saudiization has the potential to reinforce hierarchical and bureaucratic structures and systems in the organisations in a similar way, these interpretations of hierarchy and bureaucracy reveal that this does not signal a genuine change in organisational culture. Rather, it is an illusionary, or superficial change. Cultural differences and diversities remain existent between and within organisations as long as such structures and systems are interpreted and perceived in different ways.

This finding is also supported by the different views of the participants when asked to interpret the concept of patriotism and its influence on job performance. Although most of them expressed a common feeling of patriotism and loyalty to the country, acknowledging that Saudiization stimulates such a feeling, they demonstrated different interpretations and perceptions of patriotism and its link to work. The majority of the officials and high level managers, as can be seen in the following quotations, espoused the view that Saudiization infuses the sense of patriotism among Saudi employees, generating more loyalty, cooperation, collectivism, and productivity in work organisations. This was frequently justified through some theoretical comparisons

between Saudis and expatriates. For example, some believed that one of the negative behavioural influences of expatriate workers is the lack of patriotism to the community, which in turn reflects negatively on loyalty to the organisation, and, in turn, job performance. Some others perceived that while money is the main motive for expatriates to work abroad, Saudis share the same motive (i.e. patriotism) to serve their country and community.

“... We hope that Saudiization helps to improve the productivity and effectiveness of Saudi employees and to increase organisational commitment through enhancing the feeling of patriotism and loyalty to the society as a whole... No doubt, expatriate workers lack this feeling...” (Head of Regional Office, HM-ER)

“... Today, through the efforts of Saudiization, our employees are 100% Saudis... I believe that with feelings of patriotism and stability, Saudi employees are more loyal than expatriates. They (the expatriates) just come to collect as much money as possible as quickly and then leave...” (Head of Regional Office, HM-SR)

This espoused view of officials and senior managers was not consistent with the views of other organisational members. For example, seventeen of the junior managers and employees pointed out that there is no link between their feeling of patriotism and their performance of work.

“... If I did not receive a salary, I would not work. Yet, this does not mean that I am not loyal to my country or have a lack of patriotism...” (Employee, A4-HQ)

“... I always do my work sincerely. But this is not because I am Saudi and working with Saudis. It is a self conviction and belief that everyone, when doing his work, should take into consideration Allah’s control....” (Head of Department, W-ER)

Three other employees revealed that Saudiization and patriotism are slogans or mottos in the hands of management. When managers lack real and effective forms of motivation, they often rely on such slogans and mottos to stimulate the feelings of employees, pushing them to do what management wants them to do, the employees believed. The following quotation is illustrative of this view.

“... We have a special event that is held in summer time every year. This event adds extra works for us at a time we need to take holidays to relax and to fulfil our social obligations which are intensively increased at this time of the year. The management considers this event as an opportunity to present their efforts and to enhance their reputation in front of the higher authorities. Thus, they refuse to give us a holiday at this time, and often say it is in our name as Saudis, so everybody should sacrifice and cooperate.... Saudiization and patriotism are just slogans used to stimulate our feelings, but at the end of the day we get nothing...” (Employee, F2-SR)

These different perceptions and interpretations of patriotism suggest that the common verbal expression of this concept among the participants does not amount to holding the same value and meaning emphasized by the official view. While Saudiization seeks to stimulate the feeling of patriotism among Saudi employees, to shape organisational cultures with the sense of loyalty, cooperation and productivity, patriotism is not directly associated with performance. Nor can it be considered to be a managerial slogan or motto which positively influences employees.

It is obvious from this that the attempt of Saudiization to change organisational culture has had limited success. This finding is in line with Ogbonna and Harris's (1998) conclusion that management initiatives to change organisational culture in a particular way have little success in achieving anticipated changes. Whatever changes occur, they are rarely in the direction that management predicts or expects. This finding also supports Davies *et al's* (2000) argument that initiatives on cultural change often result in some surface manifestations of a dedicated organisational culture, but not deep values and beliefs. Saudiization seems to reinforce governmental hierarchical structures and bureaucratic systems in the case organisations, to stimulate popular feelings of patriotism among the Saudi employees. However, as hierarchy, bureaucracy and patriotism are interpreted and perceived in different ways, this attempt to mould organisational culture remains superficial and illusory.

10.3 UNREALISTIC UNITARISM

By trading on superficial images of organisational culture, Saudiization promotes unitarism among and within Saudi organisations. It operates on the assumption that common hierarchical structures, standardized bureaucratic systems and shared feelings of patriotism contribute straightforwardly to performance and productivity improvements. By following some comparisons between the case organisations and departments, it has been found that this is unrealistic. Despite some common and often superficial changes, cultural differences and subcultures have been found to be resilient and significant in shaping workplace behaviour.

10.3.1 CULTURAL DIFFERENCES AMONG ORGANISATIONS

As noted, bureaucracy and collectivism are the main characteristics of the ‘uniform’ organisational culture promoted by Saudiization. It is also noticeable that the dominant stereotype of previous studies depicts Saudi organisations from a similar unitary perspective, as bureaucratic and collectivistic in nature. However, using these two characteristics (i.e. bureaucracy and collectivism) as criteria for comparisons among the case organisations, the findings of the current study provide a contrasting image. Despite belonging to the same country, working in the same sector, and performing the same function, the case organisations reflected widespread differences in their organisational cultures. The differences are more significant when comparisons are made according to the location and size of the organisations. The regional offices that operate in tribal communities reflect organisational cultures that differ from their counterparts in non-tribal communities. Organisational cultures in small organisations also appear different from their counterparts in large organisations (seen Figure 7).

Collectivism, Informality and Traditionalism

At the upper quadrants in Figure 7, the two northern and southern regional offices seem to share collectivistic, informal and traditional cultures that differ from their counterparts in the eastern and western regions. This similarity between the two offices can be attributed to their location in similar tribal communities. In comparison with other regions, the northern and southern regions in Saudi Arabia seem to be less open to the

outside world and less influenced by contemporary modernization. The populations of these two regions still live predominantly in towns and villages, and have a strong tribal affiliation. In fact, tribal identities are paramount. The tribal values, traditions and norms are still of greater concern (Al-Saif, 1997; Al Nimir and Palmer, 1982; Shata, 1985).

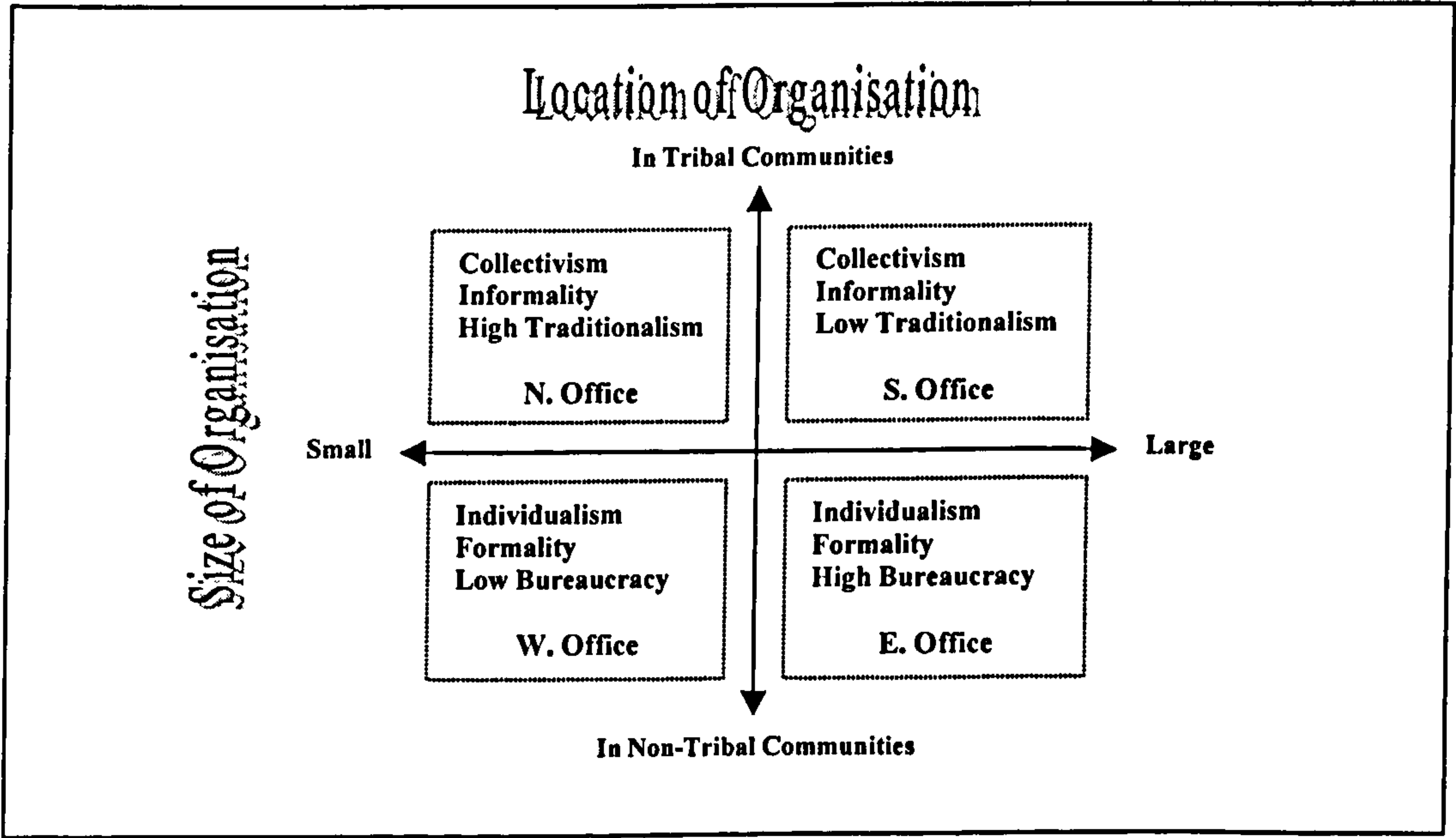


Figure 7: Cultural differences among the case organisations according to location and size.

Most of the participants from tribal communities, as demonstrated in the previous chapter, reflect high tendencies towards collectivism in their social life, with a high propensity to carry such tendencies into their work organisations. Indeed, it was common to hear Saudi employees in these two regional offices talking about themselves as a family or as one group, during interviews. It was also common to hear the employees expressing their preferences for working together in groups or teams rather than as individuals. Indeed, individuality at work was considered to be an indication of selfishness and unwillingness to help.

“... It is socially shameful to see that my colleague has a load of work without helping him, especially if he is one of my relatives or tribe members. Thus, we always work together and help each other as one family... (Tribal Employee, T3-SR)

“...We work together and help each other as one group, without a need for formal regulations or commands to do so... We do not say that this is not my or your business, rather we consider such behaviour as selfishness...” (Tribal Employee, K1-NR)

In addition to this feeling of collectivism, there was an emphasis during interviews on informality when describing work relationships. Sixteen (80%) of the twenty participants (from the two organisations) stressed that with Saudiization their relationships at work had become informal, and that many formal barriers between employees and their managers had been removed. This, in fact, was noticed during the observation stage. A lot of jargon, nicknames and jokes were widely exchanged in these two offices, more so than in others. These informal relationships extended beyond work. According to the participants, family visits between them, as they belong to the same community, were more common than before. Informal collective meetings outside/off work had also been organized regularly, either at weekends or on a monthly basis. Such meetings were considered to be reinforcing informality at work in these two offices:

“... We have regular ‘Shappat’ (i.e. off work informal meetings) at the end of each week. We, employees and managers, gather to have fun and to break the routine of work. These meetings actually contribute to reinforcing social relationships between us at work.... We feel as one family and with no distinction between an employee and a manager...” (Tribal Employee, H3-NR)

“... With the monthly meetings outside work, we have got more close to each other, understood each other better, and our relationships at work have become more informal... We perform our job cooperatively and more willingly, motivated by our respect for these relationships...” (Tribal Employee, T2-SR)

It is obvious that outside/off work meetings reinforce informal relationships in these two offices, increasing tendencies towards collectivism and cooperation at work. However, despite the positive side mentioned above, these informal relationships have been found to undermine the bureaucracy of work, contrasting with the promotion for uniform bureaucratic cultures via Saudiization. Managers in these two offices revealed that informal relationships with their employees considerably influenced their work. They

were reluctant to apply (and sometimes avoided) many of the established rules and procedures. The following quotations illustrate how managers attempted to avoid applying bureaucratic rules and procedures, since these rules and procedures were considered to damage their relationships with employees, and in turn reflect negatively on work:

“... It is really embarrassing to have a nice time with him (an employee) at night or at the weekend, and then apply punishment rules on him on week days. This becomes more embarrassing when the employee is a relative, friend, neighbour or one of the tribe members. We often avoid such bureaucratic rules and procedures to keep good relationships with our employees as well as to ensure a good performance in the job...” (Head of Regional Office, HM-NR)

“...informal relationships lead me to be lenient and flexible in applying some work regulations and rules... This lenience and flexibility are necessary to maintain good relationships with the subordinates either inside or outside work, and to avoid stress at work, which if it exists may reflect on performance negatively ...” (Head of Regional Office, HM-SR)

While the unitary view of Saudiization presents uniform or ideal bureaucratic cultures within Saudi organisations as crucial to performance, it is obvious from these quotations that bureaucracy was not preferred, and often avoided, because of its negative influences. Rather than bureaucratic cultures, it is clear that tribal subcultures reinforced traditionalism within these two regional offices. This finding contradicts Weber's (1947) claim that bureaucracy is inevitable and efficient in all organisations. As part of his general theory of social action, Weber believed that bureaucratic organisations would become the dominant institutions of modern societies. Based on this belief, he developed his ideal type of bureaucracy and claimed that bureaucracy can improve and structure organisations on a rational basis, enhancing their efficiency. In fact, Weber was wrong. Bureaucracy is not inevitable, since other types of organisation structures continue to thrive in Saudi Arabia as elsewhere. He was also overoptimistic in claiming that efficiency is a straightforward result of bureaucratization. Instead of being efficient, bureaucracies in practice have been found to damage informal relationships at work, thereby exerting a negative impact on job performance.

