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The relationship between human resource practices and employee retention in public organisations: an exploratory study conducted in the United Arab Emirates.

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THE RELATIONSHIP BETWEEN HUMAN RESOURCE PRACTICES AND EMPLOYEE RETENTION IN PUBLIC ORGANISATIONS: AN EXPLORATORY STUDY CONDUCTED IN THE UNITED ARAB EMIRATES

A thesis submitted in fulfilment of the requirements for the degree of

Doctor of Philosophy

at

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WALEED ALNAQBI

2011
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In the Name of Allah, the most Gracious, the most Merciful, say: ‘Truly, my prayer and my service of sacrifice, my life and my death, are (all) for Allah, the Cherisher of the worlds’ (Qur’an 6:162)

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Abstract

In recent years, the United Arab Emirates (UAE) has rapidly developed into a dynamic global economy with the influx of foreign ideas and practices, facilitated by the development of the Internet and associated technologies. As with many organisations worldwide, staff retention problems affect organisational productivity and performance. Managers face the challenge of having to address retention problems in the context of increasing competition in the global marketplace. It is against this background that this research will look into employee retention problems within the socio-economic context of the UAE. This study brings into focus the extent to which human resource management (HRM) practices and organisational culture in the UAE affect employee retention in public organisations.

The purpose of this study was to identify HR practices and other factors such as job satisfaction, organisational commitments and leadership practice that affect employee retention in the UAE with emphasis on public organisations, in a comparative study of Sharjah and Dubai. To accomplish this task, both quantitative and qualitative research approaches were employed.

The research questions were answered through two research phases involving four distinct research tools. The first phase involved a survey of Sharjah’s and Dubai’s governmental organisations, and provided specific information about employees in these organisations. Of 300 targeted respondents, 154 completed the survey questionnaire, a 51.33% response rate. In the second phase, in-depth interviews with fifty former employees, also from Sharjah, were conducted; in the third, semi-structured interviews with 7 HR professionals, also in Sharjah, were utilised; and the fourth research method used focus groups. The research used both quantitative and qualitative approaches to data gathering and analysis.

The data gathered utilising the above tools lead to a number of results and conclusions. Aspects found most likely affect job satisfaction and the likelihood of retention are (1) job security (2) job descriptions, and (3) job profiles. There is also emphasis on the need for decentralisation and reduced hierarchy in the workplace, and of empowerment and accountability in areas of work. In particular, the interview data involving Sharjah Government employees revealed that a workplace environment should place importance on the employee growth culture, and on work conditions such as office space. Participants also make the point that most organisations lack compensation benefits like air ticket
allowances, housing allowances, or telephone allowances, among many others. In Dubai, employees show greater satisfaction with their organisations’ leadership practices than do Sharjah employees, who seem to have greater intent to leave than respondents in Dubai. Males tend to be more concerned about commitment and leadership skills than females. In addition, a significant difference is found in attitudes towards leadership, where those without a need to supervise seem more in satisfied agreement than those with supervisory responsibilities.

The results show that national culture has a direct influence on organisational culture. Research participants indicate that the current workplace culture is not highly satisfactory, and that strategies are needed to improve it. The research finds that lack of empowerment and management style are factors that influence the retention of employees in UAE public organisations. There were indications that employees did not like centralised leadership, and that this affected their intention to stay within an organisation. There is a need to redesign jobs and provide employees with job descriptions, in order to let each of them understand what tasks they should do and how to achieve them. There is also a clear need for staff members to be informed on the difference between ‘administration management’ and ‘human resource management’, particularly with regard to the role the HR department plays in attracting and retaining qualified employees.

The findings of this research have implications for both theory and practice. The main theoretical contribution that this research theory offers regards the connection between employee retention and leadership, job satisfaction, and organisational commitment. The secondary contribution is the study of employee turnover in the context of HR practices and the state of the labour market. The results also provide a practical guide to managers and policy makers, to enable them to recognise and initiate measures that will make the workplace experience a more pleasant one for workers, and so weaken employees’ intent to leave.
THIS THESIS IS DEDICATED TO

DR SULTAN BIN MOHAMMED ALQASSIMI

THE RULER

SHARJAH GOVERNMENT

‘The building of the future depends on building the human, where manpower has become the most important factor affecting the progress of countries and their development and building rights is a cornerstone in that development’
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Chapter 1 Introduction

1.1 Introduction

The process of ‘global interlinking of economies’, accelerated by technological development, has intensified competition in today’s business environment (Kuruvilla & Ranganathan, 2010; Steven & Gregory, 2002). There is increasing recognition that ‘increases in global trade, facilitated by advancements in technology, communication and transportation, began to bring the markets of the world into greater competition’ (Raymond, 1989; Steven & Gregory, 2002, p. 332). As economic globalisation has become more pronounced, the ability of organisations to compete in the global marketplace is all the more tied to the quality of their human resources. Many organisations rely on the expertise of their employees to gain competitive advantage in global economies (Reiche, 2007). In this economic environment, the retention of valuable employees becomes an extremely important strategy for human resources managers and organisational leaders.

Today, however, retention of valuable employees is a global challenge. Managers and top-level authorities are constantly met with the issue of retaining employees, and there is a wealth of evidence that worldwide, retention of skilled employees has been of serious concern to managers in the face of ever increasing high rate of employee turnover (Arthur, 1994; Buck & Watson, 2002; Budhwar & Mellahi, 2007; Debrah & Budhwar, 2004; Samuel & Chipunza, 2009; Tayeb, 1997).

There are major challenges in attempting to retain employees (Barney, 1991; Price, 2003; Sinangil, 2004; Woods, Heck, & Sciarini, 1998) which become an increasingly important aspect of building organisational capabilities to ensure sustained competitiveness (Holland, Sheehan, & De Cieri, 2007). These challenges, among other things, are essentially linked with the infrastructural support, remuneration packages, leadership styles and cultures within an organisation (Lok & Crawford, 1999; Pamela, 2003; Sheridan, 1992). Such challenges are further complicated by the fact that highly skilled employees tend to change jobs for better financial rewards and improved working conditions. In addition, highly-skilled employees are often poached by large-scale international organisations that can

---

1 According to Rad & Yarmohammadian, Organisations are ‘social systems where human resources are the most important factors for effectiveness and efficiency. Organisations need effective managers and employees to achieve their objectives. Organisations cannot succeed without their personnel efforts and commitment’ (2006, xi).
provide them with better remunerations and other benefits (Zheng & Lamond, 2010). This factor is particularly significant for countries such as the UAE.

Many organisational leaders are well aware of these challenges, recognising the need to retain talented and committed employees who will contribute significantly to the success and achievements of the organisation; but they may lack the resources to initiate changes that will address retention problems (Buck & Watson, 2002; Budhwar & Mellahi, 2007; Debrah & Budhwar, 2004; Tayeb, 1997).

1.2 Background

The UAE is a federation of seven emirates in the South-Eastern corner of the Arabian Peninsula. The UAE is an important economic hub in the Middle East. In recent years, it has rapidly developed into a dynamic global economy, through the influx of foreign ideas and practices facilitated by the development of the Internet and associated technologies (Alrawi & Sabry, 2009). Dubai and Sharjah are two emirates which have recently achieved significant economic growth (Wouter & Peter, 2007). Organisations in these two emirates, in particular, have been increasingly exposed to global flows in HRM practices, expertise (local and expatriate), and organisational cultures. The major effects of increasing globalisation in these two regions include rising migration of national and international labour, higher rates of staff turnover, lower levels of retention, and clashes between organisational cultures in the workforce (Muhammad Iqbal, 2008).

A comparison of HRM practices in the Emirates of Dubai and Sharjah is central to this research. The comparison serves to highlight differences characterising the neighbouring cities of Dubai and Sharjah. Although geographically separated by a mere 12 kilometres, they display significant differences in HRM practices. These differences are currently poorly understood and under-researched; this research is therefore significant for its provision of new empirical data, particularly with reference to employee satisfaction and retention.

The differences in HRM practices between the two cities are primarily at the organisational level. In Dubai this is mainly regulated by an individual organisation or industrial group. Such a singular regulatory system is reported to give multiple benefits; it represents a relatively integrated, advanced, and efficient HR system in which organisations are provided partial autonomy to run their unique businesses and HRM practices. In contrast, the organisational culture in Sharjah is regulated by two separate departments: any public organisation and Sharjah Administrative Control Department. It is reported that there have
been clashes of organisational cultures between the Dubai and Sharjah governmental authorities (Rettab, Brik, & Mellahi, 2009).

HRM practices in Sharjah, structured as they are around a dual decision-making system, require employees to be answerable to the governmental authorities of two entities. In other words, if employees intend to carry out training activities, they need to seek approval from both overseeing departments. It is argued that this dual decision-making system leads to inefficient HRM practices, and to delays in decision-making (Patrick, Wright & Scott, 1998)

The cost of replacing workers is often underestimated because there are many hidden costs and consequences of labour turnover (Buck & Watson, 2002). Abbasi and Holman (2000) describe how high levels of turnover have more than a monetary cost: they also affect the motivation and workplace morale of the employees who remain. In addition to this, retraining new employees has an impact on productivity levels. In order to avoid these negative consequences of employee turnover, it is important to address root causes and implement best practice HRM processes in the UAE.

Statistical data on turnover rates in the UAE are generally not available adding significance to the need to study this issue (Abubakr, 2006; Budhwar & Mellahi, 2007). However, figures available for the Emirate of Sharjah show an alarmingly high rate of turnover than in the Emirate of Dubai (Sharjah Economic Development Department, 2008). One Sharjah public organisation, for example, witnessed a 9% turnover in 2006, a figure which increased to approximately 14% in 2007 (Sharjah Economic Development Department, 2008). Alnimir (2011) notes that the Sharjah Municipality alone had 402 resignations in 2010, representing 11% of the labour. This was attributed to unfairness in performance appraisal evaluations, low salaries, and no promotions.

As research shows that job satisfaction and organisational commitment are significant to retention in the workforce (Budhwar & Mellahi, 2007; Dole & Schroeder, 2001; Sousa-Poza & Sousa-Poza, 2007), this study will look at the interaction of these variables in the UAE as particular factors affecting employee retention.

1.3 Changes in the Workforce

The past few years have seen marked changes in the composition of the typical workforce within the Gulf region, and these changes have been evident in the age, race, family
background and career aspirations of the employee set. The changes have had a knock-on effect on the operational models in place at many organisations in the region (G. Ferris, Hochwarter, Buckley, Harrell-Cook, & Frink, 1999; Kemske, 1998) and have engendered changes to the human resource, recruitment and training activities in place.

Allan and Sienko (1997), Fierman (1994), Kitay and Lansbury (1997), and Korman and Kraut (1999) have assessed changes in organisations, in terms of both organisational structure and employer and employee relationships. Changes in the economic environment have affected both formal and informal contracts of employment. These in turn, have affected employee motivation and organisational commitment. Adjusting successfully to relationship changes has had ‘enormous implications in terms of sustained competitive advantage based on the ability to access and retain a committed skilled workforce’ (Kissler, 1994, p. 335).

In today’s business environment, employees appear to be less committed to their respective organisations. Since an employer cannot guarantee the stability or longevity of their employees’ corporate career paths, or the security of their jobs, the old contract of employee loyalty in exchange for job security and fair work has broken down (Overman, 1998). The trend these days seems geared toward having a ‘career portfolio’ (Handy, 1995) as employees realise that they have to take the initiative in job resiliency, developing the skills and flexibility needed to respond quickly to shifting employer requirements (Beck, 2001). Because of these changes, loyalty to one’s professional growth has replaced organisational loyalty (Levine, 1995). Employees recognise that the traditional psychological contract that existed between an employer and an employee is now dissolved (Hays & Kearney, 2001).

Due to the unstable market that has emerged, overpowering non-market institutions, there has been a decrease in the stability of jobs; and long-term employment is rapidly becoming less common. This has led to greater job insecurity and a decrease in the overall commitment levels of many employees. In addition, the lack of stability in the employment market has created inequalities in the employment and income levels available within the UAE (Darwish, 1998).

As workers face a pace of change unprecedented in history, and as ‘empowerment’ and the need for risk taking, coupled with longer hours and less leisure time, increase their risk of ‘burnout’ tenfold, employees’ values have shifted discernibly (Whitener, 2001). Highly talented personnel understand that the greatest opportunities can be achieved by moving
from one company to another. Because of this, organisations have to compete for the best talent (Margo Vanover, 2001). This has a significant impact on the nature of recruitment and selection, training and development, performance management and retrenchment programs.

1.4 The Influence of Human Resource Management (HRM) Policies and Strategies on Employee Retention

Organisations should develop human resource policies and strategies, including selection and recruitment, training and development, and performance management, that reflect their beliefs and principles as well as maintaining acceptable relationships between management and employees. However, some human resource departments merely devise policies that deal with current problems or requirements (Delery & Doty, 1996; Jackson & Schuler, 1995; Oakland & Oakland, 2001).

Several theoreticians have argued that human resources are potentially the only source of sustainable competitive edge for organisations (B. Becker & Gerhart, 1996; Pfeffer, 1994; Patrick. Wright & Gary, 1992). Pfeffer (1998) argues that human resource systems help create workforces whose contributions are valuable, unique, and difficult for competitors to imitate. Arthur (1994) and Huselid (1995) have conducted research at the organisational level that suggests that human resource practices affect organisational outcomes by shaping employee behaviours and attitudes. Whitener (2001) suggests that employees can interpret organisational actions, such as human resource practices (Delery, 1998; Ostroff & Bowen, 2000; Settoon, Bennett, & Liden, 1996) and the trustworthiness of management (Settoon, et al., 1996) as indicative of the organisation’s personal commitment to them. Employees reciprocate accordingly, in their level of commitment to the organisation.

Social exchange theorists have produced significant quantities of research that support the theory that the level of commitment to the employee demonstrated by an organisation will have a direct impact on the commitment that employees show to the organisation in return (Eisenberger, Huntington, Hutchison, & Sowa, 1986; Settoon, et al., 1996; Wayne, Shore, & Liden, 1997). One useful mechanism for understanding commitment behaviours is to consider them the relationship between the employer and employee as one of a fair exchange (Pinder, 1984 ), with the way in which an employer treats employees having a direct bearing on their performance, attitude and commitment to the organisation.
Employee attitudes and behaviours, including performance, reflect their perceptions and expectations, reciprocating the treatment that they receive from the organisation. In their multilevel model linking human resource practices and employee reactions, Ostroff and Bowen (2000) depict relationships suggesting that human resource practices are significantly associated with employee perceptions and employee attitudes. Studies by Tsui, Pearce, Porter, and Tripoli (1997), found that employee attitudes, most specifically employee commitments, were associated with the interaction of human resource practices and perceptions.

Arthur (1994), Huselid (1995), and Koch and McGrath (1996) suggest that high-involvement work practices can enhance employee retention. However, most examinations of retention and commitment are from the employer’s point of view; as a result, new and refined programs are continuously introduced. These programs are expected to have a positive impact on employee retention and commitment; therefore, investments in high-involvement work practices may promote of a positive work climate that may result in lower turnover. Above all, organisations have implemented HR practices and policies to reduce unnecessary and unwanted employee turnover (Guthrie, 2001; Hom, Roberson, & Ellis, 2008; Kacmar, Andrews, Rooy, Steilberg, & Cerrone, 2006)

Recently there has been widespread feeling that HRM has become more strategic, aligned with organisational values, missions and visions. As a direct result of this, employers have started to place increased levels of focus on the methods by which they can assess and improve the organisational performance of an employee. These methods often take the form of initiatives such as equal employment opportunities and affirmative action policies aimed at creating a diverse workforce within which all employees feel appreciated and valued. They have also developed more sophisticated methods of rewarding employees through better benefit systems and job progression (Deery, 2008; Hays & Kearney, 2001; Oakland & Oakland, 2001).

Although most current organisations opt for policy formulation strategies that reflect their own cultures and priorities, their crucial issues include whether employees are consulted and whether policies reflect a compromise between management and employee interests that is acceptable to both parties. If it is not, then the HR directive has not been successful and needs to be re-evaluated.

As change constantly occurs in the practice of HRM, many of the assumptions on which it operates have been severely challenged, due to a series of inexorable reforms (Lesperance,
2001). In contemplating the future prospects of HRM, it is worthwhile to examine the developments and directions of HR policies in terms of their relevance to the contemporary workforce, especially in the area of the attraction and retention of employees.

Effective HRM practices have been deemed by many researchers to be of utmost importance in providing firms with competitive advantages and the ability to operate effectively within a competitive landscape (B. Becker & Huselid, 1998; Delery & Doty, 1996). As a critical part of the value chain, HRM practices are inextricably linked to the overall performance of the firm and to organisational commitment (Iverson & Buttigieg, 1999; Meyer & Smith, 2000). In the past ten years, more and more studies have emerged that look at the implementation of HRM practices within Asia, and while many of them confirm the relevance and importance of HRM practices to the successful operation of companies in this country, fundamental differences have been identified in the nature of the HRM practices employed and the way in which they relate to Asia’s culture and economy (Chang, 2006; Park, Gardner, & Wright, 2004; Takeuchi, Wakabayashi, & Chen, 2003; Wong, Wong, Hui, & Law, 2001; Yu & Egri, 2005). As such, it seems that cultural and economic systems are important variables that can support the contingency perspective on HRM effectiveness (MacDuffie, 1995; Youndt, Snell, Dean, & Lepak, 1996).

The way in which HRM practices can influence the commitment of an individual employee to the aims and objectives of an organisation has been the focus of much research (Meyer & Allen, 1997). Some researchers have found that high-involvement HRM practices, such as regular appraisals, bonus and compensation schemes, training and development opportunities, and regular constructive feedback, can significantly enhance the organisational commitment of employees (Iverson & Buttigieg, 1999; Meyer & Smith, 2000; Wong, et al., 2001). They have also been identified as one of the strongest inducers of affective commitment when compared with other types of organisational influences (Iverson & Buttigieg, 1999; Meyer & Allen, 1997).

The strong association between the commitment of an individual to an organisation’s aims and the type and quality of HRM practices employed by that organisation, can be explained by the theory of social exchange (Witt, Kacmar, & Andrews, 2001). Social exchange theory hypothesises that if individuals enters into a relationship within which both parties are can identify a benefit, then a set of obligations is created that both parties feel obliged to fulfil. For example, employees who feel that their job is secure are much more likely to demonstrate a high commitment to an organisation than employees who are afraid of
being made redundant in the near future (Wong, et al., 2001). Likewise, if employees are regularly provided with the opportunity to attend training and development workshops, they will recognise the company’s commitment to improve their skills and will be more likely to remain in the environment where they have a continual opportunity to learn. This is mutually beneficial for employee and company, as it improves the strength of the organisation and retains key talent (Huselid, 1995). According to Ogilvie (1986), these types of HRM practices are more likely to have a positive impact on employee commitment and satisfaction than employee demographics or job characteristics.

1.5 Retention Management

Retention researchers have defined retention management as a strategic, coherent process that starts with an examination of the reasons why employees join an organisation (Davies, 2001; Solomon, 1999).

A number of different factors can affect employee turnover. These include the internal structure of the organisation, recruitment policies and strategies, career progression opportunities, rewards and benefits, and training and development (Fitz-enz, 1990). In order to improve employee-employer relations, reduce turnover, and improve commitment levels, HRM policies need to take all of these factors into account and manage them congruently (Arthur, 1994; Delaney & Huselid, 1996; Ichniowski, Shaw, & Prennushi, 1997; MacDuffie, 1995).

When an employee makes the decision to leave an organisation, the reason can rarely be attributed to one single factor such as a failure to be awarded a promotion or pay increase. More commonly, one event may act as a catalyst for the employee to leave, but the underlying reasons will be attributable to multiple events during the employee’s time at the firm (Davies, 2001; Oh, 1997; Walker, 2001). Truly understanding how different factors interact with one another, and the impact that they have on an individual’s commitment to an organisation, can be very challenging.

As with many organisations worldwide, retention problems are currently on the rise in UAE. They are significantly, affecting organisational productivity and performance. Managers are facing the challenge of having to address retention problems in the context of increasing competition in the global marketplace. It is against this background that this research will look into employee retention problems with an emphasis on the socio-economic context of the UAE.
1.6 Aim of the Study

- To determine the role of HR practices in affecting employee retention in UAE public sector organisations.

1.7 Research Objectives

1. To determine to what extent HRM practices and organisational culture in the UAE may affect employee retention in public organisations of the Emirates, with a focus on Sharjah and Dubai.
2. To explore the major challenges UAE public organisations face in relation to employee retention.
3. To study the influence of factors such as job satisfaction on rates of staff turnover in UAE public organisations.

1.8 Research Questions

1. How do HR practices affect employee retention in UAE public sector organisations?
2. What other factors influence employee retention within UAE public organisations?
3. How do HR practices affect employee commitment and job satisfaction in UAE public sector organisations?

1.9 The Significance of the Study

This study is the first comprehensive study of employee retention problems in public organisations of the UAE, with an emphasis on Dubai and Sharjah. It has both practical and theoretical significance: It advances knowledge and understanding of how key retention variables which may affect employee retention in public organisations in the UAE; and it may also be used to assist public organisations in formulating strategies to increase retention rates, job satisfaction and organisational commitment among employees.

The employee retention problem and its relationship to HRM in UAE is an area that is currently under-researched. This research will provide new data to test Western theories and assumptions found in HRM studies about employee retention. This research differs from other studies in that it undertakes to develop a theoretical framework on employee retention with reference to the Emiratisation policy. This framework requires a study of both public and private UAE organisations to ensure that national employees are
adequately represented. Outcomes of this research are intended to better inform policy on staff recruitment, selection processes and organisational development in UAE organisations. Evidence from official staff on turnover is limited; however, people working in UAE generally agree there is a problem in retaining employees.

1.10 Limitations of the Study

The present study has a number of limitations. One is that the research focuses on governmental workplaces, focusing on a small number of no more than six volunteering organisations in both Sharjah and Dubai. Access to these organisations was gained via the researcher’s personal networks; the findings of the study may therefore have some limitations.

The study is limited to exploring the factors that affect employee retention within the context of the UAE national and organisational culture, and does not look at expatriate employees in government organisations in either Sharjah or Dubai.

This study has a number of limitations:

1. All findings are based on the information provided by the respondents, and are subject to the potential bias and prejudice of the people involved.
2. The scope of the study is restricted to the study of employees in UAE, and places particular focus on workers within the Emirate of Sharjah. As such, the findings may change if the study were to be applied to a different area, demographic landscape or economy.
3. The extent to which the objectives of the study could be reached were affected by time limitations. Findings reflect the labour market within a period of global crisis.

1.11 Scope and Delimitations of the Study

The study will be conducted only within public organisations whose control and management are directly under the government. This is because the majority of the workers are UAE nationals, who are the primary focus of this study. It will therefore, leave out private organisations. It is possible that employee management among public and private organisations is not similar, and that studies of private organisations have different results. Only retention factors and other variables that influence retention will be considered.
1.12 An Overview of the Methodology

This research has used both qualitative and quantitative methods to address the research questions. The quantitative approach was first used to understand and categorise the HR environment in the target organisations, and the qualitative approach was then used to specifically address the research questions. As this research was exploratory in nature, it was intended to form a foundation from which further, similar studies can be carried out.

The questions of the study were answered through four strategies: (a) survey questions, (b) Interviews with former employees, (c) semi-structured interviews with HR professionals, and (d) focus groups. The questionnaire was common to both locations, Dubai and Sharjah, and was constructed to target the loyalty and the cognitive awareness of respondents in regard to their respective organisations. The HRM practices and their impact on respondents were also examined.

Interviews with former employees questionnaires focused more on the effect of HRM practices on an individual’s experience in the organisation. Interviews with former employees were conducted during working hours. They proved invaluable in providing details about the workplace, turnover, problems, and reasons for leaving the organisation. Semi-structured interviews dealt with the impact of HRM and employee retention, addressing problems that affected the organisation as well as retention of the employees, and finally considered how career management, appraisal systems, hiring policies, and employee turnover rates affected HRM practices.

Focus group interviews were conducted so that employees could raise concerns with respect to employee retention and employee retention practices. One feature that was found to prevail amongst the interviewees was their fear of freely expressing political and social issues. This was tackled by framing questions in a manner that encouraged free discussion in the focus groups. The focus group interviews were also utilised to determine the relationship between HR practices and commitment and satisfaction, so that the implications of the same could be ascertained.

The study involved organisations in the legislative framework of Dubai and Sharjah, which had not previously been exposed to a study of employee retention. From the study, data were consolidated and subjected to a triangulation of methods for further analysis.
1.13 Data Analysis – A Brief

Data analysis involved an intricate four-stage system of (a) analysis of transcripts of raw interview data, (b) treatment of the raw data to solid, accessible forms, which in this case were interview transcripts, (c) grouping of the treated data into various categories, and (d) the final stage of analysis and interpretation. Analysis of the transcripts involved the combination of two steps, which consisted of interviewing the respondent in Arabic and then translating the responses into English. This method required delicate skill in interpretation, and the usage of language in the proper context. With these in mind, the results were translated professionally, in accordance with the ethics set out by Edith Cowan University. Understanding the situation of the interviewees, their circumstances, relationship with the interviewer, and of the nature of the interview prior to the transcript analysis helped in identifying differences of opinions between interviewees.

The consolidation of raw data to metadata was performed with the aid of the Nvivo program, which helped to sort out various data categories. This stage of research was subjected to additional scrutiny as it formed the backbone of data consolidation, and was required to be of high quality. Data analysis and the interpretation of data were a combination of the literature reviewed and the outcomes of the study. This stage was strengthened by the qualitative methods used, to discover results of the study that were not noticed earlier. The discussions from the focus groups, interviews, and questionnaires proved helpful in the analysis of the data and their interpretation.

The Statistics Package for Social Science software (SPSS) was used in the analysis of the survey. Inferential and descriptive statistical tools were employed to quantify and estimate the collected data, and to study their basic patterns. Overall, a combinatorial approach was employed in the research, which helped in analysing the responses from a population of 300 employees from diverse public organisations in Dubai and Sharjah.

1.14 Organisation of Chapters

This thesis comprises six chapters. The sequence and structure of these chapters are as follows:

Chapter One: Introduction

This chapter presents general theoretical and statistical background about employee retention. Discussion of the aims of this study and elaboration of the research questions
follow. In addition, this chapter explains the purpose of the study, reasons for the study, and its significance.

Chapter Two: Literature Review

This chapter is split into two parts. Part A is concerned with the geographic area of the study and provides general information about the employment culture and practices of the United Arab Emirates. It also explains the meaning and the purposes of the policy of Emiratisation.

Part B presents the theoretical background to major HR terms: retention, job satisfaction, organisational commitment, labour market, leadership and HR practices.

Chapter Three: Research Methodology

This chapter describes the techniques used in conducting the present study; it also addresses the research approach, strategy, sampling method, target population, and various data collection methods inclusive of primary and data collection, reliability and validity. Ethical issues are discussed in this chapter.

Chapter Four: Qualitative Results and Discussion

This chapter presents the overall results along with a discussion of the qualitative data gathered during this study. It includes the results from the focus group discussions and semi-structured interviews.

Chapter Five: Quantitative Results and Discussion

This chapter presents the findings from the analysis of the quantitative data collected using the study instrumentation. It includes a summary of the descriptive statistics and correlations between the variables.

In addition, this chapter investigates the results of the study’s findings and confirms them with reference to previous scientific research in the literature, to clarify the significance of the findings.

Chapter Six: Conclusion and Recommendations

This chapter discusses the overall findings of the study, including the implications for the target groups and directions for further research. It offers recommendations arising from
the findings, reports on the limitations of the study, indicates areas for future research and offers the final conclusion.
Chapter 2 : Literature Review

2.1 Focus.

This literature review will cover recent research on employment practices as they relate to employee retention, turnover, job satisfaction, and commitment. The first part of this chapter will address the background of employment practices in the United Arab Emirates, with emphasis on the states of Dubai and Sharjah, and particular focus on the ways in which staff are managed and developed. The second part will discuss issues of employee retention and turnover, job satisfaction, and commitment. Globalisation and its impact on employment issues in the UAE will also be explored. The interrelationship between international HR practices and theory and practices in the UAE will also be addressed, as will the relationship between HRM practices and employee retention in the context of HR architecture, with particular attention to the cause of poor employee commitment.

2.2 Introduction

In the UAE there is a strong difference between employment opportunities and working conditions available within the private and public sectors. A large number of people favour employment in the public sector, which is perceived to offer better salaries, more favourable working conditions, higher levels of job security, and better working hours than private sector equivalents (Godwin, 2006; Mellahi, 2007): 90% of the UAE nationals who are employed work in this sector (Abdelkarim, 2001; Freek, 2004; Tanmia, 2005), with just 10% in the private sector.

Until recently, the strong bias of UAE nationals towards public sector roles did not constitute a major problem. The large number of government institutions meant that there were always more jobs than job seekers among UAE’s small native population of 870,000 (Economist Intelligence Unit, 2008). However, in recent years, employment in the public sector has reached saturation point (Government of the UAE, 2007), resulting in a shortage of job opportunities, and ‘the public sector, for decades an automatic cradle-to-the-grave employer, no longer automatically accepts Emiratis into its overfilled ranks’ (Al-Ali, 2008, p. 377). The UAE is now facing a serious problem that could have consequences for the economy and for the government as a whole. As a result of the lack of jobs in the public sector, the government is seeking methods by which it can assist UAE citizens to find suitable work within the private sector.
However, the transition of employees from private to public sector in this part of the world brings with it unique challenges. In the UAE, employment in the public sector is strongly related to cultural boundaries that dictate which jobs are suitable for citizens. The nature of a job, the social interactions it involves, and the lines of reporting are all strongly related to the status of the individual (Mellahi, 2007) much more directly than in many other cultures (Al-Ali, 2008). It is these cultural nuances that will be the focus of this study.

2.3 The United Arab Emirates and its Culture

The United Arab Emirates is a very young federation. It was formally established on 2 December 1971 by Sheikh Zayed Bin Sultan Al Nahyan (1918–2004), who subsequently became its first president. The UAE is located on the eastern side of the Arabian Peninsula. It is a constitutional federation of seven emirates (states): Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al-Qaiwain, Ras Al-Khaima, and Fujairah. The political system is based on sheikdoms, but employs a combination of Arab traditions and modern structures (Al-Oraimi, 2004). Each of the seven emirates has a local government consisting of directorates, municipalities, and departments. They retain considerable financial autonomy (Abubakr, 2006, p. 60).

This political system involves no elections because of its traditional Arab foundations. The predominant culture is derived from regional, national, generational, social, gendered, and organisational cultures, and it in turn influences work values in the UAE (Abubakr, 2006).

