

Structural Barriers to Emiratisation: Analysis and Policy Recommendations

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Submitted to the School of Management

Faculty of Business and Law

Victoria University

In Fulfillment of the Requirements for the Degree of
Doctor of Philosophy

2008

DECLARATION

“I, Jasim Al-Ali, declare that the PhD thesis entitled Structural Barriers to Emiratisation: Analysis and Policy Recommendations is no more than 100,000 words in length including quotes and exclusive of tables, figures, appendices, bibliography, references and footnotes. This thesis contains no material that has been submitted previously, in whole or in part, for the award of any other academic degree or diploma. Except where otherwise indicated, this thesis is my own work”.

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ACKNOWLEDGMENTS

Praise be to Allah, the Glorious, without whose help none of this work would have been possible.

The author wishes to express his deep and sincere appreciation to Professor Michael Muetzelfeldt, for his valuable advice, patience and unfailing guidance. The author is deeply and forever grateful to him. Warmest gratitude is also acknowledged to my co-supervisor, Dr. Himanshu Shee for his insightful suggestion, statistical support, comments and untiring support. The author also wishes to extend his warm thankfulness to Mr. Pat Foley for his never-ending statistical support and words of encouragement. Special thanks to Dr. Karen Manning for her support, comments and suggestions.

The author also wishes to extend his greatest thanks to all institutions who supported and assisted this study in providing helpful illustrative and informational materials for the purpose of this study. Special acknowledgement is also extended to Chairman of Dubai Municipality Mr. Hussein Nasser Loutah. Special thanks to Mr. Mohamed Jalfar, Mr. Abdul Hakim Belshalat and Mr. Humid Al-Merry, the Director of the Human Resource for their contributions. The author acknowledges his lasting indebtedness to Dubai Municipality for the financial support of this study. Without the support of these people this thesis would be a more difficult journey. Thank you for sharing the vision.

Finally, the author extends his warmest gratitude to his parents, brothers and sisters, whose love and heartfelt encouragement have inspired him during the several years he spent at Victoria University. The author is tremendously indebted to his wife Jowhara whose patience, sacrifice, full understanding, and sincere companionship has not only helped relieving the pain of three years homesickness, but also provided him with the needed environment and aspiration to complete his work.

Abstract

Structural Barriers to Emiratisation: Analysis and Policy Recommendations

Decades of rapid development on the Arabian Peninsula attracted numerous migrant workers who now dominate the labour markets. In the United Arab Emirates, expatriate workers take some 98 per cent of jobs in the private sector and 91 per cent in the public sector; Emirati nationals have the few remaining jobs, yet also have a high unemployment rate. The purpose of this research project is to identify the factors that enhance placement and retention of UAE nationals in Dubai's workplace and propose a feasible strategy for greater job opportunities for UAE nationals and achieve an increased workforce participation. This study employs a theoretical framework based on three aspects of capital theory: human capital elements, that is, education, skills, and experience; social capital factors, such as gender inequality, nepotism and trust; and organisational capital variables, such as culture, English fluency and human resource management (HRM).

Prior to conducting the main survey, two preliminary studies were conducted. One study focused on an extensive literature search under capital theory to review constructs and findings that are relevant to employment issues for UAE nationals and identify means to address those issues. The second study comprised an exploratory study of the views of 20 senior HR managers of statutory organisations in Dubai and 17 correct responses were received, with response rate of 85 per cent. Based on the findings from the literature search and the exploratory study, 13 variables were identified that have a significant impact on UAE nationals in the workforce. Based on these variables, the main survey questionnaire was developed and distributed to 1500 employees in seven private and public sector organisations and 930 correct responses were received, with response rate of 65 per cent. The results revealed five variables that significantly differ in impact between the public and private sectors: training and development, career development, English fluency, gender inequality, and trust. To attract and retain Emiratis in public sector organisations, the variables of age, gender inequality, trust, organisational culture and career development were found to be significant; whilst in private corporations, trust, *wasta* (nepotism), organisational culture and remuneration were important in attracting and retaining UAE nationals.

This study concludes by using these results to recommend policies that enhance Emirati workforce participation.

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Definition of Terms

For the purpose of this study, the following key terms are defined:

- **Emiratisation** is a structural process whereby the government of the United Arab Emirates (UAE) requires working visas of three years for all non-nationals. Some quota and financial restrictions are placed on the employment of expatriate workers for certain skills and professions. The government has policies and programs to encourage UAE nationals to achieve competency in these targeted professions and skilled jobs; either by the national's direct work readiness, or through expatriate replacement with on-the-job mentoring.. Emiratisation aims to continuously develop the skills and knowledge of UAE nationals' workers to maintain UAE's pre-eminent position among the world's economies.
- **Gulf Cooperation Council (GCC):** is a long-standing regional organisation comprising Saudi Arabia, Kuwait, Oman, Qatar and the UAE. It coordinates economic and social development of its members.
- **Tanmia:** Acronym for National Human Resource Development and Employment Authority, responsible for skills development and employment for the national labour force.
- **UAE nationals, Emiratis:** Citizens of the UAE, holders of the UAE passport.
- **UAE non-nationals, non-nationals:** Guest workers who are not citizens of the UAE and who hold working visas of three years or less.

LIST OF ABBREVIATION

HRM: Human Resource Management

PCA: Principal Component Analysis

CFA: Common Factor Analysis

KMO: Kaiser-Meyer Olkin

SD: Standard Deviation

VIF: Variance Inflation Factor

T: Tolerance

SE: Standard Error of the Coefficient

sr: Semi-partial correlation

β : Standardised Regression Coefficients

b: Unstandardised Regression Coefficients

Sig: Statistical Significance

CEDAW: Convention on the Elimination of All Forms of Discrimination against
Women

Chapter 1

Introduction

Economic development of oil resources in the Arabian Gulf over the past thirty years required millions of expatriate workers in construction of facilities and infrastructure. As the societies developed, the construction workers were joined by skilled and professional workers as key components of the labour force of modern economies. In the United Arab Emirates, an extreme example of this situation, expatriate workers comprise 90 per cent of the workforce, whilst Emirati nationals find difficulty accessing work in this intense, highly skilled work environment. The purpose of this research is to identify factors to improve Emirati participation, studying Dubai's workplaces as examples of the future trend in UAE employment.

1.1 Background to Research

Emiratis are a minority in their own country, comprising two of every ten in the population, and just one of ten workers. UAE nationals contribute only nine per cent of employees in the public sector and one per cent in the private sector, yet they have a comparatively high unemployment rate. This recurrent unemployment occurs due to oil exploitation, causing a massive influx of resources that largely bypassed the social and economic development of Emiratis and now, in a single generation, imposes a world-class economy upon traditional Arab lands (Al-Qudsi 2006).

Due to windfall oil rents, UAE experienced two major economic and social changes that include an initial economic surge from 1974-1975 to the early 1980s, and a period of negative growth due to oil price deflation during the late 1980s and 1990s. For the first expansionary period, the UAE government developed social infrastructure, including generous welfare systems, and embarked on a large public investment program in infrastructure, utilities and basic industries (Al-Qudsi 2006). With a small indigenous population, largely unskilled, non-national workers were brought in from other Arab countries and Asia (Taryam 1987). The achievement was a stable, prosperous and highly developed country equal to the world's major economies.

The UAE maintained an open-door policy to attract non-national labour from 1973, and the policy plays an important role in the development and rapid

diversification of the economy from oil production into service industries. Non-nationals were employed for their diverse skills as well as their labour, and as the country moves through its economic development, UAE continues to attract commensurate skilled workers and professionals.

At mid-century, there was little development on the Arabian Peninsula, and no standardised education. In 1962, the area which was to become UAE had just 20 schools and less than 4,000 students, most of them boys (Taryam 1987). Upon federation in 1971, education was a high priority and since then all UAE children are entitled to a free public education (Rashid 2006). However, as universal education is a recent phenomenon, a minimum of a generation was necessary before the skills and knowledge that UAE required for its citizens' employability in its world-class economy started to flow into the workforce (Taryam 1987; Ministry of Planning 1975-1980). Consequently, non-nationals assumed work in which they have a comparative advantage: university professors, journalists, teachers, judges, administrators and construction workers. In addition, non-nationals occupied most jobs that required both high technical skills and fluency in English, and low skilled jobs in the services and household sectors (Abdelkarim 2001b; Girgis 2002).

A further deterrent to employment was the relatively sudden arrival of a bourgeois class in the Gulf Cooperation Council countries, with their radically improved living standards and a propensity for lavish consumption. Many families aspired to lifestyles that embraced large apartments, domestic servants and travel (Taryam 1987). The massive construction projects across the oil-bearing region did not attract local employment, due to harsh environmental conditions and the low wages acceptable to millions of unskilled workers from the Indian sub-continent, a traditional source of labour for Arabs. Also, UAE has a Bedouin society comprising three broad categories: urban, nomadic and rural. Tradition dictated that the first two categories were unable to adjust to manual labour; further, the position of women in this society precluded them from a large range of occupations where the sexes intermingled (Taryam 1987). Emiratis greatly prefer public sector employment with its generous pay and conditions and an Islamic working environment, where graduating Emiratis were automatically accepted. The private sector, on the other hand, was a relatively new phenomenon and a challenge for UAE nationals with its

English speakers, advanced technical skills, experienced workers, and very long working hours (Abdelkarim 2001b; Guang 2002).

During the last half-century, delays in the introduction of appropriate immigration controls and labour legislation allowed a massive inflow of cheap labour which was abandoned in the country at the end of a project or contract (Taryam 1987). Succeeding waves of itinerant male workers, generally from non-oil producing Arab countries and the southern Asian countries, were attracted by the GCC's living standards and political stability, adding to a gender imbalance skewed heavily toward males. Without early government intervention to manage the impact of millions of non-nationals on a small population, this, and the resultant gender imbalance became a long-term contentious issue of alienation of Emiratis in their own country.

Nevertheless, for all these structural dysfunctions of a rapidly developing society, UAE nationals enjoy high incomes, continuing high economic growth, a stable environment and a lifestyle that was completely unforeseen in 1960.

1.2 Problem Statement

UAE nationals' increased workforce participation is critical to the country's growth. Decision makers concerned with the country's future direction as a commercial hub are overwhelmingly short-term non-nationals who are concerned only with productivity under their particular watch. For continued expansion and diversification of its oil-based economy, UAE needs to quickly develop strata of commercial leaders and the supply of qualified and committed ranks of industry professionals in finance, management, corporate governance, human resource management, IT, marketing accounting, and the paraprofessionals who support corporate activities.

As the private sector is already subject to pro-national labour policies, namely Emiratisation, further restrictions and enforcement may prove counterproductive if indeed the barriers are found to be predominantly elsewhere. Extant research on unemployment for GCC nationals is to date generally qualitative, constrained by its placement in rapid economic development, and of a small scale. Findings from these specific instances in the literature are thus open to argument based on the state of the economy; relevant localisation decrees from country to country, definitions of employability, and the perceptions of stakeholders (Abdelkarim 2001b).

This research is directed to quantitative analysis across a broad spectrum of large corporations in both the private and public sectors. By this means it aims to identify structural, practical and perceived barriers to Emiratisation – asking the questions, which in stakeholders views, define factors critical to Emiratis’ engagement with their employers or potential employers.

1.3 Purpose of Research

The objective of this study is to identify variables under the constructs of human capital, organisational capital and social capital and to propose feasible strategies for greater job opportunities for UAE nationals. The aims of this study are:

- Investigate human, organisational and social barriers to the engagement of UAE national employees with their employers, in the public and private sectors
- Identify differences between public and private sector employees, based on variables of these constructs
- Develop strategies and policy framework to enhance employability in these two sectors.

1.4 Research Questions

The prime research question is as follows:

Identify factors impacting the employability of Dubai’s UAE nationals.

This question is further explicated by the following sub-questions:

- Determine sector-specific differences for a given factor.
- Identify characteristics of Emiratis’ work attitudes.
- Determine differences between UAE nationals and non-nationals work attitudes.

1.5 Importance of this Research

In addressing the research question: *Identify factors impacting the employability of Dubai’s UAE nationals.* This research is important for a number of reasons:

- Concern regarding the saturated and hence limited future employment opportunities in the government sector; the private sector is of paramount importance to the country’s socio-economic development. In view of the

government's liberalisation policies, and in particular the privatisation program, it is significant to explore these issues and elicit feedback from Emirati employees.

- There is a disconnect between the rhetoric of cultural transformation and high career achievement, and reality. UAE national employees view Emiratisation with scepticism.
- As an employer, Dubai government demands greater labour flexibility by reducing numbers of job classifications, appointment and promotion on merit, and performance-driven reward systems. It is therefore crucial for public employers to understand the impact of this change and the effects on the morale and the productivity of their staff.
- Human resources develop countries. The commitment of the workforce and the engagement with the aims and targets of their organisations are factors critical to the success of the corporation in the long term. Only Emiratis can give the longitudinal support and commitment that corporations, and in fact, all organisations need to survive and prosper. This is because three year contracted non-nationals can only perform a consultancy or a work-related role; they are useful in a rapid development phase, but of reduced value when implementing long term strategies. Emiratis are the best long-term resource, provided that they have commitment, skills and corporate knowledge.

1.6 Methodology

Prior studies on Emiratisation were from an external perspective by third party researchers using qualitative methodology. This research however uses a pilot survey followed by a quantitative survey. Results from the pilot survey were used to establish the design for the main questionnaire. The objective of two-phase exploratory design is to use the results of the first mixed method (qualitative and qualitative) to develop or inform the second method (quantitative) (Greene et al. 1989). Phase one comprised email contact with key informants (20 senior Dubai managers knowledgeable regarding Emirati employment), and phase two consisted of a subsequent questionnaire distributed to all 1500 respondents. The methodology of this research is discussed in Chapters 5 and 6.

1.7 Application of Findings

This research has immediate application for both sectors within Dubai organisations, and to a lesser extent in organisations in other states such as Abu Dhabi, Sharjah, Ras Khaimah, Al Fujairah and Ojman. It may also give grounds for further research.

1.8 Location of Research

Research is conducted in Dubai with seven different organisations. Five organisations came from the private sectors and two from the public sectors. The research is from the perspective of UAE national employees, as the research will be used to identify variables that have a significant impact of their performance in the workforce in UAE.

1.9 Limitations of Research

The study, as other research, has a number of limitations. First, the approach chosen for the methodology was a quantitative data analysis based on sample responses from seven organisations only. Inclusion of samples from more organisations would be more representative of the population. Second, the conceptual framework of the study was based on three capital constructs: human, organisational and social. All these constructs are internal to the organisations. Inclusion of factors external to the organisations may influence the interactions of variables and show some changes in the results. Limitations of this research are discussed in Chapter 9.

1.10 Implications of the Study

The findings of this study have policy implications for various organisations in the public and private sectors, and universities. Soliciting feedback from UAE national employees regarding Emiratisation assists employers with accurate information for Emiratisation applications. Further, UAE organisations can utilise the results to raise an awareness of employment opportunities through job fairs and possibly the establishment of an in-house career counselling and placement centre. The implications of this research are discussed in Chapter 9.

1.11 Structure of this Thesis

This project identifies the role of capital theory through its three constructs with UAE nationals in the Dubai workforce. The thesis covers first, a background of UAE and the terms of this study, then a discussion of extant theory, the research

methodology, followed by the results and analysis of the findings. There is also a chapter discussing the implications and conclusions of the research, suggesting ways forward and further research. The arrangement for the chapters is shown below at Figure 1.1 Outline of Thesis.

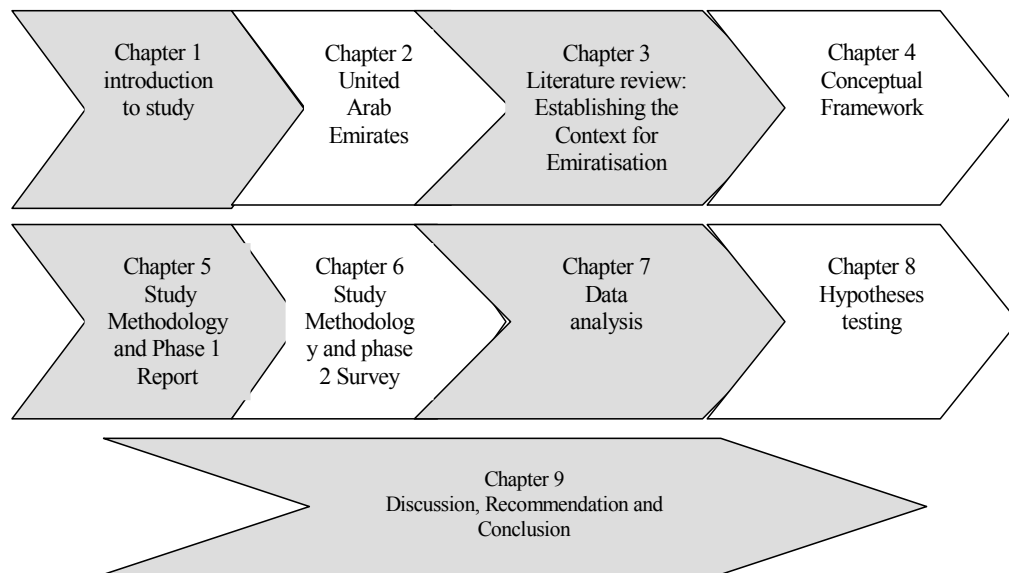


Figure 1.1: Outline of thesis

Chapter 1 provides the background to the research and sets a foundation on why the study was conducted. A clear description of the workforce in UAE is added so that the reader can understand the problems that UAE nationals face in the workforce and the environment of the research. There is also a brief discussion on the significance of the study, and its limitations are identified.

Chapter 2 documents the emergence of UAE as a well-recognised nation, and discuss the rapid social and economic development that is still taking place to achieve this distinction. Characteristics of the country, its demographics and education structures relevant to this thesis are then discussed, followed by an examination of the roles played by Islam and the interlinked Arab culture.

Chapter 3 reviews the results found in previous studies, and demonstrates their relevance to the aims of this study. This chapter discusses the effect of oil rents on GCC countries' economies, and particularly on their demographics, from the 1973 oil price adjustments.

Chapter 4 presents a theoretical framework based on human capital, that is, education, skills, and experience; social capital, such as gender inequality, *wasta* (nepotism) and trust; and organisational capital, such as culture, English fluency and human resource management.

Chapter 5 presents the methodology and findings of the exploratory phase. The aim of this chapter is to probe the endogenous themes that contribute to the differing job markets in UAE, that of nationals and non-nationals, and to test findings in the literature leading to Emirati outcomes of increased job uptake and job continuance.

Chapter 6 describes the methodology chosen for the main survey, the research process followed, its justification and limitations. A description of the methodology of data collection and analysis is also presented.

Chapter 7 commences the analysis for the descriptive quantitative analysis. The objectives of factor analysis, and its relevance in this research are explored, together with the selection of methodology for factor extraction to gain the related variables. The remainder of the chapter concerns statistical analyses, particularly differences between Emirati employment in the two sectors, and the interpretation of the results.

Chapter 8 presents the data analysis by setting and testing 15 operational hypotheses developed from the construct variables. The statistical methodology is described for testing each of the first 15 hypotheses, and then the test results reported.

Chapter 9 discusses the key findings from the quantitative results and links these to the existing literature. The implications, recommendations and limitations of the research are presented along with some recommendations for future research.

Chapter 2

United Arab Emirates

Non-nationals dominate in the UAE population and especially in the country's labour market. The antecedents of this dominance reach back through UAE sovereignty and, to a certain extent, reflect the current mix of nationalities. The purpose of this chapter is to trace the emergence of UAE as a well-recognised nation, and discuss the rapid social and economic development that is still taking place to achieve this distinction. Characteristics of the country, its demographics and education structures relevant to this thesis are then discussed, followed by an examination of the roles played by Islam and the interlinked Arab culture. The third section describes on the cultural impact on business activity in the country, noting the discordance between global financial structures and the Islamic prohibition on the practice of charging interest, thus impacting the employment of devout Emiratis within financial institutions. In the final section, the study will illustrate the effects of modernisation or globalisation on both the culture and society of the UAE.

2.1 History and Economy

Situated on the north east coast of the Arabian Peninsula, the United Arab Emirates shares borders with the Sultanate of Oman and Saudi Arabia. It has a total area of 83,600 square kilometres, and comprises three geographical areas, the Arabian Gulf coast, a mountainous region to the north east, and desert. The desert predominates at 80 per cent of the country's area, with summer average temperatures at 41degC at the coast and higher deeper into the southern desert (Hurreiz 2002).

Sheikh Zayed, UAE's first president, stated that '... a people that does not understand its past, and does not draw the correct lessons from it, will not be able to deal with the challenges of the present and the future' (Al-Ahed et al. 2004, p. 260).

The UAE comprises a federation of seven Emirates: Abu Dhabi, Dubai, Sharjah, Ajman, Umm-al-Quwain, Ras al-Khaimah and al-Fujairah. The federation of seven emirates was formerly known as the Trucial States, a title derived in the 1850s from a Perpetual Treaty of Maritime Truce between several Emirs and the British. As part of the treaty, the United Kingdom accepted accountability for the Arabs' non-national

affairs and external defence, while agreeing not to interfere in their internal relationships.

Given the Gulf's abundance of oysters and shallow seas, pearling was the region's primary economic activity for the best part of a century. The pearling industry gave rise to support industries such as boat-building in Dubai and Umm al-Quwain, and the greater wealth to the region allowed development of new industries, examples being weaving and tailoring (Heard-Bey 1982). However, by the early 1930s the pearling industry declined due to a combination of worldwide depression and increasing competition from Japanese cultured pearls (Fenelon 1973). The discovery of oil, its production from 1962 and the oil price rises from the 1970s were the catalysts for the merger of the seven Emirates.

Federation: The move to federation began in February 1969 when Sheikh Zayed of Abu Dhabi and Sheikh Rashid al-Maktum of Dubai agreed to merge the two emirates into Al-Ittihad al-Thuna', a state governing foreign affairs and immigration, security, and social services. The United Arab Emirates, with Abu Dhabi, Dubai, Sharjah, Ajman, Umm-al-Quwain and al-Fujairah, was proclaimed on 2 December 1971 with Sheikh Zayed as its president and Abu Dhabi as its capital (Codrai 1990; Davidson 2005; Taryam 1987; Tomkinson 1975). Ras al-Khaimah joined the federation later in February 1972 (Held 2006).

Economy: Oil moved the UAE from a traditionalist economy into arguably the world's wealthiest country with a 2005 per capita income of Dh107,164 (\$A35,432) (Salama 2006). This was achieved with political stability intact, provision of generous social services and a remarkable pace of economic development. The greatest investment is in social services, with the development of full health care and education systems for the UAE population, Emiratis and non-nationals, and the concomitant creation of job opportunities. However, there is a disparity between the oil-rich emirates: Abu Dhabi, Dubai, as modern city-states together with Sharjah; and the other emirates, which because they are sparsely populated, do not maintain the same pace of economic development. This is partly the result an inability to diversify from oil into other industries to assist a wider industrial platform (Al-Oraimi 2004). UAE is, nevertheless, a prosperous country, built on oil and gas exploitation, and with plans for a time when oil production slows. Recent diversification strategies are coming to fruition, with a move into technological and tourist-based ventures,

although Al-Oraimi (2004) argues that the country is too small to achieve a truly diversified economy.

This point in UAE's economic migration from a traditionalist country is crucial for its continued development. The country is developing swiftly and it appears that this rate can be sustained if civil infrastructure can keep pace with its physical counterpart (UAE Government 2007). The country's population is highly multicultural, southern Asians, Arabs, UAE nationals and others. The rising price of petrochemicals underpins this development; production of oil may increase and gas, the future driver of the economy, is also produced. Diversification comes from services growth, including finance, tourism and retail.

UAE is an extreme example of globalisation, as only a small fraction of its population is nationals, and this is a matter of a global workforce serving a global population. UAE embraced globalisation as the sole means to first develop its oil and then the country itself. However, it is hostage to the forces of globalisation, an itinerant workforce and therefore customer base, insufficient knowledge of the rapid changes occurring at every level of UAE's society and businesses, the unpredictability of the world's financial focus and therefore the type of competition. UAE nationals, as citizens of the country, must adapt quickly to keep pace with globalisation, particularly its mores of English, finance, trade and lifestyle. As Arabs, they have a proud tradition to maintain, including Muslim tenets.

To date, UAE's the human resources for public services are largely supplied by non-nationals; for the private sector, workers are almost entirely foreign labour. The central issue for this thesis is to develop the capacity of Emiratis to contribute to sustainable development in UAE. In the next section, the diversity of the UAE population and its effect on social structures are discussed.

2.2 Demographics

In this section, factors that impact Emirati employment are discussed: population growth, population structures, and labour force disparities.

2.2.1 Population Growth

Shortly after federation, in 1975, UAE's population was estimated at 557,887 (Mahgoub 1999). Since then it experienced a very high population growth through imported labour and to a lesser extent, a high birth rate, see Table 2.1 below.

Table 2.1: UAE populations by Sex and Nationality, 1975-2004

Year	UAE nationals			Non-national			Total		
	Male Thous.	Female Thous.	Total Thous.	Male Thous.	Female Thous.	Total Thous.	Male Thous.	Female Thous.	Total Thous.
1975*	105	97	202	281	75	356	386	172	558
1980	151	140	291	569	182	751	720	322	1,042
1985*	202	194	396	693	290	983	895	484	1,379
1995	297	290	587	1,310	514	1,824	1,607	804	2,411
2004	464	442	906	2,465	949	3,414	2,929	1,391	4,320

*official census figures; other years are Tanmia estimates

Source: Human Resource Report, 2005, p. 9

Table 2.1 shows the population growth in the thirty years from 1975 to 2004, with UAE nationals recording a population increase of approximately 4.5 times (from 202,000 to 906,000) and non-nationals a near-tenfold increase (0.36 million to 3.4 million).

Fertility Rates: Tanmia (2005), the National Human Resources and Employment Authority, estimates that the total 2004 UAE population was around 4.3 million, with 79 per cent non-nationals, and a high population growth of around 4 per cent. The population growth is aided by births, illustrated at Table 2.2.

Table 2.2: Total Fertility Rates, Nationals and Non-nationals, 1985-2004

Year	1985	1995	2004
UAE nationals	7.2	5.2	4.6
Non-nationals	3.9	2.6	1.9
Total	4.8	3.2	2.4

Source: CLMRI, Tanmia (2005)

Total fertility rates are defined as the average number of children per woman during her child-bearing years (usually between ages 15-49 years). Table 2.2 shows that from 1985 to 2004, there was a 50 per cent drop in fertility rates for the total population and 57 per cent for the UAE national population. In 1985 the average number of children per Emirati woman was 7.2 and it dropped to 4.6 in 2004. This may reflect general world trends in falling fertility rates, especially in developing

countries (Tanmia 2005). Other factors concerning Emirati women include cultural changes, which include delayed childbearing, and access to higher education; workforce participation; and increasing family incomes also impact fertility rates. Given the continuation of these factors, fertility rates for Emirate women will fall further (Tanmia 2005). This is an issue of modernisation, as the role of Arab women changes. The traditionalist lifestyles of the previous generations demanded high birth rates to maintain family and tribal status in the frequently violent peninsula. Now, the focus has widened to defending the country in an economic sense, and the participation of all Emiratis is required through the government's focus on its human capital. Further, women are emerging as the majority by numbers in higher education and qualifying in a range of professions, discussed at Section 2.3. They are moving into the workforce to earn a living, and to begin a career.

Workforce Composition: Of the 1,390,000 females in UAE in 2004, less than one third of the total population, just 442,000, were Emirati, a mere ten per cent of the total population. There were 426,000 females in the UAE workforce, either in a job or seeking work; consisting of 345,000 non-national women (13% of the total UAE workforce) and 71,000 UAE national women (2.5% of the total workforce and a quarter of whom were looking for work). On the other hand, there were 183,000 UAE national males in the workforce (6.7% of the total UAE workforce, and 8.2% unemployed) (Tanmia 2005). The rate of UAE nationals' unemployment is increasing sharply, with 29,000 UAE nationals registered as unemployed in 2004; see Section 3.4.4 (Elhage et al. 2005; Tanmia 2005).

2.2.2 Emirati Population Profile

The UAE nationals' age profile reflects the high birth rates and is significantly skewed to those less than 15 years of age, with 45.6 per cent aged from 0 – 14 years. The age profile of the non-national population under 15 years remained constant over the past decade. UAE's high gender ratio (males to females) is a reflection of the decades-long influx of largely male foreign labour. In 1985, the total UAE population gender ratio was 1.8:1 and by 2004 was 2.1:1 and rising. The gender structure of Emiratis reflects a natural society, at 1.04:1 in 1985 and similarly in, 2004, 1.05:1 (Tanmia 2005). However, as noted, the greater number of non-nationals in the population skews the total population gender ratio, so that the ratio for non-nationals went from 2.4:1 in 1985 to 2.6:1 in 2004 (Rashid 2006, p. 1). The gender ratio,

arguably the highest in the world, is of great concern to Emiratis who find themselves a minority of one of every five of the population. Whilst this is a factor of the workplace and public places, there is concern that the use of south Asian servants at home degrades the values and mores of a traditional upbringing for the children if the mother is pursuing a career.

Although Emiratis have an average gender ratio, there are significant differences between the number of national men and women involved in higher education. The following education section presents the pre-oil and post-oil exploitation and its effect on the country.

2.3 Education

Before the discovery of oil, as noted, there was little development on the Arabian Peninsula, and no standardised education. In 1962, when oil production started in Abu Dhabi, the country had just 20 schools for less than 4,000 students, most of them boys (Taryam 1987). Upon federation in 1971, with growth to 28,000 students, education was a high priority for the first UAE President, Sheikh Zayed bin Sultan Al Nahyan, who declared: ‘Youth is the real wealth of the nation’ (Rashid 2006, p.1). The UAE supports all children with free public education from primary school through to college and university. There is also an extensive private education sector, which now accounts for around 40 per cent of the student population.

2.3.1 Schools

Today, every village in the UAE has at least its own primary school, and a number of secondary schools in the cities offer boarding facilities to ensure that all citizens have access to education. In 2004 there were a total of 1,207 schools in the country, 755 public schools (62.5%) and 452 private schools (37.5%). Table 2.3 shows the relevant student percentages.

Table 2.3: Student Population in Public and Private Schools, by Sex and Stage, 2004

Sector	Sex	Pre-school		Primary		Secondary		Total	
		Number	All Schools%	Number	All Schools%	Number	All Schools%	Number	All Schools%
Private	Male	10,896	10.2	101,884	23.8	29,505	28.8	142,285	22.3
	Female	11,323	10.5	102,916	24.1	35,690	35.0	149,929	23.5
	Total	22,219	20.7	204,800	47.9	65,195	63.8	292,214	45.8
Public	Male	29,368	27.4	119,344	27.9	19,658	19.2	168,370	26.4
	Female	55,781	51.9	103,588	24.2	17,426	17.0	147,427	27.8
	Total	85,149	79.3	222,932	52.1	37,084	36.2	315,797	54.2
All Schools	Male	40,264	37.6	221,228	51.7	49,163	48.0	310,655	48.7
	Female	67,104	62.4	206,504	48.3	53,116	52.0	326,724	51.3
	Total	107,368	100.0	427,732	100.0	102,279	100.0	637,379	100.0

Source: Ministry of Education and Tanmia (2005)

Table 2.3 shows an increasing percentage of girls attending private schools, rising from 10 per cent of the pre-school population to 35 per cent of the secondary school population, signifying a desire by parents to remove girls from the public or government school system into studies more suited to their needs. Girls in public schools show a corresponding decline, from over half the student population (52%) in pre-school to just 17 per cent in secondary school. Boys show similar tendencies, although their proportions are impacted by the girls' larger changes. Nevertheless, the overall change to private schools reverses over the school years, from three-quarters (79%) of the population in public pre-schools, to two-thirds (64%) in private secondary schools.

Characteristics of the public school system are shown at Table 2.4.

Table 2.4: Public Education Indicators, by Emirate, 2004

Emirates	Student Numbers	Teacher Numbers	Classroom Numbers	School Numbers	Pupil/ Teacher Ratio
Abu Dhabi	233,691	16,613	10,431	488	14.1
Dubai	144,461	9,141	6,113	213	15.8
Sharjah	117,391	7,788	4,913	216	15.1
Ajman	34,195	2,184	1,375	63	15.7
Umm al-Quwain	8,834	782	439	29	11.3
Ras al- Khaimah	29,091	2,158	1,287	69	13.5
Fujairah	44,435	3,391	2,007	129	13.1
Total	612,098	42,057	26,565	1,207	14.6

Source: Ministry of Education, Tanmia (2005)

Table 2.4 illustrates the public schools' composition and population, by Emirate. Dubai, Sharjah and Ajman exceed the UAE average of 15 students to a teacher and also the school populations, that is, an average of 507 students per school. Dubai has on average the largest schools, being the only Emirate to exceed the national average of 22 classrooms per school. Umm al-Quwain on the west coast of the peninsula and Fujairah on the east coast evince lower than the UAE average in pupil/teacher ratios, physical size of the schools and the average number of students in each school. However, these statistics may be mitigated by such factors as population growth, and isolation from the main coast (Fujairah).

The changing demographics of the school system reflect those in other countries displaying similar economic circumstances. Where private schools compete with government-owned schools, parents aspire to place their children in a private school for reasons which include: religion or secularism; quality and breadth of education; status and future connections for the child's family; a nurturing environment, especially for girls; and for selected careers, such as the arts. Whilst the Ministry of Education nominates and monitors the curricula of private schools, arguably, the 'refining' of education may take a different path, moving the Emirati population toward higher education or specialised professions, which may or may not focus on employability. Thus, whilst social capital can be enhanced through a private education, given the effect of higher education, human capital aspirations for the individual and the government may falter.

2.3.2 Higher Education

The first higher education establishment, the UAE University opened in Al Ain in November 1977; by 2004 it had over 20,000 graduates. More recently, Higher Colleges of Technology for both sexes opened in Abu Dhabi, Dubai, Al Ain, Sharjah, Ras Al Khaimah and al-Fujairah. These colleges supply a wide range of professional skills to the job market, from Business Administration to Chemical Engineering. A specialist university for women, Zayed University, opened in 1998 (Al-Ahed et al. 2004; Morris 2005; Rashid 2006).

Enrolments: Private universities experienced a substantial increase, 13 per cent in the year to 2004, in non-national students, particularly females (Tanmia 2005). Over 30 private and semi-private institutions have been established in UAE. The most

high profile of these institutions are: University of Sharjah (1997); Ajman University of Science and Technology Network (1997); American University of Sharjah (1998); Ittihad University (2002); British University in Dubai (2004); Abu Dhabi University (2003); The University of Wollongong in Dubai (1993). The premier female institution, Zayed University, with campuses in Dubai and Abu Dhabi, was established in 1998 and its aim is to achieve significant intellectual and social development for women in UAE. It also expects its graduates to be well-prepared professionals ready to become leaders in government, business, civil society, and family life. Table 2.5 illustrates the variation in enrolments, although the overall rate was 5 per cent.

Table 2.5: Enrolment in All-Higher Education Institutions, by Sex and Nationality, 2003-2004

Year Ending	Male			Female			Total		
	UAE National	Non-national	Total	UAE National	Non-national	Total	UAE National	Non-national	Total
2003	13,006	13,401	26,407	26,675	13,414	40,089	39,681	26,815	66,496
2004	14,274	13,205	27,479	27,262	15,132	42,394	41,536	28,337	69,873
Change	10%	-1.5%	4%	2%	12.8%	5.7%	4.6%	5.6%	5%

Source: Ministry of Education and Tanmia (2005)

The largest rise in Table 2.5 is that of non-national female enrolments in higher education, nearly 13 per cent, although at the other end of the continuum, non-national male enrolments actually fell. This dichotomy may relate to a relaxation some time ago of the Emirati decree against non-national families, and the subsequent residency approvals for traditional Muslim families to bring their teenage female children to UAE; thus the greater numbers being qualified for para-professional and professional work.

Despite a slight rise in Emirati female enrolment in higher education in 2004, those applying for positions in public universities rose by just 1.4 per cent for the year to 2004, compared to their 29 per cent increase in private universities in the same year (Tanmia 2005). This suggests that Emirati females prefer private universities, arguably due to the greater affluence of families who do not have to accept free public

education; and the greater relevance and acceptance of private university qualifications by potential employers (Tanmia 2005).

A further distinction is that two thirds of all higher education enrolments in UAE are national females, although the national male enrolment rate is rising at a greater rate. Emirati females in the 2004 academic year represented nearly two (39%) of every five UAE enrolments, eclipsing non-national females (21.6%), Emirati males (20.4%), and non-national males (18.9%); each comprising near one of every five enrolments.

Graduates: The pattern shown for enrolments continues for graduates, as shown in Table 2.6 below.

Table 2.6: Higher Education Graduates, by Sex and Nationality, 2003-2004

Year Ending	Male			Female			Total		
	UAE National	Non- national	Total	UAE National	Non- national	Total	UAE National	Non- national	Total
2003	2,325	1,080	3,405	5,758	2,104	7,862	8,083	3,184	11,267
2004	2,692	1,854	4,546	5,969	2,628	8,597	8,661	4,482	13,143
Change	15.8%	71.7%	33.5%	3.7%	24.9%	9.3%	7.2%	40.8%	16.7%

Source: Ministry of Education and Tanmia (2005)

Given the 17 per cent overall increase of graduates in academic year 2004 from 2003, non-national males experienced a great change in their cohort numbers from the previous year, perhaps sufficient to skew the actual undergraduate numbers. Also, from a low base, non-national females experienced a surge in graduate numbers, whilst the Emirati rates of change were less, particularly for the females.

Emirati females represented just under half (45%) all UAE graduates for 2004, relatively consistent with 2003 cohort. Both Emirati males and non-national females each constituted 20 per cent of the 2004 cohort, with the remaining 15 per cent of the cohort non-national males. On a gender basis, therefore, females comprised two thirds (65.4%) of the cohort, a dramatic illustration of the changing cultural mores regarding female education and therefore future workforce participation. This outcome is confirmed by Sayed (2001) in an opinion survey, which revealed that 97 per cent of UAE males and 99 per cent of females supported gender equality in education.

Female Graduates' Prospects: However, despite their dominance in the educational sphere, female graduates are challenged by personal and structural barriers when entering the workforce. According to Al-Oraimi (2004), social and family pressures demand that some women stay at home until they get married. Affluent families provide for girls and young women, who at this stage of the country's prosperity, do not need or seek any form of self-support. Others who do enter the workforce may leave their jobs after marriage, or retire early to have children. Finally, the open-market policy encourages the influx of non-national labour, which competes on a cost-effective basis with UAE nationals, including women.

Career women also face discrimination regarding their technical competency and their intentions regarding parenthood. Nevertheless, Kabbani and Kothari (2005), referring to the GCC countries, state that if labour markets operate efficiently, non-nationals can be absorbed into the economic activities of a labour market without considerably affecting unemployment rates.

2.4 Religious Observances

Islam is the official religion of all seven emirates. Islam is both a religion and a legislative system, affecting a country's trade and workforce. It is therefore the basis of UAE legislation and decrees. In the 2001 census, 76 per cent of the 4.04 million total population was Muslim, 9 percent was Christian, and 15 percent belonged to other religions, including Baha'is, Parsis and Sikh (U.S Department of State 2006). The UAE constitution promotes tolerance and freedom of religion and this is widely practised in the country (Wilkins 2001b).

2.4.1 Islamic Observances

The five pillars of Islam define the duties of Muslims: the profession of faith, prayer, alms giving, fasting and the Haj (the pilgrimage to Mecca). Muslims in the UAE pray five times a day, downing work to pray with the Azan (call) to prayer. This occurs throughout UAE workplaces.

Ramadan: Throughout the Arab countries, including UAE, Ramadan has special significance for Muslims. The holy month starts and ends with the sighting of a new

moon. Fasting is compulsory for Muslims who are physically fit and they do not eat or drink between sunrise and sunset.

Eids: Islam observes two religious holidays (Eids). The first, Eid al Fitr, is at the end of Ramadan, and Muslim countries allow three or four paid holidays for the celebration for all, although there is some flaunting of this practice where small firms pay non-Muslims half pay. The second is Eid Al-Adha, is the greater festival of four days and occurs some 70 days after Eid al Fitr on a set date according to the lunar Islamic calendar, with similar celebratory activities. Again, non-Muslims also take leave with Muslims on full pay.

2.4.2 Islamic Law and Finance

Islam impacts work choices for Muslim entrants into the workforce. Many families intercede if the career envisaged by a graduate conflicts with religious beliefs. For a prospective financial career, Islamic law sources prohibit interest, or usury (Riba). However, whilst some Islamic scholars strictly define interest as a version of usury, others are of the view that interest accrual does not necessarily equate with usury. For the former, any financial trading based on interest is forbidden, and as Emiratis remain conservative, Shari'a prohibitions are observed. There are ongoing and unresolved debates about what this means for actual business practice (e.g. Archer and Karim 2007).

This legal argument of Shari'a is of the utmost importance to the UAE government. UAE displays impeccable financial credentials to attract the development necessary for its society and economy; there is no way to avoid global financial instruments that embed interest-bearing funds, and financial trades move in and out of UAE almost instantaneously. UAE cannot depend on non-nationals to act for the host country in managing these oil-based financial systems; it must develop its own cadre of financiers. Further, the public sector must display the financial acumen to put in place the country's checks and balances on its funds flows to maintain its financial hegemony and reputation.

The social and religious argument is thus that inconsistency and different interpretations of financial careers create a major issue for the devout Muslim community. It is in the government's interest that UAE Muslim scholars distinguish between usury and interest to clarify Islamic, and thus UAE law, and promote public

debate on the all-important financial standing of the UAE. To assist in Emiratisation, there is an option for financial institutions to segregate their activities so that Muslims can work in areas not directly associated with interest, such as economic analyses.

2.4.3 Globalisation

The effect of globalisation on Muslim sensibilities is described by Najjar (2005) as the ‘ removal of Islam from thought and action, so that Muslims become subservient to the West’. Indeed globalisation has changed the UAE Muslim community, with Islamic prohibition of unsupervised interaction between unrelated men and women now routinely bypassed; as is the use of face veils. There has also been the introduction of bars and nightclubs, often frequented by Emiratis.

Nevertheless, Islam’s flexibility allows interpretations consistent with modern principles such as gender equality and social development (Abdel-Hady 2005). Therefore, the impact of globalisation on Islam is inevitable and Muslims should take these opportunities in knowledge, science and technology, without necessarily losing Islamic cultural individuality.

In the following section, UAE’s Islamic culture and modernisation is discussed in light of its rapid development over the last three decades.

2.4.4 International Overview

UAE is signatory to a range of international conventions and a member of many international organisations, and thus invites analytical comment and advice. For example, the International Monetary Fund recently (December 2007) noted the country’s diversification, funded from rapid oil price rises, and further notes that the government should address an impending housing crisis for its nationals caused by this development (International Monetary Fund, 2007). Although UAE is a long-term member of the World Bank, which is another example of international reach, that organisation tends to adopt a wider GCC approach; however, the Bank notes previous deep technical assistance to GCC countries, including UAE (World Bank, 2008). On a different topic, Transparency International ranks UAE on its Corruption Index as No. 3 for transparency in the Middle East, and No.34 overall. This accords with Australia, for example, as No.3 in its region, and No. 11 overall (Transparency International, 2007). There is a perhaps understandable lack of prominence given to the UAE, and indeed, the GCC countries in the publications of national development bodies, for

example, USAID, its UK equivalent, the Department for International Development (UK DFID) and the Japanese International Cooperation Agency (JICA). For USAID, UAE is a provider in hosting resources and logistics assistance across the Arabic Gulf (USAID, 2008). Similarly, UK DFID notes that UAE was the recipient of assistance two decades ago for a link in the global coaxial cable between that country and India (UK DFID, n.d., 2008), whilst JICA acknowledges the trading partner status of UAE and other GCC countries. (JICA, 2008).

The emergence of UAE as a significant contributor to world trade and a country of very high living standards, despite the 2007 – 2008 temporary housing issue, is generally acknowledged among its peers. As an indicator, the UAE consolidated its international and regional position in the Growth Competitiveness Index (GCI) for 2008 published by the Geneva-based World Economic Forum, where it was ranked at 37 internationally (World Economic Forum, 2008).

2.5 UAE Culture

UAE's Arab culture is of a social mien, concerned with a person's status, contacts, and education (Dakhil 1988; Terpstra & David 1991; Wilkins 2001a). As is the case in many traditional societies, Emiratis' attitudes differ in relation to the person they are addressing, young or old, family or non-family. Children are taught to respect their parents, elders in their family and people in authority. Behaviour is also highly personalised, trust in the other party and a good personal relationship is a precondition of all social and business transactions, (Long 2005). Under Arab tradition, three days of full hospitality is offered to any guest, after which the relationship returns to its previous state. However, language is an issue; although Arabic is UAE's official language, the preponderance of non-nationals results in English being the lingua franca in business and frequently in social settings. This undermines the cultural prerogative for citizens to use their country's language.

2.5.1 Traditions

Many traditional UAE practices are still in evidence, and are being reintroduced or formalised as 'living memories' for the urbanised population (Davidson 2005). Indeed, Findlow (2000, p.39) supports this view 'this modern Muslim Gulf Arab nation-state retains strong elements of traditional conservatism while endeavouring simultaneously to preserve indigenous cultural authenticity'. An example is

thoroughbred camel racing to preserve UAE's Bedouin heritage, which is a profitable and widely televised sport. Further, a program of development for Islamic-oriented projects, such as new mosques and Islamic centres, is continuing (Davidson, 2005). However, Islamic heritage and cultural pursuits are competing with new interests. Emiratis adopted the global lifestyle with alacrity, dispensing with older pursuits such as pearling, which was abandoned thirty years ago. Other traditional occupations such as farming and fishing remain, but these are mechanised and use the latest technology.

In a drastic change from self-reliance to dependency, Emirati parents use non-nationals to care for their children and thus the children miss out on the day-to-day absorption of their Arabic culture (Hurreiz 2002). Together with Emiratis' preference for the generous public sector work, such dependency on others filters through UAE society, and weakens initiative and resolve. Davidson (2005) states that many nationals believe that the near-destruction of their country's heritage is caused through globalisation and external forces outside their control, thus the situation will not be resolved and traditional UAE heritage will be lost over the coming years.

2.5.2 Social Change

Prior to federation in 1971, the Emirates' populations were generally that of a tribal desert people, the Bedouin (Al-Nahyan 2000). According to Robertson (1992), cited in Davidson (2005, p. 262)

... alongside economic considerations, the impact of globalization on a developing state's society and culture has also been recognised as a key motor of change, and the UAE has been no exception, with accelerating and often highly intrusive socio-cultural globalising forces having caused local divisions between those fearing and those ready to embrace such change.

Indeed, modernisation has not come without cost. Although economic development gives great advances in education, health care, transport, communications and other social services; it also challenges traditional UAE family values. A major impact of social change is family fragmentation. In the past, three generations of a family resided together, with the younger deferring to their elders. Generational financial relationships have become redundant, thus elders do not have the same influence, and the generations lead separate lives. However, 'developing states should not resist such change, but should instead remove all obstacles in order to facilitate this inevitable transformation' (Pratt, 2001, cited in Davidson 2005, p.253). Whilst Pratt presents a confrontationalist view of acceptable social dislocation

in the charge to globalisation, devout and traditionalist populations epitomised by UAE depict this view as insolent and irrelevant. Governments of any stripe have a delicate balance to maintain popular support whilst encouraging competitive economic development. UAE has a young population who, whilst not necessarily embracing change, are removed from its worst effects through an exceptional average income. The GCC countries are developing social infrastructure of education, housing, health and security that, with sensitive attention to the older generations, can achieve Pratt's transformation in a stable political environment.

Lifestyle: Since federation, Emiratis of each generation embraced the economic windfalls of new developments and social infrastructure that grow by the year, taking UAE to one of the highest per capita incomes in the world. Lifestyles necessarily change to respond to the rapid development-taking place socially and in business, as it does worldwide (Davidson 2005; Long 2005). In addition, UAE nationals, who just two generations ago rarely left their homelands, became inveterate travellers, indulging their tastes for new experiences and ensuring their children are accorded their every need (Davidson, 2005). Consequently, families created, in the main, a UAE generation with unsustainable financial expectations.

Exposure to foods of other cultures has widened the tastes of Emiratis, mainly toward the ubiquitous fast food chains (Long 2005). Meals are still made and consumed at home, but new ingredients are added to traditional dishes, such as lamb with spaghetti instead of rice or bulgur (cracked wheat) (Long 2005). Thus, sedentary lifestyles and availability of rich foods in UAE result in the New World Syndrome of high rates of obesity, diabetes and diseases resulting from smoking (Word Health Organisation 2006; Shell 2003).

Notably, apart from the veil, the impact of globalisation has not yet absorbed Arabic traditional clothing, which remains defiantly in vogue for men and women, young and old, for both formal and informal occasions (Davidson 2005; Hurreiz 2002; Long 2005). The exception is that whilst travelling, Emiratis tend to adopt global dress codes (Davidson 2005).

Language: The Arabic language is increasingly marginalised in society, as recorded and transmitted entertainment and news is frequently in English (Davidson 2005). However, the use of English facilitates the exchange of ideas and views and

forges greater links with others, therefore providing mutual support and a chance for greater accomplishments.

Business: The impact of globalisation is everywhere. Traditional business hours, that allowed long midday breaks to account for the heat of summer, are being replaced through fiat and air-conditioning, to comply with international business hours and an hour midday break. Further, traditional Islamic weekends of Thursday and Friday are now being replaced with global Friday and Saturday. These changes reflect the global nature of business, and, given time zones, the ability to communicate readily with Asia, Europe and USA (Gulf News 2006).

Summary: The greatest change to Emirati society is that they are a minority, one fifth of the UAE population and it appears that number (one million Emiratis) is dwindling in proportion. There are simply not enough work-ready Emiratis to maintain themselves at one in ten workers, and their economy passed this ability three decades ago. Immense prosperity has changed the nature of the land, and the nature of its people. For the sake of Emirati hegemony over its assets and citizens, this researcher believes that UAE must provide the corporate and national leaders from its youth, and that they be educated and experienced to take up this challenge. This is not occurring in sufficient numbers or at a sufficient standard to result in the government's vision of Emiratisation for the workforce (Al-Nahyan 2000).

2.5.3 Dysfunction of Change

As noted in the above section, family cohesiveness was broken along generational lines: the older generation may live separately, and non-nationals care for children, thus all are divorced from traditional family values. Other effects of change relate to the economy, and social issues such as drug abuse and delinquency.

Funds Outflows: As discussed throughout this thesis, non-national labour was utilised over decades to build the social and economic infrastructure necessary for an emerging state (Hurreiz 2002). The non-nationals now comprise 90 per cent of the UAE labour force and the Abu Dhabi Chamber of Commerce and Industry (2005) states that the non-nationals are overwhelmingly Asian and Arab unskilled labour, at 89 per cent of the total labour market, plus a low percentage of professionals. The funds transfers to home countries results in an ongoing liquidity issue for UAE's balance of payments (Nasibi 2006), in 2004 the official and unofficial (estimated at an

extra 50%) outward funds flow accorded to remittances from the UAE was about \$US4 billion, as shown in Table 2.7.

Table 2.7: Remittances of Non-nationals in UAE between the years 1975-2004

Year	Remittances UAE (\$ 1 billion) official	Between	Growth rate %	Informal remittances (\$ billion)	Indirect percentage of the total official	Total transfers (1 + 2) (\$ billion)
1975	0.428	1975-1980	178%	3.852	90%	4.280
1980	1.191	1980-1985	57.8%	6.749	85%	7.940
1985	1.879	1985-1990	29%	5.637	75%	7.516
1990	2.424	1990-1995	33.7%	4.502	65%	6.926
1995	3.242	1995-2000	15%	4.863	60%	8.105
2000	3.730	2000-2004	9.4%	4.944	60%	8.674
2004	4.080	2004-2005	178 %	5.437	57 %	9.520

Source: Abu Dhabi Chamber of Commerce and Industry

Table 2.7 illustrates that the estimated volume of remittances in 1975 were some \$US0.4 million and by 2004 reached \$US4.1 billion for the 2.4 million workers, or about \$US1,650 per non-national per annum. Of UAE's total employment payments to non-nationals each year, the Chamber estimates that some 40 per cent are repatriated to East Asia and the Indian subcontinent, 20 per cent to Arab countries, 30 per cent spent in UAE, and 10 per cent sent to Europe. However, the non-nationals are contributing to the economic recovery of their own countries, although investment in UAE's fast development could be of greater benefit (Abu Dhabi Chamber of Commerce and Industry 2005).

2.6 Summary

An historical perspective of the region underlies the factors that led to federation of the United Arab Emirates; the impact of oil revenues on a traditionalist people generating the assets to develop into a respected nation in the world economy in a mere thirty years. The skewed population profiles over the period show the impact of a non-national workforce and a preponderance of males: the non-national profile exhibited 2.4:1 male-female ratio in 1985 to 2.6:1 in 2004 and this dominance of males is an issue which the UAE needs to address. Education was a high priority of the government from federation, with rapid development of schools, artisan colleges and universities. The success of the building development to provide universal education was not earlier met with quality curricula or appropriate teaching staff, a surviving factor in the current interest of parents in paid private education over the

free public system. Another priority, sustainable development of the economy, is a success with Emiratis enjoying perhaps the highest income per capita in the world. However, this growth has resulted in an inundated Emirati population, with just one Emirati to four non-nationals, albeit the latter are transient workers. Nevertheless, non-nationals form more than half of the public sector workforce and now comprise the private sector. This imbalance contributes to unemployment among Emirati youth.

The UAE greatly benefits from communication and information technology, transport and health care services and has a modern social and economic infrastructure beyond many Emiratis' expectations. As with all change, traditionalist social norms are challenged; trading practices change; and familiar architecture is demolished and the largest buildings in the world appear in their stead. However, the UAE government leaders are aware of this loss of tradition, and to secure cultural identity, they provide support to balance modernisation and UAE traditions.

The marginalised Arabic language of the UAE national is another victim of globalisation. Emirati youth embrace information technology, often in English, to exchange ideas and capture knowledge. However, Arabic remains the national language and they experience difficulty with English fluency, especially with curricula, which is often in English. Nevertheless, enrolments of all female students substantially increased as a result of affirmative action and provision of schools and universities with qualified staff.

Of significance to this thesis, globalisation and the ready influx of qualified and experienced professionals allows little room for the young, inexperienced Emiratis to compete for private sector jobs (see Section.3.2.1). There is 20 per cent unemployment for Emirati women and 8 per cent for men. Further, the high rate of tertiary qualifications held by Emirati women is not translating into jobs, although both national and non-national females now comprise nearly 20 per cent of the total labour force compared to 3.6 per cent in 1995 (Tanmia 2005).

In economic terms, the UAE continues its reliance on non-national labour and its inherent imbalances affecting the balance of payments and contributing a transience, a non-stability, to organisations and society, including family break-ups, illegal drugs and the concomitant delinquency. Also, of note is the impact of Islam on job seekers, where jobs relating to interest-bearing products are shunned. However,

there is a religious debate on the definition and extent of the term interest, and its resolution would facilitate Emiratis' ability to take up positions in financial institutions. The nature of Islam is being explored, and its role in the legal and social lives of Emiratis.

Modernisation has opportunities such as acquiring knowledge, and technology; however it impacts on Islam and traditional values. Change must be embraced, and Muslims are confronted with a revaluation of their religion and culture to ensure its relevance and their continued ability to thrive as a nation and a people.

The next chapter provides a review of the literature relating to the GCC and demonstrates its relevance to the purpose of this study.

Chapter 3

Literature Review: Establishing the Context for Emiratisation

The purpose of this chapter is to evaluate the literature on which this research is based, to review the results found in previous studies, and to demonstrate their relevance to the aims of this study. The first sections of this chapter relate to the GCC countries, which are described below. They discuss the effect of oil rents on their economies and particularly on their demographics from the time of the 1973 oil price adjustments. The impact within a generation of non-national skilled labour and substantial greenfield facilities on the traditionalist Arab culture resulted in a dislocation of nationals in GCC's largely imported socio-economic environment. Thus, high unemployment occurred among Arab nationals throughout the region.

The 'localisation' factor, whereby GCC governments attempt to force job opportunities for their nationals, has not been successful, and various policies and attempts by GCC countries and others to address the many issues are next discussed. UAE, as a small nation with a particularly high rate of development, experiences the lowest national participation in its workforce of the GCC region, and factors pertaining to this phenomenon are explored. As a corollary, the challenges for its society, culture, political hegemony and economy are explored generally, and the issues relating to localisation are investigated in the particular case of Emiratisation.

This chapter thus places the research questions of this thesis in the physical and cultural setting of the previous chapter. It seeks to embed the issues relating to Emiratis' inability to enter the private sector into the fabric of this thesis.

3.1 Gulf Cooperation Council

The Gulf countries depend on crude oil and petroleum gas for their income; currently accounting for 45 per cent of the world's proven oil reserves, and some 17 per cent of the proven global natural gas stocks (Al-Qudsi 2006). From the early 1970s, with oil production and prices rising, the six Gulf countries (Saudi Arabia, the Sultanate of Oman, United Arab Emirates (UAE), Qatar, Bahrain, and Kuwait) were confronted with sudden and substantial inflows of oil revenue. These funds encouraged the

governments to develop their administrative and business infrastructures; and invest in educational, health, and cultural institutions (Girgis 2002), thus creating a sustained building impetus that continues to this day. Without skilled national labour forces, and encouraged by an open door policy to attract non-national labour, large numbers of non-national traders and labourers were drawn from traditional Asian sources: Pakistan, India and Iran; and from the Middle East: Egypt, Palestine and Yemen. Asians were technologically advanced and fluent in English, whilst Arab non-nationals had a comparative social and political educational advantage as educators, legislators, administrators and journalists (Kapiszewski 2003).

The Gulf countries shared common challenges of geography, demographics, economic management and social development; introducing similar legislative and administrative policy structures to manage development. By 1980, a cooperative council was proposed to coordinate growth in the six Gulf States.

3.1.1 Role of the GCC

With their common heritage and creed, and similarity of government and demographics, the six Gulf countries saw the GCC as a means by which they could coordinate their economic and social policies, and develop the region's independence and security (Country Studies 1993; Peck 1986). The first GCC summit meeting, held in the UAE (Abu Dhabi) on 25 May, 1981, brought together the six heads of state to plan for the coordination of objectives in all fields; formulating similar legislation and regulations for administration, trade and finance, environment and agriculture; and encouraging cooperation with the private sector (Cooperation Council For the Arab States of the Gulf Secretarial General 2007). All GCC nationals were guaranteed equal rights in member states; examples are freedom to travel with an identity card only, and to engage in trade and commerce (Kapiszewski 2003). Riyadh, capital of Saudi Arabia, was selected as the location for the GCC (Davidson 2005).

3.1.2 Non-national Employment

Due to the influx of expatriate workers over the last three decades, GCC non-nationals in 2003 comprise 50 per cent of employees in Saudi Arabia, and 90 per cent in the UAE (Fasano & Iqbal 2003). As a proportion of the total GCC population, non-nationals increased from 31 per cent in 1975 to above 38 per cent in 1995 (Kapiszewski 2003). Women non-nationals' share of all inflows rose strongly over

this period, from 8 per cent in the early 1980s to almost 30 per cent in 2000 (Rifai, 2004). Total populations of constituent GCC states are shown in Table 3.1 below.

Table 3.1: National and Non-national Populations in the GCC countries, 2001/2002*

GCC Member	Nationals		Non-nationals		Total Population	Total Percentage
	Population	Percentage	Population	Percentage		
Bahrain	410,000	60	280,000	40	690,000	100
Kuwait	885,000	37	1,475,000	63	2,360,000	100
Oman	1,790,000	74	630,000	26	2,420,000	100
Qatar	165,000	28	420,000	72	585,000	100
Saudi Arabia	16,000,000	70	7,000,000	30	23,000,000	100
UAE	622,000	20	2,488,000	80	3,110,000	100
GCC	20,000,000	61.5	12,500,000	38.5	32,500,000	100

*All totals approximate

Sources: For Bahrain, Oman, Saudi Arabia and the UAE: the 2001 Annual Report of the GCC secretariat, 27 July 2002, and The Economist Country Reports from mid 2002. For Saudi Arabia unpublished government reports were obtained; for Kuwait: Ministry of Planning data.

Table 3.1 illustrates the influx of expatriate labour, the prime-dislocating element causing national unemployment in the region. By 2002 the total GCC population was some 32.5 million with 12.5 million (38.5%) non-nationals. In the UAE, Qatar and Kuwait, non-nationals constituted a majority at that time, up to 80 per cent of the total country's population. In Bahrain, Saudi Arabia and Oman, non-nationals comprise 26 per cent to 40 per cent of the total population. The origins of the non-nationals are described below, in Table 3.2 for Asian expatriates and Table 3.3 for Arabs.

Table 3.2: GCC Asian Non-national Population Origins

Asia	Indian	Pakistan	Bangladesh	Sri-Lanka	Philippines	Total Asia
Number	3,200,000	1,700,000	1,000,000	750,000	700,000	7,350,000

Source: Girgis (2002) and Kapiszewski (2000).

Table 3.3: GCC Arab Non-national Population Origins

Arab	Egyptian	Yemen	Palestine and Jordan	Syria	Total Arab
Number	1,500,000	1,000,000	500,000	300,000	2,800,000

Source: Girgis (2002) and Kapiszewski (2000).

According to Girgis (2002) and Kapiszewski (2000) there were around 7.35 million Asian expatriates: 3.2 million Indians, 1.7 million Pakistanis, almost 1.0 million Bangladeshis, with substantial numbers of Sri Lankan and Filipinos. The 2.8 million Arabic, but non-citizens, communities comprise 1.5 million Egyptians, one

million Yemenis, also Palestinians, Jordanians and Syrians. With over 10,000,000 Asians and Arabs resident in the 20,000,000-strong GCC, there are therefore some 2.5 million non-nationals from the rest of the world.

Although the GCC countries have high fertility rates (3.5 %) and there are cyclical patterns to expatriate influx, the non-nationals' proportion of the total population rises at an average annual rate of 5 per cent. With GCC nationals' fertility rate expecting to decline slightly, the national population at 2050 is forecast to be around 60 million (Kapiszewski 2003). However, if the non-national's growth rate continued, by 2050 expatriates will number 230 million (Kapiszewski 2000), effectively reversing the 2002 proportions shown in Table 3.1. The weight of numbers of non-nationals on GCC states' emerging administrative and social frameworks is reaching a critical point in the states' hegemony and thus the social capital formation of the region. Influx of non-nationals at these levels is an impact on long range planning, leadership and control over their economies. It is one purpose of this thesis to draw academic and government authorities' attention to the long term effects of unimpeded numbers of guest workers on national public services, and limiting job opportunities for their educated youth (Kapiszewski 2003).

In their short economic histories, GCC countries experienced three transitional developmental stages for which the import of labour was inevitable (Girgis 2002). Initially, there was the 'Major Influx' from the early 1970s for a decade when oil revenues supported infrastructure development. This period drew on Arab labour, due to strong cultural, spiritual and language linkages with neighbouring countries. Secondly, when oil prices declined sharply in the 1980s the 'Asian Presence' began as a cost cutting measure and lasted until the mid 1990s (Girgis 2002). Finally, the 'Open Door Policy' allows relatively unimpeded labour imports, which directly impacts the centre of this research and is discussed in the following section.

3.2 Unemployment Among GCC Nationals

Unemployment for nationals is a phenomenon across the GCC labour markets (Fergany 2001), given the strong presence of non-national workers in the region. Unemployment presages a lack of human capital engagement for the states. Strong national growth rates across the region create a continuing social challenge for government and administrators in the provision of maternity and infant health

facilities, early childhood development opportunities, and schooling. For the non-urban GCC nationals, traditional tribal and family structures are especially challenging for the delivery of social services; for example, low literacy rates are an issue in some remote areas. Thus, the early delivery of GCC government services was logistical, the placement of sufficient institutions and staff to meet the needs of neighbourhoods, towns and settlements. Later, with continually increasing numbers of nationals' children, especially an influx of girls in the education system provision of middle and secondary schools and colleges dominated the governments' agenda and budgets.

In some GCC states, religious studies form a considerable part of the curricula throughout the 12 years of schooling, and Islamic colleges are a significant educational sector. Universities throughout the region were established, or substantially restructured, in the final decades of the 20th century, and offer a free education to increasing numbers of undergraduates. These factors impinge on training and educational resources, which should lead to quality employment in the largely non-national private sector in the region. Tertiary graduates, automatically employed in the public sector until recent years, are now confronted with a reversal of their parents' fortunes as they face indifferent private sector employment dominated by non-nationals. Less skilled nationals face competition from readily accessible expatriate labour. Nationals frequently fall into a cycle of hopelessness in job searching, similar to disenfranchised minority groups in other economies.

The following discussion includes illustrative statistics, trends, and economic environments relating to the phenomenon.

3.2.1 Unemployment and Economic Statistics

In Saudi Arabia, the largest GCC country, unemployment of nationals in recent years averaged about 13 per cent for all males, and is estimated at 35 per cent for all youth aged 20-24 years. The latter statistic is of particular concern, as 56 per cent of the population is under 20 years of age (Girgis 2002). According to Kapiszewski (2000), 360,000 of the national labour force in Saudi Arabia are unemployed. This is a critical issue as, unlike other GCC countries, there are no Saudi unemployment benefits. The Saudi public sector provides little employment; for example, its professional intakes absorb only 5 per cent of graduates each year.

About that time (1999), the Omani unemployment rate was 4.9 per cent of total national population or 13 per cent of the 300, 000 Omani labour force (Al-Lamki 998; Kapiszewski 2000). Economic statistics for the GCC countries from 1971-2001 are presented in Table 3.4.

Table 3.4: GCC Countries Economic Performances, 1971-2001.

Country	Average Real GDP per Capita (%)				Average Unemployment Rate (%)				Average CPI (%)			
	1971-1980	1981-1990	1991-2001	1971-2001	1971-1980	1981-1990	1991-2001	1971-2001	1971-1980	1981-1990	1991-2001	1971-2001
Bahrain	8.2	-2.8	1.7	2.4	5.0	12.0	14.0	11.0	12.8	2.0	0.6	2.3
Saudi Arabia	6.7	-9.1	-1.2	-1.2	4.3	6.0	9.5	7.0	12.7	-0.1	0.7	4.1
Kuwait	-7.4	-6.2	-2.0	-2.5	2.0	1.8	1.9	1.9	4.6	3.8	2.1	3.4
Oman	2.1	-25.0	0.8	1.7	N.D	5.3	12.9	10.3	N.D	N.D	0.4	0.4 *
UAE	24.4	-6.7	2.7	4.8	1.7	1.5	5.0	3.0	N.D	0.5	3.4	3.2

* Data for the 1990s only

Note: N.D: data not available

Source: GDP data from UN statistical database; unemployment data from official publications, IMF country reports and estimates; CPI data from Arab Monetary Fund database. This data cited from (Al-Qudsi 2006, p. 11)

Table 3.4 shows that real GDP per capita over the region grew slowly, if at all, and with the exception of a static situation in Kuwait, unemployment continued to rise. This evidence of depressed economies is confirmed, again with the exception of Kuwait, by flat consumer prices in the GCC region for the two decades from 1981 (Al-Qudsi 2006).

National unemployment statistics in Bahrain illustrates the GCC trend of flat economies and rising numbers of people out of work. Currently, there are some 20,000 Bahrainis unemployed, and if the trends in job growth and Bahraini participation continue, this number will reach 80,000, 35 per cent of the workforce, by 2013 (Bahrani Economic Development Board 2004; Kapiszewski 2003). Kabbani and Kothari (2005) state that in 2001 the unemployment rate among young Bahraini, 20 to 24 years, reached 38 per cent. Bahraini interventions are presented at Section 3.2.5.

Whilst 17,000 Kuwaitis, or 5 per cent of the total Kuwaiti labour force, were registered as unemployed in 2002, trends indicate that this would rise to more than 23,500 by 2010 (Kapiszewski 2000). More recently, in 2005, UAE nationals' unemployment numbers reached 29,000 (Tanmia 2005). The lowest proportion of

unemployment among the GCC countries was Qatar in 2000 with 10,500 or 2.7 per cent of the workforce unable to find jobs (Fasano & Goyal 2004).

Unemployment throughout the GCC region is currently about 520,000 nationals aged from 15 to 64 years. Girgis (2002) estimates that by 2007, GCC economies must absorb 1.7 million national jobseekers. Table 3.5 below shows the long-term growth of unemployment during the period 1974 to 2002 across the GCC countries.

Table 3.5: Unemployment Growth Rates in the GCC Countries, 1974-2002.

Period	Country	1974 Unemployment Rate	2002 Unemployment Rate	Average Unemployment Growth Rate (% p.a.)
1975-2001	Bahrain	3.9	14.0	5.0
1975-2004	Kuwait	1.0	5.0	6.9
1993-2002	Oman	13.0	17.0	3.0
1974-2002	Saudia Arabia	5.4	9.7	2.1
1975-2004	UAE	1.9	11.4	7.5

Source: Data are based on official country estimates and IMF country report.

Note: 1- First and Final Year Rates indicate estimated unemployment rates for that period.

2- Bahrain's unemployment rate is for 2001, and is sourced from (Al-Qudsi 2006 p. 12).

Table 3.5 records trends in unemployment growth rates over periods up to 30 years to 2004, ranging between 2.1 per cent per year in Saudi Arabia to 7.5 per cent in the UAE. Taken with the Average Real GDP per Capita in Table 3.4, these figures illustrate that the jobless rate exceeded real economic growth for GCC countries over that period. This confirms the observation by Al-Qudsi (2006) that labour supply in the region grew at higher rates than the long-term growth of jobs and a comprehensive strategy by GCC authorities is required to encourage young nationals to acquire technical skills in occupations with adequate labour demand. In the next section, strategies that GCC countries implemented to address structural and cyclical unemployment are presented.

3.2.2. Localisation: GCC Nationals Employment Strategies

Business organisations are influenced by the commercial and regulatory environments in which they decide to compete (Boxall & Purcell 2003). Notwithstanding globalisation, the national environment also impacts on organisational resource strategies, providing physical infrastructure, educated

workforces, political economic systems and social order. As part of these arrangements, governments impose regulatory and advisory workplace conditions that organisations are always ‘embedded’ in structures of social relations (Boxall & Purcell 2003).

Localisation is a term used in GCC countries for policies leading to national substitution of non-national labour (Al-Enezi 2002; Kapiszewski 2000). The term is modified as relevant for this thesis to a more direct ‘effective localisation’, the successful transition of a national into a position previously occupied by a skilled non-national, and this term is pertinent to the successful placement of nationals in senior management. Effective localisation is impacted by a national candidate’s personal characteristics, identified by Potter (1989) as relating to the juxtaposition of an individual’s attributes: qualifications, ability and experience.

Gulf countries have long experimented with localisation strategies, fulfilling a constitutional GCC agreement to create better opportunities for their citizens. More compelling reasons are their large and growing non-national communities; and that in the next decade hundreds of thousands of young nationals will seek employment. As the new graduates will be better educated, they will have greater expectations than previous cohorts and demand better positions. The various policy instruments of the localisation strategies for national employment are wage subsidies and employment targets; and fees, charges and quotas on foreign labour to curb non-national employment. Further, policies are GCC public sector wage restraints to reduce the imbalance of conditions between the public and private sectors, and addressing the quality of GCC educational and training institutions (Al-Lamki 1998; 2000; Bahrani Economic Development Board 2004; Kapiszewski 2000).

3.2.3 Localisation Factors

GCC localisation is a highly complex matter. Issues, which form part of the matrix of localisation factors, are summarised by Moore (2005) at Table 3.6 and discussed under.

Table 3.6: Issues Impacting Localisation

Issues	Private Sector Justification
Labour costs	The high cost of local employees results in private sector reliance on cost-effective expatriates for labour-intensive occupations. This negates government attempts to increase expatriate cost (residencies, or Iqama; visa renewal)
Social and culture mores	Locals are reluctant to undertake or seriously pursue certain jobs, despite localisation directives. For example, the forced localisation of employees in the vegetable markets in Saudi Arabia failed. Social status is of concern for young locals due to cultural mores including marriage.
Control over production process	Expatriate workers are flexible and disciplined. They are subject to short-term employment contracts, little legal protection, and in some cases, unable to change jobs without their sponsor's permission.
Inability to integrate in multi-cultural workplaces	National employees are reluctant to integrate into multi-cultural work environment, again cultural mores concerning status.
Productivity	It is difficult to fire local workers.
Inadequate qualifications	Qualifications of nationals frequently lack relevance to the labour market: English fluency standards or a non-technical background
Job seekers	Qualifications of nationals frequently lack relevance to the labour market: English fluency standards or a non-technical background. Without job experience, nationals' ability is in doubt.
Mobility	Local workers are less mobile than expatriate workers; they are reluctant to change job locations.