This finding leads to the conclusion that Saudiization cannot unify organisational cultures, or prevent the influence of societal subcultures on organisational relationships and behaviours. This does not mean that similar tribal communities characterise the two offices, or that uniform traditional cultures exist, however. A comparison between the two offices shows significant differences in the degree of traditionalism according to their different sizes. The northern office, at the upper left quadrant, (with twenty five employees) reflects a high level of traditionalism in its organisational structure and in some managerial practices, such as communications and decision making. By contrast, the southern office, at the upper right quadrant, (with fifty nine employees) operates with lower levels of traditionalism.

The small size of the northern office was found to reinforce traditional authority and a flat structure in the office. Nine of the ten participants from this office reported that the official hierarchical structure exists only on paper and is not applied in practice. The head of the office is traditionally considered to be the only one who has full authority in the office, whereas other heads of departments and employees operate on one horizontal line. While this can be attributed to the distribution of authority in tribal communities, where the '*Sheikh*' (the leader of tribe) possesses full traditional authority, the small number of employees was influential in reinforcing such a traditional authority structure. The head of the personnel department at this site explicitly acknowledged the influence of the small number of employees on the distribution of authority in particular, and on the structure of the office in general, saying:

“... We have few employees. If we followed the official hierarchy structure then there would be many superiors doing supervising tasks, with few subordinates doing operative jobs. The actual structure confines supervision and control to the head of the office. It really weakens the role of line managers, but it is more appropriate and practical with this small number...” (Head of Personnel Department, PM-NR)

This traditional structure had an impact on communication approaches in this office. The majority of employees stated that they always receive regulations, commands and information directly from the head of the office. They also communicate with the head

of the office when performing their job without the need to go through line managers or heads of departments. The traditional structure was also influencing decision making processes. According to the participating heads of departments, decisions are mainly made by the head of the office, and consultations are traditionally confined to some older people.

“... We do not have a key role in the decision making process, even in giving employees permission for absence or early leaving. Decisions are taken by the head of the office... Sometimes, elder people are consulted not only for their experience, but also out of respect for their age...” (Head of Department, H-NR)

While the small size of the northern office contributes to the high level of traditionalism, the large size of the southern office keeps traditionalism with narrower boundaries. In comparison with their counterparts in the northern office, the heads of departments in the southern office revealed that they still exercise their official authority to supervise and manage their departments, although the dominant informal relationships undermine the application of the official hierarchy. This authority allows the heads of departments to play their role in the communication process and to contribute to decision making. As can be seen in the following quotations, this low level of traditionalism is attributed to the large numbers of employees in this office.

“... I have ten employees in this department. Despite the informal relationships between us, I am in charge of managing them, distributing work between them, and playing the role of link between them and the management of the office...” (Head of Department, F-SR)

“...we feel some kind of autonomy since our department is located in another building... Despite the centralization of decision making, I represent the department and transfer the employees' opinion and suggestions when the decision is relative to our work...” (Head of Department, T-SR)

These differences in organisational structures, communication approaches, and decision making processes between the northern and southern offices demonstrate that the Saudiization assumption of cultural unitarism at organisational level is unrealistic. Although the two offices are located in similar tribal communities, they do not reflect

the same culture. The different size has been found to be associated with contrasting subcultures in each office. However, this finding should not be interpreted as supporting the claim made by some researchers (e.g. Davies *et al.* 2000; Muna, 1980, Wilkins and Ouchi; 1983) that a particular size of organisation reflects a particular organisational culture. Rather, organisations with a particular size can reflect different organisational cultures according to their location in different communities.

Individualism, Formality and Bureaucracy

The small and large-size organisations in non-tribal communities (at the lower quadrants in Figure 7) reflect organisational cultures that differ from their counterparts in tribal communities. Here, individualistic, formal and bureaucratic cultures seem to be dominant, with the two eastern and western regional offices located in similar non-tribal communities. The eastern and western regions in Saudi Arabia are the main ports in the country, and have been influenced considerably by modernization. They comprise big cities and attractive places for foreign visitors and workers who have influenced the population patterns in these two regions. Being home to the holy sites, for example, the population of the western region has been infused for centuries by descendants of foreign Muslims who have come for pilgrimage and stayed (Al-Saif, 1997; Shata, 1985). The population of the eastern region has also been influenced by Western cultures through working within joint ventures and companies that have invested in the oil fields for a long time. According to Hunt and At-Twajiri (1996), multinational enterprises and their expatriate workers, many associated with the oil and petrochemical industries, have imported their values into Saudi Arabia, especially to the heavily industrialized eastern region. As a result, people in these two regions pay less attention to tribal identities and have a lower adherence to tribal values, traditions and customs, comparing with their counterparts in southern and northern regions.

As demonstrated in the previous chapter, the participants in the current study who belong to non-tribal communities showed a low tendency towards collectivism in their social life. Thus, it was not surprising to find employees in these two offices (i.e. eastern and western) expressing their tendencies for individualism and formality at work, yet

they were all Saudis. During interviews, fifteen (75%) of the twenty participants (from these two offices) preferred to have clear and specific work, and to be appraised, motivated and disciplined individually. Collective work was restricted to official committees and temporary work teams, whereas personal cooperation without being asked was sometimes considered to be an undesirable intervention or intrusion.

Formal relationships also tended to dominate the two offices, despite the effects of Saudiization. In comparison to their counterparts in the northern and southern offices, the participants were often observed using formal names during their conversations. They were also observed to be spending their free time alone, reading books or newspapers on their desks. Outside/off work informal meetings were also rare. The participants revealed explicitly during interviews their preference for formal relationships, and for these to be confined to work time:

“...Indeed, Saudiization may contribute to build friendships among Saudi employees. Personally, however, I prefer to keep work relationships formal and to be limited to work time...” (Non-Tribal Employee, Z3-ER)

“...I prefer to separate work relationships from my personal relationships. Hence, all my friends are from outside the office...” (Non-Tribal Employee, C1-WR)

These tendencies towards individuality and formality at work were found to be reinforcing hierarchy and bureaucracy in these two offices, more so than in other offices. Again, however, this does not mean that these sites were copying uniform bureaucratic cultures. Rather, the different sizes of the two offices explain significant differences between them. While the eastern office, at the lower right quadrant, with sixty three employees reflects high adherence to the official hierarchical structure and application of bureaucratic rules and procedures, the western office, at the lower left quadrant, with twenty nine employees, reflects lower adherence.

In the eastern office, 70% of the participants revealed that the official hierarchical structure is applied in practice where duties, responsibilities and authority levels are

specified and clarified accordingly. Communications also go up and down through the hierarchical structure, either among or within departments. Written communications are preferred over verbal communications in order to save and document information. In addition, formalised routines were the means by which programmable decisions are made and implemented. Besides the dominant individuality and formality in work relationships, this high adherence to hierarchy and bureaucracy can significantly be attributed to the large size of the office. The following quotes, provided by the head of the office and one of the heads of departments, are indicative of the impact of the large size of the office in emphasising the hierarchical and bureaucratic culture:

“... I cannot control every thing by myself. There are a subsidiary office, six main departments with subunits, and more than sixty employees working under my management. Thus, I rely on the official structure in distributing responsibilities and authorities as well as to circulate information, regulations and commands ...” (Head of Regional Office, HM-ER)

“... In our department, work is distributed among units and employees according to the official hierarchical structure. Each employee performs a specific task with clear rules and procedures, and reports to his unit’s superior who then reports to me....” (Head of Department, W-ER)

On the contrary, the small size of the western office tends to weaken the adherence to hierarchy and bureaucracy, despite similar tendencies towards individuality and formality at work. For example, the head of the office and the two participating heads of departments expressed their preference to apply the official hierarchical structure and to follow the bureaucratic rules and procedures of work. Nevertheless, the small number of employees was enough to encourage them to flatten the hierarchical structure and to relinquish some of the bureaucratic rules and procedures, especially within departments and between units.

“... He is the only employee in this unit; if he is absent or on leave, who will take over his job?... The few numbers of employees have forced us to redistribute tasks and responsibilities between units and employees in a way different from the official structure... In practice, there are no heads of units, but all employees report directly to the head of the department ...” (Head of Department, C-WR)

“... within the department, informal and verbal approaches of communication are enough to facilitate passing information since there are few employees. But, with other departments, formal and written communications are essential...” (Head of Department, D-WR)

These differences between the four regional offices in terms of location or size reinforce the sense that organisational cultures vary between the offices. Despite belonging to the same country, working in the same sector, and performing the same job contrasts survive. This finding is in line with Al-Khalifa and Aspinwalls' (2001) account of cultural diversities among organisations in Qatar. Although they were arguing that organisational cultures should be unified towards a developmental and customer-oriented culture, as a crucial condition for the success of TQM implementation, Al-Khalifa and Aspinwall found that many organisations in Qatar were not characterised by a single cultural type, but tended to have different organisational cultures, despite operating in the same cultural context.

On the other hand, this finding contradicts the results of previous studies which suggest that organisations operating in the same society reflect the same organisational cultures (e.g. Bjerke, 1999; Hofstede, 1991); that organisations operating in the same industry reproduce the same values (e.g. Dastmalchian, *et al.*, 2000); and that organisations with a particular size emphasise particular cultural characteristics (e.g. Davies *et al.* 2000; Wilkins and Ouchi; 1983). This can be attributed to the different levels of analysis and, most importantly, to the different perspectives adopted. While the previous studies make claims for cultural homogeneity and the unitarism of nation, sector and organisation, the current study emphasises cultural diversity and pluralism within Saudi society and organisations. Clearly organisational cultures vary among Saudi organisations according to different social subcultures (e.g. tribal and non-tribal) and other organisational factors (e.g. size). However, this variation does not mean that each organisation has a uniform culture. Subcultures and cultural differences contribute to organisational distinctiveness, and hence to the way that Saudiization is received.

10.3.2 SUBCULTURES WITHIN ORGANISATIONS

The attachment to bureaucracy and collectivism claimed by previous studies and promoted by Saudiization deflects attention from other criteria and relevant contrasts within the case organisations. It was evident that they do not possess just one culture. Indeed they amount to a combination of many subcultures. Four departments within the headquarters, for instance, reflected diverse subcultures which worked with and even against the assumed culture. These subcultures are attributable to the location of the departments and the nature of the work they perform.

As can be seen from Figure 8, a comparison between the four departments demonstrates that a rich mix of subcultures attributed to their distance from top management. The (P) and (B) departments reflected tendencies towards formal relationships at work more than (E) and (A) - P, B, E & A are initials of the departments' names and are used here to maintain confidentiality. During the observation stage, it was noticed that the (P) and (B) departments tended to adopt many of the formal protocols of senior management since they were located next to the top management office. These formal protocols included strict applications of secretarial rules and advance appointments when meeting heads of departments. Although exclusively Saudi, it was not common to see employees in these departments communicating directly with the head of department. Unit heads were also observed to be making arrangements with the secretary for meeting heads of departments. These observations suggest that formal relationships were preferred in these two departments. Informal relationships seemed to be avoided due to a perception about their negative influence.