The characteristics of Arab culture are, first, social diversity characterised by social class cleavages, with conflict accommodation processes along a homogeneity continuum. Second, there is pyramidal class structure based on the possession or lack of political power, socioeconomic status, and communal leverage. Third, there is social complementarity: that is, the ‘likeness’ of Arab people, including patterns of living, political behaviour, religion, social class structure, and family. Fourth is the Arab renaissance and its transition; fifth, patriarchal structures, with particular reference to the family, which has been and still is the basic social and economic entity; and finally, underdevelopment and continuing dependency, which increase the disparity between poor and rich, distorting development directed towards consumption rather than production. Culture in the Arab view includes vertical versus horizontal values: charity versus justice, obedience versus rebellion, open minded versus closed, collectivity versus individuality, culture of the mind versus culture of the heart, past-orientation versus future-orientation, conformity versus
creativity (Barakat, 1993). In addition, there is concern with gender relations, in terms of the sharp division of the sexes and of labour. Nelson (2004) documents male domination among Arabs. However, the most influential layer of culture in the UAE in general is the regional, and which includes three factors: religion, language, and history (Abubakr, 2006; Christie, 2010).

Understandably, the social function of paid employment in the UAE is guided by the principles of Islam (Al-Krenawi, Graham, Dean, & Eltaiba, 2004; Metcalfe, 2006) as well as many of the federation’s other social values (e.g.: Ball & Haque, 2003; Khattab, 1996; Metcalfe, 2006). The central aspect of the religious relationship between the individual and God is governed by a concept called tawheed, which entails an individual’s complete loyalty to the sole creator of this world and which, by extension, assumes that the individual will be hard-working, trustworthy, and respectful of elders. A second characteristic that reveals the influence of Islam on work culture in particular is that of segregation. The Islamic Arab culture has a clear division of labour between the sexes (Ashencaen, 2008; Omar & Davidson, 2001). This cultural norm is upheld in many organisations in the UAE, and it is reported that even workplaces without official segregation policies tend to segregate because of strong cultural values (Al-Oraimi, 2004; Khattab, 1996; Metcalfe, 2006).

A number of other factors have also played a role in the development of the workplace in the UAE. First, the commitment of the government to develop the people has led to the establishment of many organisations devoted to developing the human resources of the country. Second, the adoption of a market economy has encouraged skilled and professional employees from most countries of the globe and who do not share the religious or cultural values of the host nation to move into the UAE. Third, the increasing competition amongst organisations to satisfy clients has led them to seek and adopt new and innovative methods of management. Fourth, globalisation, coupled with rapid developments in technology and communication, has provided access to modern human resource practices (Abubakr, 2006, p. 67).

The work values that are in evidence in the UAE differ significantly from those observed in the West as they are heavily influenced by local culture (Steers, Sánchez-Runde, & Nardon, 2010). For example, familial and tribal affiliation have a significant impact on the hierarchy of an organisation; some present-day theorists argue that national culture heavily affects the behaviour of an organisation’s employees, although not everyone is in agreement with this theory (McSweeney, 2002). Hosted, for instance, repeatedly claims that the culture
present within public sector organisations in the Arab world is severely influenced by red tape and bureaucracy (Hofstede, 1993, 2002; Hofstede, Neuijen, Ohayv, & Sanders, 1990). If this is the case, one would expect there to be a difference between the organisational styles that are implemented in public sector organisations and those in use in the private sector, as the latter are more aligned with western norms.

The cultural behaviour of a typical member of an Arab country is a unique blend of the religious behaviours associated with the Islamic religion and the traditional norms of Arab societies (Bjerke & Al-Meer, 1993). It is evident that many Arab managers operate in a manner that allows them to make decisions ‘autocratically and paternalistically’ as opposed to formulating decisions ‘after consulting with subordinates,’ and it could be argued that this type of behaviour is contrary to that encouraged within Islamic teachings (Baumann, 2007). However, while it is a fact that Islamic–Arabic culture does encourage people to consult their partners, friends, and associates when making decisions, there is also a strong mentality in action that dictates that ‘business is business’ (Bjerke & Al-Meer, 1993): many Arab managers prefer to make their own decisions, and the open-door type policies that are sometimes used within Arab organisations are few; joint decision-making practices are unlikely to be popular. Generally speaking, decisions made by managers do not meet with opposition from subordinates. For example, according to Baumann (2007), Saudi managers are both Muslim and Arab, and their unique culture entails that they are not prepared to tolerate behaviour that departs from their cultural and religious traditions. They dislike conflict and will generally solve disagreements through adopting an authoritative management style that eradicates uncertainty and creates formal and rigid rules.

2.3.1 Emiratisation Policy (Nationalisation)

Nationalisation, or the Emiratisation policy, denotes key policies that influence and, to an extent, dictate aspects of employment practices in both the public and private sectors in order to encourage and support the employment of UAE nationals (Rees, Mamman, & Bin Braik, 2007). While nationalisation strategies vary from country to country within the UAE, they all involve mainstream strategic HR activities such as selection and recruitment, education and training, career management, and the design of reward systems (Rees, et al., 2007).

Emiratisation can be described as the recruitment and development of UAE nationals to increase their employability, thus reducing the country’s dependence on an expatriate
workforce (Abed, Vine, & Vine, 1996; Dale, 2004; Ingo, 2008). It has been formally defined as ‘a multi-level process through which dependency on the expatriate labour force is reduced and Nationals are prepared to perform their jobs equally as good if not better than expatriates in the shortest possible period’ (Abdelkarim, 2001, p. 34). It is a process by which the UAE hopes to develop its human resources to increase the number of national workers in both governmental and private sectors, enabling them to contribute to decision-making processes more effectively and reducing the reliance on foreign labour.

Tanmia, the National Human Resource Development and Employment Authority, was set up by the government specifically to address Emiratisation issues. Its remit involves recommending relevant Emiratisation policies to the UAE federal government, creating job opportunities for the national workforce in partnership with both public and private sectors, and addressing the skills gaps of the national workforce through the provision of learning and development interventions and resources (Tanmia, 2005). There is no agreed way of achieving these; however, best practice includes strong leadership and implementation of organisational policies and processes that support Emiratisation (Rees, et al., 2007). These are developed to increase the supply of workers, and include policies that affect the cost of living (examples are policies on health insurance, and verification of university degrees), the deportation of overstayers and illegal immigrants, and strict regulation of visas, both issued and traded. Further policies include creating job opportunities through training, market-based measures, and administrative measures such as establishing quotas, bans, and the nationalisation of the public sector (Shah, 2006).

Recently, Tanmia has had the objective of training UAE nationals for jobs, placing them within suitable roles, and monitoring their progress. This is critical to the achievement of the nationalisation goals of the UAE. In recent months Tanmia has instituted major public relations activity aimed at encouraging female nationals to apply for jobs in the private sector.

Emiratisation has enjoyed acceptance by the populace and by major organisations in the country (Al-Ali, 2008; Mansour, 2008). It has provided the impetus to develop managerial approaches in the private and public sectors, and has contributed to speedy skill acquisition among nationals. Major players in the economy, such as the banking sector and finance and management units, have begun incorporating the policy into their recruiting strategies (Randeree, 2009). In 2005, the number of Emiratis employed in the private banking sector increased by just 2% from the previous year, rising from 28% of the total employees working within this sector to 30%; that is, of the 23,219 employees in the UAE banking
sector in 2005, only 6,975 were local (Emirates Institute for Banking and Financial Studies, 2006). It has thus been raised to the platform of an influential guide in deciding HR practices compatible with a growing nation (Rees, et al., 2007).

2.3.2 The State of Dubai

Dubai is the second-largest state in the United Arab Emirates and probably the most well known because of its relative economic prosperity. Under the guidance of Sheikh Mohammed bin Rashid Al Maktoum it has forged a reputation as one of the most important and vibrant cities in the Middle East. The official language in Dubai is Arabic, but English is commonly used in business and commerce.

His Highness Sheikh Mohammed bin Rashid Al Maktoum, UAE vice-president and prime minister and ruler of Dubai, declared in 2001, ‘We must ease the lives of people and businesses interacting with the government and contribute in establishing Dubai as a leading economic hub’ (AlMaktoum, 2007, p. 7). While Dubai is now an active trading hub, its phenomenal economic growth has been mainly due not to business development but to the discovery of oil in 1966. However, the wealth that oil has brought, coupled with sound government policy, has enabled the rapid development of a massive infrastructure that now supports a large non-oil economy. Dubai offers its citizens one of the highest per capita incomes in the world (Hallett-Jones, 2000). This could not have been achieved without far-sighted leadership in the government of Dubai. Dr Anwar Gargash, minister of the Federal National Council (FNC), said that the rules of Dubai are such that ‘the elements of his [Mohammed Bin Rashid’s] leadership are rare for all to see, and it includes a combination of an inspirational message, stretching goals, belief in training and education as well as the necessity of building a competitive and tolerant society’ (Agarib, Nammour, Mussallam, & Arafah, 2007, p. 1).

Dubai has become increasingly popular as an operating hub for global companies (Greg, 2007). International companies are keen to attract the best talent on the market, and have adopted more creative approaches to HR practices than those of public firms. In a study of the UAE’s labour market, researchers found that executive expatriates on short-term assignments within the private sector confirmed that the average salary increased by 6% in a single year, and that increases in daily allowances reached 20% (Greg, 2007). These rates are not evident in local salary data, and show almost an 80% difference in favour of expatriate professionals (Manibo, 2007).
2.3.3 The State of Sharjah

Sharjah is the third-largest emirate in the United Arab Emirates. The Arabian Gulf lies to the west of the emirate, and the Gulf of Oman and Indian Ocean to the east. Sharjah stretches across 25,900 square kilometres and lies at the heart of the UAE. Sharjah city encompasses some of the finest scenery in the country. Its geographical layout—with both an east coast and a west coast—makes it easily accessible to sea trade and commerce. The official business language is Arabic.

The governmental HR departments of Sharjah are controlled by a separate organisation called the Administrative Control Department, responsible for setting HR policies or what is known as the Emirate’s 2001 Civil Service Law. The law affects HR practice for all public organisations in Sharjah.

According to the Emirate’s 2001 Civil Service Law, the chairman of each public organisation in Sharjah must appoint a personnel committee consisting of a general manager as president and four high-grade employees, one to act as secretary. The committee is responsible for:

- selection and recruitment
- termination
- promotion and compensation
- looking into staff grievances
- looking at acceptable and weak employee performance appraisals (Al-Qasimi, 2001).

Abdul Aziz Hassan Al Midfa, former member of the Sharjah executive council and director general of the Administrative Control Department, led the development of human resources in governmental departments and organisations (WAM, 2006). The council indicated the need to discover why nationals were not motivated to join government services, and recommended the compilation of a comprehensive database of civil servants throughout the UAE in collaboration with the Department of Human Resource Development.

Human resource development is administered by Tanmia, responsible for promoting and facilitating the employment of all unemployed Emiratis who live in Sharjah. It is also responsible for making professional development programs for current employees across Sharjah’s public organisations, such as banks, which employ a significant number of
females. In 2005, in a bid to achieve nationalisation goals, the Council of Ministers targeted banks to increase the number of local Emiratis employed by 4%, and requested that the insurance sector increase this number by 5% (Centre for Labour Market Research and Information, 2005). Previously, in 2004, the trade sector was also provided with quotas and told that ‘all companies in the trade sector that include 50 employees or more shall employ citizens with a ratio of 2% yearly’ (United Arab Emirates Council of Ministers, 2004, p. 1).

2.3.4 The impact of Islamic Culture on the Practices of Human Resource Management

It is stated in the Holy Quran, ‘God mandates that you return the confidence which you owe to someone; and Judge with Justice since you assess man with man; and His teaching is commendable’ (4; 58). Ali (2005) details hiring practices that employ an array of recruitment principles but reject nepotism or favouritism towards certain employees. This was complex and vital work. Islamic principles state that the person who is responsible for taking recruitment decisions should remain pious towards the endeavour. Ahmad (1995, p. 114) argues that eligibility should be based on an individual’s merit according to the rules of the Quran: ‘Employ the person with wages: the man who has got the confidence and also the strength to work is the ideal person to be employed.’ Moreover, the choice of employee should be in accordance with the rules of Islam. Under these, justice is valued first, accompanied by competence; factors such as age, friendship, political power, blood relationship or race must not be considered.

2.3.5 Globalisation

The word *globalisation* refers to ‘a business initiative based on the belief that the world is becoming more homogeneous’ (Czinkota, Ronkainen, Moffett, & Moynihan, 2001, p. 419). Globalisation, therefore, involves a shift toward a more integrated and interdependent world economy. The UAE is a prime example of an increasingly globalised country (Al-Oraimi, 2004; Mohamed, 2005), particularly because of its increasing numbers of international workers and its advances into global markets. This raises a number of areas of potential conflict that will be explored later.

Possibly the biggest concern about globalisation in the UAE is that expatriates bring with them not only their skills, but also their culture (Abubakr, 2006, p. 70). At the national level, the UAE hosts roughly 80% foreign workers (Abubakr, 2006, p. 70; Ashencaen, 2008). This growing imbalance has UAE authorities concerned that it will lead to an erosion of cultural
and religious values. Sinangil (2004, p. 27) explores this, asserting that globalisation leads to acceleration and vast changes, not only in technology and work processes, but also in the culture, of an organisation. Management of cultural diversity and integration can be seen as a threat, a challenge or an opportunity (Granell, 2000, p. 90): but it remains an increasingly strategic issue that has to be faced and properly managed.

Globalisation has influenced many organisations substantially, with various implications for human resource management (De Cieri & Kramar, 2008, p. 502). In discussing its influence, Henry et al. (2000, quoted by Price (2003, p. 92) as asserting that ‘employment in developed economies has become more insecure in the sense that both continued employment and the level of retention have become less predictable and are now contingent on factors that lie beyond the employee’s control’. Globalisation generally promotes and intensifies international competitiveness, particularly when it requires dramatic changes in strategy, technology, working systems, and management styles (Granell, 2000, p. 90). Theoretically, it makes countries more egalitarian by raising the wages of low income labour, because the country with a large supply of cheap labour has a comparative advantage in producing labour-intensive goods and services (Deardorff & Stern, 1994; Zhang & Zhang, 2003). Further, the UAE continually seek to attract international companies to their shores by providing incentives for such companies to establish business operations in the region. Such activity supports economic diversification, something that is important to the long-term performance of the UAE economy.

2.3.6 Labour Markets:

Changing market relations as a result of globalisation, and flexible labour regulations and markets, pose new challenges to HR specialists who must develop effective policies and procedures with a view to creating favourable conditions for employees, to avoid suffering significant losses in human capital. This challenge is complex in the UAE because of the influence of Islam, where the type of work, sector of employment, and social interactions determine the social status of a person (Mellahi, 2007), possibly to a larger extent than in other cultures; and where employees demand concessions not commonly found, such as flexibility in hours (Nelson, 2004).

Changes in the world economy, the decline of manufacturing, and the growth of IT and the service sectors have disrupted a long tradition of life-time employment in industrialised countries. They have forced changes in the relationship between companies and their
employees (Pellegin, 1994). Ensuring the implementation of best HRM practices and procedures which are relevant to securing employee retention requires new approaches to career development, even in developed countries. The life-long employment model required a framework of permanent rewards for workers based on seniority, loyalty, and performance. In contrast, as Vance and Paik (2010) suggest, modern global markets pose new challenges to companies; these include the need to produce flexible capital and provide the best conditions to ensure employee retention. Chew and Chan (2008) suggest that the risk inherent in developing human capital without also securing retention is inevitable, so that much depends on the success of HR policies. In this changed environment, emphasis is placed on an employee’s flexibility rather than on employment security. Workers must be competitive, which can be ensured by enhancing their competence and creating an attractive portfolio (Sparrow, Brewster, & Harris, 2004). Continuous education and training become necessary prerequisites of success, with consequent effects on retention. As employees become better educated, their employment options widen.

Existing labour markets depend on constantly changing demand as well as flexible wage prices. To be effective in the retention of their workers, companies must ensure that employees do not wish to change their place of their work for a new one. If another company offers better conditions of employment, workers with appropriate training, skills, and abilities will have few qualms about changing jobs; and such moves are likely to occur when employees’ market skills match available opportunities (Kirschenbaum & Mano-Negrin, 1999), as is happening in the UAE under the policy of Emiratisation.

Hom and Kinicki (2001) point out that labour market variables influence employee turnover. One of the most important peculiarities of the modern labour market and labour relations is the absence of significant social guarantees in the case of layoffs. This means that, to be effective in the labour market, employees need the capacity to learn, train, and adapt to new situations; and where such conditions are provided by the firm they become a good precondition for retention. As Schevish argues, good local labour market conditions improve organisational stability (Schervish, 1983).

On the other hand, the broadening of the international policy of the UAE has inspired a laissez-faire environment among global companies in the matter of career practices, which has had a negative impact on UAE nationals. Of the 2.4 million in the Emirate labour market, 91% have high profiles, a greater proportion than in the non-public sector. These
are the expatriates. The remaining 9% are UAE nationals, of whom 192,000 (8%) (see Table 2.1) choose to work in the non-private sector and 70,000 (1%) prefer the non-private sector (Abdelkarim, 2002; Freek, 2004; Tanmia, 2005, 2006).

Table 2.1. Distribution of labour force in the UAE by nationality, 1995 and 2005

<table>
<thead>
<tr>
<th>Nationality</th>
<th>Labour Force</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1995</td>
</tr>
<tr>
<td>Number</td>
<td>Per cent</td>
</tr>
<tr>
<td>National</td>
<td>121,291</td>
</tr>
<tr>
<td>Non-national</td>
<td>1,214,603</td>
</tr>
<tr>
<td>Total</td>
<td>1,335,894</td>
</tr>
</tbody>
</table>

Source: (Centre for Labour Market Research and Information, 2005) UAE Ministry of Economy, 2007; Calculations and Estimations.

In the last decade the monthly employment development and growth rate of the Emirates was 7.9%, somewhat short of the government’s target of 8.2%. The higher yearly employment rate is partly the result of an earlier policy drafted by the government to attract female employees—the female participation rate having risen by 16.7% annually (compared with a 6.1% rise among males) over 10 years. However, the level of unemployment of UAE nationals in 2005 remained at 12.6% (i.e., 35,000), with 19.8% females and 8.9% males unemployed; this percentage is likely to increase over the decade (Tanmia, 2006).

Table 2.2. Labour force participation rates in the UAE by gender, 1980–2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Labour Force Participation rate (Per cent)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Males</td>
</tr>
<tr>
<td>1980</td>
<td>94.9</td>
</tr>
<tr>
<td>1985</td>
<td>94.6</td>
</tr>
</tbody>
</table>
To reduce the gap, several UAE governments actively engage females. The Centre for Labour Market Research and Information’s (CLMRI) statement of 2005 encourages the recruitment of females to the work force which was previously open only to males, and a number of procedures have been brought forward by the government to reduce the gap between female and male employees. For example, during the mid 1990s maternity leave was modified by passing laws to acknowledge international labour conventions that advocate fair treatment of both males and females. In addition, in early 2011 for example, the ruler of Sharjah amended maternity leave law by entitling working women to 60 days' paid leave and a further 40 days without pay. Women have the right to take leave two weeks before the due date (WAM, 2011). The law, according to WAM (2011) entitles a male employee to paternity leave of three consecutive days.

The table below shows a considerable increase in the female work force. In 2005 the percentage of females was 22%, from 13% in 1995. In 1995 females made up just 13% of nationals in the workforce; by 2005 that share had grown to 22%. Similarly, females constitute a rising proportion of the non-national work force. Similarly, females constitute a small percentage of the expatriate population.

Table 2.3. Gender distribution in the UAE labour force by nationality, 1995 and 2005

<table>
<thead>
<tr>
<th>Year</th>
<th>Work Force (Percentage distribution)</th>
<th>1995</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Nationals</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Males</td>
<td>87.0</td>
<td>78.2</td>
</tr>
<tr>
<td></td>
<td>Females</td>
<td>13.0</td>
<td>21.8</td>
</tr>
<tr>
<td></td>
<td>Non-nationals</td>
<td>88.5</td>
<td>87.3</td>
</tr>
<tr>
<td></td>
<td>Males</td>
<td>11.5</td>
<td>12.7</td>
</tr>
<tr>
<td></td>
<td>Females</td>
<td>86.5</td>
<td>13.5</td>
</tr>
</tbody>
</table>

Source: CLMRI, 2005, Table 2.1 for 1995 figures; UAE Ministry of Economy, 2007, for 2005 figures; and author’s calculations.
2.3.7 System of Education in the UAE

When compared to many other countries around the world, the education system in place in the United Arab Emirates is relatively new. At present, there are two major types of education: public and private. The government funds the former and fee-paying individuals fund the latter. Both types of educational establishment are present in equal measures. All UAE nationals are granted free access to public education, and the curriculum has a strong Islamic and Arabic bias. Students attend single-sex schools, and expatriates and foreigners are not permitted to attend government-run public sector educational establishments (Gaad, Arif, & Fentey, 2006). As a result, the majority of expatriates attend private schools that offer them a level of education suitable to their own religious, cultural, and educational needs. While a significant amount of money has already been invested in the education system in the UAE, and there has been significant progress regarding the level of education on offer, the need to continue to invest in the system is well recognised. The government knows it must continually update and renew educational policies in order to produce a student population that will be adequately equipped to contribute to the country’s future development.

The Ministry of Education has issued a policy document, entitled Vision 2020. The document details future intentions, via five separate plans which are based on an ‘effective strategic planning model’ (Bryson, 1995, p. 23). Each year, the UAE University enrolls an undergraduate class of 90% nationals and 10% non-nationals. Each individual is offered free tuition and accommodation. Another well-known post-secondary institution is the Higher Colleges of Technology (HCT), which was established in 1988 and has an annual enrolment of around 16,000 students attending one of 15 branch campuses throughout the UAE. The college offers separate learning facilities for males and females. Education provided at the HCT is free of charge and aimed at providing vocational post-secondary education that can provide students with the skills and knowledge they need to contribute to the future development of the UAE (Gonzalez, Karoly, Constant, Salem, & Goldman, 2008). HCT predominantly provides programs in technical specialty fields, in contrast to the more liberal arts education on offer at the UAE University. The third government-funded undergraduate institution is the Zayed University, which was established in 1998 and has campuses in Dubai and Abu Dhabi. At present the Zayed University is reserved for female students.
During the academic year 2005–2006 in the UAE, the number of arts graduates outnumbered science graduates by 1.4 to 1. During that year 49% of graduates were enrolled in technology courses, and 77% of graduates in arts. Graduates of both types were absorbed into the information technology arena. In 2006, 71% of males and 17% of females graduated in arts, according to CLMRI (2005). The IT and Service sectors struggled to fill positions, as a lot of candidates graduated in arts.

2.3.8 Employee Training in the UAE

Tanmia’s CLMRI report of 2002 states that there was no training-based career culture in the UAE because such jobs were filled by expatriates (Abdelkarim & Haan, 2002). Training was introduced for new technology, but not for already-present human resources on any long-term basis. Programs have been duplicated naturally because of insufficient instruction is provided trainers. Certified employees of business organisations question the value of the programs that are available, although those in English and information technology are taken up by these institutions. There is wide variation in the quality of courses, but they are still considered the best way to impart training. The gap between the demand for skilled labour and the available human resources has not been bridged by the government even after the establishment of the Institute of Administrative Development and the General Information Authority. UAE’s long-term needs for human skills has been taken up by the government, which is making a concerted and coordinated effort to provide the necessary education and training initiatives, according to Han and Abdelkarim (2002).

2.3.9 Private Versus Public Sectors in the UAE

Employees in government and semi-government positions are paid more than those in the private sector. The UAE Labour Force Survey provides data substantiating this, noting that the private sector paid its employees Dhs\(^2\) 5,000–7,999 per month while the public sector employees received Dhs 8,000–10,999 per month. These data does not break down the figures by occupation, so it cannot be confirmed if the difference is due to occupation, organisation or sector. The data show that people in the private sector could earn Dhs 35,000 and above (the highest paying salary level in the government sector was Dhs 20,000–24,999). This difference was because workers in the private sector work force had

\(^2\) UAE Dirham = 3.67 USD
fewer educational qualifications than those in the three other sectors; and therefore the concentration was on lower paid jobs.

The Emirates view this imbalance as an effect of the work market, which provides employment opportunities particularly in private sectors (Al-Fakhri, 2004). Employers point to inappropriate technical skills and a lack of expertise among graduates in spheres such as social skills, conversation, client customer associations, and ethics (Ahmed, 2003). Initiatives by the UAE to get nationals into the job market have had a great impact on employment opportunities, particularly in the private sector, according to Al-Fakhri (2004).

The conventional employment level of Arabs is another problem besetting the UAE. The UAE is experiencing growth in the proportion of the young (the population of those below 15 years is 45%) at 25% per year with a 10% inflation rate (Gonzalez, et al., 2008). During the latter part of the twentieth millennium, most graduates did not join the private sector but chose to work in public sectors, according to Al-Ali (2008).

Few attempts to develop the managerial capabilities of UAE nationals were made by the public services only a decade ago: work policies such as on-site training, jobs for secondary education, and primary and secondary reforms were absent, or slow in developing. To build the managerial potential of Emiratis, public sectors base promotion on certain employment standards such as deployment of course, secondary education, and, recently, key and grade reforms applied retrospectively for approximately ten years. This led to a situation where Emirati graduates were forced to seek employment opportunities in the private sector (Abdelkarim, 2001; Al-Ali, 2008).

According to Negrin and Tzafrir (2004), economic factors lead employees to quit an organisation. They use various economic models to demonstrate why employees quit; from these, labour turnover can be predicted. Schervish (1983) notes that a sound labour market helps establish stability within an organisation. Larger organisations can provide ample opportunity for employee growth, along with an increase in wages, ensuring attachment to the organisation (Idson & Feaster, 1990). Trevor (2001) points out that the level of unemployment in the country has an effect on job satisfaction, and so helps in the analysis of labour turnover in the market.
2.4 The Principles behind HR Practices

In organisations or firms, human resource management (HRM) practices function as a mediator between HRM strategies and HRM outcomes. Sheppeck and Militello (2000) divide HRM strategy into four groups: employment skill and work policies, supportive environment, performance measurement and reinforcement, and market organisation. Guest (1997) divides it into three categories, differentiated by innovation, focus on quality, and cost reduction. There are many other definitions in previous research on HRM strategy, but all strategies are intended to achieve the same organisational goal. Sivasubramaniam and Kroeck (1995) and Guest (1997) consider the various perspectives on human resource management from the point of view of fit or integration. They suggest that various types of human resource management can be classified as having internal or external fit. External fit explains HRM as a strategic integration, whereas internal fit is an ideal of practices. Several researchers have tried to examine which fit is appropriate. Youndt et al. (1996), who observe external fit, produce results that show more particular fit between high performance HRM practices and quality strategy. Stavrour-Costea (2005) argues that effective human resource management can be the determining factor for the success of a firm. As supported by Lee and Lee’s (2007) work, the effect of HRM practices on business performance such as training and development, teamwork, compensation/incentive, HR planning, performance appraisal, and employee security helps improve firms’ business performance including employee’s productivity, product quality and the firm’s flexibility.

The overall purpose of HRM is to ensure that an organisation is able to achieve success through its people (Armstrong, 2009; Storey, 1992). A common theme in HRM literature has been the take-up of ‘new style’ HRM practices designed to achieve high levels of employee performance, flexibility, and commitment (Bach & Sisson, 2000). This means that contemporary HR practices have a much more direct relationship to organisational policy-making and performance issues than was the case with traditional approaches to personnel management (Bach & Sisson, 2000).

Research has suggested that the study of HRM needs an international perspective (Brewster, Tregaskis, Hegewisch, & Mayne, 1996; Thomas. Kochan, Batt, & Dyer, 1992) to help highlight the context-specific nature of HRM practices (Guthrie & Olian, 1991; Jackson & Schuler, 1995; Kuruvilla & Ranganathan, 2010; R. Locke & Thelen, 1995). However, in comparison with other parts of the world, the UAE has little available literature related to the field of HRM (Budhwar & Mellahi, 2007; Okpara & Wynn, 2008). Many authors argue
that the Middle East region has management systems similar to most other developing countries (Budhwar & Mellahi, 2007; Debrah & Budhwar, 2004), emphasising sensitivity towards local cultural norms and restricted participation in decision-making (Ali, 2004; C. Robertson, Al-Habib, Al-Khati, & Lanoue, 2001; Tayeb, 1997). This is a significant area that needs study with specific reference to the UAE.

Studies suggest that HR practices affect organisational outcomes by shaping employee behaviours and attitudes (Huselid, 1995; Kehoe & Wright, 2010; Ordiz & Fernández, 2005). It is important to note that while similarities in attitudes towards work and management practices exist across Middle Eastern countries, there are also considerable variations between countries in the Middle East that cannot be explained by cultural factors. Beyond the religious and cultural factors mentioned earlier lie a number of other macro-factors that have shaped HRM in the region (Budhwar & Mellahi, 2007; Forstenlechner, Madi, Selim, & Rutledge, 2011; Murphy, 2001), such as market-driven forces and economic liberalisation, which enable local organisations to compete with global organisations by developing new strategies to increase employment growth. This has resulted in some countries such as Saudi Arabia and Egypt experiencing job security erosion in the public sector, as firm have privatised, downsized, or closed (Budhwar & Mellahi, 2006).

It has been argued that human resource practices are inextricably linked to employees’ perceptions of organisational support, and that the two processes strongly influence an employee’s commitment to an organisation. According to Arthur (1994) ‘high commitment’ human resource activities increase organisational effectiveness by engendering conditions where employees feel more involved in the achievement of the organisation’s objectives, and are therefore more likely to work harder to help the company meet those objectives. The dominant approach used in testing the link between HRM and performance has considered HRM as an ideal set of practices (Delaney & Huselid, 1996; Huselid, 1995), very loosely labelled ‘high performance’, ‘high involvement’, or ‘high commitment’. High commitment practices increase organisational commitment by creating conditions where employees become highly involved in the organisation and work hard to accomplish its goals (Arthur, 1994; Youndt, 2000). This leads to lower turnover and higher productivity. Many organisations recognise the benefit of high commitment practices because, while they respond to employees’ needs and encourage them to take responsibility for their careers, they also motivate them to behave in ways that ultimately benefit the organisation (Baron & Kreps, 1999; Combs, Liu, Hall, & Ketchen, 2006). High commitment practices are those processes that encourage employees to adopt higher levels of responsibility for the
achievement of an organisation’s goals. Many researchers have found that high commitment human resource management practices enhance employees’ levels of skill, motivation, information, and empowerment (D’Cruz & Noronha, 2011; Thomas. Kochan & Osterman, 1994; Lawler, 1992; Levine, 1995; Pfeffer, 1998). One explanation for the increased motivation of employees in high involvement organisations is that the employee is at the centre of the activities taking place. In order to ensure that this process is successful, HR departments need to develop and implement HR practices that support the workforce to become self-programming and self-managing (Guthrie, 2001; Lawler, 1992). This necessitates significant investment in human capital, but MacDuffie (1995) argues that such an investment is justifiable when the future benefits in terms of increased productivity will outstrip the costs.