Source: Moore (2005)

Labour costs: There is a traditional disparity between the remuneration levels for GCC nationals and imported labour, with nationals' expectations oriented to the munificent public sectors and non-nationals receiving labour market rates. For instance, Al-Enezi (2002) found that the GCC private sectors prefer to hire cost-effective non-nationals; the Bahraini Economic Development Board report (2004) confirmed this finding, reporting that when all direct, indirect and productivity-related costs are taken into account, non-national workers are one and a third times less expensive to hire than Bahrainis. Further, a Kuwaiti private sector survey reported that average wages of Kuwaiti nationals 20-29 years of age who completed high school were one and a third times higher than the corresponding wages of non-national workers in the same education and age cohort (Khalaf & Alkobaisi 1999). The Economist (1997) reported that Saudi nationals generally demand six times the salary that non-nationals receive; that non-nationals are also better trained, more flexible and respond well to management direction (Khalaf & Alkobaisi 1999). A recent study by Mellahi (2007) found that a key impediment to Saudi nationals' employment in the private sector is employment costs. However, many commentators note that wage disparity between nationals and non-nationals is

caused by the latter's parsimonious lifestyles and the disparity between the cost of living in GCC and expatriate, often Asian, countries. Further, additional costs for subsidised services provided by the state are not taken into account in estimates of costs of expatriate labour (Al-Lamki 2000; Fasano & Goyal 2004; Madhi & Barrientos 2003). On an economic level, nationals' income remains locally whilst non-nationals remit their income abroad, with recent Saudi data showing that Saudi Riyal 12 billion (\$A3.77b.) was taken from the economy as a result of employment of non-nationals (Taryam 1987; Girgis 2005).

Social and culture mores: Perhaps the most important localisation initiative of the GCC is to encourage the employment of national females, using this principle to empower women and improve their human capital dimensions, including financial wellbeing, whilst increasing national percentages in the largely female-dominated disciplines (Kapiszewski 2000).

Control over production process: Of concern to GCC authorities, Saudi firms resist training national workers as the resources are lost due to the propensity of nationals to leave work (Abdelkarim & Ibrahim 2001). Further, terminating work contracts of non-performing expatriates is easier than the protracted appeals processes for nationals (Al-Dosary 2004).

Inability to integrate in multi-cultural workplaces: On the impact of the multicultural work environment on UAE nationals' employment in the private sector, Freek (2004) found that UAE nationals who are currently working in the private sector perceive the multicultural work environment as a barrier to human capital formation. Other matters Freek identifies are that social and cultural factors are the cause of resignation for nearly 10 per cent of UAE nationals and females are more concerned about the multicultural work environment than males (Tanmia 2004).

Productivity: GCC nationals work characteristics include limited commitment and a reduced work ethic in face of onerous workplace conditions such as long working hours; shift systems, especially split shifts; shortened weekends and length of vacations; strict attendance standards; and indifferent employer attitudes to cultural needs (Abdelkarim & Ibrahim 2001; Kapiszewski 2003; Madhi & Barrientos 2003; Al-Ain University 1994; Willoughby 2005; Mellahi 2007).

Inadequate qualifications: Numerous research studies report the inability or ineffectiveness of localisation due to structural issues: inappropriate education disciplines and inadequate training systems that are not compatible with local labour market requirements, resulting in a skills mismatch for human capital acquisition. The UN Development Program (2002) states that an obstacle to localisation is that a majority of university graduates in GCC countries pursue religious or social studies instead of technical fields and business administration, where private sector requirements are greater. As a result, 38 per cent of GCC countries' graduates are in social and Islamic fields, 34 per cent in education, whereas only 18 per cent study technical disciplines and just 11 per cent business administration. This suggests that emphasis needs to be placed on professional business and engineering courses to alleviate these imbalances.

The GCC governments recognise education and training deficiencies in regard to localisation, and consequently addressed the relevance and quality issues, whilst continuing to establish institutions. Poor quality of education and training in the GCC countries is a major factor in unemployment, according to Al-Yousif (2005) and Girgis (2002), who point out that many educators are using outdated approaches, such as an emphasis on memorising rather than techniques designed to develop innovative thought. Al-Lamki (2000) supports and clarifies this view: deficiencies in coordination and planning between educationists and the private sector result in the employment of imported skills and knowledge.

Mobility: There is limited labour mobility in GCC countries for expatriates (Fasano & Iqbal 2003). Non-nationals' job mobility, for example, is restrained by the sponsorship system.

Other factors: Kapiszewski (2000) believes that the main obstacle to localisation of the some GCC workforces is the size of the population and therefore logistical constraints. For example, in Qatar and UAE the workforces' numbers exceed that of the national populations.

Summary: The issues raised from researchers on localisation reflect the social capital and economic consequences of government inertia on one hand, or ineffective policymaking on the other. Opinion and studies cover the spectrum of human endeavour in the GCC countries, although better policymaking tends to be

the response most favoured in the literature. The following section takes regard of possible, probable and implemented responses to localisation in the GCC.

3.2.4 GCC Responses to Issues

Whilst the effects of marginalisation by expatriates on the GCC's local populations are well known and discussed, the means to alleviate these effects remain elusive. As briefly noted in Section 3.2, the effects of rapid regional development suit transitory consultants, managers and workers, who do their jobs and remain removed from Arab society, although their numbers apparently have a great impact on traditional culture. Long term consequences of the decades-long rapid development are left behind by the non-nationals, who return to their own societies and cultures. Kapiszewski (2000) advocates that the private sector should not be solely profit-driven, but focused on long-term national priorities. Therefore, adverse social issues such as widespread unemployment in the GCC countries remain obstinate to measured policy restraints and governments seek greater interventions. These interventions, particularly those affecting social or market conditions, may foster their own issues at a later time. Nevertheless, structural improvements such as realignment of educational systems, although difficult and costly, have the greatest chance of success. Strategies to assist GCC localisation are proffered by researchers (Al-Yousif 2005; Al-Dosary 2004; Al-Lamki 2000). These include:

- Increasing skills relevance and standards by improving education and vocational training for nationals
- Incremental localisation through private sector industry groups
- Controlling public sector wage differentials and limiting the growth of public employment
- Implementing social benefits for all working nationals
- Decreasing the disparities in labour mobility by mandating GCC nationals' dismissal legislation to non-national workers.

Education and Training: All education should be relevant to the job markets to meet human capital principles and allow school leavers and graduates to be work-ready for employers. Furthermore, GCC countries should increase research allocations, particularly in oil related industries (Al-Yousif 2005; Al-Enezi 2002).

Al-Hamadi et al. (2007), find that nationals are attracted to private sector offers of career development and learning opportunities; however, this requires considerable investment by firms.

Sector Parity: Al-Enezi (2002) argues that the wage differential between public and private sectors plays a significant role. A work ethic among nationals must be fostered through public awareness campaigns, and governments should encourage the private sector to provide comparable working conditions such as wage parity, flexible working hours and training. The Islamic work ethic argues that life without work has no meaning and engagement in economic activities is an obligation (Yousef 2000).

Localising industries: A strategy for localisation in Kuwait is proposed by Al-Dosary (2004). The researcher's approach is to plan for localisation of all public and commercial activity, and all occupations, first through key areas, such as finance, public administration and petroleum production. Next, localisation is taken through occupational levels, managers and professionals initially to assist in localisation of the entire workforce. Serageldin and Li (1983) earlier criticised a similar localisation strategy as the approach is dynamic and variables are not controllable.

An integrated and holistic three-tier strategy for localisation is presented by Al-Lamki (2000) requiring governments, employers and national employees to have a basic agreement regarding priorities in a social capital linkage of reciprocity. Governments have few options to procrastinate at this late stage and have to commit to localisation programmes in depth. It is important to develop and maintain unity of purpose among public administrators entrusted with the responsibility of localisation. Localisation should be determined for all economic activities, public and private, and governments should ensure legislation is enforced (Al-Dosary 2004). A tool for such purpose is a central Nationals Employment Bureau to facilitate job-hunting and placements (Al-Lamki 2000).

Quotas: In response to the localisation crisis, GCC governments introduced quotas for nationals in particular areas of the private sector (Fasano & Goyal 2004). Companies were asked to reach specific localisation targets by certain dates, or face heavy fines. This move was criticised as potentially harmful to the economy in the short term with a negative impact on the competitiveness of local organisations.

Ramady (2005) argues against quotas at this stage of GCC development, citing Saudi Arabia, where the relative lack of skills in the local labour force, and the inevitable rise in costs for businesses (Kapiszewski 2000), so the private sector has increased national employment quotas in small and medium-sized companies combined with fiscal subsidies for training nationals. In addition, the firms that fail to achieve quota targets are subject to fines and sanctions such as prohibition from bidding for government contracts (Elhage et al. 2005; Fasano & Iqbal 2003). Hatem (2003) suggests two policies to assist localisation: imposition of quotas on non-national labour, with strict penalty conditions, or a social tax for health and welfare services for expatriates. However, Looney (2004) argues that any such taxes or fees should only apply to skilled non-nationals, that if applied to low-skilled non-national workers, then the cost of hire increases and there is a possibility that demand for national workers then decreases.

National Management: Al-Lamki (2000) advocates professional and experienced nationals as human resource managers. A strong human resource management (HRM) system enhances organisational performance and can promote responses consistent with strategic goals such as localisation (Bowen & Ostroff 2004). McCracken and Wallace (2000) state that the support and active participation of top national management, as key stakeholders, is fundamental for the development of strategic human resource management. Therefore, the GCC nationals as managers have a responsibility to achieve mandated localisation targets. In this regard, Kapiszewski (2003) argues for a position where employers are forced to accept a reasonably qualified national.

Public Sentiment towards Employment: The attitude of nationals toward private sector work must be addressed if human capital principles are to prevail. Previous munificence of governments in absorbing school leavers and graduates into the well-paid and complacent environment of the public sectors are no longer available to the great numbers of youth now seeking work and the national youth must secure their futures. Nationals should recognise the existing economic situation and realize the value of attaining of and keeping a job in a period of intensive regional and global competition (Al-Lamki 2000; Kapiszewski 2000).

Researchers collectively advocate for government intervention and enforcement of selective localisation strategies or interventions, and there are

models of successful implementation available. Bahrain, as a smaller country with 40 per cent of the population non-nationals, nevertheless sets an example of attainable localisation.

3.2.5 Bahrain's Response to Localisation

To overcome social and market dysfunction caused by government intervention, Bahrain is establishing the following comprehensive and integrated reform:

- Labour market, to minimise market distortion so that economic and education reforms can occur
- Economic, to stimulate private sector job creation, especially in the higher management and professional segments
- Education and training, to improve Bahraini skills to meet employer expectations (Bahraini Economic Development Board 2004).

The Bahrain government planned a comprehensive implementation program to decrease the cost to the private sector of hiring Bahrainis, and increase the cost of non-nationals. First, a system of labour fees was introduced. Employers pay entry and renewal fees for each non-national employed, plus a Bahraini dinars 100 (\$A316) monthly fee for every non-national on their payrolls. These non-nationals fees, when taken together with subsidies for recruiting and training nationals, are calculated to equalise the cost of employing a Bahraini. Importantly, employers are now required to offer remuneration and workplace conditions commensurate with ILO standards for all employees. Next, the authorities established quota systems to control worker inflows, and improved the mobility of existing non-nationals by allowing those with a valid work permit to switch employers. Because of these equalisation initiatives, localisation in the form of Bahrainisation targets can be abandoned and employers can recruit freely from the Bahraini labour market.

This program has important consequences:

- Firms no longer have to engage in non-transparent, unpredictable, and long-lasting negotiations with the government each time they require work permits
- It gives freedom to employers to find the best employee for the job

- It encourages Bahrainis to compete with non-nationals by improving their performance and productivity
- It eliminates many black market activities such as hiring of phantom workers.

Finally, Bahrain implemented clear and conventional termination procedures for both nationals and non-nationals to recognise their rights and obligations at work (ILO National Policy Group 2003).

3.2.6 Summary

In summary, it is clear that localisation is an important element of GCC public policy, and has a high profile in the strategic objectives of national improvement plans, with the establishment of public coordinating organisations, and the social capital function of consultation with their private sectors. Previous experiments with employer rewards and controls to achieve localisation largely failed, due to a piecemeal approach at the implementation level. However, such attempts by many public sector organisations have at least achieved a regional consensus that more robust localisation programs, aligned as Bahrain's, are the way forward. There is therefore a greater probability that a more successful outcome for localisation will ensue for many of the GCC countries.

In the following section, the discussion broadens from the Arabian Gulf to localisation policymaking in selected countries, exploring strategies to repatriate non-nationals after completion of contracts.

3.3 Localisation in Selected Countries

Strategies for localisation, a longstanding and international issue, are forged in a complex environment of globalisation, economic growth and reform, and competitiveness (Looney 2004; Al-Dosary 2004). Countries such as Malaysia (Ahmad et al. 2003), Zimbabwe, South Africa (Muthien et al. 2000) and Fiji have all adopted localisation policies (Jomo & Wah 1999). While it is not within the scope of this thesis to provide a comprehensive discussion of national localisation policies, it is relevant to provide a brief background of localisation in Singapore, Malaysia and China to appreciate the complexity of initiatives designed to employ local as opposed to non-local workers. In the coming paragraphs, the researcher

provides documented experiences of the manner by which these countries replaced expatriates with locals.

3.3.1. Localisation in Singapore and Malaysia

Localisation is not a single policy worldwide; political and economic contexts vary, particularly with the rising globalisation phenomena (Rees et al. 2007). A study by Harry (2007) finds that localisation can be achieved by raising the cost of expatriate labour: through minimum wage levels, increasing fees to employers of expatriates including the real cost of government services to expatriates, such as the cost of healthcare. Ruppert and Mundial (1999) state that the Singaporean government introduced permits and fees for non-local labour to enhance the employment of locals:

- Work permits required for expatriate workers, in 1999 receiving under \$S2,000 (\$A1,600) per month
- Three-year work permits for skilled workers under the monthly salary cap, renewable up to 10 years
- Employment passes for skilled workers with professional qualifications
- Entry/re-entry permits for skilled workers with work permit or employment passes and eligible for permanent residence
- Employers to post a \$S5,000 [(\$A4,000) in 1999] security bond for each expatriate worker to guarantee repatriation following the expiration of the permit

Malaysia's localisation policy is similar to that of Singapore with permits as follows: visitor's pass for temporary employment and professional employment, together with an employment pass (Ruppert & Mundial 1999).

Despite Singapore's early intervention of permits and fees, Hui and Hashmi (2004) present a comprehensive strategy to address localisation for the city-state. The authors advocate improving labour productivity by flexible and dynamic industrial structures to encourage investments in leading high value added products, improve workplace practices and ensure a quality-trained workforce. As Singapore's fertility rate is static, Hui and Hashmi recommend long-term measures to increase the birth rate, meanwhile taking steps to increase older worker labour force participation.

3.3.2 China

Localisation literature generally discusses or opines on economic and demographic structures. Lynton (1999) considers corporate culture, and stresses that to succeed in attracting national employees, management must place a priority on localisation, so that expatriate employees encourage and support locals (Wong & Law 1999). Law et al. (2004) agree: if localisation is a significant business objective, then performance and retention of local employees are priorities, and local employees are well-placed in the management team. Localisation is an issue for many multinational firms moving into China, which require expatriates to take part in the localisation process and reward non-nationals who successfully mentor locals (Lynton 1999; Wong & Law 1999). However, Selmer (2004) argues that bonus systems can lead to the premature placement of local managers, an issue well documented in the literature (Worm et al. 2001; Furst 1999). Wong and Law (1999) argue that expatriates in China may fear losing their jobs after localisation; therefore good repatriation arrangements must be made.

Presciently, Rogers (1999) considered that expatriates will remain in China's businesses, leading to Selmer's (2004) claim that Chinese firms need between five and ten per cent of their workforce as expatriates to sustain competitive advantage. This theme is based on Wong and Law (1999) who set out a process of planning, implementing and consolidating to achieve replacement of expatriates. Planning consists of a management strategy, localisation objectives, and consultation with expatriate managers and it is the responsibility of HRM to train expatriate managers to mentor local employees to achieve competency. Kobrin (1988) nevertheless argues for other localisation mechanisms: career planning, development, and assignment of nationals. Similarly, Fryxell et al. (2004) advocate localisation tenets of prudence in recruitment and selection, emphasis on retention through remuneration and training, adequate communication vertically through the organisation, and good relationships between the local and expatriate managers.

3.3.3 Summary

In summary, Asian experiences of localisation in the literature focus on implementation and embedding nationals into the workforce in a human capital sense. Emphasis is understandably on management, as indigenous managers have an

inherent knowledge of local issues and a longer-term view of the employer's business, both attractive attributes for a firm's survival. General agreement on Fryxell et al. (2004) tenets for localisation of good recruitment, care in retention of the new employee, and mentoring to identify emerging issues simply underlie principles of good people management.

This completes the literature overview of issues, opinion and practices relating to localisation. In the next section, the UAE environment, imbalance of its labour force and the social and economic consequences are discussed.

3.4 Structure of UAE Labour Market

As a result of the UAE's small indigenous population, its total labour force has the GCC's lowest percentage of nationals at 8.5 per cent (Tanmia 2005). Non-nationals comprise over 90 per cent of employment in the private sector and 60 per cent in the public sector workforce, and two thirds of them do not have a secondary education (Abdelkarim & Ibrahim 2001; Davidson 2005; Kapiszewski 2000; Tanmia 2005). With continued inflows, there appears no plateau for this expatriate influx (Abdelkarim 2001b).

The following discussion is structured by factors that form or impinge on the labour market, the dominant force of the non-nationals, growing national female participation, unemployment and barriers to Emiratisation and policies, practices and opinion to overcome these issues.

3.4.1 Antecedents of Labour Market

Factors that shaped the UAE workforce during the past two decades were an increasingly younger working age population, a growing reliance on skilled and unskilled non-national workforce and the demand for technological skills (Tanmia 2005). Consequently, the UAE labour force as a whole grew by an average of 9.7 per cent annually (from 1.3 million to nearly 2.1 million), while the UAE national labour force recorded an average growth rate of 8.2 per cent each year, 16.7 per cent female and 6.1 per cent males (Tanmia 2005). Due to social and economic pressures on Emirati women, the national female workforce participation increased nearly three times that of the UAE national male labour force over the period (Tanmia 2005). It is expected that female workforce participation will continue to grow significantly as

social barriers against females entering the labour force decrease and females fulfil their human capital potential of high performance in education, particularly at post-secondary levels (Abdelkarim 2001b; Freek 2004; Tanmia 2005).

Non-nationals dominate the workforce, but continue to rise by an average of 8.9 per cent annually. Non-national male participation increased by an average of 7.6 per cent and females by 10.2 per cent annually. Some 2.4 million non-nationals were employed in 2004, while the UAE labour force was a mere 225,000 (Tanmia 2004), thus the rate of growth of non-national employment continues to depress the overall share of the nationals in the 2.7 million workforce (Tanmia 2005). According to Abdelkarim (2001), if non-national and national labour forces growth follows past patterns, the predictions for the year 2015 would be 436,000 UAE nationals, and a further 4,800,000 non-nationals comprising the labour force.

3.4.2 Emergence of Women in Labour Force

UAE's total female labour force for 2004 was 407,000, consisting of 345,000 non-national women (85.8%) and only 57,000 UAE national women (14.2%) (Tanmia 2005). Despite a reduced proportion of the population in 2003 due labour imports, there was a surge in the nationals' female participation rate, increasing by 2 per cent in 2004 with a corresponding decline for the non-nationals. This surge continues from a decade earlier, with a national female participation rate of 4.5 per cent in 1995 to 12.9 per cent in 2004, while national men's participation rate increased slightly from 35.5 per cent in 1995 to 36.2 per cent in 2004 (not included unemployment) (Abdelkarim 2001b; Tanmia 2005). Freek (2004) argues that the increase in the national women's rate is attributed to human capital factors that include economic necessity, increased participation in post-secondary education, and shifting social attitudes. In addition, a declining fertility rate and a trend towards women's emancipation in the region are relevant to the increase (Tanmia 2005). However, several studies find a disconnect between the education qualifications of UAE females and those in demand in the job market (Abdelkarim & Ibrahim 2001; Tanmia 2005)

3.4.3 Labour Market by Emirate

National and non-national labour force numbers vary between urban and regional emirates. Table 3.7 illustrates the density and characteristics of the working population by emirate.

Table 3.7: UAE Labour Characteristics and Populations, by Emirate, 2004

Emirate	UAE Nationals/ Thousands			Non-nationals/ Thousands			Totals/ Thousands		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Abu Dhabi	71	26	97	878	85	963	949	111	1,060
Dubai	34	13	47	709	132	841	743	145	888
Sharjah	24	8	32	282	57	339	306	65	371
Ajman	12	2	14	93	42	135	105	44	149
Umm al Quwain	4	1	5	21	6	27	25	7	32
Ras al Khaimah	15	4	19	56	15	71	71	19	90
Fujairah	8	3	11	40	8	48	48	11	59
Total	168	57	225	2,079	345	2,424	2,247	402	2,649
Unemployed	15	14	29	48	5	53	63	19	82
UAE Population	464	442	906	2,465	949	3,414	2,929	1,391	4,320

Source: Tanmia estimates, Dubai Municipality and Ministry of Planning (2005)

As an example of the urban environment, there were 13,000 national females in the Dubai labour market in 2004, or 9 per cent of the emirate's female labour force. With the continuing building boom in the emirate, non-national males constituted 80 per cent of Dubai's total labour force, symptomatic of their average 78 per cent for all UAE. Sharing the rapid development in the country, the three largest emirates, Abu Dhabi, Dubai and Sharjah accounted for over 80 per cent of the total UAE workforce.

Estimated unemployment at 25 per cent was greatest among female nationals, and lowest (1%) amongst the transient female non-nationals. Male unemployment was estimated at 9 per cent and 2 per cent, respectively. These matters are discussed in the following section.

3.4.4 Unemployment

There are no accurate statistics for unemployed nationals in the UAE, a matter of considerable concern to the authorities as it impinges on dimensions for social capital and human capital status of nationals. As noted in Table 3.7 above, in 2004 there were

some 29,000 UAE nationals registered as unemployed with the Ministry of Planning and Tanmia (Elhage et al. 2005; Tanmia 2005); however, not all job seekers are registered with these two organisations and those registered may not be prepared to take work, but are seeking better opportunities. The majority of registrants are between 20-30 years of age, about half are female and over 85 per cent at least finished their schooling. In 2004, at Table 3.7, the unemployment rate for UAE nationals was 13 per cent, highest in the Emirate of Dubai, 26.8 per cent, with one third having tertiary qualifications. Whilst the UAE economy is developing rapidly with formation of organisational capital, Kapiszewski (2000) argues that the private sector needs to expand at a rate to absorb hundreds of thousands of jobs for young nationals leaving school over the decade.

Nationals are highly selective job-seekers, and once employed in the private sector, have a reputation for abandoning these jobs. They prefer working in the public sector, as discussed generally at Section 3.2.3. Abdelkarim (2001b) argues that this trait is caused by unfair competition from non-nationals in the private sector, although the private sector is much larger and employment is growing faster. Further, national job-seekers, as products of an inferior educational system not oriented toward private sector work, find that they lack the skills and knowledge readily available from imported labour, a denial of basic human capital principles. Finally, and most importantly, once nationals are employed, there is no career or educational path to develop the aspects of competent organisational capital resources. Where there is an option to buy in the required skill through non-national labour, there is no need to train and develop a local management structure, or implement career development programs (Al Dosary 2004).

The researcher argues that if these issues are not appropriately addressed, then the UAE risks its *political and social cohesion* (Al Dosary 2004).

3.4.5 Summary

The labour market in UAE largely comprises non-national males (78%), in fact, they represent nearly half (48%) UAE's population in 2004. This places the government in a position of administering to fraction of the population, its citizens, who are a small as well as managing the regulations and services for a far larger number of transient workers. The challenges of nation building under these conditions

are enormous, as are the risks to the security and prosperity of Arab citizens, subjects of the Emirates. These challenges, epitomised by the need to maintain a stable social environment for UAE's youth to acquire human capital and invest it in the private sector by replacing the current leadership in organisations, are explored in the next section.

3.5 Challenge of Non-nationals to UAE Hegemony

The effect of non-national dominance on the minority UAE nationals is a source of insecurity (Rifai 2004). Social commentators and researchers in the UAE are accelerating studies and reports on the phenomenon, showing the consequences of the non-national dominance on social structures (Abdullah 2007). All expatriates are the target of concern, particularly southern Asians because they comprise much of the unskilled labour for construction work, but also East Asians, Europeans and Arabs (Abdelkarim 2001b).

Undoubtedly, given the continuing pace of UAE development, there is little that nationals can expect to restore the pre-expatriate influx, and with a small population, they are now unable to build, operate and maintain the country's social and physical infrastructure. However, by using Singapore as a model, the government's vision for UAE, Dubai and Abu Dhabi, implies that the process followed by the city-state to achieve its pre-eminent position can also be applied in the UAE. Whilst the current stage of UAE development lacks the checks and balances that Singapore employed in its later stages of development, the way forward for UAE is to maintain social and economic stability for its youth and to provide them with the skills and knowledge to assume leadership of the next generation of undoubtedly better-educated citizens.

The following sections explore the socio-economic effects of a largely itinerant male expatriate population on UAE.

3.5.1 Social Impact

The domination of non-nationals in the UAE population and labour force impacts the fabric of Arab society, bringing in new social behaviour, customs and cultural perspectives. This is a significant impact on the dense nature of Arab social structures. The accelerating minority status of UAE citizens over the last two decades has a lasting impact that is reaching xenophobic proportions (Davidson 2005). For

example, a news report on legislative changes to marriage carried the warning that UAE men were increasingly marrying expatriate women. With traditional restrictions on movements of unmarried Arab women and a consequential shift of young male Emiratis' attention to more approachable non-national women, the number of unmarried Emirati women was increasing rapidly (Maadad & Rizvi 2003). The government responded by offering Emirati men incentives to marry nationals, including opportunities for free mass weddings (Emirates Marriage Institution 2005). In a further bid to empower women, draft legislation prohibits inter-generational marriage for UAE nationals over the age of 60 years (Maadad & Rizvi 2003).

Due to minimum salary requirements for non-nationals' family visas, men are unable to bring their families to the UAE, leading to a skewed demographic structure. The continuing influx of male labour creates a highly imbalanced society (Davidson 2005); where, of the 4.3 million registered in the 2004 census, more than two-thirds are male, making the UAE's population perhaps unique at such gender imbalance and placing strains on the social capital fabric (Elhage et al. 2005). The gender issue, permeating throughout UAE society, is known to have adverse effects, and Taryam (1987) found a positive correlation between gender and crime. This finding was supported in UAE when criminal behaviour resulting in 37,359 arrests in 1996 rose 60 per cent to 63,618 in 1999, a mere three years later. Abu Dhabi, as the largest emirate with 34 per cent of the population, recorded 33.5 per cent of the total crimes, followed by Dubai (32% of the population) with 28.1 per cent, Sharjah (19%) recorded 17.7 per cent, then Ajman, Ras Al Khaimah, Fujairah and Umm al Quwain respectively.

The overwhelming presence of non-nationals in every sector is a real risk to Arab hegemony, social capital growth and culture. School children are taught and cared for by non-nationals who may not share Arab religious or cultural beliefs and do not imbue these qualities into their charges (Esim & Smith 2004); there is also discontent at the growing influence of non-national media (Kapiszewski 2000). In 1998, Jamil al-Hujailan, the Secretary-General of the GCC, foresaw friction when saying *non-nationals pose grave social, economic and political problems that could grow more complicated in the future and the only solution to those problems is to replace non-national workers with nationals* (Kapiszewski 2000). Relationships between UAE nationals and non-nationals are strained and nationals feel marginalised in their own country. Anecdotal evidence suggests that UAE nationals begrudge

benefiting from free health, educational and social services without paying taxes. For UAE national graduates with or without jobs, expatriates tend to earn more, live in superior environments in gated communities, and through their attributes, command better positions and facilities. Male expatriates, attracted by the emergence of national women, are now marrying them in greater numbers, imposing mores and cultural shifts on the union that greatly affect the traditionalism UAE nationals are trying to protect. Whilst benefiting financially and experiencing an increasingly affluent lifestyle, traditionalist Emiratis are nevertheless becoming socially marginalised, with their culture and age-old habits often under threat. The impact of these changes is disorienting and estranging their youth, who are the first UAE generation to find themselves in full competition for jobs, security and marriage in a country that is a microcosm of the global society.

3.5.2 Cultural Impact

The culture of a country is the *collective programming of the mind, which distinguishes the members of one category of people from those of another* (Hofstede 1984, p. 389). In this light, the UAE President, Sheikh Zayed Bin Sultan states that *a people that does not understand its past, and does not draw the correct lessons from it, will not be able to deal with the challenges of the present and the future* (UAE Ministry of Information and Culture, Yearbook 2005, p. 258).

Language is a significant means of transferring the culture and heritage of a society. Indeed, the Arabic language is a pillar of UAE culture and a characteristic of Arab identity (Al-Hammady 1996), the language that has carried both Arab and Muslim culture to all parts of the world (Taryam 1987). Nevertheless, as a living language, there is an interchange with other languages and other cultures. In UAE, non-nationals convert their concepts and material objects into Arabic and many of their indigenous words and expressions became integral parts of the spoken Arabic language. This has affected UAE nationals' speech habits, similar to the French, who react strongly to the Anglicising of their language. The use of English and other languages on a daily basis by nationals leads to a marginalisation of formal Arabic (Davidson 2005), which may well become a hybrid language in the future. Whilst language is a carrier of culture, Atiyyah (1996) argues that the phenomenon applies also to non-nationals, with their diversity in culture, language and nationality. As a consequence, the UAE preference for socialising with their compatriots is shared by

non-nationals, who seek out their fellow nationals. Language fluency also raises communication issues in the workplace, where Arabic, as the official language, is frequently in the minority and English and other languages predominate. Misunderstandings impact heavily on organisational performance, costs and safety. There is little doubt that non-nationals physically develop UAE and provide many material benefits, but by their numbers, they create a new society, which does not reflect Arabic or Islamic values. To many citizens, the loss of their language, traditions and cultural integrity are unacceptably high prices to pay for progress. Recognising this drift of values, the government reinforces its commitment to education of nationals by stressing maintenance of Islamic values and Arab identity (Kapiszewski 2000). The debasement of UAE mores was earlier raised by Atiyyah (1996), who asserts that the non-nationals from cultures that do not share the belief systems and practices of the host Gulf culture find difficulty in adapting to the new environment, with anti-social behaviour as a frequent outcome (Stone 2002).

3.5.3 Economic Impact

Expatriate labour is a phenomenon experienced by all countries (Al-Hammady 1996), with its ultimate role that of transferring skills and experience to nationals. This is not the case in UAE, where expatriates are the source and means of nation-building, of contributing to organisational capital, with little input from the country's citizens. This absolute dependence on non-national skills, knowledge, guidance and raw labour is not challenged and there are no clear social policies to reduce the expatriate numbers or influence in the country.

A further issue is that the majority of the non-national employees are low-income unmarried males who spend little in the country and repatriate a high percentage of their earnings home. Total fiscal transfer from UAE in 2002 were \$US 4.5 billion (\$A 5.7 billion) in 2002, equivalent to the national budget deficit for that year (Davidson 2005). In reality, the remittances are much higher than reported officially, as many non-nationals do not use banks or other official money transferring agencies to send money home (Kapiszewski 2003). Nader Fergany (cited in Kapiszewski 2003, p.45) notes that

'the policy framework in which labour migration took place did not help reap the potential benefits of remittances at the macro level and instead

reinforce negative economic repercussions such as inflation, speculation in hard currency and dependence on imports’.

Continuing reliance on non-nationals labour and a high ratio of value-added imports leads to persistently high development costs, and the growing non-national population also adversely affects the UAE’s money supply. Rising prices increase the operating costs for business and possibly degrade the UAE’s ability to attract investment. Particularly in the rising cost of housing, nationals must accept the inflated costs, whilst non-nationals are reimbursed for accommodation as part of their salary packages. Further, the Emirates bears the costs of infrastructure and social services for the non-nationals, who do not pay taxes in support of these services. These conditions were foreseen in the early days of Emiratisation in 1985, and the purpose of the policy was, inter alia, to ameliorate the effects of inflation through the influx of labour, together with the isolation of Emiratis from the increasingly global workplaces developing in their country (Davidson 2005; Al Dosary 2004). This was contextualised by the Secretary-General of the Federal National Council (UAE parliament), Muhammad Mazroui, who said, *We are facing a grave issue that demands swift solution. We are shackled and I want the solution now before I become a mere one per cent* (cited in Pass 2005, p.146).

Achieved by non-national labour, the country’s rapid development is viewed by many commentators as positive overall, with significant and inevitable economic and social dislocations that are temporary manifestations as the country follows Singapore’s path to a mature economy. Notwithstanding, Maadad and Rizvi (2003) voice acknowledgement of the debt that the country owes to its non-national workforce.

3.5.4 Political Impact

The backgrounds of non-nationals vary through a global spectrum: language, culture, attitudes and behaviour. This diversity may not always be benign, and non-nationals could seek to intervene in the affairs of the country. The expatriates also carry personal issues and negative attitudes, and these problems are frequently aggravated and mishandled on all levels in the UAE (Taryam 1987; Rifai 2004). Further, UAE is not immune to events elsewhere, especially the region’s terrorism and wars (Kapiszewski 2003). For instance, in December 1992, due to the Babri Mosque in India being demolished by Hindus, hundreds of Indian Muslim workers

demonstrated in Dubai, with fifty people wounded and considerable damage inflicted in the area of the riot (BBC News 1992; Dubai Police 2005). There is also the ongoing security risk of overwhelming numbers of foreigners in a case of perceived injustice to their ranks, or threatening to withdraw services and assets from the country in the face of a claim. This can extend to support from the governments of the non-nationals, an example is an early (1980) Indian government protest against labour laws promulgated by UAE; however, the matter was soon resolved (Rumeihi 1982).

The UAE government recognises the benefits and challenges of non-national labour and is moving both to restore its hegemony in the national society, and to address the concerns of those who have laboured for UAE's development, for example, non-nationals have the right to possess real estate. If the non-national is well qualified and satisfied in the UAE workplace, then acceptance by nationals makes sense logically and intuitively. Anecdotal evidence from the media, and the emerging interest by nationals in their new, commerce-oriented environment also point to a relaxation of a formal society by nationals, particularly the younger generations. This is an ambiguous and unresolved situation that is susceptible to changing circumstances in Emirati society.

3.5.5 Summary

The challenge to UAE hegemony and its social capital formation presented by non-national employees appears as a manifestation of overwhelming numbers more so than any intent to inflict harm on their host. As noted in Section 3.5.2, the expatriates comprise a multitude of cultures and circumstances, are materialistic, transient and divorced from their societies. By far the greater concern is that very transience, inasmuch as the non-national who leaves is immediately replaced by another knowledgeable, experienced and compliant non-national. It is widely assumed among Emiratis that for these reasons the young, inexperienced and ill-equipped Emirati is, against human capital principles, quickly dissuaded from competing with a global workforce and joins the growing ranks of nationals unemployed in the booming UAE economy.

UAE cannot fulfil its charter to develop a mixed economy and offer a prosperous future to its population of a million; although the country has the financial means, it lacks the human or social capital resources. To ensure their future, the graduate

cohorts must be prepared and equipped to contribute their human capital and take up the leadership of the country. This is the policy of Emiratisation, or localisation, which is discussed in the succeeding sections.

3.6 Emiratisation

Emiratisation is of the highest priority on the UAE government's agenda. The challenge of replacing expatriates with nationals, particularly in the private sector, remains intractable for the unemployed and difficult for future school leavers and graduate cohorts from the colleges and universities.

The issues reflect those discussed in Section 3.2.2 regarding localisation in the GCC generally, and can be broadly divided into two, those that are national job-seeker attributes and attitudes, and the employer-driven demands. The following discussion places the GCC observations into an Emirati context.

3.6.1 Barriers to Emirati Jobseekers

Arguably the greatest barrier for an Emirati graduate seeking private sector work is simply competition. Whilst previous generations of graduates were absorbed into the public sector to build the public services (Freek 2004), this route was closed in the late 1990s, as the public sector became overstaffed with lifetime employees who were automatically accorded generous remuneration and lifestyle accretions (Berengaut & Muniz 2005; Elhage et al. 2005). Thus, expectations for male and female children growing up ten to twenty years ago in professional households reflected their fathers' social positions which, except in very few cases, were not part of the market economy. This aspect of UAE's social development provides a strong capital theme throughout this study.

Not only did the public sector become unattainable, the new graduate cohorts confronted a chaotic, unstructured and unfathomable job seeking process in the private sector. Jobs in the private sector were unlike the relatively ordered public sector, where a position fits into a framework. The private sector employs on a needs basis, and the job is individualistic, lacking structure and definition, and often unsupported in the workplace (Proad et al. 2002). The graduates have no starting point, and their parents and university supervisors have little or no knowledge of market forces (Yang & Samiha 2001). This situation is changing as external

corporations are attracted to UAE's economy and bring their organisational structures and policies to the job market. However, Islamic and cultural constraints also occur. Many UAE nationals do not want to work in interest-paying institutions such as banks; some families do not favour their female members working in a mixed gender environment (Freek 2004).

A further barrier may well be the limitations of previous research findings (Kapiszewski 2000; Freek 2004). Frequently relying on previous studies, researchers propose the same questions relating to the experiences of job seekers and those in the workplace, and find the same answers. First impressions are not always analytic, and in these studies, young UAE nationals report perceived slights in responses, lack of concern for an individual's well-being, and onerous workplace conditions. However, they could be reporting their impressions of a competitive environment where competency and work-readiness are assumed, and the recruiter is selecting from a global marketplace. To address these less than effective responses, the survey questionnaire of this study was structured for quantitative analysis to test variables of capital constructs, and subjecting responses to statistical proof at each step.

The apparent lack of resilience in national employees to adapt to the workplace indicates a lack of coping strategies; nationals need a more structured environment of social capital: values, trust and respect than non-nationals (Woodward & Hendry 2004; Byars & Rue 2000). Structured environments have a hierarchy where nationals find empowerment and a sense of belonging to their organisation, enhancing organisational capital, and thus are encouraged to perform to the best of their potential. Job satisfaction for UAE nationals is a high motivator, of which many private employers are unaware, and a leading cause of turnover (Jain 2005). Freek (2004) agreed with this finding, adding that Emiratis do not have recourse to grievance procedures or an external employment arbitrator.

3.6.2 Barriers to Emirati Employment

Tanmia's survey (2004) identified employers' experiences with nationals included issues of competency and motivation, and requests for salary levels well above the norm, Competency standards showed deficiencies in English, qualifications that did not match the job market, and low standards of qualifications (Kapiszewski 2000). UAE nationals found the workplace difficult, a source of high turnover rates

and a subsequent employer lack of trust in their work readiness (Freek 2004; Abdelkarim 2001b). Employers found Emiratisation plans onerous, supportive human resource policies and development practices, well as wage differentials for UAE nationals were the main obstacles facing UAE nationals working in the private sector.

Authorities respond to findings (Kapiszewski 2000; Freek 2004) regarding the workplace conditions that nationals find onerous. Taking the six-day working week as an example, Tanmia (2004) suggested shift systems, shift rotation, and the two-day weekends that are common practice elsewhere, and flexible work hours. Other flexible working conditions include part-time and job-sharing arrangements (Elhage et al. 2005).

3.6.3 Policies to Encourage Emirati Employment

Emiratisation policies generally follow those mandated by the GCC, discussed at Section 3.2.4. They include a work environment which goes beyond financial matters and takes regard of Islamic and cultural issues; support of skill development and professional advancement (Guang 2002).

Of importance of matrix of high-level coordination and communication between government, the private sector and academic institutions to ensure that qualifications meet the expectations of employers, and that life long learning resources are available to assist graduates adapt to the changing job markets (Samman 2003). This is apparent also with the human capital dimensions of vocational and management skills, where vocational systems appear to be expanding with incomplete information about market needs, no coherent national strategy and weak linkage with the private sector (Devlin 1998). In addition, His Highness Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice-President and Prime Minister and Ruler of Dubai instructions, established a programme called “Emirates National Development Program” which was designed to implement the latest human resource initiatives that will equip young UAE Nationals with the necessary knowledge and experience to enable them to work successfully in all sectors, including the private sector (ENDP, 2008).

The Emirati preference for lucrative, undemanding work in the public sector reflects the continuing skewing of education toward the public sector job specification, generalised policy work, more so than the detailed analytical work

demanding by the private sector. Freek (2004) argues that UAE nationals' skills are thus not a competitive match in terms of marketability for private sector jobs.

3.6.4 Implementing Emiratisation

The vision of achieving an annual 4 per cent Emiratisation incremental increase in the private sector (Godwin 2005) produces much research into Emiratisation, as noted in the GCC overview at Section 3.2.4. Freek (2004) and Tanmia (2004) argue against the overuse of unskilled labour from the Indian sub-continent (Table 3.2), preferring a diversity of nationalities and thus the possible emergence of Emiratis as the dominant nationality in private workplaces.

Quotas and Taxes on Non-national Employees: One theme is greater controls on non-nationals movement into the country, including a stringent quota system (see Section 3.2.4), and taxing employers of non-nationals to pay for nationals' training and to assist in their salary differentials (Hatem 2003; Kapiszewski 2000; Abdelkarim 2001b).

However, the labour force is not homogeneous, and Tanmia (2004) reports that enabling factors to facilitate quotas need to be identified, as the work permit system where non-nationals were used in the absence of a suitable national did not reach the expected Emiratisation levels. Abdelkarim (2001b) agrees, noting the potential of 20 per cent labour force Emiratisation by 2015 if the trend of female participation in the workforce continues,

Target industries for quotas are selected on the basis of a robust industry with a high profile, and attractive workplaces with skilled jobs and good working conditions. Banking and the insurance industry fulfil these criteria, plus there is a proportion of national ownership and income making ability (Tanmia 2005). Mandatory quotas are applied to finance corporations with a target Emiratisation of 40 per cent (Davidson 2005), and this resulted in a doubling of national employees in the sector between 1997 and 2002, with 3,500 new workers to 2004 (Tanmia 2004). However, succeeding rises in levels of quotas over a decade have not been met by the private sector and the gap is growing due to rapid expansion of employment in finance (Tanmia 2005).

If voluntary, even modest quotas of four per cent Emiratisation are difficult for the private sector to attain, as few industries in the private sector achieve the target

(Godwin 2005). Further, statistical evidence shows that there is a growing gap between actual and targeted rates of Emiratisation, as presented in Table 3.8 below (Tanmia 2004).

Table 3.8: Actual and Targeted Numbers of Emirati Employees in the Financial Sector, 2003.

Total number of employees (1)	Actual number of UAE nationals (2)	Targeted number of UAE nationals for 2003 (3)	Gap between targeted and actual (3)-(2) (4)
17,060	4,435	5,499	1,014
100%	26%	31.94%	5.94%

Source: Emirates Institute for Banking and Financial Services (EIBFS), 2004.

Supporting this trend in the financial industry, research finds that extensive use of quotas, and restrictive and expensive visa requirements are likely to reduce the UAE economy's competitiveness (Nsouli & Kahkonen 2004; Elhage et al. 2005).

Structural initiatives to enhance Emirati employment include:

- Subsidised start-up loans for national entrepreneurs,
 - Using the Market Information System as a job data bank
 - Emiratisation units, in liaison with business ministries, to be established in all emirates to assist in an individual's job-seeking process, and advise on career opportunities and further training for those employed
 - Increase the cost of non-national labour through higher visa charges
 - Eliminate all guarantees of employment in the public sector and introduce an internship system in the fields important to economic development
 - Minimise restrictions on non-national job mobility to assist greater job flexibility, resulting in more opportunities becoming available for nationals.
- (Al- Ain University 1994; Abdelkarim 2001b; Berengaut & Muniz 2005; Freek 2004, Elhage et al. 2005; Kapiszewski 2000).

Referring to the last point, restrictions on labour market mobility of one group are found to create discordance in the country's employment patterns. Non-nationals are tied to their employer for the length of the contract, whilst nationals may leave an employer at any time without notification. Secondly, such restriction cause higher than normal retention rates of worker, even under poor work conditions, skewing the effects of working conditions on employee retention (Tanmia 2004). Abdelkarim

(2001b) argues that restrictions on non-national job mobility create disadvantages for Emiratis if employers, seeking workforce stability, give priority to non-nationals who cannot change employers.

Specific Emiratisation initiatives are presented in the literature, following the GCC examples at Section 3.2.4:

- Reduce the disparity between public and private sector conditions
- Comparable pension benefits between the two sectors
- Assist job-seekers with access to the Ministry of Labour data bank and Tanmia to assist with retraining long term job-seekers
- Increase visa fees for non-nationals' and impose bank guarantees on employers for each non-national employee (Elhage et al. 2005)

Education and Training: The private sector's regard for graduate qualifications is the source of considerable debate. The education system should be oriented to human capital acquisition through more marketable skills, at both the secondary and higher education levels. School children, according to Freek (2004), should be exposed to job awareness campaigns well before leaving school to inculcate an interest in the private sector. An establishment dedicated to producing quality work-ready graduates is proposed by Abdelkarim (2001b), together with rewards to trained non-nationals for on-the-job skills upgrading of Emiratis (Al-Lamki 2000; Guang 2002).

3.6.5 HR Strategies

Human resource strategies are a means to Emiratisation, as noted in Section 3.2.4, leading to enhanced national employee satisfaction, and improved business performance (Butts 1997; Peter & Johan 2003; Jonathan & Maura 2005; McCourt & Ramguttty-Wong 2003). Employment strategies give effect to a firm's competitive goals, by recruiting and retaining UAE national employees with the skills and motivation to contribute to the organisation's capital and long-term success. Established Emirati employees, with a deep knowledge of the national characteristics, can offer invaluable advice and knowledge to the decision-making process. Lyle (2005) found that in general, UAE employees performed better on core tasks, expressed a higher level of effective commitment to their organisation, and

demonstrated better citizenship behaviour when their relationship to their employer reflected over-investment in training, rather than under-investment.

Constraints to the adoption of a more strategic role regarding UAE national employees are described by Truss (2003) as at a national level, where government decrees and expenditure mitigate against a flexible approach to Emiratisation. Freek (2004) adds that this call for flexibility in managing Emirati employment should extend to a strategic HRM approach to benefit all UAE employees, irrespective of nationality.

3.7 Conclusion

This chapter comprises an extensive review of studies relating to the dominant number of non-nationals now employed in the GCC countries, and specifically UAE. This review is ordered through capital theory as a precursor to the empirical study in later chapters. A summation is included at Table 3.9, Factors Impacting Emiratisation.

Table 3.9: Factors Impacting Emiratisation

Factors	Issues
Purpose of Emiratisation	<ul style="list-style-type: none"> • Immediately address imbalance of majority expatriate workforce • Immediately assist fiscal policy by controlling large cash outflows in the form of expatriated wages • Stabilise civil society by providing jobs for nationals • Encourage women into workforce to promote their greater financial independence • Provide for UAE's future professional and management capacity • Provide future leaders to maintain UAE's socio-economic development.
Barriers to Emiratisation	<ul style="list-style-type: none"> • Employers' preference for experienced and qualified staff, reluctance to provide basic training (English, IT, workplace norms) • Skills and experience capabilities of nationals are not an appropriate standard for professional/management positions • Greater proportion of guest workers are labourers prepared to work under onerous physical conditions • Expatriates' temporary status in UAE precludes the transfer of on-the-job knowledge, plus they are reluctant to be replaced by nationals • Nationals' expectations of culture-sensitive workplaces and salaries commensurate with living in UAE; they do not stay long with one employer

	<ul style="list-style-type: none"> • Nationals' preference and expectation to gain public sector positions as were given to previous generations, was a • Women nationals' reluctance to work openly with men, or to take a prominent position.
Policies for Emiratisation	<ul style="list-style-type: none"> • General GCC policy for localisation, ie, Emiratisation • Emiratisation policy established and reinforced regularly • Emiratisation of select professions in the finance and insurance areas, and in certain jobs such as reception staff and hairdressers • Supporting policies promoting quality education and work-skills training for nationals • Supporting policies restricting expatriate numbers through quotas and visas • Promoting organisational HR policies to support nationals with mentoring and career guidance. <p>Continued:</p>
Implementation Strategies	<ul style="list-style-type: none"> • Emiratisation promoted by the government through the media, emiratisation.org website, encouragement through schools and tertiary education • Ceiling on public sector numbers, working conditions being considered • Quotas for nationals in financial institutions and for employers of certain job descriptions • Duties on expatriates work permits and length of stay • Monitoring of HR policies of target organisations, and of job holders on trades people • Quality standards for educational establishments, including improved language training and greater access to resources; greater communications with employer groups to address skills gap issues and plan future job requirements • Encouragement for Emiratis to enter secular and commercial activities, such as professional associations, international travel and further education and training.

As shown in Table 3.9, factors are explored that contribute to the influx of expatriates and to the growing unemployment among nationals, which in some cases outnumber the total national population. The GCC is responding to member countries' concerns that marginalisation of the nationals endangers economic stability, future leadership potential and the risk of losing current skills and knowledge if the nationals in the workforce fall to lower proportions of their workforces. GCC localisation strategies are discussed, both at a national level and at the organisation's workplace. Examples of successful localisation programs are explored, notably Singapore and Bahrain.

The discussion then returns to the UAE, and its hierarchy of advisers, policy responses, and the progress to date. Whilst all GCC countries experience non-national employment levels close to half their workforces or greater, UAE has the greatest exposure to non-national labour, and thus the gravest issue; however, a promising trend is the number of Emirati women entering the workforce, the socio-economic impact of marginalisation of Emiratis in their own country is discussed, together with several views of the human capital barriers creating that marginalisation: education, skill levels, work-readiness. Means of addressing these issues are explored, again from the national response to suggested employer responses.

UAE needs to take bold measures to increase employment of UAE nationals and improve their employability in the workforce. These might include restricting government sector employment and controlling increases in government wages and benefits, promoting changes in attitude to work and facilitating the selection of tertiary courses for appropriate career paths, better targeting subsidies and transfers, and greater attention paid to employing social capital in job-seeking and career building for young Emiratis. UAE will face grave issues in the future from nationals' unemployment that is a failure of the principles of human capital, and this will demand a swift solution. Therefore, UAE sustainability is supported by the creation of sufficient jobs for Emiratis to enable UAE to broaden its income base and promote a dynamic private sector. It is significant to address that this study will attempt to answer the following research questions:

- *Identify the factors to enhance placement and retention of UAE nationals in Dubai workplaces*
- *Establish whether these factors differ for organisations in the public or private sectors*
- *Explain variations in UAE nationals' engagement with their organisations.*

The next chapter focuses on a conceptual framework of human, social and organisational capital dimensions. Capital theory has not been systematically used in policy development and implementation in UAE. This framework assists in the development of the quantitative research in this study that identifies factors in capital theory and assesses their impact on Emiratisation.

Chapter 4

Conceptual Framework

Emiratis are a minority in their own country, comprising just 20 per cent of the population, and less than 2 per cent of the private sector workforce. Yet they have a comparatively high unemployment rate that to date remains obstinate to Emiratisation measures. This chapter seeks to place this phenomenon in a capital framework for the keys to Emiratisation: human capital, an individual's education, skills, and experience; and social capital, the networks relevant to an individual's life stages. The lock to which the keys fit is organisational capital, which provides the jobs.

It is widely recognised that investments in human and social capital improves performance and thus organisational capital (Boselie et al. 2001; Ichniowski & Shaw 2003). Human capital theory states that the knowledge, experience and skills of a manager, for example, are developed through processes of advanced education, training and development, management experience and job changes (Tharenou & Cateora 1997; Bank 1999). This form of human capital is proposed by Ichniowski and Shaw (2003) as organisational capital, which is correlated strongly with the firm's performance. Building social capital in the organisation is an equally powerful tenet, using the enhanced communications and interactive networks of theory to increase flexibility and foster intellectual capital (Halpern 2005). Thus, societies with a high level of social capital operate economic and social institutions at lower transaction costs than those with lower levels of social capital (Platteau 1994).

The central argument of this chapter is that the findings of theoretical and applied research show an improved corporate performance, organisational capital, when human and social capital factors integrate. Human capital acquisition through learning and job satisfaction increases the ability of a workforce to perform effectively (Shaw et al. 2005; Tomer 1998; Michael et al. 2000). Social capital's networking interactions of strong and weak ties are applicable to communication efficiency and employee trust (Seibert et al. 2001; Putnam 2000). Fostering capital development is fundamental to the successful placement of Emiratis in private sector leadership positions.

In the following sections, human capital formation is discussed through the UAE education structures to promote work-readiness, and in training and development for career growth. Next, the manner by which principles of social capital: trust, gender inequality and the use of *wasta* (nepotism) impact the organisation are considered. In the final section, organisational capital factors are reviewed, with a focus on policies and procedures in the organisation.

4.1 Human Capital Theory

The role of human capital in the knowledge economy is growing. The accretion of human capital through education, training and development is explored, together with influences of workplace environment on employees' attitudes. It is argued that the need for policies based on these principles is approaching a critical level for organisations and for nations such as UAE. Finally, the dichotomy of workforce skills and attitudes as evidenced by UAE nationals and non-nationals is examined.

4.1.1 Overview and Definitions

Human capital is widely accepted as a significant factor of growth, frequently defined as intellectual resources that are formalised, captured and leveraged to create assets of higher value (Prusak 1998; Kiker 1966). Thus, human capital is further defined as comprising the knowledge, skills, competencies and attributes embodied in individuals that facilitate the creation of personal, social, and economic wellbeing (Healy & Cote 2001).

Figure 4.1 (see Section 4.4.1) depicts the manner by which these factors lead toward localisation.

4.1.2 Economic Growth

As a fundamental asset in knowledge-based economies and a contributor to economic growth, the accurate measurement of human capital is vital, featuring prominently in wealth accounting (Laroche & Merette 1999; Healy & Cote 2001). Many commentators such as Lynn (1999) and Sanchez et al. (2000) argue that human capital represents a value-added contribution to the organisation, releasing wealth through accretion of human competencies and, arguably, the breaking of 'knowledge silos' (Dzinkowski 1999). A trend is emerging toward a significant source of competitiveness, corporate human capital statements, which articulate an organisation's

knowledge management strategy, objectives, initiatives and results (Bontis 2004; Bukh & Johanson 2003; Edvinsson & Stenfelt 1999).

The next section of the literature review will explore the significance of education, and training on human capital development, Kurtus (1999) distinguishes education from training, somewhat superficially, inasmuch as education concerns learning facts and understanding concepts, formally in school or informally by self-study, while training involves skills acquisition, either on-the-job, or in trade schools.

4.1.3 Role of Education

Education enriches knowledge distribution in a society, accelerating a nation's pace of change and growth (Healy & Cote 2001; Malhotra 2000). It develops skills and knowledge, with a greater reach than skills acquisition; education improves workers' participation, productivity, confidence and loyalty in their work (World Bank 1999). There is significant theoretical and empirical support that organisational success is dependent on enterprise, gaining understanding and produce new patterns of behaviour (De Cieri & Kramar 2003; Stone 2002).

The provision of education is inadequate for human capital development; it is the quality of delivery that is important. For example, improved educational delivery to lower school drop-out rates provides school leavers with increased future earnings (Bontis 2004; Fuller & Heyneman 1989). However, skills produced by education for the labour market may be inadequately matched with employer demand. 'Qualifications inflation' occurs when employers systemically require more advanced qualifications for jobs without a corresponding increase in skill content (Healy & Cote 2001).

Research establishes that better-educated people are more likely to be employed, with every additional year of education averaging up to 15 per cent higher earnings (Healy & Cote 2001). There is evidence in many countries of a wide spread of labour market remuneration, notably through educational levels; for example, medical practitioners and engineers (Healy & Cote; Krueger & Lindahl 1999; Gittleman & Wolff 1995). Further, educated individuals evince behaviour conducive to better health, lower unemployment rates, and thus contribute to their society at a higher level (Henderson 2005; Healy & Cote; Kenkel 1991). Following Nie et al. (1996), Blanchflower and Oswald (2000) directly connect educational achievement to greater

pleasure, as it influences perceptions of status. Importantly, Abdelkarim (2002) finds that better-educated GCC national employees have a greater appreciation of issues relative to competing with experienced non-national workers and to a work environment that is dominated by other cultures. Those with higher education attainment take a more confident attitude regarding their status with respect to the non-nationals in the workforce.

4.1.4 Skills Development through Education

The average level of education of a country's population impacts its productivity, social development and living standards. For this reason, UAE rapidly established a comprehensive and successful educational system for nationals and non-nationals; as an example, national adult illiteracy rates dropped from 48 per cent in the 1970s to under 23 per cent in 2004, whilst a high-profile program to educate women resulted in a drop from 62 per cent illiteracy in 1970 to 19 per cent in 2004. This affirmative action program has an impressive success rate in higher education, where the female to male ratio of 2004 increased dramatically to 154:100 (Tanmia 2005). In private schools, the Ministry of Education (2005) reports that 51.3 per cent of students are girls, and they outnumber boys at each stage. In public schools, the reverse applies, and male numbers are greater at all stages except kindergarten.

The surge in children's education is caused first by a decree that secondary school completion is the minimum entry level for the UAE labour market; combined with a rise in affluence, leading to a higher demand for education (Tanmia 2005; Freek 2004). Nevertheless, educational delivery in the GCC countries is failing to provide students with relevant skills for the labour market (World Bank 1999). Nour (2005, p.5) agrees: 'the education systems in the Gulf countries suffer from serious weak performance/low quality of teachers due to a lack of teaching skills and knowledge of recent teaching and learning techniques'. UAE school curricula are obligated to adapt to advanced teaching methods based on technology, technical practice and problem solving. Teachers are frequently under-qualified, and teachers skilled in best practice should be sourced from countries such as Australia, USA and UK. Further, freedom of expression in the classroom is not encouraged and many students are not able to express themselves in an innovative manner. This has a negative impact on their behaviour and attitude, low motivation through low self-esteem and self-consciousness. There is anecdotal evidence that government schools

do not have sufficient computers for their students, a particular issue when information and communication is increasingly accessed through the internet. These issues relate to the fact that many public and private schools cannot achieve international standards for their students.

The challenge for UAE is therefore to develop a system, which delivers a quality technical education (Abdelkarim 2001b). Alghafis (1992) pointed out a mismatch at that time between job specifications and the skills of Emirates University graduates, the researcher also reported that there were few full-time graduate students in the sciences. These factors presented a major hindrance for UAE to build up its professional pool of expertise in the country. In addition, the job-skills mismatch Alghafis reported remains intransigent, leading to UAE separation from global knowledge, technology and information at a time when acquisition of knowledge and formation of advanced human skills equates with progress.

To meet employer demands, the UAE Ministry of Education is accelerating technical education programs; however, these are not popular with a mere 1,627 students enrolled in 2004. Abdelkarim (2001b.) points to this disinterest as symptomatic of the malaise in education, which, without a long-term vision and direction, is not as efficient, effective and relevant as it could be. However, the low response rate to engineering in particular is partly caused by its rigour (Jakka 1996). Potential undergraduates at UAE universities find engineering qualifications 25 per cent longer than the norm for the same remuneration; engineers endure unpleasant desert working conditions; and Arab culture values academic careers over technical pursuits, thus there is a bias toward arts and social programs (Al-Misnad 1985; Abdelkarim 1999). Similarly, Muysken and Nour (2006) found that education delivery in UAE focuses on the preferred art and social science streams.

Researchers find that funding for the rapid expansion of education in GCC countries over the past decades is slowing, and that an emphasis must be placed on the work-readiness of youth, particularly in the neglected technical disciplines. Policies aimed at redirecting students' preferences are required: scholarships and greater rewards for trades and technical disciplines (Al-Misnad 1985; Abdelkarim 1999; Haan 1999; Pritchett 1999; Klein et al. 2001; Al-Sulayti 2002; Ali 2002).

UAE is perhaps further along the educational path to technical competency than other GCC countries, but still lags best practice in these fields; its institutions relate to society and culture and are not providing sufficient graduate competencies for either the public or private sectors (Freek 2004; Al-Enezi 2002). They argue that higher education authorities in UAE should form linkages with both sectors to ensure that national curricula and programs are consistent with labour market demands, especially in practical and professional English fluency (UAE Government Strategy 2007; O'Higgins 2001). O'Higgins (2001) continues on this theme, that representatives of public authorities and business associations should plan for quantitative and qualitative skills development to meet the future needs of UAE. Thus, this study pursues education as a dimension of human capital (Chapters 8 and 9), and as a means to assist UAE employees to be work-ready and career-oriented (see Section 6.1.4, Section 5.6.3 and Section 7.1.4).

Formal education is not sufficient for the continued development of human capital. Further, training and development and skills formation provide a nation's workforce with the means to compete internationally in a rapidly changing world. The next section considers training and development, its effect on individuals and their job performances. It is followed by an examination of training in UAE.

4.1.5 Training and Development

The significance of training and development and the creation of a learning environment are recognised as key elements to competitive success, the attainment of sustainable competitive advantage in the organisation (Altman & Iles cited in Saunders et al. 2005). Stone (2002) states that accelerating rates of change and international competition place training and development as a significant organisational and national issue, not only to increase employee skills, but also to reduce unemployment among Emiratis. Substantial skills' training is positively associated with higher levels of quality management (Stone, 2002). For instance, a US study found that organisations that increased their long term training budgets increased earnings and were nearly twice as likely to improve employee productivity compared to those organisations that reduced their training expenditure (Stone 2002).

The purpose of training is through learning, to change attitudes, knowledge or skill behaviours to achieve competency in an activity; well-trained employees

enhance organisational productivity and thus competitive advantage (Beardwell & Holden 1997; Lewis 1997; Mathis & Jackson 2000; Abdelkarim 2001b). Earley (1987) states that appropriate training enables employees to adjust rapidly and efficiently to a new culture. Training is also a role for higher education, as Dawson (1997) points out, and it is achieved when universities are interlinked with business and the public sector to coordinate and transfer new knowledge to graduates through life-long learning. Bonti (2004) argues for research funding for institutes for cooperative ventures between university and industry to nurture a sophisticated education system; an information acquisition system; funding institutions; research institutions for basic and applied research; technical support systems and science education for the public at large.

Training and development initiatives in UAE rarely reach international standards, (Abdelkarim 2001b; Gray 2001). Generally, the training that does occur comprises technical training, including information technology, it is of minimal length and delivered by a few professional trainers. Freek (2004) concurs, reporting that UAE employer training is in low-investment, low cost and quick-profit areas such as sales, computer awareness, marketing and management development. Tanmia (2004), in a survey of nationals in large companies, reported that training delivery by these employers concentrates in one stream on vocationally-trained employees; and in the other stream on specially selected graduates, who received individually tailored programs that include overseas training in well-recognised institutions. However, 52 per cent of UAE nationals are not given enough training, and 59 per cent of those surveyed favoured the provision of technical training (Morada 2002; Tanmia 2004). The Tanmia report confirms prior research that UAE does not have a training-led employment culture and therefore, employers resort to recruiting non-nationals with readymade skills (Gray 2001; Wilkings 2001). Abdelkarim (2001b) finds that omissions from UAE training programs include competent supervisory training, especially in the manufacturing sector for shop-floor supervision, and technical training for industry. As a part result of under investment in training, UAE nationals leave employment due to little opportunity for career development (Mansory 2005). The issues leading to under-commitment to training UAE nationals discussed above were themed by Abdelkarim (2001b): unclear objectives, minimal times allocated for delivery, and inappropriate training venues.

Training and development are social science disciplines requiring, *inter alia*, quantitative evaluation analyses to report outcomes (Al-Ali 2003). Furthermore, those assigned to training in many organisations rarely have the skills to conduct evaluations or to reach the quality control standards good practice demands (Stewart & Waddell 2003). As researchers find, there are significant issues relating to skill standards in UAE, and these are evident in technical areas, and in nationals' work-readiness. Whilst remedial training by employers should focus on areas such as problem solving, communication, team work, numeracy, literacy and information technology, these issues point to deficiencies in UAE's education standards (Read & Kleiner 1996). A case is therefore being made which justifies training and development as a condition of employment; and an attractive proposition for potential job candidates (Scullion 1996 cited in Shen 2005). Consequently, this research focuses on the significance of training and development, as a form of life long learning, to enable UAE nationals to pursue their careers (see Section 6.1.4, Section 5.6.7 and Section 9.4.5).

4.1.6 Organisational Engagement

According to Schaufeli et al. (2002, p.74), engagement is 'a positive, fulfilling, work related state of mind that is characterised by vigor, dedication and absorption'. The reference to vigour relates to high energy levels and psychological resilience at work, readiness to make substantial efforts in the job and persistence in difficult situations (Mauno et al. 2007). Kahn (1990) and May et al. (2004) studied organisation engagement and found statistical significance with employee perceptions of meaningfulness, safety and availability. According to Maslach et al. (2001), there are six areas of work life that relate to engagement, or its opposite, burnout: workload, recognition and reward, control, perceived fairness and values, community and social support. Many researchers confirm these findings; that when employees obtain socio-emotional and economic resources from their firm, they reciprocate through engagement (Cropanzano & Mitchell 2005; Saks 2006; Ostroff et al. 2005). A study by Kwon and Banks (2004) for example, found that organisation engagement leads to higher motivation, decreased turnover and organisation citizen behaviour. Reduced turnover benefits organisations, given investment in recruitment and training of employees (Stallworth 2004), and Aryee et al. (1991) found that organisational engagement explains 37 per cent of the variance in intention to leave the organisation.

However, Kallbers and Fogarty (1995) did not find a relationship between organisational engagement and intention to leave. The disparity may be explained by endogenous factors relating to the research methodologies.

Empirical studies such as those by Adkins et al. (1996), Klimoski & Jones (1995), and Kristof-Brown & Stevens (2001) show that peer communications are strongly associated with employee attitudes; and similarity between group members' personal goals and their perceptions of team goals resulted in better organisational engagement. Employees with similar values tend to interpret events in a manner that helps reduce ambiguity and stimulate teamwork (Ostroff et al. 2005). Yousef (2002) found among 361 employees in a number of organisations in the UAE that employees who perceive higher levels of role conflict and role ambiguity will be less satisfied with the job and ultimately lead to less organisation engagement. Klimoski and Jones (1995) and Neuman et al. (1999) argue that group homogeneity, associated with greater effectiveness, increases employees' sense of identification or social integration within the group, but that does not mean ignoring group heterogeneity because heterogeneity offers both a great opportunity for organisations as well as an enormous challenge for employees. The value in this discussion to UAE nationals is that a flexible attitude to work imparts acceptance into the work group and, through acceptance and contribution, continuing development for the individual. Thus, heterogeneous work groups that include UAE nationals with their unique knowledge of the environment have the potential to consider a greater range of perspectives and to generate more high-quality solutions than homogeneous groups (McLeod & Lobel 1992; Watson et al. 1993).

A review of research on changes in attitude, such as Furby's (1978), finds that feelings of possession create a sense of relaxation and responsibility that influence employees to react positively. Therefore, when organisations provide employees with a valued sense of belonging (place), sense of efficacy and effectiveness, and sense of self-identity, they will be motivated to reciprocate (Edgar & Geare 2005; Arthur 1998). As well, when employees feel that the organisation contributes to their basic needs, they reciprocate by making positive, proactive contributions to the organisation (Schappe 1996; Eisenberger et al. 2001). Of relevance to this study, Morada (2002) discovered that employees with higher education attainments have more influence and confidence in their work relationships. Again, Boninger et al. (1995) state that an

attitude's strength positively increases when it directly affects a person's own outcomes and self-interest and additionally, when it is of concern to the person's close friends, family and social groups. However, Labatmediene et al. (2007) found the opposite in their Lithuanian study, that whilst those with lower qualifications were engaged with their organisation, those with higher qualifications were disengaged to a greater degree. Arguably, the engagement of professional staff depends on the organisation's vision, and the depth of its culture.

Organisational engagement is thus impacted by an individual's philosophical, political and religious values relating to HRM policies and the working environment. Enthusiasm for continuing employment and pursuing a career is an essential factor Emiratis in this study, thus the research investigates if organisational engagement is a deciding factor for UAE nationals' entry into employment and to confront its challenges (see Section 6.1.4, Section 5.6, Section 8.3, and Chapter 9 throughout).

4.1.7 Emirati Employment Issues

Skills and attitude characteristics of UAE national employees differ substantially from those of non-nationals due to the latter's higher levels of education, skills and attitude. Al-Otaibi (1992) earlier illustrated that work skills, attitudes and behaviour were not satisfactory for Arab workers. UAE employees do not consider work as a source of satisfaction and evince absenteeism, high turnover and general lack of commitment to work compared to non-nationals (Freek 2004). For a sizeable proportion of UAE job seekers and employees, their lack of qualifications, work ready skills, experience, English fluency and personal characteristics are related to their status in the workforce. In contrast, non-national workers, selected on merit, have more experience, are better qualified and are willing to work longer hours for lower salaries (Isa & Hala 2001; Lynton 2001; Stephen 2001).

Little real work experience is a major factor for long-term unemployed Emiratis Abdelkarim (2001a). Further, as discussed in Section 4.1.4, an impact on nationals' employability is the absence of training and development opportunities from either the public or private sector; traineeships for the unemployed, or training in the workplace for the employed (Al-Mansory 2003). Freek (2004) agreed, finding that non-national workers often discriminate against the UAE national workers and are quite reluctant to pass on their knowledge, due to a fear of their role being usurped. This was confirmed by McGregor et al. (2004) who found that UAE workers have little

knowledge of processes and need to be aware of the changing business environment, such as e-business. They need transferable skills that are up to date, technologically relevant and portable and these include the ability to work in a team. Other attributes absent from UAE nationals' employment characteristics are client-focused skills and marketing acumen. These are attributes that form human capital, others being resilience, self-confidence and the ability to be flexible and adaptable. These authors (ibid.) summaries the matter; that to attract and retain quality employees, organisations have to be aware that employees demand self-development and career opportunities as part of the implicit employment contract.

This discussion relates to the current Emirati job market; at this time the greater proportion of nationals work in the munificent public sector and some two per cent in the private sector (see Section 3.4). However, the unemployed number approximately 29,000 (about 13% of UAE nationals' labour market) and that number is growing. Because of the overwhelming presence of non-nationals, their miniscule unemployment rate (2% of the non-national labour market, or 53,000 people) actually is close to double the number of unemployed Emiratis. Further, characteristics of nationals' unemployment are that one-third have tertiary qualifications and one half are women. The non-national labour market is over 85 per cent male, and has low standards of education. Thus, the target recruitment opportunities for nationals coming into the private sector labour market each year conflict only marginally with non-nationals. Factors that impinge on the nationals' target employment: high salary, good working conditions and career opportunities, are those where competence, fortitude and team work apply.

Thus, education or retraining, and work experience are crucial for the 20,000 nationals approaching their first job each year and these factors are a theme for this research. Policies that assist in these areas include incentives for continual learning: on-the-job training, part time further education, and IT-based learning for adults, and the use of distance learning. Human capital acquisition for the new economy will repay its investment for organisations in many ways.

4.1.8 Human Capital Summary

Localisation, it is argued, is a theoretical construct or a government program where a nation's investment in human capital, that is, education and socio-economic development, is fulfilled. UAE is developing swiftly and it appears that continuity of

such investment is at risk without a commensurate development of its social infrastructure (UAE Government 2007). UAE first embraced globalisation to develop its oil and then the country itself. It remains hostage to the forces of globalisation, an itinerant workforce, and the unpredictability of the world's financial focus (Section 2.1).

Education provided in UAE is proving inadequate for Emiratisation, and the challenge for the nation is to develop a system which delivers a quality technical education in a society where science courses are not sought (Abdelkarim 2001b; Alghafis 1992). Students prefer art and social science streams, and as their predecessors merely acquired an unchallenging qualification and moved to a public service sinecure, the job-skills mismatch faced by twenty-first century career-seeking graduates in the private sector remains intransigent (Muysken & Nour 2006). Social preferences and inadequate education delivery are barriers to building a leadership stratum of national decision-makers.

For private sector employers, localisation issues impact HRM policies, the working environment and thus organisational performance. UAE employees do not consider work a source of satisfaction and there is a general lack of commitment to work. The disengagement frequently displayed in existing staff or potential recruits are a considerable business risk (Freek 2004).

The public sector has its own issues. Until recently all Emirati graduates, with questionable qualifications and little relevant experience, automatically moved into lifetime careers in public sector organisations. Earlier graduates have assumed positions of significance and thus stifle career aspirations of those who may surpass their predecessors through international qualifications and a greater appreciation of the issues that lie ahead for UAE. Yet again the linear human capital equation is unfulfilled; given that qualified and knowledgeable young Emiratis are without a public sector career structure to move into decision-making positions and thus contribute their human capital to their country.

The relationships between capital theory, constructs or government policies, and the perceptions, aspirations and experiences of Emiratis are thus the foundation for the relevant hypotheses at Section 4.4

This section presents issues such as education and training, organisational engagement, and UAE nationals' competency, all of which play important roles in providing the basics for personal development, social cohesion and economic growth. Indeed, higher education with comprehensive on-going training has a key role in stimulating innovation conducive to sustained economic growth. Therefore, organisations with greater investment in their employees can maximise this investment; however there are other dynamics that impact employees implicit in social and organisational capital.

4.2 Social Capital Theory

This section explores the concepts related to social capital and their roles in the organisation. The first section defines social capital and its various theoretical points of view. The second section focuses on three organisational factors relevant to this thesis: trust, gender and nepotism.