Interviews with the participants support these observations:

“... it is not preferred to contact the head of department directly or to talk with him in an informal way... There is an emphasis on formal relationships at work, which I think helps us to perform our job in a clear and more organised way...” (Employee, Department (B), B2-HQ)

“...I think keeping work relationships formal is necessary to maintain dignity and prestige of the department... Mixing work and personal relationships is not in the interest of work. It puts the

manager under pressure and accusations of nepotism and favouritism...” (Head of Department (P), PM-HQ)

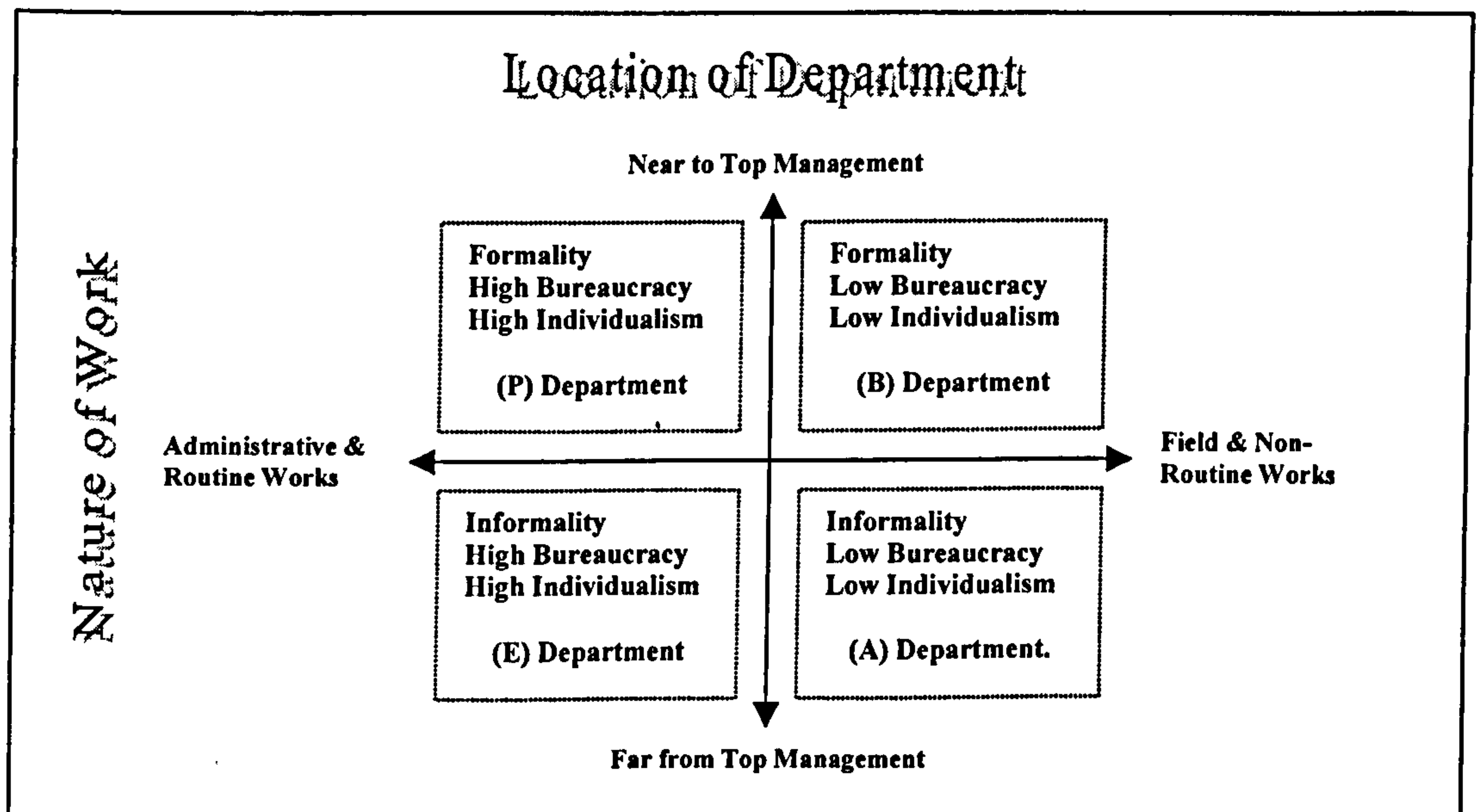


Figure 8: Subcultural differences among the departments according to location and nature of work.

By contrast, the (E) and (A) departments were located some distance away from the senior management office. Observations revealed that here there was an emphasis on informal relationships at work. The formal protocols of top management were rarely applied. Secretarial contact and appointments were not necessary for meeting heads of departments. In addition, employees were observed to be meeting and talking to their ‘superiors’ directly and without intermediation by their supervisory grades. It was also common to see the heads of departments moving around their employees’ rooms to sit and talk with them in an informal way. Consistent with these observations, most of the participants from these two departments emphasised during interviews the importance of informal relationships among them to create a good work environment. Moreover, formal relationships at work were considered by them to exert a negative influence on job performance:

“... As a head of this department, I always attempt to remove any formal barriers between me and my employees. From my experience, the more the emphasis on social and human aspects at

work, the more the performance improves, and the more the productivity increases...” (Head of Department (A), A-HQ)

“... I think one of the main characteristics that distinguish our department is the brotherly and friendly relationships. We always attempt to avoid formal relationships since they make work more difficult and complicated...” (Employee, Department (E), E1-HQ)

Analysis across the four departments also shows that distinctive subcultures were operating according to the nature of work in these departments. The (P) and (E) departments shared a high tendency towards bureaucracy and individualism, more so than (B) and (A). This can be attributed to the administrative and routine work preformed by these departments. It was noticed that there was an emphasis on well defined job descriptions, formal rules and procedures, and substantial supervisory involvement. Each employee was observed performing a specific individual job, following bureaucratic rules and procedures. Problems that fall outside the limits of these rules and procedures were referred to the head of department for him to make a decision. Although the participants from these two departments recognised that bureaucratic rules and procedures restricted them from taking the initiative to deal with change, the majority of them stressed that such rules and procedures were important and necessary to clarify, regulate and stabilize their work:

“...we are doing routine and bureaucratic jobs, so there are many systems, regulations, rules and procedures that should be considered and followed... This of course contributes to making work clearer and more stable for each employee...” (Head of Department (P), PM-HQ)

“...I think following bureaucratic rules and procedures does not leave much room for us to make change or take initiatives of renewal or innovation. Nevertheless, following such rules and procedures clarifies responsibilities, and can protect us from taking the blame in the eventuality of anything going wrong...” (Employee, Department (E), E2-HQ)

While the (P) and (E) departments tended to share similar subcultures, the (B) and (A) departments revealed very different subcultures. As they were performing non-routine work, low tendencies towards bureaucracy and individualism were discernible. There

was an emphasis on taking the initiative, being innovative, and working as a team. During the observation stage, it was noticed that tasks were clearly specified and defined, but the conduct of work was left to the employee in the field, with enough flexibility and freedom for autonomous action. Employees were encouraged to take the initiative since there was an emphasis on linking rewards to achievement. Collectivism and cooperation were also encouraged through establishing formal and informal team work. These observations are consistent with the views of the participants when describing work relationships in their departments. The following quotations offer useful guidance, since they reveal the dominant subcultures in the two departments and how the nature of work plays a key role in reinforcing such subcultures.

“... The nature of our work as field work requires more flexibility, adaptability to change and taking initiatives. It also requires team work and cooperation among employees... We are empowered to take decisions and initiatives in the field as suitable for the situation. We are also encouraged to help each other since the work is our collective responsibility as a team... Despite all of this, however, bureaucratic and routine systems remain restricting and disappointing for us when trying to do our job effectively ...” (Employee, Department (A), A2-HQ)

“... our work requires working in teams, so we are divided into a number of teams. Each team has particular tasks to do, and within the team, each member has also specific tasks to do. Nevertheless, we help each other because the work at the end of the day is in our name as a team...” (Employee, Department (B), B4-HQ)

While it appears to some that Saudi organisations are dominated by just one organisational culture (a bureaucratic and collectivistic culture), it is obvious from these comparisons that multiple subcultures can exist in a single organisation. Despite the influences of Saudiization on the case organisations, these subcultures remained strong and were not minimised or marginalised. This finding supports our argument about the sense of difficulty that can be associated with attempts at changing organisational culture, and the limitations of Saudiization as it aims to enforce a uniform corporate culture.

This empirical evidence also supports the theoretical argument about unitary perceptions of organisational culture discussed in chapter 5. Unitarism has been criticised for providing an unrealistic picture of organisational culture. While organisations as social units are composed of various groups with different and often contradictory values, beliefs, attitudes and interests, unitary assumptions tend to belittle or ignore these differences (e.g. Collins, 1998; Jones, 2000). In addition, organisations are exposed to different internal and external influences. Nevertheless, unitarist assumptions persist in omitting these influences or assume uniform responses from organisations (e.g. Post and Coning, 1998). Indeed, the Saudiization assumption of cultural unitarism denies the significance of differences in values, beliefs and attitudes among the Saudi participants, yet these appear clear on any detailed case investigation. The unitary assumption also ignores the influence of other non-cultural factors such as location, size and nature of work, which have been found to influence organisational cultures. On this study, pluralism offers a more realistic way of depicting organisational culture, and also of understanding the linkage between organisational culture and performance.

10.4 SUMMARY

Previous research (e.g. Deal and Kennedy, 1982; Ouchi, 1982; Peters and Waterman, 1982) extended unitary perceptions, claiming that creating a ‘strong’ corporate culture is crucial for performance and effectiveness. It also claimed that fitting organisational culture to national culture increased the likelihood of success, implying that there is one homogenous national culture and a particular type of organisational culture to fit it (e.g. Al-Khalifa and Aspinwall, 2001; Mwaura *et al.*, 1998). This trend in studying the organisational culture and performance linkage tended to generate a linear, direct and straightforward relationship between ‘corporate’ culture and performance. That is, the more the organisational culture is uniform and fits national culture, the more the performance improves and the more the organisational effectiveness increases. It seems for these studies that cultural diversities and differences within society or organisations do not exist, or if they do exist they should be removed to achieve high performance and effectiveness.

The main findings in this chapter challenge such simplistic imagery. Cultural differences among the case organisations have been apparent, despite the professed allegiance to a single country. Subcultures within departments have also been significant, despite their belonging to a single organisation. The interesting point here is that no one culture or subculture was crucial to performance. What appeared to be effective in one organisation or department, appeared ineffective in others. For example, the regional offices located in tribal communities considered individuality and formality to be less effective for good work relationships and improving job performance. By contrast, the organisations in non-tribal communities considered individuality and formality to be essential to regulate work relationships and improve performance. Within the Headquarters, the departments that had administrative and routine work tended to adopt bureaucratic cultures, regarding this as key to clarifying and stabilizing work. On the other hand, bureaucracy was considered as a constraint on initiative-taking and innovation in the departments that performed field and non-routine work.

Evidently, the link between organisational culture and performance is more complex than previously depicted. Since it recognises cultural diversity and subcultural influences among and within organisations, the pluralist perspective offers a better means of accommodating the relationships between organisational culture and performance. Thus, it is suggested that if Saudiization is really to improve job performance and increase organisational effectiveness, pluralist influences need to be incorporated to encourage a more active sensitivity to cultural diversity among and within Saudi organisations.

CHAPTER 11

SAUDIIZATION AND 'BEST-MANAGEMENT

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SAUDIIZATION AND 'BEST-MANAGEMENT PRACTICES': ATTRACTIVE CONCEPTS AND HARSH REALITIES

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CHAPTER 11

SAUDIIZATION AND ‘BEST-MANAGEMENT PRACTICES’: ATTRACTIVE CONCEPTS AND HARSH REALITIES

11.1 INTRODUCTION

The findings presented in the last two chapters concentrated on the assumptions about cultural homogeneity and unitarism that are tied to Saudiization. They revealed that these assumptions are misleading and unrealistic, evidence suggesting that societal cultures and organisational cultures are more diverse and complex in reality than predicted in the literature. In this chapter, attention will focus on the practical and managerial issues that emerge as a result of these assumptions. It will focus particularly upon tendencies towards universalism and standardization in management practices, or what is commonly referred to as ‘best-management practices’.

Saudiization is based on a crossvergence theory about management values and practices, as discussed in chapter 6. It assumes that Saudi culture and, in turn, management values are unique and distinctive in so far as they can be demarcated from other cultures and management values (i.e. External Divergence). It also assumes that Saudi management values are internally homogenous (i.e. Internal Convergence). Consequently, there is a claim and a hope that Saudiization can unify, standardize and universalize management practices in Saudi organisations. In contrast to such hopes and perspectives, this chapter reveals that while ideas about standard ‘best-management practices’ continue to be attractive, promotional activity has a harsh effect on the ground. Significant differences, contrasts and contradictions have been found within the case organisations in terms of the management values held, and in prevailing ways of interpreting and implementing this aspect of Saudiization. These differences, contrasts and contradictions are attributed to the diverse societal subcultures and other organisational and managerial differences that are not explicitly considered within the established discourse on Saudiization.

To present this finding in more detail, the chapter begins by demonstrating how assumptions about the ‘best management practices’ advocated through Saudiization appear attractive for some Saudi officials and senior managers. Then, official practices of performance appraisal are used as a proxy for the standard management practices in the Saudi public sector to demonstrate how management values and practices differ in reality. Unpalatable consequences will also be explained. Finally, the traditional perspective on crossvergence will be shown to be not only naïve, but also unhelpful.

11.2 ATTRACTIVE IMAGES

As a result of the assumptions invested in Saudiization (about cultural homogeneity and unitarism), claims relating to standard or ‘best-management practices’ were very attractive to some of the participants in the present study, particularly officials, senior managers and heads of personnel departments. There was a widespread belief among this category of participants that Saudiization contributes to standardizing and universalising HRM practices in Saudi organisations, and therefore to the realization of important gains such as fairness, equity, clarity, regularity and organisation.