Greater use of high commitment HR practices is likely to have two broad effects. First, as previous research suggests, high involvement in or high commitment to work practices enhances employee retention (Arthur, 1994; Huselid, 1995; Shaw, Delery, Jenkins, & Gupta, 1998). At the same time, greater use of these practices may increase firms’ exposure to distributions associated with the loss of employees (Guthrie, 2001).

Huselid (1995) suggests, after a study of over 900 organisations in the US, that HR practices be grouped into two categories: those that improve skills, and those that enhance motivation. The study finds that skill-enhancing HR activities including selection, training, and development are associated with turnover and financial performance, and that motivation-enhancing activities including performance appraisal and compensation activities are associated with measures of productivity. Arthur (1994) similarly finds a strong correlation between employee retention and productivity in high commitment HR systems.

So far, as noted by Legge (1998), the high commitment approach has principally been tested in private sector manufacturing organisations. Little attention has been given to evaluating their effects on performance in public sector organisations (Gould-Williams, 2004) or in economies such as the UAE’s. This is a significant omission in light of the claim that these practices are ‘universally applicable’ (Wood, 1995, p. 57). The present research examines whether the positive effects of high commitment HRM practices reported in private sector organisations are replicated in public organisations (Gould-Williams, 2004) in the UAE. This study goes some way to supplying the lack of research into the supposedly universal application of these HR principles.
2.5 HR Functions

The actual function of HRM within the value chain of an organisation is of significance. It has been postulated by some researchers that the role of HRM within an organisation is a significant factor in the firm’s ability to achieve its organisational objectives and develop a sustainable competitive advantage within the marketplace within which it operates. This is achieved via the policies each firm enacts, and the methods it uses to attract and retain the right employees for its needs (Holland, et al., 2007). The HR function can be thought of as having six menus, from which companies can choose the most appropriate practices. De Cieri and Kramar (2008, p. 58) state that each of these menus refers to a particular functional area of HRM: job analysis/ design, recruitment/ selection, training and development, performance management, pay structure/ incentive/benefits, and labour/employee relations. The following sections discuss relevant aspects of the literature on each of these functions.

2.5.1 Job Analysis and Design

This refers to the process of getting detailed information about a job (De Cieri & Kramar, 2008, p. 60), which could provide information for a variety of purposes, including determining training needs, development criteria, and appropriate pay and productivity levels (Price, 2003, p. 362). Job design deals with making decisions about tasks that will be required in a given job (De Cieri & Kramar, 2008; Hacker, 2003).

There are two specific elements at play here. The first concerns the need to meet the organisation’s needs in terms of productivity, achievement and quality, while the second relates to the needs of individual employees and the requirement to provide them with a work environment that is challenging and rewarding (Armstrong, 2009; Campion, Medsker, & Higgs, 1993; Kozlowski & Bell, 2003; Stewart, 2006). The effectiveness of HR practices requires that the job be clearly understood by both jobholders and the organisation. The practice of job analysis provides this understanding (Siddique, 2004), and it has been suggested that organisations actively pursuing this practice as an HR planning strategy are likely to gain a competitive advantage (Anthony, Kacmar, & Perrewe, 2002; Dessler, 2003). The ultimate purpose of job analysis is to improve organisational performance and productivity, helping the organisation create a proper infrastructure by defining the tasks to be performed as well as the timelines for performing them. Job analysis thus has the potential to make a contribution to organisational performance both directly and
interactively with other key HR practices (Anthony, et al., 2002; Siddique, 2004). It has been argued that job analysis and design can enhance performance of the employees and job satisfaction (Moyes, Shao, & Newsome, 2008).

### 2.5.2 Employee Recruitment and Selection

Any process for which an organisation seeks applicants and attracts potential employees is called recruitment; selection refers to the process by which an organisation identifies those applicants with the knowledge, skills, abilities, and other characteristics that will help it achieve its goals (De Cieri & Kramar, 2008, p. 30). The overall aim of the recruitment and selection process is to obtain at minimum cost the number and quality of employees required to satisfy the human resource needs of the organisation (Armstrong, 2003, p. 395). Hiring capable people is an attractive point of departure in the process; but building and sustaining a committed workforce is more likely to be facilitated by the employment of a range of sophisticated human resource management infrastructures (Y. Chew, 2005; Raghuram, Bird, & Beechler, 1993).

Employers try to select and recruit the right candidates. At the same time, job seekers gather information about organisations and current jobs offers; because they cannot gain complete knowledge of all alternatives and their potential characteristics, they rely on imperfect signals (Chan & Kuok, 2011). It has been noticed that organisations that want to fill their vacancy very quickly or who are unwilling to have recruitment processes such as job analysis, are possibly less discriminating in the quality and quantity of the candidates (Carless, 2007) while organisations who put effort into the process of recruitment turn on more search channels than organisations who do not (Russo, Rietveld, Nijkamp, & Gorte, 2000). When the cost of a mistake in recruitment is high, organisations are more discerning and the turnover of employees will increase (Chan & Kuok, 2011).

### 2.5.3 Employee Training and Development

Training is not simply a means of arming employees with the skills they need to perform their jobs: it is also often deemed to be representative of an employer’s commitment to their workforce (Storey & Sisson, 1993). It may also be perceived to reflect an overall organisational strategy that involves adding increased value, as opposed to reducing costs. Many of the world’s most successful companies are aware that the provisions they make
for training and development activities lie at the heart of their ability to attract and retain the best employees for their organisation (Bassi & Buren, 1999). It is therefore imperative that employers provide an opportunity for their workforce to learn (Arlond, 2005; Bernsen, Segers, & Tillema, 2009), as proactive development schemes will not only improve the capabilities of their team but will also motivate staff and subsequently engender a more loyal employee set (Kyndt, Dochy, Michielsen, & Moeyaert, 2009).

Investment in training measures and the implementation of development schemes are becoming increasingly acknowledged as vital elements of HRM (Oakland & Oakland, 2001), and studies across a wide range of industries and sectors have all found a positive correlation between investment in training and employee commitment (Bassi & Buren, 1999). For example, studies completed by Irving and Thomas (1997) and Marchington and Wilkinson (1997) focus on employee commitment among hospital administrators, nurses, service workers, and clerical employees, as well as on scientists and engineers from a research laboratory; both confirm that employees were more committed to their jobs and the achievement of the objectives of the organisation when they felt that the company cared about their training and development needs. In summary, appropriate training contributes positively to employee retention because it makes employees feel recognised for their strengths, and it creates possibilities to develop their qualities (Kyndt, et al., 2009; Visser, 2001).

### 2.5.4 Performance Management

Performance management is mainly concerned with the individual’s performance and development. It is used to ensure that the employee’s activities and outcomes are congruent with the organisation’s goals (De Cieri & Kramar, 2008, p. 61), by focusing on future performance planning and improvement rather than on retrospective performance appraisal (Armstrong, 2003, p. 481). This requires management to act as partners within a framework in which they and the employees together can achieve the results required. For this to occur, managers need a clear understanding of the ways in which performance appraisal can help the organisation (Chelladurai, 2006). In addition, such appraisals can be used as feedback to individuals in order to influence and enhance subsequent performance. It has been argued that the results of performance appraisal of all employees provide insight into the effectiveness of the HR system, the developmental and training needs for the whole organisation, and the setting and articulating of organisational goals for the employees (Chelladurai, 2006). Appraisals cannot be performed effectively unless the line
manager or person conducting them has the interpersonal interviewing skills to provide the feedback to people being appraised (Prowse & Prowse, 2009)

2.5.5 Pay Structure, Incentives, and Benefits

Pay is an important feature of HRM. As De Cieri and Kramar (2008, p. 62) state, the pay system has an important role in implementing strategies. The way people are paid affects the quality of their work, their attitude towards customers, and their willingness to be flexible and learn new skills (Milkovich, Gerhart, & Hannon, 1991). De Cieri and Kramar (2008, p. 62) state that a high level of pay and/or benefit relative to that of competitors can ensure that a company attracts and retains high-quality employees. Pay may be one way workers measure whether the time they spend and the effort they put into working are worthwhile (Ryan & Sagas, 2009). Using discrepancy theory, Rice, McFarlin, and Bennett (1989) find that workers’ satisfaction is a function of what they perceive their contributions and job requirements are and what they should receive in return; this is confirmed by Chelladurai (2006). One standard that an employee may use is what other workers within an organisation receive. Employees will feel satisfied with their pay if what they are receiving equates to the time, energy, and effort they contribute, with relation to what other workers receive. If they feel that their efforts and contributions exceed the rewards from the organisation and job, especially in pay, dissatisfaction may occur (Ryan & Sagas, 2009).

Perhaps the most important employee retention variable is monetary compensation (Shaw, et al., 1998). Selden and Moynihan (2000) find a significant negative relationship between high average wages and voluntary turnover in 33 state governments, although a study by Lewis (1991) fails to confirm the importance of salary in reducing voluntary turnover rates among federal employees. Bergmann, Bergmann and Grahn (1994) find that well-designed employee benefit packages are effective tools for attracting, motivating, and retaining government employees.

2.5.6 Labour and Employee Relations

The general approach to relations with employees can strongly affect a company’s potential to gain a competitive advantage (De Cieri & Kramar, 2008, p. 63). A number of studies have found that employees are more inclined to stay when they have strong relationships with their work colleagues (Clarke, 2001); that employees who work as a team are more likely to
feel an increased commitment to the work unit’s efforts and the organisation as a whole (S. Cohen & Bailey, 1997; Griffeth, Hom, Fink, & Cohen, 1997; Meyer & Allen, 1997); and that employees tend to remain in organisations where they have established a strong teamwork relationship at the workplace (Clarke, 2001; Marchington, 2000). Employment relations and HRM are closely related to employees’ values and the meaning of their work, and are affected and influenced by them (Harpaz & Meshoulam, 2009); therefore a short description of the current meaning of work in the UAE may allow an enhanced understanding of the relations of employees and strategic HRM.

2.5.7 The Impact of HR Practices on Job Satisfaction and Organisational Commitment

Recent HRM literature has increasingly focused on ways in which employee management policies and procedures influence employee behaviour and ultimately affect the performance of an organisation as a whole.

The concept of job satisfaction is a strong focus in many human resource studies (Spector, 1997), and many researchers have sought to find a means by which this concept can be defined. Greenberg and Baron (1995) discuss job satisfaction as constituting an individual’s cognitive, affective, and evaluative approach to the job. Their theories are supported to a large extent by the work of Cranny, Smith and Stone (1992), who address cognitive and affective reactions towards a job. Together with Locke (1976), they argue that job satisfaction is predominantly based on the way in which employees perceive that an organisation is meeting their needs.

Of significance to a firm’s ability to increase job satisfaction amongst their workforce are the practices that they employ in order to manage them. HRM practices directly influence the job satisfaction of employees, and subsequently promote organisational commitment (Ulrich, 1997). Ogilvie (1986) argues that HRM practices are distinct, tangible activities; Wimalasiri (1995) and Jaiswal (1982) specify that policies pertaining to areas such as training and development, career progression, incentives, and rewards can directly influence employee commitment to an organisation. Many researchers have found that, of these four, rewards have the greatest impact on an individual’s commitment to the organisation (Angle, 1983; J. Chew & Chan, 2008; Conway & Monks, 2008; Hansen, Smith, & Hansen, 2002).
Effective HRM involves understanding the ways in which policies and procedures can influence an employee’s job satisfaction and organisational commitment. Many researchers have found that the most successful organisations are those that recognise how policies can impact upon an employee’s behaviour. For example, Harel and Tzafrir (1999), Kalleberg and Moody (1994), and McEvoy (1997) all find that providing employees with access to training and development opportunities does more than improve their skills and abilities: it also increases job satisfaction and commitment to the organisation. Similarly, Laabs (1993) finds that the frequency and quality of performance appraisals has a strong relationship top employee turnover. Elsewhere, Harel and Tzafrir (1999) find that providing employees with an opportunity for career development significantly increases their motivation to remain within an organisation, while Lawler and Jenkins (1992) and Mobley (1982) argue that compensation practices most influence an individual’s commitment to an organisation.

Much research has focused on the ways in which HRM policies can encourage employees to become aligned with an organisation’s objectives. Weitzman and Kruse (1990) and Pfeffer (1998) argue that one of the most successful methods of encouraging full employee commitment is through the use of profit sharing and stock ownership, schemes that naturally develop improved levels of participation and communication between employees and management within a firm.

It is clear that HRM policies and procedures are multi-faceted, and that they have a propensity to affect employee job satisfaction and organisational commitment in a variety of ways. It is therefore crucial that organisations recognise the role that HRM has to play in managing their workforce, and that they employ methods that suit the needs of their employees.

2.6 Employee Retention

Retention is ‘a voluntary move by an organisation to create an environment which engages employees for the long term’ (Chaminade, 2006, p. 1). A more detailed and recent definition of the concept of retention is ‘to prevent the loss of competent employees from leaving productivity and profitability’ (Chiboiwa, Samuel, & Chipunza, 2010, p. 2104). Some people view employee retention as the result of the implementation of policies and processes that assist employees to remain with the company because of the provision of a
work environment that meets their needs (Baer, Fagin, & Gordon, 1996). Employee retention, according to Harvard Business Essentials, is the ‘converse of turnover—turnover being the sum of voluntary and involuntary separations between an employee and his or her company’ (2002 cited in Starosta, 2006, p. 60). However, Waldman and Arora (2004), postulate that discussing employee retention within the context of employee turnover is insufficient; instead, focus should be on the way in which employee retention promotes the preservation of a workforce that is able to meet the corporation’s needs. For them, employee turnover is necessary in order to remove employees who are unable to meet the objectives of the organisation; good retention focuses on keeping those employees who can.

The retention of talented employees is an advantage to an organisation because employees’ knowledge and skills are central to a company’s ability to be economically competitive (Kynadt, et al., 2009). Employee retention becomes increasingly important to organisations because periodic labour shortages can reduce the availability of high-performing employees (Jones & Skarlicki, 2003, p. 1227); thus, workers are searching for better employment opportunities, and firms are seeking to improve the productivity of their workforce (Leeves, 2000). However, there are challenges in attempting to retain employees (Barney, 1991; Taplin & Winterton, 2007). HR executives can find that attracting and retaining talent is a problem (Barney, 1991; Samuel & Chipunza, 2009) because of bounded rationality, particularly of cultural and social norms associated with the country (Metcalfe, 2008).

Organisations are more worried about retention of their employees because intent to leave is disappointing for both employees and employers. According to Lockwood and Ansari (1999), organisations have to tolerate the cost of hiring, and the cost of losing, their employees; therefore, organisations try to keep their existing staff. In fact, this retention of employees and their appreciated skills helps the organisation to preserve their investment of employee raining, which causes lower loss of human capital and yields higher retention (Acton & Golden, 2003). Given this, organisations should take steps to retain employees, to avoid unwanted turnover due to stress, low-job satisfaction unsatisfactory working condition, and inadequate benefits (Atif, Ijaz-Ur-Rehman, Abdul Nasir, & Nadeem, 2011).

Researchers demonstrate that organisations use different techniques to retain their employees, such as having compensation, training and development, competitive work environment, and other benefits. Employee retention is the main aim and the major
concern for most organisations (Deckop, Konrad, Perlmutter, & Freely, 2006; Moncarz, Zhao, & Kay, 2009).

2.7 Types of Employee Turnover

In their research work Heneman and Judge (2006) highlight four distinct types of employee turnover that exist across two categories: involuntary turnover, instigated by the employer, and voluntary turnover, prompted by the employee.

2.7.1 Involuntary Turnover

Within Heneman and Judge’s categorisation, involuntary turnover is either by discharge or downsizing. Discharge turnover concerns the removal of poorly-performing or dishonest employees from an organisation, while downsizing turnover is a necessary activity to increase the effectiveness of an organisation and its ability to meet shareholder targets (Donoghue & Castle, 2006).

2.7.2 Voluntary Turnover

Voluntary turnover is separated into two further types: avoidable and unavoidable turnover. Avoidable turnover concerns the exit of an employee from an organisation under circumstances that could have been avoided: if the employee had felt more valued, for example. Conversely, unavoidable turnover relates to employee exit that occurs independently of any action that the firm could have taken: such as an employee passing away unexpectedly, or compulsory relocation.

According to Heneman and Judge’s categorisation there are some elements of employee turnover that are beyond the control of management. In recent years, however, one role of HRM has been to identify elements of turnover that were traditionally classified as unavoidable and find methods of counteracting them. For example, historically many people would have viewed an individual’s decision to leave work in order to raise a child as unavoidable turnover. Today however, pressure is placed on HRM to develop policies that no longer render this unavoidable, by putting provisions in place to allow the individual to continue to work while also meeting family commitments (Ongori, 2007).
It is general practice to assume that involuntary turnover exists to meet the needs of the organisation (Figure 2.1), while voluntary turnover is more aligned with the needs of the individual. Dalton, Todor, and Krackhardt (1982) observe that involuntary turnover occurs when the individual would like to maintain the employment relation. However, the organisation is not so inclined. In this situation, the organisation will terminate (fire) the employee. In contrast, voluntary turnover happens when the employee, for whatever reasons, does not wish to continue the employment relation. The employee quits. The research of Dess and Jason supports this view, defining involuntary turnover as ‘an employer’s decision to terminate the employment relationship’ and voluntary turnover as ‘an employee’s decision to terminate the employment relationship’ (2001, p. 414).
For many people, however, the definition of the different categorisations of turnover is not quite so black and white. Many argue that it is possible for employers to manufacture situations that constructively encourage employees to leave and, similarly, employees themselves may actively behave in such a manner that causes the firm to wish for them to leave. Within one study, employees of a university were asked to disclose whether they felt their exit from the university was the result of their own requirements or those of the organisation (Campion, 1991). The study revealed that more than 65% of those involved in the analysis felt that they had left the company as a result of their own personal circumstances, due to retirement or health problems, for example. A further 10% revealed that they had left involuntarily, as a result of poor performance, contract expiration or workforce reductions, and the remaining 15% revealed that, while their decision to leave might be perceived as voluntary, they felt that the organisation was to blame and they had not been provided with a work environment that was suitable for them on a long-term basis.

In response to the inherent flaws in the categorisation provided by Heneman and Judge (2006), Campion (1991) suggests that a more accurate assessment of voluntary turnover can be presented by using a continuum that progresses from one extreme of involuntary turnover to the other extreme of voluntary turnover. By taking such an approach we can better identify and understand the extent to which the decision of an employee is based on purely individual factors, or whether the actions of the organisation do influence departures from the company.

### 2.8 Employee Turnover in the UAE

Globally competing organisations are always on the lookout for the larger piece of the market share; however, this depends on employee loyalty and low turnover rates, as well as on hard work, increased productivity, and superior quality (Al-Kahtani, 2002). In organisations in the UAE, it is important to consider employee turnover rates in both private and public sectors. Although employees are given some minor benefits in the public sectors, these do not satisfy them greatly. In the private sector, although wages and income levels are high, there is always the fear of insecurity and job loss. For these reasons, employee turnover rates are higher in the private than in the public sector. Turnover rates differ in the manufacturing and service sectors. Employers and business owners do not focus on this critical issue, apparently not realising how destructive the effect of turnover is...
on the productivity of their organisations. Much research explores UAE organisations, but little is available on employee turnover and its causes.

A study of the factors involving employee motivation was performed by bayt3.com to assess the economic climate of the UAE and identify factors that affect job satisfaction levels, and thus the measures that encourage workers to continue in their jobs and to prefer their place of work. Data collection performed online from 3–17 August 2009 garnered a total of 13,376 respondents (Bayt, 2009b). The survey indicated that 11% of employees were planning to change jobs, 30% were actively looking for better opportunities, and 29% were positive about quitting their present job. This reveals an alarming situation that must be addressed by policy makers and employers in the country.

2.9 Factors Affecting Employee Turnover

The following section explains the factors that affect employee turnover.

2.9.1 Attitude of the Employee and Personal Factors

There is a need to consider both organisational and personal factors in considering employee retention (Kyndt, et al., 2009). Employees’ work-related attitudes predict turnover rates, according to Bhuian and Al-Jabri (1996). Certainly, turnover rates and job satisfaction are factors that have been extensively researched, as evidenced by the work of Johnston, Parasuraman, Futrell, and Black (1990). McNeese (1996) concludes that higher levels of job satisfaction induce a higher tendency towards commitment, decreasing both levels of absenteeism and employee turnover rates.

Many studies have examined the relationship between job satisfaction and turnover and found it to be negative (Judge, 1993; Murrells, Robinson, & Griffiths, 2008; Shawn, 2011); which means that the turnover rate is high when employees do not feel satisfied in their job and intend to leave their organisation (Tsai & Wu, 2010). Nearly 25% of the workforce in Saudi Arabia frequently absents itself from duty and quits without notice, according to Al-Kibsi, Benkert, and Schubert (2007). The traditional hard-set thinking of the market aimed at manual labour work is a major obstacle, says Rice (2004), according to whom many organisations are still locked into traditional power hierarchies that lead to Mudir

3 Bayt.com offers a range of end-to-end employment solutions and career planning tools and is committed to understanding the market in the Middle East and North Africa.
Syndrome (or Management Syndrome). This makes one conclude that authority, position and power are venerable things, and difficult to change.

2.9.2 Performance Appraisal and Feedback

Performance appraisal is an important HR practice (Kuvaas, 2006). Given the feeling of employers that honest appraisal may damage an employee’s self-esteem, frank feedback is not provided in most organisations (Beer, Spector, Lawrence, Quinn Mills, & Walton, 1985). According to Gopalakrishnan (2002), honest feedback about an employee may rebound unfavourably within UAE organisations. A mediator is deployed to deliver feedback, a standard practice in Arab culture designed to avert conflict; nevertheless, there was notable discontent recorded by almost 52% of the respondents to a bayt.com survey (Idris, 2009). Since comparison and blame are techniques that considerably benefit expatriates, Saudis do not welcome these organisational factors. Furthermore, performance appraisal is about increasing insight of being appreciated and being part of the team in organisation (Levy & Williams, 2004). It has been argued that dissatisfaction with performance appraisals affects job satisfaction, and in turn affects employee retention (Poon, 2004).

2.9.3 Lack of Recognition and Reward

The Gallup Organisation conducted an extensive study of 80,000 managers to analyse the factors contributing to the quality of the workplace. The study finds that employee satisfaction and job retention can be achieved through recognition (Buckingham & Coffman, 1999). Of the 12 dimensions employed in the survey, recognition and praise rank fourth. Urichuk (1999, p. 27) argues that employee turnover is due to a lack of recognition and reward, and points out that ‘recognition helps in retaining the sincere employee and saves time and money to recruit new people and it also encourages other workers to do a good job. Hard to believe, yet motivation is achieved through recognition’. Recognition and reward are differentiated by Hansen, et al. (2002, p. 67), who note that ‘intrinsic motivation is driven by the particular behaviour of extrinsic motivation and strategic recognition needed by an organisation while implementing the reward strategy’.

Lack of recognition is a major cause of employee turnover in the UAE. Bayt.com finds that one barrier to productivity, and a cause of turnover, is lack of recognition. Of the people who answered their survey, 41% stated that lack of recognition brings down the productivity rate. 14% felt that equal opportunity should be given and 30% highlighted a
lack of clear-cut roles. They were reported to have said that these factors affected productivity and restricted an individual’s ability to deliver their best (Bayt, 2009a). A series of polls was conducted online from 4 Jan–8 February 2009, and data were collected to study productivity in the work place. A total of 8,289 persons participated in the study from all over the Middle East (Bayt, 2009a). Younies, Barhem and Younis (2008) find that recognition and reward play an important role as stimulating factors in the UAE medical sectors, both non-private and private.

Nowadays, having financial incentives and recognition programs in organisations remains a retention tool, although these strategies still do not address work environment factors such as poor communication, or problematic employee relationships, which are considered to be factors that affect employees’ intention to stay (Apker, Propp, & Zabava, 2009).

2.9.4 Lack of Professional and Personal Advancement

This is the one of the most common reasons an employee gives for leaving an organisation, according to McCabe, Feiock, Clingermayer and Stream (2008). Employees may change jobs for reasons of professional and personal advancement, or to join an employer who provides more attractive pay packages as well as career growth. Shaw, Duffy and Stark (2000) reveal that frustration and a desire to quit have relevance to low positive affectivity, and are related strongly and negatively to job satisfaction. Commitment towards the organisation is degraded if there is a perception of underhanded methods in promotion activities (Mosadeghrad, Ferlie, & Rosenberg, 2008b). Bayt.com shows that 51% of the people who completed their on-line survey expressed dissatisfaction with their professional and personal growth in Saudi organisations (Bayt, 2009a). A similar study conducted in another Arab culture concludes that employees demonstrate greater levels of satisfaction and commitment if they are given ample opportunity for personal as well as professional growth in their organisation (Al-Ahmadi, 2002).

2.9.5 Ineffectiveness of Communication

Enhanced team communication in any organisation can support and improve employees’ attachment to their organisations and teams, and in turn increase the level of retention (Apker, et al., 2009). It has been argued that a lack of communication is the main barrier to employees’ motivation, and may affect the intention of employees to stay with their
organisation (Khan, Farooq, & Imran Ullah, 2010). Ongori (2007) states that to have lower employee turnover, organisations should make sure they have good lines of communication among staff. Branham (2005) emphasises that inadequate communication between management and employees, and between departments, is the prime reason a worker quits an organisation. Like the studies mentioned above, his identifies a lack of communication between management and workers as resulting in low morale among employees and increases in turnover.

Alshehri and Drew (2010) note that Saudi Arabian organisations, for example, do not draft long-term strategies, and that organisations lack policies concerning quality, mission and vision. In addition they note that proper documentation procedures are not followed in organisations; which means they do not exist.

With the assistance of YouGov, Siraj, Hill and Knowlton, a top communication consultancy firm, conducted a survey of approximately 500 managers in the GCC (Gulf Council Countries). The survey finds that the communication gap between employees and management forces employees to get necessary information by unofficial means. The research stresses that although managers realise the importance of communication, they fail to implement it adequately. Quirke (2008) says that awareness of the principles of communication and its objectives should be raised among employees. In Saudi Arabia 53% of employees said they relied upon management for information relevant to their jobs, while the rest depended upon their friends. This figure is consistent with studies in the UAE, where effective communication is identified as a major problem with implications for employee turnover.

2.9.6 Employee Turnover Results

Increased turnover rates may be the result of financial or non-financial factors. The impact of turnover is greatest at times when quality, profits and productivity show a downward trend. For smaller organisations, increased turnover rates directly imply that enough staff are there for routine questions than the issues of numbers, the quality of work done by them being under investigation as stated by DeConinck and Johnson (2009). The managing director of Flagship Consultancy, Zed Ayesh, comments that ‘the employee turnover rate is one of the hidden enemies for a growing economy, and the reason behind its invisibility is because the turnover associated with costs is not shown in the profit or loss statement made towards the end of the financial year’ (Albawaba, 2008a, p. 1).
The positive and negative effects of turnover have been studied by Achoui and Mansour (2007). Negative effects include the tangible costs of selection, recruitment and training of employees, and the costs incurred in production loss; intangible costs include such factors as the morale of employees, job pressure and disintegrated performance. Financial factors linked to replacement and separation are other consequences of turnover. The purchase of materials, cash outlays and productivity losses contribute to financial costs. Other costs are less quantifiable, and estimation is difficult even though they have a large impact on management organisationally: they include such things as customer loss, business loss and loss of morale (Heneman & Judge, 2006).

The economic costs of turnover are overwhelming. A company with a technological based estimated its turnover costs to average $200,000 per employee. Turnover costs for the pharmaceutical giant Merck ranged between 150% –250% of the employee’s annual salary (Mello, 2010). The individual turnover cost for an employee in the UAE is approximately Dhs 15,180 per annum. The cost to businesses every year is Dhs 9.9 bn (US$2.7 bn), given the turnover rate of 21% (657,930 workers approximately) in a population totalling 3,113,000 (Albawaba, 2008a).

Organisations do derive some benefit from turnover, as Mello (2010) points out. It allows new aspirants for a job who are not conversant with conventional modes of duty performance to be hired by organisations. According to Heneman and Judge (2006), personnel of superior quality may be recruited at low salary—a major positive factor. Innovative techniques, adaptability and manoeuvrability may improve as poor performers are replaced (Achoui & Mansour, 2007). Voluntary turnover, even if beneficial, has potential negative financial consequences, according to Heneman and Judge (2006). Strategic management policies may be adopted by organisations to mitigate costs incurred by voluntary and involuntary turnover, and to focus on retention in general as well as of the individual employee, according to Heneman and Judge (2006). The morale of employees, and productivity, are both damaged by improper retention strategies.

2.9.7 Strategies for Employee Retention

The simplest way to retain employees is to increase satisfaction levels; but this will only be effective if performed properly (Denisi & Griffin, 2008). The challenge lies in tackling different employee needs, as these are varied (Mello, 2010). Retention programs should be worked out that address the needs of employees who seem likely to resign.
Ongori (2007) insists that strategies that minimise rates of turnover are relevant to the problem: for example, turnover resulting from ineffective selection practices is not susceptible to improvement. Management is faced with the task of identifying the reasons why employees quit, and taking corrective action. Another strategy is to assess problems of retention by means of exit interviews. These provide an unbiased view of management and the workplace, and pinpoint the reasons for an employee quitting, which cannot be obtained in on-going modes of employee relationships (Mello, 2010). Capelli (1997) identifies a number of retention strategies that consider the labour market and evaluates employee differences, job redesign, new compensation plans, job customisation, social ties and the hiring of employees who do not intend to quit. Offering potential defectors existing, internal job opportunities is another tool for retention (Capelli, 1997; Luecke, 2002).

Early studies in the field concentrated on HRM practices of selection and recruitment. For instance, research by Dermody, Young and Taylor (2004), Collins (2007) and Reynolds, Merritt and Gladstein (2004) note that employee retention has an impact on the recruitment process (Deery, 2008). Retention strategies should be concentrated upon in the UAE, given the economic cost of turnover. Providing money or financial incentives, following customised retention strategies, will not serve the purpose in the future. Expert Gulf consultants advise that training and career-oriented strategies are vital in the retention of employees (Kapur, 2010); views substantiated by Achoui and Mansour (2007) and Ongori (2007). The survey conducted by Achoui and Mansour (2007) has become the touchstone for research into employee turnover in Saudi Arabia businesses, and emphasises that employers need not make much effort to retain their employees but can implement different strategies based on the development of the HRM systems and different aspects of organisational behaviour, like improvements in communication and networking, exit interviews for practicing professionals and internal marketing policies.

A survey conducted by Middle East Manpower, dealing with the engagement of the work force and retention trends in management, reveals the necessity of adopting effective programs for employee retention in order to achieve profitability and competitiveness in the local market. Manpower’s findings mention factors other than increased pay, including improved employment opportunities (79.4%), career growth advancement (80.8%) and a superior working environment (45.9%). 85% of respondents cited these reasons for leaving their current jobs. The research also shows that experiencing new opportunities are thought to benefit the employee, along with better work and travel conditions, consistency
in career growth and a balance of personal and professional life; meeting such preferences helps organisations to maintain their pool of talent (Luby, 2009).