4.2.1 Overview and Definitions

Social capital is widely accepted as a significant asset for creating and maintaining healthy communities, vibrant civil societies and healthy organisations. Many commentators have observed the centrality of social capital and civic engagement to the well-being of democratic life (Coleman 1990; Fukuyama 1995; Putnam 2000; Timberlake 2005).

Definition: However, the conceptual literature on social capital is still evolving and a definition for it is not universally agreed. For instance, Bourdieu (1985, pp.248-249) defines social capital as

... the aggregate of the actual or potential resources which are linked to the possession of a durable network of more or less institutionalised relationships of mutual acquaintance or recognition or in other words, the membership in a group which provides each of its members with the backing of the collectivity-owned (sic) capital, a "credential" which entitles them to credit, in the various senses of the word.

The OECD (Healy, & Cote 2001) define social capital as

... the internal social and culture coherence of society, the norms and values that govern interactions among people and the institutions in which they are embedded. Social capital is the glue that holds societies together.

Putnam (1993) and Coleman (1990, p. 334) add to the international's definition:

... the norms, the social networks, and the relationships between adults and children that are of value for the child's growing up. Social capital exists within the family, but also outside the family, in the community.

Coleman's view is that social capital is a useful resource of social relationships, not belonging to a single group, but distributed throughout the community and of special use to families and disadvantaged groups (Field 2005; Fine 2001; Morrow 1999). Thus, the themes of this study, children emerging into the workforce, the status of women in traditional societies and therefore the central role of the family more accurately reflect the situation in the UAE (Lowndes 2004; Field 2005).

In a comprehensive literature review on social capital, which included Coleman (1988), Putnam (2000) and Ostrom (2000) identified that social norms, networks, understanding, rules and shared knowledge are widely accepted as core elements of social capital, with trust an additional element. The elements impacting on this thesis are: trust, gender and nepotism, therefore the study will focus on these subsets of the social capital genre.

Workplace Aspects: Social capital provides value for an organisation, supplying workplace collaboration and unity, that is, obligations and expectations based on rules of reciprocity and parity (Adel & Kwon 2002; McElroy 2002). Lesser (2000) finds that social capital has two themes: the 'sociocentric' model where social capital is held by individuals who use it for advancement; and the 'egocentric' theme where social capital is of immediate use to obtain satisfaction within the organisation. However, Cohen and Prusak (2001) and McElroy (2002) demonstrate that without 'social capital innovation', the sharing of knowledge and efficiency can be significantly reduced. The stronger the connection between these three schools of thought, the more value and satisfaction will emerge in the organisation.

Social capital facilitates organisational processes. Individuals who are well connected socially are more likely to directly know someone who possesses the skills or the knowledge they require, therefore reducing their search cost. Further, a strong network can enrich compliance with group norms and level of trust (see Section 4.2.2). The cultural aspect of organisational social capital also affects the exchange of new ideas with an expected increase in collectivist cultures, where people tend to gather on a daily basis, compared to individualist cultures (Adel & Kwon 2000).

Employment Prospects: Importantly for this thesis, individuals with a wide network of friends can experience greater life enjoyment, better career prospects, higher income, enhanced self-esteem and perhaps less unemployment (Woolcock 1998). Job seeking behaviours can depend to a certain extent on social capital's networking, where information-sharing in an individual's social groups results in a huge proportion of jobs being filled by applicants who know each other (Hannan 1999; Six 1997a cited in Halpern 2005). This is confirmed by a finding that less supportive social capital in childhood, such as growing up in a single-parent family or with family conflict, strongly predicts unemployment in adulthood (Caspi et al. 1998). Social capital therefore starts to affect labour market outcomes from childhood, and individuals who have strong networks are exposed to a much wider range of information and opportunities for a better quality, and longer lasting, job.

Issues Arising: In some instances, social capital outcomes can be dysfunctional, for example, group behaviour can have the effect of excluding outsiders (Sobel 2002; Woolcock 1998). This can occur on a national scale, where strong long-standing civic groups may smother progress by, among other things, securing a disproportionate share of national resources and weakening broader social capital through the community (Woolcock 1998; Adler & Kwon 2002).

Based on the literature review, trust remains an essential factor in the formation of social capital, accumulating with each successful interaction. Therefore, this research begins with trust as a cornerstone in social capital and explores its impact on personal relationships.

4.2.2 Trust

Trust refers to the level of confidence that one individual has in another's competence and his or her willingness to act in a fair, ethical and predictable manner (Nyhan 2000). The notion of trust is somewhat ambiguous; people from different groups perceive the concept of trust differently based on their knowledge, culture and understanding (Sobel 2002; Knack 2001) This suggests that cultural differences have direct consequences for the type of trust among individuals.

Trust has an important effect in the organisation. Increased collaboration and effective communication stemming from trust in co-workers leads to positive social networking, better attachment and socio-emotional satisfaction for an organisation

(Davis & Landa 1999). Employees with a high trust relationship exhibit a greater willingness to take risks beyond sharing information; conversely, employee performance is improved if issues relating to distrust are reduced (Ferres et al. 2004; Beccerra & Gupta 1999). Educational levels of group members also impact trust; qualified people have significantly higher levels of interpersonal trust, which assists knowledge and information distribution (Helliwell & Purnam 1999). This effect extends beyond the organisation, as Fukuyama (1995) states that success in any organisation is dependent upon the cooperation of strangers. Trust cannot be built overnight, it depends somewhat on organisational actions and structure, and employees' expectations or reciprocity (Helliwell & Purnam 1999).

Leaders' concern for employees and the level of integrity they exhibit is fundamental in establishing interpersonal trust (Russell & Stone 2002). There is significant theoretical and empirical support that leader transactions characterised by interpersonal trust create a better environment in which individuals feel more free and flexible to express their ideas, participate in problem solving, and resolve differences of opinion (Park et al. 2005; Zeffane & Connell 2003). Joseph and Winston (2005) for instance, prove that participative leadership, acceptance of employees' decisions, organisational support, direction and performance feedback, and opportunity for improvement were all highly related to trust. In addition, higher measurements of supervisory performance lead to a higher level of organisation trust (Daley & Vasu 1998). However, Kern (1998) argues that in organisations, strong ties of trust and mutual obligation may, in some circumstances, block information from outside and impede innovation as discussed at Section 4.2.3. Nevertheless, this study supports Park et al. (2005) and Zeffane & Connell (2003), arguing that personality, experiences and time all play a significant role in trust. This suggests that a leader plays a crucial role in the development of trust in the organisation.

Cross-cultural studies on employee trust confirm general research findings, that employees are emotionally attached to the organisation when trust is manifest (Ferres et al. 2004; Joseph & Winston 2005). In the GCC countries nationals' trust in potential employers is a barrier to localisation in the private sector. Budhwar et al. (2002) in an Oman study found that non-national managers prefer centralised decision-making, tight control and reject delegation to national employees. Without a form of trust to bridge the divide imposed between supervisor and employee, there is

little likelihood of the reported benefits of social capital coming to fruition. Tanmia (2004) attributes this level of distrust to previous employer experiences of substandard skills that they encountered with previous cohorts of GCC nationals. Whilst the private sector has issues with nationals, Freek (2004) found that this lack of trust contributed to nationals' preference for the public sector. Trust is therefore a theme of social capital, which is studied in this thesis.

4.2.3 Gender Inequality

The role of females in the workforce expanded in recent years in most countries (Powell 1999); however, gender inequalities continue to generally subordinate, marginalise, or undermine females in the labour force. Professional women advance more slowly, are less likely to reach senior levels, and earn less than males (Konrad et al. 2000; Reitman & Schneer 2000; Valian 1998). According to Mott (1998, p.26) '*... women of all ages remain under-represented in skilled career fields due to misconceptions regarding gender-specific abilities and preferences, and under-valuation of women's skills*'. There is a significant variation in wage differentials between countries. For example, women in US faculties earn from 88 per cent of male incomes at professor ranking, to 93 per cent at associate professor, whilst a Uruguayan study found that professional women earn only 52 per cent of the salary of similarly qualified males (Okpara et al. 2005; Wirth 2000). Australia, however, is a leader in gender remuneration, with female graduates earning 96.8 per cent of the salaries of male graduates (Wirth 2000). This is presumed due to a centralised wage-fixing system, equality in education attainment, and large-scale female participation in the workforce. Thus, given differences in culture and social development, Australia may still stand as a model to UAE in work participation, and thus lead to an increase in the number of Emirati females in the workforce. Gender inequality is a theme pursued in this research. (see Section 6.1.4, Section 5.6.2, Section 7.2.4, Section 7.3.3, and Chapters 8 and 9 throughout).

Participation in the Labour Market: In Arab countries, however, traditionalism and the recent emergence of women into public life dictate against the rapid integration of women into all levels of the labour market. A study by Abdalla (1996) of 5,974 women in Kuwait and 7,382 in Qatar found that the limited participation of women in the labour force is related to Arabian Gulf traditions and values, which date back to the pre-oil era. Metcalfe (2007) in Bahrain found limited support for female

employment, whilst Mostafa (2004) in UAE had a similar result and also commented that in the future, modernity could decrease patriarchal attitudes towards women in Arab society. Employment constraints facing Lebanese women are classified by Jamali et al. (2005) as, first, stereotypes within corporate culture, that is, organisational policies and practices that hinder women's development; and secondly, the wider socio-cultural environment and behavioural expectations toward women. Mensch et al. (2003) confirmed this approach, finding Egyptian teenagers evinced strong traditional attitudes on gender roles; were patriarchal and were strongly supportive of family values. There are attempts to redress these imbalances. In Morocco and Kuwait, Islam is used in a progressive sense to promote equality (Moghadam 2004; Zuhur 2003; Wadud 1999). However, Al-Lamki (1999) challenged the persistent western view that Arab women are repressed. This is confirmed to a point with UNDP (2003) Human Development Reports of Arab women's increased participation in the workforce in selected GCC countries; however, there is insufficient evidence across Arab nations to generalise on women's participation.

Parenting Constraints: Determinants of Arab women's participation in the workplace are the age at which they marry, and the number of children (Al Qudsi 2006). Omani females marry at an average age of 16.9 years, and as many Omanis reach parenthood before they enter the labour market, this reflects the limited time the remainder of women work before leaving the workforce, or managing parenting with employment. Again, these statements cannot be generalised to all Arab countries, as the average age of marriage is unknown, and women are in fact pursuing their careers after marriage. Also, modernisation and globalisation have a deep impact on changing the perception of Arab societies in terms of family size and working women. Adam (2003) found that training opportunities and career progression are limited and very slow, factors that have impacted on UAE females' contribution in the workforce. Further, for the majority of married women, the ultimate responsibility is to care for children rather than applying for work. Adam's observation is based on economic prosperity in UAE, good social security and the fact that financial maintenance of the family is strictly a male domain. A further hindrance is a UAE policy issue, parental leave of a mere seventy days, which is insufficient for the majority of women and a great disincentive to leave young babies for full-time work. This suggests that parental responsibilities constrain women from contributing in the workforce.

Social Capital Theory: A further contention is that women's lower earnings are due to gender inequalities in social networks, and these differences could explain their differential achievements (Talmud & Izraeli 1999). In social capital structures (see Section 4.2.3), the weak ties theory links individuals on the basis of a narrow range of interests and common ties to others external to the immediate groups, and does not reinforce relationships. This suggests that women, who tend to have less weak ties, have less access to informal resources, which are so important (Burt 1992; Granovetter 1983; Ibarra 1993). Females are thus at a disadvantage because the network formed by females is characterised by strong ties among closer groups, while males display weaker ties to a larger network of people (Podolny & Baron 1997). However, Granovetter's results are not shared by Coleman (1990), who placed greater stress on strong, close relationships and networks when building social capital. Coleman may hold out greater hope for females and their ability to use social capital in the labour market (Timberlake 2005). These results tend to point to strong and weak ties as a continuum rather than as opposites; as a balance of both tends to effect the greater benefit.

Gender Inequalities: The situation of gender inequalities in UAE, as a traditionalist Arab country, is shared to a greater or lesser extent with other GCC countries; however there is little research on the issue (Whiteoak et al. 2006). UAE society is generally regarded as highly patriarchal, with clear-cut gender roles backed by fiat; for instance, a woman's earnings must be less than a man's for the same job (Baud & Mahgoub 2001). Whilst discrepancies are known to occur in practice, over one third of women in the workforce acknowledge such dissimilarities in earnings (Tanmia 2005; Baud & Mahgoub 2001). Impacts on earnings discrepancies are attributed to slower career development (Adam 2003), lack of promotion, and thus resignation (Baud & Mahgoub 2001).

Management Role: Women have an insignificant presence in senior management ranks in most countries (Wirth 2000), although this is slowly being addressed; in New Zealand the proportion of women as senior managers rose from 19 per cent to 27 per cent; in Slovakia, from 23 per cent to 30 per cent. Other countries, such as Spain and the United Kingdom have no change over the period, whilst there has been a decline in women's proportions in senior management ranks in the Czech Republic, Belgium, Greece and Poland (ibid.). Talmud and Izraeli (1999) argue that

women are more likely to be in low-paid jobs or low-opportunity career paths. However, culture differences in the perception of power and authority could also be an important element explaining female exclusion from management. Eagly and Johannessen-Schmidt (Timberlake 2001) state that, due to men having held management positions for a long time, they tended to define the style to which individuals have become accustomed. Wirth (2000) draws further attention to the fact that increased time and work pressures have a negative impact, which discourages females from taking more responsibilities.

As a corollary to these observations, Al-Lamky (2007) argues that the low proportion of women in Arab senior management is a matter of motivation, although Mostafa (2004) opts for the prevailing assumption that in UAE males are perceived as the primary breadwinners. The matter rests that stereotyping is an issue for professional working women, particular for those in high positions (Al-Lamki 1999; Baud & Mahgoub 2001). This may only be addressed through introduction of an affirmative action policy and program implementation, modernisation and the effects of the female surge through tertiary institutions.

Summary: Cultural attitudes, stereotypes of the status and role of women are the main concerns in the Arab Islamic society (Al-Lamki 1999). Whilst conditions improve in areas such as education, health and employment, women in UAE continue to face many challenges regarding equality; not least, discriminatory legislation. As noted above, gender inequality is examined as a deciding factor for Emirati employees.

4.2.4 *Wasta* (Nepotism)

Wasta refers to Arab patronage, ‘both the act and the person who mediates or intercedes’ (Cunningham & Sarayrah 1993, p.1); but in practice it is favouritism and nepotism, showing precedence to family and kin over organisational objectives (Branine & Analoui 2006). *Wasta* is a person’s ability ‘to utilize connections with people, who are both able and prepared to change the course of natural events on the person’s behalf’ (Whiteoak et al. 2006, p.81). Cunningham and Sarayrah (1993) conclude that *wasta* has two distinct roles; the first is positive, legal and moral, for instance, solving interpersonal and inter-group conflicts, and the second is negative, illegal or questionable; for example, the gain of economic benefits others are

prevented from accessing (Cunningham & Sarayrah 1993; Whiteoak et al. 2006). *Wasta* is usually regarded in negative terms, negating the traditionally positive role it played in mediation (Hutchings & Weir 2006). The use of *wasta* in its negative form is prevalent through the GCC countries, including UAE, and is a significant element in employment prospects. However, there is a cultural change in attitude towards *wasta* in rapidly modernising Arab societies such as the UAE. For example, recent research indicated that *wasta* is becoming less acceptable in modern organisations which, to improve performance and remain competitive, must rely more on qualifications, skills and talent than on 'connections' when selecting and rewarding employees and managers (Mohamed & Hamdi 2008).

Employment: In the recruitment process, *wasta* occurs when a candidate uses influential family or tribal connections to intercede with a potential employer (or potential promotion) on the candidate's behalf. *Wasta* is used in the public and private sectors to obtain employment in face of a candidate's substandard qualifications for a position (English fluency, competency, attitude) to the extent that the majority of job seekers do not believe a job can be obtained without *wasta* assistance.

Wasta has a direct effect on the functioning of HRM and HR policies and practices designed to meet organisational objectives (Ford & McLaughlin 1986). In a Chinese version of *wasta*, Tu et al. (2006) found that performance measures were not the criteria for reward for well-connected employees, but the strength of their connections dictated salary levels. These practices occur with sufficient frequency in GCC countries to negatively impact organisations' effectiveness and productivity. Withdrawal of commitment, and eventual resignation of those in the workplace who are negatively affected, are major organisational outcomes of *wasta* in both business sectors (Hayajenh et al. 1994).

Challenge: As a deep-seated social problem, *wasta* is extremely hard to correct; privatisation or cultural solutions cannot eliminate it. Hayajenh et al. (1994) define the following environments conducive to *wasta*

- Socio-cultural structure (tribal and kinship relations)
- Economic structure (a tight labour market making it difficult to find a job in other ways)
- Educational structure (poor preparation of workers for economic development)

- Government structures (insufficient checks and balances to monitor *wasta*).

The focus of this research is on the last point, because this is the area most open to change through government action. It appears that there are insufficient government policies and legal constraints controlling *wasta*, due to the propensity of GCC countries to avoid sensitive and negative social issues. Further, Whiteoak et al. (2006) and Hutchings & Weir (2006) report a greater interest in *wasta* by Arab youth of today than that of the older generation, a clear statement that young UAE nationals rely on corrupt practices instead of using their own initiative to win jobs. This researcher considers that *wasta* has negative effects in business due to its undermining of organisational principles and performance. Therefore, this research will examine whether *wasta* is a factor in UAE nationals' employment (see Section 5.1.1, Section 5.4, Section 6.1.4, Section 7.2.4, Section 7.3, Chapter 8 throughout, and Section 9.4.3)

4.2.5 Family Influence

In a literature review of GCC and UAE social trends, a search drew some indication of family influences over choice of career for their children. Family input may occur if a proposed career conflicts with religious beliefs, such as Islam's prohibition on interest-bearing financial arrangements (see Section 2.4.2), generally, the potential for gaining a job overrules such inhibitions. Further, the pace of development of UAE's economy and the potential for young Emiratis to be independent from the economic ties of their families promotes career interest and expectations. Freek (2004) believed young Emiratis selected a job on their preferred career interests and remuneration prospects. Therefore, family influence on job choice as a determinant of unemployment is not pursued further in this study.

4.2.6 Social Capital Summary

There are two cultures in UAE. A visitor's impression of Abu Dhabi and Dubai, which have the greater proportion of population, is of Arab-themed global cities. Indeed, there are qualified expatriates who finish their two or three year contracts maintaining that impression. However, they reside in UAE, a country where government is absolute and Islamic-based, Shari'a and secular law are practised side by side, where the days of a weekend differ, where the mores of family and tribe differ significantly from the visitor's homeland. Yet social capital principles reside in the trust of familial strong ties and in the transitory weak ties formed partly through workplace connections (Granovetter 1973).

UAE's linear human capital equation depicting learning acquisition by students directly applied through accessing a career is proving problematic when the inputs of education and assumptions of work-ready graduates do not coincide. The support of a civil society, the framework of trust brought through ties of the individual to others in that society, are increasingly studied as more complex responses to social infrastructure issues (Putnam, 1993).

The thesis' objectives might at least partially depend on the development of civil society. Whilst the government pursues its human capital programs, the existing familial structures may offer a means to extend ties from the Islamic UAE culture through to the global UAE culture and thereby address issues of unemployment and under-employment. Nevertheless, traditionalism, or strong familial ties, contains its issues of gender and *wasta*. UAE sustainability and social order is supported by the creation of sufficient jobs for Emiratis to enable the country to broaden its income base and promote a dynamic private sector. Thus the following research questions are proposed:

- *Identify the factors to enhance placement and retention of UAE nationals in Dubai workplaces*
- *Establish whether these factors differ for organisations in the public or private sectors*
- *Explain variations in UAE nationals' engagement with their organisations* (Section 3.7).

4.3 Organisational Capital Theory

This section examines organisational capital; first definitions in the literature; next, the role of HRM in Emiratisation is explored. The discussion then moves to an important factor of organisational capital, namely, human resource components: remuneration, working conditions, promotion and career development. In the final section, the organisation culture is examined, followed by the ability of UAE nationals as work team members.

4.3.1 Overview and Definitions

A growing body of literature over the past decades suggests that organisational capital can contribute in significant ways to the productive capacity of a firm. The

concept of organisation capital is quite controversial; as a result, there are many definitions. A definition embodying human capital is that of Tomer (1987, p. 24)

...human capital, in which the feature is embodied in either the organisation relationship, particular organisational members, the organisation's repositories of information, or some combination of the above in order to improve the functioning of the organisation.

Reflecting the rise of knowledge management, Damaskopoulos et al.(2002, p. 2) present the following

a process of knowledge management and knowledge creation and its deployment for organisational change and continuous adaptation to a dynamically changing and intensely competitive environment.

Taking a physical capital approach, Belkaoui (2003, p.540) uses a legalistic definition for organisational capital

...the firm's internal structure; also encompasses patents, models, concepts and administrative and computer systems, or knowledge that remains with the firm apart from its members

The three definitions, largely reflecting the research themes of their contemporaries, illustrate the absence of conformity in the research approach. However, this thesis associates itself in principle with Tomer's because this definition embodies relationships between human capital, organisation members and databases. It is comprehensive and suited to the UAE community. However, Damaskopoulos et al. (2002) definition adopts a social capital approach, incorporating elements of trust and networks. In comprehensive literature reviews on organisational capital, Bennelt & Gabrieb (1999); Gratton & Ghoshal (2003); Kannan & Aulbur (2004); and Ravn (2004) collectively identified five issues regarding the organisation concept and its effects on organisational capital: knowledge management, teamwork, communications, level of bureaucracy, job security, and research and development. The following discussion, commenting on these matters, commences with the operation of organisations in an emerging culture.

4.3.2 Civic Environment

Of particular concern to the research question in this study is the interaction between commercial enterprises and the civic or social environment in which they operate, that is, UAE norms and culture (Boxall 1999). Social legitimacy is of concern to organisations who use human capacities that people and the country have

generated; for instance, public education (Boxall & Purcell 2003). According to Paauwe and Boselie (2005), failing to meet objectives of social legitimacy and fairness can lead to perceived injustice by stakeholders within an organisation. Baron and Kreps (1999, p.106) state that

People care deeply about being treated fairly... the evidence suggests that people can and do distinguish their own absolute outcomes for two key dimensions of justice: distributive, or how they did relative to others: and procedural, the process by which the outcome was achieved.

The organisation's status is one element of its 'social legitimacy', which also includes its commitment to the values of the society that supports the firm's markets, to its employees, and its impact on the natural environment (Boxall & Purcell 2003). Whilst the rapid emergence of an Islamic economy may lie on different foundations to the established economies, the subject of other research, globalisation has arguably the greater effect. In this study, social legitimacy for an international organisation operating in UAE includes the use of flexible human resource management practices (HRM) to fulfil a commitment to Emiratisation. The degree to which organisations use HRM policies in recruiting and maintaining the employment of UAE nationals is therefore a criterion in commitment. Rees, Mamman and Bin Braik (2007) find that HRM practices in UAE organisations are financially oriented and lack attention to structural reform, particularly in the field of change management that includes Emiratisation (ibid, p.39):

This 'lack of understanding' surrounding Emiratisation is reflected in the paucity of information . . . from both academics and practitioners especially those who are working within the UAE. In the absence of a clear national framework, fragmented and individualistic efforts will prevail unless there is a process of information sharing and vicarious learning among academics and practitioners relating to Emiratisation.

4.3.3 Human Resource Management

Human resource management is an essential factor in the formation of organisational capital. HRM has a fundamental role to ensure that culture and strategies are aligned to organisational goals. Thus, this researcher considers HRM a cornerstone of organisation capital and this study explores its impact on employees and job satisfaction. Whilst HRM is a designated area of responsibility, it manages a number of HR components for the organisation: recruitment, reward system, working conditions, and professional career development. All business-oriented organisations

above a minimum size have formal or informal HR policies and procedures, generally both. (see Section 5.4, Section 5.3.1, Section 5.6.9, Section 5.7, Section 7.2.3, Section 7.3, and Chapter 9 throughout).

Human resource policies are defined, according to De Cieri and Kramar (2004, p.246), as ‘*organisational decisions that affect the practices and systems that, in turn, influence employees’ behaviour, attitudes and performance*’. Smith and Mazin (2004) and Arthur (1994) report that HR practices enhance employee understanding of organisational rules and expectations. Many scholars such as Barbeito 2004; Nankervis et al. 2005; and Stone 2002 state that HRM has a fundamental role to play in encouraging, supporting and rewarding desired behaviours that are a focus of action between line managers and employees. Aspects of employee performance that significantly contribute to the organisation’s viability, according to Boxall and Purcell (2003) are increased labour productivity, organisational flexibility, and social legitimacy. Nevertheless, Mabey and Thompson (2000) found policy communication a key determinant of implementation.

Labour productivity: Cost effectiveness is a significant factor in organisations, and a primary goal of management (Geare 1977; Heneman 1969; Osterman 1987). At a strategic level of HRM, cost effectiveness is a combination of HR strategy, policies, processes, programs and practices creating the human performance are required, and at a rational cost (Godard 2001; Boxall & Purcell 2003).

Labour flexibility: This is a strategic goal where HR can contribute (Sharp et al. 1999; Dyer & Shafer 1999). When circumstances force a change to organisational goals, the firm’s ability to adapt quickly to the new environment is dependent on its members’ ability to react. HR contributes here through operational and professional forms of training that build skills in creative thinking. Bhattacharya and Wright (2004) state that the capability to operate with flexibility and preserve the human capital in dynamically shifting business situations is vital to agility. However, there is tension between short-run flexibility to respond to an immediate crisis, which may provide short-term relief that disguises the need for a strategic change of direction for the organisation as a whole (Boxall & Purcell 2003). HRM is therefore a crucial element in an organisation, as it acts as a facilitator between the organisation’s goals and its achievements.

Remuneration: remuneration refers to all forms of pay or rewards to employees arising from their employment, and it has two main components. There are direct financial payments in the form of salaries, commissions and bonuses, and indirect benefits like subsidised childcare and tax assistance (Desseler et al. 2007). Many studies recognise the importance of job satisfaction, and that remuneration is a large factor in that satisfaction (Lawler 1971; Heneman 1985). The importance of pay satisfaction lies in its association with a number of ‘downstream’ attitudes such as organisation citizenship behaviour (Miceli & Mulvey 2000), organisation commitment (Kessler & Heron 2006) and, with reference to this study, ‘quit’ rates (Heneman 1999). Kramar (2004) strongly argues that the positive influence of new work designs and new technology on productivity can be damaged if employees are not satisfied with level of pay and benefits or if they believe pay and benefits are distributed unfairly.

Distributive justice theories impact on pay level satisfaction. Equity theory, relative deprivation theory and social exchange theory find that individuals react positively if they consider that the outcomes (remuneration) that they receive are relatively fair (Adams 1965; Crosby 1976; Brockner & Betia 1996). However, Adams (1965) argues that people who feel over-rewarded try to improve their performance, a point negatively debated by Rose (1994) cited in Boxall & Purcell (2003), who suggests that many are quite happy with this inequality. Mowday et al. (1982) find if organisations satisfy employees’ needs via pay or other methods, employees reciprocate with commitment to their organisation. Further, premium salaries assist lower employee turnover, improve the quality of job applicants and improve employee morale and cooperation (Main 1990; Akerlof 1984). However, Folger and Mary (1989) argue that different components of pay satisfaction may have different consequences: salary satisfaction may conflict with pay administration. In this study, salary satisfaction for Emiratis carried the connotations of disparity between a performance-driven market economy and a public service where different conditions of adequacy applied. Expectations were therefore skewed toward the remuneration levels of the unattainable public sector organisations, not as a premium salary, but as a norm that the private sector would not consider.

Salaries, promotional prospects and working conditions in UAE private sector significantly impact nationals’ employment interest in the sector (Al-Lamki 1998;

Tanmia 2004; Berengaut & Muniz 2005; Freek & Nelson 2004). The remuneration differentials could be partly addressed by the public sector restructuring its munificent remuneration and working conditions (Elhage et al. 2005).

Working Conditions: Workplace conditions form the business operations and environment that support employee attitude, health and safety, and work/life balance. Working hours, in particular, have a significant impact on job satisfaction, retention of employees and motivation (Kapur et al. 1999; Machin 1999; Clark 2001). Long hours working on a high quality job may give more job satisfaction than long hours on an operational job; however, due to the different motivations of individuals, this is not always the case (Ganster & Bates 2003). The quality of the work may be of less regard to many UAE employees than being in a supportive environment (Freek, 2004).

Working conditions in the Gulf region differ between firms. Numerous studies show that nationals will not accept long working hours, shifts that include weekends, reduced vacations, punctuality and disregard of cultural perspectives (Abdelkarim & Ibrahim 2001; Al-Mansory 2003; Kapiszewski 2004; Madhi & Barrientos 2003; Willoughby 2005). Further, Madhi and Barrientos (2003) found in their study that 66 per cent of Saudis dislike working in the private sector if a split shift is involved. Tanmia (2004) in its study on Emiratisation suggests private sector attention to the issues of shift restructure to eliminate split shifts and weekends and introduce flexible work hours and longer holidays; part-time work and job-sharing. There are few opportunities for part time or flexible work arrangements in either business sector in the UAE. As noted, UAE nationals prefer the public sector for its shorter hours, full weekends and substantial annual leave (Berengaut & Muniz 2005). Further, the public sector emulates the culture and religious observances of UAE nationals, such as prayer times especially on Fridays, and fasting during the month of Ramadan (Ahasan et al. 2001). It is clear that working conditions are significant for employees and UAE nationals in particular. Hence, this research will investigate this factor to assess whether work and working conditions impact on the performance of UAE employees

Promotion: Opportunities for promotion have a significant positive influence on organisational commitment; conversely, failure to obtain promotion results in an increase in absenteeism and decrease in commitment (Beehr et al. 1980; Zaccaro &

Dobbins 1989; Quarles 1994; Souza 2002). Markham et al. (1987) cited in Souza (2002, p.226) note that, 'viewed from a human resources management perspective, promotion enhances human capital and deploys it more effectively, thereby improving job performance and increasing satisfaction and commitment'.

Career Development: Being satisfied with one's career is an important element of personal happiness, as the workplace is an area where social equity and personal fulfillment can be achieved (Sharf 2006; Noe 2005). Career theory focuses on success in terms of extrinsic outcomes, such as remuneration (Super 1957; Sharf 2006) and, more recent definitions of career success include subjective assessments as well, including career advancement impacted by gender, race, education, job title and unemployment (Gunz & Heslin 2005). Further research finds that employees seek fulfillment through learning and developing through different types of job assignments (Bridges 1995; Hall 2004). Management's role therefore includes career development so that individuals are positive about their career and cooperative in the workplace and thus provide organisations with the flexibility they seek for an increasingly competitive global market (Garden 1990; Kaye 1993; Bridge 1994; Nabi 1999; Adelle & Bradley 2004). Similarly reflecting on motivated workers, Laesson et al. (2007) state that organisations can increase motivational impetus in employees by offering tailored professional career counselling to employees, who understand the pace of change and are increasingly conscious of the accelerated obsolescence of skills and knowledge (Cheng & Ho 2001). Work practices such as job rotation and job enrichment are further means to offer employees a changing work environment and to allow the organisation flexibility in its operations and planning (Belcourt et al. 1996).

Career development in UAE, and the GCC in general, is quite undeveloped, with an absence of government direction for life-long learning, and a corporate environment where skilled labour is a commodity that non-nationals readily fulfill (Freek 2004). Job satisfaction, especially in career progression of UAE nationals is an imperative motivational factor that is overlooked in the private sector and further impetus for Emiratis to join the public sector with its automatic career progression by length of service (Jain 2005; Abdelkarim & Ibrahim 2001). Private sector employers are advised to develop a career plan for employees including employee training (Abdelkarim & Ibrahim 2001; Freek 2004). In 2001, a UAE National Labour force survey showed little interest by firms in their employees' career prospects and UAE

nationals identified career progression as major reason that affected their retention with their last employer. Thus, a role for HRM in UAE is that of defining the organisation's job specifications, developing an organisation chart which is sufficiently flexible to withstand reorganisations, and allow UAE nationals to plan their careers. HR professional education opportunities can then be made available to employees. Career development is therefore a useful strategy for private sector firms to use to encourage and retain staff, including UAE nationals and this study includes this as a major HRM component. (see Section 6.1.4, Section 5.6.4, Section 5.6.7, Section 5.7, Section 7.2.3, Section 7.3, Chapters 8 and 9 throughout).

English Fluency: A significant change-taking place in today's workplace is linguistic ability. Whilst localised firms can utilise the common language, or languages, of the marketplace, globalisation dictates that the lingua franca of cross-border trade and communications is rapidly becoming English. English language fluency undoubtedly affects employability, and Gulf employers prefer bilingual workers so that they may readily communicate with their clientele. Fluency in English assists the employment prospects of job seekers in many developing countries and in UAE specifically, to acquire knowledge in the rapid growth in technology in different fields of studies.

Deficiency in English fluency is a main source of unemployment. Abdelkarim (2001a) investigating the attitudes of 1300 UAE private sector employees found that 32 per cent of respondents said that English language training should extend right through schooling and tertiary education. On a follow-up study with Saudi students by Samman (2003), 60 per cent of students reported they were not proficient in English, including 70 per cent of science male students. Thus, the younger generation, who face a highly competitive job market, recognise that English fluency is a critical asset in job seeking. Consequently, this research investigates these factors to evaluate English fluency's effects on UAE nationals in the workforce in UAE.

Workplace Matters: Research findings regarding possible employee concerns of job security, communications with management, and working in teams were found not to be of issue, as participants to various studies reported these satisfactory (Abdelkarim 2001; Al-Dosary 2004; Freek 2004; Ali 2004; Al-Lamki 1998). Thus, these matters will not be investigated as part of this study.

4.3.4 Organisational Culture

This section explores extant literature on organisation culture and its effect on employees' performance. Organisations without the flexibility or knowledge to improve a dysfunctional culture cannot continue superior performance, thus understanding an organisation's culture is significant because it affects strategic development, performance, productivity and learning (Barney 1986; Schneider 2000). This section reviews the impact of organisational culture on job performance and the effects in Gulf countries, especially the Emirates.

Definitions: Organisational culture, which is emerging as a significant part of organisation studies, can be defined as the values, attitudes, beliefs and behaviours that represent an organisation's working environment, its objectives and vision (Hofstede 1984; Carmeli 2005). From a sociological view, organisational culture comprises the values, assumptions, norms and tangible signs (artefacts) of organisation members and their behaviours (Hofstede 1980; Denison 1996). Culture is a direction to guide the roles of organisational members as actors (Harris 1988; Schneider 1972). This adds social factors to the classic psychological definition of culture is 'the collective programming of the mind which distinguishes the members of one organisation from another' (Hofstede 1991, p. 180).

Performance: Organisational culture has important effects, enhancing organisation performance and thus gaining the organisation greater leverage in the marketplace (Pascale 1985; Denison 1990; Van der Post et al. 1998; Deborah & Paul 2000). However, it could be argued that performance is not dependent on the strength of the culture, but the type.

Studies on employee commitment demonstrate that organisation culture has a direct impact on job performance:

- Job satisfaction (Robbins 1996), but not to a significant degree (Chang & Lee 2007)
- Pro-social behaviour (O'Reilly & Chatman 1986)
- Absenteeism (Angle & Perry 1981)
- Turnover and turnover intention (McKinnon et al. 2003; Poznanski & Blum, 1997).

Organisational culture has a significant role in-group functioning, acting as a moderator for group diversity and intra-group conflict, based on the degree of value similarity and the value content shared among group members (Chuang et al. 2004). Whilst this review of the impact of culture on organisational performance relates to individuals and to a lesser extent groups, the nature of the culture itself is called into question. This will be discussed next.

Arab Relationships with Organisations: There has been little research into the social effects of profit-oriented corporations on their few GCC national employees. Research tends to focus on the negative variables that form a barrier to national employment, or localisation, and records the responses of corporate employers. These responses are defensive, or cite temporary programs that fall away (Freek 2004; Fasano & Goyal 2004). In the instances where the impact of corporate culture on localisation is investigated, it is found to be antipathetic to Arab sensibilities (Al-Rahimi 1990; Al-Shammari 1994). For instance, Suliman (2001) examined the association between organisational culture and conflict in Jordanian industries, finding a significant, strong and positive relationship between them. This finding was replicated in UAE, where Abdelkarim (2001) found that UAE organisations rely on monetary rewards and bureaucratic management to minimise employee turnover. Of importance to this study, Suliman (2006) states that UAE organisations cannot establish a strong corporate culture that can compete with social environmental factors in influencing employee's behaviour, as is the case in most developing countries. This is confirmed by Freek (2004), who stated that UAE nationals are ambivalent regarding cultural diversity, which may relate to nationalities in their work teams. The means to develop improved work-related cultures in the private sector is placed by commentators with UAE authorities (Al-Lamki 2000; Al-Dosary 2004) to develop and promote localisation, despite the freedom afforded in the Gulf region against government interference with the private sector. Consequently, this research explores Arab culture's influence on UAE nationals' employment and engagement with their organisations (see Section 5.1.1, Section 6.1.1, Section 5.6, Section 7.2.3, Section 7.3, Chapters 8 and 9 throughout).

The extensive survey of organisational literature reflects different approaches over the last several decades to theorise on employee behaviour and engagement with the firm's goals. Most studies emphasise organisational structures and strategies: the

structures in place to promote performance, or the role of HRM in organisation culture. It is argued that, in the Gulf region, private sector firms must continue to establish themselves, but now as permanent entities. To date, their existences are characterised by swift growth and high profit margins; whilst growth continues, it is now necessary to establish corporations as stand-alone permanent entities of their international and local owners. Thus, there is a need to establish a platform for future growth based on meaningful dialogue with the authorities and with the societies in which they operate. Organisations that will survive in the 21st century must engage with the host country and adopt practical approaches to localisation (Tricker 1998). The impact of organisational culture on job performance and its effects on UAE nationals is therefore part of this study (see Section 8.6, Chapter 9 throughout).

4.4 Theoretical Framework

This chapter discusses human capitals such as knowledge, experience and skills; social capital in job seeking and teamwork when in employment; and organisational capital such as remuneration, a suitable culture and career development. The discussion indicates that when these are treated as unrelated concepts, they are proving insufficient policy tools for successful Emiratisation.

4.4.1 Development of Constructs

Together, human capital, social capital and organisational capital create a conceptual framework for building strong and supportive relationships, and for developing an action environment. This framework is illustrated at Figure 4.1

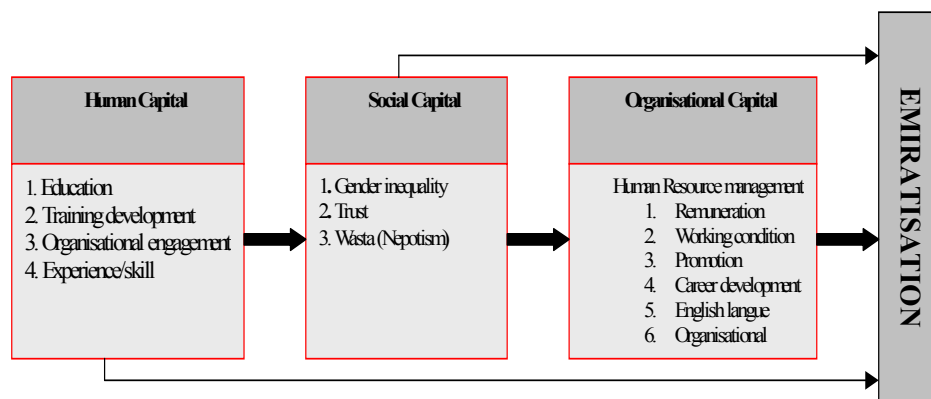


Figure 4.1: Theoretical Framework for Emiratization

In the following section, developing hypotheses logically tied to a research question or supported by theory will be discussed. Table 4.1 Categorisation of Constructs and Scale Items, summarises the literature survey at this point in the thesis.

The development of the hypotheses for this study occurred in stages and, as shown in Table 4.1, identified several themes emerging from the literature, with the intention to test theory in regard to antecedents and inputs to address UAE nationals' unemployment through theory, research and application.

Table 4.1: Categorising of Constructs and Scale Items

Constructs	Scale items	Section	References
Human capital	Education	4.1.2	OCED 2001; Molhotra 2000; Human Development Network 1999; Bontis 2004; Heyneman 1989; Siemens 2002; De Cieri and Kramar 2003; Stone 2002; Krueger and Lindahl 1999; OECD and Canada 2000; Pritchett 1999; Pritchett 1999; Wolff 1995; Kenkel 1991; Henderson 2005; Blanchflower and Oswald 2000; Nie et al. 1996; Morada 2002; Abdelkarim 2002; Tanmia 2005; Ministry of Education 2005; Tanmia 2005; Freek 2004; Abdulkarim 2001; Jakka 1996; Ali 2002; Al-Misad 1985; Abdulkarim 1999; O'Higgins 2001; Sivin and Bialo 1994; Kapiszewski 2001; Pritchett 1999; Alghafis 1992.
	Training and development	4.1.4	Atman and Iles 1998; Stone 2002; Skinner and Berfsford 200; Beardwell and Holden 1997; Deborah 2000; Lewis 1997; Dawson 1997; Dessler et al. 1999; Mathis and Jackson 2000; Scullion 1996; Shen 2005; Kleiman 2000; Abdulkarim 2001; De Cieri and Kramar 2003; Kacmar 1999; gray 2001; Tanmia 2004; Morada 2002; Mansory 2005; Al-Ali 2003; Stewart and Wddell 2003; Read and Kleiner 1996
	Organisational engagement	4.1.5	Ostroff et al. 2005; Adlkins et al. 1996; Klimoski and Jones 1995; Kristof and Stevens 2001; Ostroff et al. 2005; Klimoski and Jones 1995; Mcleod and Lobel 1992; Dyne and Pierce 2003; Kostova and Driks 2001; Portepus 1976; Greenwald and Breckler 1985; Pierce and Dieks 2001; Furby's 1978; Schappe 1996; Edgar and Gear 2005; Arthur 1998; Morada 2002; Boninger et al. 1995;
	Experience and skills	4.1.3	Al-Otaibi 1992; Freek 2004; Isa and Hala 2001; Lynton 2001; Stephen 2001; Abdulkarim 2001; Al-Manasory 2003; Freek 2004; Bonti 2004; McGregor et al. 2004; TEPL 1999; Selgman 2001; OECD 1999;
Social capital (continued)	Trust	4.2.2	Commission Research Paper 2003; Kwon and Suh 2005; Beccerra and Gupta 1999; Sobel 2002; Knack 2001; Connell and Travaglione 2004; Fukuuama 1995; Davis and Landa 1999; Helliwell 1996; Russel and Stone 2002; Part et al. 2005; Zeffane and Connell 2003; Joseph and Winston 2005; Daley and Vasu 1998; Kern 1998; Stone et al. 2005; Ferres et al. 2004; Joseph and Winston 2005; Al Yahmadi and Debrah 2002; Tanmia 2004, Freek 2004.
	Gender inequality	4.2.3	Powell 1999; Konrad et al. 2000; Reitman and Schneer 2000; Valian 1998; Mott 1998; Okpara et al. 2005; Wirth 2000; Wirr and Nye 1992; Lee and Farh 1999; Mostafa 2004; Al-Lamki 1999; UNDP 2003; AlQudsi 1998; Adam 2003; Gutek 1994; Talmud and Izraeli 1999; Eagly and Johannessen 2001; Burt 1992; Granovetter 1983; Ibarra 1993; Coleman 1990; Timberlake 2005; Whiteoak et al. 2006; Baud and Mahgoub; Tanmia 2005; Adam 2003; Al-Lamki.
	<i>Wasta</i>	4.2.4	Cunningham and Sarayrah 1993; Hayajenh 1994; Whiteoak et al. 2006.

Organisational capital	HR policies	4.3.4	Sharf 2006; Trads Union Congress 2003; MacInners 2005; Ganster and Bates 2003; Clark 2001; Kapur et al. 1999; Machin 1999; Abdelkarim & Ibrahim 2001; Al-Enezi 2002; Ali 2004; Al-Lamki 1998; Al-Mansory 2003; Kapiszewski 2004; Madhi and Barrientos 2003; United Arab Emirates 1999; Willoughby 2005; Nadhi and Barrientos 2003; Tanmia 2004; Berengaut and Muniz (2005); Ahasan et al. 2001;
	Working condition	4.2.2	Kapur et al. 1999; Machin 1999; Clark 2001;Ganster & Bates 2003;Freek, 2004; Abdelkarim & Ibrahim 2001; Al-Mansory 2003; Kapiszewski 2004; Madhi & Barrientos 2003; Willoughby 2005; Tanmia 2004; Berengaut & Muniz 2005; Ahasan et al. 2001
	Promotion	4.2.2	Beehr et al. 1980; Zaccaro & Dobbins 1989; Quarles 1994; Souza 2002; Markham et al. 1987; Souza 2002;
	Career development	4.2.2	Sharf 2006; Noe 2005; Super 1957; Gunz and Heslin, 2005; Bridges 1995; Hall 2004; Garden 1990; Kaye 1993; Bridge 1994; Nabi 1999; Adelle & Bradley 2004; Laesson et al. 2007 Cheng & Ho 2001; Belcourt et al. 1996; Freek 2004; Jain 2005; Abdelkarim & Ibrahim 2001
	English fluency	4.2.2	Abdelkarim 2001; Samman 2003
	Remuneration	4.2.2	Kramar 2004; Stone 2002; Lawler 1971; Jeneman 1985; Christopher 2006; Miceli and Mulvey 2000; Lane 1993; Kessler and Heron 2006; Heneman 1998; Kramar 2004; Adams 1965; Crosby 1967; Brockner and Batia 1996; Rose 1994; Boxall and Purcell 2003; Mowday et al. 1982; Main 1990; Akerlof 1984; Miceli and Mulvey 2002; Folger and Mary 1989; Quarles 1994; Zaccaro and Dobbins 1989; Souza 2002; Harlan and Hackett 1987; Souzq 2002; Beehr et al. 1980; Markham et al. 1985; Al-Lamki 1998; Tanmia 2004; Berengaut and Muniz 2005; Elhage et al. 2005; Freek 2004.
	Organisational culture	4.3.5	Carmeli 2005; Barney 1986; Mooij and Hostead 2002; Denison 1996; Harris 1988; Schneider 1982; Keesing 1974; Hofsteds and Jan 2005; Deboeah and Paul 2001; Harvey and Allard 2002; Chuang et al. 2004; Carmeli 2005; Barney 1986; Denison 1996; Kilmann et al. 1985; Lee and Yu 2004; Al-Lamki; Al-Dosary 2004; Whiteoak et al. 2006; Hofstede 1983;Whiteoak et al.2006; Zeoneldin 1998;

4.4.2 Development of Hypotheses

A hypothesis is a statement, which requires proof. In this case, a hypothesis requires specification of its terms and then investigation for a researcher to either confirm or disprove it. A hypothesis enables predictions, by reasoning (including deductive reasoning). In framing a hypothesis, the researcher is not in a position to know whether the hypothesis is valid in relation to the variables introduced. Only in such cases does the study potentially increase the probability of showing the truth of a hypothesis.

In this study, the first stage of thesis development, based on an extensive literature review, required intensive diagnosis (see Table 4.1). Fifteen hypotheses relating to the research questions concerning barriers to Emiratisation (see Chapter 1). were identified for testing. The hypotheses, shown at Table 4.2, were derived from analysis of the data from seven organisations, five from the private sector, and two from the public sector. The development of these hypotheses and the methodology to test them are discussed in chapter 8.

Table 4.2: Development of hypotheses

Hypotheses	Statement	Rationalisation see section
H1	<i>There is a significant correlation among all the variables of human, organisational and social capitals</i>	4.1, 4.2, 4.3.2 and 4.3.5
H2	<i>There is a significant correlation among human, organisation and social capitals</i>	4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.2.2, 4.2.3, 4.2.4, 4.3.4 and 4.3.5
H3	<i>There exist significant variance in mean scores between the public and private sector organisation among ten sets of variables namely, organisational engagement, training and development, organisational culture, career development, remuneration, English Fluency, gender inequity, trust, social justice and wasta</i>	4.1.5, 4.1.4, 4.3.5, 4.3.4, 4.2.3, 4.2.2 and 4.2.4
H4	<i>There exist significant variance in mean score among three sets of constructs namely human, organisational and social capitals in public sector and private sector organisations</i>	4.1,4.2 and 4.3
H5	<i>Human, organisational and social factors of the public and private sectors are independent of each other</i>	4.1,4.2 and 4.3
H6	<i>In the population of UAE nationals, there is difference between the public and private sectors in terms of educational attainment</i>	4.1.2 and 4.1.3
H7	<i>In the population of UAE nationals, there is difference between the public and private sector in terms of job title (demographic variable).</i>	Demographic variable
H8	<i>In the population of UAE nationals, there is a significant difference of years of experience between the public and private sector.</i>	Demographic variable
H9	<i>In the population of UAE nationals, there is a significant difference of age between the public and private sector employees (demographic variable).</i>	Demographic variable
H10	<i>In the population of UAE nationals, there is a significant difference of gender between the public and private</i>	Demographic

	<i>sector (demographic variable).</i>	variable
H11	<i>In the public sector organisations education attainment is more require than the private sector organisations (demographic variable).</i>	Demographic variable
H12	<i>In the public sector organisations, after controlling for the demographic set of variables (gender, age, job, and education), the social value set of variables (trust, gender inequality, social justice, and wasta (nepotism)), and the organisational value set of variables (organisation climate, career development, remuneration and English fluency) will explain unique variance in the personal factor variable of organisation engagement</i>	4.1.5, 4.1.4, 4.3.5, 4.3.4, 4.2.3, 4.2.2 and 4.2.4
H13	<i>In the public sector organisations, after controlling for the demographic set of variables (gender, age, job, and education), the social value set of variables (trust, gender inequality, social justice, and wasta (nepotism)), and the organisational value set of variables (organisation climate, career development, remuneration and fluency language) will explain unique variance in the personal factor variable of training and development (see Sections).</i>	4.1.5, 4.1.4, 4.3.5, 4.3.4, 4.2.3, 4.2.2 and 4.2.4
H14	<i>In the private sector organisations, after controlling for the demographic set of variables (gender, age, job, and education), the social value set of variables (trust, gender inequality, social justice, and wasta (nepotism)), and the organisational value set of variables (organisation climate, career development, remuneration and English Fluency) will explain unique variance in the personal factor variable of organisation engagement</i>	4.1.5, 4.1.4, 4.3.5, 4.3.4, 4.2.3, 4.2.2 and 4.2.4
H15	<i>In the private sector organisations, after controlling for the demographic set of variables (gender, age, job, and education), the social value set of variables (trust, gender inequality, social justice, and wasta (nepotism)), and the organisational value set of variables (organisation climate, career development, remuneration and English Fluency) will explain unique variance in the personal factor variable of training and development</i>	4.1.5, 4.1.4, 4.3.5, 4.3.4, 4.2.3, 4.2.2 and 4.2.4

4.5 Summary

This chapter demonstrates the research challenge of a complex issue in a GCC country. Whilst the antecedents and inputs to youth unemployment, or disengagement with their employers when in the workforce, offer research themes under several theoretical constructs, placing extant research findings in the environment of a developing country complicates a literature survey. In the case of young Emirati unemployment, one generation on from the formation of their country, and a focus of world interest, the research problem involves a literature that does not recognise disadvantage in a highly advantaged but socially emerging population. Further, the Emirati population represents a minority in its own country, particularly in the private sector workforce. The research question could potentially be restated as *Why should corporations care for an Emirati applicant, a national they do not employ?* This is a conundrum that, to be relevant in the world view, Emiratis and GCC Arabs must address.

Within a capital theory framework, this chapter traces the antecedents and factors relating to unemployed and under-employed national youth. It examines the necessity for GCC nationals to acquire skills and knowledge relevant to globalisation through human capital theory, tracing the burden on youth of a traditional learning system, an emphasis on subjects that do not align to work-readiness, plus bilingualism. Gaining a job is paramount to Arab dignity and self-worth, yet training and development after leaving education is non-existent. Human capital support through life-long learning is largely absent from the GCC and the private sector. Thus, the purpose of the immense effort to educate Emiratis simply does not resolve into human capital that UAE can use. Organisational environment and social capital networks are constrained by the strong ties of family and tribal relationships, and an inability to access weak ties, as few Emiratis are working in the private sector. Trust, gender and *wasta* issues are discussed as sub-sets of social capital and the dysfunctional aspects as antecedents of Emirati unemployment. From these discussions, themes are drawn which emerge as a series of hypotheses on which to base this research.

In this study, the selection of the well-regarded human and social formats of capital theory is perhaps expected, as they form a great body of knowledge. This thesis also takes regard of organisational capital, although there is little extant research on the

concept. However, from the singular aspect of unemployment, it is argued that, being centred on the individual, neither human nor social capital fully explain the phenomenon; but that the capital-generator, the organisation, is the link in theory that is the final arbiter of unemployment. It re-focus attention onto organisational issues in the question: *Why should corporations care for an Emirati applicant, a national they do not employ?*

To the social scientist, human capital inputs are demographic, educational, competency and availability; outputs are a successful work life and productive input to the organisation and thus the country. Social capital inputs are the networks that form the nation, the nodes of family, tribe and ties, and the drawn lines of contact between them. The nodes have a support function, the forging of contacts are the beginnings of an individual's maturity, personal risk-taking. These aspects of capital theory require a harmony that allows job seekers to take the risk of failing on a job search or at the workplace. Driven by human resources, organisational capital represents the corporation's sum of accessed human capital, and its physical and intellectual capital. Yet private sector workplaces are inimical to GCC nationals who see a different culture, different language, disrespect, demanding and rigorous, and foreign in every sense of the word. The conclusions of this literature survey could be stated as the private sector does not employ GCC nationals because nationals do not yet understand the culture of business (note: to the extent of interest-bearing financial arrangements).

The second part of the literature presents the characteristics of the UAE labour market, and the long-term consequences of non-national labour in social, economic, cultural, and political terms. The literature review finds that the imbalance in population between UAE nationals and non-nationals created anxieties and a sense of insecurity among the UAE nationals due to their minority status (see Section 3.5). Therefore, this chapter presents the major issues that could affect UAE nationals in the long term.

The next chapter discusses the methodology and sampling. In addition, the data collection method, verification strategies implemented standards and the research instruments are discussed.

Chapter 5

Study Methodology and Phase 1 Report

The aim of this study is to develop an understanding of barriers to UAE nationals' entry into the workforce and to propose a strategy to address those barriers and increase Emirati participation in the UAE labour market. To achieve this aim, this study employs a theoretical framework based on capital theory: human capital, that is, education, skills, and experience; social capital, such as gender inequality, nepotism and trust and organisational capital, such as culture, English fluency and human resource management (HRM).

Based on this theoretical framework, an extensive investigation into the nominated factors was undertaken to identify obstacles to Emirati employment. As discussed in Chapter 4, the recent origins of the UAE private sector and its reliance on non-national labour impact on young national job seekers differently to youth in established economies such as Australia or the United States.

In this exploratory phase of the investigation, several corporations were approached. Larger organisations best reflect the exogenous factors resulting from international organisational culture imposed on the fledgling economy of UAE. The response from senior management was more than sufficient to identify relevant variables, including selections from extant research, for the large-scale questionnaire.

This chapter is in two parts. The first discusses the research strategy and the formulation of the study questionnaire (Phase 2) under constructs of human, organisational and social capital. It then reports on the administrative and statistical matters applicable to the overall study. The second part of the chapter refers to a key informant survey (Phase 1) conducted with senior human resource management from Dubai's premier organisations to explore study themes, and the findings under the constructs and scale items identified in Figure 4.1.

5.1 Research Design

To select the appropriate methodology for this research, a survey of extant literature was made with two objectives: to meet the criteria of other researchers and thus enhance the comparability of the findings, and to build on the relevant existing

research to add to the body of knowledge. Research design is ‘a plan, structure and strategy of investigation so conceived so as to obtain answers to research questions or problems. It is a complete scheme or programme of the research’ (Kerlinger 1986, p.279). In addition, the research design formally defines the procedure for conducting any study. It describes where, when, from whom, and under what circumstances data were obtained. McMillan and Schumacher (1993) state that the purpose of the research design is to present the most valid, accurate results as possible to answer the research question(s).

Data gained for research may be examined using qualitative analysis, quantitative analysis, or a combination of both. Qualitative research often relies on interpretive or critical social science, while quantitative research relies on a positivist approach to social science (Neuman 2006). Creswell (1998, p. 15) defines qualitative research as

an inquiry process of understanding based on distant methodological traditions of inquiry that explore a social or human problem. The researcher builds a complex, holistic picture, analyses words, reports detailed views of informants and conducts the study in a natural setting.

A quantitative research design, in contrast, employs a philosophy of emphasised objectivity and a more ‘mechanical’ technique using standardised methodological procedures; that is, enumerates and analyses the data statistically (Neuman 2006).

5.1.1 Quantitative and Qualitative Approaches

Both quantitative and qualitative data analyses have their advantages and disadvantages. Ackroyd and Hughes (1992, p.30) state that neither one is markedly superior to the other in all respects. The quantitative method allows the measurement of responses to a limited set of questions from many people, thereby facilitating comparison and statistical aggregation of data. This obtains a broad set of findings that can be generalised, presented succinctly and achieves higher levels of reliability (Leedy & Ormrod 2005; Patton 1990). Further, the quantitative approach minimises or eliminates subjectivity of judgment and clearly identifies both the independent and the dependent variables under investigation (Kealey & Protheroe 1996; Matveev 2002). However, the quantitative method has several disadvantages. It does not permit the evolving and continuous investigation of a research phenomenon. Additionally, it fails to provide the researcher with information on the context of the situation for the

phenomenon under study. Finally, it cannot control the environment where the participants provide the answers to the questions in the survey (Matveev 2002).

The advantages of the qualitative method include flexibility in data collection, analysis and interpretation; the ability to informally engage with the researcher's subjects in their own language and on their own terms, thus extending comprehension on the data than otherwise available, (Kirk & Miller 1986; Matveev 2002). Therefore, qualitative research gives participants the opportunity to respond in their own terms, rather than forcing the participants to choose from fixed responses (Mack et al. 2005). However, qualitative research is criticised in the literature: the personal and contextual nature of this approach means standards of validity and reliability cannot be applied; there may be lack of anonymity for data collection and reporting, in which case biases may occur; and it is time-consuming (Babbie 2007; Neuman 2006; Sarantakos 1993). Leedy and Ormrod (2005) state that the qualitative approach generalises research problems and questions about the phenomenon being studied. In a case like the UAE culture, influences such as the gender and ethnicity of researchers can impact on answers by interviewees. In this case, a qualitative approach was used in the initial phase of the study, the pilot phase, to define the parameters for the main study.

The literature review in Chapters 2 and 3 reveals perceived obstacles facing UAE national employees including educational outcomes, work experience and skills, gender difference, salary levels, working conditions, lack of trust, organisational culture and *wasta*. A quantitative approach was selected for phase two of this study, as it best encompasses the research questions, that is, UAE nationals' job seeking abilities; and as employees, factors impacting their ability to fully contribute to their Dubai organisations. Further, the literature review identifies an absence of quantitative data in exploring the perceptions of UAE national employees to statistically identify workplace issues. Previous UAE studies were generally of a qualitative nature, therefore it is worthwhile employing quantitative research to assist the comparison of findings under the two approaches; and thus propose better strategies to assist UAE nationals in the workforce.

5.1.2 Design Selection

Following the literature review, and based on the research objective and hypotheses regarding the employment prospects of Emiratis, the methodology for the study was selected, using a mix quantitative and qualitative pilot survey followed by a main quantitative survey. Questions for a pilot survey were then proposed; the pilot conducted and analysed to establish the design for the main questionnaire. Data were prepared for quantitative analysis and testing hypotheses, and finally conclusions and recommendations were drawn. These steps are illustrated in Figure 5.1 Research Process, and are described in detail in the following sections.

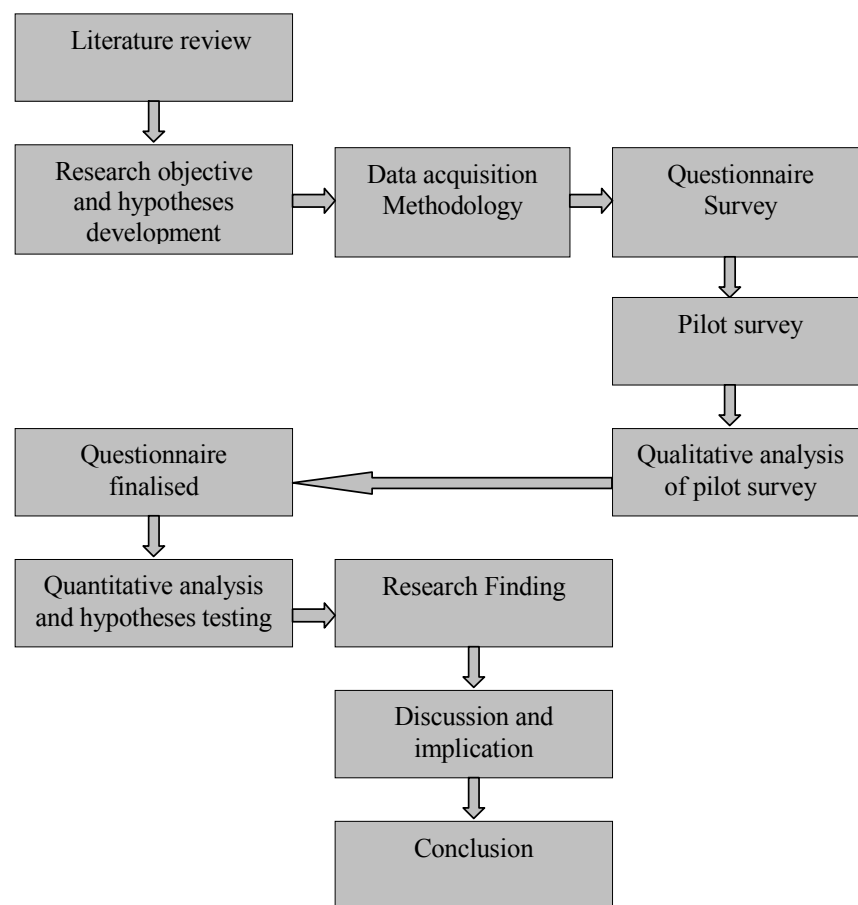


Figure 5.1: The methodology, composed and finalised

To generate the study's data, this research follows Delahaye (2000), who determined four stages for data management: investigation, design, implementation and evaluation. Each stage is a succinct division, as discussed in the following paragraphs.

5.1.3 Literature Review

The investigation phase of this research commenced with identification of issues relating to employment of UAE nationals and the organisational means to address those issues in UAE and elsewhere. Electronic and printed sources were searched, with online databases from Victoria University and other Melbourne institutions searched for books, journals, conference and discussion papers, and annual reports. The databases used include Business Source Premier, Emerald Library, Education Online, World Bank Statistic, Tanmia, the UAE Ministry of Education, Dubai Municipality, UAE Ministry of Labour and Social Affairs, UAE Ministry of Education, UNESCO Institute for Statistics, UAE Central Bank and Emirates Institute of Banking and Financial Studies. Printed material included journals, books, reports and unpublished dissertations.

5.1.4 Research Objective and Hypotheses Development

The objective of this study is to identify variables under three capital constructs: human, organisational and social; and to propose feasible strategies for greater job opportunities for UAE nationals (see Section 1.3). The aims of this study are therefore:

- Investigate human, organisational and social barriers to the engagement of UAE national employees with their employers, in the public and private sectors
- Identify differences between public and private sector employees, based on variables of these constructs
- Develop strategies and policy framework to enhance employability in these two sectors.

Emiratization policies to date have not been successful and further restrictions and enforcement may prove counterproductive if the barriers to employment are found to be elsewhere. This research comprises quantitative analysis across large corporations in both sectors to use capital theory components to identify structural, practical and perceived barriers to Emiratization.

5.2 Research Administration

To undertake a study of this complexity approval was sought from the Victoria University's Ethics Committee for instruments of intent, consent, anonymity and confidentiality for both surveys (see Appendix 1). These matters are discussed below.

5.2.1 Ethics Committee Approval

Ethics refer to value conflicts among those in a profession, and these conflicts occur momentarily (McMillan & Schumacher 1993; Gillespie 1995). Researchers must therefore remain alert to risk to participants, colleagues and society whilst attempting to maximise the quality of information they produce. To confirm this intent, an application for approval for a project involving human participants was submitted to the Faculty of Business and Law research committee at Victoria University. The application addressed issues of participant privacy and confidentiality and potential risks such as discomfort or shyness in answering the questionnaire, especially with Emirati women. As this researcher is an Emirati, cultural issues could be recognised early and steps taken to minimise this risk. The Human Research Ethics Committee approved the letter and participants' consent form on July 2006 (Appendix 1).

5.2.2 Participants' Consent

To meet the principles of informed consent to voluntary participation in the study (Christians 2000; Neuman 2006), a supporting letter explaining the purpose of the research was sent to each participant of the pilot, reviews, and full study.

5.2.3 Anonymity and Confidentiality

All personal data have to be secured, concealed or made public behind a shield of anonymity (Christians 2000). Anonymity has the additional advantage of maximising reliability and modestly improving responses when participants are confronted with sensitive topics (Babbie 2007; Singer et al. 1995). In this study, anonymity and confidentiality were stressed throughout, and all reasonable steps taken; all names and addresses of participants were removed throughout.

5.3 Phase 1 and 2 Sample Selection

Sampling methods, according to Babbie (2007), consist of probability and nonprobability sampling. Probability sampling is defined as 'the general term for

samples selected in accord with probability theory, typically involving some random-selection mechanism'. Otherwise, nonprobability sampling is 'any technique in which samples are selected in some way not suggested by probability theory' (Babbie 2007, p.183). Probability sampling utilises the following.

- Simple random, in which the researcher uses a random number table or similar so that each sampling element in the population will have an equal probability of being selected
- Systematic sampling is simple random sampling with a shortcut for random selection
- Stratified sampling, in which the researcher first identifies a set of mutually exclusive and exhaustive categories, divides the sampling frame by the categories, and then uses random selection to select cases from each category
- Cluster sampling, which uses multiple stages and is frequently used to include wide geographic areas in which aggregated units are randomly selected and then samples are drawn from the sampled aggregated unit, or clusters (Neuman 2006, pp.227-233).

5.3.1 Method

For the purpose of this study, a nonprobability sampling was selected. First, and most important, it is acceptable when absolute accuracy is not significant; however, it often produces samples quite similar to the population of interest. Nonprobability sampling has advantages of time and cost, as probability sampling calls for greater planning and repeated follow-up to ensure that each selected sample member responds (Babbie 2007; Cooper & Schindler 1998). Therefore, nonprobability sampling was the feasible option for this investigation.

There are four types of nonprobability sampling: convenience, snowball, quota and purposive or judgmental sampling (Babbie 2007; Neuman 2006; Cooper & Schindler 1998). Purposive sampling was selected for both phases one and two of this investigation.

Phase One: In the first phase, Emiratis from seven organisations were approached on the basis of their knowledge of issues regarding Emiratisation, selected as representative of business sector expertise and who best meet the purpose of the

study (Bailey 1994; Cooper & Schindler 1998). In addition, this researcher (an Emirati) was well aware of the employment issues regarding UAE nationals, which enabled detailed exploration of the research objectives; thus the sample members, as 20 key informants, were selected with care. The sample members were senior managers above the age of 25 years, with generally 10 years and above experience.

Phase Two: Purposive sampling was also used in phase two. A relatively new technique was used which permits the selection of those organisations with a large number of employees; first, to focus the study since the effect of company size is controlled, and second, the findings are useful to organisations with significant contributions to the economy (Davis & Fisher 2002; Khatri & Budhwar 2002). In this case, the study targeted organisations with a minimum of 200 Emirati employees, with the additional objective of obtaining sufficient data for analysis.

To obtain candidate organisations for the phase two sample, 15 organisations with a large number of employees were selected. Ten of these implemented best policies and practices toward Emiratisation, identified through published award criteria. An example, used in this study, is the Dubai Quality Group's annual awards: the Gold Dubai Quality Award, the Dubai Quality Award and Dubai Quality Appreciation Program (UAE Department of Economic Development 2005). On request, the Dubai Municipality supplied Emirati employee numbers in target organisations, and confirmed the organisations selected constituted best practice in Emiratisation in Tanmia's 2001 national survey.

5.4 Phase 1 and 2 Data Acquisition

Data collection was conducted in two phases. The objective of two-phase exploratory design is to use the results of the first mixed method (qualitative and quantitative) to develop or inform the second method (quantitative) (Greene et al. 1989). Phase one comprised email contact with key informants (20 senior Dubai managers knowledgeable regarding Emirati employment), and phase two consisted of a subsequent questionnaire distributed to all 1500 respondents. The purpose of the exploratory phase was to identify the relevant data-gathering instruments for the framework and the variables impacting Emirati employment. Cavana et al. (2001) highlight that exploratory studies are undertaken to better understand the nature of the research problem. Relevant to this case, explanatory design is particularly useful when

a researcher needs to identify important variables to study quantitatively when the variables are unknown (Creswell 1999; Creswell et al. 2004). Creswell and Clark (2007, p. 78) state that exploratory design is easily applied to multiphase research studies, and separate phases make this design straightforward to describe, implement and report.

5.5 Phase 1 Key Informant Contributions

The purpose of this exploratory phase was to prove the relevant data-gathering instruments and confirm the variables impacting Emirati employment (Cavana et al. 2001).

5.5.1 Participant Selection

Key informants were selected from the public sector, including Dubai Municipality, Tanmia and Dubai Electricity; and the private sector including Dubai Commercial Bank, and Dubai National Bank, Dubai Telecommunication and Dubai Aluminium Company, thus allowing a range of data from various sources (see Section 5.3). A mixed method approach (qualitative and quantitative) allows key informants an opportunity to include more information, including perceptions, attitudes and understanding of the subject (see Section 5.3.1). In addition, it gives a place to express an opinion without being influenced by the researcher and it also allows respondents to give answers in their own way (Foddy 1993; Fink 1995). Lazarsfeld (1944) suggested using open-ended and close-ended questions at the initial phase to identify adequate answer categories for issues. Thus, the questionnaire for key informant contributions used open-ended and close-ended questions (see Appendix 5).

5.5.2 Questionnaire Processes

The study, its authenticity and its intentions were explained in a letter of invitation that accompanied the emailed survey to all key informants (see Appendix 2). Confidentiality and privacy of the information were assured. The questionnaire was framed in both quantitative and qualitative analytical approaches (see Appendix 5). The questions were largely adopted from a series of previous reports by Tanmia (2004) and used to validate the quantitative, closed-ended questions and for comparison of extant research findings; and open-ended qualitative questions were included to elicit emerging themes. Participants were asked 31 questions concerning

barriers to Emirati employment. Responses for the closed-ended questions were designed for a 5-point Likert scale, and the qualitative open-ended questions enabled respondents to elaborate on the topic.

Upon return of the emailed questionnaires, that is, 17 responses from 20 distributions, the respondents were categorised by industry, the data prepared as files, and SPSS 13.0 statistical analysis software was employed for frequency analysis, used in this phase to examine three dimensions of the data. As this study's aim is to identify priorities for the issues or variables impacting Emiratisation, the analysis focused on question responses of very important and important only, and those items that showed other values were omitted.

First, the responses were categorised and compared with the number of respondents, and an initial examination of frequencies undertaken for the opinion items to identify themes from these responses. In addition, the factual data frequencies were examined to determine the scale for each factor. Finally, an initial examination of the opinion items assisted analysis.

5.6. Phase 1 Study Findings

The questionnaire comprised sections relating to employers: Emiratisation, organisation culture, recruitment and retention, remuneration, career development; a section on education levels of recruits, and a section on respondents' data. Results of the analyses for these categories are discussed in this section.

5.6.1 Emiratisation policies

Emiratisation policy questions comprised both quantitative and qualitative approaches, inviting reasons for the respondents' views. Thirteen respondents (76%) reported affirmative policies for Emiratisation, including attractive remuneration and financial incentives; targeted career paths and career development opportunities; a working environment inclusive of the traditionalist approach, trust and empowerment. Other respondents reported no specific Emiratisation policy, citing grounds for their responses that Emiratisation was defined under legislation, the organisation did not support Emiratisation, or that Emiratis disregarded work in the private sector, therefore it was unnecessary.

Questioned on options for government to strengthen Emiratisation, the following responses were offered

- Establish an Emirati employment coordination centre for all matters from job-seeking to career development that also provides technical and language training, work experience, and addresses inequities in employment for women
- Launch strong Emiratisation awareness and job offer programs, promote successful organisations, encourage cultural awareness in the workplace
- Increase Emirati quotas on target industries and job classifications, provide financial support by government for in-house training programs for nationals
- Link new visa and labour permits for non-nationals to Emiratisation compliance; increase taxes on the permits, monitor organisations' compliance to Emiratisation, impose financial penalties for non-compliance
- Government compensation to maintain Emiratis' remuneration in the private sector to the equivalent public sector rate or, alternatively, minimise the wage gap between sectors; reduce public sector work for non-complying organisations.

5.6.2 Deterrents to Emiratis Seeking Jobs

It is clearly the case that existing policies and practices do not achieve Emiratisation. The research findings state that committed Emiratisation organisations cannot maintain increasing quotas, either through the firm's expansion or through Emirati resignations. The participants' views on the minimal numbers of UAE nationals in the private sector are set out at Table 5.1 below.