During the interviews, five (72%) of the seven participating officials and high level managers expressed the view that having only Saudi employees will be advantageous, permitting to standardization of HRM practices across their organisations. This, they claimed, would contribute to fairness and equity for all national employees, with each Saudi receiving the same treatment, therefore minimizing any dangers of nepotism, favouritism or patronage. Performance appraisal practices were amongst the most frequently cited beneficial practices. The following two quotations convey the viewpoint of the officials and high level managers about standardized and universalized management practices in general and performance appraisal practices in particular, and their ‘assumed’ role in achieving fairness and equity for all Saudi employees:

“... As all of our employees are now Saudis, we are encouraged to use standard management practices, a means by which to ensure the creation of a fair and equal work environment... No doubt, appraising employees’ performance according to the same criteria achieves fairness and equity among employees, not only in performance appraisal, but also in other aspects such as

promotion and training. Of course, this in turn enhances job satisfaction and performance improvement...” (Head of Regional Office, HM-NR)

“... The standard practices of performance appraisal such as using the same forms, criteria, and approaches allow Saudi employees in all organisations to be appraised equally, therefore opening equal opportunities for them for training ...” (Representative of The Training Institute, IPAR)

Similarly, all of the five heads of personnel departments believed that Saudiization positively contributed to the universalisation and standardization of HRM practices within their organisations. During the interviews, they revealed that, in the past, HRM practices (recruitment, training, promotion and compensations) were derived from different work laws and regulations (e.g. The Civil Service Law and The Labour Law), in order to distinguish national from expatriate employees. Consequently, there were different HRM practices applied to employees despite their working in the same organisation or even in the same department. With the implementation of the Saudiization policy, they claimed that the Civil Service Law for Saudis had become the main reference for HRM. As a result, HRM practices such as centralized recruitment, seniority- and merit-based promotion, and official annual performance appraisal have been standardized and universalised across organisations throughout the country.

The personnel managers also stated that such standardization and universalism facilitated regularity, clarity and the ease of implementing new personnel practices. The following quotations illustrate this positive view:

“... One of the most important advantages of Saudiization is the unification of civil service regulations to be applied to all Saudi employees. This facilitates standardized management practices for recruitment, training and promotion.... Of course, this has positively influenced the regularity and dispatch of our job in personnel department...” (Head of Personnel Department, PM-SR)

“... With Saudiization, the Saudi Civil Service Law for Saudis has become the prime source for management practices. It has facilitated universal and standardized administrative forms, procedures and practices that have made the work of the personnel department easier and more regulated...” (Head of Personnel Department, PM-ER)

It is obvious here that the association of Saudiization with 'best management practices' is attractive for the Saudi officials, senior managers and heads of personnel departments. In fact, the quotations convey an impression of rationality. The attraction is that standardization seems to be convincing at a theoretical level. However, digging beneath the surface, and examining some of the HRM practices (i.e. performance appraisal practices) in more depth within actual organisational settings presents a less palatable view.

11.3 HARSH REALITIES

The image of 'best-management' that accompanies Saudiization seems to be guided by the belief that universal and standard HRM practices can be applicable to all Saudi workers in all organisations across the country, irrespective of cultural, organisational and managerial differences. In fact, the collected data reveals that Saudiization has officially standardized and universalized HRM practices in the five case organisations. The participants from these organisations have been observed to follow similar HRM practices when doing their jobs. However, the reality is that officially standard and universal practices are not as straightforwardly positive and effective as Saudiization implies. What has been found to be appropriate, positive and effective in some organisations or for certain groups of workers, has been found to be inappropriate, negative and ineffective in, or for, others. In other words, the standardized and universalized HRM practices have been interpreted and implemented differently by the participating Saudi managers and employees according to societal subcultures and organisational and managerial differences.

As previously noted, the managers and employees in tribal communities hold management values that differ from those of their counterparts in non-tribal communities. As a result managers are interpreting and implementing these standard management practices in a way that differs from their counterparts and in a way that generates contrasting employee reactions. Such differences will be revealed in the following sections, demonstrating that Saudiization, like previous management commentaries (e.g. Al-Aiban and Pearce, 1993; Bjerke and Al-Meer, 1993; Robertson *et*

al., 2001), tends to undermine the influence of intra- or sub-cultural differences on management values and practices. To present the findings more clearly, performance appraisal practices in the Saudi public sector are used as a proxy for officially standardized and universalized management practices.

11.4 PERFORMANCE APPRAISAL PRACTICES IN SAUDI PUBLIC SECTOR ORGANISATIONS

The selection of Performance Appraisal Practices (PAP) can be justified on three main grounds. Firstly, these were the most frequently cited practices when the participants were asked about the standardisation and universalism accompanying Saudiization. Secondly, performance appraisal practices were more visible at the time of data collection. As the field work coincided with the official deadline for submission of performance appraisal annual reports in the case organisations, there was a valuable opportunity to observe and discuss many aspects of the appraisal process in action. Thirdly, performance appraisal practices are considered to be the most relevant practices with Saudiization.

11.4.1 STANDARD PRACTICES IN PERFORMANCE APPRAISAL

Article No. 36 of the latest version of the Saudi Civil Service Law (1976) states that *“Each employee should be periodically reported according to a regulation set by the Chairmen of the Civil Service Council”*. Subsequently, a Regulation of Performance Appraisal was released in 1980 in order to organise processes of performance appraisal in Saudi public sector organisations, particularly, in terms of objectives, criteria, forms, approaches, and periods of appraisal (Al-Dholla, 1995; Al-Otaibi, 2000). Since it was established for Saudi national employees, the Regulation of Performance Appraisal has, with the implementation of Saudiization, become the main source of standard and universal practices in the Saudi Public Sector.

The current Regulation of Performance Appraisal states that performance of employees on grade 13 and below should be appraised on an annual basis. The performance of 14th and 15th grades is reported when requested by the higher authorities. According to the

Regulation, line (direct) managers are in charge of reporting on employee performance. Reports are then reviewed, approved and ratified by superiors. Six forms of performance appraisal have been designed to meet different types of employment. These include 1) a form of performance appraisal for supervising staff; 2) a form of performance appraisal for implementation staff; 3) a form of performance appraisal for specialist employees; 4) a form of performance appraisal for educational staff; 5) a form of performance appraisal for technical and vocational employment; and 6) a form of performance appraisal for part-time and temporary staff.

Despite the different forms of performance appraisal, rating scales and quantifiable measures tend to dominate the official approach. Based on specific criteria, five scales of measurement (i.e. excellent, very good, good, satisfactory, and unsatisfactory) are used to rate performance. These consider job performance, personal characteristics and traits, and relationships with others. According to the Regulation of Performance Appraisal, this standardized approach is primarily designed to achieve a number of objectives. First, it aims to achieve equity and fairness in performance appraisal processes by using a scientific approach, therefore minimizing the influence of subjectivity and generality. Another developmental objective seeks to identify skill and competency deficits and then identify training needs. Third, the standardized approach also aims to motivate and encourage employees to increase their effort since the results of appraisal are used to determine reward allocations, decide promotions, determine transfers, and make termination decisions (The Ministry of Civil Service, Regulation of Performance Appraisal, 1984).

It is apparent that the official approach holds some attraction (e.g. on equity, fairness, objectivity, motivation, counselling and performance improvement, as mentioned earlier). Officials endorse universalized appraisal in the assessment of the Saudiization policy. Moreover, appointing only Saudi employees facilitates standardization, creating more equitable work environment, according to official accounts. However, the findings of this study reveal that standardizing and universalizing performance appraisal is not

straightforwardly achieved on the ground. The reality is more complex than typically depicted.

11.4.2 COUNSELLING, CONTROL OR JUDGEMENT

One of the formal objectives of performance appraisal in the Saudi public sector is to encourage managers to counsel and guide their employees, and to help employees themselves to recognize their strengths and weakness. This developmental objective is stressed in recently modified versions of the Regulation of Performance Appraisal (1984) which emphasises the value of allowing employees to participate in the process and giving them the right to see and discuss their appraisal reports. The participating managers and employees interviewed in this research showed a lack of awareness about, and little conviction for, this counselling role, however. They had different perceptions, attitudes and views towards performance appraisal, sometimes contradicting the official view. As a result, different practices were apparent, revealing a drift from standard and universal practices on the ground.

Five of the participating managers, for instance, were not fully aware of the counselling role of the official approach to performance appraisal. The dominant perception among them was that the official appraisal is a tool to control their employees and to force them to be punctual and to work hard. The managers believed that as appraisal and promotion are linked, an employee will be keen to improve punctuality and redouble their efforts to get a good score in the performance appraisal report that makes them eligible for promotion. The Regulations state that an employee, to get promoted, has to have at least a satisfactory score in the performance appraisal report of the last year. They also state that having excellent, very good or good in the last two years gives him two, one or half points, respectively, in the competitions for promotion (The Regulation of Performance Appraisal, 1984). This perception narrowed the scope of performance appraisal, confining its usage to only controlling 'poor performance' employees. As a result, the performance appraisal practices have been applied to a particular category of employees and for particular purposes (disciplinary). The quote below is indicative of this dominant

view, where official performance appraisal was described as a controlling stick to use when the need arose:

“... We use performance appraisal as a stick to hit employees when showing a lack of punctuality or poor performance. It is the only tool that we have today to control our employees...” (Head of Regional Office, HM-WR)

This indicates a lack of awareness about the counselling role associated with official performance appraisal. There was also evidence that some managers were not fully convinced about the role of performance appraisal. Nine of the managers were sceptical about the benefits that can be obtained from the performance appraisal in terms of counselling and advising their employees, regardless of the claims made with Saudiization. They believed that this over-played the informal relationships at work, making the counselling approach less serious and less beneficial. One of the participating heads of departments, when discussing the counselling role, asserted:

“... I don't think that counselling approaches of appraisal work with Saudi employees. They will not be taken seriously, and therefore we will get nothing in terms of counselling and development. At the same time, we will lose the formal and official status of performance appraisal as a tool to manage and control employees...” (Head of Department, Z-ER)

Another head of department displayed a similar outlook. When discussing the benefits that can be obtained from counselling, he laughed and said:

“... You (the researcher) seem to be influenced by the Western approaches to management. With these informal relationships among us, using performance appraisal for counselling Saudi employees is difficult and even less beneficial. If I opened the performance appraisal for discussion I would get an endless conflict and debate, and eventually I would be forced to change the appraisal reports many times to satisfy them.... I prefer not to discuss performance appraisal with the employees, but I always try not to hurt anyone...” (Head of Department, F-SR)

The main point to emerge from these quotations is that an absence of faith in the counselling role has narrowed practitioner views of the appraisal process. In practice it is

reduced to a routine task practised in a fashion that contradicts the stated universal and developmental aims of Saudiization. One head of department, for example, revealed a high propensity to hide the appraisal reports from his employees in order to avoid any debate or conflict with them, contradicting the officially stated purpose of developing staff performance and indeed the formal right of an employee to see and discuss the appraisal report. He was also inclined to compromise staff by giving them middle or similar rates/scores acceptable for promotion. Although the head of department aimed to achieve equity and to keep good relationships with all employees, by doing this he contradicted the stated principles of fairness. Indeed, with middle scores, neither high nor low performers can be distinguished.

This lack of conviction towards the counselling role was not only confined to managers. Employees were less than convinced about the process. In fact, employees showed different attitudes towards, and perceptions of, performance appraisal. The dominant attitude was that performance appraisal is merely an official judgement made by managers for promotion purposes. As recipients of appraisal practices, half of the participating employees, particularly those in tribal communities, were found to encourage the use of subjective judgements in appraisal. They believed that their personal relationships (e.g. tribal relationships) with their managers would facilitate high scores in their appraisal reports that could enhance their chances for promotion:

“... At the time of promotion we do not need counselling. All what we need is high scores in the appraisal report to get promoted without delay... To be honest, if we get appraised according to the official criteria set in the report, the result will be disappointing. We pin our hopes on our informal and personal relationship with our manager...” (Tribal Employee, F3-SR)

“... I never seen or asked to discuss my appraisal report. Nevertheless, I am sure that I have had good appraisal reports so far.... I don't imagine that our boss will give anyone of us low scores since he knows that this will negatively affect our promotion ...” (Tribal Employee, K1-NR)

It is obvious from these quotations that managers and employees share skewed views of appraisal that contrast markedly with official policy. The two employees preferred

subjective practices in performance appraisal, and tended to undermine the official practices by not asking for feedback. However, this does not mean that subjective practices are preferred by all Saudi employees. Other participating employees in this study, including Shiite employees and those in non-tribal communities, despite their scepticism about the counselling role, demonstrated a preference to receive objective judgements and practices when being appraised. The following quotation is illustrative of the view of most of the participating Shiite employees:

“... Although not all managers are qualified to give counselling, I prefer to be appraised according to clear criteria and to receive written feedback...” (Shiite Employee, Z2-ER)

This preference for objective appraisal by the Shiite employees can be attributed to their feeling of doctrinal discrimination (discussed in chapter 9). Using subjective practices would not be in their interest, they implied. This preference for objective appraisal practices and for avoiding the intervention of personal relationships in the appraisal process can also be attributed to the nature of the urban and non-tribal communities where the Shiite sect lives. As discussed in the previous two chapters, the participants from urban and non-tribal communities showed a high tendency towards individualism, either in their social or work lives. They also showed a high tendency to separate working relationships from personal and social relationships.