Other factors like qualitative talents, job content review, compensation and allowance packages, management and supervision, development and career counselling, monotonous work schedule alternation, modified work conditions and elements not directly associated with work, all improve employee retention rates. Still more factors to take into consideration are work policies and the degree of centralisation of an organisation, proper communication, work commitment, appropriate exit interviews, counselling for employees who want to leave, flexible working hours, shorter work weeks, employee involvement, turnover policies and recognition of employees. Investment in such matters maintains organisational commitment and job satisfaction in the non-public sector organisations in the UAE, according to Achoui and Mansour (2007).

Employees’ intention to leave or stay is the most reliable method of predicting actual retention. Another means of employee retention offered by Vandenberg and Nelson (1999) is allowing an individual to leave with self-esteem.

Employee retention in Dubai may be related to the sophistication of the economy; salary is not the only determinant of employee retention. The low rate of integration and the strong centralisation of management are likely to affect retention; inadequate communication is another probable factor (Mobley, 1982, p. 96).

An important factor in this discussion will be those variables that relate to some part of the UAE work force, particularly to expatriates (even though the public sector comprises Emiratis, due to the Emiratisation policy). These variables may be linked to external factors such as individual abilities and expectations, to values related to jobs, and to the state of the external economy (Mobley, 1982, p. 78). Sutherland (2002) says that in order to implement result-oriented actions, HRM practitioners are often exhorted to assess the reasons behind the employees’ intention to leave.

Recent studies of HRM practices explain that low turnover rates are associated with employers’ practices of including employee participation, effectively developing staff and concrete statement of employment conditions, according to Fernie and Metcalf (1996). Intention to quit is based on the behavioural outcomes of the existing policies of the company, the existing labour market the and views of the employee, according to Gaertner
and Nollen (1992). Another significant feature in this study is the interaction of the various factors on retention in the UAE context.

Functional turnover\(^4\) can help reduce suboptimal organisational performance (Stovel & Bontis, 2002); however, an increase in the rate of turnover can also impact on the productivity of an organisation. This can result in the loss of goodwill, patronage and relationships, and can even jeopardise the objectivity of the goals in the organisation. Abbasi and Hollman (2000) state that dysfunctional turnover\(^5\) is detrimental to an organisation as it decreases the innovation of programs and reduces the productivity. Worse, skilled employees take along with them a company’s specific know-how, and may pass this on to their new employers who, if competitors expose the previous employing organisation to risk (F. Frank, Finnegan, & Taylor, 2004; Walker, 2001).

The seven factors identified by Walker (2001) that can improve employee retention are:

- Appreciation of and compensation for work performed.
- Provision of challenging work.
- Chances to learn and be promoted.
- Appealing organisational atmosphere.
- Positive relationships with colleagues.
- Healthy balance of personal and professional life.
- Good communications.

### 2.10 Organisational Commitment

There are many definitions of organisational commitment in the literature. Organisational commitment is multidimensional, involving employees’ loyalty to the organisation and their willingness to achieve its goals, maintain its values and nurture its membership (Bateman & Strasser, 1984, p. 95). Different attitudes and behaviours related to commitment are identified by Mowday, Steers and Porter (1979). Porter, Steers, Mowday and Boulian (1974) identify the main components of commitment as ‘accepting and realising the objectives of the organisation and the willingness to work with commitment to the organisational membership’ (p. 604). Sheldon (1971) recognises commitment as a positive result of

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\(^4\) Functional turnover means that bad performers leave, but good performers stay.

\(^5\) Dysfunctional turnover means that good performers leave, but bad performers stay.
organisational goals and characteristics. Buchanan (1974) states that commitment is a bond between the employee (individual) and the organisation.

Organisational behaviour is assessed by observing organisational commitment. This is the individual’s attitude at the work place is strongly linked to his or her organisational commitment (Koch & Steers, 1978; Porter, et al., 1974; Porter, William, & Frank, 1976). Angle and Perry (1981). Bateman and Strasser (1984, pp. 95-96) recognise that commitment to an organisation is related to ‘(a) attitudinal performance and employees’ behaviour, (b) job satisfaction effectively developed, (c) employees’ job and role of responsibility and (d) individual characteristics like employee’s age, job tenure and more’.

Commitment is also defined as the degree of identification and involvement that individuals have with their organisation’s mission, values and goals (Mowday et al. in Price, 2003, p. 261). It has been argued that this commitment is influenced by the organisation’s norms and practices (Kyndt, et al., 2009), and especially by the organisational climate (Kaliprasad, 2006). Offering another point of view, Foote, Seipel, Johnson and Duffy (2005, p. 204) assert that researchers have identified organisational commitment as both an antecedent and a consequence of any number of work-related variables. They add that the majority of studies define organisational commitment as commitment targeted specifically toward the organisation as an administrative entity. Following Porter et al. (1974), they define the organisational commitment as

1. The belief in and acceptance of organisational goals and objectives.
2. The willingness to work hard on behalf of the organisation.
3. A definite intention to remain in the organisation.

Fundamentally, the definition of commitment relies on the notion that committed employees have a desire to remain employed with their organisation (Meyer & Allen, 1997).

The concept of organisational commitment has been the focus of research conducted across public, private, and non-profit sectors. One section of research that attracted a great deal of attention in the late seventies and early eighties involved the concepts of commitment-related attitudes and commitment-related behaviours (Angle & Perry, 1981; Mowday, et al., 1979). Of interest here are the claims that public sector staff appear to demonstrate higher levels of commitment to the objectives of their organisation than staff working in other sectors (Meyer & Allen, 1997; Perry, 1997). One of the main explanations
for this concerns the fact that public sector employees are more aligned to the objectives of the firm and are the type of people who are strongly concerned with ethics (Perry, 1997). In addition to this, public sector roles traditionally provide high levels of job security, something that people operating within this environment favour; such public sector roles are able to meet the needs of the employees involved. Liou (1995, p. 241) notes, ‘facing today’s difficult times, many public employees appreciate the relatively secure job situation associated with public employment and consider it a major reason for their organisational commitment’.

Some bodies of research are focused on the consequences of employee commitment. Reichers (1985, p. 467) speculates that ‘though the literature is fairly clear with respect to the outcomes of commitment, the antecedents of commitment seem to be much more varied and inconsistent...due to the several different ways in which commitment has been defined and operationalized’. According to Steers (1977) and Gellatly (1995), one of the most significant outcomes of employee commitment is higher levels of attendance by workers. In a study involving a group of nurses in a hospital, it was established that those employees with lower levels of commitment to their organisation demonstrated higher absenteeism (Somers, 1995). The findings of Somers are supported by Blau and Boal (1987), whose study of insurance employees similarly reveals that those employees committed to the organisation demonstrate lower levels of absenteeism and turnover.

Becker (cited in Silva, 2006, p. 317) asserts that research on organisational commitment suggests that commitment is of four types: to the organisation, to top management, to immediate supervisors, and to work groups. All these factors have implications for HRM. Allen and others (cited in Price, 2003, p. 262) argue that one element of commitment is affective commitment, which refers to an individual’s emotional attachment to an organisation. This means that employees with a strong affective commitment to an organisation are committed because they share values with the organisation and its members (Sommer, Bae, & Luthans, 1996). Normative commitment refers to commitment based on a sense of obligation and the responsibility a person feels toward the organisation (Allen et al., cited in Price 2003, p. 262). Those who have a strong normative commitment remain with the organisation (Allen and Meyer, cited in Darwish, 2002, p. 252) because they feel that they ought. Continuance commitment (Allen et al., cited in Price, 2003, p. 262) refers to an individual’s perception of the costs and risks associated with leaving an organisation. Employees with a strong continuance commitment remain with the
organisation because of financial obligations and advantages, such as health benefits and pensions (Sommer, et al., 1996).

Meyer and Allen (1997, p. 35) suggest that ‘commitment develops as a result of experiences of satisfying employees’ needs motivational and/or are compatible with their values’. They add that if organisations better managed the experience of employees, they would be able to foster the desired commitment; conversely, if employees believed the organisation was not committed to them, they could respond by feeling less commitment to the organisation, reflected in their intent to stay or leave (Meyer & Allen, 1997).

Generally, UAE employees show a high level of loyalty to their organisations, but variations can be expected given personal differences or demographic factors such as age, education, tenure, pay, and rank. It can be safely assumed that differences in personal characteristics and job variables may lead to differences in loyalty. The concept of organisational commitment concerns the extent to which employees remain loyal to their employer, whereas job involvement relates to the level of affinity individuals feel to the achievement of their work-based objectives.

It is believed that through enhancing jobs, increasing rewards, and empowering employees employers can increase the organisational commitment of their workforce (Ongori, 2007). Retention demands listening to and working with employees. The first two years’ work in any organisation is a challenging and critically important time that requires employees to have a special perspective and use special strategies to survive. They need to work effectively with their managers. If their managers consider them poor employees, they are unlikely to get past the probationary period; if they do, they are likely to feel that they are going nowhere in the organisation and may leave after a few years because they believe they have no future there (Laroche & Rutherford, 2007).

This study proposes that low job satisfaction leads employees to have low commitment to Sharjah organisations, which leads to high turnover. There is deep concern that if HR practices and leadership styles continue as they are, they will lead to serious retention failures. One of the aims of this study is to investigate ways in which HR practices and leadership styles in Sharjah government organisations lead to low employee commitment and high turnover.
2.11 Job Satisfaction

Job satisfaction refers to ‘the attitudes and feelings people have about their work’ (Armstrong, 2003, p. 239). Spector states that ‘it is simply how people feel about their jobs and different aspects of their jobs’ (1997, p. 2); it has also been defined as an individual’s affective reaction to his work environment (Dole & Schroeder, 2001, p. 235). Job satisfaction may be divided into two elements: intrinsic and extrinsic (Clark, Oswald, & Warr, 1996). Intrinsic job satisfaction refers to the internal state associated with characteristics inherent in a job, such as utilisation of skills, the amount of job complexity and opportunity for control, the amount of responsibility, and challenges (Cowin, Johnson, Craven, & Marsh, 2008). Extrinsic job satisfaction refers to tangible aspects such as wages, work, and benefits.

The level of job satisfaction is affected by a range of intrinsic and extrinsic motivating factors, including the quality of supervision, social relationships with the work group, and the degree to which individuals succeed or fail in their work (Armstrong, 2003, p. 240). Purcell and others (cited in Armstrong, 2003, p. 240) see job satisfaction as having a significant effect on organisational performance in that the discretionary behaviour that helps firms be successful is most likely to occur when employees are well-motivated and feel committed to the organisation, and when the job gives them a high level of satisfaction. They find that key factors affecting job satisfaction are career opportunities, job influence, teamwork, and the degree to which the job is challenging.

Job satisfaction has a number of facets such as satisfaction with work, pay, supervision, quality of work life, participation, organisational commitment, and organisational climate (Lillie, John, Kathleen, Frank, & Wendy, 1998). Researchers have verified the importance of pay, work organisation and work conditions in shaping job satisfaction (S. Cohen & Bailey, 1997; Harley, 1999; Maertz & Griffeth, 2004; Taplin & Winterton, 2007). Although these facets are correlated, satisfaction with one facet does not guarantee satisfaction with all other facets (Kavanaugh, Duffy, & Lilly, 2006). Researchers also suggest that job satisfaction and intent to stay are developed through interaction with people such as supervisors within the context of the work environment (Naumann, 1993). This means that loyalty to the supervisor will influence an employee’s job satisfaction and intent to stay. This finding is similar to that of Tai, Bame, and Robinson (1998) and Irvine and Evans (1995), who state that supervisory relations are related to job satisfaction, which is related to intent to stay or leave.
2.11.1 The Relationship between Job Satisfaction and Organisational Commitment

Research pertaining to commitment in an organisation suggests that a positive correlation exits between organisational commitment and job satisfaction (T. Becker, 1992; Williams & Hazer, 1986). It has been argued that employees with higher levels of job satisfaction display higher levels of organisational commitment (Chen, 2007), although Curry, Wakefield, Price, and Mueller (1986) find no relationship between job satisfaction and organisational commitment. Vandenberg and Lance (1992), investigating the causal order of job satisfaction and organisational commitment, find that organisational commitment leads to job satisfaction.

Flexible working hours represent one positive outcome related to organisational commitment and job satisfaction. Organisational commitment has a deep relationship with organisational goals, and represents both an individual’s relationship with those goals and how much an individual values, and works towards, attaining those goals (Mowday, et al., 1979).

Scandura and Lankau (1997) performed a cross-organisational study that shows that providing women employees with support in the form of flexible working hours, maternity leave, and similar benefits eventually results in an increase in their organisational commitment. Similar commitment is seen to rise when people with family responsibilities are given the option of working flexible hours. A limited amount of information and literature, mainly considering the health care industry in the public sector, shows that motivating initiatives helps employees to retain (Nowak, Holmes, & Murrow, 2010; Willis-Shattuck et al., 2008; Yildiz, Ayhan, & Erdogmus, 2009). Ultimately, motivating employees is a healthy factor in managing the workplace environment.

Motivation deals with ‘psychological processes that stir the action, outcomes and persistence of action’ (Gray, 2000, p. 1). Employees who are motivated help their organisations survive competition. Rainey (2001, p. 20) identifies motivation as ‘the extent of work and input delivered by an individual in the current work setting’. Robertson, Smith, and Cooper (1992) show that considering certain questions such as ‘why do employees quit? Why do they work hard?’ helps in assessing performance in the workplace, which is in turn determined by motivation and temperament.
Baldwin (1991) notes that employees in public sectors emphasise job security more than private sector employees. Crewson (1997) states that non-financial motivational factors—such as social services to the public and society—matter a lot to the employees in the public sector, compared with others. Frank and Lewis (2004) remarks that Volcker’s polls indicate that government employees are thought to be less hard-working than employees in the private sector.

The image portrayed by the federal service states is that its members are less active, unambitious and less competent (Meier, 1993). Jennings (1972) finds that an employee’s commitment to an organisation lies in his or her promotion to a higher level. A study by Mathieu (1990) employs factors such as job characteristics, personal characteristics, organisational characteristics, and team leader relations in a meta-analysis of organisational commitment.

It has been shown that job satisfaction has a positive correlation with organisational commitment (Mowday, et al., 1979). Recent research has revealed a relationship between job satisfaction and organisational commitment (Mosadeghrad, Ferlie, & Rosenberg, 2008a). Williams and Haze (1986) employ structural equation methodology and correlate job satisfaction with organisational commitment. With respect to outcomes, both on an organisational and individual basis, it is seen that commitment is aligned to performance (K. Ferris & Aranya, 1983) and has a negative impact on turnover and intent to leave.

2.12 Leadership

The role of the leader has become vital, especially in an environment that is constantly changing (Cope & Waddell, 2001). The effect of leaders’ influence on workers’ work-related experience cannot be underestimated. In many cases, the calibre of the relationship between the worker and his or her immediate director is the most powerful indicator of job satisfaction. This connection between management performance, leadership, and satisfied workers is easiest seen in new workers, who generally equate their feelings about their work with the quality of their leaders. An inaccessible or insensitive management style costs an organisation both directly and indirectly. Low productivity, frustrated workers, loss of time, and money spent to enhance the confidence of the staff are reflections of workers’ attitudes.

Since the mid 1990s the ways in which leadership styles and attitudes influence the performance of an organisation has come under increasing levels of scrutiny (Cannella &
Rowe, 1995; Giambatista, 2004; Rowe, Cannella, Rankin, & Gorman, 2005). Many scholars argue that leadership styles are at the heart of the success of an organisation and strongly influence the firm’s overall performance (Rowe, et al., 2005). Different managers adopt different styles, and experts have argued that style of leadership is inextricably linked to the achievement of management goals and the ability of managers to motivate their team (Barling, Weber, & Kelloway, 1996; Y. Berson, Shamir, Avolio, & Popper, 2001; Zacharatos, Barling, & Kelloway, 2000). Nevertheless, the literature reveals little agreement on the role of leadership. Management literature clouds the definition of leadership work and fails to create a clear-cut distinction between, for example leaders and non-leaders, or effective and weak leaders, neglecting the characterisation levels of the management (Bennis, 1998; House & Aditya, 1997).

Regardless of this problem, it is widely thought that leadership is a vital element in the ethos of an organisation and people’s perceptions of its management (Avolio, 1999; Judge, Heller, & Mount, 2002; Judge & Ilies, 2002; Keller, 2006; Teece, Pisano, & Shuen, 1997; Yukl, 1999). Many researchers investigate the effectiveness of leadership configurations and the behaviours of leaders (Avery, 2004; House & Aditya, 1997; Shamir, House, & Arthur, 1993) but there are many questions still to answer. For instance, past research has discussed leadership performance and its association with organisational achievement, but does not offer practical leadership paradigms (e.g. idealistic or transactional paradigms), ignoring the energetic role of other paradigms (e.g. classical and natural paradigms). Bass (1985) differentiates between changeover and transactional leadership, prioritising management change over theory, which has earned him criticism from those who argue that there is no one best way of thinking about leadership but that the type of leadership which reflects social and historical bases is preferable (Avery, 2004; Bryman, 1992; Drath, 2001; Shamir & Howell, 1999; Yukl, 1999). This disagreement implies that different management paradigms may affect overall rendition differently, depending on the context. In research, both leadership performance association and its reception have to be taken into account, and more paradigms need to be devised.

2.12.1 Leadership Paradigms and Measures.

Classical leadership dates to the remote past, and remains in use in contemporary organisations (Avery, 2004). The paradigms of leadership evinced in business before the 1970s had a structure akin to a family, with members contributing to the achievement of the environmental goals of all. Avery (2004) notes that classical leadership describes the
dominance of one person, and a secondary tier of people with less power. Leadership can be subversive or beneficent, or an amalgamation of both depending on the example set by the leader in ordering or manoeuvring others to reach an objective. Other members of the organisation will meet the orders of the elite management group, largely out of worry about the consequences of not doing so or out of respect for the management (Avery, 2004).

A transaction or swapping procedure is part of the transactional leadership paradigm (M. Evans & Dermer, 1974; House, 1996). The transactional leader recognises and likes the subordinates, and shows concern about their needs. Through informative techniques the requirements of the subordinates and the outcomes of their actions are followed meticulously by the transactional leaders, creating confidence among the subordinates and leading to maximum quality and production.

According to Judge and Piccolo (2004), three-dimensional transactional leadership is contingently advantageous to management when it is exceptionally active or exceptionally passive. Contingent reward is the degree to which the leader is able to drum up creative dealings in the market along with followers. The leader explains the pressure and gives the rewards when the pressure is overcome. In general, the management by expectation is corrected by the leaders, on the principal of leader–follower transactions (Judge & Piccolo, 2004). As Howell and Avolio (1993) note, a loss incurred by being exceptionally active, or a loss incurred by being exceptionally passive, is corrected when management intervenes. Active experts monitor followers’ behaviour, anticipating errors and taking steps to avert them. Passive leaders wait until the behaviour has created errors before responding (Howell & Avolio, 1993; Judge & Piccolo, 2004).

In the past three decades, idealistic (transformational, charismatic) leadership has received increasing notice (Bass, 1985; House, 1996). This has added a new element to management studies, namely the idealistic aspect of management and the emotional nurturing of members in an organisation. The notion is that an idealistic manager can create the belief that he or she offers high skills and has the foresight to achieve success. Subordinates are expected to respond to this optimism, and to be enthusiastic about the manager’s dreams and the wishes of the customers: they provide the support that allows the concept to materialise. Bass (1985, 1998) develops a theory based on idealistic and transformational leadership in which the leader is seen to influence subordinates and spur them on to achievements not attained under normal pressure.
The fourth paradigm, natural leadership, is relatively new to management studies. Developed by Drath (2001) and Avery (2004), natural leadership blurs distinctions between leaders and followers. In this paradigm, all personnel work together and control does not depend on position (Hirschhorn, 1997). Employees turn out for reconciliation, thereby determining matters that make sense through interactions complying with change, and also offer valuable assistance. Rather than relying on a single assigned leader, natural organisations may create many leaders. Accepting more than one leader is valuable because when people handle heterogeneous, dynamic situations, the necessary knowledge and issues involved are too complicated for a single leader to handle (Avery, 2004). Natural leadership paves the way for people with an accepted degree of authority to tackle current problems.

An effective leader acknowledges the need to create a work environment that is conducive to achieving the goals of the organisation while recognising the needs of the individual employee, and creates a workplace that encourages mutual trust and moral behaviour (Angelo, Erik, & Steven, 2004). Good leaders adopt professional leadership behaviours and assign work accordingly, aligning process with procedures and building confidence by acting morally while taking care of the people under them (Angelo, et al., 2004). Leadership behaviour is measured by the ability of a leader to sense the best ways to define management’s role and make their followers understand what is expected of them (Gorton & Snowden, 1993; Stodgill, 1970) while maintaining good relations with the workers (Covin, Kolenko, Sightler, & Tudor, 1997), clubbing the experts’ plans, performing and refining their own value-added work, coordinating, directing, and fixing problems (Gorton & Snowden, 1993; Hemphill, 1955). This is possible only through team work (Brower, 1995).

Adler, however, says that leadership behaviour is culturally adjudicated, and argues that it differs from culture to culture (Adler, 1991). Thus, leadership style is gauged against different circumstances, and each leader needs to understand which approaches are acceptable in a particular situation. The leadership style of one person is not suitable for another; nurturing skills that may be effective in one situation will be ineffective in another (Mosadeghrad & Yarmohammadian, 2006). Several experts have observed from individuals that different cultures do not share similarities with regard to job satisfaction (Yavas, Luqmani, & Quraeshi, 1990). Robbins (1993) suggests that governmental culture plays a huge role in determining productive leadership style, while Adler (1991), Badaway (1980) and Bass et al. (1979) argue that the boundaries set by a government in configuring leadership have a strong impact on society.
Recent research encompasses the study of cross-cultural leadership styles where the pattern of dependency is based on the organisation and its characteristics (Ali, 1989a, 1989b; Blyton, 1984; Tayeb, 1988). Ali (1989b) finds that leadership style varies in different countries. Al-Faleh (1987) argues that Arab culture has distinctive features which dominate managerial consideration and behaviour. Evans, Hau and Sculli (1989) argue that the level of industrialisation achieved is a function of the effect that cultural features play in organisational management and leadership.

### 2.12.2 Leadership, Job Satisfaction, Employee Retention, and Organisational Commitment

Leadership forms are also taken into consideration when contemplating retention. Realising the need to maintain good relations between supervisors and subordinates within the ethos of the organisation, leaders give disincentives to workers who are at odds with these aims, encouraging them to leave (Morrow, Suzuki, Crum, Ruben, & Pautsch, 2005). Humane, benevolent leadership increases the desire of a worker to do the job happily, according to Reinout, Robert and Tharsi (1998), although Susan and Dwight (1999) find that the management configuration differs when it comes to job satisfaction, and the leaders should demonstratively consider encouraging behaviour amongst the workers to attain an extra level of making them enjoy their work. This is selectively supported by Reinout et al. (1998).

The impact of a benevolent management on work performance, satisfaction, tension, and turnover is well established (Clarke, 2001; Jones & Skarlicki, 2003; Taplin & Winterton, 2007), although even when benevolence exists, divisions amongst team members, and the job climate and atmosphere, affect work performance. Goleman (2000) states that experts who want successful results rely on leadership style. Studies of benevolence in Arab organisations offer interesting insights: Ali, Azim and Krishnan (1995) investigate the decision-making styles of UAE government leaders, Arabs and expatriates. Their results reveal that a consultative style is dominant. Ali (1993) discusses the performance of Arab executives, which favours a consultative style; Ali (1989b); Al-Jafary and Hollingsworth (1983) and Muna (1980) discuss decision-making among Arab executives and conclude that the Arab style is usually considered supreme. Dahhan (1988) reports on Jordanian top-level managers, finding them to adopt a benevolent and authoritative style; the same is reported by Badawy (1980) with regard to Middle Eastern business owners; Kur (1995), conversely, says that the Indian managers make decisions in an arbitrary manner. When a consultative
participative management technique is adopted, workers’ overall performance increases along with their commitment to work (Darwish, 2000). Studies conducted in the Arab world indicate a growing tendency towards participative and consultative styles (e.g. Al-Jafary & Hollingsworth, 1983; Ali, et al., 1995; Muna, 1980). Islamic and traditional beliefs are thought to impose this consultative approach on all features of life (Ali, 1989a).

Researchers have found that the attitudes and expectations of leaders and organisations have a heavy impact on the enthusiasm and enjoyment of work by the workers (Lok & Crawford, 2004). It is believed that if the employee has an affinity with the employer (Lin, Lin, & Lin, 2010), then the actions of the supervisor will be supportive and help the worker enjoy his work. Interaction greatly helps a worker to enjoy work, and makes his or her attitude highly regarded in the society (Naumann, 1993). A study of transparency in management finds that workers who are able to see their leaders developing procedures and rules, predicting and controlling problems, and offering corrective measures enjoy their assigned work (Mosadeghrad & Yarmohammadian, 2006). This reduces the percentage of employees resigning on the grounds that the job is unfair and unreasonable (Jones & Skarlicki, 2003).

2.12.3 Organisational Commitment and Turnover

Organisational enthusiasm is related to turnover, as many studies have proven. The potential worth of any interaction involved in creating enthusiasm at work place is to be nurtured (Blau & Boal, 1987). Their report considers that the conjunction of the many initiatives nurtured at a single place of work to facilitate this enthusiasm is unique. For example, employees who show high job nurturing enthusiasm are usually least prone to quit their company as they are committed to the management and have freedom while involving themselves in their work. Blau and Boal (1987) term those employees who have more responsibilities but less commitment towards their work ‘lone wolves’, who are likely to resign. Corporate employees have a tendency to identify themselves with the organisation in which they work, and are less prone to resignation than lone wolves.

Blau and Boal (1989) find that the relationship between management commitment and turnover goes well beyond the major effects of gender, marital condition, enthusiasm, tenure, and job involvement. Beneath the related evidence Blau (1986) and Mathieu and Zajac (1990) absenteeism was checked by making the commitment of the employee to the organisation more effective.
The empirical research conducted by Blau and Boal (1987) contains many key aspects. Firstly, their measures of management commitment are much more limited than the previous discussion of compatibility suggests is feasible. For example, organisational enthusiasm is a function of many different ingredients, including attitudinal commitment and continued enthusiasm (Mowday, Porter, & Steers, 1982). Attitudinal enthusiasm influences character; it makes an employee become emotionally attached to the organisation and take on a congruent dream of making the business successful (Mowday, et al., 1982). Constant commitment and enthusiasm result when a worker associates with the business without reservation. The degree of enthusiasm is determined by the level of association the employee adopts (Day, 1987). Past research suggests that Blau and Boal’s theory does not consider different levels of continued enthusiasm; however, Blau and Boal mean that only attitudinal commitment is appropriate, while other scholars (Mathieu & Zajac, 1990; Randall, 1990) assert that both facets are needed to explain organisational commitment. For example, Mathieu and Zajac (1990) argue that attitudinal commitment and continued enthusiasm are closely related, and are eventually concerned with the employees’ business; and that the heavy theoretical and empirical overlap (r=. 50) between them suggests that neither may be analysed in isolation.

Secondly, a look at management variables indicates a consistency when assessing the key effects on turnover. For instance, in an updated meta-analysis the commitment of the worker is assessed in terms of salary, gender, organisational position, educational privileges, behaviour towards work, range of work, meeting pressure, work group cohesion, opportunities for advancement, and work performance related to turnover. If any of these are omitted for any reason associated with management commitment and work nurturing, it will affect the organisational commitment and create confusion, leading to turnover.

Management enthusiasm is actively correlated with work performance (Meyer, Paunonen, Gellatly, Goffin, & Jackson, 1989), work satisfaction, and purpose (Mathieu & Zajac, 1990), the behaviour of the organisational citizens (Riketta, 2002), negative turnover (Khatri, Fern, & Budhwar, 2001), and absenteeism (Farrell & Stamm, 1988). Heavy turnover undercuts an organisation in terms of indirect cost. According to Staw (1980), costs sustained in the choice, recruitment, induction, and training of new members are pointers towards escalating costs. Dess and Shaw (2001) consider the cost of training, reduced confidence, pressure on the available employees, and the lack of social currency the indirect prices paid by an organisation with a heavy turnover. No investigation has been undertaken to find those factors that impact on both organisational enthusiasm and turnover.
The relationship between organisational commitment and turnover has been brought to attention many times. It has been established that those employees who are really committed to their work and the organisation remain (Mowday, et al., 1982). The findings of Mathieu and Zajac (1990) and Randall (1990) establish a link between organisational commitment and turnover. Additional variables tend to limit this association and cause of low commitment and resultant turnover (Mathieu & Zajac, 1990), but a second look at this issue (Wiener & Vardi, 1980), reveals that such elements do make an impact on the enthusiasm–turnover relationship.

Werbel and Gould (1984) shows a clear inverse association between management enthusiasm and turnover in his study of nurses, and Cohen (1991) adds that this association is stronger among younger employees (that is, up to 30 years old) than in any other age group. Mathieu & Zajac (1990) and Randall (1990) find that in some studies methodological ingredients, such as creative look, the operational characterisation of organisational commitment, sample choice, and observation tools are all neglected, with the result that there is significant variance in measurement of the extent to which commitment to work affects healthy relationships in organisations.

Porter et al. (1976) compare employees who stay with those who quit, in three stages: employees who were to be terminated within 1 to 1.5 months were found to be least committed to their work. Employees who were to be terminated within 2 to 3.5 months were found to be less committed to their work than workers who were to stay. The difference between the two sets of workers to be terminated is insignificant: if the termination was six months ahead, commitment was found to be the same as that of stayers. The explanation given by Porter et al. (1976) is that safety is more important than the enjoyment of work. Mowday et al. (1982), dispute this, arguing that if two workers have a high level of commitment towards their work the expectation is that they will cling to the job at any point in time, but, if, say, one of the workers loses organisational commitment two months after the data is collected, then the result will be in opposition to the findings. This shift of enthusiasm will affect fellow workers and create problems in maintaining the commitment–turnover relationship.

For reporting purposes, many organisations consider job satisfaction the most important factor in worker retention, for varied reasons. There is sufficient valid moral and intelligent proof to endorse a causal relationship between work satisfaction and employee turnover (Parsons, 1998). Job satisfaction is affected by various factors like pay, additional benefits,
production, organisational climate, relationship between persons, popular agency work, management support, positive performance, work security, adaptable workplace, and team work (Mohammad, 2006).

This researcher believes that in the state of Dubai, for instance, where job satisfaction is at a high level, retention is also high because the decentralisation of HR practices accelerates job satisfaction and creates loyalty to the organisation, resulting in a higher level of retentions.