Table 5.1: Deterrents to Emiratis Seeking Jobs

Variables	Responses		
	Important Percentage	Very Important Percentage	Total*
No career prospects	53	47	100
Little opportunity for promotion and training	47	35	82
Unacceptable remuneration	24	58	82
Long hours of work	29	47	76
Non-nationals resistant to mentoring Emiratis	17	59	76
Split-shift work	41	29	70
UAE nationals experience discrimination	24	29	53
Working six days per week	35	18	53
Family resistance to employment	12	23	35

* Results combining ‘important’ and ‘very important’

Table 5.1 shows the importance exploratory survey participants placed on factors discouraging young Emiratis applying for work. Primarily, it concerned career prospects, caused by the temporary nature of jobs in UAE. Variables related to career comprised the total view, and the majority view of the participants. Unacceptable remuneration, lack of support from team members and long hours were also considered highly relevant. However, there was a status principle in play as well. Participant number 2 stated that

Many young nationals don't look for a job; they are financially satisfied because they are living with their parents.

Other responses from the open-ended questions on barriers to employment concerned human resource managers, who noted an absence of Emiratis employed in their responsibility areas which impacted recruitment of nationals; and that expatriates were perceived to be more productive, and thus cost-effective. Further, nationals are unlikely to apply for low paid and low status jobs such as labourers, and such jobs are freely available in UAE's high development economy.

5.6.3 Qualification Standards

Nationals' educational standards remain a concern for private sector employers, who frequently require technical and mathematical disciplines in recruits' qualifications (Tanmia 2004) to meet job specifications. Table 5.2 shows the percentage of participants who believe Emiratis are appropriately qualified at that level. Note that Emiratis are required to complete secondary school before they can enter the job market (Tanmia 2004).

Table 5.2: Meeting Qualification Levels for Job Specifications

Qualification	Job Specification Requirements %
Secondary school	94
Technical diploma	76
Higher diploma	71
Bachelor's degree	65
Post graduate degree	47

Table 5.2 presents the percentage of participants that consider qualified Emiratis actually meet the job specification qualifications. Overall, three-quarters (76%) of the HRM respondents consider that Emiratis meet the specified qualifications levels. The remaining quarter (24%) said that UAE nationals are not adequately prepared for the workforce and need further training to develop their skills. Suggestions for addressing these concerns included links between the private and public educational institutions, industry leaders, and professional organisations to match curricula with current and future workforce skills; and that curricula contain more real-life examples and practical experiences.

5.6.4 Barriers to Employment

Respondents were queried on general attributes of national job applicants, and those they considered a barrier to employment. Table 5.3 shows respondents' views on this theme.

Table 5.3 Personal Attribute Barriers to Emiratisation

Variable	Response* Percentage:
Deficiency in experience/training/skills	70
Low motivation	65
Low English fluency	65
Lack of interpersonal skills	59
Low trust	41

* Results combining 'important' and 'very important'

The participants' views in Table 5.3 are that Emirati job applicants are deficient in work experience, job training and thus work skills; they are unmotivated to work, and they are not fluent in English, nor do they exhibit interpersonal skills. These are the major determinants of personal attribute barriers to workforce participation.

With some differences in emphasis to the literature (see Chapter 4), respondents reported similar views: that young Emiratis find deficiencies in career development, and remuneration; and employers note Emirati deficiencies in experience, training and

qualifications, and motivation including expectations to the effort involved in participation in the workforce.

5.6.5 Hiring Emiratis

Respondents, as employers, were asked for their evaluation of characteristics of nationals. Table 5.4 shows the extent respondents' decision is influenced when they consider recruiting a national.

Table 5.4: Evaluation of Applicant Characteristics

Variables	Responses* Percentage
Qualifications/skills	94
Experience	65
References	12
Age	24
Gender	12

* Results combining 'very important' and 'important'

Table 5.4 shows that of these variables, qualifications and skills factor was regarded as the most important, with experience cited by 65 per cent of the respondents. Of note, age was a factor in a quarter of the responses. Participants reported that

Finding the right skills profile in Emiratis is extremely difficult. Their English needs attention and they are undisciplined and do not have appropriate work ethics (Participant 3). In Participant 6's opinion, the availability of required skills and loyalty to their employer among UAE nationals is very low.

5.6.6 Retaining Emiratis

Once employed, research shows nationals have a high turnover rate. For employers to meet quotas for Emiratisation not only do they need to attract nationals, they must retain them. Respondents were questioned as to their views of important elements to retain staff. Table 5.5 below gives their views.

Table 5.5 Factors to Retain Emiratis in Employment

Variable	Responses		
	Important Percentage	Very Important Percentage	Total* Percentage
Government contributes to corporate costs to achieve Emiratisation	18	82	100
Regular reviews of remuneration	18	76	94
Establish an Emirati employment centre	29	65	94
Establish a lifelong learning centre for technical and language training	17	71	88
Impose penalties for corporations who do not reach Emiratisation quotas	35	53	88
Implement quotas for employment of UAE nationals	41	47	88
Encourage corporations to offer work experience to Emirati students	17	59	76
Observe cultural differences in workplace	41	29	70

* Results combining ‘important’ and ‘very important’

To retain Emiratis in employment, as shown in Table 5.5, respondents nominate government financial contributions, establishing an employment coordination centre and regular remuneration reviews as important considerations. Of interest is the heavy emphasis placed on government assistance, especially with training, and salary reviews. An indication of the difficulty in retaining nationals was expressed by Participant 4:

UAE Nationals are under represented in the private sector, an environment which is not suitable for U.A.E. national women. Many women leave work when they find that their employers do not support their career aspirations.

5.6.7 On-the-job Training

Training is an issue for Emiratis, as they are under-prepared in working skills. English fluency and some deficiencies in mathematical and technical skills require rectification for Emirati participation in the work teams or task fulfilment. In this study, 41 per cent of respondents reported that UAE nationals received training in the past year, whilst 12 per cent reported workplace training for Emiratis up to five times during the year and 35 per cent of participants reported regular training for their Emirati employees, that is, more than five times per year. Further, 88 per cent of respondents agreed that, given further opportunity for training and career development, the participation rate of UAE nationals will increase.

5.6.8 Working Conditions

Non-nationals are reported as being generally more satisfied in their work than UAE nationals. This applies across a range of variables, with the exception of the input to the decision making process. Table 5.6 illustrate these differences.

Table 5.6: Employee Satisfaction: Non-nationals and Emiratis

Working Condition	UAE Nationals			Non-nationals		
	Satisfied %	Very satisfied %	Total*	Satisfied %	Very satisfied %	Total*
Annual leave entitlement	35	35	70	35	47	82
Sense of achievement	47	12	59	59	29	88
Contribute to decision making	47	12	59	23	36	59
Remuneration comparison with other organisations	47	6	53	41	35	76
Career plan	41	6	47	59	23	82
Satisfactory working hours	12	29	41	41	41	82
Opportunity for promotion	23	12	35	29	29	59

* Results combining 'important' and 'very important'

Table 5.6 shows the greater variation in the respondents' perceptions of the attitudes of Emiratis and their co-workers to working hours, that is, split shifts and six-day working week (41% approval for Emiratis and 82% approval for expatriates), followed by career planning (47% approval for Emiratis, 82% others). Remaining major differences lie with sense of achievement and promotional opportunities. UAE nationals and non-nationals show broadly similar patterns of overtime worked.

The following tables refer to Table 5.6 by differentiating responses between the public and private sector. There is nine per cent of employees who are Emiratis in the public sector, and one per cent in the private sector. The first, Table 5.7 shows the results for this sector.

Table 5.7: Employee Satisfaction: Non-nationals and Emiratis – Public Sector

Working Condition	UAE Nationals			Non-nationals		
	Satisfied %	Very satisfied %	Total*	Satisfied %	Very satisfied %	Total*
Annual leave entitlement	43	43	86	29	57	86
Sense of achievement	57	0	57	86	14	100
Contribute to decision making	86	0	86	14	14	28
Remuneration comparison with other organisations	57	0	57	43	28	72
Career plan	71	0	71	72	14	86
Satisfactory working hours	14	29	43	57	43	100
Opportunity for promotion	43	14	57	43	28	71

* Results combining ‘important’ and ‘very important’

Table 5.7 illustrates greater differences between the public sector and the combined satisfaction response at Table 5.6, with an atypical response from the expatriates who are reported by the exploratory study participants as 28 per cent approval for contributing to the decision making process, whilst Emiratis are reported as 86 per cent in agreement with their contribution. ‘Satisfactory’ working hours confirms that the non-nationals are reported as considering this variable entirely satisfactory, whilst nationals are confirmed at less than half finding the hours satisfactory. The second, Table 5.8 shows these results.

Table 5.8: Employee Satisfaction: Non-nationals and Emiratis – Public Sector

Working Condition	UAE Nationals			Non-nationals		
	Satisfied %	Very satisfied %	Total*	Satisfied %	Very satisfied %	Total*
Annual leave entitlement	33	17	50	67	33	100
Sense of achievement	66	17	83	50	50	100
Contribute to decision making	33	17	50	33	67	100
Remuneration comparison with other organisations	50	17	67	50	50	100
Career plan	16	17	33	50	50	100
Satisfactory working hours	16	17	33	50	17	67
Opportunity for promotion	16	17	33	33	50	83

* Results combining ‘important’ and ‘very important’

Table 5.8 shows that HR respondents viewed expatriates as being completely satisfied with a range of conditions in the private sector, whilst Emiratis were not responsive to all but two variables, a sense of achievement and remuneration.

5.6.9 Cultural Issues

Emiratis constitute on average one person in ten in their workplaces. Despite the number of nationalities involved with an expatriate workforce, it is expected that nationals form a minority in most private sector workplaces. Participants' views on this diversity were that nationals were either satisfied (46%) or very satisfied (35 %) with their co-workers.

Despite this exploratory finding, there are underlying social and cultural issues that regularly lead to nationals' resignation and this is particularly relevant for Emirati women. Cultural issues were acknowledged by the HR participants, who responded to the question of managing workplace issues. Less than half (47%) of respondents said that they offered to solve issues that arose between UAE nationals and non-nationals. The majority of respondents (78%) reported that non-national team members did not mentor nationals, ignoring their task and teamwork efforts and this was a major issue in the private sector for Emiratisation. As an example, an Emirati may report to a less well-qualified manager and be perceived as a threat, as Participant 13 explains:

there are a number of UAE nationals who are well educated, have work experience and challenge their expatriate directors, but expatriates create some problems for them in order that they should leave the company, because the expatriates fear that one day the nationals will take their post.

Respondents also reported discrimination by expatriates for nationals; nonacceptance and intimidation brought about by different world views, language issues, and thus mistrust. Participants reported that non-nationals viewed Emiratisation as a direct threat to their jobs.

Organisations dedicated to Emiratisation nevertheless had policies and practices in place for conflict resolution. HRM's role reported in the study in team and supervisory issues included applying standing HR practices such as emphasising the importance of both individuals and their roles in the organisation, appealing for mutual understanding; and if these measures failed, transferring an Emirati to the same job in a different section. Participant 1 elaborated:

Each expatriate and UAE national should work together as a pair, both responsible for the outcome, and there is a replacement if one of them is on vacation, which will strengthen the UAE national's ability to handle the job as an individual and widen his or her work experience and skills.

5.7 Phase 1 Results Discussion

This study investigates the obstacles facing Emiratisation. Analysis of the literature, available documentation and an explanatory study questionnaire reveals that UAE nationals encounter barriers to labour force entry including inadequate standards in their qualifications, experience and skills. The respondents reported Emiratis had irregular training on the job, and indifferent HR policies including remuneration to maintain their interest and dedication to the job, and an unwelcoming corporate culture, which brought up gender issues and nepotism. They faced limited career development opportunities, and were deficient in English fluency. These exploratory findings are consistent with other studies (see Chapter 4) that report that Emiratis have a strong negative attitude towards work in the private sector.

The results from Table 5.3 clearly show that private sector employers are not ready to employ UAE nationals who are deficient in specified experience and skills. Emiratis reciprocate: they prefer not to enter the private sector (Yang and Samiha 2001, Freek 2004). Other factors that operate against greater Emiratisation are job seekers' perceptions of low career prospects, long hours of work, and that preferential working conditions of the public sector are not countenanced elsewhere. Further, there is little transfer of experience and training from expatriates to nationals, as Emiratisation aimed to achieve. Respondents' views are that either the expatriates do not want a mentoring role towards nationals, or that nationals do not receive sufficient on-the-job training to fulfil the duties of the job. These findings illustrate private corporations that have aligned their operations to a transient workforce, with remuneration and conditions directed toward short-term contracts. Thus, there is no job continuity, no career structure and no management skills required. Each does his or her own job and contributes to the corporation's profitability. Mentoring, permanency and career development of Emiratis are not on expatriates' job specifications. This anti-Emiratisation environment is being slowly addressed by social capital strategies of the government and industry leaders.

Emiratis are conscious of their burden to gain hegemony over their economy. Respondents from the public sector reported that Emirati employees are influenced by annual leave entitlements, input into the decision-making process, and strategies for achieving their career goals. Research points to other beneficial conditions in the public sector: life long employment, further educational opportunities, higher benefits, lower and more amenable working hours, and retirement benefits, all of which create a strong preference of UAE nationals for the public sector (Abdelkarim 2001b; Freek 2004).

The important factor impacting Emiratisation in the views of the respondents (94%) are applicants' qualifications, knowledge and skills. To support this view, Krueger and Lindahl (1999) find that better-educated people are more likely to be in work and are then less likely to suffer unemployment. Therefore, it is clear that UAE nationals who are less educated (secondary school and trade diploma) have less opportunity to find, in their view, an 'appropriate job' compared to those who attain higher education qualifications, such as bachelor's and master's degrees. The second important factor that determines whether or not a national is hired is experience. Without adequate preparation the outlook for Emiratis' future career prospects, as observed in the banking and insurance fields, are slim. The overriding policy for Emiratisation therefore is training and work experience from the education system. Preparation is paramount in retrieving Emiratisation principles.

As Participant 12 summed up the situation, it is management's role

...to encourage expatriate employees to train and pass their knowledge to UAE nationals in the workforce and increase UAE participation. We should gain their trust in order to pass on the ideas and information. We should enhance communications skills between nationals and non-nationals and encourage non-nationals to assist nationals at their jobs. We should make them aware that this is for the benefit of the organisation, not for personal gain; however we should offer rewards or promotion for the employees who will to teach locals and pass on their skills.

5.8 Conclusion

Workplaces in the UAE evolved to attract a constant flow of transient expatriates, from labourers to chief executive officers. There is constant expansion to maintain momentum of the economy, issues relate to funds flows, resource logistics, and corporate visions, objectives and organisational systems dictated by international

competition. Thus, UAE is experiencing the social and economic isolation of its nationals through their inability to access suitable work in the private sector. The public sector, for decades an automatic life employer, no longer indiscriminately accepts Emiratis into its overfilled ranks. Further, government policy, based on social capital principles, is to address the continual influx of qualified and experienced expatriates who may remain for three years and relatively easily continue their employment until they reach the age of 60 years, when they must leave the UAE. This ongoing situation has led to workplaces adopting conditions which suit the expatriates, and with one per cent or less of nationals, the matter of Emiratisation is low on their list of priorities. The government's policies are adapting to encourage a greater sense of permanence for the financial workplaces, notably banking and insurance, but success is elusive. Emiratis, faced with workplaces offering financial reward for performance and attitude, and otherwise basic conditions aligned to business clients and not employees, are understandably demoralised and confused. They are a small minority struggling to reach standards in a generation that Western economies have been developing for centuries. Greater attention must be directed to their plight.

The next chapter presents the findings of the main survey, the questionnaire refined through rich data retrieved from this, the exploratory survey findings. Chapter 7 sets out demographic information of respondents, the characteristics of factor analysis and data reduction to select variables to articulate Emiratisation issues and their resolution.

Chapter 6

Study Methodology and Phase 2 Survey

The antecedents of the main research work in this study were described in the previous chapter: literature review; research objective and hypothesis development; contributions of the key informants, and analysis of these responses. Phase 1 responses determined that private sector employers did not consider that Emiratis seeking work were competent in a range of job descriptions, which they were attempting to access. The Phase 1 participants, as HR management, reported that UAE national job seekers' perceptions were of low career prospects, long hours of work, and that public sector working conditions were not available in the private market. Emiratisation aims also failed in skills transfer and mentoring.

These are the themes for the main Phase 2 survey instrument, discussed in this chapter. This presentation shows the data collection method employed, including a pilot to prove the instrument content, ethical measures, verification strategies, implemented standards; and the research instrument is fully explored. Finally, the procedures are provided for the analysis of data, and the various statistical applications.

6.1 Survey Instrument

The survey is the most widely used data-gathering technique in the social sciences. A questionnaire format can be adapted for use through various distribution media; it can be administered by telephone interview (Neuman 2006), face-to-face interview (Babbie 2007), internet (Babbie 2007; Neuman 2006) or printed self-administered questionnaires (Neuman 2006). The self-administered questionnaire was selected for this study for the following reasons

- Facilitates administration and is cost-effective.
- Offers anonymity and avoids interviewer bias.
- Measures many variables, tests multiple hypotheses, and infers temporal order from questions about past experience, behaviour, value or characteristics (Neuman 2006).

- Investigates perceptions of large numbers of participants, allowing time and opportunity for full consideration of the issues and the collection of pertinent data (Maxim 1999)
- Many respondents have no or limited access to internet
- Previous UAE employment studies were smaller and used qualitative approaches; thus a self-administered questionnaire to a large number of respondents can obtain findings that can be generalised and used for future research.

6.1.1 Questionnaire Design

A questionnaire is a communication medium for data collection, consisting of set of written questions for the respondents to answer (Baumgartner et al. 2005). There is wide agreement that questionnaire design will affect the response rate and the reliability and validity for the data collected and Saunders, Lewis and Thornhill (1997, p.244), and Hussey and Hussey (1997, p.162) for example, use the following criteria to maximise these factors

- Careful design and wording of individual questions
- Careful design of the questionnaire form
- Lucid explanation of the purpose of the questionnaire, both in the questionnaire and in the accompanying letter
- Testing.

To minimise biases in research, this study employed the design criteria of Cavana et al. (2001) to obtain maximum reliability and validity: general appearance of the questionnaire, wording of questions, and means by which variables are scaled, categorised and coded after receiving the responses.

6.1.2 Questions

Following the principles of Cavana et al. (2001) in wording questions, attention was given to the appropriateness of the content of the questions, language style and words used, type and form of questions, sequencing of questions and demographic information. These points are discussed under.

Appropriateness: The nature of this study required subjective and objective responses thus questions were framed in both the first phase survey and the second phase questionnaire to record subjective matters such as satisfaction, involvement and attitudes toward work; and objective variables: age, education, experience and occupation. The purpose of each question was carefully considered so that the variables would be relevant adequately measured, and not extraneous. Finally, the questionnaire was designed to be understandable by all respondents in both public and private sectors.

Language Style: Whilst Cavana et al. (2001), in commenting on language and wording, were referring to formality of language, and the reader's ability to understand its meaning; the term is apt in this instance for bilingual communications. However, in the key informant phase individuals were fluent in English with the majority having 10 years' experience or more, which facilitated their understanding of the phase one instrument.

Simple English is necessary to convey meaning in a country where it may be the lingua franca, but not the official language. Thus, the second phase questionnaire was couched in English words where an Arabic translation was feasible, and definitions provided in many instances. The choice of words depended on the UAE nationals' educational level, the usage of terms and idioms in the culture, and the frame of reference of the respondent.

For phase two, the questionnaire was developed in English by the researcher, translated into Arabic by a bilingual expert to minimise discrepancies. A second person then translated the Arabic version back into English, so that misconceptions were identified and resolved after discussion with the translators.

In translating the scale items into Arabic, the researcher followed the technique of Malinowski (1935), cited in Mostafa (2004): interlinear, or word-by-word, translation; 'free' translation in which clarifying terms and conjunction are added and the words reinterpreted; analysis and collation of the two translations; leading to a contextual specification of meaning.

Type and Form of Words: Citing Cavana et al. (2001), the type of question refers to whether it is open-ended or closed-ended. The form of words refers to positively and negatively worded questions. As stated earlier, the phase one type of

questions was open-ended and close-ended to give the key informant both a structured and unstructured approach to issues of Emirati employment. In phase two the researcher used a close-ended questionnaire to facilitate a respondent's quick response and return of the questionnaire; it also assisted in coding for subsequent analysis. Negatively word questions were included (item nos. 13, 17, 54 and 6 (part 2) to detect lack of attention, and thus minimise bias (Cavana et al. 2001, Neuman 2006).

Sequencing of Questions: Ordering questions is important because the sequence of questions can influence study results (Krosnick & Schuman 1998); thus this question ordering leads the respondent from those of a general nature to the specific. The gender questions, considered the most sensitive questions, were placed at the end of the survey because they then not only increased the number of candid responses, but could also yield more data (Mitchell & Jolley 2004). Due to UAE's culture, this researcher was aware that respondents might quit the survey immediately if first confronted with sensitive items. In addition, the questionnaires started with general items relatively easy to answer, leading progressively to those requiring greater consideration.

Within the subject groups, questions were randomly placed to reduce possible systematic bias in the responses, and to enhance apparent differences in the questions (Cavana et al. 2001). With exceptions, words were minimised; each statement in the questionnaire was under 20 words or one full line of print as Mitchell and Jolley (2004) recommended. Two questions only required further explanation and were longer than 20 words (Questions 7 and 12 part 2, see Appendix 6).

Demographic Information: Conforming to survey practice, this study placed the demographic questions last, although debate continues about positioning of such questions at the beginning of a questionnaire. The recommendation is that familiarity of the content allows a respondent time and confidence to be more open to answer personal questions (Cavana et al. 2001; Mitchell & Jolley 2004). This point is well made for this study, as this researcher considers that UAE cultural reticence is confronted by early requests for personal information such as details of income or education, highly sensitive issues for UAE nationals. The demographic questions were indeed placed at the end.

6.1.3 Measurement Principles

The principles of measurement refer to the scales and scaling technique used in measuring concepts, as well as the assessment of reliability and validity of the measure used. According to Cavana et al. (2001) there are ten rating scales frequently used in business research. Common elements of the preceding attitudinal scales are as follows

- Dichotomous scale is used to elicit a yes or no answer
- Category scale is used with multiple items to elicit a single response
- Semantic differential scale is used to evaluate respondents' attitudes towards the subject matter
- Numerical scale is similar to the semantic differential scale, with the difference that numbers on a five-point or seven-point scale are provided with bipolar adjectives at either end
- Likert scale examines the strength of subjects' agreement or disagreement with a statement on a five-point scale.

In this study the Likert scale was selected as first, it yields interval data, hence responses to Likert-type items can be analysed with more influential statistical tests than nominal-dichotomous items (Mitchell & Jolley 2004). In addition, it gives respondents the freedom to strongly agree, agree, be neutral, disagree and strongly disagree and thus facilitates questionnaire completion. The Likert scale can increase the comparability of responses given to different questions for the respondent as well as for the researcher (Babbie 2007).

To maximise the quality of the research findings and conclusions a number of factors: measurement, reliability and validity of the research findings; were taken into consideration in the research design. These factors are discussed below.

6.1.4 Measurement of Items

In this study, the item pool of 75 items was developed by reference to existing questionnaires; literature reviews and the experience of this researcher (see Table 6.1 below).

First, items based on the literature are examined to ensure they meet the purpose of this study. The questionnaire measures three capitals, namely, human, organisational and social capitals. In the following Table 6.1 Pretested Scale Items, Sources and Cronbach's Alpha, these elements are placed in perspective.

Table 6.1: Pretested Scale Items, Sources and Cronbach's Alpha

Construct	Items	Sources	Cronbach alpha
Human capital domains, Section 1 (18 items)			
Education	Q3. My education has provided me with adequate skills for joining the workforce.	New item	see Section 7.2.2
	Q3 in part 3. Education level	New item	see Section 7.2.2
Experience and skills	Q1. My experience and skills were important for joining the workforce	New item	see Section 7.2.2
	Q31. My organisation values skills and experience when recruiting and promoting employees	New item	see Section 7.2.2
	Q51. UAE nationals have sufficient experience and skills to do their jobs well	New item	see Section 7.2.2
Training and development	Q33. My organisation has provided me with training opportunities enabling me to extend my range of skills and abilities	Greenhaus & Wormley (1990)	.93
	Q36. My organisation supports my attempts to acquire additional training or education to develop my career	Greenhaus & Wormley (1990)	.93
	Q38. My organisation is committed to the training and development of its employees	Edgar & Geare (2005)	Ranged between 0.83 - 0.88
	Q53. UAE nationals need more technical	New item	See Section 7.2.2
Organisational engagement	Q8. I would be very happy to spend the rest of my career with this organisation	Sagie et al (2002)	0.89
	Q12. I am an important part of this organisation	Milliman et al. (2003)	0.83 - 0.93
	Q13. Frequently, I think of quitting my job (reversed)	Milliman et al. (2003)	0.83 - 0.93
	Q17. I do not feel emotionally attached to this organisation (reversed)	Weiss & Dawis (1967)	0.89

	Q34. My organisation does what it can to ensure the well being of its employees	Edgar & Geare (2005)	0.83-0.88
	Q41. I believe employees really care about each other in this organisation	Milliman et al. (2003)	0.83 - 0.93
	Q42. There is a sense of being a part of a family in this organisation	Milliman et al. (2003)	0.83 - 0.93
	Q45. This organisation has a poor future unless it attracts better managers (reversed)	Cook and Wall (1980)	0.78
	Q49. My organisation supports employees with the balancing of work and family responsibilities	Edgar & Geare (2005)	0.83-0.88
Organisational capital domains, Section 2 (29 items)			
English fluency	Q2. The importance of English language in my job cannot be underestimated	New items	See Section 7.2.3
	Q5. English is the biggest problem preventing me from participating effectively from gaining promotion in my organisation		
	Q24. English is the biggest problem preventing me from being competitive among non-nationals in my organisation		
	Q29. My organisation expects me to be fluent in English language		
Organisational culture	Q9. My job gives me enough time for family and social activities	Firth (2004)	0.91
	Q21. My work in this organisation is interesting and challenging	Carmeli (2005)	0.86
	Q32. Overall, management in my organisation is supportive of cultural differences	Carmeli (2005)	0.72
	Q37. My organisation provides tasks that give me the opportunity to develop and strengthen new skills	Greenhaus et al.(1990)	0.93
	Q39. People in my organisation are encouraged to make suggestions for improvement in our work	Carmeli (2005)	0.79

	Q40. There is opportunity to discuss my training and development requirements with my organisation	Edgar & Gear (2005)	0.83 -0.88
	Q43. My manager constantly updates me with relevant organisation information	Sagie et al. (2002)	0.86
	Q44. My organisation cares about whether or not I achieve my career goals.	Greenhaus et al. (1990)	0.93
	Q46. Management here does a good job of communication with employees	Carmeli (2005)	0.72
	Q47. In my organisation, conflicts are resolved to the satisfaction of those concerned	Carmeli (2005)	0.72
	Q48. Employees in my work unit are like a family	Carmeli (2005)	0.69
Career development	Q6. I am satisfied with the way promotions are given out in this organisation	Greenhaus et al (1990)	0.88
	Q10. My job requires me to do many different tasks at work, using a variety of skills and talents.	Carmeli (2005)	0.86
	Q15. Overall, I am satisfied with the success I have achieved in my career	Greenhaus et al (1990)	0.88
	Q23. Overall, I am satisfied with the progress I have made toward meeting my goals for developing new skill	Greenhaus et al (1990)	0.88
	Q28. I am satisfied with the chances for advancement in my job		0.88
Working condition	Q4. I have good physical working conditions (total time, shift, good ventilation and lighting, adequate work space) in this organisation	Minnesota in Vocational Rehabilitation (1967)	0.83 -0.88
	Q7. My health has not suffered as a result of working for this organisation	Minnesota in Vocational Rehabilitation (1967)	0.83 -0.88
HR Policies	Q14. I am satisfied with organisation policies and practices toward employees	Weiss & Dawis (1967)	0.93
	Q16. I feel satisfied with the way in which the organisation's policies are applied	Weiss & Dawis (1967)	0.93
	Q22. I am satisfied with the way employees are informed about organisation policies	Weiss & Dawis (1967)	0.93
	Q25. I am satisfied with the way these policies are administered by this organisation	Weiss & Dawis (1967)	0.93
Remuneration	Q11. I am satisfied with this organisation's salary structure	Heneman (1985)	0.80
	Q20. I am satisfied with the similarity of salary paid among departments in this organisation	Heneman (1985)	0.80

	Q26. I am satisfied with my current salary	Heneman (1985)	0.80
Social capital domains, Section 3 (21 items)			
Gender inequality	Q1. Women lack the skills and ability for management positions in this organisation	Sidani and Gardner (2000)	0.83-0.88
	Q2. Women are not competitive enough to be successful in this organisation	Sidani and Gardner (2000)	0.83
	Q3. To achieve a high position in this organisation, a woman has to sacrifice some of her femininity	Sidani and Gardner (2000)	0.83
	Q4. My organisation's policies and practices hinder women's career development	New items	see Section 7.2.4
	Q5. Training opportunities and career progression are limited and very slow for women in this organisation	New items	see Section 7.2.4
	Q6. Men and women have the same employment opportunities in this organisation (reversed)	Edgar and Geare (2005)	0.88
	Q7. Traditional Arab/Islamic societies maintain that first and foremost, women should have a domestic career of being a wife and mother.	New items	see Section 7.2.4
	Q8. The possibility of pregnancy makes employers reluctant to hire women in management positions	Sidani and Gardner (2000)	0.83-0.88
	Q9. The lack of a professional women's network creates a major void for women aspiring to a professional managerial position	New items	see Section 7.2.4
	Q10. On average, a woman who stays at home with her children is a better mother than a woman who works outside the home.	Sidani and Gardner (2000)	0.83-0.88
	Q11. Cultural differences in the perception of authority in UAE are an important factor explaining women's exclusion from leadership	New items	see Section 7.2.4

	Q12. Employers in my organisation feel that employing females is a short-term investment because females are known to leave after short periods of employment for family reasons	New items	see Section 7.2.4
Trust	Q18. I trust management to look after my career interests	Cook and Wall (1980)	0.90
	Q19. In general, I trust this organisation to keep its promises or commitments to me and other employees.	Cook and Wall (1980)	0.90
	Q27. I trust people I work with to lend me a hand if I need it.	Cook and Wall (1980)	0.90
	Q.35 People in this organisation can say what they want without fear of punishment	Carmeli (2005)	0.72
<i>Wasta</i> (Nepotism)	Q30. Favouritism in my organisation is not evident in recruitment decisions	Edgar & Geare (2005)	0.83-0.88
	Q50. In order to get a really good job, friends or family members in high positions are needed	Whiteoak et al. (2006)	0.71
	Q52. When it comes to finding a really good job, who you know is more important than what you know.	Spector (1988)	0.91-0.94
	Q54. <i>Wasta</i> is important in personal life	Dobie et al. (2001)	0.91-0.94
	Q55. Overall, organisations which allow <i>wasta</i> are less effective than organisations that prohibit it	Haajenh et al. (1994)	0.80

6.1.5 Construct of Variables

Dependent Variables: The dependent or outcome variable is influenced or predicted by one or more independent variables. According to Hair et al. (2006, p. 171) a dependent variable is that ‘variable being predicted or explained by the set of independent variables’. Two dependent variables were selected, where both represent human capitals, namely, organisational engagement, and training and development. Twelve items measure these two dependent variables, using a five point Likert scale. For dependent variable 1 (organisational engagement), there were 9 questions (item nos.8, 12, 13, 17, 34, 41, 42, 45 and 49); and for dependent variable 2 (training and development), there were 4 questions, (item nos.3, 36, 38 and 53).

Independent Variables: In qualitative research, the central interest is the relationship between variables rather than in just describing the variable (Keith 2005). Generally, the common conceptual framework for quantitative research is to seek causal relationships among variables, where one is the ‘cause’ and the other is the ‘effect’. The independent variable is ‘presumed cause of any change in the dependent variable’ (Hair et al. 2006, p.2). Nine independent variables were selected for this investigation under three constructs (human, organisational and social capitals). The objective is to identify the impact of these nine variables on Emiratisation and national employees’ attitudes to work. The nine variables are, in order:

Human capital: two variables and five items as follows:

- Education, with two questions, item nos.3 and item 3 in part 3.
- Experience and skills, with three questions, items nos. 1, 31 and 51.

Organisational capital: six variables and 29 items as follows:

- English fluency with 3 questions, item nos. 2, 5 and 24.
- Organisational culture with 11 questions, item nos. 9,21,32,37,39,40,43,44,46,47 and 48.
- Career development with 5 questions, item nos. 6,10,15,23 and 28.
- Working condition with 2 questions, item nos.4 and 7.
- HR policies with 4 questions, item nos. 14, 16, 22 and 25.
- Remuneration with 3 questions, item nos. 11, 20 and 26.

Social capital: three variables and 21 items as follows:

- Gender inequality with 12 questions, item nos. 1,2,3,4,5,6,7,8,9,10,11, and 12 in part 2.
- Trust with 4 questions, item nos. 18, 19, 27 and 35.
- *Wasta* or nepotism with 5 questions, item nos. 30,50,52,54 and 55.

Control Variables: In addition to the information relating to human, organisational and social capitals, the study also collected information relating to other factors that are often considered to have an impact on the variables under investigation, so that the analysis can control for such extraneous factors. The control variables include four demographic sets of variables, gender, age, educational level and job title of employees

- Background information: there are 8 questions, (item nos. 1, 2, 3, 4, 5, 6, 7 and 8 in part 3).

6.1.6 Statistical Proof Applications

The following statistical instruments were selected to fulfil the requirements for this quantitative research study.

Reliability and Validity: The reliability and validity are fundamental issues in social research and are subjects of extensive concern in any research project. Reliability is defined as ‘the quality of measurement method that suggests that the same data would have been collected each time in repeated observations of the same phenomenon’ (Babbie 2007, p.143). According to Salkind (2008), the assessment tools used to test the hypothesis must be reliable and valid; otherwise the researcher may act incorrectly in supporting or rejecting the research hypothesis. There are several techniques for cross-checking the reliability of measures: test-retest method, split-half method and using established measures (Neuman 2006). The established measures technique was employed in this case, due to the use of proven measures from previous research; thus the questionnaire was largely developed from previous studies (see Table 6.1).

Cronbach’s alpha: This study tested for reliability of the measures through Cronbach’s alpha, selected as an adequate test for reliability, as alpha will generally increase when the correlation between the items increases. Sekaran (1992, p 174) states that ‘in almost all cases, Cronbach’s alpha can be considered a perfectly adequate index of the inter-item consistency reliability’. Cronbach’s alpha can hold a

value between zero and 1, A reliability of less than 0.6 on the scale is considered poor, 0.7 is acceptable, and over 0.8 is superior (Cavana et al. 2001; Kline 1999; Malhotra 1993). However, Cortina (1993) argued against generalisations of acceptable levels, due to the number of items on the Cronbach's alpha scale. In this case, however, an alpha of 0.7 or greater was considered adequate to ensure reliability. The alpha for all scale variables in this study exceeds the critical value of 0.6 (Malhotra 1993); and with the exception of social justice, with alpha of 0.66, all exceeded 0.7 (see Table 8.1). Overall, a strong reliability is demonstrated with coefficient alpha ranging from 0.66 to 0.90 (see Table 8.1).

Validity of measurement, the 'extent to which an empirical measure adequately reflects the real meaning of the concept under consideration' (Babbie 2007, p. 146) is tested as face validity, content validity, criterion-related validity and construct validity (Cavana et al. 2001). Face validity and content validity were selected through its feasibility and usage, ensuring that the questionnaire design collects the required information to answer the research question (Babbie 2007). Face validity and content validity are established through review of extant literature for the UAE, GCC countries and international studies to identify the most appropriate items to be included in the scales used. The researcher tested face validity by giving the questionnaire to 50 Emirati students in Melbourne, of similar mien to those for the sample for phase two in Dubai. The researcher was attempted to achieve content validity through three ways, namely, from the literature, from qualitative research and from the judgement of a panel of experts. Expert opinions were sought from other researchers with an interest in the same field as this study. Furthermore, the researcher identified specific points that describe the concept from the relevant literature. To ensure that these specific points are representative of the concepts, a full list of the points is referred to a panel of experts at UAE University. With opinions and feedback from prior studies, the research experts, and the pilot test, the questionnaire measurements were modified (see Section 6.2). This researcher achieved a reasonable degree of confidence in the content validity after the modifications.

6.1.7 Questionnaire Presentation

The overall appearance of the questionnaire is as important as issues of wording and measurement in questionnaire design. An attractive questionnaire with an appropriate introduction and instructions facilitates completion and return, and these

design elements were given careful attention. The final version of the Phase 2 questionnaire was divided into four sections. The first section comprised an introduction that clearly identified the author and the purpose of the questionnaire, an assurance of confidentiality, and appreciation for the respondent's time (Appendix 6). Sections two and three consisted of 67 questions designed to elicit opinions of UAE national employees regarding their jobs, attitudes, commitment to their organisations, organisational cultures and gender issues. There were 13 constructs and each theoretical scale used between four and five items; this methodology was selected corresponding to findings in the literature. First, Delahaye (2000) prefers a minimum of three items for a theoretical scale, thus reliability of the summated score scale was enhanced by the inclusion of further items (Spector 1992). The questions in each section were prefaced by explanatory instructions and they were presented attractively. Section four contained demographic information such as gender, age, status, education, occupation and income. The questionnaire ended on a courteous note and provided space for any additional comments; finally a reminder to respondents ensures full completion of the questionnaire.

6.2 Pilot of Draft Questionnaire

A pilot of the Phase 2 draft questionnaire was conducted to identify issues regarding design and instrumentation, and provide proxy data for selection of a probability sample. Moser and Kalton (1958) state that a 'pilot survey' usually results in significant improvements to the questionnaire and increases the efficiency of the inquiry; with numbers in the group ranging from 25 to 100 subjects (Cooper & Schindler 1998). Objectives of such a test, according to Baumgartner & Strong (1998, p. 138), are

- Determine whether the questions provide appropriate data, or if further questions are necessary
- Ensure that the respondents understand the context of questions
- Rectify any ambiguity and to reduce bias
- Determine the reliability and the validity of the questionnaire.

For the purposes of this study, a pilot study plus two reviews were conducted during the process of developing the questionnaire. The pilot was conducted face-to

face with 50 UAE national students in different fields at Melbourne, RMIT, Monash, and Victoria Universities. The two reviews concerned four academics at UAE University, and two academics at Melbourne and Griffith Universities.

The draft questionnaire was written for a Likert scale, tested on a similar group to the final sample population by face-to-face interview (Saunders, Lewis & Thornhill 1997). Fifty copies of the questionnaire were distributed to Emirati students in Melbourne, who cooperated very well with all questionnaires returned, a response rate of 100 per cent. Further, twenty-five (50%) pilot respondents were employed in UAE industries such as telecommunication and hospitality. The group included six doctoral candidates studying in Victoria, Melbourne and Monash Universities. The participants were asked to comment on the questionnaire in terms of clarity and design. Evaluation was based on suggestions made by Pole and Lampard (2002, pp.135-136), recorded under.

- Are the questions asked clearly specified and unambiguous?
- Are questions asked in a linear and incremental manner so that questions follow a logical order?
- Do the questions asked provide latitude for a range of different views?
- Were any questions inappropriate from a cultural perspective? (In some instances, certain questions required reformulation).
- How much time is required to answer all questions?

The findings and the relevant modifications to the questionnaire are summarised below.

- Confusing words were changed. For instance, in the item ‘I believe employees genuinely care about each other’, the word ‘genuinely’, confusing for some participants, was changed to ‘really’.
- There were complaints regarding the length of the questionnaire. The matter was put to all the pilot respondents and forty-five agreed that the length of the questions was satisfactory and five complained about the length of the questionnaire. Therefore, the final questionnaire’s length remained based on the agreement of the majority.

- Gender inequity questions were challenged. Suggestions included further questions specific to UAE culture, to identify specific barriers to Emirati women. The final questionnaire was thus modified by the addition of three questions on this topic.
- Other questions were modified slightly on advice from the pilot respondents.

The draft questionnaire was emailed for review to four academics at the UAE University with a cover letter explaining the nature and objective of the research and the procedures taken to ensure confidentiality. The reviewers were selected through previous acquaintance with the researcher, and two responded. The comments on the piloted questionnaire were satisfactory, given minor changes made to the structure of the questionnaire and to the accompanying letter.

This draft questionnaire was then emailed to two Australian academics in the University of Melbourne and Griffith University, selected through prior acquaintance with this researcher. Their reviews were satisfactory, with four minor word changes. The final Phase 2 questionnaire is shown at Appendix 6.

6.3 Phase 2 Survey Characteristics

Following extensive development and validation, the questionnaire was printed for distribution. The procedure undertaken for distribution and collection is detailed in this section.

6.3.1 Selected Organisations

The sample size for the Phase 2 survey was a possible 1500 participants, divided into seven organisations, two from the public sector and five from the private sector, with each organisation receiving 200 copies of the questionnaire, with the exception of Dubai Municipality, which distributed 300 copies due to their higher number of UAE national employees, noting that this researcher is employed by the Municipality. The ten organisations selected were contacted by email, explaining the purpose of the study and requesting support. Seven organisations responded, and supplied contacts to help in the distribution and collection of the printed questionnaires; thus a sample of 1500 UAE national employees were selected as follows:

- Dubai Telecommunication, 200.

- Emirates Bank Group, 200
- Commercial Bank of Dubai, 200
- National Bank of Dubai, 200
- Dubai Aluminium Co, 200
- Dubai Municipality, 300 (public sector)
- Department of Health and Medical Services, 200 (public sector)

To achieve a valid base for analysis, national employees of both sexes, varying occupations and positions, and from a range of centres in their organisations comprised the sample (Mintzberg 1989). A letter explaining the purpose of the study was included in the email with each questionnaire and contained contact details for the organisation's representative, and this researcher, to encourage participation (Appendix 3). An Arabic translation of the English-language letter and questionnaire was included, given that the public sector employees preferred an Arabic questionnaire, while those working in the private sector were mixed in their language preferences. Finally, any additional comments regarding issues of concern not covered in the questionnaire were accounted for in the form of a closed-ended question (Appendix 6).

6.3.2 Distribution and Collection

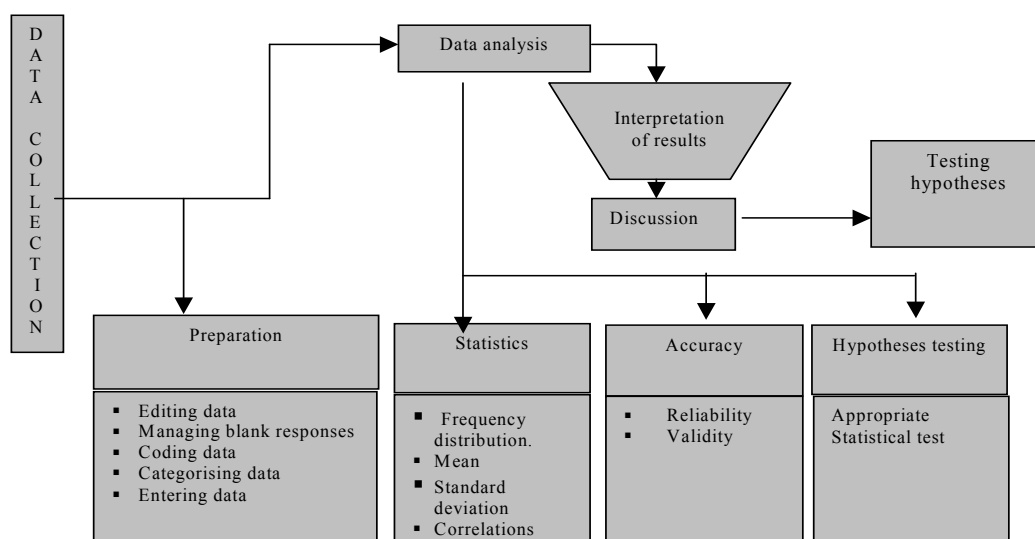
Questionnaires are an efficient data collection mechanism when the researcher is exact with the study's requirements and the means to measure the variables of interest. This study's questionnaire was delivered as printed material, as although the majority of respondents had computers, they did not all have access to the Internet or email. The questionnaire, directed only to those organisations that evinced high cooperation to the study, was hand delivered by this researcher to the nominated representative of each of the seven organisations who were requested to collect the questionnaire from their employees within two weeks of the distribution. This technique was used because collecting data by self-administered questionnaire in the Arab culture is difficult unless it is an internal instrument (Mostafa 2004). This researcher followed through the distribution where possible to explain the purpose of the questionnaire and maximise the response rate and the accuracy of the responses. Moreover, this provided clarification sought by the respondents and enabled

immediate collection of the questionnaires. Cavana et al. (2001) found that the rate of respondents increased when the researcher was involved during the distribution of the questionnaire.

Data were therefore collected from a representative sample of the population with 62 per cent (see Section 7.1) for analysis and to test the research hypotheses, or answer the research questions. The next section will explore the steps taken in data analysis.

6.4 Data Analysis

Before analysing the data and testing hypotheses, several steps are required (Cavana et al. 2001). These steps as shown in Figure 6.2 below are preparation of data, statistical analysis, accuracy of data and testing the hypotheses. These four steps help to organise the data for analysis, ensuring that the data achieved are reasonably good accurate (Cavana et al. 2001).



Source: Cavana et al. (2001)

Figure 6.2: Quantitative Data Analysis Process

6.4.1 Preparation of Data

The four steps at Figure 6.2 assist in organising the data for analysis, ensuring that the data achieved are reasonably accurate and reliable. The steps are discussed below.

Editing: After receipt of the completed questionnaires from the participating organisations (930 surveys or 62 per cent), the instruments were edited to ensure

completeness, consistency and reliability of data, as inconsistencies that can be logically corrected should be rectified at this stage. Thus adjustments were made to make the data more complete, readable and consistent before coding. Due note was taken that if a substantial number of questions, 25 per cent of a questionnaire, were left unanswered, then the researcher should not include it in the data set for analysis (Cavana et al. 2001).

Blank Responses: In many instances respondents do not answer every item in the questionnaire. This situation is addressed by Cavana et al. (2001) by varying means described below:

- Merely ignoring the non-response during analysis
- Using an interval-scale item with a midpoint in the scale to assign the midpoint as the response to the particular item
- Allocate the missing response a random number within the scale range
- Allocate the item the mean of the responses of this particular respondent to all other questions measuring this variable
- Assign to the item the mean value of the responses of those who have responded to that particular item.

The means selected for this analysis was to construct the index using different methods to test the outcomes in relation to using each of the indexes. (Cavana et al. 2001; Babbie 2007).

Coding and entering data: To avoid errors and omissions in the transfer of data from the questionnaires, a coding sheet was used to transcribe the data from the questionnaire and then to key in the data. This technique avoids confusion, especially with large questionnaires of many items (Cavana et al. 2001). The researcher attached a coding sheet to each questionnaire as a further check. Finally, all data were entered directly into the computer by using SPSS software 15.0 as a data file.

6.4.2 Statistical Analysis

Statistical analysis included establishing the central tendency and the dispersion of the data. The standard deviation, the range, the mean, and the variance in the data, were used to determine the response to the items and the quality of the data.

Factor Analysis: Factor analysis is a tool that is part of the multivariate statistical technique to extract information from large databases and identify the interrelated data (Hair et al. 2006). In this study, factor analysis was applied before other statistical analyses to extract the data from total original variance into a smaller number of factors, or derive a new composite factor for further analysis and hypothesis testing, using the principal components analysis method (PCA) provided with SPSS Version 15.0 for Windows. This is discussed further at Chapter 7 Section 7.3.

Pearson's correlation coefficient (r): This analysis technique observes the relationship between two variables (Sekaran 2003). The Pearson correlation coefficient takes values from -1 to $+1$. However, a correlation of 0 indicates no relationship between the two variables (Pallant 2005). In addition, the degree of confidence is measured using a significant 2-tailed test to determine whether the relationship is statistically significant. The significance level of 0.5 relates to 95 per cent confidence that the sample is the same as the population. For the purpose of this study, Pearson's correlation matrix is used to observe a bivariate correlation to demonstrate the relationship between two variables.

Independent Sample t -test: An independent sample t -test is used to compare the mean score, on a continuous variable, for two different groups of subjects (Canava et al. 2001). The t -test is a test of the null hypothesis that the means of two normally distributed populations are equal. For the purpose of this study, an independent sample t -test was used to compare the mean score between the public and private sector organisations.

Chi-square Test: The chi-square (χ^2) test for independence is used to explore the relationship between two categorical variables. According to Pallant (2005, p. 287), the chi square (χ^2) test 'compares the frequency of cases found in the various categories of one variable across the different categories of another variable'. One of the assumptions is that the lowest expected frequency in any cell should have a value of 5 or more, or at least 80 per cent of cells should have expected frequencies (Pallant 2005). The chi square (χ^2) test was used in this study to identify any difference between the public and private sector organisations in terms of respondents' gender, job title and age (see Chapter 8)

Mann-Whitney U Test: The Mann-Whitney U Test is used for differences between two independent groups on a continuous measure (Pallant 2005). It converts the scores on the continuous variable to rank across the two groups, then assesses whether two samples of observations come from the same distribution. Mann-Whitney U Test was used in this study to evaluate whether the employees' educational qualifications for each of the public and private sector organisations differ significantly (see Chapter 8).

Hierarchical Multiple Regression: In hierarchical multiple regression independent variables enter the equation in an order specified by the researcher. Each set of independent variables is assessed in terms of what it adds to the equation at its own point of entry. In hierarchical multiple regression, part correlation (semi-partial correlation (sr^2)) is interpreted as the amount of variance added to R^2 by each independent variable at the point that it enters the equation (Tabachnik & Fidell 2007). Part correlation (semi-partial correlation [sr^2]) is used in this study to express the specific portion of variance explained by a given independent variable. Part correlation is different from partial correlation. In a partial correlation,

the contribution of the other independent variables is taken out of both the independent variable and the dependent variable. In a part correlation (semi-partial correlation), the contribution of other independent variables is taken out of only the independent variable. Thus, squared semi-partial correlation express the unique contribution of the independent variable to the total variance of the dependent variable (ibid, p.145).

For this reason part correlation will be used in this analysis. In the hierarchical regression this identifies which independent variables explain the amount of unique variance at each step.

6.5 Conclusion

This chapter presents a detailed description of the research design of this study, concentrating on the theoretical purpose and justification of its methodology: sampling, data gathering, ethical considerations, questionnaire design, reliability and validity and an explanation of the data analysis. The next chapter presents the findings of this study as a result of data analysis. It discusses the data obtained and interprets the findings in relation to the research aim of the study.

Chapter 7

Data Analysis

Factor and Descriptive Analyses

Whilst the previous chapter placed employment barriers encountered by Emiratis within capital theory, this chapter commences the analysis for this quantitative research. First, the environment and demographic information of the study participants, UAE national employees from seven organisations in Dubai, is presented as background to the study. Next, the objectives of factor analysis and its relevance in this research are explored, together with the selection of methodology for factor extraction to gain the related variables. All variables for human, organisational and social capital theory elements are examined. The remainder of the chapter concerns statistical analyses, particularly differences between Emirati employment in the public and private sectors, and the interpretation of results. The outcomes from this chapter answer the research questions:

- *Identify factors impacting the employability of Dubai's UAE nationals*
- *Establish whether these factors differ for organisations in the public or private sectors.*

7.1 Sample Population Characteristics

To achieve a rigorous analysis of the data, statistical techniques were selected with cognisance of assumptions underlying their use, and each technique met its assumptions. For instance, Gravetter and Wallnau (2007) state that to use a chi-square test for goodness of fit or test of independence, underlying assumptions must be observed. These assumptions are: 1) independence of observations: thus each observed frequency is generated by a different subject; and 2) the minimum number of expected frequencies in any cell is five. These conditions were met.

Data for the study were collected via questionnaire survey between December 2005 and February 2006. The questionnaires were distributed to a sample of 1500 employees working in Dubai organisations (see Appendix 5). The sample of UAE nationals was purposively drawn from seven organisations: five from the private sector, two from the public sector. The respondents comprised managers at all levels and

administrative staff from these organisations. Participation in this study was voluntary and with the procedures approved by the Victoria University Ethics committee and all organisations fully endorsed employee participation. A total of 987 employees responded, a high return rate of 66 per cent; and 57 responses were discarded due to irregularities or incompleteness. The final sample size of the study was 930 UAE nationals (an acceptance rate of 62 per cent) as shown below in Table 7.1.

Table 7.1: Number of Survey Respondents

Organisations	Number of Surveys Distributed	Number of Surveys returned	Acceptance/Return Rate
Dubai Municipality	300	237	79%
National Bank of Dubai	200	136	68%
Department of Health and Medical Services	200	133	67%
Commercial Bank of Dubai	200	130	65%
Dubai Aluminium Company	200	105	53%
Dubai Telecommunications	200	100	50%
Emirates Bank Group	200	92	46%
Total	1500	930	62%

Table 7.1 shows that, with a greater number of nationals employed, Dubai Municipality distributed the highest number of questionnaires, and also had the highest return rate. The public sector overall offered higher return rates; however, there was no discernable pattern in the private sector organisations' return rates (note financial institutions).

7.1.1 Demographic Data

The gender and age data for respondents in both sectors was established to determine the sample's distribution in relation to the nationals' data shown at Section 2.2. The total gender distribution was 55.6 per cent of employees' female and 44.4 per cent male (see Table 7.2).

Table 7.2: Age, Sector and Gender Distribution of Study Participants

Age	Public sector		Private sector		Total		Total
	Male	Female	Male	Female	Male	Female	
20-25 years	27 2.9%	64 6.9%	119 12.8%	151 16.2%	146 15.7%	215 23.1%	361 38.8%
26-30 years	31 3.3%	66 7.1%	72 7.7%	104 11.2%	103 11%	170 18.3%	273 29.3%
31-40 years	69 7.4%	59 6.3%	46 5%	53 5.8%	115 12.4%	112 12.1%	227 24.5%
41-50 years	31 3.3%	12 1.3%	11 1.2%	6 0.6%	42 4.5%	18 1.9%	60 6.4%
51-60 years	7 0.7%	1 0.1%	0 0%	1 0.1%	7 0.7%	2 0.2%	9 1%
Total	165 17.7%	202 21.7%	248 26.7%	315 33.8%	413 44.3%*	517 55.6*	930 100%

* Percentage differences due to rounding.

Table 7.2 shows 39 per cent of the sample were between 20 and 25 years of age, 29 per cent were between 25 and 30 years, thus over two-thirds of the participants were 30 years or younger.

7.1.2 Work Experience

Table 7.3 Participants' Work Experience, by Sector, below follows from the above findings of the relative youth of the participants.

Table 7.3: Participants' Work Experience, by Sector

Work Experience	Sector		Total
	Public	Private	
1 year to 4 years	160 (17.2%)	369 (39.7%)	529 (56.9%)
5 years to 9 years	75 (8%)	113 (12.2%)	188 (20.2%)
10 years to 14 years	65 (7%)	48 (5.2%)	113 (12.2%)
15 years to 19 years	47 (5.1%)	13 (1.4%)	60 (6.5%)
20 years to 24 years	12 (1.3%)	18 (1.9%)	30 (3.2%)
25 years or more	8 (0.8%)	2 (0.2%)	10 (1%)
Total	367 (39.4%)	563 (60.6%)	930 (100%)

An attribute of the age cohort of 20 to 25 years, more than half of the respondents (57%) had work experience of less than 5 years. Of this group, the majority (40%) were from the private sector and 17 per cent from the public sector. One-fifth of all participants (20%) reported 5 to 10 years' work experience. Therefore, over half (52%) of the respondents lie in the first two work experience categories (1-4

years, and 5-9 years) in the private sector, whilst a quarter (25%) of the respondents of the same cohorts are in the public sector.

7.1.3 Marital Status

Marital status in GCC countries is a variable concerning contribution to the welfare of others (see Table 7.4).

Table 7.4: Marital Status of Respondents, by Sector

Status of Respondents	Sector		Total
	Public	Private	
Single	141 (15.2%)	309 (33.2%)	450 (48.4%)
Married	214 (23.0%)	236 (25.4%)	450 (48.4%)
Divorced	10 (1.1%)	14 (1.5%)	24 (2.6%)
Widowed	2 (0.2%)	4 (0.4%)	6 (0.6%)
Total	367 (39.5%)	563 (60.5%)	930 (100%)

Table 7.4 shows that the marital status of the respondents overall was evenly balanced. However, single people in the private sector comprised the largest number reflecting their preponderance also in Table 7.3 above.

7.1.4 Educational Achievement

Of importance to the educational delivery in UAE is the educational attainment of UAE nationals who are employees (see Table 7.5).

Table 7.5: Educational Attainment of Participants, by Sector

Education level	Sector		Total
	Public	Private	
No formal education	2 (0.2%)	2 (0.2%)	4 (0.4%)
Primary school	1 (0.1%)	7 (0.8%)	8 (0.9%)
Secondary/technical school	81 (8.7%)	192 (20.6%)	273 (29.3%)
Diploma	38 (4.1%)	109 (11.7%)	147 (15.8%)
Higher diploma	34 (3.6%)	68 (7.3%)	102 (11.0%)
Bachelor degree	165 (17.7%)	156 (16.8%)	321 (34.5%)
Postgraduate degree	41 (4.4%)	21 (2.3%)	62 (6.7%)
Others	5 (0.5%)	8 (0.9%)	13 (1.4%)
Total	367 (39.4%)*	563 (60.6%)	930 (100%)

- Percentage difference due to rounding.

Table 7.5 shows the level of education for Emiratis in both the private and the public sectors. A total of 34.5 per cent reported a bachelor degree as their highest level of academic achievement and 29.4 per cent a secondary or technical school certificate.

The findings for educational achievement show a disparity in median qualification levels between the sectors. Over half the respondents in the public sector claimed a bachelor's degree or higher, with the bachelor's as the median, whilst the median for the private sector was a certificate, followed by the university qualification. The higher qualification for the public sector may reflect competition by Emiratis to access its beneficial working conditions; other options are that the private sector may recruit different job classifications, or place tertiary qualifications as a lower priority than other candidate attributes.

The next tables elaborate on the educational achievement of Emirati participants by considering the numbers who graduated from UAE universities and those who graduated elsewhere (see Table 7.6).

Table 7.6: Source of Participants' Tertiary Qualifications, Public Sector

Education Level	Where did you achieve the highest level of education?							
	UAE	GCC	Other Arab Countries	Europe	USA	Australia	Canada	Total
No formal education	1 (0.3%)	0	0	0	0	1 (0.3%)	0	2 (0.6%)
Primary school	1 (0.3%)	0	0	0	0	0	0	1 (0.3%)
Secondary/technical school	78 (21.3%)	2 (.5%)	1 (0.3%)	0	0	0	0	81 (22.0%)
Diploma	37 (10.1%)	0	1 (0.3%)	0	0	0	0	38 (10.3%)
Higher diploma	31 (8.4%)	0	2 (0.5%)	0	1 (0.2%)	0	0	34 (9.3%)
Bachelor degree	140 (38.1%)	4 (1.1%)	8 (2.1%)	2 (0.5%)	11 (3.0%)	0	0	165 (45.0%)
Postgraduate degree	9 (2.4%)	0	5 (1.4%)	14 (3.8%)	9 (2.5%)	3 (0.8%)	1 (0.3%)	41 (11.1%)
Others	5 (1.4%)	0	0	0	0	0	0	5 (1.4%)
Total	302 (82.3%)	6 (1.6%)	17 (4.6%)	16 (4.3%)	21 (5.7%)	4 (1.1%)	1 (0.3%)	367 (100%)

Predominant in this study were UAE nationals holding a bachelor degree from a UAE university (38.1% of public sector employees). Those finishing school comprised the next group, at 21.3 per cent of the study's public sector employees. Of Emirati public sector employees educated elsewhere, 3.8 per cent held postgraduate degrees from European universities, whilst 3 per cent held US bachelor's degrees;

however, a further 2.5 per cent held US postgraduate degrees. USA was therefore the preferred external source of university qualifications.

Table 7.7 describes the characteristics of education among private sector study participants.

Table 7.7: Source of Participants' Tertiary Qualifications, Private Sector

Education Level	Where did you achieve the highest level of education?						
	UAE	GCC	Other Arab Countries	Europe	USA	Australia	Total
No formal education	2 (0.4%)	0	0	0	0	0	2 (0.4%)
Primary school	7 (1.2%)	0	0	0	0	0	7 (1.2%)
Secondary/ technical school	185 (32.8%)	1 (0.2%)	1 (0.2%)	1 (0.2%)	4 (0.7%)	0	192 (34.1%)
Diploma	103 (18.3%)	0	2 (0.3%)	1 (0.2%)	2 (0.3%)	1 (0.2%)	109 (19.4%)*
Higher diploma	60 (10.7%)	0	3 (0.5%)	4 (0.7%)	1 (0.2%)	0	68 (12.1%)
Bachelor degree	126 (22.4%)	3 (0.5%)	10 (1.8%)	6 (1.0%)	10 (1.8%)	1 (0.2%)	156 (27.7%)
Postgraduate degree	10 (1.8%)	0	0	1 (0.2%)	6 (1.0%)	4 (0.7%)	21 (3.7%)
Others	8 (1.4%)	0	0	0	0	0	8 (1.4%)
Total	501 (89.0%)	4 (0.7%)	16 (2.8%)	13 (2.3%)	23 (4.0%)	6 (1.0%)	563 (100%)

A different profile emerged in the private sector (Table 7.7). The majority of the study's private sector participants (32.8%) nominated a UAE school certificate as their highest education level; whilst a bachelor's degree from a UAE university was claimed by 22.4 per cent. Postgraduate UAE qualifications bring university-educated Emirati employees in the private sector to approximately one quarter (24.2%) of the study's private sector participants. External qualifications were minimal, and again focused on US universities (2.8% of the study's private sector participants).

Thus over one half (56%) of public sector respondents held university degrees, 40 per cent from UAE universities and some 15 per cent externally; whilst 31 per cent of private sector respondents were similarly qualified, 24 per cent from UAE

universities. The private sector organisations did not appear to recruit primarily on higher education attainment.

7.1.5 Occupational Classifications

Taking note of the educational achievement findings above, the occupational classifications of the participants are expected to follow suit. Table 7.8 shows the results.

Table 7.8: Occupation Classification, by Sector

Occupation Classification	Sector		Total
	Public	Private	
Legislators, executives, managers	18 (1.9%)	49 (5.3%)	67 (7.2%)
Professionals	37 (4.0%)	41 (4.4%)	78 (8.4%)
Paraprofessionals	182 (19.6%)	200 (21.5%)	382 (41.1%)
Administration	13 (1.4%)	35 (3.8%)	48 (5.2%)
Services and Retail sub-sectors	117 (12.6%)	234 (25.2%)	351 (37.7%)
Other	0	4 (0.4%)	4 (0.4%)
Total	367 (39.5%)	563 (60.6%)*	930 (100%)

- Percentage difference due to rounding.

Table 7.8 findings show that 41 per cent of respondents were paraprofessionals, that is, those working with professionals; whilst 37.7 per cent were employed in the service and retail industries. An unexpected outcome, perhaps due to Emiratisation or the preponderance of private sector participants in the study, is the greater proportions of Emiratis in the higher job categories.

7.1.6 Remuneration

Finally, the employees were asked for information about their salaries. Table 7.9 shows the distribution of salaries paid to UAE nationals in both sectors.

Table 7.9: Emirati Remuneration, by Sector

Salaries in UAE Dirhams ¹ per Month	Sector		Total
	Public	Private	
0– 1,999	1 (0.1%)	2 (0.2%)	3 (0.3%)
2,000- 2,999	1 (0.1%)	1 (0.1%)	2 (0.2%)
3,000- 4,999	11 (1.2%)	29 (3.1%)	40 (4.3%)
5,000- 7,999	63 (6.8%)	177 (19.0%)	240 (25.8%)
8,000- 10,999	82 (8.8%)	141 (15.2%)	223 (24.0%)
11,000-14,000	87 (9.4%)	102 (11.0%)	189 (20.4%)
15,000-19,000	52 (5.6%)	57 (6.1%)	109 (11.7%)
20,000-24,999	41 (4.4%)	34 (3.7%)	75 (8.1%)
25,000-34,999	19 (2%)	14 (1.5%)	33 (3.5%)
35,000 and above	10 (1%)	6 (0.6%)	16 (1.7%)
Total	367 (39.5%)*	563 (60.5%)	930 (100%)

- Percentage difference due to rounding.

Table 7.9 displays salary levels, the median of which for both sectors is between UAE Dirhams (AED) 5,000 and AED 14,000 per month (70.2%). However, comparison of the sectors shows that, while the highest percentage (19%) of the participants are in the private sector and receive AED 5,000 to AED 7,999 per month, the highest percentage of participants who are in the public sector (9.4%) received AED 11,000 to AED 14,000 per month. The preponderant salaries are substantially higher for the public sector respondents.

7.2 Factor Analysis

The next stage in this study involved factor analysis, an essential step before data analysis as it plays a unique role in the application of other multivariate techniques, and provides the tools for analysing the structure of the interrelationships among a large number of variables. Objectives of factor analysis: data reduction, appropriateness of factor analysis, and selecting the factor extraction method; are demonstrated by refining and reducing the scale items to form a smaller number of related variables (Hair et al. 2006). Factor rotation and orthogonal method are also demonstrated.

An objective of factor analysis is to find a means to compress the information contained in a number of original variables into a smaller set of new, composite dimensions or variables (factors) with the least loss of information; that is, to search for and define the fundamental constructs of dimensions assume to underlie the original variables (Gorsuch 1983). Factor analysis provides the researcher with an apparent

¹ One UAE dirham (AED) equals about \$0.30 (AUD)

understanding of which variables may act in concert and the number of variables expected to have an impact on the analysis (Hair et al. 2006).

Factor analysis is used to obtain data reduction by 1) creating a completely new set of variables, smaller in number, to partly or totally substitute for the original set of variables, or 2) identifying representative variables from a much bigger set of variables for use in subsequent multivariate analyses. In either case, the researcher must know how the variables are interrelated to better interpret the results (Hair et al. 2006).

Before data reduction in this study, data were examined using exploratory factor analysis, the assumptions and conditions of which were met at the outset. Scales used in the analysis were refined by the exploratory factor analysis, which ‘searched for structure’ through human, organisational and social capital elements, so that coherent subsets independent of each other could be extracted (Tabachnick & Fidell 2001). Analyses were conducted separately for each set to achieve the best results of scale items.

7.2.1 Appropriateness of Factor Analysis

The following discussion relates to the application of factor analysis on research findings and guidelines, and application to this study.

Sample Size: Factor analysis is preferable when observations are not less than 50 or greater than 100, with a minimum of at least 5 times as many observations as the number of variables to be analysed (Hair et al. 2006). However, Comrey & Lee (1992) recommend a greater number for the sample, rating 50 as very poor, 100 as poor, 200 as fair, 300 as good, 500 as very good, and 1000 as excellent. The sample size of this study is quite large (930), thus considered excellent and exceeding research requirements. This minimised the risk of over fitting the data (i.e., deriving factors that are sample-specific with little generalisability). In addition, the sample is homogeneous within its underlying factor structure.

Statistical Issues: To ensure that the best results and a true representation of the sample are achieved, the basic assumptions underlying most statistical tests, that is, normality, homoscedasticity and linearity are investigated. These tests lead to the consideration of the transformation of variables (see Appendix 6). In fact, some degree of multicollinearity is desirable, because the objective of factor analysis is to identify interrelated sets of variables (Hair et al. 2006).

Three statistical tests were applied to test the different data sets: a test for the presence of correlations among the variables; the Bartlett test of sphericity (Bartlett, 1954), which provides the statistical significance that the correlation matrix has significant correlations among at least some of the variables; and the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy to measure the proportion of common variance in the variables (Hair et al. 2006; Kaiser 1974).

To find whether a particular data set was suitable for factor analysis, the strength of the intercorrelations among the variables was assessed (Pallant 2005). The significance of the correlations was measured using the correlation matrix, Bartlett test and the KMO measure of sampling adequacy (see Table 8.1). The results of bivariate correlations were significant for most of the variables; the adequacy of the component factor analysis was evaluated using the Bartlett test, as correlations cannot verify factorability (Hair et al. 2006). Bartlett's test of sphericity ($p < .05$) indicates that sufficient correlation exists among the variables to proceed. The measure of sampling adequacy value exceeded .50 for both the oval test and each individual variable (Pallant 2005; Hair et al. 2006; Tabachnick & Fidell 2007).

Selecting the Factor Extraction Method: There are two methods for defining (extracting) the factors to represent the structure of the variables in the analysis: principal component analysis (PCA), and common factor analysis (CFA). For the purpose of this study, the principal component analysis was preferred over common factor analysis. According to Hair et al. (2006), common factor analysis is more restrictive in its assumptions, uses only latent dimensions, is more theoretically based and has several problems. These issues relate to factor indeterminacy and requires the calculation of the estimated communalities used to represent the shared variance. Therefore, this study uses PCA as it is preferable where theory and literature in an area of investigation are limited (Gorsuch 1983), such as this study. Further, it summarises information to a minimum number of factors (Hair et al. 2006; Tabachnick & Fidell 2007).

There are a number of criteria for the number of factors to extract such as latent root criterion, a priori criterion, percentage of variance criterion, scree test criterion and heterogeneity of the respondents (Hair et al. 2006). For the purpose of this study Kaiser's scree test and percentage of variance criterion were used to extract factors. Kaiser's criterion selects factors where eigenvalues greater than 1 are considered

significant. Hair et al. (2006, p.120) state that ‘using the eigenvalue for establishing a cut-off is most reliable when the number of variables is between 10 and 50’. The scree test criterion is a graphic test that identifies and retains an optimum number of factors to be extracted before the point at which eigenvalues level off (Tabachnick & Fidell 2007). The percentage of variance criterion is an approach based on obtaining a specified cumulative percentage of total variance with an acceptable solution in the social sciences that may account for only 60 per cent of the total variance as satisfactory (Hair et al. 2006).

Factor rotation: Rotation of factor is a determinant of the number of factors in a set of data, as unrotated factor solutions do not offer an adequate interpretation of the variables under examination (Hair et al. 2006). Rotation is used to improve the interpretability and scientific utility of the solution (Tabachnick & Fidell 2007). However, there are two main approaches to factor rotation, resulting in either an oblique (correlated) or an orthogonal (uncorrelated) factor solution (Pallant 2005). According to Tabachnick & Fidell (2007), application of orthogonal rotation results in solutions that are easier to interpret and to report. In contrast, oblique approaches allow for the factors to be correlated but they are more complex to interpret, describe and report. Varimax rotation of the factors improves interpretation by reducing ambiguities that often accompany initial unrotated factor solutions (Hair et al. 2006). For this study the orthogonal approach with varimax rotation was selected over the oblique method for two reasons: as an attempt to minimise the number of variables that have high loadings on each factor (Pallant 2005), and that interpretation of a factor is easier because the correlating variables are clearer (Tabachnick & Fidell 2007). A further point, varimax rotation also tends to reapportion variance among factors so that they become relatively equal in importance (Tabachnick & Fidell 2007).

Once factor analysis was completed, research continued for further analysis and hypotheses testing. Therefore, for the purpose of this study the researcher demonstrates factor rotation with three areas of capital theory, namely, human, organisational and social capital.

7.2.2 Factor Analysis for Human Capital Components

The 17 questionnaire items used in this study were designed to measure four elements of human capital theory: education, experience and skill, training and

development, and organisational engagement. Prior to performing PCA with varimax rotation using SPSS Version 15, the suitability of data for factor analysis was assessed. Given the sample of 930, factor loading of 0.4 and higher was considered significant for interpretative purposes. The cut-off point was set somewhat low to illustrate the factor interpretation process with as many significant loadings as possible. The KMO value was 0.87, exceeding the recommended value of 0.6 (Kaiser 1974) and Bartlett's test of sphericity (Bartlett 1954) reached statistical significant ($p < .05$), supporting the factorability of the correlation matrix.

Research findings illustrate that Kaiser's criterion is accurate when the number of variables is less than 30 and the resulting communalities (after extraction) are all greater than 0.7. Kaiser's criterion is also accurate when the sample exceeds 250 and the average communality is greater than or equal to 0.6 (Andy 2005). Hair et al. (2006) state that loadings exceeding +0.70 and above are considered indicative of well-defined structure and are the goal of any factor analysis.

Principal components analysis revealed the presence of two components with eigenvalues exceeding 1. The two factors solution explained a total of 36.03 per cent of the variance in the observed values. Items loaded on factor 1, organisational engagement, contained 9 items. Factor 1 was thus designated organisational engagement, based on the recommendation of Hair et al. (2006), that variables with higher loadings influence the name or label selected to represent a factor. The organisational engagement factor accounted for 27.34 per cent of the variance in the observed values. Factor 2, training and development, contained 3 items representing the training environment (further details see Table 7.13) and accounted for 8.39 per cent of the variance in the observed values. According to Hair et al. (2006) there is no absolute threshold adopted for all applications; where component analysis for each variable contributes a value of 1 to the total eigenvalue. Thus, only factors having latent roots or eigenvalues greater than 1 were considered significant and used in this study. Most items loaded quite strongly (above 0.4) on the first two components, with fewer items loaded on components 3, 4 and 5. Therefore, the PCA was rerun based on two factors instead of four, as some components loaded fewer than three items and this outcome is weaker and generally unstable; 5 or more strongly loading items are desirable and indicates a stronger factor (Costello & Osborne 2005). Further, theoretically meaningful factors were sought, together with the most efficient factor structure.