In fact, the lack of awareness of, and less conviction in, the counselling role of official performance appraisal was acknowledged in a study carried out by the Saudi Ministry of Civil Service in 1995. Such differences and conflicts of interests were also highlighted in another study carried out by Wilson (2002) in the UK. However, what has been missed by these reports, and what the current study suggests, is that this lack of awareness, limited conviction, and conflict of interests is attributable to subcultural differences. The different attitudes and perceptions within and between Saudi managers and employees towards the official processes and practices for performance appraisal have been found to relate to religious doctrinal diversities and to tribal and non-tribal differences. These diversities and differences contributed to competing interpretations and applications of the official performance appraisal process, contradicting what is

stated to be universal or 'best' management practice. Further evidence of significance of different interpretations and applications can be seen in the following section about who appraises whom.

11.4.3 WHO APPRAISES WHOM?

The Regulation of Performance Appraisal officially states that employee appraisal is a key responsibility of line managers (e.g. head of unit or department). The rationality behind this is that line managers have the opportunity to continually monitor, review, feedback, and discuss performance improvement with their employees during frequent and informal meetings (Al-Otaibi, 2000; The Regulation of Performance Appraisal, 1984). However, despite this rational justification, our findings suggest that line managers are not always the most suitable appraisers. In fact, performance appraisal by line managers is not effective in all Saudi organisations.

In three of the five case organisations (i.e. the regional offices), line managers, particularly heads of departments, were found to have a secondary and sometimes ineffective role in the process of performance appraisal. There was a tendency in these organisations to centralize performance appraisal. Employees were centrally appraised by the heads of the organisations or the heads of personnel departments. Although the formal aim of this centralized appraisal was also related to the desire to achieve objectivity and fairness, the verbal justifications at interviews were different. With the two organisations located in tribal communities, senior figures justified centralization as an attempt to minimize the influence of personal relationships on the appraisal process. They revealed that the process prior to centralization was influenced by the personal and family relationships (e.g. relative and tribal relationships), including those between heads of departments and employees from the same family or tribe.

“... According to the regulations of the Civil Service System, the heads of departments are the appraisers of their employees, and my role as a head of the office is to review the appraisal and to ratify the reports. However, we noticed that the heads of departments were influenced by their personal relationships with their employees when appraising them. Most of the employees were

given excellent scores in the appraisal reports, and the focus was on the strengths of the employees which were sometimes not realistic...” (Head of Regional Office, HM-SR)

“... to minimize the influence of personal relationships, I asked the personnel departments to provide me with the needed information about each employee, and since I know all of the employees I try to appraise them by myself ...” (Head of Regional Office, HM-NR)

The majority of the participating heads of departments from these two organisations agreed with the above justification provided by the heads of the organisations. They demonstrated that the official performance appraisal placed them under social pressure from relatives and tribe members. Since performance appraisal was linked with promotion, the heads of departments felt that they should give their employees, especially relatives and tribe members, high scores in appraisal reports in order to help them secure promotion. Otherwise, they would be exposed to blame and criticism in the wider society. Consequently, the heads of departments showed a high propensity to abandon their responsibility for appraising their employees. The following quotation illustrates this view:

“... We do not know who appraises whom! We appraise them inside work and they appraise us outside work... If I give an employee an excellent report, this in our community means that I am helpful and loyal to my relatives, and vice versa.... With the centralized appraisal we are better off...” (Head of Department, K-NR)

The influence of relative and tribal relationships was not so strongly emphasised in the third organisation, as it was located in a non-tribal and urban community. Nevertheless, centralized performance appraisal was justified, as the head of personnel department in this organisation revealed, to minimize the remarkable bias made by senior managers towards their departments. That is, the heads of departments were trying to give their employees high scores in the appraisal reports to distinguish their departments and to generate a favourable impression about their efficiency. It seems that giving low scores and admitting weaknesses in the appraisal reports not only affects employee promotion, it also communicates a sense of management failure. As a result of this departmental

bias, performance appraisal in this organisation was centralized as a key task of the personnel department:

“... We are in charge of preparing, completing and sending appraisal reports of job performance to the Headquarters every year... we have a small number of employees and when appraising them, we rely on their files and attendance records that are continuously updated in conjunction with the heads of departments ...” (Head of Personnel Department, PM-WR)

The small size of this organisation also seems to have played a key role in the centralization of the performance appraisal process. With twenty nine employees, the head of the personnel department believed that the centralized appraisal would work effectively. Whether or not it succeeds is not the point, however. The officially stated approach to performance appraisal is interpreted differently by Saudi managers according to subcultural and organisational differences. Consequently, appraisal practises appear varied among organisations across the country. The findings here show how cultural, organisational and managerial differences among Saudi managers and employees impact differently on the practices of performance appraisal, contrasting with the Saudiization assumption of universal ‘best’ practice in performance appraisal.

11.4.4 APPRAISAL AND TEAM WORKING

According to the Regulation of Performance Appraisal, the individual is the main unit of analysis. Thus, the appraisal criteria tend to focus on the individual achievements of employees. The appraisal outcomes also focus on aspects pertaining to individual career such as promotion, training and rewards. The main aim, officially at least, is to improve individual performance and to uphold the principle of individual accountability (Al-Dholla, 1995; The Regulation of Performance Appraisal, 1984).

While the standard approach to performance appraisal seems to be more appropriate for individual work, it has been found to be problematic in some departments where the nature of work requires collaboration and collectivism. The findings reveal that the official appraisal tends to discourage and undermine team working in some of the case organisations. One of the participating heads of departments (B-HQ), for example,

demonstrated that the official appraisal process made their employees compete against each other. Such individual competitiveness, he believed, weakened the soul of team working in the department. The head of department noticed that, especially at the end of each year, when the official performance appraisal was carried out, employees working in teams were trying to show individual strength, to ascribe success to themselves as individuals, and/or to pass failure and blame to others.

Another head of department revealed that official performance appraisal put him in two contradictory situations. The first one, he described, involved encouraging the employees to cooperate and to work in teams. The second was to appraise them individually. This contradiction reflected negatively on the importance of teamworking, and on the credibility of management in this department.

“... Most of our work is a field work that requires teamworking. Hence, I always try to infuse a sense of collaboration and collectivism into the employees to encourage them to work in teams effectively... However, the official performance appraisal forces me to appraise them individually, which sometimes contradicts what we try to achieve...” (Head of Department, A-HQ)

This negative influence on team working from official sources was also clear from employee responses. The majority (75%) of the participating employees from these two departments were surprised about the contradiction between the way they were encouraged to do their work and the way they were appraised. They revealed that they were encouraged to cooperate and to work in teams, whereas performance appraisal was linked to individual promotion, training and rewards. This, they believed, led individuals to think about personal interests rather than the interests of the team. This contradiction between official performance appraisal and the nature of teamworking suggests that standard appraisal is not effective or applicable to all types of job. What is applicable and effective for particular types of job, it is not necessarily applicable and effective for other types. This evidence suggests that Saudiization assumptions about standard ‘best management’ ignore significant differences among various types of jobs. More

specifically, there is a lack recognition of diversities and differences in work-related values (e.g. collectivism and individual competitiveness).

11.4.5 MULTIDIMENSIONALITY OF JOB PERFORMANCE

Saudiization has also been found to oversimplify the concept and nature of job performance. Theoretically, as can be seen in chapter 3, job performance is defined in most of the available Saudi governmental documents (e.g. the Five-Year-Plans of Development) as a one-dimensional concept relating to productivity. Yet, practically, job performance has been evaluated as a multidimensional concept. This can be clearly seen through the standard forms of performance appraisal where a number of dimensions have been identified. The most prevalent dimensions include: 1) understanding organisation aims and objectives; 2) the capacity for innovation and development; 3) implementation skills; 4) the ability to take higher responsibilities; 5) punctuality and regular attendance; 6) the acknowledgement of work procedures and regulations (The Regulation of Performance Appraisal, 1984). Despite this recognition of multidimensionality, the assumption of 'best management practice' tends to oversimplify job performance. While the standard appraisal identifies several dimensions of job performance, it tends to assume that this set of dimensions is universal.

Our findings in this regard demonstrate that the official dimensions were actually inappropriate and inapplicable when evaluating some types of job. For instance, participating employees, particularly those who perform bureaucratic and routine jobs, revealed that bureaucracy and routine left little room for them to innovate or to take initiative. Despite this, innovation and development remain among the standard dimensions of job performance in appraisal. Similarly, some other employees, particularly those who perform field and non-routine jobs, revealed that the nature of their field work requires them to be in the field for most of their work time, therefore keeping less regular attendance at their desks. Nevertheless, they were appraised against the daily records of attendance as an indication of punctuality, which is one of the universalized dimensions of job performance:

“...even if I have field project, I have to come to the office in the morning to sign in the daily record of attendance and then to go to the field to do my work. In the afternoon, I have also to come back to the office to sign out before going home. Although this is wasting time, we are forced to do so since the daily record of attendance is one of the most important sources of performance appraisal...” (Employee, B1-HQ)

For their part, most of the participating managers demonstrated that all the standard dimensions of job performance should be included in the process of appraisal irrespective of inapplicability. The common explanation for this can be detected in the following quotation:

“... If any of these dimensions of job performance is left blank or marked as not applicable, this would negatively impact on the total score of the appraisal report of an employee. Following the regulations of the official performance appraisal, I give average scores for inapplicable dimensions...” (Head of Department, A-HQ)

Clearly, the standardized dimensions of job performance were not applicable to all types of job in the case organisations. They were included in the appraisal process just to follow the official practices of performance appraisal, and not as real dimensions of the actual job performance of the employees. This suggests that the officially standardized and universalized practices of performance appraisal tend to oversimplify the concept and nature of job performance. While this finding is consistent with Suliman's (2001) suggestion (see chapter 2) that job performance is a multidimensional concept, it goes further to suggest that there is no particular set of dimensions about job performance that can be standardized and universalized, even in the same culture or country. The dimensions of performance that are valued in a particular department or for particular jobs are not necessarily valued in others. Subsequently, it is irrational to set standard or universal practices to appraise jobs that are various and which resist standardization and universalization.

Using the officially standardized and universalized practices of performance appraisal as a proxy for other HRM practices in Saudi organisations, the findings above support previous studies (e.g. Beugre and Offodile, 2001; Nyambegera, 2002). There are no

international ‘best’ HRM practices that fit national cultures. However, the findings of this study go further to suggest that there are no country or culture-specific practices or that management practices are subculture free. While management practices with the implementation of Saudiization have officially been standardized and universalized to fit Saudis, Saudi managers and employees have interpreted and implemented the official practices in different ways. These differences are attributable to different subcultures among the local communities (e.g. tribal and non-tribal communities). They are also attributed to organisational and managerial differences (e.g. size of organisation, nature of work). These findings lead to the conclusion that, in reality, Saudiization is fraught with problems and pitfalls, and that the implicit crossvergence is naïve and unhelpful.

11.5 SUMMARY

Contrary to the convergence perspectives embedded in international HRM, the Saudiization line on crossvergence recognizes the influence of national culture on management values, and emphasises the importance of adopting management practices that fit national management values. This ‘external divergence’ is supported by the existing literature, particularly in the Saudi context (e.g. Al-Aiban and Pearce, 1993; Bjerke 1999), and is considered a central issue in the Saudiization debates. The Saudiization perspective on crossvergence also implies unique and distinctive cultural and managerial values for Saudis, taking for granted ‘internal convergence’.

While there is no doubt about the influence of the Saudi culture on management values and practices, Saudiization still relies on a naive picture of the complex relationship between national culture and operational management processes. It omits the influence of subcultures and other organisational and managerial differences on management values in that it assumes that ‘best management practices’ can be identified. In contrast to this perspective, the findings of the current study show that Saudi managers and employees have different management values and attitudes that lead them to perceive and interpret management practices in different ways. These relate to subcultural contrasts between local communities and to organisational and managerial differences among organisations and departments. As a result, the management practices that were

assumed to be universally applicable have been found in some communities, organisations and departments to be variable and ineffective, sometimes having negative results. For example, the majority of the participating Saudi managers from tribal communities revealed that they often gave their employees high scores in the appraisal reports in order to avoid any criticism from their communities. Such appraisal reports do not seem useful for performance improvement since the employees do not receive objective feedback about their weaknesses and the areas that need training and improvement. Hence, these findings support the conclusion that the Saudiization perspective on crossvergence is not only naïve, but also unhelpful for the broader mission of development.