2.12.4 Organisational Culture

Robbins and Coulter (2008) describe organisational culture as a set of shared beliefs between members of an organisation who are operating as a group. The way in which these values shape employees’ perceptions of the issues and demands that they encounter on a daily basis underpins their behaviour and outlook (Scott-Findlay & Estabrooks, 2006). The core values of an organisation, as such, are linked to the way in which employees act within their organisational unit, and can have a heavy influence on the possibility of internal conflict (Watson, Clarke, Swallow, & Forster, 2005). It is therefore useful to address organisational culture when researching cultural issues in the workplace.

Kopelman, Brief, and Guzzo (1990) and Kerr and Slocum (2005) argue that the culture and core values present within an organisation can have a direct influence on employee retention. An organisation’s values are at the heart of many activities that take place within their value chain, especially human resources activities such as employee selection, retention, training and development, and compensation systems. Different strategies within these policies can profoundly affect the way in which employees react to work challenges, and their levels of commitment to the organisation as a whole.

Kerr and Slocum (2005) argue that the culture present in an organisation will have an influence on the type of employees that the company successfully retains. They believe that organisations that stress collective teamwork and responsibility while nurturing a sense of respect for one another will engender higher degrees of loyalty and higher levels of employee retention, regardless of the performance of the individual within the team unit. On the other hand, organisations that focus on individual performance and monitor achievements at individual level will be more appealing to entrepreneurial employees who operate for their own benefit and do not feel any loyalty to the organisation. In this situation, they argue, it is more probable that weak performers will leave the organisation
while strong performers remain, up to the point where they can achieve better rewards elsewhere. According to Kerr and Slocum (2005), employee retention rates of both strong and weak employees will be uniformly high in some organisations and varied in others.

The functionalist perspective of organisational culture addresses the role that the core culture can play within the performance of an organisation (Denison & Mishra, 1995). It is crucial for management to understand and make adequate provisions for the way in which organisational culture exerts influence on a wide range of variables, including job satisfaction (Lund, 2003), organisational commitment (Casida & Pinto-Zipp, 2008), and performance (Denison, Haaland, & Goelzer, 2004).

Thompson, Beauvais, and Lyness (1999) address the ways in which an individual’s work–life balance can influence performance at work. They introduce the concept of work–family culture. This notion has three dimensions: managerial support for work–family balance; the impact of accepting work–family benefits on an individual’s career and personal development opportunities; and the ways in which expectations that an organisation places upon an individual can interact with their ability to maintain personal commitments. Employees who work within an organisational culture that truly supports a work–family balance will be likely to make use of the family-friendly benefits on offer without fearing that taking advantage of such schemes will have a detrimental effect on their career (Thompson, et al., 1999). A similar concept developed by Allen (2001) looks at organisational family support and states that organisational culture will be affected by the organisation’s interest in helping employees achieve a true work–life balance (Allen, 2001).

Much research indicates that an organisation’s commitment to family needs and work–life balance will ultimately impact upon the commitment of their employees and the retention rate (Haar & Spell, 2004; Rothbard, Phillips, & Dumas, 2005; Wang & Walumbwa, 2007). For example, one case of the type of support mechanisms that organisations can use to assist their employees to marry their personal and work demands is flexible working schedules, which Pasewark and Viator (2006) argue is one of the most effective policies for reducing employee turnover.

The availability of support mechanisms for families, together with organisational support for the individual, can strongly influence the level of employee retention (Gaan, 2008). Research by Allen (2001) indicates that employees who feel that their organisation supports them in the difficult task of integrating work–life responsibilities will be more likely to remain loyal to the organisation for a longer period of time. Thompson and Prottas (2006),
who investigate the relationships between organisational support for family requirements and turnover levels, find a link between informal organisational support and turnover intention. In more recent studies, Yanadoria and Katob (2009) examine the way in which Japanese firms implement policies that support work–family balance, and find significant links between the employee support policies in place and the levels of female employee turnover.

2.12.5 Theoretical Framework

The trend towards recruiting national employees under the Emiratisation policy has guided many government and semi-government organisations to pay attention to employee satisfaction by offering better salaries and work conditions. This trend has created a competitive labour market where demand for national employees has increased among public organisations. Under these circumstances, the variables identified in this review become crucial elements for examining today’s management of organisational establishments.

Based on the review of the literature, the following model (Figure 2.2) aims to consolidate and structure the relationship between the variables following.
Figure 2.2. Proposed theoretical framework

Variables identified from the literature were used to construct the above theoretical framework. The main variables of interest are HR practices, job satisfaction, commitment, leadership, retention, labour markets, and organisational culture. Each variable in the model interacts with and influences every other. Relative to other variables, such as leadership, HR practices play an important role in affecting job satisfaction, commitment, and employee retention.

This research will follow two paths: first, the study of employee retention, considering job satisfaction, organisational commitment and leadership; second, the influence of HR
practices and the labour market on employee turnover through the impact on job satisfaction and employee commitment. All framework variables are expected to be affected by internal and external variables such as organisational culture and the labour market. An internal variable is something that an organisation can take action on and control to some extent (Hendrie, 2004). Organisational culture affects employees’ attitudes towards their employer and the establishment of work values.

Regional labour markets in this study are considered an external factor that affects employee retention. The open labour market in Dubai encourages organisations to adopt open co-operative cultures in order to accommodate the many varied approaches of the expatriate workers who bring with them global and modern skills as well as their own cultures. Due to the competitive labour market in Dubai, many employees move there from Sharjah because its decentralised and market based recruitment offers better wages and conditions.

2.13 Research Framework

2.13.1 Research Propositions

According to Cooper and Schindler (2005), the terms ‘proposition’ and ‘hypothesis’ are not interchangeable. For them, a proposition is a statement that can be defined as true or false when applied to observable phenomena. The proposition becomes a hypothesis when it is reformulated in order for it to be tested using a more empirical methodology. In the present study research propositions rather than hypotheses are used for the following reasons:

1. The empirical part of this study is of an exploratory nature.
2. The research is not based on previous models and is approached from a more pragmatic angle.

2.13.2 The Relationship Between HR Practices and Organisational Commitment

A vast literature explores the ways in which HR practices influence the creation of effective organisational commitment (Gellatly, Hunter, Currie, & Irving, 2009; Gould-Williams, 2004; Meyer & Smith, 2000; Patrick. Wright & Kehoe, 2008). Although studies have found that HR practices are related to employee commitment, many researchers have also determined that these relationships are neither straightforward nor unconditional. For instance, studies
by Meyer and Smith (2000) show that HR practices and commitment, both affective and normative, are either fully or partially influenced by employees’ perceptions of organisational support.

Although the link between HR practices and organisation commitment has been established, the terms ‘normative’ and ‘continuance commitment’ are less clearly defined. Studies have shown that HR practices have a positive influence on continuance commitment (Meyer & Allen, 1997); however, Meyer and Smith (2000) discern no significant relationship between HR practices and continuance commitment. More recently, Yaping, Kenneth, Song, and Katherine (2009) show that HR practices have a positive influence on continuance commitments but not on affective commitments. Despite this, a positive relationship has been concluded between HR practices and the three dimensions of commitment.

**Proposition 1: Good HR practices will be positively related to organisational commitment**

A few earlier studies (Huselid, 1995; Vandenberg & Nelson, 1999) have brought out the fact that HR practices, highly involved, support a great deal of employee retention. The theory of support states that actions targeted at employees for their benefit should be reciprocated by the employees. One such action could be to make employees believe that the organisation cares for their well-being, which should negatively impact on employee turnover.

Researchers point out that HRM practices are considered valuable and effective tools for enhancing employees’ organisational commitment (Giauque, Resenterra, & Siggen, 2010; Ulrich, 1997). Wimalasiri (1995) argues that HRM practices influence commitment through selection, placement, development, rewards, and retention, while others find that HRM practices such as employee recognition, competence development, and empowerment have a significant positive impact on organisational commitment among professionals in IT sections (Paré & Tremblay, 2007). Therefore, proposition 2 is developed:

**Proposition 2: The relationship between HR practices and turnover will be mediated by organisational commitment.**

2.13.3 Leadership, Job Satisfaction, and Organisational Commitment

As confirmed in the literature, leadership behaviour shows differences across cultures as it is culturally determined (Adler, 1991; Hofstede, 1993; Tsai, 2011). Furthermore, various
studies demonstrate that individuals from different cultures possess different levels of job satisfaction (Pichler & Wallace, 2009; Spector et al., 2007) and organisational commitment (e.g. Mathew & Ogbonna, 2009; Near, 1989). Therefore it is concluded that differences in leader behaviour and culture may lead to differences in organisational commitment. Similarly, differences in leadership behaviour due to culture may lead to changes in job satisfaction and leadership behaviour, provided a positive relationship exists between both (e.g. Chiok Foong, 2001; Esuke, Jackson, & Rei, 1982; Tsai, 2011).

Despite all the references to job satisfaction, research also points out that there exists a relationship between organisational commitment and leadership behaviour (e.g. A. Wilson, 1995; Zeffane, 1994). Ultimately it can be concluded that changes in leadership behaviour affect the level of organisational commitment and ultimately the levels of performance and job satisfaction.

Proposition 3: National culture moderates the effects of leadership behaviour on organisational commitment and job satisfaction.

Proposition 4: Organisational commitment mediates the relationship of leadership behaviour with job satisfaction

Many theorists and researchers discuss the positive correlation between leadership behaviour and the ensuing commitment to the organisation demonstrated by an employee (e.g. A. Wilson, 1995; Zeffane, 1994), and between organisational commitment and both job satisfaction and job performance (e.g. DeConinck & Bachmann, 1994; Fletcher & Williams, 1996; Ward & Davis, 1995). Literature related to HRM practices makes it apparent that leadership behaviour has a direct impact on the level of commitment that an individual shows towards the organisation; this also influences job satisfaction.

Proposition 5: National culture affects organisational culture coupled with job satisfaction

Earlier studies have shown that organisational commitment varies with variations in culture (e.g Darwish, 2000; Near, 1989). They have also shown that a positive relationship exists between job satisfaction and organisational commitment (e.g. Paik, Parboteeah, & Shim, 2007; Ward & Davis, 1995; Wong, Hui, & Law, 1995). Thus it can be said that changes in culture will initiate changes in level of job satisfaction.
2.13.4 Organisational Commitment and Employee Turnover

Lack of commitment in an organisation’s workforce may lead to counterproductive behaviour (Lacity, Iyer, & Rudramuniyaiah, 2008; Sorensen, 1990) such as an increase in intent to leave, in turnover rate or in poor performance, affecting organisational efficiency (T. Becker, Billings, Eveleth, & Gilbert, 1996; A. Cohen & Hudecek, 1993; Lum, Kervin, Clark, Reid, & Sirola, 1998). Organisational commitment has a negative correlation with the intention to quit (Addae, Parboteeah, & Velinor, 2008; Tett & Meyer, 1993; Vandenbergh, Bentein, & Stinglhamber, 2004), and few studies fail to note the relationship between organisational commitment and employee turnover (Lacity, et al., 2008). Khatri, Fern and Budhwar (2001) indicate that there is a need for research in the context of Asian countries, which are underrepresented in the literature. Baruch and Budhwar (2006) also consider that research has to be pursued beyond the boundaries of the western world. Despite this lack, the literature confirms that organisational commitment is a strong negative predictor of turnover.

Proposition 6: Employees’ organisational commitment will be negatively related to employee turnover.

Proposition 7: National culture and labour market conditions have a direct influence on employee retention.

These propositions link to the research questions in this study.

2.13.5 Conclusion

The common theme in this literature review is that HRM factors influence the retention of employees. It considers the relationships between a broad range of recognised variables and employee turnover, and identifies HR practices that affect job satisfaction and organisational commitment, which in turn influence an employee’s intent to stay.
Chapter 3 : Research Methodology

3.1 Introduction

This chapter will primarily describe the methods used to gather and analyse data. Most of the data came from surveys, focus groups, and interviews that were partially structured and partially impromptu. The reasons for using these techniques are discussed, along with the relative advantages and disadvantages. The chapter also describes procedures for the interviews and data analysis. Finally, some aspects of the data gathering are culturally sensitive in nature and this is also discussed.

The basic objective of this research was exploratory; it aimed to answer fundamental questions that every human resource manager is confronted with relating to the level of loyalty, commitment, and contentment that an employee has regarding his job. The theoretical basis of this research incorporates various theories and concepts as discussed in Chapter two but does not test a specific model applicable to UAE, hence it is exploratory. This research includes a detailed analysis of the HR-related data obtained from both primary and secondary sources.

3.2 Research Questions

The research methodology was designed in order to test the following general research questions:

- How do HR practices affect employee retention in UAE public sector organisations?
- What other factors influence employee retention within UAE public organisations?
- How do HR practices affect employee commitment and job satisfaction in UAE public sector organisations?

3.3 Research Philosophy

According to Bryman (2004, p. 453), a paradigm is a set of beliefs that prescribes how research in a specific discipline should be implemented and how the results should be interpreted. A paradigm is essentially a set of beliefs that encompasses the theories of a group of researchers, with these ideas underpinning their research methods and interpretation (Tashakkori & Teddlie, 2010). Within the context of social and behavioural sciences, paradigms largely follow two main approaches. Guba and Lincoln apply the terms ‘scientific’ and ‘naturalistic’ to the concept of a paradigm, while Tashakkori and Teddlie
use the terms ‘positivist’ and ‘constructivist’. The nature and underlying understanding of these two theories of the paradigm have been a great source of debate. For example, Burrell and Morgan (1979) discuss the influence that a paradigm position can have on the ensuing design approach; a largely quantitative research method can be indicative of underlying positivist paradigm beliefs, while a qualitative approach is more suggestive of a constructivist paradigm position. According to Bryman, while these types of research design may be indicative of the nature of the paradigm position, they are not fixed (2004).

In their studies, Tashakkori and Teddlie (2010) address the way in which debates relating to paradigms have evolved throughout history, and assert that the once-dominant logical positivism that was founded on the need for observable facts became less popular with the emergence of the popularity of the post-positivist position. Essentially derived from the underlying beliefs of positivism, post-positivism acknowledged the theory-ladenness of observation, ladenness of facts, and the value-ladenness of science and research as being constructivist in nature (Tashakkori & Teddlie, 2010).

As these theories developed they gradually were superseded by constructivist perceptions of social reality (Tashakkori & Teddlie, 2010) during what was known as the ‘mono method era’. During this period researchers began to confine their studies to either a quantitative or qualitative approach, underpinned by their post-positive or constructivist beliefs respectively.

‘Paradigm Wars’ (Tashakkori & Teddlie, 2010) describes how the mono-method approach to scientific study was challenged in the 1960s, with the resulting approach being a mixture of qualitative and quantitative research and thus a hybrid of post-positive and constructivist beliefs. In the 1990s, mixed-method approaches that encompassed both qualitative and quantitative studies became highly popular (Creswell, 2003). The period of paradigm wars marked the emergence of debate that focused on the ways in which paradigm and methodology are related (Tashakkori & Teddlie, 2010). Some scientists viewed the differences between post-positivism and constructivism as being entirely conflicting, and did not agree to the viability of mixed method research. They became known as ‘the compatibility theorists’ (Cherryholmes, 1992) in response to this, a third set of beliefs eventually emerged: the pragmatic paradigm. Many pragmatists, like Tashakkori and Teddlie (1998), believe that the pragmatic paradigm approach has resolved the disagreements of the paradigm wars; and subsequent studies have employed a mixture of
qualitative and quantitative research to good effect (Meekers, 1994; Morse, 1991). Despite this, Tashakkori and Teddlie (1998) do acknowledge that a lack of precision remains regarding the terminology pertaining to the ensuing paradigm.

Pragmatists associate the paradigm to the nature of the research questions developed (Creswell, 2003). As it is not possible to conduct research in a single-dimensional approach, a ‘what works’ tactic allows researchers to focus on questions that cannot be handled via a purely quantitative or purely qualitative approach. Darlington and Scott (2002) add to this argument, asserting that many decisions that are made while designing a research study are not based on decisions that are philosophical in nature, but on practical concerns related to the type of methodology that will be best suited to the study. Essentially, therefore, the pragmatic paradigm rejects a strict choice between post positivism and constructivism (Creswell, 2003).

Tashakkori and Teddlie (1998) and Creswell (2003) view the pragmatic paradigm as a philosophy that supports an intuitive approach to research and scientific study. Adopting this approach allows scientists to make informed decisions about which methods to apply, based on their individual value systems (Creswell, 2003). As such, it may be claimed that the pragmatic paradigm is suitable for social and management research as well as for scientific research, as it offers a harmonious combination of quantitative and qualitative approaches suitable for ‘practitioner-based’ research.

This research was guided by the philosophy of pragmatism. Pragmatic research reflects the researcher’s innate disposition toward systematic enquiry. It also allows a flexible approach to the investigation, accommodating an outcome-and adaptive-oriented enquiry method (Johnson & Onwuegbuzie, 2004) and allowing for the use of mixed methods (Calori, 2000; Cherryholmes, 1992; Creswell, 2003). This kind of developmental and iterative approach helps the researcher to engage with issues as they emerge. In addition, it allows for both qualitative and quantitative data and analysis to be used, and both inductive and deductive forms of enquiry. Since the researcher intended to use both interview and a questionnaire, it was felt that pragmatism was a useful approach.

### 3.4 Research Design

The purpose of the research was to investigate which factors influence employee retention among public UAE employees. A comparison is made between Dubai and Sharjah government employees with regard to the objective. The researcher adopted an
exploratory study design. An explanatory approach is also adopted, involving correlation analysis, to explain the relationship between variables.

3.5 Research Approach

This research includes both quantitative and qualitative techniques. Quantitative research techniques employ gather numerical data and use statistical analysis to arrive at meaningful conclusions. On the other hand, qualitative techniques seek to gather analysis rather than data in words and concepts quantification (Punch, 2005). Both of approaches and their associated data collection methods have advantages and disadvantages. Qualitative techniques allow researchers to understand the views of a person concerning an organisation or the behaviours of people in a social or professional setting (Punch, 2005).

3.6 Mixed Method Research

A research project that employs both qualitative and quantitative techniques can be said to be using a mixed method approach. This approach incorporates different types of data to help in better answering the research questions (Hayati, Karami, & Slee, 2006). It has been suggested that a mixed method approach is best suited to exploratory research, as the questions being posed have not been answered before (Gable, 1994; Karami, Analoui, & Rowley, 2006; Scandura & Williams, 2000). A mixed method approach adds to the credibility of outcomes as the quantitative data is supported by qualitative data (Easterby-Smith et al., Easterby-Smith, Thorpe., & Lowe, 1991; McGrath, 1982; Scandura & Williams, 2000).

Employing both qualitative and quantitative techniques brings a further perspective to the research questions. As Punch (2005) contends, qualitative techniques help in determining the attitudes, behaviours, and perspectives of the research subjects while quantitative techniques help in understanding the environment of the study. When combined, the methods can present a lucid picture and may offer clear answers to the research questions.

Greene, Caracelli and Graham (1989) discus five benefits of employing a mixed-methods approach:

- triangulation—using different sets of data and methodology in order to test hypotheses and consistency of findings;
- complementarity—confirming the validity of the results from one study by employing a different research method;
• development—applying the results from one method in the design of further research;
• initiation—challenging research results from one method;
• expansion—developing methods in order to explore them further and garner additional detail.

It is generally recognised that a mixture of qualitative and quantitative methods provides the most reliable insights and research findings.

3.7 Justification of Chosen Research Methodology

This research employs a quantitative method to describe the environment of the study and qualitative tools to probe further into the research questions. As HR-related research in the UAE, it is necessary to provide a comprehensive account of the context. The exploratory nature of this research, with its objective of determining the perceptions, actions, behaviour and attitudes of people, justifies the focus qualitative tools to probe and bring out deeply embedded perceptions of employees for analysis (Miles & Huberman, 1994).

As Punch (2005, p. 328) explains, ‘the only research technique that is capable to identify and handle the complex interplay of emotions and attitudes of people in a communal setting is the qualitative technique’. Qualitative techniques such as the interview are designed to examine peoples’ attitudes and expectations when they interact with others within a community or organisation (Tesch, 1990; Wolcott, 2001). They also help in understanding deeply embedded emotions and perceptions, and give a picture of the whole research situation (Miles & Huberman, 1994; Punch, 2005).

Employees’ attitudes and perceptions are better determined through open-ended questions which encourage them to discuss and express views freely. This methodology is appropriate for a study conducted in public government organisations where employees might be reluctant to express their opinions. By conducting focus groups and private interviews the researcher enabled participants to express their views freely. As the interviews were taken face to face, hence the reliability factor is more important than other resources.

With these considerations in mind and giving the scope and purpose of the research, the researcher chose to adopt a combination of qualitative and quantitative strategies and employed four techniques:
• Survey questionnaires distributed to employees in public organisations in the two emirates.
• Survey with former employees were conducted with people leaving jobs (in Sharjah public organisations only).
• Semi-structured interviews with HR professionals in Sharjah organisations, regarding the organisational dynamics that affect loyalty, contentment, and commitment.
• Focus groups with people employed in Sharjah public organisations.
• The researcher had a great support in Sharjah organisation to conduct the study was therefore helpful to use 3 methods in Sharjah. It was difficult for the researcher to use the techniques in Dubai which were being used in Sharjah because of the long approval process in Dubai.

3.8 Study Area

The implications of this research cover all public organisations in the UAE. This is because the research aims to study the work attitudes of UAE nationals, and public organisations are the biggest employers of the local UAE population (Alkhaleej, 2008). The term ‘public organisations’ refers to and includes all those organisations that are run and managed by the government-appointed managers. These organisations are required to adhere to the laws passed down by the federation and the state, which mean that an organisation operating in different Emirates might be influenced by laws that apply in individual Emirates as well as by federal laws which are uniform across the UAE; this means that the research outcomes can be considered a true representation of worker attitudes in the UAE.

Furthermore, a huge 79% of local Emiratis work in these public organisations (Kuehn & Al-Busaidi, 2002); therefore, the research better represents the attitudes of locals rather than foreigners.

An additional advantage of using this domain is that, because the UAE public organisations employ both men and women, the data gathered from the research interviews better represent the whole population than would data from one predominant gender. Since there is a very strict religious and cultural code that governs the behaviour of local Arab women in a work setting, the public sector offers the best opportunity to get an accurate representation of the work attitudes of local women.
Another feature this research is the areas focus on the emirates of Dubai and Sharjah. All major public sector organisations operating in the UAE are headquartered in these two emirates, with subsidiary organisations in other emirates. As a result, the data obtained by from these two emirates is representative the rest of the UAE, since worker attitudes are influenced by company policy set in the headquarters.

3.9 Access to Participants

Dubai and Sharjah have never been the subject of a study of employee retention, and this study was an opportunity to introduce this concept and create awareness. It had UAE government support in the form of sponsorship and encouragement; the government also helped gain access to participants. The cultural values and language of the UAE and Sharjah are known to the researcher, who therefore did not face communications barriers.

The researcher’s contacts provided channels to approach the organisations and encourage participants to respond positively, which would not have been possible otherwise as people in the UAE and Sharjah are culturally inclined to be reserved with strangers. The researcher was able to involve officials owing to his position as a manager in Sharjah.

The respondents were approached beforehand to seek their willingness to participate in the research. Pending acceptance, they were than approached and met with prior appointment made. It was important to seek their willingness to participate and make an appointment beforehand as it meant that they could devote sufficient time to the interviews and data collection, which was essential to the research.

3.10 Target Population

The target population was UAE government employees, managers, and higher officials. Six public sector organisations were selected from the researcher’s contacts.

3.11 Sample Selection and Sample Size

Kerlinger (1986) states that sampling is taking any portion of a target population or universe as a representative of that population or universe. Systematic random sampling method was used to select the questionnaires respondents in each organisation. An employee list was obtained from the HR department, and the first employee selected randomly; thereafter every second individual was selected. In the present study, a total of 300
employees was selected with the objective of gaining completion of at least 150 questionnaires. The details of the sampling are shown in Table 3.1.

Table 3.1. Sampled population

<table>
<thead>
<tr>
<th>Category</th>
<th>Total number of employees (n)</th>
<th>Employees selected using systematic sampling</th>
<th>Response rate (n)</th>
<th>% response rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dubai</td>
<td>300</td>
<td>150</td>
<td>50</td>
<td>33.3%</td>
</tr>
<tr>
<td>Sharjah</td>
<td>300</td>
<td>150</td>
<td>104</td>
<td>69.3%</td>
</tr>
<tr>
<td>Total</td>
<td>300</td>
<td></td>
<td>154</td>
<td>51.3%</td>
</tr>
</tbody>
</table>

3.12 Data Collection Methods

3.12.1 Primary Data Collection Methods

The researcher collected both primary and secondary data. The primary data were collected through questionnaires, semi-structured interviews and focus group discussions (FGD). An explanation of the research instruments is presented below.

3.12.2 Questionnaire

According to Zikmund (2003), questionnaires are a simple yet effective research tool. They are cost-effective and reduce distortions in data resulting from any ‘interviewer bias’ introduced during the interview process. Since the research aimed to discover deeply held personal attitudes and beliefs, some of which may be sensitive in nature, the anonymous nature of the questionnaire allows respondents to express their inner beliefs, attitudes, and perceptions freely.

3.12.3 Mode of Questionnaire Development

As well as open-ended questions, closed questions were included in the questionnaire to determine the context of the research by asking general questions like age, gender, and occupation. Multiple choice questions were employed with Likert scales so respondents
could indicate the ‘intensity’ of their attitude towards each aspect of their job. The Likert scale had a range of options from ‘Strongly Agree’ to ‘Strongly Disagree’. This gave respondents the ability to make fine distinctions between attitudes (Dundas, 2004). The questionnaire was structured so that general information was sought first before moving to questions that probed deeper aspects of job contentment and loyalty (Arab, 2007).

3.12.4 Structure of the Questionnaire

The questionnaire was divided into six sections. A detailed explanation, and a copy of the questionnaire, is available in Appendix 4.

3.12.4.1 Part (A) Demographic Information

This part sought respondent’s demographic details: age, gender, the state they work for, their experience and qualifications.

3.12.4.2 Part (B) HR Practices

This section encompasses eight questions assessing HR functionality and its effectiveness adapted from (Edgar & Geare, 2005). The Likert covered four areas of HRM practice: good and safe working conditions, training and development, equal employment opportunities, and recruitment and selection. These have been identified as likely to have the greatest impact on employee behaviour and attitudes (Guest, 2001).

3.12.4.3 Part (C) Job Satisfaction

This section draws on the Minnesota Satisfaction Questionnaire (Weiss, Davis, & England, 1967). The participants evaluate their level of satisfaction in their current position within their organisation.

3.12.4.4 Part (D) Organisational Commitment

This evaluates participant’s commitment toward their organisation. The question are adopted from the Organisational Commitment Questionnaire of Mowday et al (1979). Guest (1997) commends this model, declaring it a comprehensive standard organisational commitment measure which allows participants to interpret their aspiration to remain associated with an organisation and the extent to which they are positive about working for it.
3.12.4.5 Part (E) Leadership

The questionnaire created by Pattern (1995) is utilised for this section, but also incorporates features of other studies such as those of Clabaugh, Monroe, and Soutar (2000) and Hiltebeitel, Leauby, and Larkin (2000). A Likert scale was used by participants to grade their responses from A (strongly agree) to C (not sure).

3.12.4.6 Part (F) Retention

This section contains questions on the participant’s’ desire to remain associated with their respective organisations; it presents 4 results and 5 degrees of assessment. The questionnaires were adapted and measured in this section by using the scales developed by Mobley, Horner, & Hollingsworth (1978).

3.12.5 Pilot study

Cooper and Schindler (2005) assert that a researcher should do a pilot study of data gathering tools before proceeding with the research. A pilot test helps in identifying problems in research methodology and data gathering techniques.

A pilot study was conducted among volunteers from the target population to evaluate the survey questionnaire for readability, understandability, and cultural accuracy of its content. These volunteers helped identify minor problems such as spelling and language. Since the target population was not large in number, the participants in the pilot study were also asked to participate in the final survey. Similarly, a small group of volunteers was used to assess the soundness of the research techniques to be employed. These tests helped in identifying pitfalls, which were avoided (Royce et al, 1993).

Fifteen volunteers from the target population were asked to evaluate the survey questionnaire for factors such as flow of questions, logic, language, clarity, and time to complete the questionnaire. These volunteers suggested that the time to complete the questionnaire 20 minutes was sufficient but that an introductory statement from the researcher would improve cooperation from the respondents.

3.13 Role of the Researcher

Research conducted by Abdalla and Al-Homoud (1995) has revealed that if a researcher is a part of the group that is being studied, the chances of getting frank, honest and authentic
responses increases, thus increasing the credibility of the survey. Dubai and Sharjah government organisations were made the subject of this study because of a number of variables that were seen to be of benefit. Firstly, no evidence has been found of any study of employee retention in these organisations, which gives this research added interest and value and provides an opportunity to contribute valuable data for future studies. The study has an added benefit of being sponsored by the UAE government, so is conducted with UAE support and encouragement. The researcher, being a resident of Sharjah, has contacts in UAE firms, in Sharjah in particular; such local knowledge and ‘belonging’ eases data collection. His familiarity with the environment ensures that he shares the cultural values and language; this background helps overcome problems of communication that may arise in a cross-cultural research project.

Being local facilitated the researcher’s approach to the respondents. It is believed that the employees surveyed would not have opened up so readily to a stranger. Access was also made easy because the researcher’s position as a manager in a Sharjah government organisation enabled him to contact managers in higher positions and seek their approval. Although there was some concern that this might have some negative effects on the study, in fact most of the respondents belonged to other organisations and their responses were not influenced by the researcher’s official position. In addition, no one involved in the study works at the same organisation of the researcher.

3.14 Questionnaire Respondents

Questionnaires formed the primary mode of data collection, making it possible for the researcher to cover all UAE government organisations in relevant emirates, regions and geographical locations (Ambrose & Anstey, 2007; Arab, 2007). The questionnaire allowed the researcher to include lower-level staff in the research; as they could not be included in the interviews, their input would not have been gathered otherwise.

The questionnaire was distributed among 300 individuals in government sector to deal with high officials. The objective was to obtain at least 150 completed questionnaires out of 300 distributed to employees.
3.15 Administration of the Questionnaire

3.15.1 Ethics and Confidentiality

The researcher provided a letter to participants explaining the study to overcome their reservations about providing sensitive and confidential information. Participants were assured of the privacy of their information, and that their identities would not be revealed. It was made clear that their contribution was voluntary and they had full authority to refuse or to withdraw if they changed their mind about participating. To further assure confidentiality unmarked self-sealing envelopes were provided for the return of questionnaires.