However, this preparation does not change the underlying findings; it presents the pattern of loading in a manner that is easier to interpret. The result eventually shows a marked pattern of variables where significant loadings for each factor are evident. Factor 1 (organisational engagement) has nine variables with significant loadings, and factor 2 (training and development) has three variables. Any dual loadings or variables (items) that did not load to any factor were discarded. Overall, five items were omitted from the human capital analysis, questions 3, 1, 51, 53 and 12, variables with higher loadings are considered more important and have greater influence on the name or label selected to represent a factor (Hair et al. 2006). Thus, all the significant variables were examined for a particular factor and, placing greater emphasis on those variables with higher loadings, a name or label was assigned to a factor to accurately reflect the variables loading on that factor, as shown below.

Factor 1: Organisational engagement: questions 13, 8, 42, 31, 45, 34, 17, 41, and 49

Factor 2: Training and development: questions 33, 38 and 36.

The variance analysis is set out at Table 7.10 below.

Table 7.10: Total Variance of Human Capital Components

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	Percentage of Variance	Cumulative Percentage	Total	Percentage of Variance	Cumulative Percentage
Organisational engagement	4.70	27.64	27.64	3.349	19.700	19.70
Training and development	1.42	8.39	36.03	2.777	16.336	36.03

The tests of adequacy and sphericity are shown at Table 7.11.

Table 7.11: KMO and Bartlett's Tests of Human Capital Components

KMO Measure of Sampling Adequacy.		.874
Bartlett's Test of Sphericity	Chi-square approximations	3702.452
	Degrees of freedom	136
	Sig.	.000
	Cronbach's alpha	.833

The comparison value between eigenvalues and parallel analysis are summarised below. Only those factors that were larger than the criterion value from the parallel

analysis were retained, if less, then they were rejected. Thus, the significant variables for a particular factor were determined and, placing greater emphasis on those variables with higher loadings, a name or label was assigned to each factor. These are described at Table 7.12.

Table 7.12: Human Capital: Comparison Analysis of Eigenvalues Components (PCA) with Corresponding Criterion Values from Parallel Analysis.

Component Number	Actual Eigenvalue from PCA	Criterion Value from Parallel Analysis	Decision
1	4.700	1.24	Accept
2	1.426	1.19	Accept
3	1.341	1.15	Reject
4	1.128	1.12	Reject
5	1.038	1.09	Reject

The outcomes from the rotated component matrix of scale for factor 1, organisational engagement and factor 2, training and development are set out in Table 7.13.

Table 7.13 Rotated Component Matrix of Scale Items for Human Capital

Variable	Scale items	Mean	SD	Factor loading	No. items in set	Reliability	Overall reliability
Organisational engagement	13. Frequently, I think of quitting my job.	2.97	1.20	.674	9	.771	0.77
	8. I would be very happy to spend the rest of my career with this organisation	2.76	1.15	.666		.754	
	42. There is a sense of being a part of a family in this organisation.	2.38	1.03	.660		.747	
	31. My organisation values skill and experience when recruiting and promoting employees.	2.86	1.16	.573		.752	
	45. This organisation has a poor future unless it attracts better managers.	3.21	1.24	.556		.790	
	34. My organisation does what it can to ensure the well being of its employees.	2.84	1.08	.536		.752	
	17. I do not feel emotionally attached to this organisation.	2.70	1.13	.523		.789	
	41. I believe employees really care about each other in this organisation.	2.73	1.00	.492		.762	
	49. My organisation supports employees to balance work and family responsibilities.	2.87	1.06	.430		.767	
Training and development	33. My organisation provides me with training opportunities enabling me to extend my range of skills and abilities.	2.49	1.15	.703	3	.745	0.79
	38. My organisation is committed to the training and development of its employees	2.28	0.97	.674		.677	
	36. My organisation supports my attempts to acquire additional training or education to develop my career.	2.46	1.03	.644		.716	

The following Figure 7.1 illustrates the results for this test.

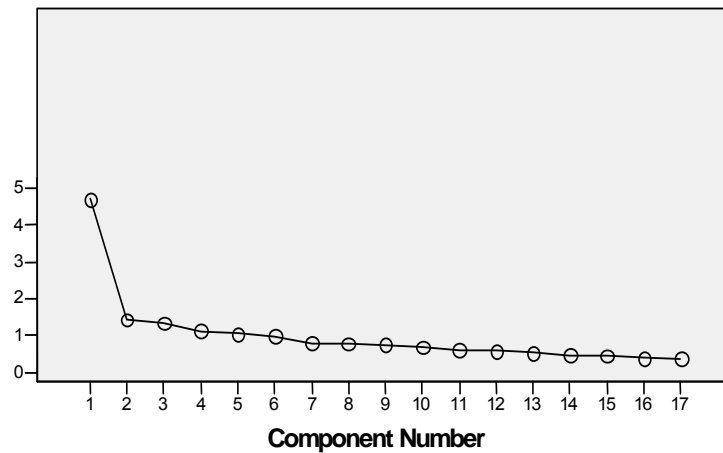


Figure 7.1: Eigenvalue Plot for Scree Test Criterion for Human Capital Components

Reliability for each multi-item scale was assessed using Cronbach's Alpha. Results of the reliability analysis are reported in Table 7.13 above. Overall, strong reliability is demonstrated with Cronbach alpha ranging from 0.677 to 0.790 and overall human capital components have $\alpha = 0.833$. None of the items shown would substantially affect reliability if they were deleted, with the exception of question 45: deleting this question would increase Cronbach's Alpha from 0.83 to 0.84. Nevertheless, this increase is not dramatic and both values reflect a reasonable degree of reliability.

The result indicates that all items are positively contributing to the overall reliability. The overall Cronbach's Alpha is also excellent (0.83), above 0.8, which indicates good reliability. According to Cavana et al. (2001), reliability of less than 0.6 is considered poor, those in the 0.7 ranges are acceptable, and those over 0.8 are preferred. Other studies including Malhotra (1993) suggest 0.6 and above is acceptable, especially for initial investigations (see Table 7.14).

Table 7.14: Mean and Standard Deviation for Human Capital Components

Factor	Mean	SD
Organisational engagement	2.81	.679
Training and development	2.40	.879
<i>Human capital factors</i>	2.71	.654

N = 930

Table 7.14 shows the means and standard deviations of organisational engagement (M=2.81, SD=0.67), training and development (M=2.40, SD=.87), and overall human capital variables (M=2.71, SD=0.65)

7.2.3 Factor Analysis for Organisational Capital Components

The same procedure was followed for organisational capital items. The 29 items of the organisational capital, notably: English fluency, career development, organisational culture, working conditions, Emiratisation policies and remuneration were subjected to Principal components analysis.

Principal components analysis revealed the presence of seven components with eigenvalues exceeding 1. The four factors solution explained a total of 48.23 per cent of the variance. Items loaded on factor 1, organisational culture, contained 15 items, relating to policies, working conditions and workplace atmosphere. This result indicated that organisational culture is not only a dimension describing the importance of culture to the organisation; it includes workplace policies and conditions. This factor accounted for 30.58 per cent of the variance in the observed values. Factor 2, career development, contained 7 items, three of which refer to participants' careers, two regarding English fluency and one item for workplace environment. This factor accounted for 6.83 per cent of the variance in the observed values. Factor 3, remuneration, contained 4 items on organisational salary structure and current salary, and accounted for 5.69 per cent of the variance in the observed values. The last, factor 4 English fluency, contained 2 items and accounted for 5.11 per cent of the variance in the observed values. Parallel analysis was applied and showed four components with eigenvalues exceeding the corresponding criterion values for a randomly generated data matrix of the same size (29 variables x 930 respondents). Parallel analysis is a technique shown to be the most accurate in identifying the correct number of components to retain, with both Kaiser's criterion and Catell's scree test tending to overestimate the number of components (Hubbard & Allen 1987; Zwick & Velicer 1986). Table 7.15 describes the results from this sector of factor analysis.

Table 7.15: Total Variance of Organisational Capital Components

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	Percentage of Variance	Cumulative Percentage	Total	Percentage of Variance	Cumulative Percentage
Workplace environment	8.87	30.58	30.58	6.23	21.48	21.48
Career development	1.98	6.83	37.42	3.03	10.45	31.93
Remuneration	1.65	5.69	43.11	2.93	10.10	42.04
English fluency	1.48	5.11	48.23	1.79	6.19	48.23

The tests of adequacy and sphericity are shown at Table 7.16.

Table 7.16: KMO and Bartlett's Tests of Organisational Capital Components

KMO Measure of Sampling Adequacy.		.925
Bartlett's Test of Sphericity	Chi-square approximations	10056.069
	Degrees of freedom	406
	Sig.	.000
	Cronbach's alpha	.899

Inspection of the correlation matrix revealed the presence of many coefficients of 0.4 and above. The KMO value shown at Table 7.16 was .925, exceeding the recommended value of .6 (Kaiser 1974) and Bartlett's test of sphericity (Bartlett; 1954) reached statistical significance, supporting the factorability of the correlation matrix.

The first eigenvalue obtained in SPSS was compared with the corresponding first value for the random results generated by parallel analysis. The majority of the items loaded quite strongly on the first four components. Very few items loaded on components 5, 6 and 7. This supports the conclusion from the parallel analysis to retain only 4 factors for further investigation. Any dual loadings or any variables (items) that did not load to any factor were omitted, thus two items, questions 6 and 32, were rejected.

The comparison value between eigenvalues and parallel analysis are summarised below. Only those factors that were larger than the criterion value from the parallel analysis were retained. Thus, the significant variables for a particular factor were determined and, placing greater emphasis on those variables with higher loadings, a name or label was assigned to each factor. These are described at Table 7.17.

Table 7.17: Organisational Capital: Comparison Analysis of Eigenvalues Components (PCA) with Corresponding Criterion Values from Parallel Analysis

Component Number	Actual Eigenvalue from PCA	Criterion Value from Parallel Analysis	Decision
1	8.871	1.34	Accept
2	1.982	1.29	Accept
3	1.650	1.25	Accept
4	1.484	1.22	Accept
5	1.198	1.20	Reject
6	1.137	1.17	Reject
7	1.007	1.15	Reject

The outcomes for organisational capital analysis are four variables and 28 items as follows:

- Organisational culture with 15 questions, items no. 4,7,9,14, 16, 22, 25, 37,39, 40, 43, 44, 46, 47 and 48,
- Career development with 7 questions, items no. 2,10, 15, 21, 23, 28 and 29.
- Remuneration with 4 questions, items no. 6, 11, 20 and 26.
- English fluency with 2 questions, items no. 24 and 5.

These are described in full at Table 7.18 below.

Table 7.18: Rotated Component Matrix of Scale for Organisational Capital

Variable	Scale items	Mean	SD	Factor Loading	No. Items in Set	Reliability	Overall reliability
Organisation al culture	46. Management here does a good job of communication with employees.	2.68	1.06	.728	15	.883	0.89
	40. There is opportunity to discuss my training and development requirements with my organisation.	2.61	1.04	.723		.883	
	47. In my organisation, conflicts are resolved to the satisfaction of those concerned.	2.75	0.98	.666		.885	
	39. People in my organisation are encouraged to make suggestions for improvement in our work.	2.31	1.04	.662		.885	
	44. My organisation cares about whether or not I achieve my career goals.	2.78	1.05	.643		.884	
	25. I am satisfied with the way these polices are administrated by this organisation.	2.91	0.96	.619		.883	
	43. My manger constantly updates me with relevant organisation information.	2.66	1.14	.604		.886	
	48. Employees in my work unit are like a family.	2.53	1.07	.604		.888	
	37. My organisation provides tasks that give me the opportunity to develop and strengthen new skills.	2.47	0.98	.598		.885	
	16. I feel satisfied with the way in which the organisation’s polices are applied.	2.88	1.00	.580		.884	
	14. I am satisfied with organisation policies and practices toward employees.	2.98	1.09	.570		.884	
	22. I am satisfied with the way employees are informed about organisation policies.	2.79	1.07	.535		.887	
							(continued)

Table 7.18 (continued)

Variables	Scale items	Mean	SD	Factor Loading	No. Items in Set	Reliability	Overall reliability
Organisational culture	4. I have good physical working conditions (total time, shift, good ventilation and lighting, adequate work space) in this organisation.	2.44	1.16	.513	15	.889	0.89
	9. My job gives me enough time for family and social activities.	2.84	1.25	.413		.897	
	7. My health has not suffered as a result of working for this organisation.	2.49	1.23	.408		.895	
Career development	23. Overall, I am satisfied with the success I have achieved in my career.	2.28	1.04	.651	7	.685	0.74
	15. Overall, I am satisfied with the progress I have made toward meeting my goals for developing new skills.	2.31	0.99	.612		.689	
	29. My organisation expects me to be fluent in English Language.	1.97	0.94	.604		.736	
	21. My work in this organisation is interesting and challenging.	2.46	1.06	.552		.687	
	28. I am satisfied with the chances for advancement in my job.	2.48	1.03	.551		.688	
	10. My job requires me to do many different tasks at work, using a variety of skills and knowledge.	2.23	1.05	.508		.721	
	2. The importance of English language in my job cannot be underestimated.	1.59	0.88	.499		.741	
Remuneration	11. I am satisfied with this organisation's salary structure.	3.22	1.18	.812	4	.670	0.79
	26. I am satisfied with my current salary.	3.20	1.20	.769		.717	
	20. I am satisfied with similarity of salary paid throughout departments in this organisation.	3.15	1.14	.737		.730	
	6. I am satisfied with the way promotions are awarded in this organisation.	3.38	1.17	.495		.813	
English fluency	24. English is the biggest problem preventing me from being competitive among expatriates in my organisation.	3.51	1.31	.839	2	N/A	0.77
	5. English is the biggest problem preventing me from participating effectively or from gaining promotion in my organisation.	3.71	1.17	.829		N/A	

The following Figure 7.2 illustrates the break result for this test.

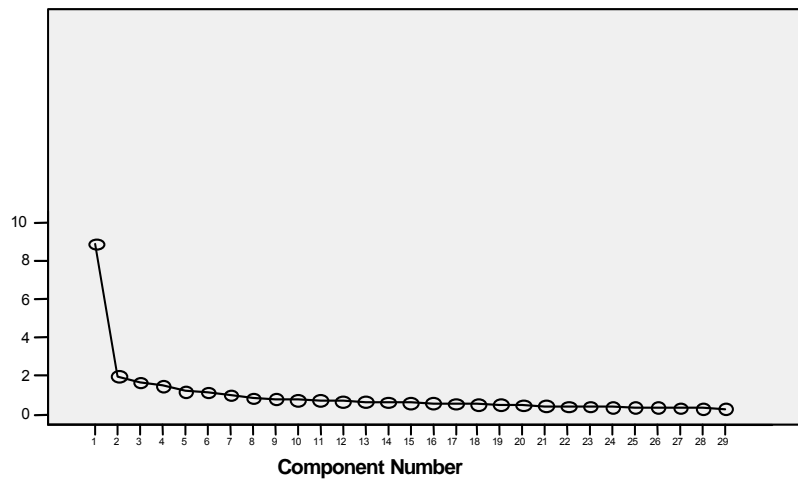


Figure 7.2 Eigenvalue Plot for Scree Test Criterion for Organisational Capital Components

Reliability for each multi-item scale was assessed using Cronbach's alpha. Results of the reliability analysis are reported in Table 7.18 above. Overall, strong reliability is demonstrated with Cronbach alpha ranging from 0.67 to 0.90 and organisational capital items have Cronbach alpha =0.90. Results indicate that all selected items are contributing to the overall reliability. The overall α is also significant at 0.90, as 0.9 indicates excellent reliability. Table 7.19 describe this analysis.

Table 7.19: Mean and Standard Deviation for Organisational Capital Components

Component	Mean	SD
Organisational culture	2.67	.683
Career development	2.18	.624
Remuneration	3.18	1.002
English fluency	3.61	1.123
Organisational capital components	2.67	.557

N=930

The mean and standard deviation for organisational culture (M=2.67, SD=0.68), career development (M=2.18, SD=0.62), remuneration (M=3.18, SD=1.002), English fluency (M=3.61, SD=1.12), and overall organisational capital components (M=2.67, SD=0.557) are shown in Table 7.19.

7.2.4 Factor Analysis for Social Capital Components

For social capital factor analysis, twenty-one items, notably gender inequality, trust and *wasta* (nepotism) were subjected to PCA, which revealed the presence of six components with eigenvalues exceeding 1. Items, unique to the factor, loaded on factor 1, gender inequality, contained 7 items. This factor accounted for 19.31 per cent of the variance in the observed values. Trust, representing trust in the organisation and factor 2, contained 3 items and accounted for 10.117 per cent of the variance in the observed values. Factor 3, social justice, contained 5 items, represented a socialist's justice for female behaviour, accounted for 8.08 per cent of the variance in the observed values. The last factor, *wasta*, contained 3 items represented nepotism and accounted for 7.67 per cent of the variance in the observed values. Parallel analysis was undertaken which showed five components with eigenvalues exceeding the corresponding criterion values for a randomly generated data matrix of the same size (21 variables x 930 respondents). The results are displayed at Table 7.20.

Table 7.20: Total Variance of Social Capital Components

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	Percentage of Variance	Cumulative Percentage	Total	Percentage of Variance	Cumulative Percentage
Gender inequality	4.056	19.312	19.312	2.820	13.428	13.428
Trust	2.125	10.117	29.429	2.364	11.255	24.683
Social justice	1.698	8.085	37.515	2.239	10.661	35.344
<i>Wasta</i> (nepotism)	1.612	7.678	45.193	2.068	9.849	45.193

Inspection of the correlation matrix revealed many items with coefficients of 0.4 and above. These results are set out at Table 7.19.

Table 7.21: KMO and Bartlett's Tests of Social Capital Components

KMO Measure of Sampling Adequacy.		0.785
Bartlett's Test of Sphericity	Chi-square approximation	4234.371
	Degree of freedom	210
	Sig.	.000
	Cronbach's alpha	0.706

The Kaiser-Meyer-Okin value shown at Table 7.19 was 0.78, exceeding the recommended value of 0.6; and Bartlett's test of sphericity reached statistical significance, supporting the factorability of the correlation matrix.

The first eigenvalue obtained in SPSS was compared with the corresponding first value for the random results generated by parallel analysis. The majority of items loaded quite strongly on the first four components. Any dual loadings or any variables (items) that did not load to any factor were dropped. Three items were removed from the social capital factors and these items were questions 30, 35 and 55. Four factors remained for further investigation. The comparison value between eigenvalues and parallel analysis is summarised below. Only those factors that were larger than the criterion value from the parallel analysis were retained, except for factor 5, discarded because the factor contained fewer than two items, a number which renders the factor weak and unstable (Costello & Osborne 2005). Thus, the significant variables were examined for a particular factor and, placing greater emphasis on those variables with higher loadings, a name or label was assigned to the factor that accurately reflects the variables loading to it. Social capital therefore has four variables and 18 items as follows:

- Gender inequality, with 7 questions, items no. 2, 4, 5, 6, 8, and question 6, part 2.
- Trust, with 3 questions, items no. 18, 19 and 27
- Social justice, with 5 questions, items no. 2, 1, 10, 7; and question 3 in part 2.
- *Wasta*, with 3 questions, items no. 52, 50 and 54.

Table 7.22 summarises the decisions outcomes from this test.

Table 7.22: Social Capital: Comparison Analysis of Eigenvalues Components (PCA) with Corresponding Criterion Values from Parallel Analysis

Component Number	Actual Eigenvalue from PCA	Criterion Value from Parallel Analysis	Decision
1	4.056	1.27	Accept
2	2.125	1.23	Accept
3	1.698	1.19	Accept
4	1.612	1.16	Accept
5	1.308	1.13	Reject
6	1.03	1.10	Reject

Variables for Table 7.23 described and analysed as follows:

Table 7.23: Rotated Component Matrix of Scale for Social Capital

Variable	Scale items	Mean	SD	Factor loading	No. Items in Set	Reliability	Overall reliability
Gender inequality	2.4. My organisation's policies and practices hinder women's career development	3.62	1.07	.719	7	.683	0.74
	2.5. Training opportunities and career progression are limited and very slow for women in this organisation.	3.53	1.17	.717		.686	
	2.9. The lack of a professional woman's network creates a major void for women aspiring to a professional managerial position.	3.02	1.06	.672		.694	
	2.8. The possibility of pregnancy makes employers reluctant to hire women in management position.	3.04	1.12	.642		.699	
	2.12. Employers in my organisation feel that employing females is a short-term investment because females are known to leave, after short periods of employment, for family reasons.	3.17	1.12	.550		.707	
	2.11. Cultural differences in the perception of power and authority in UAE are an important factor explaining women's exclusion from leadership.	3.02	1.02	.451		.730	
	2.6. Men and women have the same employment opportunities in this organisation.	3.55	1.20	.431		.742	
Trust	18. I trust management to look after my career interests.	2.81	1.06	.786	3	.484	0.70
	19. In general, I trust this organisation to keep its promises or commitments to me and other employees.	2.87	1.09	.778		.551	
	27. I trust people I work with to lend me a hand if I need it.	2.24	1.03	.645		.761	
Social justice	2.2. Women are not competitive enough to be successful in this organisation.	3.90	1.08	.724	5	.578	0.66
	2.1. Women lack the skills and ability for management position in this organisation.	3.77	1.19	.697		.574	
	2.10. On average, a woman who stays at home all the time with her children is a better mother than a woman who works outside the home.	2.90	1.33	.663		.611	

	2.7. Traditional Arab/Islamic societies maintain that first and foremost, women should prepare themselves for the domestic career of being a wife and mother.	2.72	1.26	.565		.621	
	2.3. To achieve a high position in this organisation, a woman has to sacrifice some of her femininity.	3.32	1.34	.473		.645	
<i>Wasta</i> (nepotism)	52. When it comes to finding a really good job, “who you know” is more important than “what you know”.	2.36	1.23	.821	3	.665	0.77
	50. In order to get a really good job, friends or family member in high positions are needed.	2.47	1.31	.818		.660	
	54. <i>Wasta</i> is important in personal life	2.43	1.34	.769		.739	

Reliability for each multi-item scale was assessed using Cronbach's alpha. Results of the reliability analysis are reported in Table 7.23 above. Overall, strong reliability is demonstrated with coefficient alpha ranging from 0.484 to 0.760 and overall social capitals have $\alpha = 0.71$. Therefore, no item would substantially affect reliability if deleted; question 27 as an example, if removed would increase α from 0.71 to 0.76. Nevertheless, as the component contained only 3 items and the item was deleted, the factor weakened and became unstable (Costello & Osborne 2005). Overall, results indicate that all items contribute to the overall reliability, $\alpha > 0.7$. The mean and standard deviation for gender inequality (M=3.27, SD=0.69), trust (M=3.32, SD=0.83), social justice (M=3.32, SD=.807), *wasta* (M=2.41, SD=1.06), and overall social capital (M=3.04, SD=.478) as shown in Figure 7.3.

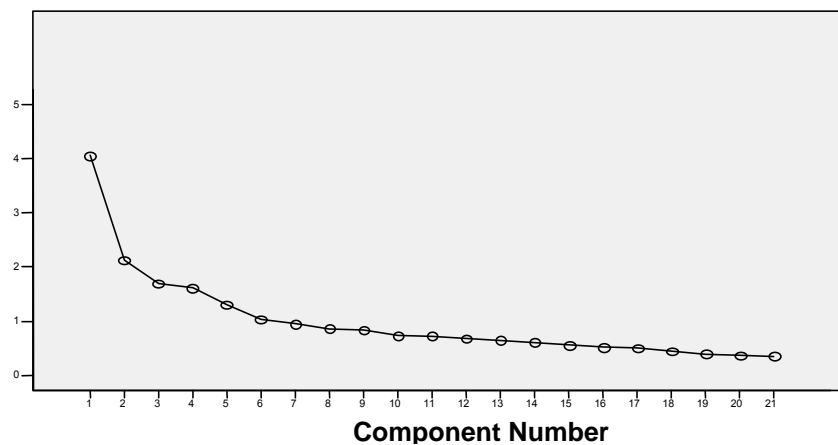


Figure 7.3 Eigenvalue Plot for Scree Test Criterion for Social Capital Components
The following Table 7.24 describes the values for these iterations.

Table 7.24: Mean and Standard Deviation for Social Capital Components

Components	Mean	SD
Gender inequality	3.27	.691
Trust	2.63	.839
Social justice	3.32	.807
<i>Wasta</i>	2.41	1.067
Social capital	3.04	.478

7.2.5 Summary of Factor Analysis

Using the principal components analysis method, factor analysis was applied to reduce or extract the data for further analysis and hypothesis testing. Principal components analysis revealed ten components with eigenvalues exceeding 1: two human capital variables, four organisational capital variables, and four social capital variables. The two human capital variables explained 36.03 per cent of human capital variance. Organisational capital variables explained 48.23 per cent, and social capital factors explained a total of 19.31 per cent, respectively. The results of factor analysis revealed that the data is now ready for further analysis and hypotheses testing.

7.3 Descriptive Statistics Analysis

The above sections describe the processes by which the data were selected through factor analysis and tested for reliability and validity. The following Table 7.25 encapsulates these results to continue the study analysis.

Table 7.25: Summary of Results of All Component Analyses

Component		Total Items	Items Deleted	Items Retained	Reliability
Human capital	Education	1	3	0	0
	Experience and skill	3	1 & 51	31	.081
	Training and development	4	53	33, 36 & 38	0.79
	Organisational engagement	9	12	8, 13, 17, 34, 41, 42, 45 & 49	0.79
Organisational capital	Emiratisation policies	4	0	14, 16, 22 & 25	0.89
	Career development	5	6	10, 15, 23 & 28	0.74
	Remuneration	4	0	6, 11, 20 & 26	0.81
	Workplace environment	2	4	7	0.89
	Organisational culture	11	1 & 32	21, 37, 39, 40, 43, 44, 46, 47 & 48	0.89
	English fluency	4	0	2, 5, 24 & 29	Range between 0.74- 0.77
Social capital	Gender inequality	12	0	b1,b2,b3,b4,b5,b5,b6,b7,b8,b9,b10,b11 & b12	Range between 0.66 - 0.74
	Trust	4	35	18,19 & 27	0.70
	<i>Wasta</i>	5	30 & 55	50, 52 & 54	0.77
Total		68	12	56	

In this section, the mean, standard deviation and frequency values of study participants' perceptions from each of the public and private sectors are investigated; further, results by sector are examined to determine trends and anomalies. An independent-sample *t* test is then used to compare mean values between sector participants. To facilitate analysis, data from the questionnaire responses, 'strongly agree' and 'agree' were combined. In the first section, human capital will be analysed based on two variables, namely, organisational engagement and training and development.

7.3.1 Descriptive Statistics for Human Capital

Organisational Engagement: Interpretation of the results from organisational engagement in public and private sectors found that nearly 12.5 per cent in the public and 12.4 per cent in the private sector agreed that they are not thinking of quitting their job, have a sense of being a part of family, care about each other, and that their organisation supports employees in balancing their work and family responsibilities ($M=2.81$, $SD=0.68$). To measure the differences between the two groups, an independent samples *t* test was applied. There was no significant difference in values for the public sector ($M=2.83$, $SD=0.669$) and the private sector [$M=2.79$, $SD=.685$; $t(928) = .892$, $p=0.373$]. Table 7.26 illustrates these results, which are discussed at Section. 9.2.2.

Table 7.26: Organisational Engagement Mean and Standard Deviation, by Sector

Factor	Sector		Results		
	Public	Private	Mean	SD	Difference
Organisational engagement	46 12.5%	70 12.4%	2.81	.68	No $p > 0.05$

Training and development: Of public sector participants, 40.6 per cent were satisfied that their organisation provided them with opportunities to extend their skills and abilities, and additional education in their career path; and thus was committed to their training and development. Nearly half the respondents (49.9 per cent) in the private sector concurred. This is an interesting result given that the private sector participants are more aware of the importance of training ($M=2.40$, $SD=0.879$). These findings are not consistent with those of Al-Lamki (1998) and Freek (2004) who found that UAE nationals working in the private sector left their jobs due to insufficient

opportunity for further learning and training. This result shows that the private sector is more supportive in providing UAE nationals with sufficient training compared to the public sector (see Section 9.4.5). The results are described at Table 7.27.

Table 7.27: Training and Development Mean and Standard Deviation, by Sector

Factor	Sector		Results		
	Public	Private	Mean	SD	Difference
Training and Development	149 40.6%	281 49.9%	2.40	.879	Yes $p < 0.05$

Grounds for reaching this conclusion include the selection for this study of private sector organisations, which in recent years received quality awards, such as the Dubai Quality Award, and these organisations have demonstrated in national surveys that they provide the best working environments. Another reason could be the methodology, which differs from previous qualitative studies. This quantitative study was conducted through a questionnaire survey, while most previous studies such as Tanmia and Abdelkarim (2001) used a qualitative methodology and therefore the results differ. In addition, the sample of five private organisations is not representative of those of past studies, which examined the private sector as a whole. Moreover, it is possible that the questionnaire may unintentionally be skewed toward important variables in the private sector, and omit other important variables in the public sector, although the questions were specifically chosen to avoid such bias. Finally, the practices of the private sector toward Emiratisation may have undergone change since 2002, the date of the latest prior research, due to UAE Emiratisation programs and economic expansion.

An independent samples *t* test was conducted to compare the two sectors. There was a statistically significant difference in values for the public sector ($M=2.52$, $SD=0.896$) and the private sector [$M=2.33$, $SD=0.861$; $t(928) = 3.264$, $p=0.001$]. Thus, it can be concluded that the private sector provides more opportunity to their employees than the public sector. Further discussion is provided at Section 9.4.5.

In the next section, organisational capital is discussed based on four variables, notably, organisational culture, career development, remuneration and English fluency.

7.3.2 Descriptive Statistics for Organisational Capital

Organisational culture: The summary statistics for organisational culture involve frequency, mean and standard deviation. Overall, 13.9 per cent of respondents in the

public sector agreed that: their manager does a good job of communication with employees; that conflicts are resolved to the satisfaction of those concerned; that the manager constantly updates them with relevant organisational information; that they are satisfied with the way in which the organisation's policies are applied; and that they have good physical working conditions. This results in 86.1 per cent of the participants who reported otherwise; they are not satisfied with their working environment. For the private sector, 18.7 per cent of respondents agreed with the satisfied respondents above ($M=2.67$, $SD=0.683$). These findings confirm those of Freek (2004) and Abdelkarim (2001) that many UAE national employees are facing workplace issues relating to their culture, particularly in the private sector. Other studies, such as Al-Lamki (2000) and Al-Dosary (2004), indicate the importance of developing and promoting a culture of coordination and collaboration between all government entities entrusted with the responsibility of localisation (Emiratisation). However, an independent sample t test found no difference between the public sector ($M=2.70$, $SD=.658$) and the private sector [$M=2.65$, $SD=0.698$; t (928), $p=1.222$, $p=0.222$]. Therefore, it is deduced that both sectors are facing culture issues, and the organisational culture for UAE nationals has not changed compared to previous studies. Discussion of this will be provided in Chapter 9. Table 7.28 illustrates these results.

Table 7.28: Organisational culture Mean and Standard Deviation, by Sector

Factor	Sector		Results		
	Public	Private	Mean	SD	Difference
Organisational culture	51 13.9%	105 18.7%	2.67	.683	No $p > 0.05$

Career Development: For career development, 39.8 per cent of respondents in the public sector are satisfied with their careers; their work is interesting and challenging; they have chances for advancement and for doing different tasks at work; they are able to use a variety of skills and talents. Just above half of respondents (50.6 per cent) in the private sector demonstrated the same result ($M=2.18$, $SD=0.624$). Therefore, participants in the private sector were more satisfied with career development than those in the public sector, demonstrating that employees in the private sector are content with their work and promoted faster than those in the public sector. To compare the career development mean values between the public and private sector, an independent samples t test was conducted. There was a statistically significant

difference in values for the public sector ($M=2.27$, $SD=0.623$) and the private sector [$M=2.12$, $SD=0.617$, $t(928)=3.661$, $p=.000$]. Table 7.29 describes the outcomes for this factor. Further discussion is included in Chapter 9.

Table 7.29: Career Development Mean and Standard Deviation, by Sector

Factor	Sector		Results		
	Public	Private	Mean	SD	Difference
Career development	146 39.8%	285 50.6%	2.18	.624	Yes $P < 0.05$

Taken together, these findings do not coincide with previous studies such as Freek (2004) and Tanmia (2004), who found a higher probability of labour turnover in the private sector, due in part to employers' general lack of policies to promote career development. Another study of 1300 employees in the private sector conducted by Abdelkarim and Ibrahim (2001) found that the majority of UAE nationals prefer to work in the public sector due to better career opportunities. The situation has apparently turned around in the ensuing years, and it now appears that the private sector, given its size and diversity, is offering greater opportunities through Emiratisation.

However, these results can only be generalised to on the following grounds to organisations employing professionals.

- This study was restricted to five private organisations and is not representative of past studies, which relate to the private sector as a whole. The case for this restriction is argued on the nature of the robust UAE economy, rapid growth in the construction industry and fuelled by unskilled labour. Although data is sparse, there are about 2.6 million workers in UAE, including 2.2 million non-nationals (Table 3.7) who are largely itinerant labour, an estimated 1.9 million unskilled and without formal education. Emiratisation's principal aim is to replace highly skilled non-nationals, managers and professionals, with little documented success to date. With the continuing emphasis on Emiratisation over the last half-decade and as UAE's socioeconomic structure develops, relevant policies are increasingly adopted by progressive firms. Therefore, this study aims to identify the factors that support Emiratisation at a leadership level, and thus its target sample are UAE nationals employed by relevant organisations.

- The methodology for this study was based on quantitative analysis compared to the qualitative analysis of previous studies. Further discussions are at Section 9.4.5.

Remuneration: A number of studies found that the remuneration has a significant positive impact on organisational commitment. The analysis results show that 16.1 per cent of employees in the public sector were satisfied with their organisation salary structure, its application throughout the organisation, and their current salary, while 19 per cent from the private sector were similarly satisfied ($M=3.18$, $SD=1.00$). An independent samples t test compared the values between the two sectors and found there was no statistically significant difference between the public sector ($M=3.17$, $SD=0.933$) and the private sector [$M=3.19$, $SD=1.04$; $t(928) = -.205$, $p=.837$]. These results however do not correspond with prior studies such as Tanmia (2004), which found that wage differentials for UAE nationals were an obstacle when working in the private sector. Another study, by Berengaut and Muniz (2005), also provides empirical evidence that UAE nationals have a strong preference for the public sector due to the sector's high salary structures, which, on average, they cannot attain in the private sector. Freek (2004) conducted a qualitative study of 54 Emirati finance sector employees in Dubai, finding that their expectations regarding status, salary and promotion were not met. Similar to restrictions emerging on previous research findings, the results of this study cannot be generalised, as noted above. Nevertheless, it appears that both sectors have similar remuneration structures and the remuneration in both sectors is indistinguishable. Discussion of this matter is provided in Chapter 9. Table 7.30 presents the results for the remuneration and compares the difference between the public and private sectors.

Table 7.30: Remuneration Mean and Standard Deviation, by Sector

Factor	Sector		Results		
	Public	Private	Mean	SD	Difference
Remuneration	59 16.1%	107 19.0%	3.18	1.00	No $p>0.05$

English fluency: The results for this factor indicates that 13.1 per cent of respondents in the public sector see English as the major impediment preventing them from being competitive among foreigners in their organisation and that it restricts them from participating effectively and thus gaining promotion. In the private sector, 16.3 per

cent of employees agreed to these sentiments ($M=3.61$, $SD=1.12$). Identifying differences between the sectors, an independent samples t test indicated statistically significant differences between the public sector ($M=3.72$, $SD=1.094$) and the private sector [$M=3.53$, $SD=1.13$; $t(928)=2.417$, $p=0.016$]. Table 7.31 presents the results of the importance of English fluency in the UAE workforce environment.

Table 7.31: English Fluency Mean and Standard Deviation, by Sector

Factor	Sector		Results		
	Public	Private	Mean	SD	Difference
English Fluency	48 13.1%	92 16.3%	3.61	1.12	Yes $p<0.05$

Results show that English is an important element in both sectors and these results confirm prior studies, including Abdelkarim (2001b), who investigated the attitudes of 1300 employees in the UAE private sector and found that 32 per cent of respondents said that government intervention was necessary to improve English language training throughout the school years. From the above analysis, English fluency is a significantly important factor in the workplace, particularly the private sector which competes globally. Discussion of this section is at Section 9.3.2.

In the next section, the focus is on social capital, which encompasses four variables, gender inequality, trust, social justice and *wasta*.

7.3.3 Descriptive Statistics for Social Capital

Gender inequality: Examination of results shows that only 3 per cent in the public sector agreed that their organisation's policies and practices hinder women's career development, opportunities for career progression, lack of women's network and cultural difference in the perception of power and authority. On the other hand, 5 per cent of participants had the same views in the private sector ($M=3.27$, $SD=0.691$). This suggests that 97% and 95% respectively of respondents in the public and private sector disagreed that their organisation's policies and practices actively hinder women's career development. It is quite interesting to note that employees in both sectors perceive no obstacles with their progression, and men and women have the same employment opportunities. Table 7.32 provides the summary statistics of the career development in the public and private sector.

Table 7.32: Gender Inequality Mean and Standard Deviation, by Sector

Factor	Sector		Results		
	Public	Private	Mean	SD	Difference
Gender inequality	11 3%	31 5%	3.27	.691	Yes $p < 0.05$

The results do not correspond with earlier studies such as that of Adam's (2003) who found that the gap in pay may also be connected to the pace of career development, in which UAE nationals males have greater opportunity compared to UAE females. Another study by Tanmia (2004) found that 37 per cent of women participants reported dissimilarities in the level of earnings between themselves and male age groups at the same level of occupation. To test the difference between both sectors, an independent samples *t* test indicated a statistically significant difference in values in the public sector ($M=3.35$, $SD=.665$) and the private sector [$M=3.22$, $SD=.704$; $t(928) = 2.699$, $p=.007$]. This suggests that the situation of women's career progression in the private sector is slightly better than in the public sector. Again, the result cannot be generalised, as discussed prior to this component. Thus, based on these results, it is concluded that gender inequality is not an issue between the two sectors, but the situation of gender equity in the private sector to some extent is better than the public sector. Discussion of this continues in Chapter 9.

Trust: It is widely agreed that trust has an important effect in the organisation. Overall, 27 per cent of respondents in the public sector trusted their managers in terms of looking after their career interests, their organisation kept its promises or commitments to them and they trusted people they work with to lend them a hand if they need it. In contrast, the result indicates 34.8 per cent of respondents in the private sector trusted positively ($M=2.63$, $SD=.839$). However, an independent samples *t* test was conducted to compare the values between the two groups. There was a statistically significant difference between the public sector ($M=2.71$, $SD=.833$) and the private sector [$M=2.58$, $SD=.841$; $t(928) = 2.209$, $p=0.027$]. Table 7.33 presents the descriptive statistics for trust in the public and private sectors.

Table 7.33: Trust Mean and Standard Deviation, by Sector

Factor	Sector		Results		
	Public	Private	Mean	SD	Difference
Trust	99 27.0%	196 34.8%	2.63	.839	Yes $p < 0.05$

However, the results do not coincide with findings such as Tanmia (2004) that private sector managers, through past experience, do not trust UAE nationals employees due to insufficient technical skills. Another study by Freek (2004) found that lack of trust in the private sector predicates UAE nationals' preference for the public sector. In this study, the majority of respondents in the private sector were trusted by their superiors and colleagues more so than respondents from the public sector. As previously commented, generalisation of these findings are subject to further research and study limitations. Further discussion is placed in Chapter 9.

Social justice: Table 7.34 presents the summary of the statistics of social justice in the public and private sector.

Table 7.34 Social Justice Mean and Standard Deviation, by Sector

Factor	Sector		Results		
	Public	Private	Mean	SD	Difference
Social Justice	37 10.1%	31 5.5%	3.32	.807	No $p>0.05$

Results of this factor show that 10.1 per cent of respondents in the public sector agreed that women are not sufficiently competitive to be successful in their organisations; lack the ability to undertake management positions; and that women should stay at home and devote their time to their children. However, in the private sector, about one in every five (5.5 %) respondents reported the same result. Therefore, the majority of employees (89.9% in the public and 94.4% in the private sector) think women have capabilities and skills to compete and achieve higher managerial positions. The difference in mean values between the two groups was tested by an independent samples *t* test. There was no statistically significant difference between the public sector ($M=3.32$, $SD=0.807$) and the private sector [$M=3.27$, $SD=.842$, $t(928) = -1.399$, $p=0.162$]. This result did not agree with previous studies such as Al-Lamki (1999), and Baud and Mahgoub (2001) who found that the negative attitude and traditional stereotype towards UAE females was an issue for professional women in their career aspirations. From these findings, there is still a proportion of employees who harbour a negative image of Emirati women's career prospects and this is quite clearer in the public sector, but this is not significant to women's career prospects in specialised fields. Discussion continues in Chapter 9.

Wasta: Table 7.35 presents the results for *wasta* and comparison between the public and private sector.

Table 7.35: *Wasta* Mean, Standard Deviation, by Sector

Factor	Sector		Results		
	Public	Private	Mean	SD	Difference
<i>Wasta</i>	164 44.7%	261 46.4%	2.41	1.064	No $p>0.05$

Overall, 44.7 per cent of public sector respondents agreed that to find a good job, personal or family connections are of more importance than meeting the job specifications. However, employees in the private sector gave quite similar results (46.4 per cent). This reflects the importance of *wasta* and its role in finding a good job in both sectors (M=2.41, SD=1.067). An independent samples *t* test was conducted to compare the mean values between the sectors. There was no significant difference in values for the public (M=2.44, SD=1.03) and the private sectors [M=2.44, SD=1.037; $t(928)=.504, p=0.614$]. The results were supported by previous studies such as Whiteoak et al. (2006), who found that the younger generation utilises *wasta* more so than the older generation. This is a clear indication that young UAE nationals are willing to use *wasta* in a competitive job market in both sectors, despite regulations and organisational policies pertaining to equity and equal opportunity.

Summary: There are 5 variables of statistical significance implying a difference between the sectors and relating to employees' perceptions of factors impacting UAE's nationals' workplace experiences. These variables are

- 1) Training and development
- 2) Career development
- 3) English fluency
- 4) Gender inequality
- 5) Trust.

Figure 7.4 illustrates means and standard deviation values of five variables that result in a statistically significant difference between the public and private sectors, as discussed above.

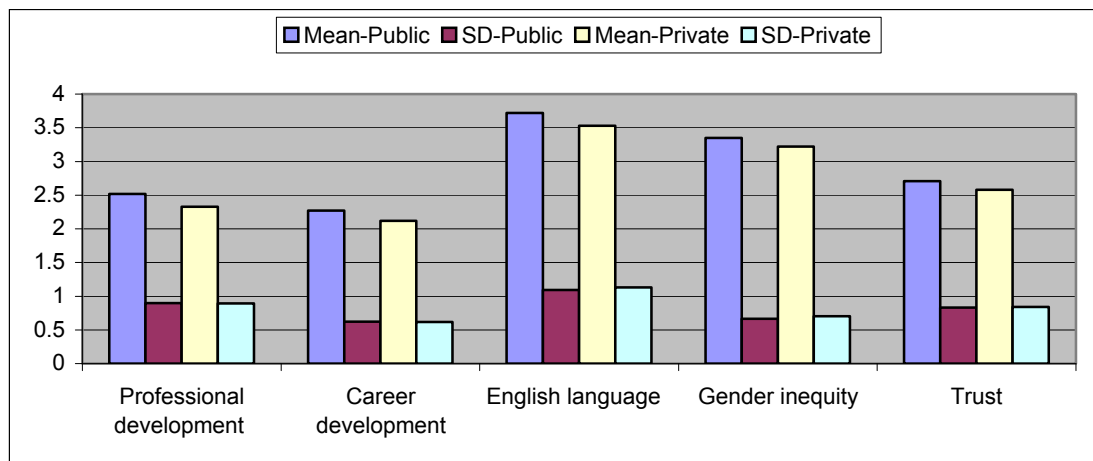


Figure 7.4 Significant Differences between Variables, by Sector

7.4 Conclusion

This chapter describes the analysis of the study's quantitative research in terms of the research question: *identify the factors to enhance placement and retention of UAE nationals in the Dubai workplace; establish whether these factors differ for organisations in the public or private sectors.*

Data were collected from seven organisations in Dubai, five from the private sector and two from the public sector. The study used factor analysis to identify variables that were relatively independent. A principle components analysis with varimax rotation was used to determine the significance of items depicted as human, organisational and social capital theory. Findings include the Kaiser-Meyer-Okin values of 0.87 for human capital elements, 0.925 for organisational capital and 0.785 for social capital, exceeding the recommended value of 0.6 (Kaiser 1970, 1974). Further, Bartlett's Test of Sphericity (Bartlett, 1954) reached statistical significant ($p < 0.05$), supporting the factorability of the correlation matrix. Human, organisational and social capital theory components display coefficient alpha ranging from 0.705 to 0.893, with a strong reliability for the three dimensions.

Reliable and valid components were identified for each area of capital theory, human, organisational and social. Five variables were found to have a statistically significant difference between the sectors: training and development, career development, English fluency, gender inequality and trust. All these variables were identified as having a higher value in the private sector.

In the following chapter, 15 hypotheses are examined through different statistical techniques such as Pearson's correlation coefficient, an independent samples t test, chi-square, Mann-Whitney U Test and Hierarchical Multiple Regression.

Chapter 8

Data Analysis

Hypotheses Testing

Factor and descriptive analyses of survey data of Dubai Emiratis presented in Chapter 7 produced five significant variables, training and development, career development, English fluency, gender inequality and trust (see Section 7.4). The variables were identified as part of the analysis to answer the following research questions:

- *Identify the factors to enhance placement and retention of UAE nationals in Dubai workplaces*
- *Establish whether these factors differ for organisations in the public or private sectors*
- *Explain variations in UAE nationals' engagement with their organisations.*

This chapter continues the data analysis with setting and testing 15 operational hypotheses developed from the construct variables. The statistical methodology is described for testing each of the first 11 hypotheses, and then the test results reported. For the remaining four hypotheses, a series of hierarchical regression analyses is conducted to examine the impact of two sets of variables, a social value construct and organisational value construct, on organisational engagement, and on training and development. The first two Hypotheses, H12 and H13, examine the impact of the social and organisational constructs on both organisational engagement, and training and development, in public sector organisations. Hypotheses H14 and H15 examine these constructs on the same variables in private sector organisations.

The results by sector and by construct are reported and the hypotheses accepted or rejected. Comparison is made between sectors in partial answer to the research questions. Finally, the synopsis of all hypothesis testing is presented.

8.1 Hypotheses and Tests

A hypothesis seeks either to explain a phenomenon or a possible correlation between multiple phenomena. Hypothesis testing is a commonly used inferential procedure (Gravetter & Wallnau 2007). In this study, 15 hypotheses were established (see Section 4.4) and tested through the statistical methods of non-parametric and parametric techniques at two significant levels, $\alpha=0.05^*$ (95% confidence level) and $\alpha=0.01^{**2}$ (99% confidence level), using software SPSS. 15.0 for Windows. Thus 15 sets of hypotheses are tested as follows

- Pearson's correlation coefficient (Hypotheses H1 & H2) to observe a bivariate correlation to demonstrate the relationship between two variables.
- Independent sample *t* test (H3 & H4) to compare the mean score between the public and private sectors.
- Chi-square test for independence (H5, H6, H7, H8, H9 & H10) to explore the relationship between categorical variables in both the public and private sectors.
- Mann-Whitney U Test (H11) to look at the differences between the public and private sectors on a continuous measure.
- Hierarchical Multiple Regression (H12, H13, H14 & H15) to explore the relationship between dependent variables (organisational engagement and training & development) and eight independent variables (gender inequality, trust, social justice, *wasta* (nepotism), organisational culture, career development, remuneration and English fluency).

The 15 hypotheses statements, the statistical technique selected for each, its application, test results and interpretations are discussed below.

8.1.1 H1 Test

Statistical technique: Parametric alternative: Pearson's correlation coefficient

Hypothesis 1: *There is a significant correlation between the human, organisational and social variables.*

² A single asterisk is used in this study to indicate $\alpha=0.05$, a double asterisk for $\alpha=0.01$

Results: Descriptive statistics include the mean, standard deviation, Cronbach's alpha and bivariate correlation matrix of the variables for Hypotheses H1, H2, H3, H4, H5, H6, H7, H8, H9, H10 and H11. These results are presented at Table 8.1 below.

Table 8.1 H1: Matrix Comparison of Means, Standard Deviations, Reliabilities and Correlations for Variables for H1 – H11

Variables	M	SD	Gender	Age	Job Title	Education	Gender Inequal.	Trust	Social Justice.	Wasta	Org. Culture	Career Develop	Pay	Eng. Fluency	Organ. Engagt.	Trng & Dev'mt.
Gender	1.56	0.50	(-)													
Age	2.01	0.99	-0.15**	(-)												
Job title	3.59	1.27	0.11**	-	(-)											
Education	4.73	1.47	0.02	0.26**	-	(-)										
Gender inequality	3.28	0.69	-0.10**	0.07*	-0.08*	0.03	(.73)									
Trust	2.64	0.84	0.11*	0.11**	0.05	0.06	-0.22**	(.70)								
Social justice	3.32	0.81	0.33**	-0.05	0	0.03	0.33**	-	(.66)							
Wasta (nepotism)	2.42	1.07	0	0.01	-0.07*	0.09**	0.29**	-		(.77)						
Organisational culture	2.68	0.68	0.20**	0.04	0.09**	0.03	-0.30**	0.74**	-0.08*	-0.20**	(.90)					
Career development	2.19	0.62	0.13**	0.03	0.17**	-0.08**	-0.20**	0.50**	-0.01	-0.10**	0.54**	(.74)				
Remuneration (pay)	3.19	1.00	0.10**	0.03	0.13**	-0.04	-0.24**	0.54**	-0.05	-0.17**	0.52**	0.36**	(.79)			
English fluency	3.61	1.12	0.08*	0.04	-	0.22**	0.11**	0	0.17**	0.12**	0.01	-0.08	-0.03	(.77)		
Organisational engagement	2.81	0.68	0.15**	-0.02	0.12**	-0.02	-0.34**	0.65**	-0.12**	-0.29**	0.79**	0.48**	0.51**	-0.03	(.77)	
Training and development	2.41	0.88	0.12**	0.04	0.10**	-0.03	-0.24**	0.49**	-0.07*	-0.15**	0.65**	0.47**	0.36**	0.00	0.54**	(.79)

* $p < 0.05$

** $p < 0.01$

Note. N=930. Cronbach's alpha are given in parentheses on the diagonal

The majority of the results used in the study show good internal consistency. The alpha for all scales variables exceed the critical value of 0.60 (Malhotra 1993); moreover, with one exception (social justice $\alpha=0.66$), all are above 0.70. A strong reliability is thereby demonstrated with coefficient alpha ranging from 0.66 to 0.90. Generally predictable relationships were found between all variables of human, organisational and social capital. Interestingly, all variables from human capital were significantly positively correlated with variables of organisation and social capital. For instance, the results presented in Table 8.1 indicate a strong significant and positive relationship between organisational engagement and organisational culture ($r=0.79$, $p<0.01$), organisational culture and trust ($r=0.74$, $p<0.01$), organisational culture and training and development ($r=0.65$, $p<0.01$), trust and organisational engagement ($r=0.65$, $p<0.01$), remuneration and organisational engagement ($r=0.51$, $p<0.01$) and remuneration and trust ($r=0.54$, $p<0.01$). However, a significant and negative relationship was found between gender inequality and organisational engagement ($r=-0.34$, $p<0.01$), *wasta* and organisational engagement ($r=-0.29$, $p<0.01$). The correlations matrix in Table 8.1 also shows that the bivariate relationships between job title and career development are unexpected ($r=0.17$, $p<0.01$), and job title is significantly and negatively correlated with education ($r=-0.30$, $p<0.01$).

A weak and negative relationship was found between job title and *wasta* ($r=-0.07$, $p<0.05$), social justice and training and development ($r=-0.07$, $p<0.05$), while no substantial relationship was found between two of the control variables (age and educational level) and dependent variables (organisational engagement and training and development). The strongest significant correlation found was between organisational culture and organisational engagement ($r=0.79$, $p<0.01$), while the weakest significant correlation was found between social justice and training and development ($r=-0.07$, $p<0.05$), job title and *wasta* ($r=-0.07$, $p<0.05$) and age and gender inequality ($r=0.07$, $p<0.05$). Respondents' contradictory views to the two independent variables could also explain the low correlation between social justice and training and development. For instance, training and development items were positively formalised, while social justice items were negatively formalised and therefore the result was contrary to expectations.

Conclusion: Hypothesis 1 is partially supported: there is a correlation between the majority of variables of human, organisational and social capital.

8.1.2 H2 Test

Statistical technique: Parametric alternative: Pearson's correlation coefficient

Hypothesis 2: *There is a significant correlation between human, organisation and social constructs.*

Results: Preliminary analyses were performed to ensure there was no violation of the assumptions of normality, linearity and homoscedasticity (see Appendix 6). The analysis is described in Table 8.2 below.

Table 8.2 H2: Capital Constructs, Mean, Standard Deviation, and Intercorrelation

Correlation of Capital Constructs	Mean	SD	Human	Organisational	Social
Human capital	2.71	.654	(1)		
Organisational capital	2.67	.557	.821(**)	(1)	
Social capital	3.04	.478	-.154(**)	-.035	(1)

** $p < .01$ (2-tailed)

N=930.

A significantly positive correlation was found in Table 8.2 between human and organisational capital constructs ($r = .821$, $p < .01$). Wayne et al. (1999) similarly found that employees with a high investment in human capital increased their productivity and thereby gained further rewards. A weak negative correlation between human and social capital constructs was found ($r = -.154$, $p < .05$). This is supported by Pennings et al. (1998) who found weak correlation between human and social capital variables, because the elements are embodied in the individuals who collectively own firms. This suggests that regardless of the weak relationship, there is tangible evidence that the variables of these two forms of capital enhance each other. In other words, a nurturing working environment facilitates the development of human and social capital dimensions, thus, individuals' achievements are higher

Although the matrix correlation in Table 8.1 shows no relationship between organisational and social capital constructs, the same table shows a strong relationship between certain variables within organisational and social capital. For instance, there is a strong positive correlation between organisational culture and trust ($r = .736$, $p < .01$), career development and trust ($r = .495$, $p < .01$), remuneration and trust ($r = .545$, $p < .01$), and a weak correlation between English fluency and social justice ($r = .167$, $p < .01$). This suggests a high level of interaction between these organisational and

social capital elements, despite the lack of evidence in correlation testing. This concurs with a study by Adel and Kwon (2002) who demonstrate that social capital has a positive impact on human resource areas, such as remuneration, career development and job search assistance, and on organisational areas, such as inter-unit resource exchange, entrepreneurship, regional production network, supplier relations and inter-company learning.

The weak correlation between organisational and social capital constructs in this study may be attributed to the use of introduced variables, namely, gender inequality and *wasta*, which were not considered in previous studies; consequently this research obtained different results. Further, this research sampled UAE national employees in their workplaces, whilst other studies samples were sourced from different cultural and traditionalist environments and therefore findings are dissimilar. Finally, the quantitative methodology differs markedly to other studies.

Conclusion: Hypothesis 2 is partially supported and there is a significant correlation between human and organisational capital factors, a weak negative correlation between human and social capital factors, and no correlation between the elements of organisational and social capital.

8.1.3 H3 Test

Statistical technique: Parametric alternative: independent samples *t* test

Hypothesis 3: *Between public and private sector organisations there are significant variance in the means of the following variables: organisational engagement, training and development, organisational culture, career development, remuneration, English fluency, gender inequality, trust, social justice and wasta.*

Results: The result of independent sample *t* test indicated that the means of 5 only of the 10 variables were statistically significant. These are described in Table 8.3 below.

Table 8.3 H3: Significant Means of Defined Variables, by Sector

Variables	Sector	Mean	SD	Levene's Test for Equality of Variances		t test for Equality of Means			
				F	Sig.	t	df	Sig. (2-tailed)	Mean Difference
Training and development	Public Private	2.52 2.33	.896 .861	2.797	.095	3.264	759.8	.001	.191
Career development	Public Private	2.27 2.12	.623 .617	.001	.979	3.661	776.9	.000	.152
English fluency	Public Private	3.72 3.53	1.094 1.136	.393	.531	2.417	802.9	.016	.181
Gender inequality	Public Private	3.35 3.22	.665 .704	1.222	.269	2.699	813.6	.007	.124
Trust	Public Private	2.71 2.58	.833 .841	.020	.887	2.209	787.6	.027	.124

The 5 variables found to be significant were: training and development (M=2.52, SD=.89), (M=2.33, SD=.86), career development (M=2.27, SD=.62), (M=2.12, SD=.61), English fluency (M=3.72, SD=1.09), (M=3.53, SD=1.13), gender inequality (M=3.35, SD=.66), (M=3.22, SD=.704), and trust (M=2.71, SD=.83), (M=2.58, SD=.84).

Those variables under H3 that did not exhibit significant values are included at Table 8.4 below.

Table 8.4 H3: Nonsignificant Defined Variables, by Sector

Variables	Sector	Mean	SD	Levene's Test for Equality of Variances		t test for Equality of Means			
				F	Sig.	t	df	Sig. (2-tailed)	Mean Difference
Organisation engagement	Public Private	2.83 2.79	.669 .685	.106	.745	.892	795.0	.373	.040
Organisational culture	Public Private	2.70 2.65	.658 .698	.384	.536	1.222	814.2	.222	.056
Remuneration	Public Private	3.17 3.19	.933 1.046	11.958	.001	-.205	842.5	.837	-.013
Social justice	Public Private	3.27 3.34	.842 .783	3.533	.060	-1.399	742.0	.162	-.075
Wasta	Public Private	2.44 2.40	1.03 1.08	.445	.505	.504	808.4	.614	.036

Effect size statistics indicate the magnitude of the differences between the public and private sectors. However, there was no significant difference in mean scores between organisational engagement (public sector M=2.83, SD=.66), (private sector

M=2.79, SD=.68), organisational culture (public sector M=2.70, SD=.65), (private sector M=2.65, SD=.69), remuneration (public sector M=3.17, SD=.933), (private sector M=3.19, SD=1.04), social justice (public sector M=3.27, SD=.84), (private sector M=3.34, SD=.78), and *wasta* (public sector M=2.44, SD=1.03), (private sector M=2.40, SD=1.08).

There are a number of effect size statistical techniques. For the purpose of this study Cohen's d was used. This technique produces a standardised measure of mean difference and has a range between 0 - 1. To interpret this value, guidelines Cohen (1988) employed were adopted: .01=small effect, .06=moderate effect and .14=large effect. The magnitude of the difference in the sector means between training and development ($d=0.001$), organisational culture ($d=0.001$), career development ($d=0.014$), English fluency ($d=0.006$), gender inequality ($d=0.007$), trust ($d=0.005$), and social justice ($d=0.002$) were very small. Dewberry (2004) states that with a very large sample it is possible to obtain a statistically significant result even if the effect size is very small.

Conclusion: Hypothesis 3 is partially supported, and there is a significant variance in mean values between training and development, career development, English fluency, gender inequality, and trust.

8.1.4 H4 Test

Statistical technique: Parametric alternative: independent sample t test

Hypothesis 4: *There are significant variances in the means between three sets of constructs, namely human, organisational and social capital, in organisations from each business sector.*

Results: The results of the independent sample t test are shown at Table 8.5 below.

Table 8.5 H4: Capital Constructs, by Sector: Comparison of Means

Capital Construct	Mean	SD	Levene's Test for Equality of Variances		t test for Equality of Means				
			F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	
Human Public Private	2.76 2.68	.645 .658	.010	.920	1.788	928	.074	.078	.043
Organisational Public Private	2.72 2.64	.532 .571	.875	.350	2.211	928	.027	.082	.037
Social Public Private	3.07 3.01	.465 .486	.748	.387	1.690	928	.091	.054	.032

The *t* test showed a significant difference in the means for the organisational capital construct in the public sector (M=2.72, SD=.532) and the private sector [M=2.64, SD=.572; *t* (928)=2.211, *p*=.027]. However, there was no significant difference in mean values for the human capital construct between the public sector (M=2.76, SD=.645) and private sector [M=2.68, SD=.658; *t* (928)=1.178, *p*=.074]. Furthermore, no significant difference was found in the social capital set between the public sector (M=3.07, SD=.465) and the private sector [M=3.01, SD=.486; *t* (928)=1.680, *p*=.091].

Conclusion: Hypothesis 4 is partially supported, with the conclusion that there is a significant variance in the means between sectors for the organisational capital construct.

8.1.5 H5 Test

Statistical technique: Non-parametric technique: chi-square for independence

Hypothesis 5: *Human, organisational and social capital constructs for public and private sectors are independent.*

Results: Table 8.6 shows the results of Pearson's chi-square test.

Table 8.6 H5: Capital Constructs Tests, Chi-square Values, Degrees of Freedom and Difference in Proportions

Capital Constructs Both Sectors	Pearson's Chi-Square χ^2 Value	Degrees of freedom	Asymp. Sig. (2-sided)
Human	61.95	45	.047
Organisational	82.96	83	.480
Social	54.74	48	.234

Results of the chi-square tests at Table 8.6 show a significant difference in terms of human capital constructs in both sectors, χ^2 (45, N=930)=61.954, $p= .047 < .05$. However, the difference between the organisational capital construct, χ^2 (83, N=930)=82.96, $p=.480$, and social capital construct χ^2 (48, N=930)=54.746, $p=.234$ were not statistically significant.

Conclusion: Hypothesis 5 is partially supported, and the findings are that human capital constructs in the public and private sectors are independent of each other.

8.1.6 H6 Test

Statistical technique: Non-parametric technique: chi-square for independence

Hypothesis 6: *The UAE national population differs between those in the public and private sectors in terms of educational attainment.*

Results: Table 8.7 displays the results of the H6 test.

Table 8.7 H6: Educational Attainment, by Sector: Chi-square Values, Degrees of Freedom and Difference in Proportions

Variable	χ^2 Value	Degrees of Freedom	Asymp. Sig. (2-sided)
Education level	41.74	1	.000

The variable education was found to have statistically significant differences between the public and private sectors: χ^2 (1, N=930)=41.74, $p=.000 < .05$ (see Table 8.7). Overall, results indicated that 34.6 per cent of respondents in the public sector had either graduated from secondary school or held a diploma, whereas the figure for the private sector was 56.4 per cent. Moreover, 65.4 per cent of participants in the public sector had a higher diploma and above, while the percentage for the private

sector was 43.5. The results lead to the conclusion that the majority of positions in the private sector are in the low administrative categories, while the higher-level opportunities for positions for UAE nationals are in the public sector. This result is supported by Freek (2004) who found the majority of UAE nationals who were working in the private sector had a clerical or administrative position.

Conclusion: Hypothesis 6 is supported: there is a statistically significant difference between populations in the public and private sectors in terms of educational levels.

8.1.7 H7 Test

Statistical technique: Non-parametric technique: chi-square for independence

Hypothesis 7: *In terms of job title, there is difference between the populations of UAE nationals in the public and private sectors.*

Results: The results for the chi-square test for H7 are shown at Table 8.8 below.

Table 8.8 H7: Job Title by Sector: Chi-square value, Degrees of Freedom and Difference in Proportions

Variable	χ^2 Value	Degrees of freedom	Asymp. Sig. (2-sided)
Job title	14.92	1	.000

The result of the chi-square test at Table 8.8 shows that 64.6 per cent of Emirati employees in the public sector occupied a managerial position, and 35.4 per cent held administrative positions. In comparison, 51.5 per cent of respondents in the private sector were managers and 48.5 per cent were in administration. To test for difference, the chi-square test displayed statistically significant differences between the sectors: $\chi^2(1, N=930)=14.92, p=.000<.05$. As noted earlier in this section, it is clear that UAE national employees obtained better positions in the public sector, executive and supervisory management. The private sector employs UAE nationals in less senior positions. This result is consistent with findings by others such as Al-Lamki (1998), Freek (2004) and Tanmia (2004).

Conclusion: Hypothesis 7 is supported: there is a statistically significant difference between Emiratis in the public and private sectors in terms of job title.

8.1.8 H8 Test

Statistical technique: Non-parametric technique: chi-square for independence

Hypothesis 8: *There is a significant difference in years of experience between UAE nationals in the two sectors.*

Results: The test results for H8 are shown at Table 8.9 below.

Table 8.9 H8: Years of Work Experience, by Sector, Chi-square Value, Degrees of Freedom and Difference in Proportions

Variable	χ^2 Value	Degrees of freedom	Asymp. Sig. (2-sided)
Experience	57.37	1	.000

Years of work experience was found to yield statistically significant differences between the public and private sector populations: $\chi^2 (1, N=930)=57.37, p=.000<.05$ Table 8.9 results show that 64 per cent of Emirati employees in the public sector had work experience less than 10 years and 30 per cent 10 years or above. However, over three quarters (85.6%) of the respondents in the private sector had less than 10 years work experience, thus 14.4 per cent had 10 years or more. Work experience is an important factor in recruiting for both sectors; significantly, an individual's relevant work experience is a competitive advantage in the private sector. Clearly, private sector employers are not interested in UAE nationals who lack the experience and skills that the market requires. The results agree with prior studies such as Tanmia (2004) and Freek (2004), who found that UAE nationals not only lack relevant skills and knowledge for a particular job, but exhibit imperfect knowledge of workplace environments in general.

Conclusion: Hypothesis 8 is supported: there is a statistically significant difference between Emirati employees in the public and private sector in terms of work experience.

8.1.9 H9 Test

Statistical technique: Non-parametric technique: chi-square for independence.

Hypothesis 9: *There is a significant difference in age between UAE nationals in the two sectors*

Result: The age profiles for Emirati employees in both sectors were tested and the results are presented in Table 8.10 below.

Table 8.10 H9: Ages of Population, by Sector, Chi-square Value, Degrees of Freedom and Difference in Proportions

Variable	χ^2 Value	Degrees of freedom	Asymp. Sig. (2-sided)
Age	78.94	1	.000

The results of the chi-square test show age was a statistically significant difference between the sectors, $\chi^2(1, N=930)=78.94$, $p=.000<.05$. Table 8.10 illustrates results that 51.2 per cent of respondents in the public sector were aged below 30 years and 48.8 per cent of respondents were 30 years and above. On the other hand, 79.2 per cent of respondents in the private sector were aged below 30 years, with 20.8 per cent aged 30 years and above. This suggests that the majority of younger UAE nationals now find jobs in the private sector. Further, the majority of recent UAE entrants to the workforce graduated from private tertiary institutions based on current best-practice curricula models. Whilst there is more of an equilibrium between numbers of Emirati managers and administrative job-holders in the private sector, the youth factor suggests that private tertiary institutions produce graduates who are work-ready.

Conclusion: Hypothesis 9 is supported. The age variation is a statistically significant difference between UAE nationals in the public and private sectors.

8.1.10 H10 Test

Statistical technique: Non-parametric technique: chi-square for independence

Hypothesis 10: *There is a significant difference in gender between UAE nationals in the two sectors*

Results: Table 8.11 shows the results of the chi-square test.

Table 8.11 H10: Gender of Population, by Sector, Chi-square Value, Degrees of Freedom and Difference in Proportions

Variables	χ^2 Value	Degrees of freedom	Asymp. Sig. (2-sided)
Gender	.041	1	.837

The chi-square test showed that gender was not statistically significant between the sectors; $\chi^2(1, N=930)=.041$, $p=.837>.05$. In general, results from Table 8.11

were that 45 per cent of respondents in the public sector were male and 55 per cent female, while 44 per cent of respondents in the private sector were male and 56 per cent were female. Thus, no difference was found in gender between sectors, with no indication of gender preference for either sector.

Conclusion: Hypothesis 10 is rejected. No gender preference was found for either sector.

8.1.11 H11 Test

Statistical technique: Non-parametric technique: Mann-Whitney U Test of independence

Hypothesis 11: *Educational attainment is of greater significance in public sector organisations.*

Results: The results for the Mann-Whitney U Test for independence are presented below in two tables: Table 8.12 H11: Mann-Whitney U Test of Education, by Sector, and Table 8.13 H11: Statistics of Mann-Whitney U Test of Education.

Table 8.12H11: Mann-Whitney U Test of Education, by Sector

Sector	N	Mean Rank	Sum of Ranks
Public sector	367	533.10	195647.00
Private sector	563	421.44	237268.00
Total	930		

Table 8.13 H11: Statistics of Mann-Whitney U Test of Education

Test	Education
Mann-Whitney U	78502.000
Wilcoxon W	237268.000
Z	-6.905
Asymp. Sig. (2-tailed)	.000

The results of the Mann Whitney U tests revealed significant differences between the public sector organisations (Md=2, n=367) and their private sector counterparts (Md=1, n=563), U= 78502, z=-6.90, p=.000, r=.22.

Conclusion: Hypothesis 11 is supported; education level shows a statistically significant difference between sectors.

In the following section, hierarchical regression analysis based on four hypotheses is tested, and the impact of two sets of variables discussed: social and

organisational values on dependent variables, organisational engagement, and training and development.

8.2 Hierarchical Regression Analysis

Four sets of Hypotheses, H12, H13, H14 and H15 are tested herein. To test these hypotheses, hierarchical regression analysis is conducted to examine the impact of two sets of variables, social value and organisational value on organisational engagement and training and development. The first two Hypotheses, H12 and H13, examine the impact of two sets of variables, social value and organisational value on both organisational engagement and training and development in public sector organisations. Hypotheses H14 and H15 examine the impact of two sets of variables, social value and organisational value on organisational engagement and training and development in private sector organisations. A possible analysis combining the public and private sector results was not contemplated, as the purpose of this study is to identify variables that improve performance for UAE nationals within each sector. If the dataset was combined, identification of key sector variables would be negated. Therefore, two samples are used in this study. The first sample encompasses two public sector organisations (N=367), and the second sample comprises five private sector organisations (N=562). After controlling for the demographic set of variables, analysis was performed using SPSS 15. In this analysis, there were two dependent variables: organisational engagement, and training and development. A key process in this analysis was to examine the change in the semi-partial correlation (*sr*) of the independent variables.

Assessment of residual scatter-plots provides a test of assumptions of normality, linearity and homoscedasticity between predicted dependent variable values and errors of prediction (see Appendix 6). The results led to transformation of the variables to reduce skewness, reduce the number of outliers and improve the normality. The highest tolerance value for significant variables was age (.78) in the public sector, while *wasta* was the highest tolerance (.86) in the private sector organisations (see Tables 8.20 and 8.35). According to Hair et al. (2006) the presence of high correlations (generally .90 and higher) is the first indication of substantial collinearity. In this study the highest correlations are trust and organisational culture (.79) and organisational culture and organisational engagement (.75) in the public

sector sample (see Table 8.14). The values of the variance inflation factor were well below the cut-off of 10, indicating a complete lack of multicollinearity as recommended by Hair et al. (2006) and Tabachnick and Fidell (2007). These are further discussed in Section 8.3.1 and Section 8.4.1, public and private sectors, respectively.

Part correlation [semi-partial correlation (sr)] is used in this study to express the specific portion of variance explained by a given independent variable. Part correlation is different from partial correlation. According to Tabachnick and Fidell (2007, p.145) in a partial correlation

the contribution of the other independent variables is taken out of both the independent variable and the dependent variable. In a part correlation [semi-partial correlation (sr)], the contribution of other independent variables is taken out of only the independent variable. Thus, squared semi-partial correlation (sr) expresses the unique contribution of the independent variable to the total variance of the dependent variable.

For this reason part correlation is used extensively in this analysis. In the hierarchical regression, it determines which independent variables explain the effect of unique variance at each step.

There were three sets of variables entered into the hierarchical regression program. The first set, the respondents' demographic variables (gender, age, job title and education), acted as control variables. In the second step of the hierarchical regression analysis, the social value variable (trust, gender inequality, social justice and *wasta*) were entered. In the third step of the regression analysis, the organisation value variables (organisational culture, career development, remuneration and English fluency) were added into the equation. However, the researcher used a dummy variable was included in Step 1 of the hierarchical regression analysis for both the public and private sector, and there was no difference in the overall result (see appendix 8). In addition, firm size was not considered for both sectors, and this remains a possible area for investigation in future studies

8.3 Public Sector Analysis

In the following section, the three-stage hierarchical regression analysis is separately examined to test the H12 and H13. The section begins with specifying the selection of the independent and dependent variables. It examines the role played by each independent variable in the prediction of the dependent measure. In addition,

the degree and character of the relationship between dependent and independent variables is assessed by forming the variate of independent variables and then examining the magnitude, sign, and statistical significance of the regression coefficient in three stages for each independent variable. As mentioned above, demographic variables are the first variables to enter, followed by social then organisational variables. The first two H12 and H13 are tested as follows:

Hypothesis (H12): *After controlling for the demographic set of variables (gender, age, job title, and education) in public sector organisations, then for the social value set of variables [trust, gender inequality, social justice, and wasta (nepotism)], and the organisational value set of variables (organisational culture, career development, remuneration and English fluency), the unique variance in the human capital variable of organisational engagement is explained.*

Hypothesis (H13): *After controlling for the demographic set of variables (gender, age, job title, and education) in public sector organisations, then for the social value set of variables (trust, gender inequality, social justice, and wasta (nepotism)), and the organisational value set of variables (organisational culture, career development, remuneration and English fluency) the unique variance in the human capital variable of training and development is explained.*

Variables from both the social and the organisational value variable set were expected to explain unique variance in the two dependent variables (organisational engagement and training and development) that comprised the human capital construct after controlling for. Hierarchical regression of these variables are discussed in the next section.