CHAPTER 12

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CHAPTER 12

CONCLUSIONS, IMPLICATIONS AND CONTRIBUTION

12.1 INTRODUCTION

The main aim of this study was to develop an in-depth understanding of the Saudiization policy within its real-life context, and to explore key organisational and managerial implications, which have been neglected by commentators to date. More specifically, it aimed to evaluate critically how national culture-based programmes like Saudiization, infused as they are with universalistic assumptions, affect job performance and organisational effectiveness in Saudi organisations. In terms of applied research, the study also sought to derive some managerial recommendations for Saudi policy makers and managers. It aimed to contribute not only a more informed understanding of the links between government policy, organisational culture and employee performance, but to apply this to the challenge of developing and improving management processes.

The preceding four chapters concentrated on presenting the main findings of the study. In this chapter, the aim is to draw on these findings to suggest some practical implications and recommendations, and to highlight some theoretical contributions. To achieve this aim, the chapter begins by summarising the main findings of the study, linking them to the key research questions and issues. It then moves on to provide some practical recommendations for Saudi policy makers and managers that relate to the strategic intentions and implementation of Saudiization. Next, the chapter considers some theoretical implications for debates on the link between national culture, organisational culture and job performance. Finally, it concludes by suggesting possible directions for future research.

12.2 THE FINDINGS AND THE RESEARCH QUESTIONS

A clear conceptual framework guided the process of data analysis, helping to interpret the main dimensions of Saudiization and connecting the fieldwork to the key research

questions and issues. Each of the four empirical chapters (i.e. 8,9,10 & 11) concentrated on one of the main dimensions of Saudiization, dealing with particular questions and details. Chapter 8, for example, focused on the strategic dimension of Saudiization, considering the question of how this government policy is understood and interpreted by Saudi managers and employees, and identifying the driving logic and momentum behind it. In chapter 9, the focus was firmly on the societal and cultural dimensions, highlighting the issue of whether Saudiization as a national culture-based programme adequately considers subcultures and cultural differences in Saudi society. The image of Saudi culture projected through Saudiization was the main concern of chapter 10, which focused on organisational culture and management conventions. Finally, chapter 11 concentrated on operational management, addressing the issue of how Saudiization impacts upon the effectiveness of management systems and processes and, in turn, on job performance and effectiveness. The conceptual link between these various dimensions has a crucial bearing upon the overall success (or otherwise) of the research.

12.2.1 UNDERSTANDING AND INTERPRETING SAUDIIZATION

The findings in chapter 8 revealed a contrast in the way that Saudiization is interpreted and perceived by Saudis, differing between strategy and implementation. At a strategic level, Saudiization is introduced by the state and policy makers as part of a long-term effort to promote economic development (The Five-Year Plans of Development). The driving logic and momentum behind it is to develop native human resources, focusing on economic viability via diversification. Reducing unemployment rates is, in this case, considered a rational result. At implementation level, on the other hand, Saudiization is perceived and interpreted by Saudi managers and employees as a program of succession and replacement, contrasting markedly with the state's view of economic maturity. Indeed, Saudiization reflects a widespread grassroots belief that work is the citizens' (Saudis) right. This belief extends to demands for life-long employment and job security for Saudis. At the grassroots, there is a lack of awareness about the developmental dimensions highlighted in strategic thinking. This drift in the driving logic and momentum behind Saudiization has been found to influence its applied relevance (through recruitment and training practices, for example), creating a mismatch between

outcomes and the developmental objectives and principles expressed at the strategic level. Moreover, this mismatch has generated contradictory attitudes and beliefs that make the mission of development in general, and job performance improvement in particular, more complex and difficult to achieve.

12.2.2 SAUDIIZATION AND CULTURAL DIVERSITIES

The issue of whether and to what extent Saudiization considers subcultures and cultural diversities in Saudi society was addressed in chapter 9. The findings here demonstrated that Saudiization pays little attention to subcultural influences and cultural diversity in Saudi society. Instead, it promotes socio-cultural homogeneity. The espoused view hopes, and sometimes takes for granted, that Saudiization minimizes cultural differences in work organisations, makes work values uniform, and creates a more homogenous work environment. However, by collecting data from different regions across the country, the findings revealed that this assumption of socio-cultural homogeneity is misleading. While the Saudi culture may appear, at the macro level, to be homogenous, there are subcultures and cultural diversities at the micro level. These include cultural differences between religious doctrines (i.e. Sunnis and Shiites); between tribal and non-tribal communities; between urban and rural areas; and across generations.

These subcultures and cultural diversities exert different influences on work-related values, relationships and behaviour in Saudi organizations. For example, Shiite participants demonstrated some feeling of discrimination in terms of empowerment and the scope for participating in decision making process. While this feeling was sometimes expressed explicitly, it was not recognized by senior managers who tended to share the official line on homogeneity. For these managers, egalitarianism seemed to be taken for granted as part of Saudiization. Other participants in the study revealed a propensity towards collectivistic work and informal relationships at work since they live in tribal communities. By contrast, the participants from non-tribal communities demonstrated remarkably high tendencies towards individualism and formal relationships at work.

12.2.3 SAUDIIZATION AND ORGANISATIONAL CULTURE MANAGEMENT

Chapter 10 dealt with the question of how the Saudiization view of Saudi culture reflects a practical understanding of the management of organisational culture. The findings here showed that the central policy assumption about cultural homogeneity dominated official and senior management thinking, impacting upon their understanding of cultural influences. The dominant view was that Saudiization could force change, creating uniform corporate and organisational cultures characterized by loyalty, patriotism, collectivism, cooperation and productivity. Although Saudiization has been found to contribute in some degree to changes in Saudi organisations (e.g. structures and systems), and to reinforce some feelings of patriotism and loyalty, the promoted change remains superficial and illusory, infused with an unrealistic unitarism.

Patriotism has, for example, been interpreted by Saudi employees in different ways. Although all of the respondents expressed their feeling of patriotism, some of them revealed little sense of a straightforward link between these feelings and their job performance. Others believed that Saudiization and patriotism are slogans in the hands of managers, to be used to stimulate the feelings of employees and to push them to do what they want. In addition, by collecting data from different organisations and departments, it was found that organisational cultures differed among the case organisations according to their location (i.e. in tribal or non-tribal communities) and size. There were also distinctive subcultures within these organisations, depending upon the nature of work and the location of departments. These subcultural and cultural differences contrast with the policy assumption that uniform corporate cultures can be cultivated within Saudi organisations as a result of Saudiization.

Moreover, despite the existence of cultural diversity among and within Saudi organisations, the emphasis on a uniform and positive organisational culture reinforced the inclination of Saudi managers to overlook the significance of these differences, or even call for their elimination instead of understanding, recognising and managing them.

12.2.4 SAUDIIZATION AND OPERATIONAL MANAGEMENT

ON EFFECTIVENESS

The impact of Saudiization on operational management and, in turn, on job performance and organisational effectiveness was considered in chapter 11. The findings in this chapter demonstrated that the policy assumptions of cultural homogeneity and unitarism were influential in creating a widespread belief among the participating officials and senior managers that management practices can be standardized and universalized to positive effect in Saudi organisations. Some attractive concepts such as fairness, equity and regularity were frequently mentioned during interviews. However, deeper investigation revealed that the realities of the universal, standardized or so-called 'best management practices' were harsh, despite their initial attractiveness.

Using the official practices of performance appraisal as a proxy for standardized and universalized management, it was discovered that these are not as straightforwardly positive and effective as Saudiization suggests. The official practices are interpreted and implemented in different ways according to cultural diversities (e.g. between tribal and non-tribal communities) and other organisational differences (e.g. size of organisation and the nature of work). In some cases, they had a negative influence on job performance and effectiveness. In tribal communities, for example, appraising an employee on a top down official basis was an ineffective means of improving job performance since senior figures were acting under social pressures, to give high scores in appraisal reports irrespective of actual performance. This example, with many others discussed in chapter 11, suggests that the assumption of socio-cultural homogeneity that informs Saudiization and the associated view of organisational culture as something can be changed and unified, exert a negative influence on the operational management of Saudi organisations, especially in terms of improving job performance and organisational effectiveness.

To sum up, Saudiization as a national programme has been introduced as part of a long-term strategy of development. It seeks to extend the employment and professional capabilities of Saudi citizens, utilizing national human resources. One of the most

important official objectives of the Saudiization plan is to improve Saudi employee performance and organisation effectiveness. However, despite the significant resources invested and progress made, Saudiization pursues a compromised route to its developmental objectives, sometimes with contradictory consequences for performance and effectiveness. As Figure 9 illustrates, this can be attributed to an over-emphasis on similarities and commonalities at the macro level, a feature that generates unrealistic assumptions about homogeneity, unitarism, standardization and universalism.

By contrast with these policy tendencies, the findings of this study show the reality of Saudi organisations at the micro level to be more complex than predicted through Saudiization. Differences, subcultures, diversities and contradictions exist across regions and within organisations. These differences reflect diverse work-related values, beliefs, attitudes and relationships among Saudis, and, in turn, different interpretations and patterns of implementation. The lack of attention to these differences limits the potential of Saudiization, and in some areas detracts from the aim of improving job performance and effectiveness. Without a more open consideration of such issues, it is likely that Saudiization will continue to have limited success with its developmental agenda. Previous government comment will hold true once again: *'Notwithstanding the growing attention paid in previous development plans to raising the productivity of Saudi workers, Saudis indicate that actual achievements in this regards are still below targeted levels'* (The Ministry of Planning, 2000b: 158).

12.3 PRACTICAL AND MANAGERIAL IMPLICATIONS

As a governmental strategy, Saudiization involves different categories of decision makers, actors and practitioners. These include politicians, economists, sociologists, planners and policy makers, managers, and employees. As this study focused on the organisational and managerial aspects of Saudiization, the findings have several implications for two categories of Saudi practitioners: planners and policy makers at the strategic levels and managers dealing with implementation.

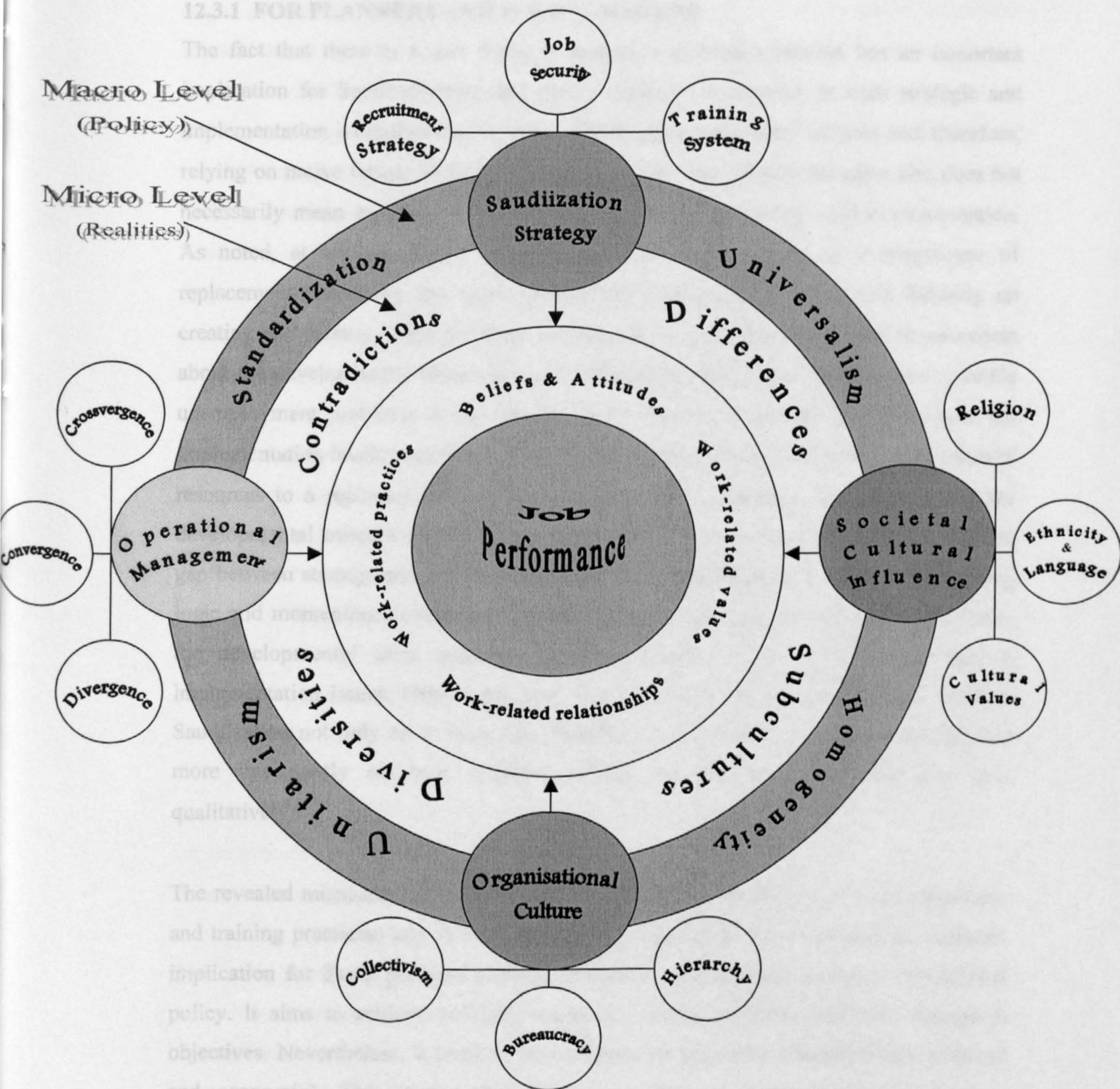


Figure 9: An image of the Saudiization and job performance link at the macro level (as predicted through Saudiization) and at the micro level (as complex realities reveal).