The questionnaires were developed by the researcher, who then sought support from government representatives in each organisation in Dubai and Sharjah in order to administer them. Before giving the questionnaire to the employees, the purpose of the study and the expected outcome of the interview were explained by the researcher. In order to provide a comfortable atmosphere in which to elicit honest answers, the respondents were grouped according to gender, in accordance with cultural norms. A female assistant was employed and trained to administer the questionnaire and conduct the focus group discussion among the female respondents.

UAE-based organisational cultures are not accustomed to the term ‘employee retention’ so it was necessary to provide some background to the research, explaining the objectives of the study and the concept of employee retention. The questionnaire included such information in accordance with the recommendations of pilot study participants and also an information sheet explaining the background and reasons for seeking such information. It was anticipated that this sort of engagement with the employees would encourage them to give genuine and precise responses. Employees from each organisation, randomly selected, were provided with the survey and given 20 minutes to complete it. The researcher was present and collected the questionnaires immediately after.

The participants were allowed to ask any questions and clarify any sort of ambiguity regarding the questionnaire before they answered it, mitigating the chance of faulty responses by giving the participants a comprehensive understanding of the study and its aims.
3.16 Interviews With Former Employees: Questionnaires

The inclusion of written questions in the study covered the remaining aspects of determining the effect of HR practices on the intensity of an individual’s experience and aspiration to retain his/her position in a particular organisation. As the core of this study is on the relationship between human resource management and employee retention, it was imperative to analyse the effects of HR practices prevalent in particular organisations.

The view of employees who had left each organisation presented an excellent chance to investigate its workplace practices and their impact on turnover. The researcher, as a manager of the Sharjah Tatweer Forum, enjoys the privilege of establishing connections to many such individuals who were able to contribute uninhibitedly in an interview with former employees about their working environment, attitudes, eagerness to work, expectations and satisfaction during their term of employment. A list of former employees was requested from Administrative Control Department in Sharjah, including names, contact details, and the organisations that they were working for. The questionnaires to the employees who had left the organisation were either sent via email or distributed directly, at the convenience of each. They were given one day to return the questionnaires. Although the respondents were able to express their opinions freely, the focus was not on employee’s disengagement, but on turnover.

3.17 Semi-structured Interviews

Properly constructed and conducted interviews are a practical method of data collection concerning participants’ reactions, insights, and interpretations of relevant situations (Punch, 2005). They can be a versatile and successful method of obtaining specific information and insight relevant to a workplace (Fontana & Frey, 2000; Rospenda, Richman, & Nawyn, 1998).

The semi-structured interview used in this study was divided into three sections. The first investigated the impact of HR upon the rate of employee retention and considered its efficiency though open-ended questionnaires. The second discussed contextual problems that affect the organisation and retention of its employees. The last segment covered issues...
of effective management, involving career development, hiring methods, performance appraisal systems, turnover rates and authoritative capabilities. The participants were given the chance to elaborate on issues hindering the development of human resource management and the extent to which the effects of human resource management could be multiplied. The semi-structured interview questions are presented in Appendix 4.

The interviewees were HR officials possessing experience and knowledge in their fields. The venue was decided for their convenience, sometimes at the office premises and sometimes elsewhere such as the researcher’s organisation meeting room. The semi-structured interview meant that the researcher could ask a common set of questions of various individuals, but allowed them to give extra details that were not necessarily implied in the questions. The individuals with intimate knowledge of relevant details offered a wealth of experience to inform these interviews. From such professionals the researcher gained an in-depth perspective on the research questions and context.

The consent form was signed and dated by the participant at the beginning of the interview. Permission was sought to tape the interview, which was granted by all participants. The interviews lasted between 50 minutes and one and half hours, and were conducted consecutively within each participating organisation.

3.17.1 The Interview Questions

Semi-structured interviews are the most practical data collection technique in qualitative research (Grbich, 1999) and allowed the chance to unveil concealed issues (Fontana & Frey, 2000). The literature review informed the construction of the main six interview questions. These were divided into 3 groups.

Section one explored the impacts of human resources on the employee retention level in a particular organisation. Section two explored the contextual problems in an organisation seen as a directly impacting on employee retention. The last section explored other contextual factors as career development and growth, performance appraisal systems, authoritative setup, hiring systems and the turnover rate. Approximately 30–45 minutes were spent on each interview.
3.17.2 Focus Group Discussion Interview

The reasons for the use of focus groups are:

- The information and responses obtained are specific to research factors outlined (Morgan, 1997).
- The group members have flexibility and freedom of expression (Silverman, 2001)
- There are opportunities to solve problems or hurdles that arise.
- The method provides data enriched with in-depth information at small cost (Fontana & Frey, 2000).

Focus groups enable the categorisation of individuals and the documentation of their reactions and opinions in a controlled and systematic manner, while its opportunities for interactions and eliciting a broad range of ideas. According to Krueger (1994), the best way to investigate a topic in a social setting is via group discussions, as it encourages the sharing of experiences. In this particular study, the method of group discussion facilitated insight into the thoughts of employees in Sharjah relevant to employee retention. Employees in Sharjah are not accustomed to this novel idea of group discussion, so it was necessary to introduce them to this new concept to change the tone from the familiar formal group discussions. The group discussion encouraged each participant to voice their ideas about issues affecting employee retention, and to consider the policies of employee retention in the organisations in the UAE.

A negative aspect of group discussion must be acknowledged: the concerns of a single individual can influence the opinions of a whole group. This problem can be countered by the interviewer’s precise structuring of questions to allow little room for participants to argue or exert influence. Avoiding questions that require quick answers has also been suggested (Fontana & Frey, 2000).

The citizens of the UAE generally display caution about free expression of opinions on political and social issues. The researcher overcame initial resistance with the careful structuring of questions to allow free discussion. The friendly environment provided for these groups helped elicit useful data related to service conditions and turnover. Following the general introduction and signing of the consent form, the researcher started the focus group discussion, with a timeframe of 1.5–2 hours for each group. The sessions were conducted in the participants’ meeting room.
The methods by which a focus group is selected are extremely important.

3.18 Ethical Considerations

Specific approval of the Edith Cowan University ethics committee was obtained for this study (Reference NO: 2896 ALNAQBI). The researcher made sure to follow the ethical code of conduct in every detail, instructing the participants to avoid giving their names or any identifying information after which the participants were asked to sign a form of consent.

The primary ethical concern was that the privacy of the participants would be safeguarded. The participants did not need to provide their names or any sort of identification, which provided a pressure-free environment for them to give responses freely.

3.19 Translation and Pretesting

The questionnaire was developed in both English and Arabic, the native tongue of the UAE. The Arabic answers have been professionally translated back to English and interpreted to ensure valid results.

3.20 Quantitative Analysis

SPSS (Statistics Package for Social Science) software was used to analyse the data collected, using descriptive and inferential statistics. Descriptive statistics discern basic patterns in data (Lawrence, 2006). Mean, frequency, standard deviation and range inferential statistics are used to make influences concerning research proposition applicability to the study population.

3.21 Qualitative analysis

Qualitative content analysis is defined by Mayring (2000, p. 5) as ‘an approach of empirical, methodological controlled analysis of texts within their context of communication, following content analysis rules and step by step models, without rash quantification’. In the present study, data obtained through the interviews were recorded and transcribed. Then the data were coded or grouped according to the research objectives. The detailed steps are explained below.
### 3.22 Interview and Focus Group Data

To analyse the semi-structured interview and Focus group data the following of analyse were applied:

**Step 1: From tapes to transcripts of raw data:** It is important to record the interview to confirm the exact content (Punch, 2005; Schilling, 2006).

The researcher conducted the interviews in Arabic; they were transcribed in Arabic and then translated professionally into English. In interviews, some movements, reactions, and pauses by the interviewee are important and often provide added valuable information (Mostyn, 1985; Silverman, 2001). Listening to the whole interview before typing the transcript was helpful in giving the researcher a better understanding of the data (Creswell, 1998).

**Step 2: From untreated data to solid records.** When treating the collected data, it is important to consider the importance of the interviewees' positions, because they are the centre of interest. What circumstances are they in? What is their relationship with the interviewer? What are the time and place of conducting the interview? (Schilling, 2006). This information was collected before starting the interview. This level was important as it served as a basis for the next level.

**Step 3: From solid records to primary grouping.** Thematic analysis was used to group and code the transcript data according to the research objectives. This level needed extra checking as it formed the basis from which outcomes were derived, and could significantly affect data quality (Schilling, 2006).

**Step 4: Concluding analysis and interpretation.** Analysis and interpretation by the researcher was made in reference to the literature and research questions.

### 3.23 Conclusion

The research methodologies employed in the current study consisted of a combination of qualitative and quantitative approaches. The participants were selected from a population of 300 employees of public organisations from both Dubai and Sharjah. The following chapters present the results of the research.
Chapter 4 : Findings of Qualitative Analysis

4.1 Introduction

This chapter discusses the results of the qualitative phase of the research, the focus group discussions (FGDs) and in-depth interviews of employees of Sharjah’s public organisations. The focus groups explored the attitudes of participants towards the national organisational culture, labour market, and HR practices, and how these issues affect retention in UAE government workplaces. In order to explore the findings of the focus groups in detail, semi-structured interviews were also conducted with HR practitioners.

The objective of the research was to determine how various human resource functions influence employee satisfaction and thereby help to retain people within an organisation. The questions were framed to cover functions such as appraisal systems, decentralisation, leadership style, workplace environment, compensation, training and development, and retention strategies, in the expectation that the responses would indicate the significance of these factors’ affect on employees; such findings will help clarify which key human resource practices can be related to employee retention in public organisations.

4.2 Part One: Focus Group Discussions

Four focus group (FG) discussions were conducted in both Arabic and English language during normal working hours, in different organisations in Sharjah. A meeting room at the participants’ workplace, which could accommodate eight participants at a time, was arranged. Some participants cancelled at the last minute, but there were enough remaining to have two groups of eight men and two groups of seven women, thirty participants in all. The participants were asked to discuss points in general and refer to some situation as an example.

FG guides were developed to ensure that the same issues were raised in all groups; they included themes such as participants’ perceptions of organisational culture, the labour market and HR practices; particular emphasis was placed on the socio-cultural context.

Sessions were scheduled during work hours, the time most convenient to the participants, and care was taken to ensure privacy. The FGDs were conducted in Arabic, the language spoken in the UAE, and audio taped after obtaining participants’ consent. All FGDs were transcribed verbatim and translated into English. The analysis entailed gaining familiarity with each of the FGD transcripts before beginning to code. The process of coding involved
adding a word or a phrase to a segment of text, indicating key issue(s) emerging from that piece of text. Each transcript was read through in this manner and coded inductively. The coding was predominantly guided by the study research questions. Once all the FGDs were coded, it was possible to piece together segments of text that related to a common theme; in this manner emergent themes were identified.

4.3 Participants

Sharjah organisations were approached for permission to conduct the FG sessions, and four agreed to participate. The participants were selected randomly by a public relations representative, from the available UAE nationals; each had a minimum of 2 years’ diploma qualification, because that was the minimum qualification accepted in the grading system of Sharjah public organisations for positions at managerial level. The jobs which the participants held were as administrators, customer service officers, purchase officers and IT officers. The selection was a convenience sample through personal contacts in the UAE, and the participants in the study were approached through these contacts. It is not easy to conduct interviews in the UAE where people are unlikely to express themselves openly, especially before strangers. This means that the study has a sample bias; but this was considered unavoidable, as otherwise it would have been extremely difficult to have conducted the study at all.

A total of 30 individuals participated in four FG discussions. The minimum age was 19; the maximum 30 years. The study recruited an almost equal balance of 53% male and 47% females. See Table 5.1.

Table 4.1. Demographic characteristics of respondents participating in FG discussions

<table>
<thead>
<tr>
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<th>FG 1</th>
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<td>30</td>
<td>8</td>
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</table>
4.4 Themes for Analysis

The findings presented below are based on the review of the transcripts of the FGDs. Eight main themes emerged as factors influencing employee turnover:

1. Organisational work environment
   a. Work place environment
   b. Cultural environment
2. Management style and lack of opportunities
3. Positive and negative situations experienced in managing HR
4. Salary and wages
5. Compensation and benefits
6. Factors that affect the decision to join the organisation
7. Actions to attract applicants
8. Training opportunities

Each of these themes is presented below, followed by a brief discussion.

4.5 Factors that Influence and Affect Employee Retention

4.5.1 Organisational Work Environment

Considering the fact that the work environment plays a significant role in determining the level of satisfaction attained by an employee with regard to the level of comfort felt in working within that environment, HR practices are deemed vital in determining the potential of employees’ retention by creating either a friendly environment or otherwise. While it is evident that a favourable work environment is desirable, other benefits of a healthy work environment and culture, according to the European Agency for Safety and Health at Work (Takala & Urrutia, 2009) are:

i. The employees perform better if they are healthy
ii. The lack of accidents at work leads to less absenteeism,
iii. If equipment needed for work is more efficient, risk free and well maintained, reduced injuries and illness will result in lower damages and liabilities.

Abbasi and Hollman (2000), Sherman, Alper, and Wolfson (2006), and Hewitts Associates (2006) argue that knowledge sharing is an important element in fostering innovation; however, the physical structure of the working environment may hinder communication,
which in turn hinders an employee’s potential to gain significant benefits; this is an important factor in an employee’s decision to leave an organisation. An open office facilitates free observation of how employees within the organisation carry out duties, while secluded offices hinder such observations and may instigate doubts of the effectiveness of particular employees, who, if they perceive this doubt as a form of discrimination, may consider leaving the organisation. In the present research, to ascertain the relationship between work environment and employee retention in Sharjah governmental organisations, questions related to work place safety as well as to the friendliness of the physical environment were posed. Although there were different views between the four groups, a central agreement was held by all. The design of the work place was considered an important factor influencing turnover by the participants, who differentiated the work environment into two categories, the spatial work environment, which includes the building, the office space, and the provision of basic needs to accomplish the work; and the career work environment, which includes the tasks performed, including job descriptions.

Office space was one of the two motivating factors most emphasised by participants (the other, culture, will be discussed below). They preferred an environment and culture which helped them grow, so if they were given a job with higher responsibilities that helped them enhance their skills, they felt they would be more motivated to stay with the organisation.

Most of the respondents, however, mentioned that the work environment was not satisfactory: ‘the work place environment is weak because the capacity of the building is not based on a future plan but on the current situation’ (FG 1). A similar but more specific comment was that ‘in order to work productively the office space must be pleasant and comfortable for a person to love working there. Unfortunately, some organisations place staff offices in the corridors, causing inconvenience and a lack of focus for employees, which leads to low or poor productivity’ (FG 2).

The importance of future vision and strategic plans when structuring a work environment was also stressed: ‘the lack of vision and a long-term plan leads to a poor work environment. Planning based on the organisational structures can help organisations attract UAE nationals, which is a crucial role of human resources team’ (FG 3). In some organisations, amenities such as the cafeteria and corridors are converted into office space, where employees work in cramped areas under adverse conditions, which may lead to attrition: ‘based on my experience, one of the organisations has cancelled the cafeteria and
converted it to an office; the corridors have also been converted to staff offices by placing glass partitions in between’ (FG 4).

4.5.1.1 Cultural Environment

A business group with employees from varied cultures should take into account socio-economic, political, and cultural differences, as a country’s culture greatly influences the functioning of the organisation (Bond, 1999). This cultural aspect has been overlooked by some organisations, as revealed by a respondent: ‘for example, women had to work along with men in office cubicles placed in the corridor. The leader should know and understand that custom and tradition does not permit such a working condition.’ (FG4)

In UAE national, particularly public, organisations, when women are made to work alongside men they become uncomfortable and may be inclined to change jobs, as they feel there has been a serious breach of tradition in their work place. A study by Robert Half International shows that organisational culture is becoming recognised as a key reason for employees to stay with an organisation (Marcia & Clawson, 2004); it is important that no cultural norms are broken by the organisation.

The points noted above show that the work environment is not always satisfactory in UAE public organisations, and needs to be strategically redesigned. As noted in Chapter 2, job satisfaction is dependent on various factors, and working environment, organisational climate and working conditions are among them (Mosadeghrad & Yarmohammadian, 2006). Herzberg, Mausner, and Snyderman (1959) point out that some influencing retention largely result from non-job related (extrinsic) variables. These variables are described as ‘hygiene’ factors which, although they do not motivate employees, nevertheless must be present to make employees happy. Empirical studies conducted by Kinnear and Sutherland (Kinnear & Sutherland, 2001); Meudell and Rodham (1998) and Maertz and Griffeth (2004) similarly indicate the importance of the work place environment as a motivational variable that influences employee retention.

This is true in UAE public organisations where employees are not content with the work environment. FG participants emphasised the need for well written job profiles, a friendly atmosphere, and work place safety, all within the context of the future vision and strategic plans, and the social culture, of an organisation. Their attitude endorses the finding of the Hawthorne studies that ‘a happy worker is a productive worker’ (Hosie, Sevastos, & Cooper,
2006, p. 3) and further establish the close relationship between job satisfaction and performance.

4.5.2 Management Style and Lack of Opportunities

Management style is a way of managing people in order to bind diverse operations and functions together (Schleh, 1977), as well as to exercise control over employees (Clear & Dickson, 2005); it comprises a set of practices that has been adopted by an individual, a department, or whole organisation (Morris & Pavett, 1992).

UAE organisations’ management styles are autocratic and directive in nature. It has been shown that autocratic (Liu, 1986a, 1986b) and directive (Barret & Bass, 1976; P. Wright, Szeto, & Geory, 2000) styles are typified by centralised control and minimal work empowerment (Beehr & Gupta, 1987; Rensis, 1967), in the UAE these are combined with a cultural philosophy that promotes collectivism (AAhad & Tan, 2002).

On the other hand, it is evident that an authoritative management style, in contrary to an autocratic one, does not restrict decision-making process to the top executives, but allows managers at each level make essential operating decisions based on their area of responsibility. It is evident that the decision-making process in the UAE has rendered a remarkable level of influence in employees’ levels of satisfaction (Mathis & Jackson, 2010).

In order to understand the type of management style in place in their own organisations, and its influence on job satisfaction, respondents were asked their opinions on the style of leadership and its effects. One participant stated (somewhat paradoxically) that ‘the management style in our organisation is democratic and does not ask the staff to participate in the decision process’. However, that the form of the organisation was highly centralised was recognised by most of the respondents, one of whom stated, ‘the organisation calls for decentralisation, but in fact it is centralised’ (FG 1). In the UAE, the work, which involves HR, is taken care of by the Director of the organisation: ‘any decision by the director of the department should refer to the Director-General for his approval. For example, attendance and leave reports, these decisions should be allowed to be made by the human resource management group. However the decision is taken by Director-General rather than the HR Director’ (FG 2). Although the HR directors are responsible for granting leave and attendance, hey are not empowered by the organisation to take these decisions on their own. The findings are consistent with the study conducted by Arthur (1994), which
shows that HR systems built on commitment rather than control are often associated with lower turnover and higher productivity.

One participant noted of ‘tenders for example—, even while paying small amounts which are less than 10000 AED, the approval of the Director-General must be sought; however, as a director of tenders department, I’m the one supposed to approve any amount less than 10000 AED. Where is the decentralisation?’ (FG 3). In UAE organisations, small decisions need to be approved by the Director-General, restricting managers’ ability to take decisions on their own. This dependability on leaders is so high that employees felt they were not able to participate even in minor decision-making processes.

Another participant stated that ‘sometimes resignation is approved by the Director-General without the acknowledgment of his/her supervisor; this is what we consider centralisation’. The consequent feeling of lack of empowerment was stressed by several participants, one of whom said, ‘heads of department are not authorised to take any decision by himself. This is reflected in his personality as he is always waiting for the top level managers to make their decisions rather than taking initiatives on his own’ (FG 4). If even the heads of department are not allowed to make decisions, all power is held in the hands of the top managers alone. This restricts the creativity of employees and disempowers them.

Thus, the key theme raised in this section was that lack of decentralisation led to insufficient empowerment. This is in line with the study conducted by Mosadeghrad and Yarmohammadian (2006) which uncovers a significant relationship between lack of autonomy and job satisfaction. By adopting more appropriate leadership styles, managers can affect employee job satisfaction, commitment and productivity (Mosadeghrad & Yarmohammadian, 2006). In the UAE, where work practices are strongly influenced by culture, job satisfaction is directly related to leadership style. There is a lack of relationship between supervisors and subordinates in organisations that have adopted transactional approaches to leadership, focusing on specific rules, procedures and policies for handling predictable matters; this provides a disincentive for employees to stay (Morrow, et al., 2005).

4.5.3 Positive and Negative Situations Experienced in Managing HR

The positive or negative events encountered in an organisation can help reveal the actual functioning of the organisation. It also helps to know how the organisation handles
problems. Hence, the second question posed focused on how positive and negative situations were handled by the organisation, and how this affected the workforce.

In the UAE, organisations do not always treat negative situations seriously: ‘being able to meet the Director-General is a positive in Sharjah Government organisations, especially if there are negative points we need to discuss regardless of the consequence — that is, even if he/she will not take the issue seriously’ (FG 4). The possibility of communicating with the top managers to address any grievance provides satisfaction in the minds of the employees.

4.5.3.1 Supervisor– Employee Relationships

People facilitate communication; it, in return, increases the chances of facilitating the management to take care of the needs of their employees. While it was deemed significant to establish the way the relationship between employees and the management in UAE affected employees’ level of satisfaction, this did not obscure the fact that that bias towards employees was among the concerns raised by participants: ‘our Director-General tends to support expatriates, because they will do whatever is asked of them. However at the same organisation we have an executive manager who supports UAE nationals because they are the most efficient’ (FG 3). Another participant shared his view: ‘the average months those UAE nationals will stay at our organisation is for 20 months, for the research being done by us’. Participants felt that the supervisors were biased towards a few employees, depending on their origin and not their capabilities. Such a perception can have a negative impact on the working of the organisation.

4.5.3.2 Performance Appraisal

A positive comment was received from one participant: ‘moving to another section was positive for me. The performance evaluation in the previous section was weak; however the current performance evaluation is excellent as they appreciate my abilities’. Others were more negative: ‘the performance evaluation is illogical and it’s based on 9 points. These points were divided into 3 sections which are discipline, work and personality. The negative aspect about it is that the performance appraisal is confidential and it’s one-way communication only, which does not involve a discussion between the supervisor and employee’ (FG 3).

Studies show that the impact of a fair performance appraisal process on employee retention is positive, as performance appraisals are designed to relate pay to performance.
irrespective of goal achievement (Boice & Kleiner, 1997; Eunmi & Juhee, 2006; Gibbons & Kleiner, 1994). Performance appraisal is important to employees and plays an important role in voluntary turnover (Zimmerman & Darnold, 2009). In the present study, participants felt performance appraisal was not satisfactory in UAE public organisations, as standards and the basis of the appraisal were explained employees clearly; the feeling that appraisals were not logically driven led to low satisfaction and commitment among employees.

In addition, UAE public organisations react more strongly to negative elements than to positive, particularly with regard to the supervisor–employee relationship, as the organisations focus on specific rules, procedures and policies for handling predicable matters and taking corrective action where there has been a deviation from the rules: there are no similar guidelines to reward positive behaviours. This has been shown to be an important predictor of job satisfaction (Mosadeghrad & Yarmohammadian, 2006). People quit their jobs if they feel unfairly treated by their supervisors (Jones & Skarlicki, 2003). The present findings are in line with the earlier studies conducted by Jones and Skarlicki (2003) and Mosadeghrad and Yarmohammadian (2006).

4.5.4 Salary and Wages in Sharjah

A review of the influence of salary and wage benefits on employees formed part of the questions posed to the respondents. Lawler (2000) states that a skilful and competent person may not perform productively if they are not given the right rewards for their efforts. Thus, the salary offered to an employee forms a crucial part of any organisation’s bid to retain workers. The focus groups were asked their opinions of the salary and wages offered by UAE public organisations and their association with job satisfaction, commitment, and, ultimately, retention.

The discussions provided many views, but the primary one focused on equity and a basis for giving a certain salary to an employee (qualification, experience etc). One participant noted that ‘in the past we worked for less salary, but we were satisfied with our work’ (FG 1). It can be implied from this that a satisfying job can act as a compensating factor if the salary is not very high. This finding is in line with the findings of Lazear (Lazear, 1998, p. 379).

Herzberg, Mausner and Snyderman’s (1959) research on motivation reveals that employees tend to describe satisfying experiences in terms of factors that are intrinsic to the job, such as achievement, recognition, responsibility, advancement and growth. These included in the discussion questions. When these factors satisfy employees, extrinsic factors such as
salary are ignored; this was found to be particularly true in the present study, where job analysis and design were considered more important than money. This means that employees ought to be satisfied by certain acts of recognition by the authorities and although they may not always come with monetary benefits, being allocated higher responsibilities, being entrusted in more crucial roles or being used as role models are all acts that are bound to render satisfaction in the employees. Different employees were evidently attaining different rates of salary and wage remunerations, but performance appraisals, promotion, and allocation of leadership roles, all of which were rendered on the basis of individual performance, were reported to give a certain level of satisfaction. Given this, it is evident that job description and design form a critical component in satisfying an employee’s needs for challenge and accomplishment (Steers, et al., 2010). When these factors satisfy employees, extrinsic factors such as salary are ignored (Steers, 1983). This was found to be particularly true in the present study, where job analysis and design were considered more important than money. Given this, job description and design form a critical component in satisfying an employee’s needs for challenge and accomplishment. However, employees are not without some sense of the need for appropriate financial reimbursement. Several individuals stated that ‘the salaries are not reasonable compared with other entities. For example, a friend of mine is working in a police department. He has lesser qualifications, but his salary is double that of mine’ (FG 2). This participant stresses the need for a fair and just compensation system across organisations, which is measurable and has clear guidelines so that employees can be satisfied with the basis on which salaries are allocated.

Another pointed out that ‘at the level of my job, all Sharjah Government organisations have the same salary wages. This will keep the excellent (performing) staff and the lazy staff at the same level’. Again, the importance of a salary scale which helps differentiate between productive and unproductive workers was raised. Competitive salary can help act as a positive reinforcement to hard-working employees, and be useful for attracting new employees (Hokey, 2007; S. Wilson, 2000).

Salary forms a critical part in retaining an employee within the organisation. With monetary benefits an employee may feel more motivated to work hard. Study participants felt that a salary increase would show that they were appreciated, and differentiated from lazy workers. It would motivate them to continue their efforts to reach personal and professional goals (Li-Ping Tang, Kim, & Shin-Hsiung Tang, 2000).
According to William and Werther (1996), one of the biggest contributing factors to employee turnover is dissatisfaction with the reward or compensation package. An employee who feels insufficiently rewarded for effort will be more likely to exhibit negative behaviours, such as lack of motivation and low commitment to company objectives. In extreme cases this dissatisfaction may lead to absenteeism, tardiness and even sabotage of the organisation (Lawler, 1992; William & Werther, 1996).

This is relevant to public organisations in the UAE, as observed from the focus groups findings where organisation cannot afford to pay competitive salaries. Respondents felt that salary and wages in Sharjah were reasonable, but did not motivate employees to improve performance. Salary should act as a catalyst to enhance performance, as it is the primary award that employees receive for their efforts.

### 4.5.5 Compensation and Benefits

As compensation plays a significant role in determining the level of satisfaction of employees, there was a strong need to establish the level to which the UAE has ventured into the area of compensating its employees, and how this affects their level of satisfaction. Questions were raised concerning both cash and non-cash compensations, and respondents were asked to offer their perceptions of these compensations. Apparently, while it was agreed that both cash and the non-cash benefits encouraged employees to be both motivated and satisfied, the ultimate benefit was that in which the employees were allowed to choose the kind of compensation they preferred. Moreover, while compensation was agreed to play a central role in rendering a level of motivation which allowed employees to perform their duties well, the question was raised whether such compensation was enough reason for the employees to remain with an organisation, given that some received a remarkably low wage. Despite this, the positive response rendered by compensation indicated a remarkable rate of motivation.

#### 4.5.5.1 Other Benefits

Burke and Ng (2006) state that both financial and non financial rewards should be given importance. Benefits such as health allowances, housing allowances, medical leave, travel allowances, legal benefits, insurance, paid leave, canteen facilities, retirement benefits, and club membership are among the many benefits on offer in various organisations. A simple thank you or an appreciation also serves as a non-financial reward which helps motivate the employees to perform better. Many organisations that cannot provide their employees
with higher salaries opt for innovative ways to supplement and reduce the gap between employee expectation and rewards.

One participant reported, ‘*we as UAE nationals do not get compensation benefits, in comparison to the expatriate. They for example get house allowance, air ticket, transportation allowance, telephone allowance...etc’* (FG 1). This respondent felt that benefits were greater in the case of foreigners. Another participant wondered if ‘*maybe Sharjah civil service law is not enough in terms of bonus. If someone has a master’s degree, he/she will get 750 Dirham in addition to his/her salary as a bonus, which unfortunately is not enough to appreciate higher qualification holders’* (FG 2). This suggests that benefits should be allotted in terms performance and credibility, and not solely on the qualification.

4.5.5.2 Health Benefits

All respondents in the third FG highlighted the lack of health benefits; one complained that ‘*unfortunately, we do not have any health insurance in our organisations in comparison to Dubai or Abu Dhabi’* (FG 1). The benefits of health insurance can be derived by employers as well as employees: the cost to the company of an unwell employee not covered by insurance may be high. If the company has to pay the medical bills, then the cost may be higher than if it paid for insurance.

The positive benefits of financial rewards are revealed in a study by Cameron and Pierce (1994) that finds a positive association between non-financial rewards and reinforcement tools. Many studies emphasise that money, benefits and different forms of compensation can attract, retain and motivate employees and help achieve organisational goals (Barber & Bretz, 2000; Chiu, Wai-Mei., & Li-Ping., 2001). In the present study, employees showed dissatisfaction with the current financial benefits, which in turn lessened their motivation to work in the current organisation. This attitude is consistent with previous findings linking low financial benefits and poor employee retention.

A participant pointed this out, saying ‘*it is important to have compensation. We don’t want our salary to be increased. We need only benefits. This will not change until the leaders change their mentality’* (FG 1). Participants in all focus groups felt this: ‘*the benefits and compensation satisfy the employees socially. For example, if we have ticket allowances even if the salary is less, I will be satisfied because I will be able to take my family abroad during my vacation*.’ It can be inferred that employees feel that benefits reduce the gap between their expectations and the salary paid by the company. If the pay scale in a company is low
but the benefits are high, the employee may stay for the benefits. A simple gesture or a simple amenity may add goodwill and help retain staff.

The focus groups’ responses to the issue of compensatory benefits offered to employees captured different views, but the findings across all groups were similar in that they emphasised the value of benefits and were moderately satisfied with the salaries offered. Various benefits were desired by different respondents, but the central point was the benefit of formulating a system which granted such benefits along with the salary on offer. As the study by Lewis (Lewis, 1991) also shows, salary alone is not the only factor for voluntary turnover rates, and benefits also influence employees greatly.