Table 8.14 presents descriptive statistics including mean, standard deviations, Cronbach's alpha, and bivariate correlation matrix of the variables for both Hypotheses (H12 and H13) included in the analysis.

Table 8.14: H12, H13: Matrix Comparison of Descriptive Analyses for Variables for all Public Sector Constructs

Variable	M	SD	Gender	Age	Job Title	Education	Gender Ineq.	Trust	Social Justice	Wasta	Org. Culture	Career Develop	Pay	Eng. Fluency	Organ. Engagt	Trng & Dev'mt.
Gender	1.55	0.50	(-)													
Age	2.40	1.05	-.308**	(-)												
Job title	3.47	1.18	.09	-.23**	(-)											
Education	5.14	1.45	.00	.20**	-.52**	(-)										
Gender inequality	3.35	0.67	-.08	.07	-.06	.02	(.71)									
Trust	2.71	0.83	.04	.21**	.06	.01	-.23**	(.72)								
Social justice	3.27	0.84	.39**	-.08	.05	.00	.27**	-.05	(.70)							
Wasta (nepotism)	2.44	1.04	-.02	.11*	-.08	.12*	.29**	-.11*	.15**	(.78)						
Organisational culture	2.71	0.66	.15**	.11*	.02	.07	-.28**	.79**	-.06	-.21**	(.89)					
Career development	2.28	0.62	.11*	-.03	.30**	-.14**	-.27**	.45**	.01	-.14**	.50**	(.68)				
Remuneration	3.18	0.93	-.01	.10	.10	-.07	-.24**	.49**	-.03	-.16**	.46**	.42**	(.78)			
English fluency	3.72	1.09	.16**	.00	-.17**	.21**	.14**	-.02	.20**	.15**	.02	-.11*	-.05	(.78)		
Organisational engagement	2.84	0.67	.11*	-.02	.11*	-.03	-.38**	.62**	-.09	-.27**	.75**	.50**	.42**	-.07	(.79)	
Training and development	2.52	0.90	.04	-.01	.11*	-.03	-.27**	.47**	-.03	-.20**	.62**	.41**	.32**	-.00	.51**	(.78)

* $p < 0.05$, ** $p < 0.01$ **Note.** N=367. Cronbach's alpha are given in parentheses along the diagonal

The majority of the values exhibited in Table 8.14 (N=367) show good internal consistency. The alpha for all variables exceeds the critical value of 0.60 (Malhotra 1993); with the exception of career development (alpha=0.68), all alpha are above 0.70. Overall, a strong reliability is demonstrated with coefficient alpha ranging from 0.68 to 0.89.

There is a significant and positive relationship between trust and organisational culture ($r=0.79$, $p<0.01$), organisational culture and career development ($r=0.50$, $p<0.01$), organisational culture and organisational engagement ($r=0.75$, $p<0.01$), organisational culture and training and development ($r=0.62$, $p<0.01$), career development and organisational engagement ($r=0.50$, $p<0.01$) and organisational engagement and training and development ($r=0.51$, $p<0.01$). However, a significant and negative relationship was found between job title and education ($r=-0.52$, $p<0.01$). Job title is positively connected with career development, which is in the expected direction ($r=0.30$, $p<0.01$), but negatively correlated with education ($r=-0.52$, $p<0.01$). A weak relationship was found between job title and training and development ($r=0.11$, $p<0.05$) while no substantial relationship was found between the control variables and dependent variable (training and development).

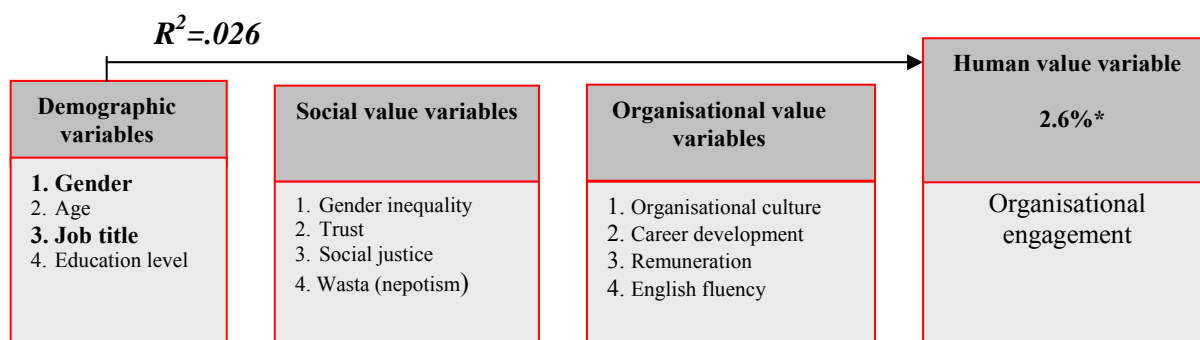
Of the social value variables, trust ($r=-0.23$, $p<0.01$), social justice ($r=0.26$, $p<0.01$), *wasta* ($r=0.29$, $p<0.01$); of the organisational value variables, organisational culture ($r=-0.27$, $p<0.01$), career development ($r=0.27$, $p<0.01$), remuneration ($r=0.23$, $p<0.01$) English fluency ($r=0.13$, $p<0.01$) organisational engagement ($r=0.37$, $p<0.01$); and of the human value variable, training and development ($r=0.27$, $p<0.01$) were significantly related to gender inequality. This suggests that trust plays a significant role in the organisation. The strongest significant correlation found was between organisational culture and organisational engagement ($r=0.75$, $p<0.01$), while the weakest significant correlation was found between trust and *wasta* ($r=-0.10$, $p<0.05$).

8.3.1 H12 Independent Variable Organisational Engagement

In the following section, the three-stage hierarchical regression analysis to test the H12 is demonstrated. Semi-partial (sr) correlation is used at each step to identify the extent of unique variance explained by independent variables. A diagram

illustrates the significant variables and variation in the dependent variable account at that particular stage of the hierarchical regression analysis.

Step 1 Demographic Variables on Organisational Engagement: In the first step (Model 1), demographic variables (age, education, job title and gender) were entered into the hierarchical regression and acted as controls, as shown in Figure 8.1.



* % explained variance for dependent variable

Note. Significant variables in bold.

Figure 8.1: Public Sector Model 1 Hierarchical Regression, Independent variables (demographic variables) on dependent variable (organisational engagement).

At Table 8.15 Public Sector Model 1 Statistical Summary of Organisational Engagement, the multiple R (.161) was found to be statistically significant, $R^2 = .026$, $F(4, 362) = 2.42$, $p < .05$.

Table 8.15: Public Sector Model 1 Statistical Summary of Organisational Engagement

Model	R	R Square	Adjusted R Square	F	Std. Error of the Estimate	Sig
1	.161	.026	.015	2.42	.66444	.048

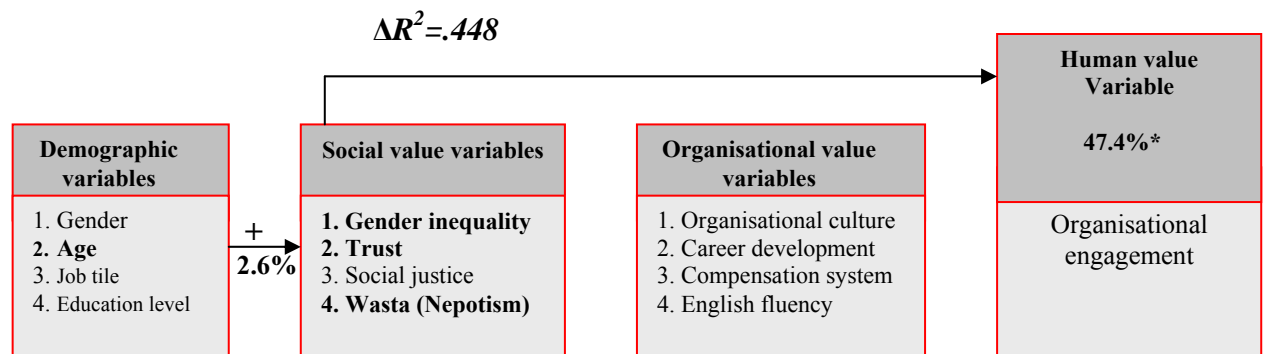
In total, 2.6 per cent (1.5 % adjusted) of the variation in organisational engagement was accounted for by the set of demographic variables.

Table 8.16: Public Sector Model 1 Coefficient Regression, Organisational Engagement

Model	Unstandardised Coefficients		Standardised Coefficients	t	Sig	Correlations		
	b	SE	β			Zero-order	Partial	part
(Constant)	2.239	.275		8.131	.000			
Gender	.155	.074	.116	2.113	.035	.115	.110	.110
Age	.024	.036	.037	.658	.511	-.022	.035	.034
Job title	.071	.035	.125	2.029	.043	.114	.106	.105
Education level	.011	.028	.023	.383	.702	-.034	.020	.020

Table 8.16 indicates that the standardised regression coefficient (β) for the two control variables gender ($\beta=.116$, $p<.05$) and job title ($\beta=.125$, $p<.05$) were significant. Of the 2.6 per cent explained variance, the squared semi-partial correlations (sr^2) show in the ‘part’ column of Table 8.16 that gender explained 1.2 per cent ($sr^2=.110^2$) and job title explained 1.1 per cent ($sr^2=.105^2$) of this variance, when all other variables in the equation were controlled. Of the two demographic variables, gender explained greater unique variance in organisational engagement in public sector organisations. In step 1, age and education level did not significantly explain any additional unique variation. As indicated in Figure 8.1, only gender and job title of the demographic value variables were significant.

Step 2 Demographic and Social Value Variables for Organisational Engagement: In the second step (Model 2), social value variables were entered after the demographic variables into the hierarchical regression as shown in Figure 8.2.



* % explained variance in dependent variable

Note. Significant variables in bold.

Figure 8.2: Public Sector Models 1 & 2 Hierarchical Regression, Independent Variables (Social Value Variables) on Dependent Variable (Organisational Engagement).

The introduction of the social variables (gender inequality, trust, social justice and *wasta*) caused R^2 to change from .026 in model 1 to .474 in model 2, see Table 8.17 Public Sector Models 1 & 2, Statistical Summary of Organisational Engagement

Table 8.17: Public Sector Models 1 & 2, Statistical Summary of Organisational Engagement

Model	R	R Square	Adjusted R Square	F	Std. Error of the Estimate	Sig
1	.161	.026	.015	2.416	.66444	.048
2	.688	.474	.462	40.307	.49106	.000

Table 8.17 shows a significant change in R^2 ($\Delta R^2=.448$, $p<0.001$). The multiple R (.688) was statistically significant, $R^2= .474$, $F(4, 358)=40.307$, $p<.001$. In total, 44.8 per cent (46.2% adjusted) of the variation in organisational engagement was accounted for by the set of social value variables, in addition to the 2.6 per cent variance by the demographic set of variables grouping; in total of 47.4 per cent of variance.

Table 8.18: Public Sector Model 2: Coefficient Regression. Organisational Engagement

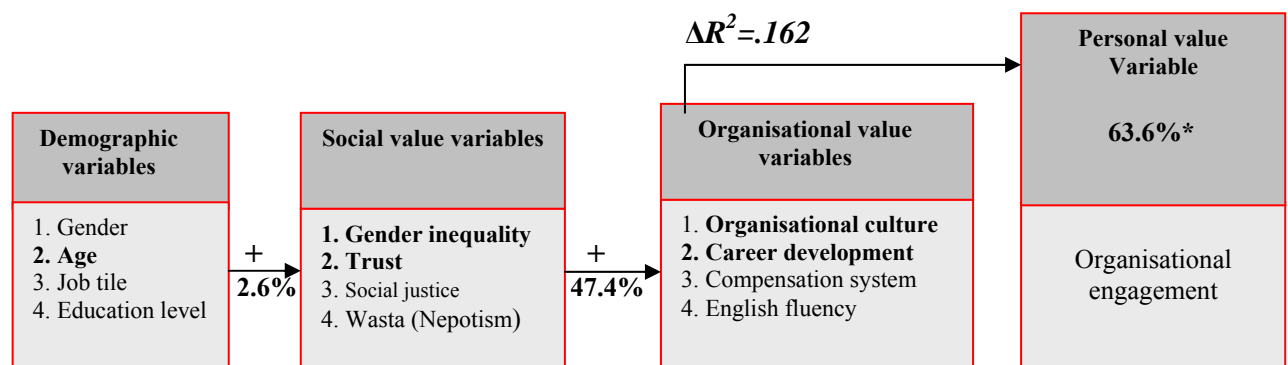
Model 2	Unstandardised Coefficients		Standardised Coefficients	t	Sig	Correlations		
	b	SE	β			Zero-order	Partial	part
(Constant)	2.379	.263		9.05	.000			
Gender	.070	.060	.052	1.15	.248	.115	.061	.044
Age	-.061	.028	-.095	-2.19	.029	-.022	-.115	-.084
Job title	.023	.026	.040	.88	.378	.114	.047	.034
Education level	.010	.021	.021	.45	.649	-.034	.024	.017
Gender inequality	-.179	.043	-.178	-4.12	.000	-.373	-.213	-.158
Trust	.462	.033	.575	14.05	.000	.618	.595	.537
Social justice	-.020	.035	-.025	-.56	.571	-.095	-.030	-.022
<i>Wasta</i>	-.090	.026	-.140	-3.42	.001	-.269	-.178	-.131

Table 8.18 shows that the standardised regression coefficient (β) for one demographic variable, age ($\beta=-.095$, $p<.05$), and three social value variables: gender inequality ($\beta=-.178$, $p<.001$), trust ($\beta=.575$, $p<.001$), and *wasta* ($\beta=-.140$, $p<.001$), were significant. Of the 47.4 per cent explained variance, the squared semi-partial correlations (sr^2) show in ‘part’ of Table 8.18 column that the majority of dominant variables in terms of unique variance is explained [where age is 0.7 per cent ($sr^2=-.084^2$); gender inequality is 2.5 per cent ($sr^2=-.158^2$); trust is 29 per cent ($sr^2=.537^2$); and *wasta* is 1.7 per cent ($sr^2=-.131^2$)] when all variables in the equation were controlled for.

However, the pattern of significance for the demographic variables has changed. In step 1 (model 1), both gender and job title were significant; however they became insignificant in step 2 (model 2). This was reflected in their respective semi-partial correlations (sr^2). Gender has changed from a significant 1.2 per cent ($sr^2=.110^2$) in step 1 to an insignificant 0.2 per cent ($sr^2=.044^2$) in step 2; and job title from a significant 1.1 per cent ($sr^2=.105^2$) in step 1 to an insignificant 0.15 per cent ($sr^2=.034^2$) in step 2. That means gender and job title in step 2 explained an insignificant amount of unique variance (total 0.35%) of the total 47.4 per cent

explained variance in organisational engagement in the public sector organisations. Age, which was insignificant in step 1, became significant in step 2 ($\beta = -.095$, $p < .05$), moving from an insignificant 0.1 per cent ($sr^2 = .034^2$) to significant 1 per cent ($sr^2 = .084^2$) of variation when the four demographic value variables (gender, age, job title and education level) and four social value variables (gender inequality, trust, social justice and *wasta*) were controlled for. Trust, gender inequality, *wasta* and age were significant predictors and explained unique variation in organisational engagement in public sector organisations. Of these, trust explains the greatest unique variance in organisational engagement, followed by age, *wasta* and gender inequality. In step 2, gender, job title, education level and social justice did not significantly explain any additional unique variation.

Public Sector Model 3 Demographic, Social and Organisational Value Variables on Organisational Engagement: In the third step (Model 3), organisational value variables were added, after controlling for demographic and social value variables in the hierarchical regression as shown in Figure 8.3.



* % explained variance in dependent variable

Note. Significant variables in bold,

Figure 8.3: Public Sector Models 1, 2 & 3, Hierarchical Regression, Independent Variables (Organisational Value Variables) on Dependent Variable (Organisational Engagement)

Table 8.19: Public Sector, Models 1, 2, & 3 Organisational Engagement Summary

Model	R	R Square	Adjusted R Square	F	Std. Error of the Estimate	Sig
1	.161	.026	.015	2.416	.66444	.048
2	.688	.474	.462	40.307	.49106	.000
3	.798	.636	.624	51.61	.41059	.000

The introduction of the organisational set of variables (organisational culture, career development, remuneration and English fluency) caused R^2 to change from .474 in model 2 to .636 in model 3, as depicted in Table 8.19. This was a significant

change in R^2 ($\Delta R^2=.162$, $p<0.001$). The multiple R (.798) was statistically significant, $R^2=.636$, $F(4, 354)=51.609$, $p<.001$.

In total, 16.2 per cent (62.4% adjusted) variation in organisational engagement was accounted for by the set of organisational value variables after the 2.6 per cent variance explained by the demographic set of variables, and the 47.4 per cent variance explained by organisational set of variables were accounted for. In total of 63.6 per cent of variance was explained.

Table 8.20: Public Sector Coefficient Regression: Organisational Engagement

Model 3	Unstandardised Coefficients		Standardised Coefficients	<i>t</i>	Sig	Correlations				
	<i>b</i>	SE	β			Zero-order	Partial	part	T	VIF
(Constant)	1.519	.241		6.29	.000					
Gender	-.033	.052	-.025	-.63	.523	.115	-.034	-.020	0.70	1.44
Age	-.063	.023	-.100	-2.74	.006	-.022	-.145	-.088	0.78	1.28
Job title	.012	.023	.021	.53	.591	.114	.029	.017	0.65	1.54
Education level	-.005	.018	-.011	-.29	.768	-.034	-.016	-.009	0.69	1.44
Gender inequality	-.125	.037	-.124	-3.37	.001	-.373	-.176	-.108	0.76	1.32
Trust	.112	.040	.139	2.80	.005	.618	.147	.090	0.42	2.40
Social justice	-.001	.030	-.001	-.03	.971	-.095	-.002	-.001	0.73	1.37
<i>Wasta</i>	-.043	.022	-.066	-1.89	.059	-.269	-.100	-.061	0.85	1.18
Organisational culture	.582	.053	.573	11.06	.000	.755	.507	.355	0.38	2.61
Career development	.093	.044	.087	2.10	.036	.497	.111	.067	0.61	1.65
Remuneration	.009	.028	.012	.32	.750	.418	.017	.010	0.68	1.47
English Fluency	-.023	.021	-.038	-1.10	.268	-.075	-.059	-.036	0.87	1.15

Table 8.20 shows evidence that the standardised regression coefficient (β) for one demographic variable, age ($\beta= -.100$, $p<.001$), two social value variables [gender inequality ($\beta= -.124$, $p<.001$) and trust ($\beta=.139$, $p<.001$)] and two organisational value variables [organisational culture ($\beta=.573$, $p<.001$) and career development ($\beta=.087$, $p<.05$)] were significant.

Multicollinearity indicates a high degree of linear correlation amongst two or more independent variables, making it difficult to separate their effects on the dependent variable. Tolerance values close to 1.0 indicate a lack of multicollinearity, thus each independent variable's effects on the dependent variable is assumed to be singular (Hair et al. 2006). The tolerance values for three independent variables shown in Table 8.20 are above .50: age (.78), gender inequality (.76), career development (.61); and less than .50 for two independent variables: trust (.42) and organisational culture (.38). The tolerance values are thus less indicative of multicollinearity. However, Table 8.20 also shows that all five independent variables

are significantly contributing to the dependent variable (organisational engagement). Hence, the model is finalised.

Of the 63.6 per cent explained variance, the squared semi-partial correlations (sr^2) shown in the part of column of Table 8.20 show that the important variables in terms of unique variance explained, were organisational culture 12.6 per cent ($sr^2=.355^2$), gender inequality 1.2 per cent ($sr^2=.108^2$), trust 0.8 per cent ($sr^2=.090^2$), age explained 0.8 per cent ($sr^2=.088^2$), and career development explained 0.4 per cent ($sr^2=.067^2$) of variance, when all variables in the equation were controlled.

The pattern of significance for the social value variables changed. In step 2 (model 2), *wasta* was significant; however, it became insignificant in step 3 when controlled by the organisational additional set of variables. *Wasta*, which explained 1.7 per cent ($sr^2=.131^2$) of the total 47.4 per cent variance by the end of step 2, now explains 0.4 per cent ($sr^2=.061^2$) of the total 63.6 per cent variation by the end of step 3. With regard to the part correlations (Table 8.20) for all variables, organisational culture has the highest part correlation (.355), which is also statistically significant at the .000 level. This variable explains 12.6 per cent of the total variance. Overall, the results show that organisational culture, trust, gender inequality, age and career development are significant predictors of organisational engagement and explain unique variations in organisational engagement in public sector organisations. Increase in any of these five variables results in increase in organisational engagement. In step 3, gender, job title, education level, social justice, remuneration and English fluency did not significantly explain any additional unique variation.

Summary: The multiple R (.798) was statistically significant after step 3, with all independent variables in the equation, $R^2=.636$, $F(4, 354)=51.61$, $p<.001$. In step 1, age and job title explain statistically significant unique variation in organisational engagement in public sector organisations. The addition of the social value variables in step 2 produced a significant change in R^2 ($\Delta R^2=.448$, $p<0.001$). Gender inequality, trust, *wasta* and age explain significant unique variations. In the final step, the introduction of organisational value variables caused a significant increase in R^2 ($\Delta R^2=.162$, $p<0.001$). The final results of this 3-step hierarchical regression analysis were that, organisational culture, trust, gender inequality, age and career development

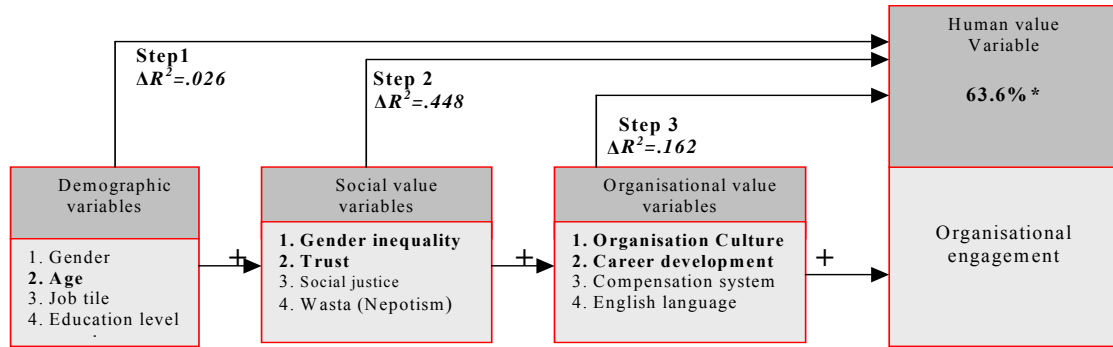
explained unique variation in the organisational engagement (see Table 8.21) after the other variables were controlled for.

Table 8.21: Public Sector, Hierarchical Regression Analysis for Organisation

Engagement					
Methodology		Organisational Engagement			
		B	SE	β	ΔR^2
Step 1					0.26*
	Gender	0.16	0.07	0.12*	
	Age	0.02	0.04	0.04	
	Job title	0.07	0.03	0.12*	
	Education level	0.01	0.03	0.02	
Step 2					0.448**
	Gender	0.07	0.06	0.05	
	Age	-0.06	0.03	-0.10*	
	Job title	0.02	0.03	0.04	
	Education level	0.01	0.02	0.02	
	Gender inequality	-0.18	0.04	-0.18**	
	Trust	0.46	0.03	0.58**	
	Social justice	-0.02	0.04	-0.03	
	<i>Wasta</i>	-0.09	0.03	-0.14**	
Step 3					0.162**
	Gender	-0.03	0.05	-0.02	
	Age	-0.06	0.02	-0.10**	
	Job title	0.01	0.02	0.02	
	Education level	-0.01	0.02	-0.01	
	Gender inequality	-0.13	0.04	-0.12**	
	Trust	0.11	0.04	0.14**	
	Social justice	0.00	0.03	0.00	
	<i>Wasta</i>	-0.04	0.02	-0.07	
	Organisational Culture	0.58	0.05	0.57**	
	Career development	0.09	0.04	0.09*	
	Remuneration	0.01	0.03	0.01	
	English Fluency	-0.02	0.02	-0.04	

* $p < .05$. ** $p < .001$.

Note: For organisational engagement, final model, $F(4, 354)=51.609$, $p<.001$, and total $R^2 = .636$. B = unstandardised regression coefficients. β = standardised coefficients, .SE= standard error of B, ΔR^2 = change in R square, significant variables in **bold** in step 3.



* % explained variance in dependent variable
Note. Significant variables in bold,

Figure 8.4: Hierarchical regression – independent variables (demographic, social and organisational value variables) on dependent variable (organisational engagement) in the public sector.

Figure 8.4 shows only age was significant under demographic value variables; under social value variables, gender inequality and trust were significant, and under organisational value variables, organisational culture and career development were significant. Gender, job title, Education level, social justice, *wasta*, remuneration and English fluency did not play a significant role in explaining variation in the dependent variable of organisational engagement. Thus, H12 is partially supported.

The final regression equation for organisational engagement follows

$$\text{Organisational engagement} = 1.519 - .063(\text{age}) - .125(\text{gender inequality}) + .112$$

(trust) +

$$.582(\text{organisational culture}) + .093(\text{career development})$$

$$\text{Organisational engagement} = 2.118.$$

8.3.2 H13 Independent Variable Training and Development

In the following section, H13 is tested to examine the impact of two sets of variables (social value and organisational value) on training and development in the public sector.

Hypothesis (H13): *In the public sector organisations, after controlling for the demographic set of variables (gender, age, job title, and education), the social value set of variables (trust, gender inequality, social justice, and wasta (nepotism)), and the organisational value set of variables (organisational culture, career development, remuneration and English fluency) will explain unique variance in the human capital variable of training and development.*

The three-stage hierarchical regression analysis to test H13, using significant variables to explain the percentage of variance in the dependent variable in each stage is in the following section.

Step 1 Demographic Variables on Training and Development: In the first step (model 1), demographic variables (age, education, job title and gender) were entered into the hierarchical regression and acted as controls. The results are shown at Table 8.22.

Table 8.22: Public Sector Model 1 Statistical Summary of Training and Development.

Model	<i>R</i>	<i>R</i> ²	Adjusted <i>R</i> ²	F	Std. Error of the Estimate	Sig
1	.121	.015	.004	1.345	.89452	.253

The multiple *R* (.121) shown in Table 8.22 was statistically insignificant, $R^2=.015$, $F(4,362)=1.345$, $p>.05$. In total, 1.5 per cent (0.4% adjusted) of the variation in training and development was accounted for by the set of demographic variables. As indicated in Table 8.20, only one demographic value variable (job title) was significant.

Table 8.23: Public Sector Model 1 Coefficient Regression, Training and Development

Model 1	Unstandardised Coefficients		Standardised Coefficients	<i>t</i>	Sig	Correlations		
	<i>b</i>	SE	β			Zero-order	Partial	part
(Constant)	1.950	.371		5.260	.000			
Gender	.073	.099	.040	.734	.463	.045	.039	.038
Age	.020	.048	.023	.409	.683	-.013	.021	.021
Job title	.096	.047	.126	2.042	.042	.111	.107	.107
Education level	.016	.038	.026	.415	.678	-.035	.022	.022

Table 8.23 finds that the standardised regression coefficient (β) for the control variable, job title ($\beta=.126$, $p<.05$), was significant. Of the 1.5 per cent explained variance, the squared semi-partial correlations (sr^2) shown in the part of column of Table 8.23 that job title explained 1.1 per cent ($sr^2=.107^2$) of this variance when all other variables in the equation were controlled. Job title explains a significant unique variance in training and development in public sector organisations. In step 1, gender, age and education level did not significantly explain any additional unique variation.

Step 2 Demographic and Social Value Variables on Training and Development: In the second step (model 2), social value variables were added to demographic variables in the hierarchical regression. The results are shown at Table 8.24.

Table 8.24: Public Sector Models 1 & 2, Statistical Summary of Training and Development

Model	R	R ²	Adjusted R ²	F	Std. Error of Estimate	Sig
1	.121	.015	.004	1.345	.89452	.253
2	.524	.274	.258	16.921	.77190	.000

The introduction of the social variables (gender inequality, trust, social justice and *wasta*) caused R^2 to change from .015 in model 1 to .274 in model 2 (see Table 8.24). This was a significant change in R^2 ($\Delta R^2=.260$, $p<0.001$). The multiple R (.524) was statistically significant, $R^2=.274$, $F(4, 358)=16.921$, $p<.001$. In total, 26 per cent (25.8% adjusted) of the variation in training and development was accounted for by the set of social value variables, in addition to the 1.5 per cent variance by the demographic set, in total: 27.4 per cent of variance.

Table 8.25: Public Sector Model 2, Coefficient Regression, Training and Development

Model 2	Unstandardised Coefficients		Standardised Coefficients	<i>t</i>	Sig	Correlations		
	b	SE	β			Zero-order	Partial	part
(Constant)	1.962	.413		4.750	.000			
Gender	-.071	.095	-.039	-.748	.455	.045	-.039	-.034
Age	-.071	.043	-.084	-1.647	.100	-.013	-.087	-.074
Job title	.044	.041	.058	1.087	.278	.111	.057	.049
Education level	.014	.033	.022	.412	.681	-.035	.022	.019
Gender inequality	-.198	.068	-.147	-2.908	.004	-.272	-.152	-.131
Trust	.481	.052	.447	9.278	.000	.474	.440	.418
Social justice	.057	.055	.054	1.038	.300	-.030	.055	.047
<i>Wasta</i>	-.085	.041	-.099	-2.062	.040	-.192	-.108	-.093

Table 8.25 shows that the standardised regression coefficient (β) for three social value variables: gender inequality ($\beta= -.147$ $p<.001$), trust ($\beta=.447$, $p<.001$), and *wasta* ($\beta= -.099$, $p<.05$) were significant. Of the 27.4 per cent explained variance, the squared semi-partial correlations (sr^2), part of column of Table 8.25, point out that the most important variables in terms of unique variance explained were gender inequality with 1.7 per cent ($sr^2=.131^2$), trust with 17.4 per cent ($sr^2=.418^2$) and

wasta with 0.7 per cent ($sr^2=-.093^2$) of unique variance explained, when all variables in the equation were controlled.

However, the pattern of significance for the demographic variables changed. In step 1 (model 1), job title was significant; however, it became insignificant in step 2 (model 2). This was reflected in the respective semi-partial correlations (sr^2). Job title changed from a significant 1.1 per cent ($sr^2=.107$) in step 1 to an insignificant 0.2 per cent ($sr^2=.049$) in step 2 of variation, when the four demographic value variables (gender, age, job title and education level) and four social value variables (gender inequality, trust, social justice and *wasta*) were controlled. Trust, gender inequality and *wasta* were significant predictors and explained unique variations in the training and development for public sector organisations. Of these, trust explains the greatest unique variance in training and development in the public sector, followed by *wasta* and gender inequality. In step 2, demographic value variables (gender, age, job title and education level) and social justice did not significantly explain any additional unique variation.

Step 3 Demographic, Social and Organisational Value Variables on Training and Development: In the third step (model 3), after the demographic and social value variables, organisational value variables were added into the hierarchical regression. The results are shown at Table 8.26.

Table 8.26: Public Sector Models 1, 2 & 3, Statistical Summary of Training and Development

Model	R	R ²	Adjusted R ²	F	Std. Error of Estimate	Sig
1	.121	.015	.004	1.345	.89452	.253
2	.524	.274	.258	16.921	.77190	.000
3	.652	.425	.405	21.786	.69112	.000

The introduction of the organisational variables (organisational culture, career development, remuneration and English fluency) caused R^2 to change from .274 in model 2 to .425 in model 3 (see Table 8.26). This was significant change in R^2 ($\Delta R^2=.150$, $p<0.001$). The multiple R (.652) was statistically significant, $R^2=.425$, $F(4, 354)=21.786$, $p<0.001$.

Variation of 15 per cent (40.5% adjusted) in training and development was accounted for by the set of organisational value variables after the 1.5 per cent

variance explained by the demographic set of variables and the 24.4 per cent variance explained by the organisational set of variables were accounted for. In total of 42.5 per cent of variance was explained.

Table 8.27:Public Sector Coefficient Regression: Training and Development

Mode 3	Unstandardised Coefficients		Standardised Coefficients	<i>t</i>	Sig	Correlations				
	b	SE	β			Zero-order	Partial	Part	T	VIF
(Constant)	.800	.406		1.970	.050				0.70	1.44
Gender	-.222	.087	-.123	-2.555	.011	.045	-.135	-.103	0.78	1.28
Age	-.073	.039	-.085	-1.875	.062	-.013	-.099	-.076	0.65	1.54
Job title	.036	.038	.047	.939	.348	.111	.050	.038	0.69	1.44
Education level	-.012	.030	-.020	-.415	.678	-.035	-.022	-.017	0.76	1.32
Gender inequality	-.140	.062	-.104	-2.243	.025	-.272	-.118	-.090	0.42	2.40
Trust	.039	.067	.037	.585	.559	.474	.031	.024	0.73	1.37
Social justice	.074	.050	.070	1.481	.140	-.030	.078	.060	0.85	1.18
<i>Wasta</i>	-.031	.038	-.036	-.827	.409	-.192	-.044	-.033	0.38	2.61
Organisational culture	.748	.089	.550	8.443	.000	.619	.409	.340	0.61	1.65
Career development	.130	.074	.091	1.754	.080	.413	.093	.071	0.68	1.47
Remuneration	-.014	.047	-.015	-.304	.761	.322	-.016	-.012	0.87	1.15
English fluency	.027	.035	.033	.773	.440	-.001	.041	.031	0.70	1.44

Table 8.27 indicates that the standardised regression coefficient (β) for one demographic variable, gender ($\beta = -.123$, $p < .01$); one social value variable, gender inequality ($\beta = -.104$, $p < .05$); and one organisational value variable, organisational culture ($\beta = .550$, $p < .001$); were significant. Multicollinearity indicates a high degree of linear correlation amongst two or more independent variable, making it difficult to separate their effects on the dependent variable. Tolerance values close to 1.0 indicate a lack of multicollinearity, thus each independent variable's effects on the dependent variable is assumed to be singular (Hair et al. 2006). The tolerance values for two independent variables shown in Table 8.27 are above .50: gender (.78), organisational culture (.61); and less than .50 for one independent variable: gender inequality (.42). The tolerance values are thus less indicative of multicollinearity. However, Table 8.27 also shows that all three independent variables are significantly contributing to the dependent variable (training and development). Hence, the model is finalised.

Of the 42.5 per cent explained variance, the squared semi-partial correlations (sr^2) shown in the part of column of Table 8.27 that organisational culture 11.6 per cent ($sr^2 = .340^2$), gender explained 1.1 per cent ($sr^2 = -.103^2$) and gender inequality 0.8 per cent ($sr^2 = -.090^2$) of variance when all variables in the equation were controlled.

However, the pattern of significance for both the demographic and social value variables changed. In step 2 (model 2), gender was insignificant; it became significant in step 3 when controlled by the additional organisational set of variables. Trust and *wasta*, which explained 17.4 per cent ($sr^2=.418^2$) and 0.7 per cent ($sr^2= -.093^2$) respectively, of the Total 27.4 per cent variance explained by the end of step 2, now explained 0.06 per cent ($sr^2=.024^2$) and 0.1 per cent ($sr^2=-.033^2$) respectively, of the total 42.5 per cent variation by the end of step 3. With regard to the part correlations (see Table 8.27) for all variables, organisational culture had the highest part correlation (.340), which was also statistically significant at the .000 levels. This variable explained 11.6 per cent of the total variance. Overall, the results show that the organisational culture, gender inequality and gender were significant predictors and explained unique variance in the training and development variable (see Table 8.27). Increases in any of these three variables result in an increase in training and development in the public sector organisations. In step 3, age, job title, education level, trust, social justice, *wasta*, career development, remuneration and English fluency did not significantly explain any additional unique variance.

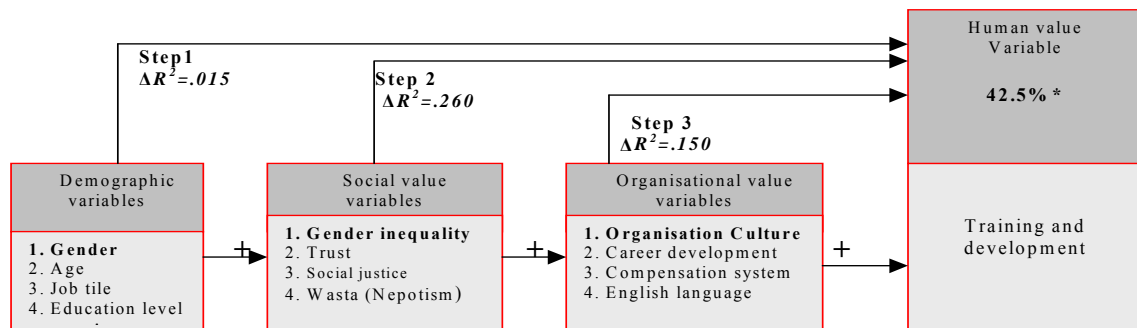
Summary: The multiple R (.652) was statistically significant after step 3, with all independent variables in the equation, $R = .425$, $F(4, 354) = 21.786$, $p < .001$. In step 1, job title was statistically significant unique variation in training and development in the public sector. The addition of the social value variables in step 2 produces a significant change in R^2 ($\Delta R^2 = .260$, $p < 0.001$). Gender inequality, trust and *wasta* were significant explainers of unique variation. In the final step, the introduction of organisational value variables caused a significant increase in R^2 ($\Delta R^2 = .150$, $p < .001$). The final results of this 3-step hierarchical regression analysis indicate, in order of unique variance explained, that organisational culture, gender inequality and gender explained the significant variation in the training and development variable (see Table 8.28) after the other variables were controlled.

Table 8.28: Public Sector, Hierarchical Regression Analysis for Training and Development

Methodology	B	SE	β	ΔR^2
Step 1				.015
Gender	0.07	0.10	0.04	
Age	0.02	0.05	0.02	
Job title	0.10	0.05	0.13*	
Education level	0.02	0.04	0.03	
Step 2				0.260**
Gender	-0.07	0.09	-0.04	
Age	-0.07	0.04	-0.08	
Job title	0.04	0.04	0.06	
Education level	0.01	0.03	0.02	
Gender inequality	-0.20	0.07	-0.15**	
Trust	0.48	0.05	0.45**	
Tradition female expectation	0.06	0.06	0.05	
Wasta	-0.09	0.04	-0.10*	
Step 3				0.150**
Gender	-0.22	0.09	-0.12*	
Age	-0.07	0.04	-0.09	
Job title	0.04	0.04	0.05	
Education level	-0.01	0.03	-0.02	
Gender inequality	-0.14	0.06	-0.10*	
Trust	0.04	0.07	0.04	
Social justice	0.07	0.05	0.07	
Wasta	-0.03	0.04	-0.04	
Organisational culture	0.75	0.09	0.55**	
Career development	0.13	0.07	0.09	
Remuneration	-0.01	0.05	-0.01	
English fluency	0.03	0.04	0.03	

* $p < .05$. ** $p < .001$.

Note: For training and development, final model, $F(4, 354) = 21.786$, $p < .001$, and total $R^2 = .425$. B = unstandardised regression coefficients. β = Standardised Coefficients, SE = standard error of B, ΔR^2 = change in R square, significant variables in bold in step 3.



* % explained variance in dependent variable

Note. Significant variables in bold,

Figure 8.5: Public Sector Hierarchical Progression Independent Variables (Demographic, Social and Organisational Values) on Dependent Variable (training and development)

As indicated in Figure 8.5, only gender was significant under demographic value variables; under social value variables, gender inequality was significant and under organisational value variables, organisational culture was significant. Age, job title, education level, trust, social justice, *wasta*, career development, remuneration and English fluency did not play a significant role in explaining variation in the dependent variable of training and development. Thus, H13 was partially supported.

The final regression equation for training and development is:

Training and development = .800 -.222(gender) -.140(gender inequality) + .748
(organisational culture)

Training and development = 1.186.

In the next section, Hypotheses H14 and H15 for the private sector organisations are tested using two dependent variables, organisational engagement and training and development.

8.4 Private Sector Analysis

In the following sections, the three-stage hierarchical regression analysis is used to test the H14 and H15 separately. The independent and dependent variables are first selected, then the role played by each independent variable in the prediction of the dependent measure is delineated. In addition, the degree and character of the relationship between dependent and independent variables is assessed by forming the variate of independent variables and then, in three stages, examining the magnitude, sign, and statistical significance of the regression coefficient for each independent variable. As presented, the demographic set of variables is the first to enter, followed by the social set, then organisational. The final two Hypotheses (H14 & H15) tested are as follows:

Hypothesis 14 (H14): In the private sector organisations, after controlling for the demographic set of variables (gender, age, job title, and education), the social value set of variables (trust, gender inequality, social justice, and wasta (nepotism)), and the organisational value set of variables (organisational culture, career development, remuneration and English fluency) will explain unique variance in the human capital variable of organisational engagement.

Hypothesis 15 (H15): In the private sector organisations, after controlling for the demographic set of variables (gender, age, job title, and education), the social value set of variables (trust, gender inequality, social justice, and wasta (nepotism)), and the organisational value set of variables (organisational

culture, career development, remuneration and English fluency) will explain unique variance in the human capital variable of training and development.

Descriptive statistics including mean, standard deviations, Cronbach alpha, and bivariate correlation matrix of the variables for both Hypotheses (H14 and H15) are included in the analysis. Table 8.29 H14, H15: Matrix Comparison of Descriptive Analyses for Variables for all Private Sector Constructs presents these results.

Table 8.29 H14, H15: Matrix Comparison of Descriptive Analyses for Variables for all Private Sector Constructs

Variables	M	SD	Gender	Age	Job Title	Education	Gender Ineq.	Trust	Social Justice.	Wasta	Org. Culture	Car Dev	Pay	English Fluency	Organ. Engagt	Trng & .Dev't.
Gender	1.56	.50	(-)													
Age	1.76	.86	-.03	(-)												
Job title	3.67	1.33	.13**	-.12**	(-)											
Education	4.47	1.41	.04	.21**	-.15**	(-)										
Gender inequality	3.23	.70	-.11**	.02	-.09*	.01	(.74)									
Trust	2.59	.84	.15**	0	.05	.07	-.22**	(.69)								
Social justice	3.35	.78	.28**	.00	-.03	.08	.39**	-.11*	(.62)							
Wasta (Nepotism)	2.40	1.09	.02	-.07	-.06	.07	.29**	-.16**	.23**	(.76)						
Organisational culture	2.65	.70	.23**	-.03	.13**	-.01	-.33**	.74**	-.09*	-.20**	(.90)					
Career development	2.13	.62	.15**	.02	.11*	-.10*	-.18**	.52**	-.02	-.08	.57**	(.74)				
Remuneration	3.19	1.05	.16**	-.02	.14**	-.01	-.24**	.58**	-.07	-.18**	.56**	.34**	(.79)			
English fluency	3.54	1.14	.04	.02	-.13**	.21**	.08	0	.15**	.10*	-.01	-.08*	-.02	(.77)		
Organisational engagement	2.80	.69	.17**	-.05	.12**	-.03	-.33**	.67**	-.14**	-.30**	.81**	.48**	.56**	-.01	(.78)	
Training and development	2.33	.86	.17**	.02	.11**	-.07	-.24**	.50**	-.09*	-.13**	.68**	.50**	.39**	-.02	.56**	(.78)

* $p < 0.05$; ** $p < 0.01$

Note. N=562. Cronbach's alpha are given in parentheses on the diagonal

Table 8.29 shows that the majority of the scales used in the study showed good internal consistency. The alpha for all scale variables exceeds the critical value of 0.60 (Malhotra 1993). In fact, all except two are above 0.70, the exceptions are trust and social justice, alpha =.69 and 0.62 respectively. Overall, a strong reliability is demonstrated with coefficient alpha ranging from 0.62 to 0.90.

The results presented in Table 8.29 (N=562) indicate a strong significant and positive relationship between organisational culture and organisational engagement ($r=0.81, p<0.01$), organisational culture and trust ($r=0.74, p<0.01$), organisational culture and training and development ($r=0.68, p<0.01$), trust and organisational engagement ($r=0.67, p<0.01$), and remuneration and organisational engagement ($r=0.56, p<0.01$). However, a significant and negative relationship was found between gender inequality and organisational culture ($r=-0.33, p<0.01$), *wasta* and organisational engagement ($r=-0.30, p<0.01$) and gender inequality and trust ($r=-0.22, p<0.01$).

Also showing a weak and negative relationship were educational level and career development ($r=-0.10, p<0.05$), trust and *wasta* ($r=-0.16, p<0.05$), social justice and organisational culture ($r=-0.09, p<0.05$); while a substantial relationship was found between the control variables (gender and job title) and dependent variables (organisational engagement and training and development). The strongest significant correlation found was between organisational culture and organisational engagement ($r=0.81, p<0.01$), while the weakest significant correlation was found between social justice and organisational culture ($r=-0.09, p<0.05$).

8.4.1 H14 Independent Variable Organisational Engagement

In the following section, the three-stage hierarchical regression analysis is used to test H14. Semi-partial (sr) correlation will be used to identify the amount of unique variance explained by variables in each step. A diagram is used to illustrate the significant variables and the amount of variation in the dependent variable accounted for by that stage of the hierarchical regression analysis.

Private Sector Step 1 Demographic Variables on Organisational Engagement:
In the first step (model 1), demographic variables (age, education, job title and gender) were entered into the hierarchical regression and acted as controls. The

multiple R (.203) was statistically significant, $R^2=.041$, $F(4, 558)=6.019$, $p<.001$ (see Table 8.30).

Table 8.30: Private Sector Model 1 Statistical Summary of Organisational Engagement

Model	R	R^2	Adjusted R^2	F	Std. Error of Estimate	Sig
1	.203	.041	.034	6.019	.67338	.000

In total, 4.1% (3.4% adjusted) of the variation in organisational engagement at Table 8.30 was accounted for by the set of demographic variables.

Table 8.31: Private Sector Model 1 Coefficient Regression, Organisational Engagement

Model	Unstandardised Coefficients		Standardised Coefficients	t	Sig	Correlations		
	b	SE	β			Zero-order	Partial	part
(Constant)	2.330	.160		14.529	.000			
Gender	.221	.058	.160	3.823	.000	.173	.160	.158
Age	-.022	.034	-.027	-.641	.522	-.047	-.027	-.027
Job title	.051	.022	.098	2.312	.021	.123	.097	.096
Education level	-.005	.021	-.011	-.251	.802	-.026	-.011	-.010

Table 8.31 results were the standardised regression coefficient (β) for the two control variables gender ($\beta=.160$, $p<.001$) and job title ($\beta=.098$, $p<.05$) were significant. Of the 4.1 per cent explained variance, the squared semi-partial correlations (sr^2) shown in the part of column of Table 8.31 that gender explained 2.5 per cent ($sr^2=.158^2$) and job title explained 0.9 per cent ($sr^2=.096^2$) of this variance when all other variables in the equation were controlled. Of the two demographic variables, gender explains greater unique variance in organisational engagement in the private sector organisations. However, age and education level did not significantly explain any additional unique variation.

Private Sector Step 2: Demographic and social value variables on organisational engagement: In the second step (model 2), social value variables were entered after the demographic variables into the hierarchical regression. The introduction of the social variables (gender inequality, trust, social justice and *wasta*) caused R^2 to change from .041 in model 1 to .516 in model 2, (see Table 8.32).

Table 8.32:Public Sector Models 1 & 2, Statistical Summary of Organisational Engagement

Model	<i>R</i>	<i>R</i> ²	Adjusted <i>R</i> ²	F	Std. Error of Estimate	Sig
1	.203	.041	.034	6.019	.67338	.000
2	.718	.516	.509	73.775	.48028	.000

Table 8.32 shows a significant change in R^2 ($\Delta R^2=.474$, $p<0.001$). The multiple R (.718) was statistically significant, $R = .516$, $F(4, 554) = 73.775$, $p<.001$. Therefore, 47.4 per cent (50.9% adjusted) of the variation in organisational engagement was accounted for by the set of social value variables, in addition to the 4.1 per cent variance by the demographic set of variables grouping; in total, 51.6 per cent of variance was explained.

Table 8.33: Private Sector Model 2: Coefficient Regression. Organisational Engagement

Model 2	Unstandardised Coefficients		Standardised Coefficients	<i>t</i>	Sig	Correlations		
	<i>b</i>	SE	β			Zero-order	Partial	Part
(Constant)	2.077	.174		11.904	.000			
Gender	.083	.045	.060	1.846	.065	.173	.078	.055
Age	-.032	.024	-.040	-1.301	.194	-.047	-.055	-.038
Job title	.029	.016	.056	1.830	.068	.123	.078	.054
Education level	-.019	.015	-.040	-1.285	.199	-.026	-.055	-.038
Gender inequality	-.130	.033	-.134	-3.896	.000	-.325	-.163	-.115
Trust	.494	.025	.606	19.576	.000	.670	.639	.579
Social justice	.002	.030	.002	.059	.953	-.137	.003	.002
<i>Wasta</i>	-.098	.020	-.156	-4.942	.000	-.297	-.205	-.146

The standardised regression coefficient (β) for three social value variables: gender inequality ($\beta = -.134$, $p<.001$), trust ($\beta = .606$, $p<.001$), and *wasta* ($\beta = -.156$, $p<.001$) were significant. Of the 51.6 per cent explained variance, the squared semi-partial correlations (sr^2) shown in the part of column of Table 8.33 that the most important variables in terms of unique variance explained were gender inequality with 1.3 per cent ($sr^2 = -.115^2$), trust with 33.5 per cent ($sr^2 = .579^2$) and *wasta* with 2.1 per cent ($sr^2 = -.146^2$) of unique variance when all variables in the equation were controlled for.

The pattern of significance for the demographic variables changed. In step 1 (model 1), both gender and job title were significant; however, they became insignificant in step 2 (model 2). This was reflected in their respective semi-partial correlations (sr^2). Gender and job title changed from a significant 2.5 per cent ($sr^2 = .158$) and 0.9 per cent ($sr^2 = .096$) respectively, in step 1 to an insignificant .3 per

cent ($sr^2=.0552$) and .3 per cent ($sr^2=.0542$) respectively in step 2. That means gender and job title in step 2 explained an insignificant amount of unique variance (total .6 per cent) of the total 51.6 per cent explained variance in organisational engagement in the private sector organisations. The trust, gender inequality and *wasta* variables were significant predictors and explained unique variation in organisational engagement in the private sector. Of these, trust explains the greatest unique variance in organisational engagement, followed by gender inequality and *wasta*. In step 2, demographic value variables (gender, age, job title and education level) and one social value variable (social justice) did not play a significant role in explaining variation in the dependent variable of organisational engagement in these organisations.

Private Sector Step 3: Demographic, social and organisational value variables on organisational engagement: In the third step (model 3), organisational value variables were added after the demographic and social value variables into the hierarchical regression (see Table 8.34).

Table 8.34: Private Sector, Models 1, 2, & 3 Organisational Engagement Summary

Model	R	R ²	Adjusted R ²	F	Std. Error of Estimate	Sig
1	.203	.041	.034	6.019	.67338	.000
2	.718	.516	.509	73.775	.48028	.000
3	.832	.692	.685	103.076	.38432	.000

The introduction of the organisational variables (organisational culture, career development, remuneration and English fluency) caused R^2 to change from .516 in model 2 to .692 in model 3 (see Table 8.34). This was a significant change in R^2 ($\Delta R^2=.176$, $p<0.001$). The multiple R (.832) was statistically significant, $R^2=.692$, $F(4, 550)=103.076$, $p<.001$.

In total 17.6 per cent (68.5% adjusted) variation in organisational engagement was accounted for by the set of organisational value variables after the 4.1 per cent variance explained by the demographic set of variables and the 51.6 per cent variance explained by the organisational set were accounted for. In total of 69.2 per cent was explained. Table 8.35 below, presents this analysis.

Table 8.35: Public Sector Coefficient Regression: Organisational Engagement

Model 3	Unstandardised Coefficients		Standardised Coefficients	<i>t</i>	Sig	Correlations				
	b	SE	β			Zero-order	Partial	Part	T	VIF
(Constant)	1.025	.157		6.518	.000					
Gender	-.001	.036	-.001	-.025	.980	.173	-.001	-.001	0.82	1.22
Age	-.029	.020	-.036	-1.461	.145	-.047	-.062	-.035	0.93	1.07
Job title	.005	.013	.009	.360	.719	.123	.015	.009	0.92	1.09
Education level	-.004	.012	-.009	-.339	.735	-.026	-.014	-.008	0.87	1.15
Gender inequality	-.022	.027	-.022	-.795	.427	-.325	-.034	-.019	0.71	1.42
Trust	.091	.031	.112	2.924	.004	.670	.124	.069	0.38	2.63
Social justice	-.027	.024	-.031	-1.116	.265	-.137	-.048	-.026	0.71	1.40
<i>Wasta</i>	-.077	.016	-.122	-4.798	.000	-.297	-.200	-.114	0.86	1.16
Organisational culture	.599	.039	.610	15.380	.000	.806	.549	.364	0.36	2.81
Career development	.023	.033	.021	.705	.481	.477	.030	.017	0.63	1.58
Remuneration	.076	.020	.116	3.821	.000	.559	.161	.090	0.61	1.64
English Fluency	.016	.015	.027	1.086	.278	-.006	.046	.026	0.92	1.09

Table 8.35 shows that the standardised regression coefficient (β) for the two social value variables [trust ($\beta=.112$, $p<.001$), and *wasta* ($\beta=-.122$ $p<.001$)] and two organisational value variables [(organisational culture($\beta= .610$ $p<.001$), and remuneration ($\beta=.116$, $p<.001$)] were significant.

Of the 69.2 per cent explained variance, the squared semi-partial correlations (sr^2) in the part of column of Table 8.35 is evidence that the important variables in terms of unique variance explained were organisational culture with 13.2 per cent ($sr^2=.364^2$), *wasta* with 1.3 per cent ($sr^2=-.114^2$), remuneration with 0.8 per cent ($sr^2=.090^2$) and trust with 0.5 per cent ($sr^2=.069^2$) of unique variance explained, when all variables in the equation were controlled.

The pattern of significance for both the demographic and social value variables changed. In step 2 (model 2), gender inequality was significant; however, it became insignificant in step 3 when controlled by an additional set of variables. Gender inequality, which explained 1.3 per cent ($sr^2=-.115^2$) of the total 51.6 per cent in step 2, now explained 0.03% ($sr^2=-.019^2$) of the total 69.2 per cent variation by the end of step 3. With regard to the part correlations for all variables (Table 8.35), organisational culture has the highest part correlation ($sr^2=.364$), which is also statistically significant at the .000 levels. This variable explains 12.4 per cent of the total variance. Overall, the results show that organisational culture, *wasta*, remuneration and trust are significant predictors and explain unique variation in organisational engagement in private sector organisations. Increases in any of these

four variables result in an increase in organisational engagement in the private sector organisations. In step 3, demographic value variable (gender, age, job title and education level), gender inequality, social justice, career development and English fluency did not significantly explain any additional unique variance.

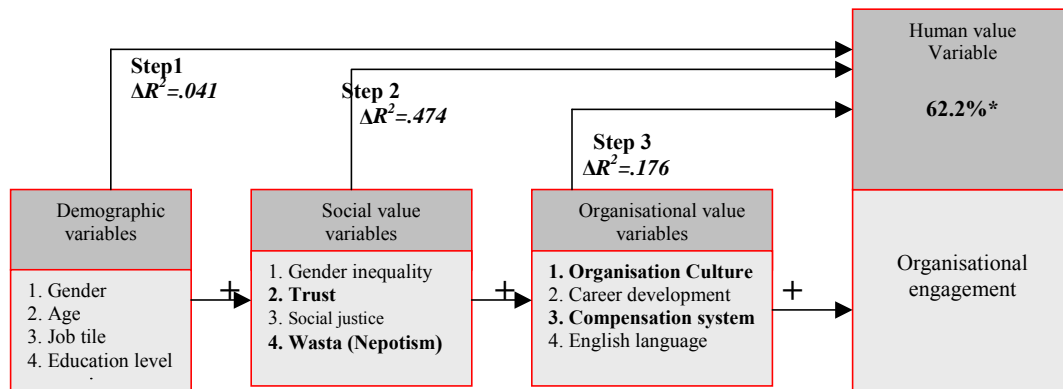
Summary: The multiple R (.832) was statistically significant after step 3, with all independent variables in the equation, $R^2=.692$, $F(4, 550)=103.076$, $p<.001$. In step 1, gender and job title result in statistically significant unique variations in organisational engagement in the private sector organisations. The addition of the social value variables in step 2 produces a significant change in R^2 ($\Delta R^2=.474$, $p<0.001$). Gender inequality, trust and *wasta* were significant explicators of unique variation. In the final step, the introduction of organisational value variables caused a significant increase in R^2 ($\Delta R^2=.176$, $p<0.001$). The final results of this 3-step hierarchical regression analysis, in order of unique variance explained, find that organisational culture, *wasta*, remuneration and trust explained significant variation in organisational engagement in the private sector organisations (see Table 8.36).

Table 8.36: Private Sector, Hierarchical Regression Analysis for Organisation Engagement

Methodology		Organisational Engagement			
		B	SE	β	ΔR^2
Step 1					0.41*
	Gender	0.22	0.06	0.16**	
	Age	-0.02	0.03	-0.03	
	Job title	0.05	0.02	0.10*	
	Education level	-0.01	0.02	-0.01	
Step 2		2.08	0.17		0.474*
	Gender	0.08	0.04	0.06	
	Age	-0.03	0.02	-0.04	
	Job title	0.03	0.02	0.06	
	Education level	-0.02	0.01	-0.04	
	Gender inequality	-0.13	0.03	-0.13**	
	Trust	0.49	0.03	0.61**	
	Social justice	0.00	0.03	0.00	
	<i>Wasta</i>	-0.10	0.02	-0.16**	
Step 3		1.03	0.16		0.176*
	Gender	0.00	0.04	0.00	
	Age	-0.03	0.02	-0.04	
	Job title	0.00	0.01	0.01	
	Education level	0.00	0.01	-0.01	
	Gender inequality	-0.02	0.03	-0.02	
	Trust	0.09	0.03	0.11**	
	Social justice	-0.03	0.02	-0.03	
	<i>Wasta</i>	-0.08	0.02	-0.12**	
	Organisational Culture	0.60	0.04	0.61**	
	Career development	0.02	0.03	0.02	
	Remuneration	0.08	0.02	0.12**	
	English Fluency	0.02	0.01	0.03	

* $p < .05$. ** $p < .001$.

Note: For organisational engagement, final model, $F(4, 550) = 103.076$, $p < .001$, and total $R^2 = .692$. B = unstandardised regression coefficients. β = Standardised Coefficients, SE = standard error of B, ΔR^2 = change in R square, significant variables in bold in step 3



* % explained variance in dependent variable

Note. Significant variables in bold,

Figure 8.6: Private Sector Hierarchical Progression Independent Variables (Demographic, Social and Organisational Values) on Dependent Variable (Organisational Engagement).

As indicated in Figure 8.6 below, none of the demographic value variables was significant. However, trust and *wasta* were significant under social value variables and organisational culture, and remuneration was significant under organisational value variables. Demographic value variable (gender, age, job title and education level), gender inequality, social justice, career development and English fluency did not play a significant role in explaining variation in the dependent variable of organisational engagement. Thus, H14 was partially supported.

The final regression equation for organisational engagement is:

Organisational engagement = 1.025 + .091 (trust) - .0775 (*wasta*) + .599 (organisational culture) + .076 (remuneration).

Organisational engagement = 1.7135.

8.4.2 H15 Independent Variable Training and Development

The final H15 examines the impact of two sets of variables, social value and organisational value sets, on training and development in private sector organisations. The final H15 to test is:

Hypothesis (H15): In private sector organisations, after controlling for the demographic set of variables (gender, age, job title, and education), the social value set of variables (trust, gender inequality, social justice, and *wasta* (nepotism)), and the organisational value set of variables (organisational culture, career development, remuneration and English fluency) unique variance is explained in the human capital variable of training and development.

Private Sector Step 1: Demographic Variables on Training and Development:

In the first step (model 1), demographic variables (age, education, job title and

gender) were entered into the hierarchical regression and acted as controls. The results are shown at Table 8.37.

Table 8.37: Public Sector Model 1 Statistical Summary of Training and Development

Model	<i>R</i>	<i>R</i> ²	Adjusted <i>R</i> ²	F	Std. Error of Estimate	Sig
1	.207	.043	.036	6.250	.84540	.000

The multiple *R* (.207) was statistically insignificant, *R*²=.043, *F* (4, 558)=6.250, *p*<.001, shown in Table 8.37. In total, 4.3 per cent (3.6% adjusted) of the variation in training and development was accounted for by the set of demographic variables (see Table 8.38).

Table 8.38: Private Sector Model 1 Coefficient Regression, Training and Development

Model 1	Unstandardised Coefficients		Standardised Coefficients	<i>t</i>	Sig	Correlations		
	<i>b</i>	SE	β			Zero-order	Partial	part
(Constant)	1.784	.201		8.861	.000			
Gender	.282	.072	.163	3.887	.000	.169	.162	.161
Age	.053	.043	.053	1.233	.218	.022	.052	.051
Job title	.056	.028	.087	2.044	.041	.111	.086	.085
Education level	-.042	.026	-.070	-1.624	.105	-.066	-.069	-.067

Table 8.38 shows that the standardised regression coefficient (β) for the two control variables, gender (β =.163, *p*<.001) and job title (β =.087, *p*<.05) were significant. Of the 4.3 per cent explained variance, the squared semi-partial correlations (*sr*²) shown in the part of column of Table 8.38 that gender explained 2.6 per cent (*sr*²= .161²) and job title explained 0.7per cent (*sr*²= .085²) of this variance when all other variables in the equation were controlled for. Of the two demographic variables, gender explained greater unique variance in training and development in the private sector organisations. In step 1, age and education level did not significantly explain any additional unique variation; only gender and job title of demographic value variables were significant.

Private Sector Step 2: Demographic and Social Value Variables on Training and Development: In the second step (model 2), social value variables were added to demographic variables in the hierarchical regression. The results are shown at Table 8.39.

Table 8.39: Private Sector Models 1 & 2, Statistical Summary of Training and Development

Model	<i>R</i>	<i>R</i> ²	Adjusted <i>R</i> ²	F	Std. Error of Estimate	Sig
1	.207	.043	.036	6.250	.84540	.000
2	.536	.287	.277	27.913	.73215	.000

The introduction of the social variables (gender inequality, trust, social justice and *wasta*) caused *R*² to change from .043 in model 1 to .287 in model 2 (see Table 8.39). This was a significant change in *R*² ($\Delta R^2=.244$, $p<0.001$). The multiple *R* (.536) was statistically significant, $R^2=.287$, $F(4, 554)=27.913$, $p<.001$. In total, 24.4 per cent (27.7% adjusted) of the variation in training and development was accounted for by the set of social value variables, in addition to the 4.3 per cent variance by the demographic set of variables grouping in total of 28.7 per cent of variance was explained.

Table 8.40: Private Sector Model 2, Coefficient Regression, Training and Development

Model 2	Unstandardised Coefficients		Standardised Coefficients	<i>t</i>	Sig	Correlations		
	<i>b</i>	SE	β			Zero-order	Partial	part
(Constant)	1.426	.266		5.362	.000			
Gender	.146	.068	.084	2.147	.032	.169	.091	.077
Age	.055	.037	.055	1.473	.141	.022	.062	.053
Job title	.039	.024	.060	1.633	.103	.111	.069	.059
Education level	-.061	.023	-.100	-2.685	.007	-.066	-.113	-.096
Gender inequality	-.151	.051	-.123	-2.968	.003	-.241	-.125	-.106
Trust	.471	.038	.460	12.241	.000	.497	.461	.439
Social justice	-.006	.046	-.006	-.141	.888	-.088	-.006	-.005
<i>Wasta</i>	.001	.030	.001	.030	.976	-.126	.001	.001

Table 8.40 indicates that the standardised regression coefficient (β) for two demographic value variables, gender ($\beta=.084$ $p<.05$), and educational level ($\beta= -.100$ $p<.001$); and two social value variables, gender inequality ($\beta= -.123$ $p<.001$) and trust ($\beta=.460$, $p<.001$); were significant. Of the 28.7 per cent explained variance, the squared semi-partial correlations (sr^2) shown in the part of column of Table 8.40 that the most important variables in terms of unique variance explained were trust, with 19.3 per cent ($sr^2=.439^2$), gender inequality with 1.1 per cent ($sr^2=-.106^2$), educational level with 0.9 per cent ($sr^2=-.096^2$), and gender with 0.6 per cent ($sr^2=.077^2$) of unique variance explained, when all variables in the equation were controlled.

However, the pattern of significance for the demographic variables changed. In step 1 (model 1), job title was significant; it became insignificant in step 2 (model 2). Education level was insignificant in step 1 and became significant in step 2 (model 2). This was reflected in their respective semi-partial correlations (sr^2). Job title changed from a significant 0.7 per cent ($sr^2=.085^2$) in step 1 to an insignificant 0.3 per cent ($sr^2=.059^2$) in step 2. Education level, which was insignificant at 0.4 per cent ($sr^2=-.067^2$) in step 1, became significant 0.9 per cent ($sr^2=-.096^2$) in step 2. The gender, education level, gender inequality and trust variables were significant predictors and explained unique variation in training and development in the private sector organisations. Of these, trust has the greatest unique variance in training and development in private sector organisations followed by gender, educational level and gender inequality. In step 2, age, job title, social justice and *wasta* did not significantly explain any additional unique variation.

Private Sector Step 3: Demographic, Social and Organisational Value Variables on Training and Development: In the third step (Model 3), organisational value variables were added into the hierarchical regression after demographic and social value variables. The results are shown at Table 8.41.

Table 8.41: Private Sector Models 1, 2 & 3, Statistical Summary of Training and Development.

Model	<i>R</i>	R^2	Adjusted R^2	F	Std. Error of Estimate	Sig
1	.207	.043	.036	6.250	.84540	.000
2	.536	.287	.277	27.913	.73215	.000
3	.696	.485	.473	43.091	.62487	.000

Table 8.41 shows that the introduction of organisational variables (organisational culture, career development, remuneration and English fluency) caused R^2 to change from .287 in model 2 to .485 in model 3. There was a significant change in R^2 ($\Delta R^2=.197$, $p<0.001$). The multiple R (.696) was statistically significant, $R^2=.485$, $F(4, 550)=43.091$, $p<.001$. Variation in training and development of 19.7 per cent (47.3% adjusted) was accounted for by the set of organisational value variables after the 4.3 per cent variance was explained by the demographic set of variables and 28.7 per cent variance explained by the organisational set of variables were accounted. In total, 48.5 per cent of variance was explained.

Table 8.42: Private Sector Coefficient Regression: Training and Development

Model3	Unstandardised Coefficients		Standardised Coefficients	<i>t</i>	Sig	Correlations				
	b	SE	β			Zero-order	Partial	Part	T	VIF
(Constant)	.017	.256		.065	.948					
Gender	.041	.059	.023	.693	.489	.169	.030	.021	0.82	1.22
Age	.049	.032	.049	1.552	.121	.022	.066	.047	0.93	1.07
Job title	.008	.021	.013	.410	.682	.111	.017	.013	0.92	1.09
Education level	-.031	.020	-.051	-1.549	.122	-.066	-.066	-.047	0.87	1.15
Gender inequality	-.014	.045	-.011	-.312	.755	-.241	-.013	-.010	0.71	1.42
Trust	-.050	.051	-.049	-.984	.326	.497	-.042	-.030	0.38	2.63
Social justice	-.047	.040	-.043	-1.184	.237	-.088	-.050	-.036	0.71	1.40
<i>Wasta</i>	.019	.026	.024	.724	.469	-.126	.031	.022	0.86	1.16
Organisational culture	.734	.063	.595	11.59	.000	.676	.443	.355	0.36	2.81
Career development	.238	.054	.171	4.428	.000	.500	.186	.136	0.63	1.58
Remuneration	.018	.032	.021	.547	.585	.388	.023	.017	0.61	1.64
English Fluency	.015	.024	.019	.609	.543	-.018	.026	.019	0.92	1.09

Table 8.42 indicates that the standardised regression coefficient (β) for the two organisational value variables (organisational culture ($\beta=.595$, $p<.001$) and career development ($\beta=.171$, $p<.001$)) were significant.

Of the 48.5 per cent explained variance, the squared semi-partial correlations (sr^2) shown in the part of column of Table 8.42 that the most important variables in terms of unique variance explained where organisational culture with 12.6 per cent ($sr^2=.355^2$), and career development 1.8 per cent ($sr^2=.136^2$) of variance when all variables in the equation were controlled for.

However, the pattern of significance for both the demographic and social value variables changed. In step 2 (model 2), gender, educational level, gender inequality and trust were significant; they became insignificant in step 3 when controlled by additional variables. This was reflected in their respective semi-partial correlations (sr^2). Gender, which explained 0.6 per cent ($sr^2=.077^2$), educational level 0.9 per cent ($sr^2=.096^2$) gender inequality 1.1 per cent ($sr^2=.106^2$) and trust explained 19.2 per cent ($sr^2=.439^2$) of the total 28.7 per cent variance explained by the end of step 2; now gender explained 0.04 per cent ($sr^2=.021^2$), educational level 0.2 per cent ($sr^2=.047^2$), gender inequality 0.01 per cent ($sr^2=.010^2$) and trust explained 0.09 per cent ($sr^2=.030^2$) of the total 48.5 per cent variation in step 3. With regard to part correlations (see Table 8.42) for all variables organisational culture has the highest part correlation ($sr=.355$), which is also statistically significant at the .000 levels. This variable

explains 12.6 per cent of the total variance. Overall, the results show that organisational culture and career development were significant predictors and explained variation in training and development in the private sector organisations. Increase in any of these two variables result in increase in training and development in the private sector organisations. In step 3, demographic value variable (gender, age, job title and education level) and social value variables (gender inequality, trust, social justice, *wasta*), remuneration and English fluency did not significantly explain any additional unique variation.

Summary: The multiple R (.696) was statistically significant after step 3, with all independent variables in the equation, $R^2=.485$, $F(4, 550)=43.091$, $p<.001$. In step 1, gender and job title were statistically significant variables of training and development in private sector organisations. The addition of the social value variable set in step 2 produced a significant change in R^2 ($\Delta R^2=.244$, $p<0.001$). In step 2, gender, educational level, gender inequality and trust variables were statistically significant. In the final step, the introduction of organisational value variables caused a significant increase in R^2 ($\Delta R^2=.197$, $p<0.001$).

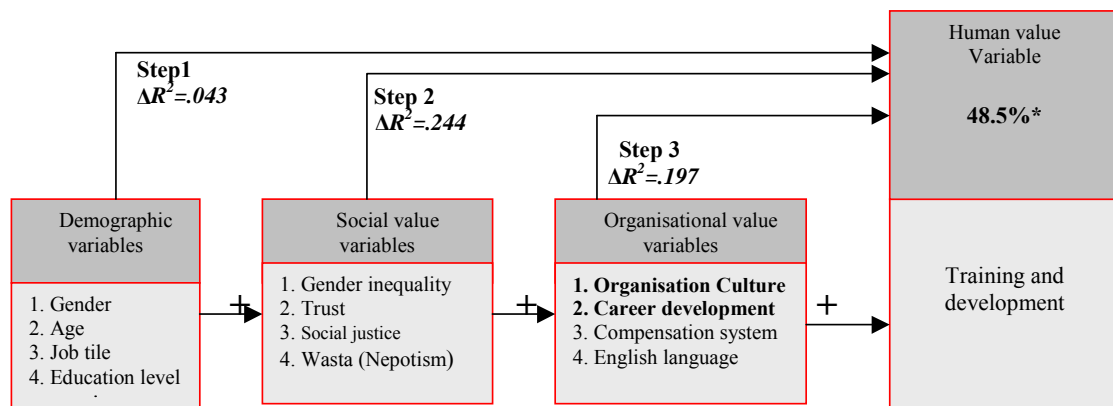
The final results of this 3-step hierarchical regression analysis are, in order of unique variance explained, that two of the organisational value variables (organisational culture and career development) explained the significant variation in training and development after the other variables were controlled (see Table 8.43).