■ Governmental Dimension ■ Social and Cultural Dimension
 ■ Organisational Dimension ■ Management Dimension

12.3.1 FOR PLANNERS AND POLICY MAKERS

The fact that there is a gap between strategy and implementation has an important implication for Saudi planners and policy makers. Saudiization at both strategic and implementation levels has the same aim, that is, employing Saudi citizens and, therefore, relying on native labour instead of expatriates. However, having the same aim does not necessarily mean an effective or real alignment between strategy and implementation. As noted, at implementation level, Saudiization is interpreted as a programme of replacement driven by the logic of reducing unemployment rates and focusing on creating and securing jobs for Saudi citizens. As a result, there is a lack of awareness about the developmental dimensions of Saudiization. While Saudiization aims to tackle unemployment problems in the country, the commitment towards Saudiization at the implementation levels has shifted from being a developmental policy for national human resources to a replacement plan that privileges unemployment. This shift makes the developmental mission of Saudiization more difficult to achieve. This means that the gap between strategy and implementation is deeper, attributable to a drift in the driving logic and momentum behind Saudiization. To close this gap, the commitment towards the developmental aims needs to be more explicit, and carefully connected to implementation issues. One of the most important steps to achieve this is to evaluate Saudiization not only on a 'how many Saudis we have' basis (i.e. quantitatively), but more importantly on how effective Saudis are in performing their jobs (i.e. qualitatively).

The revealed mismatch between the applied relevance of Saudiization (e.g. recruitment and training practices) and its strategic principles and objectives has another important implication for Saudi planners and policy makers. Saudiization is a multidimensional policy. It aims to achieve political, economic, social, organisational and managerial objectives. Nevertheless, it tends to be evaluated on particular objectives (i.e. political and economic). This means that there is a lack of comprehensive evaluation. Saudiization needs to be evaluated from all of the relevant dimensions, relating judgement to stated objectives. With relation to this study, for example, the evaluation should involve the impact of recruitment and training practices. Centralized recruitment

might accelerate the implementation of Saudiization, yet its proliferating procedures create delays in the recruitment process leading to a mismatch between actual employee work tasks and employee qualifications and training (see chapter 8). The assessment of Saudiization in practice should also involve more continuous evaluation of the Civil Service Law (covering promotion and performance appraisal systems, for example). Linking promotion with training has undoubtedly raised the value of training among Saudi employees. However, courses are attended for purposes other than training itself (e.g. promotion). A more comprehensive and continuous evaluation of Saudiization could help to make sure that these systems and practices are consistent with, and do not contradict, formal policy objectives and principles of development.

One of the main objectives of Saudiization is to infuse some positive work-related values into Saudi employees, such as loyalty, patriotism, trust, cooperation and collectivism. In other words, Saudiization as a national programme seeks to change and unify organisational culture in a 'positive' way (see chapter 4). However, the findings of this study reveal that Saudiization, while enhancing hierarchical and bureaucratic structures and systems, triggers contrasting reactions from Saudi managers and employees. In addition, although Saudiization does stimulate feelings of patriotism among Saudi employees, patriotism itself is interpreted in different ways (see chapter 9). A key implication of these findings is that Saudi planners and policy makers should consider multiple interpretations and justifications of their plans and policies, and reflect on how these impact upon their success. Contrasting interpretations and reactions to Saudiization have been found to be significant for developmental objectives.

This study has clearly established that Saudiization is interpreted differently by Saudis according to their subcultures and cultural differences. The espoused view is that Saudiization is an attempt to build trust among Saudis and create a fair and collectivist work environment in Saudi organisations. By contrast, Shiite employees shared feelings of discrimination despite Saudiization. Non-tribal employees reflected a tendency towards individualism at work, considering the attempt at creating a collectivist environment to undermine bureaucracy and formal work relationships. The implication

here is that planners and policy makers need to consider cultural diversity in Saudi society and organisations when designing and making national plans or policies. Subcultures and cultural differences inevitably exist, and what suits particular regions and communities or works with particular subcultures does not necessarily deliver similar results with others. Thus, it is suggested that Saudi planners and policy makers should involve people from different cultural categories and different organisational levels in the process of designing national policies, strategies and plans.

Finally, the findings in this study revealed that job performance is a multidimensional concept, with no standard or universal set of dimensions. Some features that have been found to be impact upon performance in a particular type of job have been shown to be inappropriate for others. This has an important implication for Saudi planners and policy makers. Specifically, following standardized and universalized management practices (e.g. official practices of performance appraisal) does not necessarily deliver improvements across different types of job. Standardisation was favoured by the participating managers, despite its ineffectiveness in some areas. Thus, it is suggested that Saudi planners and policy makers to take account of the multidimensionality of job performance, be more responsive and flexible when designing national schemes, plans and policies.

12.3.2 FOR MANAGERS AT IMPLEMENTATION LEVEL

Although they live in different areas (i.e. urban and rural) and belong to different tribal and non-tribal communities, the findings of this study indicate that Saudi managers tend to pay little attention to cultural differences within their society and organisations. The key implication of this is that Saudi managers, especially senior managers, are vulnerable to the sort of managerialist and prescriptive thinking that promotes homogeneity. They lack a critical perspective and generally fail to consider the full implications of Saudiization for their organisations, especially its potential disadvantages. Based on this study's findings, it is suggested that Saudiization needs critical and proactive thinking from Saudi managers to enhance its advantages and strengths and counteract its disadvantages and weaknesses.

When promoting such an homogenous perspective, Saudi managers show little sensitivity to subcultures and cultural differences in their society and organisations. The evidence provided here indicates that cultural differences, if not appreciated and suitably managed, can negatively influence job performance and organisational effectiveness. On the other hand, understanding and managing these differences can have positive consequences. Thus, it is suggested that cultural differences need to be more carefully considered by Saudi managers, certainly if the developmental objectives of Saudiization are to be advanced. Enhancing awareness about cultural differences and diversities and their potential value to performance should be the first step. This can be achieved via training courses, workshops, seminars and conferences that facilitate awareness and build-skill training.

12.4 THEORETICAL CONTRIBUTIONS

Beyond its practical and managerial implications, this study promotes a more sensitive and informed evaluation of Saudiization, contributing to knowledge by cultivating critical awareness of the links between national, organisational and work related issues. To this extent it promotes useful reflection on the respective strength and weakness of theoretical exchanges on cultural diversity, pluralist thinking, crossvergence, and the multidimensionality of job performance.

12.4.1 CULTURAL DIVERSITY THEORY

This research supports the theory of cultural diversity when examining the link between national culture and organisational culture in Saudi Arabia. In the literature there is an over-simplistic and superficial view towards Saudi culture in particular and Arab culture in general, depicting these cultures to be homogenous since people in these countries have the same religion, language, ethnicity and share common values. By contrast with this, the empirical evidence provided in this study reveals that similarities and commonalities at the macro level do not necessarily mean homogeneity at the micro level. Subcultures and cultural diversities exist in Saudi society, and exert a significant influence on the conduct of work. Hence, it is argued that the narrow or homogenous

views of Saudi culture are misleading. They misrepresent reality and misconstrue the links between national culture and organisational culture.

Since this view is often promoted, implicitly and explicitly, in the literature, cross-cultural studies and the theoretical frameworks and models behind them should be received with caution. Too many comparative studies concentrate on similarities and commonalities at the macro level, omitting subcultures and cultural diversities at the micro level. This study extends our understanding of cultural diversity, certainly in Saudi Arabia. It draws attention to contrasts and differences at the micro level that are all too frequently neglected.

12.4.2 PLURALIST THINKING

This research emphasizes the importance of the pluralist thinking, especially to an informed examination of the link between organisational culture and job performance. Previous studies have portrayed organisations as uniformed or unitary entities, assuming that there is a particular type of organisational culture that is crucial for job performance. By contrast, the findings of this study highlight significant cultural differences among and within Saudi organisations. Despite working in the same country and sector, the case organisations were composed of different organisational cultures, these varying by size and location in different parts of the country. This empirical evidence supports the argument of previous studies (e.g. Collins, 1998; Davies *et al.*, 2000; Jones, 2000) that unitarist thinking is founded upon unrealistic assumptions about organisational life, in Saudi Arabia as elsewhere. The evidence also supports the argument that the linear, direct link between corporate culture and performance improvement is misleading. While organisational cultures can be crucial for job performance, variety rather than singularity is the key consideration. Thus, it is suggested that pluralist thinking, since it considers diversity among and within organisations, can offer more realistic insights into cultural issues and their association with job performance.

12.4.3 CROSSVERGENCE PERSPECTIVE

Additionally, this research warns researchers of the pitfalls of the crossvergence perspective when examining the link between national culture and local management practices. By contrast with the convergence and divergence perspectives, the crossvergence view considers both cultural and non-cultural (e.g. industrial and economic development) influences on management values and practices. It contends that an integration of cultural and non-cultural influences results in the unique value system of a particular culture or country. Yet, it is not without flaws.

Crossvergence emphasizes the importance of a culture fit when adopting management values and practices, considering cultural differences between nations and countries. However, it tends to omit intra-cultural differences and subcultures, implying that management values and practices can be culture or country-specific. The findings of this study reveal that the effectiveness of management practices differs among and within Saudi organisations according to cultural and organisational differences, despite their working in the same country. This empirical evidence suggests that crossvergence should be considered with caution when examining the link between culture and management practice.

12.4.4 MULTIDIMENSIONALITY OF JOB PERFORMANCE

Finally, this research attempts to draw attention to the multidimensionality of job performance. The findings here are consistent with previous studies (e.g. Suliman, 2001), indicating that job performance is a multidimensional concept. This does not equate with universalism, however. Some dimensions appear to be valued for particular types of job though not for others. This makes it vital to extend multidimensionality and to acknowledge diverse dimensions in job performance.

12.5 FINAL POINT AND FUTURE DIRECTION

For the reasons discussed in chapter 7, this study focused only on one sector (the Saudi public sector). However, Saudiization is not only confined to public sector organisations. Recently, a great deal of attention has been paid to private sector organisations. Expanding the research to multiple sectors could give a better understanding of the impact

of Saudiization on management and organisational activities in varying business environments. As previously indicated, Saudiization is more advanced in the public sector, although a rapid expansion in the private sector is anticipated by the government. Regardless of sector, cultural diversity will have an impact in this area also. The key points about tribal affiliation and other subcultural differences in the society will have a bearing here as elsewhere, although their precise impact will be mediated by other factors and influences, most notably the commercial context in which private firms operate. It is not the intention here to prejudge outcomes. There is a need for detailed research on the specifics and problematics of Saudiization within private firms. However, the lessons about diversity and sensitivity emphasized in this report provide a basis for more generalizable research. If the current policy and associated programmes are implemented from the core assumptions of homogeneity that currently inform public sector activity, private sector managers can expect to confront the same sort of dangers and difficulties identified in this thesis.

For cultural and religious reasons, this study also focused only on male respondents. However, Saudiization does involve male and female citizens. Hence, including both genders within a broader ranging study of Saudiization could usefully extend the logic and value of this project, contributing to a more finely grained analysis of organisational cultures in Saudi organisations, particularly, with the increasing contribution of Saudi women at the workplace. In addition, as a result of the time limit, this study has been cross-sectional or 'snapshot' in its approach. Data was collected and analyzed at one point in time. However, Saudiization is a long-term policy which involves continuous processes of qualification, training, recruitment and succession with the aim of achieving long-term development objectives. Evaluating Saudiization over a period of time could add value to the research of the effectiveness of Saudiization as a policy of development. In addition, Saudiization has brought about, and continues to bring about, change in Saudi organisations. Hence, longitudinal research could usefully track this change and facilitate comparisons over time.

The critical approach adopted for this study paves the road for future research to examine Saudiization and similar programs from organisational and managerial perspectives. Potential directions for further research include replicative studies, research in different industries and contexts, including male and female participant rates, and longitudinal study of emerging managerial challenges and potentialities.

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APPENDICES

Appendix 1: Guideline for Interviews (Main Themes and Questions)

A- SAUDIIZATION

1. How is the Saudiization policy defined and implemented in your organisation/department?
2. How do you describe Saudiization from your point of view?
(Prompts: why).
3. What do you understand to be the main objectives of Saudiization?
(Prompts: how and why - give an example).



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B- JOB PERFORMANCE

4. How is job performance defined in your organisation/department?
5. How is job performance evaluated in your organisation/department?
6. Is there any training or development program for job performance?