The employees in an organisation have needs and wants that can be fulfilled with the help of a properly structured reward system that rewards them for their efforts and motivates them to perform better. Research on compensation has been across many years, and with changing times the needs and wants of employees have also evolved. Greenberg and Baron (1995) note that analysing reward dimensions individually can help understand which features may satisfy employees. Since management may face problems in framing the compensation plan that best enhances employee performance, a better understanding and study of reward preferences can help form trans-national rewards (Lobel, 1996). Lazear and Moore (1988) show that a relationship between having no pension and turnover rate exists where a person without a pension plan will seek other opportunities. Post employment benefits may not be the most motivating factor for a younger work force.

Shuler and Rogovsky (1998) notes that reward preferences differ from one country to the next, so it is essential that any reward system is distinctly constructed for specific workers. This means cultural aspects are important factors when formulating a reward system (Chiang & Birtch, 2005).

The FG findings parallel the findings of previous research that compensation and reward systems influence job satisfaction and the turnover rate of a company. So it is essential that packages on offer are competitive in nature and have innovative benefits to help motivate good workers to stay, and encourage talented newcomers to join the organisation.

4.5.6 Factors that Affect the Decision to Join the Organisation

The survey by Mercer (2010) conducted in the US showed that close to 27% of organisations participating in the survey were further hiring and increasing their work force.
With such a significant search for recruitment in the business environment, it is essential for organisations to attract suitable employees from the talent pool and retain them. A positive mix of rewards, career growth opportunities, and involvement in decision processes are among the features that attract individuals to an organisation. Participants were asked to identify the key factors that influenced people to join an organisation. Several distinct issues were raised.

4.5.6.1 Employment Opportunities

Individuals in the focus groups stated that ‘the need of employment was the only reason that forced us to work in our organisation. It was a great opportunity’ (FG 3). The same was noted by respondents in another FG as well: ‘less employment opportunity was the factor that made us join the organisation’ (FG 1). For these people, the primary reason for being part of the organisation was not the desire to be a part of that particular organisation, but the lack of opportunities to work elsewhere. This may have a negative impact if such employees look for other openings when opportunities in the market improve.

4.5.6.2 Job Security

Many opted for the security that came with the profile: ‘I left my previous job which was a private organisation because there is job security in the government sector’ (FG 2). Loyalty towards Islamic institutions influenced some people: ‘although I was working in a bank with a good salary and compensation, I joined the organisation because I don’t want to work with non-Islamic banks anymore. Therefore, I joined the government organisation’ (FG 3).

4.5.6.3 Loyalty Towards Government

Another respondent shared a similar conviction: ‘ever since I left high school, I had loyalty towards the government of Sharjah. I’m committed to the Emirate of Sharjah’ (FG 1). Such an emotional attachment to an organisation creates a sense of belonging and helps retain the employees. Most respondents shared the sentiment that ‘the organisation is based close to our homes and it was one of the reasons that attracted us to join the organisation’ (FG 4), so location also proved relevant if organisations were situated close enough to a housing area for the employees to commute easily.

Most respondents stated that the need for employment, and job security in the government sector, were factors governing their choice of one organisation over others. Loyalty towards Islamic institutions also served as a motivating factor.
4.5.7 Actions to Attract Applicants

A survey by Deloitte finds that finding and retaining the right workforce is the biggest challenge faced by a company. When analysing the future needs, Deloitte suggests, every company should plan for their future needs and take sufficient initiatives to attract the required human resources (Redford, 2007). To determine the importance of this for employees, respondents were asked to discuss the actions that need to be taken to attract applicants.

4.5.7.1 Establishment of a Human Resources Department

All respondents agreed: ‘establish a Human Resource Department; and their staff should know the importance of managing human resources and also know the difference between HRM and administration management’ (FG 3). The empowerment and existence of a functional HRM team was stressed by most respondents, who believed that this would help the functioning of an organisation and attract and retain employees. However, the most important theme raised by many participants was the leadership style and how it affected the workforce.

4.5.7.2 Change in Leaders

One participant stated that ‘there is a need to change the leaders because they must be convinced that not all administrators are leaders and not all leaders can manage’ (FG 2). Several respondents felt that the demarcation between the HR team and the administrative team was an issue that needed to be addressed. The functions and goals of each team are very different and must be addressed to best serve the workforce. This was supported by other individuals, who said, ‘have the first or second level leaders taken any leadership courses? We need to rehabilitate the leaders’ (FG 4).

Leaders must be capable of leading. They should be able to act as mentors and help lead employees to reach higher goals and objectives. Respondents felt that ‘if we have effective leaders, there will be effective results as well as commitment from the staff’ (FG 3). Thus, the willingness to follow a capable leader is present in these organisations, which is a positive aspect. They also stated that ‘there is resistance from the leaders in term of integration to a new system. They don’t allow us to make changes as they prefer to stick with the old system based on their experiences’ (FG 4). Such resistance may cause reluctance among employees, as they may not try new paths and innovative ideas in fear of
rejection from leaders and managers. Management instead should harness creativity and try to implement any idea which makes the organisation more effective and productive. The importance of clear communication of criteria for promotion and creation of an established human resource team was also raised during discussion.

4.5.7.3 Criteria for Promotion

A participant commented, ‘there is a criterion for promoting a staff to be a manager. What are the measurement tools for promoting someone to become a manager?’ (FG 3). The basis of promotion should be clearly communicated to resolve any doubt in the minds of fellow employees and to address any grievances. Participants also stated that ‘motivating staff does not mean increasing their salary. This could happen by changing the criteria of performance appraisal such as evaluate the staff by objectives and not keeping it confidential’ (FG 2).

The importance of proper two-way communication was again specified by employees, who firmly felt the need to communicate evaluation standards and bases.

It can be inferred from these findings that the key actions identified are a change and improvement of leaders so that they can lead the work force more effectively. As mentioned in the literature review, the leadership style should be both professional and personal, so that the employees know their goals and objectives yet feel that they are cared for. This point was stressed by many respondents who felt that the leadership style in their organisations was only professional, and not personal.

4.5.8 Training Opportunities

Training and development programs enhance employee performance. Learning experiences, training, performance management, and mentoring are various learning and development techniques used to elicit positive actions based on the career aspirations and ages of the participants (Medcof & Rumpel, 2007). Assessment, training, and development and evaluation are the three steps in a training program. The assessment helps lay the foundation for the training and understand the goals for it. Once the objectives are determined, the training helps the employee accomplish these goals. Finally the evaluation helps understand how the training has helped the employee and provides for the next assessment phase (Cascio, 2006). FG participants were asked about training in their organisations.
The lack of training plans and strategies was mentioned by all respondents: ‘we don’t have training strategy in our organisation’ (FG 1). The lack of such a strategy may deter the growth of specific skills and knowledge required to perform a job. This was noted by several participants: ‘it is not the matter of having training strategy; it is a matter of having an annual training plan’ (FG 2). An annual assessment of employee performance, and subsequent training, were thought to help employees understand areas where they could improve; with training programs they could harness their skills and perform better.

Training programs that did not fit the employees’ needs existed in many organisations; this was also raised during discussions: ‘we don’t have quality training. The company sends us to random training and not as per our needs’ (FG 3). Participants also stated that ‘the company provides training based on Human Resource Development Department agenda or plan. Some of us attend the training which is not even related to our job. It is based on favouritism’ (FG 3).

The presence of training programs which are unrelated to an employee’s field or are random in nature will make employees lose faith in the value of training, and they may not take future job-related programs seriously. Most of the respondents felt that ‘the training course does not fit the current situation because we do not have a career path. That is why the organisation sends us for random training.’

Any training program should be based on the job profile and requirements of the position, and the tasks that are to be done by each employee. A functional team person sent for technical training may not be able to apply it practically; training programs must correspond to the needs of the job.

It can be inferred from group members’ responses that their organisations did not have an effective training program. Either there was complete lack of training opportunities or those provided were not according to the needs of the employees. As noted by Storey and Sisson (1993), training represents an employer’s commitment to his workforce, so poor training programs lead employees to feel a lower commitment to the employer. This could lead to low job satisfaction and result in people exiting the company.

4.5.8.1 Summary

The table below represents a brief summary of the findings regarding the factors which influence and affect employee retention within the organisation.
Table 4.2. Themes that emerged from focus group discussions (FGD) regarding factors that influence and affect employee retention

<table>
<thead>
<tr>
<th>Variable</th>
<th>Retention Factors</th>
<th>FGD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work place environment</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Spatial work</td>
<td>FG 1</td>
</tr>
<tr>
<td></td>
<td>Corridor offices</td>
<td>FG 2</td>
</tr>
<tr>
<td></td>
<td>Future vision and strategic plan</td>
<td>FG 3</td>
</tr>
<tr>
<td>Work place culture</td>
<td>Separate work space for women</td>
<td>FG 4</td>
</tr>
<tr>
<td>Management style and lack of opportunities</td>
<td>Authoritative management style</td>
<td>FG 1</td>
</tr>
<tr>
<td></td>
<td>Lack of centralisation</td>
<td>FG 3</td>
</tr>
<tr>
<td></td>
<td>Lack of empowerment</td>
<td>FG 4</td>
</tr>
<tr>
<td>Positive and negative situations experienced</td>
<td>Do not handle negative situations seriously</td>
<td>FG 4</td>
</tr>
<tr>
<td>in HR</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lack of supervisor and employee relationship</td>
<td>FG 3</td>
</tr>
<tr>
<td></td>
<td>Lack of performance appraisal</td>
<td>FG 3</td>
</tr>
<tr>
<td>Salary and wages in Sharjah</td>
<td>Less paid than other states like Dubai</td>
<td>FG 2</td>
</tr>
<tr>
<td>Compensation and benefits</td>
<td>Lack of health benefits</td>
<td>FG 2</td>
</tr>
<tr>
<td></td>
<td>Lack of transport, house and telephone allowance</td>
<td>FG 1</td>
</tr>
<tr>
<td>Factors that affect the decision to join the</td>
<td>Need of employment</td>
<td>FG 1</td>
</tr>
<tr>
<td>organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Job security</td>
<td>FG 2</td>
</tr>
<tr>
<td>Loyalty towards government</td>
<td>FG 4</td>
<td></td>
</tr>
<tr>
<td>---------------------------</td>
<td>------</td>
<td></td>
</tr>
<tr>
<td><strong>Actions to attract applicants</strong></td>
<td>Establishment of Human Resource Department allocating functions</td>
<td>FG 3</td>
</tr>
<tr>
<td>Change in Leaders</td>
<td>FG 2</td>
<td></td>
</tr>
<tr>
<td>Criteria for promotions</td>
<td>FG 3</td>
<td></td>
</tr>
<tr>
<td><strong>Training Opportunities</strong></td>
<td>-</td>
<td>All FGs</td>
</tr>
</tbody>
</table>

The findings of this study show that the workplace environment within the UAE is a core factor contributing to dissatisfaction and the desire to leave an organisation. In terms of workplace environment, FG1 identified spatial work as the main factor influencing employee retention, while FG2 identified career work, and FG 3 identified future vision & strategic planning as the main factor.

Work place culture emerged as another core factor contributing to employee dissatisfaction and desire to leave. Separate work spaces for women, as per the opinion rendered by FG4, emerged as a major factor in employee dissatisfaction. Poor management style and lack of opportunities emerged as other core factors; FG1 identified authoritative management style as the main influential factor while FG3 identified lack of centralisation and FG 4 identified lack of empowerment.

The findings of the study portrayed positive and negative situations experienced in HR as another key factor contributing to dissatisfaction and resignation. FG4 identified a lack of serious approach to negative situations as the main factor, while FG3 cited the lack of supervisor–employee relationships and lack of performance appraisal.

Salary and wages also contribute to employee dissatisfaction in UAE: FG2 identified less pay than other states like Dubai as a main factor that led employees to opt to leave an organisation. In terms of compensation and benefits, FG2 considered lack of health benefits as the main factor, while FG1 identified lack of transport, house and telephone allowance; this was expressed as comprising one of the various factors that contributed to employee dissatisfaction and desire to leave.
Factors affecting decision-making in joining an organisation were equally identified as core contributing factors to employee dissatisfaction and failure of retention. FG1 identified the need of employment, FG2 identified job security, and FG4 identified loyalty towards government as the main contributing factors.

The establishments of various actions to attract applicants were viewed as another central contributing factor to employee dissatisfaction. FG3 pointed to the establishment of a Human Resource Department allocating functions, FG2 identified a change in leaders, while FG3 identified the criteria for promotions as demoralising. All groups identified the lack of training opportunities, ranking this the most influential factor in contributing to employee dissatisfaction as well as the ultimate desire to leave an organisation.

4.6 Part Two: Semi-structured Interview

4.7 Themes for Analysis

This section presents the results of the semi-structured interview conducted among public organisation HR managers. The interview guide was one the themes, from FGDs chosen to identifying HR practices and factors that affect employee retention in UAE public organisations. In-depth interviews were conducted with seven Human Resource managers.

The six issues discussed in the semi-structured interviews were:

1. What are the selection and recruitment procedures?
2. Do the procedures help recruit the right person at the right time?
3. Does the HR Manager/ Director of Administration have the right to control and manage staff?
4. Is importance placed on the performance appraisal system?
5. What are the retention strategies of the organisation?
6. What barriers affect HR practices in the company?

Data were grouped according to themes (Moustakas, 1994). Clustering and thematising the data elicited in the six interview questions (see Appendix 5) provided the core themes identified below.

4.8 Interviewees’ Demographic Background

During the first stage of the research, seven HR practitioners representing their organisations in Sharjah were interviewed. To preserve anonymity, the seven interviewees
were coded as Interviewee 1 to Interviewee 7. Each interviewee was first requested to provide information about their demographic background. Table 4.3 presents a summary of this information.

Table 4.3. Demographics of participants in semi-structured interviews

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Qualification</th>
<th>Position Title</th>
<th>Years in the current position on the organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>BA Social Science</td>
<td>Head of HR &amp; Admin Dept</td>
<td>8 years</td>
</tr>
<tr>
<td>2</td>
<td>High school</td>
<td>-</td>
<td>2 years</td>
</tr>
<tr>
<td>3</td>
<td>BSc Business Admin</td>
<td>Director of Admin &amp; Financial Department</td>
<td>8 months</td>
</tr>
<tr>
<td>4</td>
<td>Secondary School</td>
<td>Administrative Control Assistant</td>
<td>12 years</td>
</tr>
<tr>
<td>5</td>
<td>Diploma</td>
<td>Head of Admin Department</td>
<td>3 years</td>
</tr>
<tr>
<td>6</td>
<td>High school</td>
<td>Administration Assistant</td>
<td>4 years</td>
</tr>
<tr>
<td>7</td>
<td>Diploma</td>
<td>Head of Admin Department</td>
<td>5 years</td>
</tr>
</tbody>
</table>

Table 4.3 shows that only two of the seven interviewees had Bachelor degrees. This may suggest that there is no relationship between qualification and position: that people may qualify for an HR job at Sharjah without even a basic university degree.

Four of these seven were heads or directors of the HR or Administration Department. One participant did not identify his or her position, and two were administrative assistants in their respective organisations. The maximum experience was eight years; the minimum was eight months.

4.8.1 What are the Recruitment and Selection Procedures?

The intent of this question was to establish the strategic contribution of recruitment practices to the organisations.
4.8.1.1 Recommendation Procedures

One theme was the subjectivity of the selection process, where relatives are recruited when there are vacancies: ‘to be honest, I’ve never interviewed any job seeker. The selection [is] from the general director either via phone or relatives. Sometimes they applied at my department but no action will be taken. On the other hand, if we have [a] vacant [position], we ask [the] Human Resource Department’ (Interviewee 1). This response indicates that the final decisions for recruitment and selection are made by the General Director, with nominal assistance from the HR Department.

There was a semblance of recruitment protocol in other organisations, where a series of interviews was conducted by officers of the company to assess the suitability of the applicant: ‘Directorate of Human Resources usually nominates candidates for a job, and then our general director interviews them. Whoever qualifies and fits the job, we ask him/her to complete his/her documentation’. This respondent stated that the Administrative Control department ‘must approve the vacant [position] before we recruit any candidates’ (Interviewee 3).

At least two of the seven interviewees said that the vacancy has to be approved before recruitment commences. Such approval is centralised with the Administrative Control Department. Although the recruitment was through recommendation, it was typical practice for the HR Head to conduct interviews. This was reported by five of the seven participants, who stated that the candidates applied directly and were interviewed by the General Director’s office. In other organisations, the General Director is synonymous with the HR Head position.

4.8.1.2 Lack of Specific Selection Criteria

While recruitment procedures are in place in some organisations, one interviewee described a lack of specific selection criteria: ‘There are no criteria on selection and recruitment. We just interview them and send all completed documentation such as qualifications and medical check up to the Administrative Control Department in Sharjah for approval. It sometimes takes a couple of days to hear from them’ (Interviewee 4).

4.8.1.3 Need for Consensual Approach

One interviewee expressed the need for a consensual approach to recruiting employees so that a more thorough recruitment decision could be arrived at. ‘I should say that we are
supposed to have a committee that should look after requirement, promotion and resignation. This is according to Sharjah administrative law. Unfortunately, it does exist in the law but very few organisations actually practice it’ (Interviewee -7).

Overall, these responses to Interview Question 1 illustrate that there are formal recruitment procedures in place, in the form of applicant interviews with the HR Director and completion of documentation. However, there are no concrete selection criteria, and no committee overseeing the selection process. There is room (and need) for written criteria by which to select human resources for a particular post (Charvatova & Veer, 2006). A number of studies (Griffeth, et al., 1997; G. Lee, 2006; Steffen & Eva Maria, 2006) link employee turnover with sources of recruitment. In Arab countries, people are keenly aware of each other’s family memberships, identities and status, all of which can influence worker recruitment and discipline, wages and benefits. Access to institutions, jobs and government services is often through family connections (Joseph & Joseph, 2000). The findings of the present study are line with those of Joseph and Joseph (2000), who finds that recruitment is by influence/recommendations.

Abbas (2010) notes that nepotism is common in recruitment for higher positions while qualifications are only used for lower positions, as Arab management styles, being based on tribal and family traditions, suggest that there is little impetus to practise teamwork outside the family; hiring family members makes sense. The practice of nepotism was observed by at least one interviewee. Such behaviour may influence turnover, since there is no deliberate, structured effort to ascertain if a candidate is an ideal match for the post. The lack of required skills may cause undue stress to an incumbent, causing them to find a job elsewhere. The need for a well developed HR team was noted by participants, whose opinions proved to be in agreement with the literature. Structured HRM systems may help attract and retain the talent pool in an organisation.

4.8.1.4 Do the Procedures Help Recruit the Right Person at the Right Time?

There were mixed responses to this question. One common theme that emerged was being constrained in the hiring of qualified candidates by the pay grades offered by public organisations. At least four interviewees expressed concern over this constraint: ‘the procedure does not help sometimes, because some of the experienced candidates are looking for a high salary as well as compensation compared to what they gain with other
organisations. In this case, we can’t recruit them, although the organisation needs their valuable experience’ (Interviewee 1).

A similar sentiment was expressed by another: ‘the degree to which the procedure helps depends on the candidates, sometimes it could help and sometimes not. For instance, I would like to recruit an engineer with experience. And X grade exists. Sometimes, because of the Administrative Control Department, I’m not able to allocate the candidate to X grade, even if it has the same salary of the grade in the neighbour Emirate. So we lose qualified candidates’ (Interviewee 5). This suggests that even if the recruitment specialists think that a higher salary is deserved by an applicant, they cannot change the salary prescribed by law, and only the Administrative Control Department or its head can make such a decision.

In addition to these constraints placed on pay grade levels, ‘it’s well known in all Sharjah government organisations that, for example, Grade 4 will take such salary, depending on their qualifications and years of experience. I would recommend having a club where the candidate can go through a training ladder to fit the position. They are supposed to take incentive courses before they join the organisation’ (Interviewee 3).

A similar concern was that ‘honestly, many of the candidates we select fit certain positions, but decide to leave. They are disappointed with the grade that we assign to them. We don’t have the right to give the candidate at a higher grade, and if we do it, the Administrative Control Department will refuse it ‘(Interviewee 6). Because of the difficulty of hiring applicants that are both fit for a post and willing to accept the salary being offered by the organisation, the respondent opined that ‘it is better to consider applicants who may lack competencies initially and just train them in-house to ensure person-job fit. This will make the recruitment process both expeditious and effective.’

Further, ‘the procedures for determining the salary offered to new applicants may be satisfactory for fresh graduates but not for experienced professionals who already have a wealth of experience and well-developed competencies’ (Interviewee 7).

New applicants are neophytes and may not be too particular about the salary being offered to them; as applicants gain experience, however, they become more discriminating about the compensation package being offered to them. This is difficult for the Recruitment Department because salaries need to be competitive.

Two respondents strongly indicated that the procedures were helpful in recruiting the right talent at the right time. Both interviewees also stated that the Administrative Control
Department was the key to controlling pay grade levels and establishing the hiring procedures of the organisation. Interviewee 2 felt that an administrative control department controlling procedures ‘will give the person the right grade and the right salary’. Interviewee 4 agrees: ‘the procedure helps to recruit each candidate at the right grade; this is of course with the approval of administrative control department’

Clearly, these responses indicate that salary scales act as a constraint in recruiting and may be a prospective contributor to turnover and the inability to hire appropriate candidates. Studies have shown that an offer extended to an employee sends a message about the employer’s commitment to motivate, recognise, and reward performance (Bruce & Ira, 2002). Although the right procedure to achieve this is in place, the present study reveals that scales of pay in public organisations are not on a par with other companies; and nor are qualifications.

4.8.2 Does the HR Manager/ Director of Administration have the Right to Control and Manage Staff?

All respondents acknowledged that they had the right to control and manage their staff. The central controlling power is held by the HR Director; but each interviewee reported being able to oversee and manage the staff that directly reported to them: ‘for my staff, yes, I do have the right to control and manage them’ (Interviewee 1). However, lack of control was also expressed: ‘no, I don’t have the right to control and manage my staff. The General Director has the only right to manage staff’ (Interviewee 2). A third response indicated the way in which these contradictory positions could be held simultaneously: ‘as Director of Admin and Financial Department, I have the right to manage my staff; however I don’t have the power to promote any of my staff. This promotion will be with the General Director’ (Interviewee 3).

There was a further emphasis on the central controlling power of the HR Director: ‘We only follow the direction and decision from the General Director’ (Interviewee 6); ‘I’m here only to follow our General Director’s instructions’, said Interviewee 7, and another distinguished between having authority over staff and having power, and tried to delineate the definition of ‘controlling’: ‘[I control] only my staff, but other staff no. We follow the procedures; however, we cannot control ((Interviewee 5).’

As well as following Sharjah law prescribing HR procedures, public organisations provide a framework for staff management and control. ‘Do you mean controlling the staff via
instructions or rules which exists in the organisation? Yes, I have [that control]’ (Interviewee 6).

Overall, the responses to the question about the right to control and manage staff suggest that Sharjah organisations recognise the authority of the HR Director for the purpose of staff control and management within the framework provided by Sharjah law.

The centralisation of power and decision-making authority to the Administrative Control Department may suggest lack of autonomy and empowerment of staff, and be a possible contributor to turnover. As mentioned in the literature review, there are many aspects to job satisfaction such as autonomy, inter-personal relationships, team environment, work flexibility and the like (Mosadeghrad & Yarmohammadian, 2006), so an environment which permits the employees only to follow orders may lead to low job satisfaction. A certain amount of flexibility in managing and controlling people should be provided. Further, studies show that recognition from managers enhances commitment (Walker, 2001), while others Morrison and Robinson (1997) reveal that employees express negativity and lack of loyalty towards their employer when they failed to be given challenging and interesting work, the freedom to be creative, the opportunities to develop new skills and basic autonomy and control. Proper management and control-enhanced organisational commitment has been studied by number of researchers (Metcalfe & Metcalfe, 2001; Meyer & Allen, 1996; Podsakoff, MacKenzie, & Bommer, 1996) make similar findings. The present study is in line with these in finding a lack of autonomy in Sharjah organisations leading to disaffection and, ultimately, high staff turnover.

4.9 Is Importance Placed on the Performance Appraisal System?

All respondents acknowledged some form of performance appraisal system in their organisation. One interviewee said that their performance appraisal was performed by the Administrative and Control Department: ‘we don’t have an internal appraisal, as we have a ready appraisal from the Administrative Control Department’ (Interviewee 1). Another noted that both the immediate superior and the second level superior had the right to appraise an employee, adding, ‘we send the form to the supervisor of the employee, and he fills the form and then sends it to General Director for his signature. After that, we send it to administrative control department for their information’ (Interviewee 2).’
4.9.1 Required Areas of Improvement

Four out of the seven responses suggested changes that would improve the performance appraisal. The appraisal system is not based on competencies but is mainly anchored on attendance, a point that leads to contention among employees: ‘most of the employees do not agree about their performance appraisal. Its categories are ‘Excellent, Good, Poor, Very Poor’. It depends on their attendance’ (Interviewee 4).

There is a need to increase the sense of equity perceived by employees on the performance of employees, as ‘some of the supervisors evaluated their staff unfairly’ (Interviewee 6). Respondents were concerned about the lack of discussion between superior and staff on the results of an appraisal: ‘the staff does not have chance to discuss his performance appraisal’ (Interviewee 5). Another concern was expressed by one respondent who succinctly commented that the performance appraisal system is characteristically ‘one-way communication’ (Interviewee 7).

One purpose of the performance appraisal system is the evaluation of the performance of new employees: ‘As usual, based on the recruitment date, we send the performance appraisal to his/her supervisor for his comments. For example, staff X has been recruited on 13/9/2009. On 13/9/2010, we send the appraisal to his supervisor, general director as well as the administrative control department’ (Interviewee 4). This interviewee suggested similarities to the ‘typical’ performance appraisal system, undertaken by one’s superior and reviewed by a second level superior.

In general, the responses to the question on performance appraisal systems show that some form of system exists among Sharjah organisations. The immediate superior carries out the appraisal, while the HR General Director affixes his signature to the form. The eventual recipient of the form is the Administrative Control Department. There are concerns: the objectivity of the performance appraisal system, lack of a mechanism for feedback, and the lack of competency-based criteria for assessing performance all came under criticism. Such problems may influence workers’ satisfaction with the job, and the effectiveness of their relationship with their superiors; with implications for intent to leave. Studies reveal that employment and recruitment procedure, and proper performance appraisal linked to incentive compensation, are likely to lead to lower employee turnover, higher productivity and enhanced corporate financial performance (Delaney & Huselid, 1996; Delery & Doty, 1996; Kallenerg & Moody, 1994; MacDuffie, 1995); the results from this study are supported by their findings. The results of the qualitative study reveal the
lack of a proper performance evaluation system, showing a negative relationship between HRM practices and their influence on the retention of core employees.

4.9.2 What are the Retention Strategies Employed in the Organisation?

All interviewees revealed, either directly or indirectly, the absence of retention strategies in their organisation: ‘What do you mean by retention strategy? We don’t have such a strategy in our organisation as we don’t have a right to increase salary or even offer compensation’ (Interviewee 1). Another respondent concurred: ‘no retention strategy is existent in our organisation....Lots of employees resigned and no one asked them the reason or encouraged them to stay. We have lost lots of qualified staff and they went to other organisations’ (Interviewee 2).

Two of the interviewees said that all employees are welcome to resign if they decide to do so and there is no attempt to retain employees who pursue this decision: ‘we do our procedures if someone resigns. We never ask the person to stay. This is a personal decision; (Interviewee 5). Another person emphasised this attitude: ‘our manager said, if someone would like to resign, he/she is welcome. How do you want us to put such a strategy to retain our staff?’ (Interviewee 6) This statement indicates that retention is not well understood by staff. They may perceive it as a shallow attempt to ask the employee to stay within the organisation, rather than an overarching framework or philosophy that is meant to engage employees.

Two interviewees felt the need to install retention strategies. One respondent suggested that it was high time such strategies were recommended and deployed by the Administrative Control Department: ‘we don’t have any strategy; however, it may be timely to recommend such a strategy to the administrative control department’ (Interviewee 1). The sentiment was shared by another respondent who recognised the authority of the HR Director in ensuring such strategies were in place: ‘If we need to make a retention strategy, we need to accept employees’ needs. However, as HR Director, I’m not authorised to accept their needs. I have a higher authority that holds the right to accept/ reject their needs’ (Interviewee 3).

In general, retention strategies are not practiced in Sharjah organisations. While there seems to be indifference towards employees who intend to leave, perceiving their decision as primarily personal, there is also an acknowledgement that such strategies are timely and
that the Administrative Control Department has the authority to design and implement such strategies within Sharjah organisations.

As mentioned in the literature review, retention strategies are fast gaining importance in the corporate hemisphere. It behoves organisations to give them due importance (Jones & Skarlicki, 2003). Mobley (1982) finds pay to be the most important factor in retention rate, with high centralisation, low integration and low communication as contributing factors; the results derived from the interviews and focus group discussions in this study show how these factors have become extremely important in the corporate world. Given this, it is essential to take extra initiatives to provide a motivating factor to employees to stay with their organisation.

4.9.3 What Barriers Affect HR Practices in the Company?

‘We don’t have barriers’ (Interviewee, 2).

Other respondents did acknowledge barriers that influence their HR practices. Two culprits were the leadership of the HR Department and HR policy: ‘First, the HR Department should be at the top of paradigm or organisation structure because as HR directors, we will have the chance to practice HR roles. Second, we need to have our internal HR policy which supports us to retain UAE nationals in our organisation’ (Interviewee 1).

A related concern was the efficiency with which the Administrative Control Department delivered its services: ‘everything is fine; however, sometimes the delay of the procedures in the administrative control department affect on our work’ (Interviewee 4).

Two interviewees agreed that empowerment was a key factor to improving HR practices. One argued that HR supervisors must have a greater sense of empowerment: ‘empowerment as HR supervisors. We don’t have the right to take any decision. This can be a barrier in practicing HR’ (Interviewee 5). Such empowerment must extend to all phases of the employee’s life cycle, as was emphasised by other employee: ‘the governance or centralisation. We need to have the right to select and recruit, promote, award, etc, without going back to another entity for their approval. This will give us a chance to select the best candidates and retain the best of them’ (Interviewee 7).

Two interviewees identified inadequate training as a barrier to HR practices, and a need to improve the training budget. ‘Training is a big barrier for our organisation, as we have 0 training budget. We are not able to send our staff to training programs. We stick to the
training calendar of Directorate of Human Resource Department’ (Interviewee 3). Another respondent concurred with this sentiment: ‘I want to [put] emphasis on training, if we have the right to send our staff for training, this will be good. However, we have to go through other channel which is Directorate of HR Department’ (Interviewee 6).

Overall, the barriers to HR practices include the leadership of the HR Department and HR policy, the need for empowerment, and training.