Table 8.43: Private Sector, Hierarchical Regression Analysis for Training and Development

Methodology		Organisational Engagement			
		B	SE	β	ΔR^2
Step 1					0.43**
	Gender	0.28	0.07	0.16**	
	Age	0.05	0.04	0.05	
	Job title	0.06	0.03	0.09*	
	Education level	-0.04	0.03	-0.07	
Step 2					0.244**
	Gender	0.15	0.07	0.08*	
	Age	0.05	0.04	0.05	
	Job title	0.04	0.02	0.06	
	Education level	-0.06	0.02	-0.10**	
	Gender inequality	-0.15	0.05	-0.12**	
	Trust	0.47	0.04	0.46**	
	Social justice	-0.01	0.05	-0.01	
	<i>Wasta</i>	0.00	0.03	0.00	
Step 3					0.197**
	Gender	0.04	0.06	0.02	
	Age	0.05	0.03	0.05	
	Job title	0.01	0.02	0.01	
	Education level	-0.03	0.02	-0.05	
	Gender inequality	-0.01	0.04	-0.01	
	Trust	-0.05	0.05	-0.05	
	Social justice	-0.05	0.04	-0.04	
	<i>Wasta</i>	0.02	0.03	0.02	
	Organisational culture	0.73	0.06	0.59**	
	Career development	0.24	0.05	0.17**	
	Remuneration	0.02	0.03	0.02	
	English Fluency	0.01	0.02	0.02	

* $p < .05$. ** $p < .001$.

Note: For training and development, final model, $F(4, 550) = 43.091$, $p < .001$, and total $R^2 = .485$. B = unstandardised regression coefficients. β = Standardised Coefficients, SE = standard error of B, ΔR^2 = change in R square, significant variables in bold in step 3.



* % explained variance in dependent variable

Note. Significant variables in bold,

Figure 8.7: Private Sector Hierarchical Progression Independent Variables (Demographic, Social and Organisational Values) on Dependent Variable (training and development)

As indicated in Figure 8.7 Private Sector Hierarchical Progression Independent Variables (Demographic, Social and Organisational Values) on Dependent Variable (Organisational Engagement), none of demographic and social value variables were significant, and under organisational value variables, organisational culture and career development were significant. Demographic value variables (gender, age, job title and education level), social value variables (gender inequality, trust, social justice and *wasta*), and two organisational value variables (remuneration and English fluency) did not play a significant role in explaining variation in the dependent variable of training and development. Thus, H15 was partially supported.

The final regression equation for training and development is:

Training and development = .017 + .734 (organisational culture) + .238 (career development)

Training and development = 0.989.

8.5 Sector Comparison

Thus the following research questions

- *Identify the factors to enhance placement and retention of UAE nationals in Dubai workplaces*
- *Establish whether these factors differ for organisations in the public or private sectors*

- Explain variations in UAE nationals' engagement with their organisations are addressed. This section is a synopsis of the results of the analysis,

8.5.1 Organisational Engagement

Table 8.44 Public and Private Sectors, Hierarchical Regression Analysis for Organisational Engagement compares the results of this analysis.

Table 8.44: Sector Comparison, Hierarchical Regression Analysis for Organisational

Methodology	Engagement							
	Public				Private			
	B	SE	β	ΔR^2	B	SE	β	ΔR^2
Step 1				0.26*				0.41**
Gender	0.16	0.07	0.12*	0.26*	0.22	0.06	0.16**	0.41**
Age	0.02	0.04	0.04		-0.02	0.03	-0.03	
Job title	0.07	0.03	0.12*		0.05	0.02	0.10*	
Education level	0.01	0.03	0.02		-0.01	0.02	-0.01	
Step 2				0.448**	2.08	0.17		0.474**
Gender	0.07	0.06	0.05	0.448**	0.08	0.04	0.06	0.474**
Age	-0.06	0.03	-0.10*		-0.03	0.02	-0.04	
Job title	0.02	0.03	0.04		0.03	0.02	0.06	
Education level	0.01	0.02	0.02		-0.02	0.01	-0.04	
Gender inequality	-0.18	0.04	-0.18**		-0.13	0.03	-0.13**	
Trust	0.46	0.03	0.58**		0.49	0.03	0.61**	
Social justice	-0.02	0.04	-0.03		0.00	0.03	0.00	
Wasta	-0.09	0.03	-0.14**		-0.10	0.02	-0.16**	
Step 3				0.162**	1.03	0.16		0.176**
Gender	-0.03	0.05	-0.02	0.162**	0.00	0.04	0.00	0.176**
Age	-0.06	0.02	-0.10**		-0.03	0.02	-0.04	
Job title	0.01	0.02	0.02		0.00	0.01	0.01	
Education level	-0.01	0.02	-0.01		0.00	0.01	-0.01	
Gender inequality	-0.13	0.04	-0.12**		-0.02	0.03	-0.02	
Trust	0.11	0.04	0.14**		0.09	0.03	0.11**	
Social justice	0.00	0.03	0.00		-0.03	0.02	-0.03	
Wasta	-0.04	0.02	-0.07		-0.08	0.02	-0.12**	
Organisational Culture	0.58	0.05	0.57**		0.60	0.04	0.61**	
Career development	0.09	0.04	0.09*		0.02	0.03	0.02	
Remuneration	0.01	0.03	0.01		0.08	0.02	0.12**	
English Fluency	-0.02	0.02	-0.04		0.02	0.01	0.03	

* $p < .05$. ** $p < .001$

Note: For organisational engagement, final model for the public sector, $F(4, 354) = 51.609$, $p < .001$, and total $R^2 = .636$. Final model for the private sector, $F(4, 550) = 103.076$, $p < .001$, and total $R^2 = .692$. B = unstandardised regression coefficients. β = Standardised Coefficients, SE = standard error of B, ΔR^2 = change in R square, significant variables in bold in step 3.

Table 8.44 compares the public and private sectors on organisational engagement. In the third step, the standardised regression coefficient (β) for one demographic variable age ($\beta = -.10$, $p < .001$), two social value variables (gender

inequality ($\beta = -.12$, $p < .001$) and, trust ($\beta = .14$, $p < .001$) and two organisational value variables [organisational culture ($\beta = .57$, $p < .001$) and career development ($\beta = .09$, $p < .05$)] were significant in the public sector. But in the private sector organisations (Table 8.44), none of standardised regression coefficients (β) for the demographic value variables were significant. In the social value variable set, trust ($\beta = .11$, $p < .001$) and *wasta* ($\beta = -.12$, $p < .001$); in the organisational value variables, organisational culture ($\beta = .61$, $p < .001$) and remuneration ($\beta = .12$, $p < .001$) were statistically significant.

Of the 63.6 per cent explained variance in the public sector organisations, the squared semi-partial correlations (sr^2) show the important variables in terms of unique variance explained were organisational culture 12.6 per cent ($sr^2 = .355^2$); gender inequality 1.2 per cent ($sr^2 = -.108^2$); trust 0.8 per cent ($sr^2 = .090^2$); age 0.8 per cent ($sr^2 = -.088^2$); and career development 0.4 per cent ($sr^2 = .067^2$) of variance when all variables in the equation were controlled (see Table 8.44).

However, in the private sector organisation, of the 69.2 per cent explained variance, squared semi-partial correlations (sr^2) show the important variables in terms of unique variance explained: organisational culture with 13.2 per cent ($sr^2 = .364^2$); *wasta* with 1.3 per cent ($sr^2 = -.114^2$); remuneration with 0.8 per cent ($sr^2 = .090^2$); and trust with 0.5 per cent ($sr^2 = .069^2$) when all variables in the equation were controlled (see Table 8.44). This table also shows that organisational culture in both sectors is the most significant variable in terms of unique variance explained.

The pattern of significance for both the demographic and social value variables changed for both sectors. In step 2 (Table 8.44), *wasta* in the public sector organisations was significant; however it became insignificant in step 3 when controlled for an additional set of variables. *Wasta*, which explained 1.7 per cent ($sr^2 = -.131^2$) of the total 47.4 per cent variance by the end of step 2, now explained 0.4 per cent ($sr^2 = -.061^2$) of the total 63.6 per cent variance by the end of step 3 (see Table 8.20).

In step 2 (Table 8.44), gender inequality in the private sector organisations was significant, although it became insignificant in step 3 when controlled for an additional set of variables. Gender inequality, which explained 1.3 per cent ($sr^2 =$

.115²) of the total 51.6 per cent in step 2, now explained 0.03 per cent ($sr^2=-.019^2$) of the total 69.2 per cent variation by the end of step 3 (see Table 8.35).

With regard to the part correlations (Table 8.20) for all variables in the public sector organisations, the result is that organisational culture has the highest part correlation ($sr^2=.355$), which is also statistically significant at the .000 levels. Organisational culture explains 12.6 per cent of the total variance; while in the private sector, organisational culture also shows the highest part correlation ($sr^2=.364$) and it is also statistically significant at the .000 levels. Organisational culture explains 13.2 per cent of the total variance. Overall, the comparison hierarchical regression shows that organisational culture, trust, gender inequality, age and career development were significant predictors and explained unique variation in organisational engagement in the public sector organisations (see Table 8.44).

The results of the analysis also show that organisational culture, remuneration, *wasta* and trust were significant predictors and explained significant variations in organisational engagement in the private sector organisations. Increases in any of these variables result in increase in organisational engagement in the both the public and private sector organisations. In step 3 in the public sector organisations, gender, job title and education level, social justice, *wasta*, remuneration and English fluency did not significantly explain any additional unique variance; while in the private sector organisations in step 3, demographic value variables (gender, age, job title and education level), gender inequality, social justice, career development and English fluency did not significantly explain any additional unique variance (see Table 8.44).

8.5.2 Training and Development

Table 8.45 Public and Private Sectors, Hierarchical Regression Analysis for Training and Development compares these results.

Table 8.45: Public and Private Sectors, Hierarchical Regression Analysis for Training and Development

Methodology	Public				Private			
	B	SE	β	ΔR^2	B	SE	β	ΔR^2
Step 1				0.015				0.43**
Gender	0.07	0.10	0.04	0.015	0.28	0.07	0.16**	0.43**
Age	0.02	0.05	0.02		0.05	0.04	0.05	
Job title	0.10	0.05	0.13*		0.06	0.03	0.09*	
Education level	0.02	0.04	0.03		-0.04	0.03	-0.07	
Step 2				0.260**				0.244**
Gender	-0.07	0.09	-0.04	0.260**	0.15	0.07	0.08*	0.244**
Age	-0.07	0.04	-0.08		0.05	0.04	0.05	
Job title	0.04	0.04	0.06		0.04	0.02	0.06	
Education level	0.01	0.03	0.02		-0.06	0.02	-0.10**	
Gender inequality	-0.20	0.07	-0.15**		-0.15	0.05	-0.12**	
Trust	0.48	0.05	0.45**		0.47	0.04	0.46**	
Social justice	0.06	0.06	0.05		-0.01	0.05	-0.01	
Wasta	-0.09	0.04	-0.10*		0.00	0.03	0.00	
Step 3				0.150**				0.197**
Gender	-0.22	0.09	-0.12*	0.150**	0.04	0.06	0.02	0.197**
Age	-0.07	0.04	-0.09		0.05	0.03	0.05	
Job title	0.04	0.04	0.05		0.01	0.02	0.01	
Education level	-0.01	0.03	-0.02		-0.03	0.02	-0.05	
Gender inequality	-0.14	0.06	-0.10*		-0.01	0.04	-0.01	
Trust	0.04	0.07	0.04		-0.05	0.05	-0.05	
Social justice	0.07	0.05	0.07		-0.05	0.04	-0.04	
Wasta	-0.03	0.04	-0.04		0.02	0.03	0.02	
Organisational Culture	0.75	0.09	0.55**		0.73	0.06	0.59**	
Career development	0.13	0.07	0.09		0.24	0.05	0.17**	
Remuneration	-0.01	0.05	-0.01	0.150**	0.02	0.03	0.02	0.197**
English Fluency	0.03	0.04	0.03		0.01	0.02	0.02	

* $p < .05$. ** $p < .001$.

Note: For training and development, final model for the public sector, $F(4, 354)=21.786$, $p<.001$, and total $R^2=.425$. Final model for the private sector, $F(4, 550)=43.091$, $p<.001$, and total $R^2=.485$, B =unstandardised regression coefficients. β = Standardised Coefficients, .SE = standard error of B, ΔR^2 = change in R square, significant variables in bold in step 3.

Comparison of sector results on training and development (Table 45) shows that in the third step, the standardised regression coefficient (β) for one demographic variable gender ($\beta = -.12$, $p < .05$), one social value variable (gender inequality ($\beta = -.10$, $p < .05$)) and one organisational value variable (organisational culture ($\beta = .55$, $p < .001$)) were significant for public sector organisations. In contrast, in the private sector organisations, none of standardised regression coefficients (β) for the demographic value variables and social value variables were significant; whereas the organisational value variables organisational culture ($\beta = .59$, $p < .001$) and career development ($\beta = .17$, $p < .001$) were statistically significant.

Of the 42.5 per cent explained variance in the public sector organisations, the squared semi-partial correlations (sr^2) show that the most important variables in terms of unique variance explained were organisational culture 11.6 per cent ($sr^2=.340^2$), gender 1.1 per cent ($sr^2=.103^2$) and gender inequality 0.8 per cent ($sr^2=.090^2$) of variance when all variables in the equation were controlled. However, in the private sector organisations, of the 48.5 per cent explained variance, square semi-partial correlations (sr^2) show that the most important variables in terms of unique variance explained were organisational culture with 12.6 per cent ($sr^2=.355^2$) and career development with 1.8 per cent ($sr^2=.136^2$) of unique variance explained when all variables in the equation were controlled for. Table 8.45 also shows that organisational culture in both sectors is the most significant variable in terms of unique variance explained.

However, the pattern of significance for both the demographic and social value variables has change in both sectors. In step 2 (Table 8.45), gender in the public sector organisations was insignificant; however it became significant in step 3 when controlled for an additional set of variables. Gender, which explained 0.1 per cent ($sr^2=.034^2$) of the total 27.4 per cent variance by the end of step 2, now explained 1 per cent ($sr^2=.103^2$) of the total 42.5 per cent variance by the end of step 3. Trust and *wasta*, which were significant in step 2 became insignificant in step 3 when controlled for an additional set of variables. Trust and *wasta*, explaining 17.4 per cent ($sr^2= -.418^2$ and 0.8 per cent ($sr^2= -.093^2$) respectively of the total 27.4 per cent variance by the end of step 2, now explained 0.05 per cent ($sr^2=.024^2$) and 0.1 per cent ($sr^2=.033^2$) respectively of the total 42.5 per cent variance by the end of step 3 (see Table 8.45).

In contrast, in the private sector organisations Table 8.45 shows in step 2 that gender, education level, gender inequality and trust were significant, however they became insignificant in step 3 when controlled for an additional set of variables. Thus gender, education level, gender inequality and trust, which explained 0.6 per cent ($sr^2=.077^2$), 0.9 per cent ($sr^2=.096^2$), 1.1 per cent ($sr^2=.106^2$), 19.2 per cent ($sr^2=.439^2$) respectively of the total 28.7 per cent variance in step 2, now explained 0.04 per cent ($sr^2=.021^2$), 0.2 per cent ($sr^2=.047^2$), 0.01 per cent ($sr^2= -.010^2$), 0.09 per cent ($sr^2=.030^2$) respectively, of the total 48.5 per cent variation by the end of step 3 (see Table 8.45).

With regard to the part correlations (Table 8.27) for all variables in the public sector organisations, the results show that organisational culture has the highest part correlation ($sr^2=.340$), which is also statistically significant at the .000 levels. Organisational culture explains 11.5 per cent of the total variance. In the private sector, organisational culture also shows the highest part correlation ($sr^2=.355$), which is also statistically significant at the $p<.001$ levels. Organisational culture explained 12.6 per cent of the total variance. Overall, the comparison of sectoral hierarchical regressions shows that organisational culture, gender and gender inequality were significant predictors and explained significant variation in training and development in the public sector (see Table 8.45); while in the private sector, organisational culture and career development were significant predictors and explained significant variation in training and development in those organisations. Increases in any of these variables result in increase in training and development in the both the public and private sector organisations.

In step 3 in the public sector organisations, age, job title, education level, trust, social justice, *wasta*, career development, remuneration and English fluency did not significantly explain additional unique variance. In the private sector, demographic value variables (gender, age, job title and education level), social value variables (gender inequality, trust, social justice), remuneration and English fluency did not significantly explain any additional unique variance in step 3 (see Table 8.45).

8.5.3 Tests Summary

The following synopsis of analysis, Table 8.46 Summary of Hypothesis Testing finalises this section of the thesis.

Table 8.46: Summary of Hypothesis Testing

H	Statement	Measurement	Supported/ rejected	Note
H1	There is a significant correlation between the human, organisational and social variables	Pearson's correlation coefficient	Partially supported	Most variables are correlated
H2	There is a significant correlation between human, organisation and social constructs	Pearson's correlation coefficient	Partially supported	No correlation between organisational and social capital sets
H3	Between public and private sector organisations there are significant variance in the means of the following variables: organisational engagement, training and development, organisational culture, career development, remuneration, English fluency, gender inequality, trust, social justice and <i>wasta</i>	Independent samples <i>t</i> test	Partially supported	The means of five variables were significantly different
H4	There are significant variances in the means between three sets of constructs, namely human, organisational and social capital, in organisations from each sector	Independent samples <i>t</i> test	Partially supported	Organisational capital was significantly different between sectors
H5	Human, organisational and social capital constructs for public and private sectors are independent	Chi-square	Partially supported	Human capital was independent in both sectors
H6	The UAE national population differs between those in the public and private sectors in terms of educational attainment	Chi-square	Supported	Significant difference between sectors
H7	In terms of job title, there is difference between the populations of UAE nationals in the public and private sectors	Chi-square	Supported	Significant difference between sectors
H8	There is a significant difference in years of experience between UAE nationals in the two sectors	Chi-square	Supported	Significant difference between sectors
H9	There is a significant difference in age between UAE nationals in the two sectors	Chi-square	Supported	Significant difference between sectors
H10	There is a significant difference in gender between UAE nationals in the two sectors	Chi-square	Rejected	No significant difference between sectors
H11	In the public sector organisations education attainment is more require than the private sector organisations.	Mann-Whitney U Test	Supported	Significant difference exist between two sectors Cont.

				(continued)
H12	After controlling for the demographic set of variables (gender, age, job title, and education) in public sector organisations, then for the social value set of variables [trust, gender inequality, social justice, and <i>wasta</i> (nepotism)], and the organisational value set of variables (organisational culture, career development, remuneration and English fluency, the unique variance in the human capital variable of organisational engagement is explained	Hierarchical regression	Partially supported	Age, gender inequality, trust, organisational culture and career development were explained unique variance in the human capital variable of organisational engagement.
H13	After controlling for the demographic set of variables (gender, age, job title, and education) in public sector organisations, then for the social value set of variables (trust, gender inequality, social justice, and <i>wasta</i> (nepotism)), and the organisational value set of variables (organisational culture, career development, remuneration and English fluency)the unique variance in the human capital variable of training and development is explained	Hierarchical regression	Partially supported	Gender, gender inequality and organisational culture were explained unique variance in the human capital variable of training and development.
H14	In the private sector organisations, after controlling for the demographic set of variables (gender, age, job title, and education), the social value set of variables (trust, gender inequality, social justice, and <i>wasta</i>), and the organisational value set of variables (organisational culture, career development, remuneration and English fluency) will explain unique variance in the human capital variable of organisational engagement	Hierarchical regression	Partially supported	Trust, <i>wasta</i> , organisational culture and remuneration were explained unique variance in the human capital variable of organisational engagement.
H15	In the private sector organisations, after controlling for the demographic set of variables (gender, age, job title, and education), the social value set of variables (trust, gender inequality, social justice, and <i>wasta</i> (nepotism)), and the organisational value set of variables (organisational culture, career development, remuneration and English fluency) will explain unique variance in the human capital variable of training and development	Hierarchical regression	Partially supported	Organisational culture and career development were explained unique variance in the human capital variable of training and development

8.6 Conclusion

To test hypotheses ultimately drawn from the research questions, hierarchical regression analysis explored the relationships between the two dependent variables (organisational engagement, and training and development) and 12 independent variables. The results of hierarchical regression revealed that only five variables, organisational culture, gender inequality, trust, age, and career development were statistically significant predictors of organisational engagement as a dependent variable in the public sector organisations. However, organisational culture, remuneration, trust and *wasta* were statistically significant in the private sector organisations.

The result was quite different with training and development as the dependent variable. In the final model, only three variables (organisational culture, gender inequality and gender) were statistically significant predictors of the training and development variable in the public sector organisations, while only two variables (organisational culture and career development) were statistically significant predictors of training and development in the private sector. In the next chapter these outcomes are analysed and discussed in relation to previous research.

Independent samples *t* test results showed that there are five variables that significantly differ between the public and private sectors: training and development, career development, English fluency, gender inequality and trust. Chi-square results demonstrated the significant differences in education level, job title, work experience and age between the public and private sector organisations.

From the result of testing 15 hypotheses only one hypothesis was not supported (H10), with the remainder either partially or completely supported. Pearson's correlation showed that the relationships between all variables of human, organisational and social capital constructs were in the anticipated direction. Thus, employees and organisations can obtain greater performance when the factors derived from the three forms of capital are integrated. A positive correlation between human and organisational capital variable sets was significant, supporting the results and a strong substantiation of the effect of factors from capital theory on performance.

This chapter provides evidence from analysis of study data to produce findings relating to barriers to Emirati employment. The remainder of the study is thus devoted

to discussion of this evidence to draws its conclusions and recommendations on the basis of the research questions.

Chapter 9

Discussions, Recommendations and Conclusion

The United Arab Emirates is a country of contrasts with great social and economic opportunities; and the challenge of youth employability. Within an environment of a stable government with a market economy and in a few short decades, UAE's leaders placed the traditionalist country to the forefront of the world's economies. Perhaps no other country can achieve the economic, social and cultural standards that UAE appears set to maintain for the foreseeable future.

This study explores UAE's history, its environment, its resources and its potential, to draw out the factors contributing to Emirati employability. In Chapter 2, the social history of the country was presented, including its unique demographics, its educational structures and Islamic practices, all of which impact Emirati employability. Next, the uniqueness of UAE's status was placed in context, comparing the country's admittedly thin employment statistics with those of the GCC countries, and wider afield. Aspects of localisation were discussed, and then narrowed into the UAE experience of continuing high birth rates, an overwhelming number of non-nationals that permeate all business and public sector decision-making, and Emiratisation.

The antecedents of this research are the grounds for Emiratisation, its policies and strategies, its practices and their results, which bring to light the diffidence of the non-national private sector. Previous and largely qualitative research on localisation or Emiratisation is scattered over decades, countries, public or private sectors; and, as with all research, anchored in the particular economic era of each paper. Nevertheless, Chapter 5 drew from extant research, placing findings within capital theory and this researcher embarked on a quest to identify barriers to Emiratisation from a holistic and quantitative viewpoint. Both the employer and the employed, and the public and the private sectors, were examined. From this pilot study of attitudes, experiences and responses, a comprehensive questionnaire based on capital theory was structured, translated, tested, distributed, and its data collected and analysed.

The results of the quantitative analysis of the data are described in Chapters 7 and 8, identifying factors under three constructs: human, organisational and social

capital. It is the aim of this research to apply the framework and interactions of capital theory underlying these constructs to explain the evidence of existing literature and the findings of this study. The outcomes relate to Emiratisation by addressing barriers to employability.

This final chapter places the preceding information, evidence and discussion in context. Quantitative results from this data are related to comparative extant literature, analysed, and possible resolutions, both strategic and practical, are proffered. The limitations of this research, together with suggestions for future research directions follow. The conclusion draws this thesis to a close.

9.1 Research Overview

This study's aim is to identify structural, attitudinal, practical and perhaps symbolic barriers to Emiratisation. By its nature, this holistic approach encompasses all manner of factors, which may impinge on Emiratis' employability, or the government's response to these factors, which is Emiratisation. To place this wide-ranging quest into a structure, capital theory was selected because it encapsulates the threads of society, economics, human attributes and interrelationships that lead to employment. Further, UAE's brief economic history and rapid expansion isolated the public sector from the private sector and thus employment opportunities; a decade ago, all Emiratis who graduated from tertiary or higher secondary education automatically received public sector jobs as the social infrastructure of education, health and defence were developed. Not so now. Although the economy is maturing, the private sector continues expanding at 9.4 per cent (UAE Ministry of Economy 2007). Given that 45 per cent of Emiratis are under the age of 15 years (see Section 2.2.2), in theory the private sector should easily absorb graduates.

Data for this research was drawn from executives and Emiratis in both the public and private sector organisations in Dubai. Seven organisations, two from the public and five from the private sector participated in the study. The central conceptualisations were

1. Identify factors impacting the employability of Dubai's UAE nationals
2. Determine sector-specific differences for a given fact
3. Identify characteristics of Emiratis' work attitudes

4. Determine differences between UAE nationals and non-nationals work attitudes.

The outcomes of analysis pertaining to these questions form the following four sections.

The recommendations in the following sections are based on the literature survey and empirical research carried out in this thesis, and aim to point the way towards how Emiratisation may be enhanced. The recommendations are not assessed against other criteria, such as current government policy preferences or economic cost and impacts. Questions about the overall desirability or practicability of these recommendations constitute the basis for further research, and in part reflect judgements about the costs and benefits of Emiratisation, or the continuation of current employment trends and their social consequences in UAE. These are matters that lie outside the scope of this thesis; however, this research brings these questions into clearer focus. Further empirical research is necessary to test these recommendations, particularly employers' attitudes toward Emiratis, and issues of employee performance.

9.2 Research Question 1 Factors Influencing Emiratis' Employability

The first research question addresses those aspects of UAE nationals' social and cultural environment that could influence their attitude to the workplace. Using two constructs, organisational capital and social capital, analysis identified six variables that influence UAE nationals' employability. From an organisational perspective, that is, variables of organisational capital; organisational culture, remuneration and career development were the important factors affecting Emiratis' decisions to enter or stay in employment. From a social perspective, that is, social capital variables; trust, *wasta*, and gender inequality were contributing factors to an Emirati's work-readiness. Of the six variables, organisational culture primarily increased organisational engagement, followed by trust, *wasta*, remuneration, gender inequality and career development. For the connectivity between the variables, strong and positive correlation occurred between organisational culture and trust ($r=0.73$), organisational culture and career development ($r=0.54$) and organisational culture and remuneration ($r=0.52$); the culture of the workplace is therefore subject to these three variables to increase retention, satisfaction and higher participation of UAE nationals

in the workforce. Transparent, performance-based recruitment and promotion processes also assist existing employees, leading to greater organisational engagement and job satisfaction. Organisational culture in these results was strongly associated with organisational engagement, supporting reported findings (Chang & Lee 2007; Mckinnon et al. 2003; Poznanski & Bline 1997).

This study confirms results of research in the GCC environment: Al-Rahimi (1990) related employee productivity to organisational culture in Saudi Arabia, whilst Baud & Mahgoub (2001) discovered that gender discrimination, allied to trust, contributed to UAE women's resignations.

Trust is a factor in the workplace; employees are more committed to the organisation when team members exhibit mutual regard (Ferres et al. 2004; Joseph & Winston 2005). To reduce *wasta* and increase trust, employers should use accepted recruitment processes such as structured interviews and performance measures. Emiratis' trust in the fairness of the employment contract, and organisational structures and processes, are indicators of their organisational engagement. Employers have the legal and moral responsibility to offer fair working conditions and a satisfactory workplace; this is repaid with greater productivity and an increased sense of allegiance to the firm. *Wasta* (nepotism) in recruitment and promotion, significantly and negatively impacts UAE nationals' productivity. As a tradition of Arab society, *wasta* negatively permeates business transactions, negating non-binding government directives, HRM policies and thus acts as a wild card, disrupting organisational strategy, planning and efficiency, as Ford and McLaughlin (1986) describe nepotism. Whilst *wasta* is widely condemned in the GCC countries; the use of key selection criteria, job interviews and panel selection processes is not universal; employees are aware that recruitment and promotional opportunities in an organisation are not necessarily restricted to the best candidates. These findings are consistent with previous research (Hutchings & Weir 2006; Whiteoak et al. 2006).

Remuneration and career development significantly contribute to organisational engagement. In the absence of a judicial arbitrator for employment matters, the salary package in GCC countries encompasses a greater range of conditions than that of an employment contract in more established economies, where regulatory matters are enforced and considerable legal opinion accumulates. Private sector remuneration in GCC countries is based on an employment contract, which

besides cash arrangements, may or may not encompass hours of work, types of leave, health and other insurances extended beyond the employee, non-cash incentives such as housing, education and travel. There are restrictions on non-nationals' employment, such as an inability to change jobs mid-contract to protect the employers' investment; this may also apply to GCC citizens working outside their country. Localisation, or in this case, Emiratisation, positively discriminates for nationals, allowing them some surety in the employment contract and recourse to government employment assistance. Nevertheless, the overwhelming number of non-nationals in UAE workplaces negatively impacts the fortunes of the one or two nationals who may be found in any given workplace. Career development for Emiratis could be considered an oxymoron under these conditions. Whilst management, if not the owners, are term-contracted expatriates, the time horizon is based on two to three year contracts, often extended. Non-national employees cannot retire to live in GCC countries. The turnover of staff in UAE organisations is therefore high, but without appropriate statistics, unknown. As there are few UAE executives, and their personal situations are at the mercy of the same conditions as the non-nationals, the chances of a defined career path for Emiratis are slim. If an Emirati chooses a career path, then the national must compete at a level commensurate with qualified and experienced candidates for each step along the path. The significant relationship between remuneration, career development and organisational engagement is supported by previous findings (Adams 1965; Brockner & Betia 1996; Crosby 1976).

This relationship between pay and promotion prospects, and performance, is an outcome of the economic growth rate in UAE. Money is the hallmark of employment at this time, which feeds inflation, raises the cost of living for Emiratis and non-nationals alike; however, employment in UAE private sector organisations has not yet matured to exhibit the signs of longevity where working conditions are known and a career can be planned with any degree of certainty.

Gender inequality in the workplace is significant to organisational engagement as it impacts Emiratis' perceptions of the fairness of the employer toward women. Whilst Emirati women are well represented in tertiary education and perform better academically than their male counterparts, social mores and traditionalism have long influenced attitudes to women in the workplace. Women were expected to work in a female occupation in a female workplace, thus their academic qualifications are

largely in these craft and service fields. Single women work, but are expected to take on a marriage and childbearing commitment in their twenties or younger. Married women remain outside the job market for long childbearing periods, then find it difficult to re-enter employment; taking up a previous career is rarely an option. These are structural issues in gender discrimination that should be addressed as part of the cultural changes taking place in the country. The result of this study is consistent with Tanmia (2005) and Baud and Mahgoub (2001).

Factors influencing Emiratis' decisions to seek jobs, or remain in a workplace are therefore current and future salary prospects, trust in the employer's goodwill and its reverse aspect of *wasta*, and sex discrimination.

9.3 Research Question 2 Determine Sector-specific Factor Differences

Research for this question explored the differences between UAE nationals' experiences and perceptions in public employment and private enterprises. The findings are discussed under capital theory; human, organisational and social capital. Sector-specific differences were found throughout. Of the two sectors, private sector participants reported greater satisfaction with career attainments, training and development, gender inequality and trust, but lower qualifications. Public sector participants reported more qualifications, satisfactory remuneration and organisational culture. These matters are discussed below.

9.3.1 Human Capital

Analysis of human capital variables at Section 7.2.2 established two prime factors: organisational engagement, and training and development. Under the organisational engagement construct, employees' skills, experience, commitment and emotional attachment to the workplace were considered important for employment outcomes. Due to the median youthfulness of UAE nationals, variables of skills and experience are expected to be adversely impacted; the aim of Emiratisation is to overcome these widespread deficiencies through on the job training (Tharenou & Cateora 1997). Indeed, given the rapid pace of the economy, job classifications proliferate in the business and technology sectors where Emiratis rarely worked. Higher education (professional careers) and vocational training programs (technical support careers) should be directed toward the future employment opportunities now emerging, so that Emiratis will be equipped to gain the necessary experience to take

up their birthrights. If they are marginalised by poor preparation for the workplace, and lack of experience in their career choice, Emiratis can have little commitment to their employer, despite the probability of enjoying a good workplace relationship with team members. Nevertheless, nationals face underlying constraints of social dislocation, use of English in the workplace, and the private sector's indifference to other than profit targets.

There was a significant difference in mean scores between the public and private sector organisations with respect to training and development [$M=2.52$ (public), $M=2.33$ (private)]. The higher mean values for the public sector are biased towards disagreement, that the employers do not offer sufficient training, whilst firms in the private sector organisations offer satisfactory levels of training to nationals, and assist employee development. This finding is in contrast to previous research, where UAE firms resist training Emiratis because of issues in retaining their services; or that a qualified non-national could be hired and thus avoid the cost of training an Emirati (Abdelkarim & Ibrahim 2001; Wilkins 2001). Human capital research has long advocated for training and development (Bank 1999; Beardwell & Holden 1997). However, the introductory comment regarding timing of research in a volatile environment applies. As international firms become established as true branch offices (or are headquartered) in UAE, and local firms expand beyond small enterprises, corporate structures are established offering policies and programs reflecting the ethos of the parent organisation; then dedicated training facilities appear. Whilst the intention is to achieve corporate goals efficiently and raise productivity, the aim is also to increase training and development opportunities for employee stakeholders, such as encouraging further education, traineeships and mentoring programs (Losyk 1997).

As noted, public sector UAE national employees were less satisfied with their training and developing opportunities. The connotations from this unexpected result, given the excellent working conditions of the sector, may be an outcome of the now diminishing decades of absorption of all graduates into public employment. Arguably, public organisations had high training profiles to bring their employees to a level whereby they could communicate efficiently with their counterparts in the GCC and elsewhere. As recruitment declined for the sector, so the need for intensive training followed as the staff profile aged and employees became more experienced. Thus, the

quantity of training, which was not a part of this survey, possibly decreased in the public sector from a fairly recent high point and in the private sector increased, as discussed above, as that sector expands and matures. It should be also noted that best practice employer organisations from the private sector were selected for this survey, which may not reflect the general business community. The results of this analysis are strengthened by Abdelkarim and Ibrahim (2001) who confirm Emiratis' public sector preferences partly due to better training and development.

From a human capital perspective, public sector organisations should align with UAE national goals and commit to their employees' continuing development (Dodd-McCue & Wright 1996; Wan 2007, Holland & De Cieri 2006). There are many international examples where the public sector takes on a training role through social services and management employment programs to enable public sector employees to transfer to a senior role in the private sector. As a HRM strategy, such programs provide very many graduates a range of career development opportunities, training options, feedback on performance, career counselling and access to innovative rewards systems, tailored to meet both organisational goals, and actively assist UAE national employees (Brousseau et al. 1996).

Because they are infrequently corporatised, public service departments and public sector entities cannot respond to public criticism as readily as can private sector corporations, which face continual reporting and audit obligations and are better prepared. There are a number of private sector HRM strategies that public organisations can emulate to ensure that job specifications and key performance criteria are benchmarked against similar private sector jobs. There are very few public service positions that do not have a counterpart in the private sector. In the case of the GCC countries once the positions are defined, the numbers of such employees in each category, level or workplace can be compared to determine best practice in the region. Emiratis in these job descriptors, or in disciplines such as finance, architecture and HRM, can then be target trained to achieve best practice, adding salary rises or bonuses as reward for educational levels achieved, rather than years of experience (Noe 2008).

TANMIA is placed to monitor education, training and experience gained by Emiratis as they change employment. Emiratis could update their CVs on a database

similar to a job-seeking site to access details on public organisations skills shortages and training on offer for a particular discipline.

Analysis for this research revealed a significant difference in education levels between the sectors. Whilst two-thirds of public sector UAE nationals possess at least a bachelor's degree (66.7%), less than half the private sectors Emiratis (45%) have such qualifications. Factors contributing to this result include the attractions of superior working conditions in government employ: salary, superannuation, social security insurance, further educational opportunities, working hours and a better working environment. This finding is consistent with outcomes from prior studies (Tanmia 2004; Freek 2004; Al-Dosary 2004; Al-Lamki 1998). This Emirati attraction to the public sector is arguably a factor in the proportions of its graduate employees: competition raises the entry qualifications and perhaps over-qualifies candidates for the job, leading to frustration and disengagement.

By recruiting less-qualified nationals, private employers may limit the number of Emiratis who can reach higher management and executive levels, thus denying the goal Emiratisation is set to deliver. Whilst reaching for Emiratisation quotas, private employers either recruit for low profile positions, or they are taking on graduates for which they must undertake further training and job experience responsibilities and who they cannot easily remove (Fernandes & Awamleh 2006; Al-Dosary 2004).

Earlier, Alghafis (1992) found a mismatch between private sector skills requirements and the skills of Emirates University graduates. Comprehensive and universal education systems in the GCC countries were first established in the 1970s, and the first priorities were to raise standards of numeracy and literacy in the populations, particularly among adults. Education is free in GCC government schools, colleges and universities and, with high birth rates and non-national children numbers, the next priorities were to maintain the rate of establishment of sufficient staffed facilities. In recent years, attention turned to quality issues: the relevance and standards of curricula, educational styles based on enquiry and problem solving, up to date resources and equipment (Al-Yousif 2005; Girgis 2002). Personal choice is also a factor; educational preferences for girls, as noted, centred on arts qualifications, whilst boys eschewed 'technical' careers in the sorely-needed fields of engineering and science. Management is not a high priority among Emiratis.

Thus, a major policy recommendation is that the UAE needs to redirect its emerging education system. New priorities should target job-ready courses by streaming career paths through secondary school and colleges and, as this education is free, either limiting entry to low job opportunity courses, or redirecting arts curricula into work skills, such as English fluency, media or marketing (Al-Lamki 2000). The following initiatives from previous research are endorsed:

- *Based on dialogue with the private sector regarding future skills requirements, curricula throughout a child's education should be streamed toward work-readiness* (see Section 5.6.4, Tanmia 2004; Freek 2004)
- *Classroom performance standards for pupils to reflect current educational practices of enquiry and problem-solving, rather than memorising text* (Section 2.3.1)
- *The Higher College of Technology and other UAE tertiary institutions offer apprenticeships through integrated vocational education and technical training (British Nationals Vocational qualifications, German model 'dual system', Australian traineeships and apprenticeships)* (see Section 3.2.4, Section 4.1.3)
- *As part of the dialogue between educational authorities and private industry curricula from late secondary school through all tertiary education, career paths should incorporate regular work experience provided by private employers* (Lopez et al. 2005, see Section 3.5.3)
- *Mindful of wasta, scholarships to best practice educational institutions should be readily available to UAE candidates who reach the entry requirements of such institutions, to ensure UAE continues to receive current valid information, knowledge and direction* (see Section 4.12 and Section 4.1.4)

Human capital accumulation, as discussed at Section 4.1, comprises knowledge, experience and skills gained through formal education and job experience, and further training allied to the job. For UAE nationals, individualism is related to social standing, status, in the family networks more so than performance rewards through employment. The theory of accumulated human capital as a resource for the country to exploit in economic growth is not universal in an Arab environment, as it is

subjugated from an economic goal to one of status. Employers are not primary stakeholders to the individual-national pact of human capital objectives and thus have a subsidiary role between the individual and the state in the acquisition and expenditure of human knowledge. This is not the aim of Emiratisation, and is a social phenomenon that over time will be redirected through education and society evolution to economic capital goals.

9.3.2 Organisational Capital

From the analysis, four factors impinge on organisational capital: organisational culture, career development, remuneration and English fluency. Career development exhibited a difference in means between the sectors; [M=2.27(public), M=2.12 (private)] as did English fluency [M=3.72 (public), M=3.53 (private)].

The results for career development show that employees in private employment are more satisfied with career achievement and develop new skills. This finding agrees with previous researchers that career development increases organisational engagement and job satisfaction (Chen et al. 2004; Wayne et al. 1997). It does not confirm recent findings of Freek (2004) and prior research by Al-Lamki (1998) that UAE nationals leave private sector jobs through lack of career development opportunities and low remuneration levels. To guide career-minded Emiratis, researchers suggest centralised or employer-targeted management of their training and work experience, including funded Emirati career plans linked to the Emiratisation quota decrees (Fryxell et al. 2004; Prince 2005; Baruch & Peiperl 2000; Freek 2004).

Career development is inherently complex (Section 4.3.4), as it depends on an individual's attributes, job or profession preferences and expectations, job opportunities at various stages in life, economic conditions and the market for particular skills. Evolution of the profession is an issue, as technology and practices change so that disciplines such as IT or engineering splinter in many directions.

There are debates over the best way to develop professionals. For example, in Australia the University of Melbourne has broken with established British and Australian practise, and moved toward the European and North American approach. From 2007, it will stream undergraduate students into

six broad undergraduate programs followed by a professional graduate degree, research higher degree or entry directly into employment. The emphasis on academic breadth as well as disciplinary depth in the new degrees ensures

the capacity (for a student) to negotiate the way successfully in a world where knowledge boundaries are shifting and reforming to create new frontiers and challenges almost daily (University of Melbourne 2007).

Individuals mature, gain life experience and their career aspirations change. Professions change, as the Melbourne Model is designed to address.

Emirati employees in this study were concerned for their careers, but the quantitative study was not in a position to probe their reasoning, which arguably ranged from inability to find a job in their chosen career to a blocked career path. The volatility of the job market demands that Emiratis, like other workers, undertake lifelong learning to either maintain parity with new graduates' knowledge, or to change career direction. There is little evidence to expect that employers will accede to either of these requests, other than negotiating an employment contract including further training. Lifelong learning for graduates is a factor of their previous training and thus a responsibility of their university or tertiary institution.

The results of this research stress the importance placed on English language proficiency by the private sector (Section 4.3.4), and this corresponds to prior studies (Abdelkarim 2001b; Al-Lamki 1998). The UAE standardises English as a second language from the mid-years of schooling, nevertheless there is a great difference between this conversational English and the technical English of professional disciplines. Further, curricula subjects taught in Arabic from paper-based resources are frequently dated, due to the time factor for translation and reprinting, and Arabic-speaking students lack the diversity of sources of paper products that native English-speakers can access. Further, the increasing importance of on-line education, again predominantly English, requires that screen-based learning slowly dominates many tertiary curricula.

Whilst the study of English deepens and becomes more important for Emirati students, those now in the workforce have other language impediments besides fluency. Language is an element in the preference of nationals for the public service, where Arabic is widely used (Abdelkarim 2001b). For Emiratis, the corporate workplace culture and multinational work teams raise issues of foreign accents, colloquialisms and terminology; and the lack of an inherent ability to communicate impedes UAE nationals' work performances and involves others' valuable time in

explanations. This in turn impacts Emiratis' promotional possibilities and ability to transfer to other jobs within the organisation, or to another employer.

English is the lingua franca of business. Whilst translation devices are becoming more sophisticated and will presumably become instantaneous translators, they will not replace personal communication. This research, in agreement with the majority of past researchers, finds the language barrier of insufficient English fluency of prime significance to Emiratisation. Recommendations supporting previous theorists are therefore set out as follows.

- *Promotion of English as a second language is intensifying in the GCC countries; however, as a skill leading toward employment it is a human capital variable for which agencies could consider offering remedial English to unemployed Emiratis (see Sections 3.5.2, 2.1, 2.5, 2.6, 3.6.2, 3.2.3)*
- *For Emirati adults in employment, training facilitators can enhance career development by leading groups through practice business meetings, technical discipline discussions and social gatherings, to follow and understand the verbal structures and developing themes that arise in the various situation (see Sections 4.1.4, 3.2.3, 3.2.4).*

Organisational capital has different connotations in UAE, which is a newer, maturing economy. Corporations are recent, usually local majority owned, yet managed and operated by foreign staff. UAE boasts an open market for entrepreneurs and a good employment environment protective of employees' rights; this does not refer to an open door approach to all non-nationals. Organisational capital is fundamentally the sum total of capital resources of the corporation: finance, human and physical, and the supporting infrastructure and market environment it operates within. Like human capital, organisational capital accumulates within the organisation and is expended to the benefit of all its stakeholders comprising owners and employees, customers and suppliers, government and society.

UAE organisations do not yet accumulate long-term organisational capital. Because of their newness, organisational capital is not accumulated in depth, rather, its current model is a one-directional rapid accumulation of profit. Finance, human

and physical resources are infinitely replaceable in this model; in manufacturing terms, it is industry on wheels.

In this case, like the divergence evidenced by human capital, this is not quite the outcome expected. UAE attracts enterprises for rapid industrialisation to establish a stable economy where the benefits of production and services are spread widely to support its citizens, and its transitory, changing population. Organisational capital presupposes the slow build up of long-term assets, internal and external relationships, and the continued accretion of wealth. Organisational capital, from a national viewpoint, relates to the accumulating wealth of enterprises that contribute to the economy. If organisations do not contribute through taxes, then they contribute through national employment and supply and expend on the local market. Like human capital outcomes, this expected outcome is also subjugated by the expatriation of wages, high imports, low added-value exports, and rare Emirati employment. Thus, organisation capital goals between employee and employer, and employer and state, are not yet operational. Employers, Emirati and non-nationals are not evidencing commitment to UAE goals, nor to Emiratisation.

9.3.3 Social Capital

Social capital is the third construct that holds influence for an Emiratisation program. Gender inequality, trust, social justice and *wasta* (nepotism) are social capital factors, of which two, gender inequality [M= 3.35 (public), M=3.22 (private)] and trust [M=2.71(public), M=2.58 (private)] displayed statistically significant differences between the sectors. Private sector employees perceived less differentiation between men and women in matters of salary, position status and career development. Respondents expressed satisfaction in private organisations' policies and practices for career development, training opportunities, transfer and promotional opportunities, and reported that their organisation practised equal opportunity for women recruited as on-going employees. In contrast, respondents from public organisations were less satisfied with training and development opportunities for women, job status and the salary discrimination referred to in Section 9.4.

The private sector results, thus the combined results from this study are not consistent with entrenched UAE sex discrimination found by researchers (Adam 2003; Al-Lamki 1999; Baud & Mahgoub 2001). Bahraini women similarly face this overt discrimination: there are no HRM equal opportunity policies to encourage female work participation (Metcalf 2007). Despite the response from private sector participants, taken in context of the GCC countries social mores, the clear findings of this study are that whilst UAE men and women are decreed equal educational and employment rights, in practice discrimination against women exist in all organisations. The response from the private sector respondents is thus a matter of degree. Legislation by itself, without social and cultural support, does not address this aspect of social capital; half of Emiratis are not subject to the same privileges the other half expect.

Social capital factors are many-faceted and complex. Gender discrimination is widespread and is based on sometimes well-meaning assumptions about the role of women in society (see Section 4.2.3). These assumptions have long been proven futile, discriminatory and prevent women taking up full citizenship in their own country. Discrimination principles and practice are extremely effective in hindering social, human and economic development. In UAE's case, the outstanding example of economic impact is the number of Emirati females unable to contribute to their country's development despite their supremacy in tertiary education. UAE cannot afford one luxury, that of discrimination, as remarked Information and Insights on Middle East Development (2002), who did not want to be a member of a population that constituted one per cent of his own country, as extreme marginalisation of indigenous people leads to loss of hegemony. High birth rates will not achieve Emirati resurgence against a continual influx of non-nationals, women in the workforce will counter the inflow by taking the jobs first.

Thus, to change conservative Arabs' perceptions of women in work requires strategies, decrees, and enforcement of women's rights. Emiratisation, as a form of affirmative action, should first be directed to assisting women in jobs, through appropriate education (private sector health, education, management); advocacy, arbitration and judicial support structures; positive discrimination in the public sector; flexible work arrangements to balance work and family life; and social and practical support for working women who are carers. There is a need to question underlying

assumptions about the division of work, and an analysis and report on the systemic organisational barriers is necessary for UAE women's advancement. Further, a network of support structures where women professionals and managers can interact and build their careers should be officially encouraged and supported. This finding is consistent with previous research that women's promotions are not accompanied by the same increase in managerial rank as their male counterparts (Kirchmeyer 1999; Powell 1993). Regardless of their rates of promotion UAE males attain higher management levels than UAE females (Kirchmeyer 1999; Sturges 1999).

Within the theoretical construct of the GCC social capital environment, the results of this research were that the private sector group were less concerned regarding gender discrimination. Yet Adam (2003) reported that, by decree, a UAE woman cannot earn more than a man; however, this dictum was widely ignored by non-national employers. There is little hope for public sector reform if there is entrenched and overt discrimination in the social structure of the UAE, whether it is practiced or not. It is incumbent on the public service leaders to advocate for removal of outdated and dysfunctional bias from a prosperous social framework when, paradoxically, they are intent on Emiratisation. Whilst systemic bias and overt barriers are raised against women's participation in the workforce, UAE cannot be expected to take its place among the world's enlightened societies.

Recommendations for positive discrimination in UAE public organisations to remove barriers to women's advancement in leadership roles follow

- *To comply with UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), ratified by UAE in 2004, remove all discriminatory decrees and undertake steps to actively promote equal opportunity (see Sections 2.2.1, 3.4.2, 4.2.3, 5.6.9)*
- *In further compliance with CEDAW, establish a tripartite organisation, which advocates for women's rights in society, including health and childbearing; actively pursues gender awareness and equal opportunity for women in employment, and has a judicial function with powers to implement its decisions (Australian model, Section 4.2.3).*

The social capital theory of bonding is apt for GCC countries (Putnam 2000). Strong family and tribal ties extend across borders and through social and business

transactions, *wasta* as an example. Yet the resources accumulated by society of population, history, government, traditions, purpose, relationships and wealth, encapsulate human, organisational and social capital and draw a parameter that is an entity. Social capital is the strength gained from human relationships and expended to *the* benefit of its citizens, and in this case, the remainder of the population. Social capital provides a framework or structure to informal society, balancing governance and social services, and assisting environment and lifestyle. The rate of return on this investment in social capital can be much higher than investment in any other economic activity, as distributive relationships may establish forms of interpersonal obligations that are permanent and cannot easily be discharged. Thus, social capital both strengthens society's assets through family and trust, and weakens society through discrimination and *wasta*. Bridging ties of greater communication between secondary and tertiary stakeholders to UAE, common goals and a wider form of trust are necessary to release the accumulated, largely bonding social capital of Emiratis.

9.4 Research Question 3 Characteristics of Emiratis' Work Attitudes

Analysis of perceptions of public sector participants revealed that five variables, organisational culture ($\beta=.573$), trust ($\beta=.139$), career development ($\beta=.087$), age ($\beta=-.100$) and gender inequality ($\beta=-.124$), were statistically significant predictors of unique variation and explained such variation in UAE nationals' engagement with their organisations. An increase in any of these five variables results in increases in organisational engagement; an increase of one grade point of organisational culture, trust and career development results in an average increase of at least $b=.582$, $b=.112$ and $b=.093$ respectively in organisational engagement. Findings of this research are that increasingly positive perceptions by public sector employees of organisational culture, trust and career advancement produce greater levels of engagement within their organisations. Findings also show that a decrease of one grade point of gender inequality in terms of the adverse perceptions of discrimination against women employees salaries and job descriptions results in an average increase of at least $b=-.125$ in public sector organisational engagement.

The following subsections discuss organisational culture, trust, age and other characteristics pertinent to organisational engagement, training and development and

wasta. Career development and discrimination were discussed at Section 9.3.2 and Section 9.3.3 respectively.

9.4.1 Organisational Culture

Views of private sector employees who were participants in this study resulted in different priorities for the variables. Organisational culture ($\beta=.610$), remuneration ($\beta=.116$), trust ($\beta=.112$) and *wasta* ($\beta=-.122$) were statistically significant predictors of unique variation and explained variation in organisational engagement, thus an increase in any of these four variables results in increases in organisational engagement. This suggests that an increase of one grade point of organisational culture ($b=.599$), remuneration ($b=.076$) and trust ($b=.091$) will result in increase in organisational engagement. Employees with improvements in organisational culture, rewards and are more trusted reciprocate with productivity. The result also shows that a decrease of one grade point of *wasta* results in an average increase of at least ($b=-.077$) in private sector organisational engagement. The findings of this study is that organisational culture is the prime variable that explains variation in the Emirati employees' engagement in both sectors, and thus is of significance to both decision makers and employers who embrace Emiratisation.

Analysis of organisational culture for private employers ($\beta=.610$) explained greater unique variance in organisational engagement compared to that for the public employers ($\beta=.573$); the private sector organisational culture contributed more than the public sectors. Noting, however, that quality private sector organisations were selected for this study, the difference between the sectors is not substantial. The culture in the public sector, as discussed (see Section 4.3.5), is more amenable to Arabic sensitivities, respecting religious and traditional observances, comprising reduced working hours and appropriate shifts, full weekends and holidays, and generous remuneration packages. Arabic is used in the public sector to a greater extent, so that communication is easier, financial content (interest and financial mechanisms) is minimised, conflicts are resolved, employees are apprised of organisational information; policies are applied satisfactorily and there are good physical working conditions.

Private sector employers were criticised by the participants on communication factors, including updating corporate information and dispute resolution. This is

consistent with previous findings relating to the propensity for UAE's private corporations to adopt a simple remuneration-driven and dictatorial management style in preference to creating a team-based performance corporate culture (Abdelkarim 2001; Freek 2004; Van der Post et al. 1998). Indeed, this study's results arguably detect a maturation in the UAE; although reliant on transitory workers, the emergence of a services sector from the largely construction based economy brings into play a dynamic and progressive workplace. Although attracted to UAE by salary levels, transitory workers, once in their jobs, nevertheless expect workplace norms commensurate with established economies. These norms included constant communication throughout the organisation, project team work using a leader instead of management layers, timely decision making and a congenial working environment to minimise disruption. As the public sector workplace is bounded somewhat by language and culture due to its higher national workforce, its working environment norms differ. Factors of greater importance to its employees are those based on standards of living, status, and maintaining traditional and religious observances external to the workplace. Thus, private sector employment principles are driven by a triennial timeframe of remuneration and expatriate norms; the public sector employment principles are driven by life employment for livelihood and status, and work and life balance.

These differing themes for the UAE economy may be viewed as an early stage in its development, and a point where timely intervention can prevent future dislocation and hardship. The ESCWA publication, *Responding to Globalization: skill formation and unemployment reduction policies* (2003 p.38) recommends that the GCC countries, and UAE specifically:

incorporate the goals of steering the economy towards capital-intensive investments that eventually eliminate many of the jobs that require few skills, improving economic growth levels and generating levels of productivity that warrant the payment of wages that meet the aspirations of the national labour force.

To alleviate these disconnects, and embrace Emiratisation (Section 3.6) the following initiatives may promote growth of social capital in UAE.

- *Establish a directional committee to facilitate a structured exchange of Emirati employees with key disciplines between the sectors. Whilst retaining their conditions and salaries, these key employees can disseminate timely*

information, skills and strategies from sector to sector. They also introduce their sector's work culture, removing misconceptions and promoting adoption of good practices throughout. The issue of poaching such valued workers is offset by the prospect of Emiratis in new workplaces, thus promoting Emiratisation (hypothesis 11)).

- *To alleviate the possibility of a future UAE society divided by employability, remove guaranteed employment in the public sector, using time-based contracts to promote job mobility between the sectors (hypothesis 8).*
- *Although 93 per cent of participants in this study were aged between 20 and 40 years, employees over 45 years in both sectors should be offered part time project and mentoring work, with public sector employees' pensions retained at full time levels. New staff hired to replace them are placed on five or ten year contracts for work experience and to assist in establishing their careers (hypothesis 9).*
- *Superannuation should be available to all Emiratis, managed by one organisation for both sectors, and contributions made by all employers (5% of salary) and national employees (percentage based on age). Health insurance could be treated similarly, as is now occurring in Saudi Arabia. Contributions replace increases in quota-based fees and universal superannuation (and insurance) removes a major remuneration barrier between the sectors (Author, following finding from hypothesis 15).*
- *Younger Emiratis' expectations are coloured by the overwhelming presence of expatriates, and thus the qualifications, work skills and experience which won the contractual position is lost in the numbers of workers who arrive. Arabic mores demand that they, too, are suitable for these positions. These expectations should be supported at secondary school where, as recommended, expatriate corporate agents instruct children regarding their life choices in careers (hypotheses 1, 2 and 3).*
- *For those Emiratis whose qualifications and experience were insufficient to gain a career, greater determination is required to prevent them becoming long-term unemployed. Ongoing programs that operate until the person is placed are necessary to prevent future financial distress and possibly*

groups of perennially unemployed. Minimal salaries on this program, accessible by all underemployed Emiratis assist them to remain with the program, which could be tied into gender-based programs (Author, following Al Mansouri, Minister of Governmental Sector Development 2007: hypotheses 1, 2 and 3).

9.4.2 Trust

Participants in the private sector expected management to take regard of their future career prospects, that their employers keep to agreed commitments, and that they maintain good relations with their employees. This finding concurs with research by Peters and Waterman (1982), who state that trust is the key for employee-oriented strategies of successful organisations. From a UAE view, Tanmia (2004) reported differently; that private employers were distrustful of Emiratis' claims of proficiency in the job, a position supported by Freek (2004). In this study, public sector participants found that managers were less willing to delegate responsibility and followed dictatorial human relations policies; this supports previous findings of that a lack of trust can lead to dysfunctional outcomes and reduced confidence in the organisation (Kanter & Mirvis 1989; Matthai 1989; Aryee et al. 2002). Overall, the results are in line with previous research that has consistently underscored the value of trust between employees, organisations and societies (Putnam 1993; Fukayama 1995).

As a factor of social capital, trust, however defined, is a dialogue forged by status, kinship or contract. Each holder of trust is aware that it infers stated and unstated responsibilities and rights. Prior research findings on trust concepts in the employment contract generally consider either manager-employee relationships from a line management responsibility or organisational policies as a HRM responsibility. Trust is a vexatious concept; on one hand it is an underlying structure that supports all social interaction; on the other it is an open-ended, measureless, responsibility. The employment contract is arguably placed on this trust continuum, a responsibility, but not infinite. In previous research, Emiratis (Freek 2004; Abdelkarim 2001b; Tanmia 2004) are considered by their expatriate private employers as skills-deficient when they are asked to take the initiative; yet they are subjected to rigid conformity by their public employers who do not condone initiative.

The absence of employers' trust in UAE nationals again relates to the pace of change in the country. Education and training is arguably the prime factor in employment, and comprehensive education in UAE is a relatively new phenomenon that is still developing. In this research, however, private sector participants reported that they were satisfied with the level of trust evidenced by their employers; this implies that they fulfil expected performance levels, and fit satisfactorily into work teams. On the trust continuum, they have achieved a duality of trusting, and being trusted. Whilst previous research showed no evidence of such private sector trust, it did show rigidity and deficient levels of trust in the public sphere, which is confirmed by these findings. Thus, there is evidence of emerging trust of Emirati employees by their employers, which may be again tested by future research.

Using this evidence and extrapolating from prior research through identifying issues (Section 4.1.2) and addressing these with examples of good practice (US, UK), the following recommendations are made

- *Establish a tripartite board comprising private and public employers' associations and private and public education providers to determine future directions for specified professions, para professions and trades in UAE; board directs organisations in provider standards and work readiness levels, employers commit to provide annual work experience and intake levels, and experienced resources for educational workshops and career days (Author, following Al Bawaba quoting UAE Minister for Labour, 2007: hypotheses 1, 2 and 3).*
- *Establish a working conditions organisation to set minimum working conditions for all employees in specified professions, para professions and trades in accordance with ILO Conventions (Author following report in Al Bawaba 2007)*
- *Establish a conciliation and arbitration commission to manage employee and employer complaints in accordance with UAE adherence to ILO Conventions (Zalameh, 2006)*
- *Use the tripartite board to negotiate lifelong learning provision by universities and trades schools within employers' facilities to transfer current practices to universities and research to employers (Al Bawaba 2007).*

- *Based on lifelong learning, use the tripartite board to establish Emirati mentoring network through employers and education providers to draw Emiratis through skills and leadership levels (see Section 3.6).*

9.4.3 Wasta

Wasta (nepotism) was the second explained unique variation in the private sector, with a majority of employees experiencing incidents of *wasta* in obtaining a job or promotion. *Wasta* is a major factor in Emirati turnover in the private sector, and reflects the paucity of jobs available to Emiratis through their reduced employability. It is also an indicator that appropriate and transparent hiring practices in corporations are not followed for Emiratis, reducing employees' engagement with the organisation and severely and adversely impacting Emiratisation. This finding agrees with recent literature on *wasta*, that as the family is paramount, Arabs rely on their strong network connections for social and business purposes (Hutchings & Weir 2006; Metcalfe 2007; Whiteoak et al. 2006).

There are other factors in contention in UAE workplaces. In the larger established economies, private sector organisations are generally owned publicly with a published share register, and the influence of majority shareholders is muted by the scrutiny of minor shareholders and the stock exchange. Private organisations in UAE are not yet granted foreign majority ownership, paradoxically, few Emiratis work in the sector, preferring public employment. The Emiratisation program is therefore subject to Emirati owner or major shareholder influence, as well as its decrees and organisational HRM policies. In such a culture, *wasta* can be practised with impunity.

The following recommendations are made to minimise the impact of *wasta* (see Section 4.2.4)

- *Amend the Companies Law to allow foreign majority ownership of UAE's organisations whilst maintaining Emiratisation programs (Lubna Al Qasimi, Minister of the Economy, 2007.)*
- *Establish an arbitration organisation with the powers to investigate and manage complaints of wasta; including demanding evidence of transparent recruitment and promotion practices from all employers. This organisation also undertakes awareness campaigns to alert citizens*

against wasta, and publishes proven wasta incidents and their outcomes
(see Section 4.2.4).

9.4.4 Remuneration

Salary and some working conditions, given that conditions in UAE differ to those of established countries, and that conditions in the two sectors also refer to a different base. However, the Labour Law governs all employment, restricting overall hours of work. Some industries have a five and a half day week and nine hour days, working on a split shift system (see Section 3.2.3). For non-national workers who are in the country for a few years, this arrangement is simply extra money. These employees have little incentive for leisure or lifestyle in UAE, with commitments in their home countries. For UAE nationals, patterns of working hours and insufficient holidays are an issue in continuing their employment. Cash salaries must be sufficient for one-income extended families, with inflated rents from new developments in coastal cities like Dubai and Abu Dhabi. Remuneration therefore includes cash, incentives, and some working conditions, including promotion prospects.

In this analysis, private sector remuneration explained unique variance in organisational engagement in terms of satisfaction and commitment, so that a good salary package is highly desirable to UAE nationals and leads to organisational engagement. This accords with research by Miceli & Mulvey (2000) who found that the importance of pay satisfaction lies in its association with a number of ‘downstream’ attitudes such as organisation citizenship behaviour, organisation commitment (Kessler & Heron 2006) and, with reference to this study, ‘quit’ rates (Heneman 1999). However, despite the quality awards of the private sector organisations in this sample, remuneration remains an issue for the study participants. This implies that either all employees are dissatisfied with the tax-free salary-based remuneration packages structured for transitional workers, unattractive to nationals who have the capacity to be long-term employees; or that Emiratis have unrealistic expectations from the generous remuneration of the public sector (Tanmia 2004; Freek 2004; Al-Dosary 2004; Al-Lamki 1998). This dichotomy again arises: that the Emirati-controlled private sector is not showing leadership by employing their citizens; non-nationals are preferred.

The recommendations of this study for remuneration relief are consistent with those for previous research questions (see Sections 5.6, 3.2.3, 3.6.1, 4.1, 4.2.3, 4.3.4)

- *Public sector remuneration and working conditions are frozen until they reach at least market value with private sector task-related and responsibility-related job descriptions (Chilton, 2007)*
- *Based on ILO conventions, a working conditions and pay commission establishes base rates across UAE business sectors for these jobs, premiums paid upon defined performance levels based on these tasks and responsibilities (Al Bawaba 2007)*
- *The Labour Law is modified to encourage part time work and flexible working hours, initially for defined positions and for those with family responsibilities; a complaints commission to be set up to adjudicate (Abdurrah 2007)*
- *Key job description holders (disciplines) are transferred between the sectors to impart current knowledge for each (hypothesis 11)*
- *Those whose working income is below a certain level defined by the pay commission are temporarily paid by the commission to reach that level, together with an education or training program to reach the defined level (Al Bawaba 2007).*

9.4.5 Training and Development

Analysis of responses for public sector participants showed three variables, organisational culture ($\beta=.550$), gender inequality ($\beta=-.104$) and gender differentiation ($\beta=-.123$) that were statistically significant predictors of and explained unique variation in the UAE nationals' engagement with their organisations. Organisational culture in this study is the strongest unique contributor for employees to gain access to training and development. An increase of one grade point of organisational culture results in an average increase of at least ($b=.748$) in training and development. The analysis shows that an amenable organisational culture is a strong indicator for delivery of further training and development. The (β) values for gender inequality and gender differentiation show that a decrease in either results in increases in training and development; a decrease of one grade point of gender inequality and gender balance in the workplace in remuneration

and job discrimination results in an average increase of at least ($b=-.222$) and ($b=-.140$) respectively in training and development in the public sector

Gender inequality negatively affected training and development. Male and female public sector participants reported that gender was a factor in training and development that UAE female employees had fewer opportunities for training and development. The UAE has no professional associations where women can network, a traditionalist society that supports women's career aspirations by decree; whilst paradoxically maintaining decrees of gender salary status and segregation that nullifies any possible advancement. The findings of this are that public sector women face overt discrimination in training and development, have less role models, less management training programs, and are conditioned to shun affirmative action. These findings correspond with those of Adam (2003), who found that the opportunities for training and career progression are limited and very slow and this has impacted UAE women's contributions in the workforce. The policies towards gender inequality are discussed at Section 9.3.3.

Gender was explained as the third variation after organisational culture in UAE nationals' engagement with their public organisations, although gender was an insignificant variable in private organisations. Whilst men and women have similar employment opportunities in corporations, participants reported discrimination in HRM policies and programs in the public sector. This is an unexpected result, inconsistent with Baud & Mahgoub (2001) and Freek (2004) who found the main reason women left the previous job was a low salary and obtaining a higher position in the private sector.

In contrast, in the private organisations, only organisational culture ($\beta=.595$) and career development ($\beta=.171$) were statistically significant predictors of unique variation and explained unique variation in training and development. These findings confirm once again that organisational culture is the primary variable for Emirati engagement. Results also revealed that organisational culture ($\beta=.595$) explained greater unique variance in training and development in the private sector compared to public sector ($\beta=.550$); the private sector organisational culture contributed more than the public sectors. That means the private sector organisational culture is better compared to the public sectors. Therefore, the results suggest that private sector employers communicate with employees and constantly

update them on organisational matters; conflict resolution is practised the organisation's policies are applied satisfactorily; and there are good physical working conditions. These findings not support similar research (Al-Dosary 2004; Abdelkarim 2001b).

It is incumbent on private sector employers to foster appropriate workplace cultures (Section 9.3.2); that the transitory nature of the workforce over time will weaken the organisational culture through lack of commitment. Corporations currently rely on line management to gain appropriate productivity, or organisational engagement, from their employees. However, without greater attention to HRM programs to support policies, the establishment of a core of skilled and knowledgeable employees necessary to maintain corporate vigour in the marketplace will not occur. It is mandatory that to maintain organisational engagement, line management has the appropriate programs, including recruitment and promotion by performance measures, affirmative action, an appropriate reward system, training, and flexible working conditions. Moreover, managers should avoid the prevalent tokenism where UAE workers are placed in subsidiary roles to meet Emiratisation quotas, and develop innovative means to manage UAE workers effectively (Mellahi 2007). HRM policies and programs need focus on organisational objectives, including Emiratisation, and to be internally consistent (Huselid et al. 2005). Organisational culture factors are discussed at s.9.4.1.

Career development was explained as the second variation after organisational culture in the private sector, while career development was an insignificant variable in the public sector. This study found a positive relationship for corporate participants between career development, and training and development; there was a significant direct effect ($\beta=.171$) on training and development. Thus, a high regard by employers for staff career development was found to effect engagement in training and development, supporting prior research in this regard (Jain 2005; Abdelkarim & Ibrahim 2001; Chen et al. 2006; Boxall & Purcell 2003).

As career development is accrued human capital, gained through qualifications, experience and lifelong learning, which is returned through employment, recommendations for this factor of organisational engagement follow

- *The recommended employment organisation tasked with career orientation for those entering employment and those requiring promotion is an excellent potential source of information and further education for career planning and this aspect should be incorporated into the Emiratisation initiative (Chilton 2007)*
- *Career planning is an excellent indicator of organisational engagement and private HRMs should incorporate career planning in a remuneration package, rewarding an employee, including UAE nationals, with assistance of finance and time off from work, upon attaining performance targets (on extending current initiatives, such as the UAE annual Career Fair)*
- *For the individual a general degree, such as is widely used in Europe and USA, and us now being implemented in Australia as the Melbourne Model, allows flexibility in future learning to follow trends as new career paths open. Careers usually span several jobs in several organisations, and care should be taken in reaching an impasse early in a career by being overspecialised. Using personal and professional networks to source trends and plan career paths requires the establishment of weak social capital bonds, which could be set up through public funding, especially of value to women. (Author).*

9.4.6 Age

Of the variables, age negatively impacted organisational engagement by public sector employees; older employees are less engaged with their organisations. Nevertheless, young UAE national employees aged 20 to 25 years display less organisational engagement initially, and then become involved with the organisation as both their experience and their ages increase. The cohorts of 26 to 30 years and 31 to 40 years had the highest level of organisational engagement, then after 50 years of age, UAE national employees' organisational engagement slipped slightly. This performance profile reflects the maturation of the employee and dedication to the organisation as responsibilities are accepted and a career path opens, and subsequent decline in interest as career opportunities and trust diminish. An increase of one grade point of age will result in an average decrease of at least $b = -.063$ (see Table 8.20) in

organisational engagement. However, this result does not agree with the findings of Boon et al. (2007) that older employees had higher organisational engagement. Research findings to improve organisational engagement for those over 45 years include job enrichment, training, and performance monitoring (Nankervis et al. 2005, Ntatsopolos 2001, Bakker 2005).

In UAE's public employment, ensuring performance levels of workers over 50 years of age presents a challenge (see Section 8.3.1). Recommendations of this study are:

- *Maintaining performance levels in older workers is crucial, given the average age of the community, as these experienced employees have the necessary organisational knowledge and skills to transfer to younger, inexperienced workers (Extrapolating on the Shell Intilaaqah-Abu Dhabi training and mentoring program)*
- *Provision of mentoring to new staff, continuous training, project work and lifelong learning opportunities in other fields are the means by which this knowledge and experience can be tapped (Emirates Today 2007).*

These results provide decision makers and employers with strategies for improving organisational engagement through application of the defined factors that factors constitute the variables for this study; however, other factors to improve productivity for employees can be the basis of further research.

9.5 Research Question 4 Emirati and Non-nationals' Work Attitudes

Findings of differing perceptions of Emiratis in the two business sectors are discussed at Section 9.3. As Emiratis were the focus of the study, the perceptions of non-nationals were not sought. Yet the differences are profound, as the nationals are competing against world-class skills in any given job description. Previous research questions lay the grounds for this, the last are of comparison. Structural impediments, private sector indifference and expatriate superiority in employability and not least, cost and efficiency, are all barriers to UAE youth entering the job market.

Emiratis' attitudes to work are not that of the non-national labour force, in fact Emiratis' perceptions and the statistical evidence are that at present the private sector is effectively barred to them. Remuneration, at market rates that do not cover the cost

of living in UAE, is a deterrent. The unofficial business language, English, is a deterrent, intensified by the difficulty of matching skills and experience with that of the expatriate workforce. The transitory nature of the workforce is a deterrent for young Emiratis embarking on a career, as there is no stability also among the executive and line management; management is performance-driven and time-driven for their end-of-contract bonuses. Even taken Emiratisation that is disconnected from economic, social, organisational and psychological forces is a deterrent. Emiratis, once in a job, find little support for their largely token positions and frequently leave, remaining unemployed until they acquire a job in the stable public service.

The non-nationals' view of Emirati employees is perceived through management responses in the first survey. To place and keep nationals in the labour force, government financial contributions, establishing an employment coordination centre and regular remuneration reviews are found to be important considerations. Emiratis are regarded as status-driven rather than focussing on corporate objectives. Concern of career prospects outweighs their performance standards, which are of a different level to their colleagues. Products of their education system, nationals prefer not to use their initiative and are happier in a rigid hierarchical management system, with set job descriptions, reporting structures and traditionalist environment, thus the preference again for the public service. Emiratis adhere to the set policies and practices for their jobs, they do not seek efficiency or high productivity, the goals of the private sector.

This study differs from most the mantra of findings in the literature. Due to the nature of this broad quantitative analysis and its timeliness and mindful of current economic surges in the GCC countries, particularly UAE, comparison of outcomes is not direct. The supremacy of preference for the public sector is now not complete; study participants find training improved and equal opportunity more accepted in the private sector. With further support from the government, Emiratisation principles are being adopted. Although there is no data on remuneration, high living costs and the commensurate necessary rises in pay may have partly met UAE's nationals' expectations of their worth. Education standards are also rising; local graduates are becoming fluent English speakers and, through their contributions in the workplace, becoming more influential with their local knowledge and connections through the fabric of Emirati society.

Thus, there is some evidence that, whilst still on the opposite ends of a work attitude continuum, Emiratis and non-nationals are at least finding common ground, salary, working environment and principles of fairness. These are signs of maturation in the workplace, and thus the economy. Financial and logistic pressures, plus the expectations of the population, should accelerate government reassessment of the effects of its structural barriers.