SAUDIIZATION AND JOB PERFORMANCE: OPPORTUNITIES AND CONSTRAINTS IN THE MANAGEMENT OF SAUDI NATIONAL EMPLOYEES IN THE PUBLIC SECTOR

Semi-structured interview

(Managers and Employees)

Serial	Region	Organisation	Department	Time	Location

A.3. Training System

14. Has the Saudiization policy any impact on the training system in your organisation/department?

July, August and September 2003

FIRST: DEFINING, INTERPRETING AND UNDERSTANDING:

A- SAUDIIZATION

1. How is the Saudiization policy defined and implemented in your organisation/department?
2. How do you describe Saudiization from your point of view?
(Prompts: why).
3. What do you understand to be the main objectives of Saudiization?
(Prompts: how and why - give an example).

B- JOB PERFORMANCE

4. How is job performance defined in your organisation/department?
5. How is job performance evaluated in your organisation/department?
6. Is there any regular performance appraisal policy in your organisation?
7. How do you define job performance from your point of view?
8. How do you prefer to evaluate your employees' performance?

SECOND: SAUDIIZATION AND JOB PERFORMANCE LINK:

A- GOVERNMENTAL AND STRATEGIC DIMENSION

A.1. Recruitment Strategy

9. Has Saudiization changed recruitment strategy in your organisation, how and to what extent?
10. At the time of appointment in the organisation, did your first job duties and tasks fit your qualifications, specialization, and skills?
(Prompts: how were you appointed? Are you now working in a suitable job and place?).
11. At the time of appointment in the organisation, do your employees' first job duties and tasks fit their qualifications, specialization, and skills?
(Prompts: how were you appointed? Are you now working in a suitable job and place?).

A.2. Job security

12. Does standard employment (long-life employment) encourage you to stay in the organisation/department?
(Prompts: if you have the opportunity to work in another department, organisation or region would you prefer to do so, why).
13. Do you feel that your values differ from those adopted in the organisation, or are they similar?
(Prompts: why – give an example).

A.3. Training System

14. Has the Saudiization policy affected opportunities for training in your organisation/department?

15. What sort of training is now available for staff? And do you think that the training your employees receive match their job tasks and demands? How does that compare with pervious patterns?
16. For attending a training course there are different reasons and motives, what are the most important ones from your experience?
17. How are training needs assessed in your organisation/department?
(Prompts: do you participate in the process of your training needs assessment – how trainees are nominated for training courses).
18. How is training evaluated in your organisation/department?
19. How practices and procedures around training assessment and evaluation changed as a result of Saudiization?

B- SOCIAL AND CULTURAL DIMENSION

20. Saudiization is hoped by many sociologists to promote a distinction of Saudi society culture, what do you think?
21. What are the most common values, traditions and norms that can be transferred from the society to work organisations?
(Prompts: how does this influence your area? Any change with Saudiization).
22. Do you prefer or not to work in an organisation or department where some of your relatives, tribal members or friends are working, why?
23. In general, do you prefer to work in an organisation or department where few Saudis are working, why?

C- ORGANISATIONAL DIMENSION

24. Available commentators assume that Saudiization has the potential to change culture in Saudi organisations, do you have any comment?
25. How would you describe your current organisation/department cultures?
(Prompts: in terms of structure – communication – decision-making process)
26. In light of the application of the Saudiization policy do you think that structure, communications and decision making processes have changed in your organisation/department, how and why?
(Prompts: for better or worse - do changes coincide with your expectations?).
27. Whether or to what extent changes have influenced work-related values, relationship and management practices in your organisation/department?
(Prompts: how and why – give an example)

D- MANAGERIAL DIMENSION

28. In your organisation/department how do you manage your employees' performance? Any changes with Saudiization?
(Prompts: Do cultural aspects affect that - why- give an example).
29. How existing operating management practices impact on your employees' job performance?
(Prompts: e.g. performance appraisal, reward and discipline practices).

THIRD: GENERAL INFORMATION

A- Personal Information

Name:..... (Optional)
Age:.....
Qualification.....
Marital Status.....
Number of children.....
Number of children in schools
Do you belong to a particular tribe.....
Do you have family driver.....
Do you extended family live in the area where you work.....
Do you live with your parents
How many friends do you have.....

B- Employment Information

Job title.....
Position.....
Grade.....
Department
Years of employment.....
Years of employment in the organisation.....
How many employees do you supervise.....
How many coworkers do you have.....

Appendix 2a: Cultural, organisational and demographic characteristics of the participating managers

• Officials and High Level Managers

N	Code	Occupation	Region	Religious Doctrine	Tribal or Non-Tribal	Urban or Rural	Qualification	Experience	Training Opportunity	Grade	Number of Employees	Age	Marital Status	Number of Children	Number of Friends	Have a Driver
1	HM-HQ	H. Manager	Central	Sunni	T	U	Diploma	35	10	12	241	55	Married	5	10 +	N
2	HM-WR	H. Manager	Western	Sunni	N-T	U	H. School	31	6	10	29	58	Married	6	20 +	Y
3	HM-NR	H. Manager	Northern	Sunni	T	U	H. School	35/30	3	10	25	55	Married	7	5	N
4	HM-ER	H. Manager	Eastern	Sunni	N-T	U	H. School	28	5	9	63	50	Married	4	10	Y
5	HM-SR	H. Manager	Southern	Sunni	T	U	H. School	38/29	3	11	59	55	Married	7	15	Y
6	MCR	Rep. of MC	Central	Sunni	T	U	PhD.	28	7	13	43	53	Married	5	- 5	Y
7	IPAR	Rep of IPA	Central	Sunni	T	U	Bachelor	21	8	10	18	47	Married	4	- 10	N

• Heads of Personal Department

N	Code	Occupation	Region	Religious Doctrine	Tribal or Non-Tribal	Urban or Rural	Qualification	Experience	Training Opportunity	Grade	Number of Employees	Age	Marital Status	Number of Children	Number of Friends	Have a Driver
1	PM-HQ	H. P. Dep.	Central	Sunni	N-T	U	Bachelor	30	9	10	18	50	Married	5	3	N
2	PM-WR	H. P. Dep.	Western	Sunni	T	U	H. School	31	4	9	2	53	Married	8	0	N
3	PM-NR	H. P. Dep.	Northern	Sunni	T	R	H. School	27	0	7	0	50	Married	5	5	N
4	PM-ER	H. P. Dep.	Eastern	Sunni	T	U	Diploma	10	3	7	5	41	Married	5	8	N
5	PM-SR	H. P. Dep.	Southern	Sunni	T	U	Diploma	16	2	7	4	35	Married	2	10	N

• Heads of Departments

N	Code	Occupation	Region	Religious Doctrine	Tribal or Non-Tribal	Urban or Rural	Qualification	Experience	Training Opportunity	Grade	Number of Employees	Age	Marital Status	Number of Children	Number of Friends	Have a Driver
1	A-HQ	C. A. Dep.	Central	Sunni	T	U	Bachelor	28	10	10	30	51	Married	6	3	Y
2	B-HQ	S. A. Dep.	Central	Sunni	T	U	Diploma	26	5	9	33	50	Married	7	6	N
3	C-WR	C.S.A. Dep.	Western	Sunni	N-T	U	Bachelor	21/15	6	8	6	42	Married	3	M 20	N
4	D-WR	C. A. Dep.	Western	Sunni	N-T	U	Bachelor	15	5	8	5	41	Married	4	M 20	N
5	H-NR	R. Dep.	Northern	Sunni	T	R	Bachelor	2	0	6	3	37	Single	0	M 20	N
6	K-NR	C.A. Dep.	Northern	Sunni	T	R	Diploma	14	2	7	4	38	Married	4	3	N
7	W-ER	C.S.A. Dep.	Eastern	Shiite	N-T	U	H. School	15	7	7	12	45	Married	3	5	Y
8	Z-ER	T.C. Dep.	Eastern	Sunni	N-T	U	Diploma	25/13	8	7	7	52	Married	6	10	N
9	F-SR	C.S.A. Dep.	Southern	Sunni	T	U	Diploma	25/22	6	9	10	49	Married	5	5	N
10	T-SR	Y.H. Dep.	Southern	Sunni	T	R	H. School	28	10	8	8	50	Married	8	3	N

MC: Manpower Council

IPA: Institute of Public Administration

C. A. Dep.: Cultural Activities Dep.

S. A. Dep.: Social Activities Dep.

C.S.A. Dep.: Clubs and Sport Activities Dep.

R. Dep.: Registration Department

T. C. Dep.: Typing and Communication Dep.

Y.H. Dep.: Youth House Department

F. A. Dep.: Finance and Accounting Dep.

Appendix 2b: Cultural, organisational and demographic characteristics of the participating employees

N	Code	Department	Region	Religious Doctrine	Tribal or Non-Tribal	Urban or Rural	Qualification	Experience	Training Opportunity	Grade	Number of Coworkers	Age	Marital Status	Number of Children	Number of Friends	Have a Driver
1	A1-HQ	C. A. Dep.	Central	Sunni	N-T	U	Bachelor	22	8	8	29	43	Married	3	5	Y
2	A2-HQ		Central	Sunni	T	U	Bachelor	22/13	7	7		48	Married	5	M 20	N
3	A3-HQ		Central	Sunni	N-T	U	Bachelor	4	2	5		24	Single	0	M 20	Y
4	A4-HQ		Central	Sunni	T	U	Diploma	15	4	7		38	Married	3	4	N
5	B1-HQ	S. A. Dep.	Central	Sunni	T	U	Diploma	29/25	10	7	32	47	Married	5	6	N
6	B2-HQ		Central	Sunni	T	U	H. School	24	7	6		48	Married	7	5	N
7	B3-HQ		Central	Sunni	N-T	U	Bachelor	3	2	6		25	Married	0	M 20	Y
8	B4-HQ		Central	Sunni	T	U	Diploma	6	1	4		22	Single	0	M 20	N
9	E1-HQ	F. A. Dep.	Central	Sunni	T	R	Bachelor	15	8	8	13	37	Married	3	10	N
10	E2-HQ		Central	Sunni	T	U	Diploma	22/16	5	6		46	Married	5	M 20	N
11	E3-HQ		Central	Sunni	T	U	H. School	1	0	3		20	Single	0	M 20	N
12	C1-WR	C.S.A. Dep.	Western	Sunni	N-T	U	H. School	13/11	8	7	5	41	Single	0	M 20	N
13	C2-WR		Western	Sunni	T	U	Diploma	24/20	3	6		41	Married	3	8	N
14	C3-WR		Western	Sunni	T	U	H. School	26/22	5	7		54	Married	8	M 20	N
15	D1-WR	C. A. Dep.	Western	Sunni	N-T	U	Bachelor	5	0	5	4	35	Single	0	4	Y
16	D2-WR		Western	Sunni	N-T	U	H. School	29/16	1	6		52	Married	6	4	Y
17	D3-WR		Western	Shiite	T	U	P. School	21	1	Janitor		40	Married	4	0	N
18	H1-NR	R. Dep.	Northern	Sunni	T	R	H. School	15	2	4	2	38	Married	4	3	N
19	H2-NR		Northern	Sunni	T	U	H. School	2	0	3		25	Single	0	M 20	N
20	H3-NR		Northern	Sunni	T	R	Diploma	15	3	5		40	Married	3	M 20	N
21	K1-NR	C. A. Dep.	Northern	Sunni	T	R	H. School	22/10	3	6	3	51	Married	5	5	N
22	K2-NR		Northern	Sunni	N-T	R	Diploma	5	1	5		29	Married	1	3	N
23	K3-NR		Northern	Sunni	T	R	Bachelor	2	0	5		23	Single	0	M 20	N
24	W1-ER	C.S.A. Dep.	Eastern	Sunni	T	R	Diploma	16	0	6	11	46	Married	4	5	N
25	W2-ER		Eastern	Sunni	N-T	U	H. School	15/14	3	5		40	Married	5	M 20	Y
26	W3-ER		Eastern	Shiite	T	U	Diploma	10	2	6		38	Married	3	9	N
27	Z1-ER	T.C. Dep.	Eastern	Shiite	T	U	H. School	2	1	3	6	32	Married	4	2	N
28	Z2-ER		Eastern	Shiite	N-T	R	Diploma	16	3	5		36	Married	4	6	N
29	Z3-ER		Eastern	Sunni	N-T	U	Diploma	1	0	4		25	Single	0	M 20	N
30	F1-SR	C.S.A. Dep.	Southern	Sunni	T	R	Bachelor	16/6M	0	8	9	45	Married	4	8	N
31	F2-SR		Southern	Sunni	T	R	Diploma	16	10	7		35	Married	3	5	N
32	F3-SR		Southern	Sunni	T	U	Diploma	10/8	1	6		32	Single	0	15	N
33	T1-SR	Y.H. Dep.	Southern	Sunni	T	U	Bachelor	2	1	4	7	23	Single	0	M 20	N
34	T2-SR		Southern	Sunni	T	R	Diploma	6	1	5		29	Married	2	M 20	N
35	T3-SR		Southern	Sunni	T	R	Bachelor	5	0	4		25	Single	0	M 20	N