9.6 Summary of Research Outcomes

Human, social and organisational capital are increasingly recognised as strategies for sustainable corporate competitive advantage (Dakhli & de Clercq 2004). Using this framework, the research explores conceptualisations relating to the workplace factors widely perceived to impact the employability of Dubai's UAE nationals; any sector differences in analysis of these variables, characteristics of Emiratis' work attitudes, and differences in attitudes with non-nationals. Whilst to assist comparison the questions were commensurate with those of previous researchers, there were differences in the outcomes.

From a human capital perspective, this study finds that organisations should align with UAE goals and best corporate practice and commit to their employees' continuing development (Wan 2007; Budhwar and Mellahi 2006). In particular, the public sector could take a training role to enable public sector employees to transfer to a senior role in the private sector. In corporations, a program of transferring staff also transfers information, culture, and knowledge, so that representatives from each sector become familiar with the issues and opportunities of the other.

In terms of social capital, three variables were found to be significant in both sectors: trust, gender inequality and *wasta*. Prior studies showed that these variables are significantly important for improved performance, particularly trust (Davis & Landa 1999; Ferres et al. 2004; Joseph & Winston 2005).

Gender inequality continues to marginalise women, and this is nowhere more evident than in the labour force. The results show that gender discrimination is practiced in the public sector regardless of unenforced UAE decrees to the contrary. Further studies in the private sector should determine the extent of this discrimination. These results correspond with findings of sexual discrimination from Australia, USA, UK, Canada and other parts of the world (Konrad et al. 2000; Reitman & Schneer

2000; Valian 1998). Thus, gender discrimination in UAE, in terms of earnings and managerial positions, occurs throughout the world (Adam 2003).

The practice of *wasta* among young UAE nationals in the private sector continues, underscoring their belief that family connections in job finding are more responsive than the process of securing a job in open competition, confirming previous results (Whiteoak et al. 2006; Hutchings & Weir 2006). This result also concurs with international studies, where performance measures were not the criteria for reward for well-connected employees, but rather, the strength of their connections dictated salary levels (Tu et al. 2006).

Organisational culture, career development and remuneration are factors found statistically significant in both sectors under organisational capital. A large body of literature shows the importance of organisational culture and its effect on job satisfaction (Pascale 1985; Denison 1990; Van der Post et al. 1998; Deborah & Paul 2000). These results are generally consistent with prior studies both in the GCC and advanced economies. These aspects of career and workplace improvements are highly recommended as inducements to improve performance, that is, Emiratis' engagement with the organisation.

Of the constructs of capital theory, and the variables derived from them, the findings of this research are that the social capital construct is superior to human capital dimensions to instruct change in Emiratisation. Within capital theory, social capital dimensions of trust, bonding, and linking relationships are found to enhance job-seeking and career growth (Grootaert 1998; Stone, Grey & Hughes 2003). Whilst the human capital construct explained Emiratis' education, these variables are largely beyond the domain of a national seeking a career; an education was achieved but it lacked rigour, thus educational standards were lacking which impacted employability. Organisational capital, whilst relevant for employee remuneration, workplace environment, employer trust and career, is not relevant for the Emirati's initial standard of employability, and under Emiratisation the employer is placed in a position of accepting an employee whose attributes do not match the standard of those already employed. Thus, the societal aspects of the wider UAE population form the defining structure for this research.

9.7 Summary of Recommendations

Social capital, with its progressive and regressive forms of trust and *wasta*, its strong familial bonded framework used for unearned jobs, and its weaker connective networks define the structure of this research. It is supported by organisational capital, particularly organisational culture and its subsets of trust, career prospects and salary; and to a lesser extent, human capital with Emiratis' inadequate education standards and inability to grow through career prospects and appropriate salary.

The theme, or content, of this research is to address factors found to contribute to the unique UAE situation of having one national in every twenty workers in UAE. Recommendations, as attributed above, and flowing from these factors are summarised under.

Education

1. The prime recommendation is that the UAE redirects its curricula to job-ready career streams, beginning as generalised problem-solving skills early in secondary school; restricts entry to low job opportunity courses; and redirects arts curricula to incorporate work skills, such as English fluency, media or marketing.
2. Ministry of Education forms a consultative committee of educators' and employers' representatives (both sectors) to determine current and future skills requirements, based on reliable statistics.
3. Ministry of Education determines all classroom performance standards to reflect current educational practices of enquiry and problem-solving. Work experience modules included from age 15 years.
4. Vocational education and technical training integrated to offer apprenticeships and traineeships to raise technical skills for Emiratis to replace non-national tradespeople.
5. Scholarships to best practice international educational institutions available to all UAE candidates who reach the entry requirements of such institutions, to maintain relevance for Emiratis' knowledge base.

Affirmative Action

6. Remove all discriminatory decrees and enforce equal opportunity.
7. Establish a tripartite organisation: advocate for women's rights in society, including health and childbearing; pursues gender awareness and equal opportunity for women in employment; and has a judicial function including investigative and implementation powers.
8. Public organisations to establish an equal opportunity (EO) office per workplace: gender awareness programs for all employees including executives; assess all organisation policies and programs to determine discrimination; regular reports direct to organisational head.
9. Public sector organisations to report annually on gender statistics: recruitment, promotions, transfers, dismissals and resignations; UAE women to take up a 5 per cent cumulative number of positions in each leadership rank (managers and executives) per year per workplace.
10. All Emirati women employees to have maternity leave of 12 months' full pay, guaranteed return to their job, given that colleagues' promotions have raised job content; family leave provision for career duties.

Public Sector Alignment

11. A cooperative committee of employers facilitates a structured exchange of key disciplines between the sectors, with these individuals retaining their positions and conditions. Key employees to disseminate timely information, skills and strategies from sector to sector, promoting the work values of each sector.
12. Remove lifetime employment in the public sector, offering redundancy to ageing workers, and time-specific contracts to new entrants to fill those places. Offer private sector contracts to experienced public servants, guaranteeing their conditions and a return to the workplace they left.
13. Superannuation to be extended to all Emiratis, managed by one organisation for both sectors, and contributed to by all employers of nationals (5% of salary) and national employees (percentage based on age). Change existing superannuation rights for public sector to meet universal conditions in future, preserving all existing rights.

Work-readiness

14. Foster expectations of careers in Emirati children that their future qualifications will be equal to those of non-nationals. These expectations to be supported at secondary school where non-national corporate agents advise children regarding career opportunities.
15. Unemployed Emiratis be supported financially and through additional education and training until they are settled in a job.

Trust

16. Similar to the Ministry of Education's consultative committee for skills needs, establish a committee of stakeholders to determine future directions for specified professions, para professions and trades in UAE; board directs educational organisations in provider standards and work readiness levels, employers commit to provide annual work experience and intake levels, and experienced resources for educational workshops and career days.
17. Establish a working conditions organisation to set minimum working conditions and pay for all employees in specified professions, para professions and trades.
18. Establish a conciliation and arbitration commission to manage employee and employer complaints.
19. Use the stakeholder committee to negotiate lifelong learning provision by universities and trades schools, using employers' facilities to transfer information about current practices to university staff and research findings to employers; based on lifelong learning, establish an Emirati mentoring network through employers and education providers to draw Emiratis through skills and leadership levels.

Minimise Wasta

20. Amend the Companies Law to allow foreign majority ownership of UAE's organisations, maintaining Emiratisation programs.
21. Establish an arbitration commission with the powers to investigate and manage complaints of *wasta*; enforce transparent recruitment and

promotion practices from all employers; conduct awareness programs; publish *wasta* incidents investigated and the outcomes.

Remuneration

22. Public sector remuneration and working conditions are frozen until they reach at least fair market value determined by the working conditions and remuneration commission.
23. Part of the working conditions and pay commission establishes base rates across UAE business sectors for selected jobs and disciplines, premiums paid upon defined performance levels based on tasks and responsibilities, not time in the job.
24. Labour Law is modified to encourage part time work and flexible working hours, initially for defined positions and for those with family responsibilities; a complaints group is set up under the working conditions and pay commission to adjudicate disputes.
25. Key job description holders (disciplines) are transferred between the sectors to impart current knowledge.
26. Emiratis on sub-standard incomes defined by the pay commission are temporarily paid by the commission to reach that level, together with an education or training program to reach the defined level.

Training and Development

27. The consultative committee of educators' and employers' representatives is tasked with career orientation for new employees and those requiring promotion is an excellent potential source of information and further education for career planning and this aspect should be incorporated into the Emiratisation initiative.
28. Private HRMs should incorporate career planning in a remuneration package, rewarding an employee, including UAE nationals, with assistance of finance and time off from work to study upon attaining performance targets.

29. A generalist degree allows flexibility in future learning. Personal and professional networks to be set up with public funding, especially of value to women.

Ageism

30. Maintaining performance levels in older workers is crucial, as these experienced employees have the necessary organisational knowledge and skills to transfer to young inexperienced workers.
31. Older workers to be retrained to train and mentor new staff; undertake project work and lifelong learning opportunities in other fields.

Emiratisation

UAE is a country where government is absolute and Islamic-based, Shari'a and secular law are practised by different jurisdictions, where the days of a weekend differ, and where prayer times occur through the workday (Section 4.2.6). In the private financial sector, Moslems refrain from dealing in interest, arguably the mainstay of global financial institutions. Taxes are not paid by GCC citizens; although expatriates and visitors pay tax, Moslems pay tithes, zakat, through a different system. Zakat collections are employed for Moslem welfare (Section 2.4). Thus the government accedes to two conflicting orders, globalisation and Shari'a, each of which has its legislation, regulation, institutions, and practices. With regard to its traditionalist past, the government is moving toward a modern society, for example encouraging women to earn a living and become more independent.

Until just a few decades ago, the regime of globalisation and its corporations took its oil and gas and left the legal and social aspects of the GCC countries relatively to their own devices. However, oil revenues were long used by the GCC to provide civil and Islamic necessities: health, education, security, and other matters pertaining to Islam. The last few decades witnessed an arguably unique transition for UAE from emerging economy to a nation where the per capita GDP is on par with those of leading West European nations. Its generosity with oil revenues and its moderate foreign policy stance allow the UAE to play a vital role in the affairs of the region.

Thus Emiratisation can be regarded as a clash of cultures. With their deep family connections and Islamic certitudes, its dominant youth population are divided by a

recent traditionalist past where globalisation did not impact Islam, to a new reality where they are part of one of the most prosperous nations on earth. As for all youth, the transition from study to the workplace is difficult; for Emiratis, it surpasses this rite of passage to encompass a transition from a nurturing culture to one of rampant competition. There has to be an adjustment process.

For the Emiratisation program to be more effective, a long-term strategic plan should incorporate these recommendations. Findings of this study on education, training and development, employment quotas, recruitment and selection, and career development for UAE nationals are strategic change initiatives. Employers in both sectors should attend conferences to explore the significant role of organisational culture, trust, remuneration, gender inequality, trust and *wasta* on UAE nationals' behaviour, and the subsequent outcomes. Best practice work ethics and practices, modified to suit UAE conditions should be adopted. The private sector in particular can improve the retention rate of UAE nationals by addressing existing barriers to UAE career development.

9.8 Limitations and Further Research

These findings cannot be generalised to all UAE organisations, as best practice firms were selected for this study. The greater focus on these firms was due to the fact they already possess a high number of UAE nationals, thus facilitating the present research's aim which is to identify working conditions conducive to improving Emiratisation performance.

Further, these findings differ in content and, arguably, in degree due to differences in the size of studies and methodology. Previous studies by Tanmia (2003) and Abdelkarim (2001) used qualitative analyses and therefore differ in outcomes. The absence of international academic literature regarding implications of localisation strategies places certain limitations on current research.

As stated, the limitations of this study relate to its methodology and scope. In terms of methodology, the approach chosen was a quantitative data analysis based on sample responses from seven organisations. The inclusion of samples from more organisations may have improved representation of the population. The conceptual

framework of the study was based on three constructs: human, organisational and social. Incorporating factors other than governmental, that were external to the organisations, may influence the interactions of variables and produce changes in the results. This study's sample of five private organisations is not representative of past studies, which studied the private sector as a whole. Additionally, corporate Emiratisation practices have changed since 2002 due to government initiatives. The main survey did not seek to explore, in depth, Emiratisation from an Islamic perspective.

In terms of scope, it is clear that the sole use of quantitative data analysis is not sufficient to approach the topic of Emiratisation. Impacts from the UAE economy, government policy and the GCC environment, which are all instrumental in drawing out aspects and conclusions. Similar studies in other UAE states are of use to confirm these findings and detect sectoral trends in work practices and the success of the government's renewed vigour in establishing Emiratisation. Other comparative studies can be extended to GCC countries that face similar labour issues to the UAE.

This study is particularly beneficial to employers of UAE nationals, academic researchers studying Emiratisation issues and policy makers.

The participants in this study were UAE national male and female employees from seven organisations, five from the private sector, and two from the public sector in Dubai. This may limit the generalising of the results to the public sector.

Although comprising a limitation to the study, the alternative sampling of all non-working nationals was not practical, given the time constraints of the research.

The design of the questionnaire did not capture scale items relevant to the performance indicators of both sectors in Dubai. A further study using regression analysis should include more scale items (variables) to capture the performance indicators (dependent variables).

The present conceptual framework comprises direct interactions between three constructs (personal, organisational and social factors) and the organisation (both sectors). Future studies could explore interacting variables (internal and external to the organisation) that affect the performance of UAE national employees.

Further research is encouraged for an integrated capital framework, particularly social capital dimensions, to capture the greater range of factors impacting

organisations in their pursuit of Emiratisation. Less ambitious empirical research is required to test the recommendations of this thesis, particularly in regards to change initiatives on employers' attitudes toward Emiratis, and issues of employee performance.

9.9 Conclusion

And thus the end to this study. It is a quantitative analysis, which draws statements and recommendations from the data. It is a comprehensive analysis from seven organisations to identify and relate the factors that contribute to localisation. The present research defines the aspects of the work that are of concern to UAE nationals: workplace culture; pay; sexism; the amorphous word trust and its counter, *wasta*. The overriding feature continues to be the absence of Emiratis working in organisations that legally require Emirati ownership, and the pay-related dualism of the Emirati and the GCC labour markets. Structural initiatives to alleviate the dysfunction of this dual system include increased foreign ownership, commissions to establish and monitor working conditions and arbitrate disputes, a minimum wage, a cooperative committee to plan for future skills needs and to set standards on qualifications; implemented transparent recruitment and promotion procedures and an equal opportunity commission with judicial powers.

These issues stem from the fact that the UAE opened itself to the world economy just a few decades ago, and its growth in a stable environment is subject to few government constraints. By the nature of growth, standards and limitations appear, legislation and decrees are revisited and enforced, and communications open internally and externally. The population also matures and, with higher standards becoming the norm, embraces the new lifestyle and agitates to remove impediments to enjoying it. It also appears that UAE experiences similar workplace advantages and disadvantages as the rest of the world, though arguably to a different degree and with different avenues of redress. Its transitory population is its great divider from other economies; few countries even approach the overwhelming numbers of foreigners that make up the overall UAE population. Yet the country also boasts the highest per capita GDP in the world, which is proving to be sustainable, given its rapid diversification from oil and gas into the services industry.

Problems of affluence are relatively rare in the literature. As a thesis, this work is the pinnacle of this writer's academic achievements; it also holds the promise of relatively small steps for a maturing economy setting the pace for future studies on its successful outcomes.

I offer this work to my supervisors and my examiners, with respect and regard.

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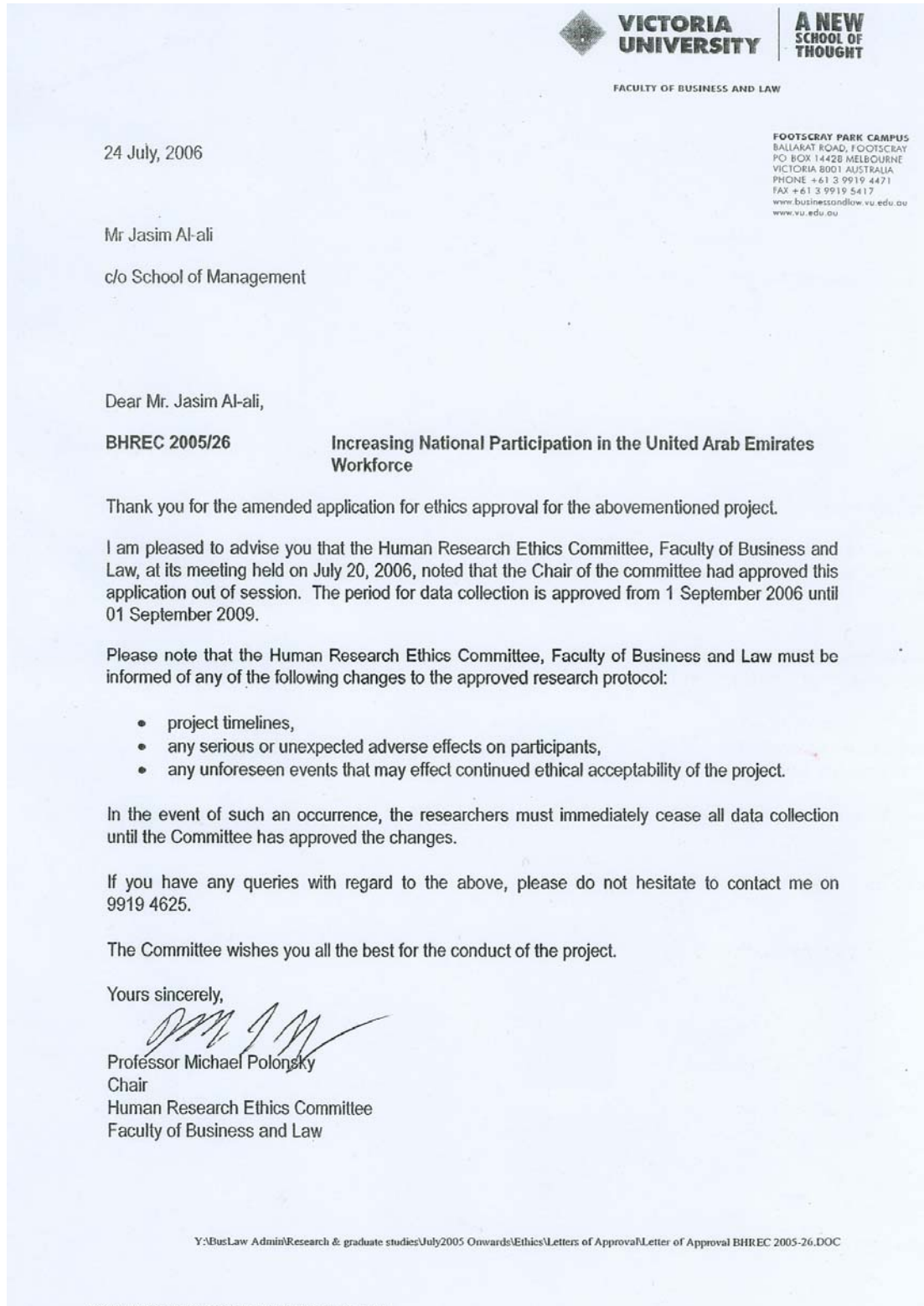
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Appendices

Appendix 1

Ethic Approval Letter



Appendix 2

Invitation Letter for Key Informants



Victoria University
School of Management
PO Box 14428
Melbourne City
MC VIC 8001
Australia
Telephone: (03) 9688 5058
Facsimile: (03) 9689 4272

Dear Sir/ Madam,

I would like to invite you to be part of a study into increasing Emirates participation of the United Arab Emirates in the workforce. This study intends to develop and identify the obstacles as perceived by Emirate in the workforce. Taken in your consideration that there are around 2.4 million non-national employees or (91 % of the total of the UAE labor force). Conversely, Emirates employees comprise a tiny minority of the workforce, about 1-2 % in the private sector. The objective of this study is to develop a comprehensive strategy, which will result in greater job opportunities for the United Arab Emirates Nationals resulting in their increased participation in Dubai labor force. Furthermore, it will identify the social and work barriers faced by Emirates employees. However, This study will focus on three factors, which include: 1) human capitals, 2) organisational capitals and, 3) social capitals. Analysis of theses factors will help researcher to identify the study's objective and to develop a comprehensive strategy. The outcome of the research will help Dubai organisations in general, and Emirates, in particular for creating sustainable job opportunities for UAE National labor force in a more economical and educated environment.

Consent Form for Subjects Involved in Research

I,..... of

Certify that I am at least 18 years old* and that I am voluntarily giving my consent to participate in the study entitled "**Structural Barriers to Emiratisation: Analysis and Policy Recommendations**" being conducted at Victoria University of Technology by: Jasim Al Ali, PhD student.

I certify that the objectives of the study, together with any risks and safeguards associated with the procedures listed hereunder to be carried out in the research, have been fully explained to me by: Jasim Al Ali and that I freely consent to participation involving the use email or call me of these procedures.

I certify that I have had the opportunity to have any questions answered and that I understand that I can withdraw from this study at any time and that this withdrawal will not jeopardise me in any way.

I have been informed that the information I provide will be kept confidential.

Signed:}

Date:

Witness other than the researcher:}

Signed:.....}

Date:

Appendix 3

Invitation Letter for Participants



Victoria University
School of Management
PO Box 14428
Melbourne City
MC VIC 8001
Australia
Telephone: (03) 9688 5058
Facsimile: (03) 9689 4272

Date/ Month/ Year

Dear Potential Participants,

I am undertaking a research project entitled “**Structural Barriers to Emiratisation: Analysis and Policy Recommendations**” as part of my PhD at Victoria University. This project is under the supervision of professor Michael Muetzelfeldt and Dr. Himanshu Shee and intends to develop and integrated a comprehensive strategy for increasing Emirates participation in the United Arab Emirates in Dubai workforce.

For the purpose of this research, a questionnaire has been developed to identify these obstacles as perceived by Emirates in the workforce. Analysis of these obstacles will form the basis to researcher and will help to recommend solutions, which will help to identify the study’s objective and if possible eliminating these obstacles to Emiratization in the workforce.

I would like you to spend around 20-30 minutes filling the attached survey, to explore and obtain the information on your interests in and expectation of the barriers that facing Emirates in the workforce. Your participation to this survey will be highly significant. All information provided will be strictly confidential and used for the purpose of this study. The result will be presented in a comprehensive form, thus, your anonymity is guaranteed.

Please complete the questionnaire and return back to me at your earliest possible convenience, no later than / / 2005

I thank you in advance for your anticipated cooperation and participation in this study. If you have any questions, please feel free to email me by jasimahmedmohammad.al-ali@research.vu.edu.au or call me by 0061413070820.

Sincerely yours,

Jasim Al Ali

PhD Student

Any queries about your participation in this project may be directed to the researcher (Name: Jasim Al Ali: ph. (0413070820). If you have any queries or complaints about the way you have

been treated, you may contact the Secretary, University Human Research Ethics Committee, Victoria University of Technology, PO Box 14428 MCMC, Melbourne, 8001 (telephone no: 03-9688 4710).

Appendix 4 Pilot Survey



A. Personal Data

Please respond to the following:

- a) Sex: Male___ Female___
- b) Age: _____
- c) Nationality: _____
- d) Qualification you hold: PhD Ms Bs Diploma High School
- e) Degree obtained From_____
- f) Current occupation level_____
- g) Work Experience: _____ Year

B. Emiratisation

1) What is the approximate size of total workforce in your organisation?

a. Less than 10	
b. 10-49	
c. 50-199	
d. 200-499	
e. 500 and above	

2) How many UAE Nationals are employed in your organisation? **(Please Tick one box)**

a. None	
b. 1-9	
c. 10-49	
d. 50-99	
e. 100-199	
f. 200 and above	

3) How many staff does your organisation employ for the Emiratisation process?

a. 1-4	
b. 5 –9	

c. 10-19	
d. 20 and above	

4) Does your organisation have a written policy or program for Emiratisation?

a. Yes ()

b. No ()

5) If not what do you think are the reasons?

6) If UAE Nationals comprise less than 10% of the total number of the organisation, what do you think are the reasons?

7) In your opinion, which of the following are the main reasons preventing UAE Nationals from participating in the workforce?

Please use this key for the five possible responses to each factor										
Very important (1)	Important (2)	Somewhat important (3)	Not important (4)	No opinion (5)	Degree of importance					
					1	2	3	4	5	
a. Lack of experience/ training/ skills										
b. Lack of motivation										
c. Lack of trust										
d. Lack of communication skills or interpersonal skills										
e. Lack of English language										
f. Other (please specify)										

8) In your view, which of the following are effective for increasing the retention of UAE Nationals?

Very important (1)	Important (2)	Somewhat important (3)	Not important (4)	No opinion (5)	Degree of importance					
					1	2	3	4	5	
a. Contribution towards training and other employment costs of UAE Nationals employees										
b. Ensure reasonable cultural awareness balance in the workforce										
c. Implement quotas for employment of UAE Nationals										
d. Create a special unit responsible for the recruitment and development of UAE Nationals										
e. Work placements for UAE Nationals students from school and college										
f. Implement tax for those organisations that do not follow quotas for the UAE Nationals employment										
g. Revision of salary and incentive system on a regular basis.										
h. Provision for increased technical and language training for UAE Nationals during employment										
Other (please specify)										

- 9) If UAE Nationals comprise over 20 % of the total number of employees in your organisation, could you please describe what kind of strategies you have employed to achieve this?

C. Recruitment and Retention

- 10) When you consider recruiting UAE Nationals which of the following are the most important factors influencing your decision?

Very important (1)	Important (2)	Somewhat important (3)	Not important (4)	No opinion (5)	Degree of importance				
					1	2	3	4	5
a. Education /qualification/skills									
b. Experience									
c. References									
d. Age									
e. Gender									
f. Other (please specify)									

- 11) Which of the following points do you think are the main reasons why UAE Nationals are under represented or comprise 2 % of the manpower in the private sector?

Very important (1)	Important (2)	Somewhat important (3)	Not important (4)	No opinion (5)	Degree of importance				
					1	2	3	4	5
a. Working on Thursday									
b. Long working hours									
c. Low wage and benefits									
d. Working a split-shift									
e. No career development prospects									
f. Little opportunity for promotion and training									
g. Family resistance									
h. UAE Nationals are discriminated against									
i. Non-nationals resistant to pass on their knowledge and experience									
j. Other (please specify)									

- 12) What are the three most difficult challenges (regarding hiring Emirates) currently facing the human resource development of your organisation?

Please use this key for the five possible responses to the three factors					
Very important (1)	Important (2)	Somewhat important (3)	Not important (4)	No opinion (5)	Degree OF importance
					1 2 3 4 5
1)					
2)					
3)					

- 13) Could you please suggest three policies that the government should apply to firms that do not comply with the Emiratisation program?

Very important (1)	Important (2)	Somewhat important (3)	Not important (4)	No opinion (5)	Degree of importance
					1 2 3 4 5
1)					
2)					
3)					

- 14) Do employees in your organisation work with one straight shift or a split shift?

a. Straight shift ()

b. Split shift ()

- 15) How much overtime or extra hours do UAE Nationals and non-nationals work in a week?

	UAE Nationals	Non-nationals
a. None		
b. 1-4		
c. 5-9		
d. 10 and above		
e. Other (please specify)		

- 16) Do you think UAE Nationals like to work overtime?

a. Yes ()

b. Not sure()

c. No ()

- 17) Do you think non-nationals like to work overtime?

a. Yes ()

b. Not sure

c. No ()

- 18) If your answer to question (17) is yes could you please explain why?

D. Compensation and benefits package

19) How satisfied are UAE Nationals with the following factors of their job in your organisation?

Very satisfied (1)	Satisfied (2)	Neither (3)	Dissatisfied (4)	Very dissatisfied (5)	Degree of satisfaction				
					1	2	3	4	5
a. Amount of pay compared to other organisations									
b. Sense of achievement they get from the work									
c. Chance to have their ideas listened to									
d. Opportunity for promotion									
e. Annual leave entitlement									
f. Strategy for achieving their career goal									
g. Amount of hours worked in a week									

20) How satisfied are non-nationals with the following factors of their job in your organisation?

Very satisfied (1)	Satisfied (2)	Neither (3)	Dissatisfied (4)	Very dissatisfied (5)	Degree of satisfaction				
					1	2	3	4	5
a. Amount of pay compared to other organisations									
b. Sense of achievement they get from the work									
c. Chance to have their ideas listened to									
d. Opportunity for promotion									
e. Annual leave entitlement									
f. Strategy for achieving their career goal									
g. Amount of hours worked in a week									

21) What kind of strategies would you recommend /suggest that could help to encourage non-national employees to train and pass their knowledge to UAE nationals in the workforce?

E. Culture

22) Are UAE Nationals satisfied working in a culturally diverse environment in your organisation? **(Please Tick one box)**

Very satisfied	Satisfied	Neither	Dissatisfied	Very dissatisfied

23) Have you ever tried to solve problems that have occurred between UAE Nationals and non-nationals?

a. Yes ()

b. No ()

24) If your answer is **yes** could you please explain the reason(s) that led to the problem?

25) Could you please explain how it was solved?

F. Education and training

26) What is the educational level demanded for UAE Nationals in your organisation?

a. Secondary/ Technical School	
b. Diploma	
c. Higher diploma	
d. Undergraduate degree	
e. Post graduate degree	

27) Following graduation from any of the above do you think that UAE Nationals are adequately prepared for the workforce?

a. Yes ()

b. No ()

28) If your answer is **no** then what strategy would you recommend/ suggest that could help them be competitive?

29) During the last 12 months, how much training has your organisation provided for UAE Nationals?

a. None	
b. Once	
c. Two times	
d. Three to five times	
e. More than Five times	

30) Do you think that if given further opportunity for study the participation rate of UAE Nationals in your organisation would increase?

a. Yes ()

b. Not sure ()

c. No ()

31) Presuming that there is a plan for increasing UAE Nationals in your organisation, please list the three elements that you consider to be most important.

Very important No opinion (1) (5)	Important (2)	Somewhat important (3)	Not important (4)	Degree of importance				
				1	2	3	4	5
1)								
2)								
3)								

THANK YOU FOR YOUR TIME AND COOPERATION, AND BE ASSURED
OF THE CONFIDENTIALITY OF YOUR RESPONSES AND THAT IT WILL
ONLY BE USED FOR MY PHD RESEARCH WORK

Appendix 5

Main Survey

SURVEY

Structural Barriers to Emiratisation: Analysis and Policy Recommendations



**VICTORIA
UNIVERSITY**

**A NEW
SCHOOL OF
THOUGHT**

Overview

This questionnaire has been designed to identify the problems that encounter UAE national's manpower. The information provided to us will explain the role of employers on the extent of assistance in respect of increasing the participation of UAE nationals in the work in their country. Since you are the only person who is able to provide a clear picture about the way in which you practice your career. Therefore, you are kindly requested to answer openly and frankly, and your answers will be kept strictly confidential.

Thank you very much for giving us the opportunity and cooperating with us, and we appreciate the assistance, which you provide to us and the organisation for which you work to complete this research.

Instructions for Completing this Survey

- 1) Please answer all the survey questions to the best of your ability.
- 2) The written answers have been numbered opposite to each of the statements contained in the questionnaire by using the numbers from 1 to 5; kindly complete the questionnaire by **CIRCLING** around the number of the answer that suits each statement.
- 3) The questions contained in the questionnaire may not allow you to write some of the comments, which you desire to show on your position, or the organisation for which you work, or about yourself. Therefore, kindly write any comments that you desire to add in the space intended for this purpose.

Definitions

- 1) **Organisation:** the word "organisation" in this survey is used to refer to the organisation for which you work and which may be a company, governmental department, or body, or enterprise or establishment.
- 4) **Wasta:** refers to conducting nepotism or intercession as well as the person who plays this role.
- 5) **Culture:** is the joint life style between a group of individuals including their joint backgrounds, social behaviour, thoughts and how they communicate with each other.

Thank you for your assistance in conducting this research project

Part 1: About Work Life

I would like to know how much you agree or disagree with each of the following statements relating to your job. Please circling the number, which best indicates your opinion about each of the following statements

1= Strongly agree 2= Agree 3= Neutral 4= Disagree 5=Strongly disagree

Statement	1	2	3	4	5
1. My experience and skill were important for joining the workforce					
2. The importance of English language in my job cannot be underestimated					
3. My education has provided me with adequate skills for joining the workforce					
4. I have good physical working conditions (total time, shift, good ventilation and lighting, adequate work space) in this organisation					
5. English is the biggest problem preventing me from participating effectively from gaining promotion in my organisation					
6. I am satisfied with the way promotions are given out in this organisation					
7. My health has not suffered as a result of working for this organisation					
8. I would be very happy to spend the rest of my career with this organisation					
9. My job does give me enough time for family and social activities					
10. My job requires me to do many different tasks at work, using a variety of skills and talents.					
11. I am satisfied with this organisation's salary structure					
12. I am an important part of this organisation					
13. Frequently, I think of quitting my job					
14. I am satisfied with organisation policies and practices toward employees					
15. Overall, I am satisfied with the progress I have made toward meeting my goals for developing new skills					
16. I feel satisfied with the way in which the organisation's policies are applied					
17. I do not feel emotionally attached to this organisation					
18. I trust management to look after my career interests					
19. In general, I trust this organisation to keep its promises or commitments to me and other employees.					
20. I am satisfied with the similarity of salary paid among departments in this organisation					
21. My work is interesting and challenging in this organisation					
22. I am satisfied with the way employees are informed about organisation policies					
23. Overall, I am satisfied with the success I have achieved in my career.					
24. English is the biggest problem preventing me from being competitive among non-nationals in my organisation					
25. I am satisfied with the way these policies are administered by this organisation					
26. I am satisfied with my current salary					
27. I trust people I work with to lend me a hand if I need it.					
28. I am satisfied with the chances for advancement in my job					
29. My organisation expects me to be fluent in English language					
30. Favouritism is not evident in making recruitment decisions in my organisation					
31. My organisation values skill and experience when recruiting and promoting employees					

32. Overall, management are supportive of cultural difference in my organisation					
33. My organisation has provided me with training opportunities enabling me to extend my range of skills and abilities					
34. My organisation does what it can to ensure the well being of its employees					
35. People in this organisation can say what they want without fear of punishment					
36. My organisation supports my attempts to acquire additional training or education to develop my career					
37. My organisation provides tasks that give me the opportunity to develop and strengthen new skills					
38. My organisation is committed to the training and development of its employees					
39. People in my organisation are encouraged to make suggestions for improvement in our work					
40. There is opportunity to discuss my training and development requirements with my organisation					
41. I believe employees really care about each other in this organisation					
42. There is a sense of being a part of a family in this organisation					
43. My manager constantly updates me with relevant organisation information					
44. My organisation cares about whether or not I achieve my career goals.					
45. This organisation has a poor future unless it attracts better managers					
46. Management here does a good job of communication with employees					
47. In my organisation, conflicts are resolved to the satisfaction of those concerned					
48. Employees in my work unit are like a family					
49. My organisation supports employees with the balancing of work and family responsibilities					
50. In order to get a really good job, friends or family members in high positions are needed					
51. UAE nationals have sufficient experience and skills to do their jobs well					
52. When it comes to finding a really good job, who you know is more important than what you know.					
53. UAE nationals need more technical training to compete with non-nationals					
54. <i>Wasta</i> is important in personal life					
55. Overall, organisations which allow <i>wasta</i> are less effective than organisations that prohibit it					

Part 2: Gender Inequality

In this section, we would like to ask you about the differences between job attainment levels of men and women. What do you consider to be the primary reasons for the lack of women in management positions? Please circling the number, which best indicates your opinion about each of the following statements

1= Strongly agree 2= Agree 3= Neutral 4= Disagree 5=Strongly disagree

Statement	1	2	3	4	5
1. Women lack the skills and ability for management positions in this organisation					
2. Women are not competitive enough to be successful in this organisation					
3. To achieve a high position in this organisation, a woman has to sacrifice some of her femininity					
4. My organisation's policies and practices hinder women's career development					
5. Training opportunities and career progression are limited and very slow for					

women in this organisation					
6. Men and women have the same employment opportunities in this organisation					
7. Traditional Arab/Islamic societies maintain that first and foremost, women should prepare themselves for the domestic career of being a wife and mother.					
8. The possibility of pregnancy makes employers reluctant to hire women in management positions					
9. The lack of a professional woman's network creates a major void for women aspiring to a professional managerial position					
10. On average, a woman who stays at home all the time with her children is a better mother than a woman who works outside the home.					
11. Cultural differences in the perception of power and authority in UAE are an important factor explaining women's exclusion from leadership					
12. Employers in my organisation feel that employing females is a short-term investment because females are known to leave, after short periods of employment, for family reasons.					

Part 3: Demographic Information

Finally, we would like to know just a little about you so we can see how different types of people feel about the issues we have been examining

1) Gender:

1. Male ☐

2. Female ☐

2) Which of the following categories describes.....

Your Years of Experience in this organisation	✓
1 years to below 5 years	
5 years to below 10 years	
10 years to below 15 years	
15 years to below 20 years	
20 years to below 25 years	
25 years or more	

Your Age	✓
20-25 years	
26-30 years	
31-40 years	
41-50 years	
51-60 years	
61+ years	

Current status	✓
Single	
Married	
Divorced	
Widowed	

3) Please select one from the following that best describes your current job title and education.

Job title	✓	Education level	✓
Managing director		No formal education	
Chief Executive Officer		Primary school	
General Manager		Secondary/technical school	
Administrative		Diploma	
Clerical administrative/ Sale and service		Higher Diploma	
Others (Please specify):		Bachelor degree	
		Postgraduate degree	
		Others (Please specify):	

4) Where did you achieve the highest level of education?

UAE ☐ GCC* ☐ Middle East ☐ Europe ☐ USA ☐ Australia ☐

(*GCC: Gulf Cooperation Council)

6) In what range is your monthly salary In UAE Currency (Derham)

Less than 2,000 ☐ 2,000-2,999 ☐ 3,000-4,999 ☐ 5,000-7,999 ☐ 8,000-10,999 ☐

11,000-14,000 ☐ 15,000-19,000 ☐ 20,000-24,999 ☐ 25,000-34,999 ☐

35,000 and above ☐

7) Total number of training courses you have taken for that last 12 months?

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐

10 times and above ☐

8) Which sector would you prefer to work for?

Public Sector ☐ Private Sector ☐

Would you like to receive a copy of the results of this study? Yes ☐ No ☐

(If yes, please provide your preferred email or postal address)

Thank you very much for taking the time to complete this survey. Your help in providing this information is greatly appreciated. If there is anything else you would like to tell us about please do so in the space provided below.

Thank you for your time and co-operation in completing this survey

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Appendix 5

Main Survey (Arabic Version)

المسح
الحواجز الهيكلية للتوطين ، تحليل السياسات والتوصيات



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تم تصميم هذا الاستبيان للتعرف على المشكلات التي تواجه القوى العاملة المواطنة، وسوف توضح المعلومات المقدمة لنا التعرف على دور أرباب العمل حول مدى المساعدة بشأن زيادة مشاركة مواطني الإمارات العربية المتحدة في العمل ببلادهم، ونظراً لأنك الشخص الوحيد القادر على تقديم صورة واضحة عن الكيفية التي تمارس فيها حياتك العملية، لذا يرجى التكرم بالإجابة بكل صراحة وأمانة، وسوف يتم الحفاظ على السرية التامة لما ستدلي به من اجابات.

لك منا جزيل الشكر على اتاحة الفرصة والتعاون معنا، مع وافر التقدير للمساعدة التي تقدمها لنا انت والمنظمة التي تعمل بها لإتمام هذا البحث.

التعليمات الخاصة باستيفاء هذا الاستقصاء

- 1) الرجاء الاهتمام بالإجابة على جميع أسئلة الاستبيان على قدر المستطاع.
- 2) تم ترقيم الاجابات المكتوبة امام كل عبارة من العبارات التي يضمها الاستبيان باستخدام الأرقام من 1 الى 5، لذا يرجى التكرم باستيفاء الاستبيان بوضع دائرة حول رقم الاجابة التي تناسب كل عبارة.
- 3) قد لا تسمح لك الأسئلة التي يضمها الاستبيان بكتابة بعض التعليقات التي ترغب في الادلاء بها عن وظيفتك، أو المنظمة التي تعمل لديها، أو عن نفسك، لذا يرجى كتابة أية تعليقات ترغب في اضافتها في المساحة المخصصة لذلك.

التعريفات

- 1) المنظمة: تستخدم كلمة المنظمة في هذا المسح للإشارة الى المنظمة التي تعمل لديها والتي قد تكون شركة، أو دائرة حكومية، أو هيئة، أو مشروع، أو مؤسسة.
- 2) الوساطة: تشير الى القيام بالواسطة أو الشفاعة وكذلك الشخص الذي يقوم بهذا الدور.
- 3) الثقافة: هي أسلوب الحياة المشترك بين مجموعة من الأفراد بما يشمل خلفياتهم المشتركة وسلوكهم الاجتماعي وأفكارهم، والكيفية التي يتواصلون بها مع بعضهم البعض.

نشكركم على ما قدمتموه من عون لاجراء هذا المشروع البحثي.

الجزء 1: عن الحياة العملية

في هذا الجزء نود أن نعرف الى أي مدى توافق على العبارات التالية التي تتعلق بعملك ، يرجى وضع دائرة على رقم أفضل اجابة توضح وجهة نظرك بشأن عبارة من العبارات التالية

1= موافق بشدة 2= موافق 3= محايد 4= غير موافق 5= غير موافق بشدة

موافق بشدة غير موافق بشدة

عبارة	1	2	3	4	5
1. كانت خبرتي ومهارتي من العوامل الهامة للالتحاق بالعمل					
2. لا يمكن التقليل من أهمية اللغة الانجليزية في عملي					
3. حصلت من خلال دراستي على المهارات الكافية للالتحاق بالعمل					
4. أتمتع بطوروف عمل جيدة في هذه المنظمة (اجمالي ساعات العمل، الورديات،					
5. اللغة الانجليزية هي أصعب المشكلات التي تحول دون مشاركتي بشكل فعال					
6. والتلقي في المنظمة التي أعمل بها					
7. انا راض عن أسلوب ترقية العاملين في هذه المنظمة					
8. لم أعاني من مشكلات صحية نتيجة العمل لدى هذه المنظمة					
9. سيكون من دواعي سروري أن أمضي باقي حياتي المهنية في هذه المنظمة					
10. يسمح لي عملي بالحصول على وقت كافى لقضائه مع العائلة وممارسة الأنشطة الاجتماعية					
11. يتطلب عملي القيام بالعديد من المهام المختلفة في العمل باستخدام مهارات ومواهب					
12. أشعر بالرضا عن هيكل الرواتب المطبق في هذه المنظمة					
13. أمثل جزءا هاما في هذه المنظمة					
14. غالبا ما أفكر في ترك وظيفتي					
15. أشعر بالرضا عن سياسات وممارسات المنظمة تجاه العاملين					
16. بصفة عامة، أشعر بالرضا عن التقدم الذي أحرزته نحو تحقيق ما أهدف اليه من اكتساب مهارات جديدة					
17. أشعر بالرضا عن الكيفية التي تطبق بها سياسات المنظمة					
18. لا أشعر بالارتباط العاطفي بهذه المنظمة					
19. أثق في قيام الادارة برعاية مصالح الموظفين					
20. بصفة عامة، أثق بأن هذه المنظمة تفي بوعودها والتزاماتها نحوى ونحو العاملين الآخرين					
21. أشعر بالرضا عن تشابه الرواتب التي تدفع للعاملين في ادارات هذه المنظمة					
22. العمل الذي أقوم به في هذه المنظمة ممتع ويتسم بالتحدي					
23. أشعر بالرضا عن الكيفية التي يتم بها اخطار العاملين بسياسات المنظمة					
24. بصفة عامة، أشعر بالرضا عن النجاح الذي حققته في حياتي العملية					
25. اللغة الانجليزية هي أكبر المشكلات التي تحول دون قيامي بمنافسة الأجانب في					
26. أشعر بالرضا عن الكيفية التي تدار بها هذه السياسات من قبل المنظمة					
27. أشعر بالرضا عن راتبي الحالي					
28. أثق بأن الاشخاص الذين يعملون معي سوف يقدمون لي يد العون اذا ما احتجت الى المساعدة					
29. أشعر بالرضا عن التقدم الذي حصلت عليه في عملي					
30. تتوقع مني المنظمة التي أعمل لديها أن أجيد اللغة الانجليزية					
31. ليس هناك دليل على وجود محسوبية في اتخاذ قرارات التوظيف بالمنظمة التي					
32. منظمتي تقدر المهارة والخبرة عند تشغيل العاملين وترقيتهم					
33. بصفة عامة، تؤيد الادارة التعدد الثقافي بالمنظمة					

					33. قدمت لي منظمتي فرص التدريب التي مكنتني من توسيع مجال مهاراتي وقدراتي
					34. تقوم منظمتي بما في وسعها لتحقيق رفاهية العاملين لديها
					35. يمكن أن يعبر الافراد بهذه المنظمة عما يريدون دون الخوف من العقاب
					36. ان منظمتي تدعم محاولاتي نحو اكتساب المزيد من التدريب أو التعليم كي انمي
					37. تكلفني المنظمة التي أعمل لديها بالمهام التي تمنحني الفرصة لاكتساب المهارات الجديدة وتعزيزها
					38. تلتزم منظمتي بتدريب وتنمية العاملين لديها
					39. يتم تشجيع العاملين بالمنظمة على الادلاء بمقترحاتهم لتحسين العمل الذي نقوم به
					40. تتوافر لي الفرصة لمناقشة متطلباتي التدريبية وحاجتي للتطوير مع المنظمة
					41. أؤمن بأن العاملين يقومون بالفعل بمراعاة بعضهم البعض في هذه المنظمة
					42. أشعر بروح الانتماء إلى هذه المنظمة
					43. يقوم مديري باطلاعي دائماً على المعلومات المتصلة بالمنظمة
					44. تهتم منظمتي بما اذا كنت أحقق أهدافي المهنية أم لا
					45. سيكون مستقبل هذه المنظمة سيئاً اذا ما لم تستقدم مديرين أفضل للعمل لديها
					46. تقوم الإدارة في هذه المنظمة بالتواصل مع العاملين على نحو جيد
					47. يتم التوصل الى حل النزاعات في منظمتي بما يحقق رضا الأطراف المعنية
					48. يعتبر العاملون بالوحدة التي أعمل بها أنهم عائلة واحدة
					49. تساعد منظمتي العاملين لديها على تحقيق التوازن بين مسؤوليات العمل والمسؤوليات العائلية
					50. من أجل الحصول على وظيفة جيدة بالفعل لابد من الحصول على مساعدة الأصدقاء
					51. يتمتع مواطنو دولة الامارات العربية المتحدة بالخبرة والمهارات الكافية لتأدية وظائفهم جيداً
					52. حين يتعلق الأمر بالحصول على وظيفة جيدة بالفعل، يصبح (من تعرف) أكثر أهمية
					53. يحتاج مواطنو دولة الامارات العربية المتحدة الى مزيد من التدريب الفني للتنافس مع الأجانب
					54. الواسطة امر هام في الحياة الشخصية
					55. بصفة عامة، المنظمات التي تسمح بالواسطة أقل فعالية من المنظمات التي لا تسمح بها

الجزء 2: عدم المساواة بين الرجل والمرأة

في هذا القسم ، سوف نطرح عليك بعض الاسئلة حول الاختلافات بين مستويات تشغيل الرجل والمرأة. من وجهة نظرك ما هي الاسباب الرئيسية لنقص عدد السيدات في مناصب الادارة؟ يرجى وضع دائرة على رقم أفضل اجابة توضح وجهة نظرك بشأن كل عبارة من العبارات التالية.

1= موافق بشدة 2= موافق 3= محايد 4= غير موافق 5= غير موافق

موافق بشدة غير موافق بشدة

عبارة	1	2	3	4	5
56. كانت خبرتي ومهارتي من العوامل الهامة للالتحاق بالعمل					
57. لا يمكن التقليل من أهمية اللغة الانجليزية في عملي					
58. حصلت من خلال دراستي على المهارات الكافية للالتحاق بالعمل					
59. أتمتع بظروف عمل جيدة في هذه المنظمة (اجمالي ساعات العمل، الورديات،					
60. اللغة الانجليزية هي أصعب المشكلات التي تحول دون مشاركتي بشكل فعال والترقي في المنظمة التي أعمل بها					

					61. انا راض عن أسلوب ترقية العاملين في هذه المنظمة
					62. لم أعاني من مشكلات صحية نتيجة العمل لدى هذه المنظمة
					63. سيكون من دواعي سروري أن أمضي باقي حياتي المهنية في هذه المنظمة
					64. يسمح لي عملي بالحصول على وقت كافٍ لقضائه مع العائلة وممارسة الأنشطة الاجتماعية
					65. يتطلب عملي القيام بالعديد من المهام المختلفة في العمل باستخدام مهارات ومواهب
					66. أشعر بالرضا عن هيكل الرواتب المطبق في هذه المنظمة
					67. أمثل جزءاً هاماً في هذه المنظمة

الجزء 3: المعلومات الديموغرافية

واخيراً نود أن نعرف بعض المعلومات عنك كي نتوصل إلى الكيفية التي يفكر بها مختلف الأشخاص في القضايا التي تقوم ببحثها

1) النوع

١. ذكر ☐ ٢. أنثى ☐

2) أي فئة من الفئات التالية تصف.....

سنوات خبرتك بهذه المنظمة	✓	عمر	✓	الحالة الاجتماعية حالياً	✓
سنة واحدة إلى أقل من 5 سنوات		20-25 عام		أعزب	
5 سنوات إلى أقل من 10 سنوات		26-30 عام		متزوج	
10 سنوات إلى أقل من 15 سنة		31-40 عام		مطلق	
15 سنة إلى أقل من 20 سنة		41-50 عام		أرمل	
20 سنة إلى أقل من 25 سنة		51-60 عام			
25 سنة أو أكثر		61 عام فأكثر			

3) يرجى اختيار إجابة واحدة مما يلي لتعطي أفضل وصف لمسماك الوظيفي الحالي والتعليم الذي حصلت عليه

المسمى الوظيفي	✓	المستوى التعليمي	✓
العضو المنتدب		لم يتم الالتحاق بالتعليم الرسمي	
كبير المسؤولين التنفيذيين		المدرسة الابتدائية	
مدير عام		المدرسة الثانوية / الفنية	
مسؤول إداري		دبلوم	
موظف مكاتب إداري/المبيعات والخدمات		دبلوم عالي	
مسميات أخرى (يرجى تحديدها)		درجة البكالوريوس	
		دراسات عليا	

	اخرى (يرجى تحديدها)
--	---------------------

4) اين حصلت على أعلى مستوى تعليمي لك؟

☐ الامارات العربية المتحدة ☐ دول مجلس التعاون الخليجي ☐ الشرق الأوسط ☐ أوروبا ☐ الولايات المتحدة ☐ استراليا ☐

5) ما هو معدل الراتب الشهري الذي تتقاضاه بعملة الامارات العربية المتحدة (الدرهم)؟

☐ أقل من 2000 ☐ 2000-2999 ☐ 3000-4999 ☐ 5000-7999 ☐ 8000-9999

☐ 11000-14000 ☐ 15000-19000 ☐ 20000-24000 ☐ 25000-34999 ☐ 35000 فأكثر

6) ما هو العدد الاجمالي للدورات التدريبية التي حصلت عليها في الأشهر الاثنى عشرة الأخيرة؟

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐ 10 مرات فأكثر

7) ما هو القطاع الذي تفضل العمل به؟

☐ القطاع العام ☐ القطاع الخاص

☐ لا ☐ نعم هل ترغب في الحصول على نسخة من نتائج هذه الدراسة
 (اذا كانت الاجابة بنعم، برجاء كتابة عنوان البريد الالكتروني أو عنوان البريد العادي المفضل لديك)

نشكرك على اتاحة وقتك لاستيفاء هذا الاستبيان. كما ننظر بكل تقدير الى ما قدمته من مساعدة لتوفير هذه المعلومات. واذا كان لديك شيء اخر ترغب في الادلاء به، يرجى كتابة ذلك في المكان المخصص له أدناه.

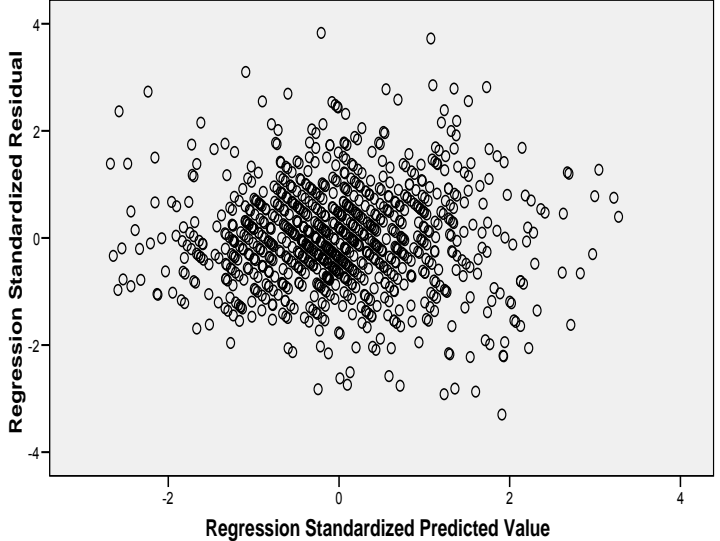
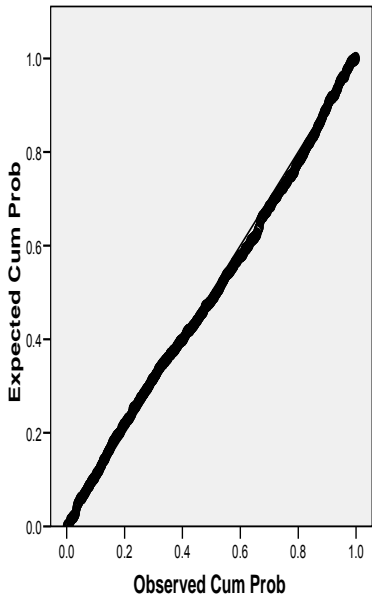
نشكركم على اتاحة الفرصة للتعاون معنا في انجاز هذا الاستبيان

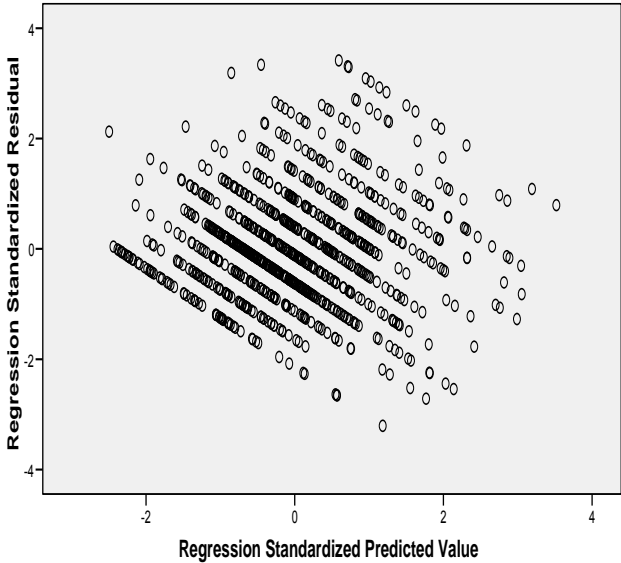
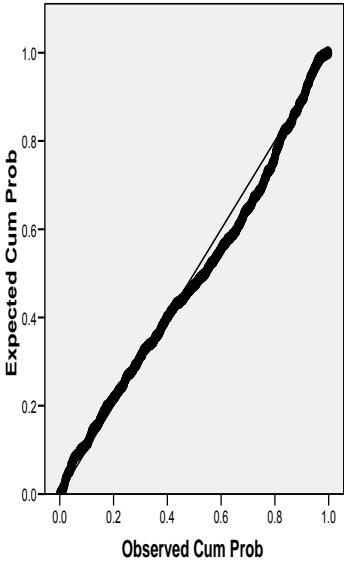
مايكل مويستلفيلديت
 كلية الاعمال والقانون
 شعبة الادارة
 جامعة فيكتوريا
 تليفون: 0061396885308
 بريد الالكتروني
 E-mail: michael.muetzelfeldt@vu.edu.au

جاسم ال علي
 طالب دكتوراه
 كلية الاعمال والقانون
 شعبة الادارة
 جامعة فيكتوريا
 تليفون: 0061413070820
 بريد الالكتروني
 E-mail: jassim_al_ali@hotmail.com

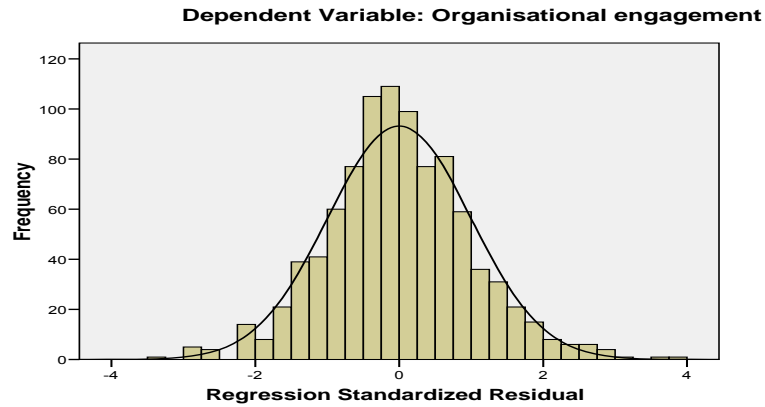
Appendix 6

Statistical assumptions tests

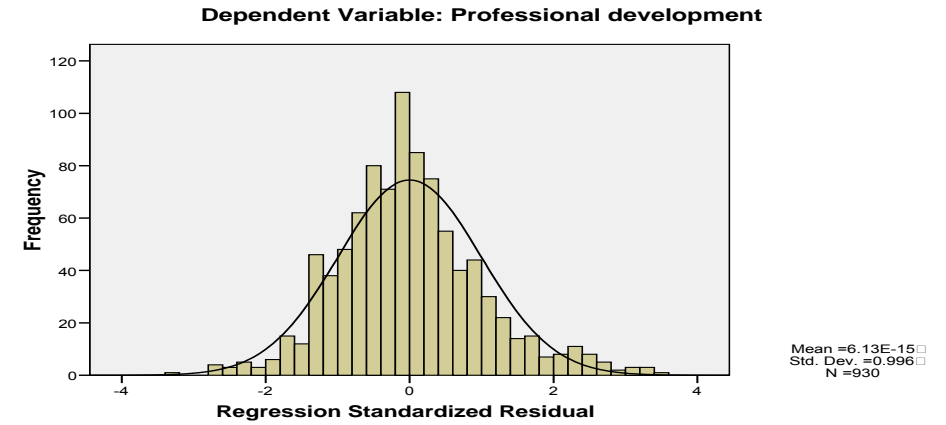
Dependent variable	Independent variable	Residuals	Normal Probability plot
Organisational engagement	Organisational culture	<p style="text-align: center;">Scatterplot</p> <p style="text-align: center;">Dependent Variable: Organisational engagement</p> 	<p style="text-align: center;">Normal P-P Plot of Regression Standardized Residual</p> <p style="text-align: center;">Dependent Variable: Organisational engagement</p> 
	Career development		
	Compensation		
	English fluency		
	Gender inequality		
	Trust		
	Social justice		
	<i>Wasta</i>		

Dependent variable	Independent variable	Residuals	Normal Probability plot
Training and development	Organisational culture	<p>Scatterplot</p> <p>Dependent Variable: Professional development</p> 	<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: Professional development</p> 
	Career development		
	Compensation		
	English fluency		
	Gender inequality		
	Trust		
	Social justice		
	Wasta		

Histogram



Histogram



Skewness and Kurtosis statistic

Variables	Skewness	Kurtosis
Organisational culture	0.37	0.26
Career development	0.58	0.54
Compensation	0.09	-0.82
English fluency	-0.51	-0.67
Gender inequality	-0.24	0.30
Trust	0.45	-0.01
Social justice	-0.25	-0.31
<i>Wasta</i>	0.56	-0.41

Appendix 7

Letters To organisations

DUBAI MUNICIPALITY



بلدية دبي

See/112673

Date: 4/ 6 / 2006

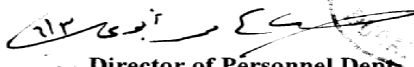
Emirates Bank

To Whom It May Concern

This is to certify that **Mr. Jasim Ahmed Mohamed Hassan Abdalla Al Ali** is sponsored by Dubai Municipality (DM) to attain a PhD in BPPM (Management) at Victoria University of Technology in Australia for three (3) years period effective March 2005.

We seek your assistance and full support in providing Mr. Al Ali with the necessary data, information for his thesis entitled "Increasing Emirates Participation in the UAE Workforce" in your esteemed organization/ institution.

This letter has been issued upon his request.


Director of Personnel Dept.



رؤيتنا: بناء مدينة متميزة تتوفر فيها رفاهية العيش ومقومات النجاح
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500/112693

Date: 4/6/2006

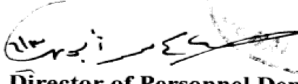
Department of Health & Medical Services

To Whom It May Concern

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5874

Date: 13 / 2006

Dubai Aluminium Company (DUBAL)

To Whom It May Concern

This is to certify that **Mr. Jasim Ahmed Mohamed Hassan Abdalla Al Ali** is sponsored by Dubai Municipality (DM) to attain a PhD in BPPM (Management) at Victoria University of Technology in Australia for three (3) years period effective March 2005.

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This letter has been issued upon his request.


Director of Personnel Dept.

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Email : info@dm.gov.ae • Web site : http://www.dm.gov.ae



٥٤٦٤١


Date: 3 / 2006

Emirates Communication Corporation (Etisalat)**To Whom It May Concern**

This is to certify that **Mr. Jasim Ahmed Mohamed Hassan Abdalla Al Ali** is sponsored by Dubai Municipality (DM) to attain a PhD in BPPM (Management) at Victoria University of Technology in Australia for three (3) years period effective March 2005.

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This letter has been issued upon his request.


Director of Personnel Dept.



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Email : info@dm.gov.ae • Web site : http://www.dm.gov.ae



5874

Date: 3 / 2006

To all DM head of Dept.



To Whom It May Concern

This is to certify that **Mr. Jasim Ahmed Mohamed Hassan Abdalla Al Ali** working for Dubai Municipality (DM) since 11/12/1991.

Please Be informed that (DM) has granted the above-mentioned employee a full scholarship to attain a PhD in Management at Victoria University of Technology in Australia for three (3) years effective March 2005.

Your are kindly requested to provide him with the necessary data, information to fulfill the requirements of his survey.

This letter has been issued upon his request.



Director of Personnel Dept.

Email : info@dm.gov.ae • Web site : <http://www.dm.gov.ae>

ص.ب : 67 دبي - الإمارات العربية المتحدة - هاتف : 00971-4-2215555 - فاكس : 00971-4-2246666 - بريد إلكتروني : info@dm.gov.ae - تليكس : 45688 BALDYA - EM.
P.O. BOX: 67 DUBAI - U.A.E., TEL: 00971-4-2215555, FAX: 00971-4-2246666, CABLE: BALADIYA - TELEX: 45688 BALDYA - EM.



500 / 1 / 12693

Date: 4 / 6 / 2006

Dubai National Bank

To Whom It May Concern

This is to certify that **Mr. Jasim Ahmed Mohamed Hassan Abdalla Al Ali** is sponsored by Dubai Municipality (DM) to attain a PhD in BPPM (Management) at Victoria University of Technology in Australia for three (3) years period effective March 2005.

We seek your assistance and full support in providing Mr. Al Ali with the necessary data, information for his thesis entitled "Increasing Emirates Participation in the UAE Workforce" in your esteemed organization/ institution.

This letter has been issued upon his request.


 Director of Personnel Dept.

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 Email : info@dm.gov.ae • Web site : http://www.dm.gov.ae



500/112693

Date: 4/ 6 / 2006

Dubai Commercial Bank

To Whom It May Concern

This is to certify that **Mr. Jasim Ahmed Mohamed Hassan Abdalla Al Ali** is sponsored by Dubai Municipality (DM) to attain a PhD in BPPM (Management) at Victoria University of Technology in Australia for three (3) years period effective March 2005.

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This letter has been issued upon his request.


 Director of Personnel Dept.



رؤيتنا: بناء مدينة متميزة تتوفر فيها رفاهية العيش ومقومات النجاح

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التاريخ 2006/3/15

السادة/ مؤسسة الإمارات للاتصالات المحترمين

لن يهمه الأمر

تشهد بلدية دبي بأنه تم منح الموظف/ جاسم أحمد محمد آل علي// بعثة دراسية للحصول على شهادة الدكتوراه في مجال إدارة الموارد البشرية بجامعة (Victoria) بأستراليا على نفقة الدائرة ولمدة ثلاث سنوات اعتباراً من تاريخ 2005/3/31.

لذا نرجو من سعادتكم التكرم بالتعاون معه في مهمته وتسهيل حصوله على البيانات والمعلومات المطلوبة بالاستبيان الخاص بزيادة نسبة التوطين في القطاع الحكومي والخاص بدولة الإمارات العربية المتحدة من قبل العاملين بدائرتكم/مؤسستكم الموقرة.

وقد أعطيت له هذه الشهادة بناءً على طلبه.

وتفضلوا بقبول فائق الاحترام

مدير إدارة شؤون الموظفين

Email : info@dm.gov.ae • Web site : <http://www.dm.gov.ae>

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5874

التاريخ 2006/ 3 / 5

السادة/ شركة أمنيوم دبي المحدودة (دوبال) المحترمين

لن يهمه الأمر

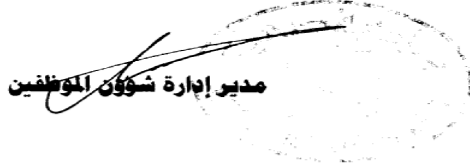
تشهد بلدية دبي بأنه تم منح الموظف/ جاسم أحمد محمد آل علي// بعثة دراسية للحصول على شهادة الدكتوراه في مجال إدارة الموارد البشرية بجامعة (Victoria) بأستراليا على نفقة الدائرة ولمدة ثلاث سنوات اعتباراً من تاريخ 2005/3/31.

لذا نرجو من سعادتكم التكرم بالتعاون معه في مهمته وتسهيل حصوله على البيانات والمعلومات المطلوبة بالاستبيان الخاص بزيادة نسبة التوطين في القطاع الحكومي والخاص بدولة الإمارات العربية المتحدة من قبل العاملين بدائرتكم/مؤسستكم الموقرة.

وقد أعطيت له هذه الشهادة بناءً على طلبه.

وتفضلوا بقبول فائق الاحترام

مدير إدارة شؤون الموظفين



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ص.ب : ٦٧ دبي - الإمارات العربية المتحدة - هاتف : ٠٠٩٧١-٤-٢٢١٥٥٥٥ - فاكس : ٠٠٩٧١-٤-٢٢٤٦٦٦٦ - برقية : سبدي - تليكس : ٤٥٦٨٨ - دبي - إم.
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التاريخ 2006/3/15

السادة / مسئولو الوحدات التنظيمية

المحترمين

تحية طيبة وبعد...

تسليم مهمة باحث

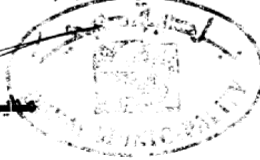
تشهد إدارة شؤون الموظفين بأنه قد تم منح الموظف/ جاسم أحمد محمد آل علي// بعثة دراسية للحصول على شهادة الدكتوراه في مجال إدارة الموارد البشرية بجامعة (Victoria) بأستراليا على نفقة الدائرة ولمدة ثلاث سنوات اعتباراً من تاريخ 2005/3/31.

عليه يرجى من سيادتكم التعاون في معه في مهمته للحصول على البيانات والمعلومات اللازمة وإلى متى الاستبيان والذي يخدم دراسته على موظفي الدائرة.

وقد أعطيت له هذه الشهادة بناءً على طلبه.

وتفضلوا بقبول فائق الاحترام

مهاير إدارة شؤون الموظفين

Email : info@dm.gov.ae • Web site : <http://www.dm.gov.ae>

ص.ب : ٦٧ دبي - الإمارات العربية المتحدة - هاتف : ٢٢١٥٥٥٥ - ٤ - ٩٧١ - فاكس : ٢٢٤٦٦٦٦ - ٤ - ٩٧١ - بوقاً : بلدية - تكس : ٤٥٦٨٨ - بلدية دبي .
P.O. BOX : 67 DUBAI - U.A.E., TEL: 00971-4-2215555, FAX: 00971-4-2246666, CABLE: BALADIYA - TELEX: 45688 BALDYA -EM.

Appendix 8

Results of dummy variable in the hierarchical regression analysis

Correlations

		organization size	Organisational engagement	Training and development	Public Private
organization size	Pearson Correlation	1	-.018	.051	.951(**)
	Sig. (2-tailed)		.576	.119	.000
	N	930	930	930	930
Organisational engagement	Pearson Correlation	-.018	1	.537(**)	.029
	Sig. (2-tailed)	.576		.000	.373
	N	930	930	930	930
Training and development	Pearson Correlation	.051	.537(**)	1	.107(**)
	Sig. (2-tailed)	.119	.000		.001
	N	930	930	930	930
Public Private	Pearson Correlation	.951(**)	.029	.107(**)	1
	Sig. (2-tailed)	.000	.373	.001	
	N	930	930	930	930

** Correlation is significant at the 0.01 level (2-tailed).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.152(a)	.023	.021	.67185	.023	11.023	2	927	.000
2	.193(b)	.037	.032	.66816	.014	4.425	3	924	.004
3	.713(c)	.508	.503	.47870	.471	220.030	4	920	.000
4	.817(d)	.667	.663	.39436	.160	109.900	4	916	.000

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.952	2	4.976	11.023	.000
	Residual	418.435	927	.451		
	Total	428.387	929			
2	Regression	15.879	5	3.176	7.114	.000
	Residual	412.508	924	.446		
	Total	428.387	929			
3	Regression	217.563	9	24.174	105.490	.000
	Residual	210.823	920	.229		
	Total	428.387	929			
4	Regression	285.930	13	21.995	141.426	.000
	Residual	142.456	916	.156		
	Total	428.387	929			

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
4	(Constant)	1.388	.133		10.451	.000			
	organization size	-3.29E-005	.000	-.187	-2.770	.006	-.018	-.091	-.053
	Public Private	.278	.094	.200	2.965	.003	.029	.097	.056
	Gender	-.028	.030	-.020	-.919	.358	.150	-.030	-.018
	Education level	-.009	.010	-.019	-.923	.356	-.022	-.030	-.018
	Age	-.047	.014	-.068	-3.265	.001	-.025	-.107	-.062
	Gender inequity	-.065	.022	-.066	-2.950	.003	-.339	-.097	-.056
	Trust	.108	.024	.133	4.436	.000	.650	.145	.085
	social justice	-.019	.019	-.023	-1.033	.302	-.121	-.034	-.020
	Wasta	-.067	.013	-.106	-5.198	.000	-.286	-.169	-.099
	Organisational Culture	.564	.031	.567	17.914	.000	.787	.509	.341
	Career development	.063	.026	.058	2.445	.015	.485	.081	.047
	Remuneration	.056	.016	.083	3.535	.000	.507	.116	.067
	English Fluency	.001	.012	.001	.042	.966	-.030	.001	.001

a Dependent Variable: Organisational engagement

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.194(a)	.038	.036	.86377	.038	18.196	2	927	.000
2	.222(b)	.049	.044	.85997	.012	3.738	3	924	.011
3	.544(c)	.296	.289	.74161	.247	80.617	4	920	.000
4	.680(d)	.463	.455	.64941	.167	70.951	4	916	.000

ANOVA(e)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.152	2	13.576	18.196	.000(a)
	Residual	691.640	927	.746		
	Total	718.792	929			
2	Regression	35.445	5	7.089	9.586	.000(b)
	Residual	683.347	924	.740		
	Total	718.792	929			
3	Regression	212.800	9	23.644	42.991	.000(c)
	Residual	505.992	920	.550		
	Total	718.792	929			
4	Regression	332.489	13	25.576	60.646	.000(d)
	Residual	386.303	916	.422		
	Total	718.792	929			

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
4	(Constant)	.645	.219		2.949	.003			
	organization size	-7.00E-005	.000	-.307	-3.578	.000	.051	-.117	-.087
	Public Private	.674	.155	.375	4.362	.000	.107	.143	.106
	Gender	-.081	.050	-.046	-1.637	.102	.117	-.054	-.040
	Education level	-.035	.016	-.059	-2.228	.026	-.028	-.073	-.054
	Age	-.003	.024	-.003	-.112	.910	.039	-.004	-.003
	Gender inequity	-.066	.036	-.052	-1.820	.069	-.241	-.060	-.044
	Trust	-.005	.040	-.005	-.135	.892	.491	-.004	-.003
	social justice	-.006	.031	-.005	-.189	.850	-.068	-.006	-.005
	Wasta	-.004	.021	-.005	-.183	.855	-.149	-.006	-.004
	Organisational Culture	.693	.052	.538	13.362	.000	.653	.404	.324
	Career development	.227	.043	.161	5.318	.000	.471	.173	.129
	Remuneration	.010	.026	.011	.367	.713	.359	.012	.009
	English Fluency	.015	.020	.019	.731	.465	-.003	.024	.018

a. Dependent Variable: Training and development