4.10 Conclusion

The findings discussed in this chapter help us to understand the human resource problems existing in organisations and the effect they have on employee satisfaction. Some of the key issues identified on the basis of the interview and focus group discussion are: The human resource functions are present, but employees are given no autonomy. The findings from the FG discussions indicate that although human resource functions were present, employees were denied autonomy in their job functions. While they would have liked to have their voice heard by management, they were denied this opportunity as they were not allowed to participate in the process of decision-making.

Oddly, the findings indicate that the recruitment process is not supervised by a particular governing body. This is means that, unlike the state of Sharjah, which has developed administrative control departments within its governmental HR departments responsible for all personnel management activities like recruitment, selection, promotion and termination, UAE has not established a body to take responsibility for such activities.

On the other hand, the salary and compensation on offer act as deterrents to attracting the talent pool. While it is evident that salary and compensation play a significant role in motivating individuals to give full commitment to duty, low wages and lack of attractive compensation benefits played a significant role in disinclining the employees from rendering their best work.

Limited promotional opportunity and career growth indicate a lack of hope. While it is apparent that opportunities for self development are bound to bring forth both satisfaction and motivation, the findings of this study indicate that the limited opportunities for promotion had a demoralising effect.

Furthermore, the findings show that lack of respect from or support by supervisors leads to loss of job satisfaction. Good relationships between management and employees act as an
aspect of job satisfaction, but this aspect received little attention, as the Islamic principles governing the rule of authority within an organisation advocate a course of behaviour different from what common employees would perceive as important. The poor relationship that prevailed between employees and supervisors should have demanded reference to the higher authorities, but this was hampered by the fact that the common staff were not permitted to go over the heads of their immediate supervisors.

This study reveals that supervisors tended to lack significant perceptions on leadership skills. These are important, and are bound to govern the way authorities address the needs of employees, but this study shows that supervisors tended to address issues that would increase profitability with little regard to employees’ needs.

Poor supervisor–employee relationship skills were deemed a contributing factor to the lack of employee satisfaction. While it is evident that the welfare of employees can only be improved through good relationships among themselves, the divisions that prevailed between Islamic supervisors and other people prevented the creation of a suitable network of communications which would open the pathway for employees to communicate their expectations to management while learning of their expected outputs in return. Furthermore, poor working conditions are a core factor in contributing to employee dissatisfaction. While effective communication facilitates employee satisfaction within any given organisation, the significant communication barrier between management and employees, as well as between Islamic and non-Islamic workers, contributes to a remarkable level of dissatisfaction. The fact that UAE is governed by Islamic principles means that employees are allowed to render any plea only to the immediate supervisor, who in turn is bound to communicate it to management; there is no facility for a direct link between upper management and employees.

The argument by Bergmann et al. (1994) that a well designed benefit package can help attract and retain employees is strongly reinforced by the results of this research. The interviewees’ responses show that a stress on salary is not the only factor determining intent to stay: employees are willing to compromise on salary provided they receive other benefits. The lack of autonomy and centralisation are also significant issues in determining job satisfaction and intent to stay.

Proper communication is essential within any system, and an appraisal and feedback mechanism help employees share the organisation’s goal and objectives. The criteria for assessment were not communicated clearly to employees in any of the organisations under
study, whether in UAE or Sharjah; this is discussed in the literature review in the next section of this study, and illustrates that most organisations do not have a strategy to retain their workforce. UAE is different from other organisations in that almost all its efforts are directed towards building sufficient communication networks, ranging from the way its physical structures within the work environment are built to the way management defines the type of relationship that is to prevail between employers and employees. Apparently, this is a core demoralising aspect of UAE to its employees, explaining why employees opt to leave the organisation.

The analysis of the FG discussion and semi-structured interviews shows that human resource practices have a strong relationship with employee satisfaction and retention in public organisations. All the issues discussed above currently create a negative impact on, and lower job satisfaction for, employees. This may lead to a low retention rate. The HR factors that affected employee retention identified in this study include compensation, decentralisation (autonomy), two-way communication (appraisal system and basis), and training and development programs. This is directly related to the findings in the literature review, where Rondeau and Wagar (2001) in their study of the association between these HR activities and the individual’s intention to quit find that employees in organisations with a sophisticated HR system are less likely to quit their job in the next two years than those in organisations with no proper HR system—like Sharjah’s public organisations. The results of the present study therefore support Rondeau and Wager’s findings, identifying those factors that together most influence an employee’s decision to stay or leave.

The main finding in this chapter that affect retention conclude in the below point:

- Salary and compensation on offer act as determents to attract talent pool.
- Limited promotional opportunities and career growth.
- Lack of relationship between employees and their leaders.
- Lack of leadership skills.
- Poor communications between employees.
- Lack of empowerment.
Chapter 5: Findings of Quantitative Analysis

5.1 Introduction

Chapter Three noted that this research includes a combination of quantitative and qualitative methods in the analysis of the relationship between human resource practices and employee retention in public sector organisations. This necessitates the consideration of the many objective processes (usually referred to as HR practices) that are always at work in professional organisations. We also need specific information about workers’ preferences when opting for or leaving any job, based on the level of satisfaction the job provides (or fails to provide). With these in mind, two separate objective questionnaires were created. The first questionnaire was distributed to a random sample of government employees in Sharjah and Dubai governmental organisations, to pave the way for the second questionnaire for employees who had left government employment in Sharjah. These two questionnaires were used to develop an understanding of how well Sharjah’s governmental organisations, were equipped to provide and maintain working conditions that encouraged employee retention. The first questionnaire [Form 1], included questions regarding employees in Dubai to provide a comparison with Sharjah in terms of correlations between HR practices, job satisfaction, organisational commitment, and intention to stay, in both states of the UAE; it provided a solid basis for the analysis of employee retention in Sharjah’s governmental organisations.

This chapter presents the specific results of the survey and of the interviews with former employees, followed by a discussion of the combined results. The discussion identifies the HRM factors that influence employee retention, in the UAE in general, and in Sharjah particularly.

5.2 The Survey Questionnaire

This section records data gathered in the survey of Sharjah’s and Dubai’s governmental organisations, and provides specific information about nationals employed in these organisations. Of 300 targeted respondents, 154 completed the survey questionnaire, a 51.33% response rate. Descriptive and inferential statistics were computed from the results to draw substantive conclusions.
5.2.1 Part 1: Combined Respondents from Sharjah and Dubai: Results

5.2.1.1 Demographic Characteristics

Research such as this demands a high degree of objectivity when drawing conclusions, so measures were taken to ensure that the sample of respondents in the survey not only represented various organisational levels but also justified the requirement of random selection. In total, 154 respondents participated in the survey, 67.5% from Sharjah and 32.5% from Dubai. Males made up 51.9% of the overall sample, and females 48.05%. Of the respondents, 30.5% supervised others in an official capacity while the other 69.5% were employees discharging specific duties. The respondents differed in their work experience: 25.3% had less than 1 year’s experience, followed by 16.9% with 1 year, 35.1% with 2–5 years, 15.6% with 6–10 years, and 7.1% with over 10 years. When profiled by age, respondents under 26 made up 43.5% of the sample; 26–35 years, 44.8%; 36–45 years, 7.1%; 46–55, 3.9%; and 56–65 years, 0.65%.

Of the respondents, 35% of employees said they had worked under their immediate superior for less than 1 year, 25% for 2–5 years, 31%; 5% for 6–10 years, and 4% for over 10 years. The respondents also represented various levels of academic attainment: 2.60% had not completed high school; 24.0% had a high school certificate or the equivalent; 33.7% had earned a diploma; 1.9% had earned an Associate (2-year) degree; 35.1% had a Bachelor’s degree; and 2.6% had a Master’s or higher degree—a figure consistent with published governmental data on the UAE (Claros & Zahidi, 2005). Although the employment levels from which participants were drawn significantly favour men (Randeree, 2006), the study had almost equal ratios of males and females, in order to avoid gender bias.

5.2.1.2 Analysis of Retention Factors

The investigation focused on five variables: HR Practices, Job Satisfaction, Organisational Commitment, Leadership, and Intent to Leave/Stay. The first four are independent variables, while the last one is dependent.

All variables were measured on a 5-point Likert scale. The scale used to interpret the variables ranged from 1.0–1.5 corresponding, to responses of Strongly Disagree / Extremely Dissatisfied, followed by 1.50–2.49 for Disagree /Dissatisfied, 2.50–3.49 for Neutral /Not Sure, 3.50–4.49 for Agree /Satisfied; and finally 4.50–5.00: Strongly Agree /Extremely Satisfied.
Table 5.1. Descriptive statistics; HR practices, job satisfaction, organisational commitment, leadership, and intent to stay/leave

<table>
<thead>
<tr>
<th>Retention factors</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR Practices</td>
<td>3.64</td>
<td>0.77</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>3.48</td>
<td>0.73</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>3.28</td>
<td>0.37</td>
</tr>
<tr>
<td>Leadership</td>
<td>3.89</td>
<td>0.77</td>
</tr>
<tr>
<td>Intent to Leave/Stay</td>
<td>2.73</td>
<td>1.01</td>
</tr>
</tbody>
</table>

For HR Practices, the mean was X=3.64 and the standard deviation observed was 0.78, suggesting that the respondents found HR practices satisfactory. Job satisfaction yielded an average of 3.48, indicating that respondents were neutral about their job situation overall. Organisational commitment garnered an average of 3.28, indicating that the respondents were also neutral in manifesting organisational commitment. Leadership yielded an average of 3.89, indicating that respondents agreed with the leadership practices within their respective organisations. Finally, intent to leave or stay received an overall rating of 2.73, suggesting that the respondents were neutral as far as any intent to leave their organisations was concerned (see Table 5.1). Overall, the findings revealed that intent to leave or stay received lowest rating, followed by commitment, satisfaction, leadership, and HR practices.

5.2.1.3 HR Practices and Employee Retention:

In order to determine the association between HR practices, job satisfaction, organisational commitment, and leadership styles on employee retention, the researcher used correlation analysis. Table 5.2 shows that intent to leave the organisation is significantly and negatively correlated with HR practices (r=-.353, p<.0001), job satisfaction (r=-.356, p<0.001), and leadership (r=-.388, p=.00).
Table 5.2. Relationship between HR practices and employee retention

<table>
<thead>
<tr>
<th>Scale</th>
<th>Pearson r</th>
<th>Significance (p value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intent to Leave</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR Practices</td>
<td>-.353**</td>
<td>.000**</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>-.356**</td>
<td>.000**</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>-.070</td>
<td>.391</td>
</tr>
<tr>
<td>Leadership</td>
<td>-.388**</td>
<td>.000**</td>
</tr>
</tbody>
</table>

**significant at the .01 alpha level

In order to examine the relationship between HR practices and employee retention, Pearson correlations were used. The result suggests that the more HR practices are perceived to be sound and effective by employees, the less likely they are to leave. If they are satisfied with their jobs, the probability of leaving the organisation also decreases. Finally, when leadership is perceived to be positive, there is a decreased chance of voluntary turnover. However, the results show no significant relationship between organisational commitment and intent to leave.

5.2.1.4 Relationship between HR practices with Demographic Variables

In order to examine the relationships between demographic variables and the HR practices, t-test and one-way ANOVAS were used. The findings related to job location are presented in Table 5.3.

Table 5.3. Relationship between HR practices by location

<table>
<thead>
<tr>
<th>Location</th>
<th>n</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>t value</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR Practices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharjah</td>
<td>104</td>
<td>3.59</td>
<td>0.8</td>
<td>-1.3</td>
<td>0.198</td>
</tr>
<tr>
<td>Dubai</td>
<td>50</td>
<td>3.76</td>
<td>0.7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 5.3 shows that for HR Practices, the mean for Sharjah is 3.59, suggesting that the respondents agreed to the soundness of HR practices. The means for Sharjah and Dubai are similar and suggest reasonably sound HR practices in both. Although this suggests a trend, location does not play a role with regard to HR practices, as there was a lack of significant relationship between location and HR practices (p=0.198). In terms of job satisfaction, both Sharjah and Dubai employees had similar means and was not significant difference in job satisfaction between these two locations (p=0.193). Further, location does not influence organisational commitment (p=0.806). However, leadership practices (p=0.022) and intent to leave or stay (p=0.002) were significantly different in the two locations. The Dubai respondents rated their organisations’ leadership practices higher, and as expected from the correlation above Sharjah respondents indicated a greater intent to leave than respondents in Dubai.

5.2.1.5 Comparisons by Gender

*significant at the .05 level  **significant at the .01 alpha level

Table 5.4. Comparisons by Gender – T-Test
Table 5.4 shows no significant difference between males and females in terms of job satisfaction (t=1.52, p=.13) or intent to leave (t=-.091, p=.93). On the other hand, there are significant differences in HR practices (t=2.71, p=.008); organisational commitment (t=2.16, p=.032); and leadership (t=2.34, p=.021). Overall, males showed significantly higher values than females in each case. This could be due to the cultural norms in this area of the Arab world.

5.2.1.6 Comparisons by Supervising Others

Table 5.5. Descriptive statistics of variables by need to supervise others

<table>
<thead>
<tr>
<th>Supervision of Others</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>T value</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HR Practices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>yes</td>
<td>47</td>
<td>3.5</td>
<td>0.9</td>
<td>-1.4</td>
<td>0.168</td>
</tr>
<tr>
<td>no</td>
<td>107</td>
<td>3.7</td>
<td>0.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Job Satisfaction</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>yes</td>
<td>47</td>
<td>3.3</td>
<td>0.8</td>
<td>-1.6</td>
<td>0.106</td>
</tr>
<tr>
<td>no</td>
<td>107</td>
<td>3.5</td>
<td>0.7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 5.5 shows the means of the groups who supervise staff under them and those who do not, for the variables HR practices, job satisfaction, organisational commitment, leadership and intent to leave/ stay. There are no significant differences in terms of HR practices ($t=-1.38, p=.17$); job satisfaction ($t=-1.63, p=.11$); organisational commitment ($t=-.58, p=.56$); and intent to leave ($t=-.10, p=.92$). The only variable where a significant difference is leadership ($t=-2.27, p=.025$), where those who do not supervise other rated leadership higher than those with supervisory responsibilities.

### 5.2.1.7 Comparisons by Tenure

*Table 5.6. One-way ANOVA by tenure*

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HR Practices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>4.611</td>
<td>4</td>
<td>1.153</td>
<td>1.956</td>
<td>.104</td>
</tr>
<tr>
<td>Within Groups</td>
<td>87.828</td>
<td>149</td>
<td>.589</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>92.439</td>
<td>153</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Job Satisfaction</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>4.263</td>
<td>4</td>
<td>1.066</td>
<td>2.002</td>
<td>.097</td>
</tr>
<tr>
<td>Within Groups</td>
<td>79.335</td>
<td>149</td>
<td>.532</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>83.598</td>
<td>153</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 5.6 shows that none of the factors registered significant differences among the various tenure groups.

### 5.2.1.8 Comparisons by Time Served under Immediate Superior

**Table 5.7 One-way ANOVA by time served under immediate superior**

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR Practices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>6.550</td>
<td>4</td>
<td>1.637</td>
<td>2.841</td>
<td>.026*</td>
</tr>
<tr>
<td>Within Groups</td>
<td>85.889</td>
<td>149</td>
<td>.576</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>92.439</td>
<td>153</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>7.792</td>
<td>4</td>
<td>1.948</td>
<td>3.829</td>
<td>.005**</td>
</tr>
</tbody>
</table>
In order to examine the relationships between time served under an immediate supervisor and between age groups, and to determine if they differ significantly from one another, one-way ANOVAS were used. The findings are presented in Table 5.7.

Table 5.7 shows the influence of time served with an immediate superior on HR practices (F=2.84, p=.026), where the highest mean is of those with <1 year of service under their immediate superior and the lowest is of those with 6–10 years’ service. There is a significant difference in job satisfaction (F=3.83, p=.005). The highest mean is that of the <1 year group, and the lowest is, again, for the 6–10 years group. There is also a significant difference in intent to leave (F=3.37, p=.01), with the 6–10 years group having the strongest

<table>
<thead>
<tr>
<th></th>
<th>Within Groups</th>
<th>Total Between Groups</th>
<th>Total Within Groups</th>
<th>Total</th>
<th>Between Groups</th>
<th>Within Groups</th>
<th>Total</th>
<th>Between Groups</th>
<th>Within Groups</th>
<th>Total</th>
<th>Between Groups</th>
<th>Within Groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational Commitment</td>
<td>75.806</td>
<td>149</td>
<td>.509</td>
<td>83.598</td>
<td>153</td>
<td>.379</td>
<td>4</td>
<td>.095</td>
<td>4</td>
<td>.688</td>
<td>.601</td>
<td></td>
</tr>
<tr>
<td>Leadership</td>
<td>20.512</td>
<td>149</td>
<td>.138</td>
<td>20.891</td>
<td>153</td>
<td>2.657</td>
<td>4</td>
<td>.664</td>
<td>4</td>
<td>1.111</td>
<td>.353</td>
<td></td>
</tr>
<tr>
<td>Intent to Leave</td>
<td>89.066</td>
<td>149</td>
<td>.598</td>
<td>91.723</td>
<td>153</td>
<td>12.987</td>
<td>4</td>
<td>3.247</td>
<td>4</td>
<td>3.371</td>
<td>.011*</td>
<td></td>
</tr>
</tbody>
</table>

*significant at the .05 level  **significant at the .01 alpha level
intent and the >10 years expressing the least intent to leave their organisations. There are no significant differences among groups in terms of organisational commitment (F=.69, p=.60) or leadership (F=1.11, p=.35). So ‘new’ staff have higher perceptions of HR and job satisfaction and lower intention to leave except the >10 group.

5.2.1.9 Comparisons by Age

*Table 5.8. One-way ANOVA by age*

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>HR Practices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>5.163</td>
<td>4</td>
<td>1.291</td>
<td>2.204</td>
<td>.071</td>
</tr>
<tr>
<td>Within Groups</td>
<td>87.275</td>
<td>149</td>
<td>.586</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>92.439</td>
<td>153</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Job Satisfaction</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>2.281</td>
<td>4</td>
<td>.570</td>
<td>1.045</td>
<td>.386</td>
</tr>
<tr>
<td>Within Groups</td>
<td>81.316</td>
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<td>.546</td>
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</tr>
<tr>
<td>Total</td>
<td>83.598</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Organisational</strong></td>
<td></td>
<td></td>
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<tr>
<td>Commitment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>.499</td>
<td>4</td>
<td>.125</td>
<td>.912</td>
<td>.459</td>
</tr>
<tr>
<td>Within Groups</td>
<td>20.392</td>
<td>149</td>
<td>.137</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>20.891</td>
<td>153</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Leadership</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>.894</td>
<td>4</td>
<td>.224</td>
<td>.367</td>
<td>.832</td>
</tr>
<tr>
<td>Total</td>
<td>20.891</td>
<td>153</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 5.8 shows that there are no significant differences between age groups on any of the variables.

5.2.1.10 Comparisons by Educational Attainment

*Table 5.9. One-way ANOVA by educational attainment*

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HR Practices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Between Groups</td>
<td>1.391</td>
<td>5</td>
<td>.278</td>
<td>.452</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>91.048</td>
<td>148</td>
<td>.615</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>92.439</td>
<td>153</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Job Satisfaction</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Between Groups</td>
<td>1.039</td>
<td>5</td>
<td>.208</td>
<td>.372</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>82.559</td>
<td>148</td>
<td>.558</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>83.598</td>
<td>153</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 5.9 shows no effect of educational attainment on HR practices.

5.2.2 Summary

The above results indicate that the more HR practices are perceived to be sound and effective by employees, the less likely they are to leave. In addition, if they are more satisfied with their jobs, their probability of leaving the organisation also decreases. Finally, when leadership is perceived to be positive, there is a decreased chance of voluntary turnover.

There were some variables in the perception of these factors according to demographic variables. Dubai employees gave a higher rating of organisations’ leadership practices than sis Sharjah employees. However, the results showed no significant relationship between organisational commitment and intent to leave. Perceptions of leadership and intent to leave do vary with the location. Leadership was rated higher in Sharjah than Dubai. Further, Sharjah respondents indicated a greater intent to leave than respondents in Dubai. Another
demographic variation is that males tend to be more committed and to display more leadership skills than females. Finally, those without a need to supervise seem more in agreement than those with supervisory responsibilities. The other demographic variables, age and education do not play a role in HR practices.

Further, more HR practices are perceived to be sound and effective by employees, the less likely they are to leave. If they are satisfied with their jobs, the probability of leaving the organisation also decreases. The relationship between HR practices and location of work depicted that HR Practices, the mean for Sharjah is 3.59, suggesting that the respondents agreed to the soundness of HR practices. The means for Sharjah and Dubai are similar and suggest reasonably sound HR practices in both. Although this suggests a trend, location does not play a role with regard to HR practices, as there was a lack of significant relationship between location and HR practices (p=0.198). In terms of job satisfaction, both Sharjah and Dubai employees had similar means and was not significant difference in job satisfaction between these two locations (p=0.193).

5.3 Part 2: Sharjah Sample Questionnaire With Former Employees

The questionnaire administered to former employees of Sharjah government organisations was intended to reveal their attitude towards the company they had left. This should shed light on the data collected among employees working in Sharjah and Dubai.

Results below are presented in three parts: the first part indicates the level of satisfaction respondents feel towards their previous/latest job; the second part indicates the level of importance attached to the factors listed in Appendix 3. The details of these factors are presented in Appendix 3. Third part is a statistical respondents’ satisfaction according to the importance they gave each reward factor. The statistically significant differences indicate areas in which to enhance satisfaction.
5.3.1 Descriptive Statistics: Satisfaction

The data on Satisfaction was first analysed by examining frequency distributions.

Table 5.10. Frequency and percentage distribution: Satisfaction with salary

<table>
<thead>
<tr>
<th>Salary satisfaction</th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Some</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>A fair amount</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Quite a bit</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.10 show that 40% of employees were somewhat satisfied with their salary and another 40% were satisfied quite a bit. However, only 20% reported a fair amount of satisfactions. Surprisingly, none reported being either very satisfied or a lot. Overall, the results indicate an average level of satisfaction with the organisation.

Table 5.11. Frequency and percentage distribution: satisfaction with policies and procedures

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Some</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Quite a bit</td>
<td>30</td>
<td>60.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Regarding organisational policies and procedures, 60% of the respondents reported being quite a bit satisfied, while 40% said they received some satisfaction. Thus, the level of satisfaction was generally low.
Table 5.12. Frequency and percentage distribution: satisfaction with being recognised when I do a good job

<table>
<thead>
<tr>
<th>Level</th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A fair amount</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Quite a bit</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A lot</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Only 40% of the respondents said that they got a fair amount of recognition for doing their work; 20% considered their work was recognised quite a bit and 40% said they got a lot of appreciation for doing a job well. Thus, Table 5.12 shows the results indicated that the satisfaction level was evenly spread on either side of the scale.

Table 5.13. Frequency and percentage distribution: satisfaction with having a supportive supervisor

<table>
<thead>
<tr>
<th>Level</th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very little</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Some</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A fair amount</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Quite a bit</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Table 5.13 shows that 40% felt they received quite a bit of support from their supervisor, while, 20% said that they had received very little, some, or a fair amount of support. The
frequency of distribution with regard to satisfaction levels with supervisors indicates that quite a few people agreed that they received good support from their supervisors.

**Table 5.14. Frequency and percentage distribution: satisfaction with benefits (satisfaction)**

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very little</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Some</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>A fair amount</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Table 5.14 shows that 40% employees have some or a fair amount of benefits, while 20% said that they received very little.

**Table 5.15. Frequency and percentage distribution: satisfaction with understanding what is expected of me**

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very little</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Some</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Quite a bit</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A lot</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

The above table shows that 20% of employees felt they had very little understanding of the expectations of their job, while 20% believed they had quite a bit or a lot of understanding. Overall understanding, the feeling of understanding what was expected of them, is low.
Table 5.16. Frequency and percentage distribution: satisfaction with having supportive co-workers

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Some</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A fair amount</td>
<td>40</td>
<td>80.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.16 shows that 80% of employees received a fair amount of support from co-workers, while the remaining 20% received only some support.

Table 5.17. Frequency and percentage distribution: satisfaction with getting the training I need to do my job well

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very little</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Some</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A fair amount</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Quite a bit</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The above table shows that 40% of the employees felt they received a fair amount of the training that they needed to do the job well, while percentages of 20% each felt they received very little, some, and quite a bit of this factor. Overall, satisfaction with training level received is low.
Table 5.18. Frequency and percentage distribution: satisfaction with having good communication with my supervisor

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Some</td>
<td>30</td>
<td>60.0</td>
</tr>
<tr>
<td>Quite a bit</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Very much</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.18 shows that 60% of employees had some satisfaction with the communication between themselves and their supervisor while 20% each recorded quite a bit to very much satisfaction. Overall, communication was considered satisfactory.

Table 5.19. Frequency and percentage distribution: satisfaction with being able to balance my work and home life

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very little</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A fair amount</td>
<td>40</td>
<td>80.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.19 shows that 80% of the respondents were fairly satisfied with their ability to balance work and home life while 20% were little satisfied. Overall, employees were satisfied with the balance between work and home life.
Table 5.20. Frequency and percentage distribution: satisfaction with feeling good about my work.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Some</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>A fair amount</td>
<td>30</td>
<td>60.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The above table illustrates that 60% of respondents felt good about their work, while 40% admitted they were only fairly satisfied.

Table 5.21. Frequency and percentage distribution: satisfaction with being fairly treated by my supervisor (satisfaction).

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very little</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Some</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A fair amount</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Quite a bit</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A lot</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.21 shows that satisfaction with treatment by their supervisor was evenly spread, with 20% each recording very little, some, a fair amount, quite a bit and a lot of satisfaction.
5.3.2 Summary

The above frequencies are summarised in the means column in Table 5.29.

Table 5.22. Descriptive statistics: satisfaction

<table>
<thead>
<tr>
<th>How satisfied I was with these aspects of my work</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Very little</th>
<th>Some</th>
<th>Fair amount</th>
<th>Quite a bit</th>
<th>A lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Being recognised when I do a good job</td>
<td>4</td>
<td>0.904</td>
<td>0</td>
<td>0</td>
<td>40</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>My salary</td>
<td>3</td>
<td>0.904</td>
<td>40</td>
<td>20</td>
<td>40</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Being treated fairly by my supervisor</td>
<td>3</td>
<td>1.429</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Company policy and procedures</td>
<td>3.2</td>
<td>0.99</td>
<td>40</td>
<td>-</td>
<td>60</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Having good communication with my supervisor</td>
<td>3.2</td>
<td>1.616</td>
<td>60</td>
<td>20</td>
<td>20</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Having a supportive supervisor</td>
<td>2.8</td>
<td>1.178</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>40</td>
<td>-</td>
</tr>
<tr>
<td>Understanding what is expected of me</td>
<td>2.8</td>
<td>1.485</td>
<td>20</td>
<td>40</td>
<td>20</td>
<td>20</td>
<td>-</td>
</tr>
<tr>
<td>Having supportive co-workers</td>
<td>2.8</td>
<td>0.404</td>
<td>20</td>
<td>80</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Getting the training I need to do my job well</td>
<td>2.6</td>
<td>1.03</td>
<td>20</td>
<td>20</td>
<td>40</td>
<td>20</td>
<td>-</td>
</tr>
<tr>
<td>Being able to balance my work and home life</td>
<td>2.6</td>
<td>0.808</td>
<td>20</td>
<td>80</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Feeling good about my work</td>
<td>2.6</td>
<td>0.495</td>
<td>40</td>
<td>60</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>
Respondents expressed high satisfaction at being recognised for a good job. The factors that were considered fairly satisfactory included company policy and procedures; Having good communication with the supervisor; salary; being treated fairly by the supervisor; having a supportive supervisor; understanding what was expected of them; having supportive co-workers; getting the training needed to do the job well; being able to balance work and home life; feeling good about work and benefits. Although there is a need to have strong recognition for the work, there is little focus on employee benefits, as revealed by these results. Results show that the main factor that cause employee turnover is not receiving recognition when they do a good job; thus appreciation plays a big role in retention.

5.3.3 Descriptive Statistics: Importance

*Table 5.23. Frequency and percentage distribution: salary (importance)*

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quite a bit</td>
<td>30</td>
<td>60.0</td>
</tr>
<tr>
<td>A lot</td>
<td>20</td>
<td>40.0</td>
</tr>
</tbody>
</table>

Table 5.23 shows that 60% of respondents reported that the salary is quite a bit important, whereas 40% said its importance was a lot.
Table 5.24. Frequency and percentage distribution: company policies and procedures (importance)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quite a bit</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>A lot</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Very much</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.24 shows that 40% each of respondents reported that company policies and procedures were quite a bit and a lot important, whereas 20% considered them very important.

Table 5.25. Frequency and percentage distribution: being recognised when I do a good job (importance)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A lot</td>
<td>30</td>
<td>60.0</td>
</tr>
<tr>
<td>Very much</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The above table shows that all respondents put a high value on being recognised for good work, with 60% saying it had a lot of importance and 40% considering it very important.
Table 5.26. Frequency and percentage distribution: having a supportive supervisor (importance)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A lot</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Very much</td>
<td>30</td>
<td>60.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.26 shows that 60% of the employees reported that having a good supervisor was very important for them, while the remaining 40% still gave it a lot of importance.

Table 5.27. Frequency and percentage distribution: my benefits (importance)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Some</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A fair amount</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A lot</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Very much</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.27 shows that benefits were held to be very important to 40% of the respondents; 20% each said it had some, a fair amount, and a lot of importance, respectively.
Table 5.28. Frequency and percentage distribution: understanding what is expected of me (importance)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quite a bit</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A lot</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Very much</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

The above table illustrates that 40% of employees reported that understanding what was expected of them had a lot of importance or was very important.

Table 5.29. Frequency and percentage distribution: having supportive co-workers (importance)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A lot</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Very much</td>
<td>30</td>
<td>60.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Table 5.29 shows that having the support of co-workers was very important to 60% of respondents, and had a lot of importance for the remaining 40% of the employees.
Table 5.30. Frequency and percentage distribution: getting the training I need to do my job well (importance)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quite a bit</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>A lot</td>
<td>30</td>
<td>60.0</td>
</tr>
<tr>
<td>Very much</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The above table shows that 60% of employees reported that getting the training that enabled them to do their jobs well held a lot of importance for them while 20% found it only quite important, while the other 20% considered it very important.

Table 5.31. Frequency and percentage distribution: having good communication with my supervisor (importance)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A lot</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Very much</td>
<td>40</td>
<td>80.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The above table shows that having good communication with their supervisor was very important to 80% of the respondents, and held a lot of importance for the other 20%.

Table 5.32. Frequency and percentage distribution: being able to balance my work and
home life (importance)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A lot</td>
<td>30</td>
<td>60.0</td>
</tr>
<tr>
<td>Very much</td>
<td>20</td>
<td>40.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.32 shows that 60% of respondents reported that balancing work and home life held a lot of importance for them; while 40% expressed that it was very important.

Feeling good about their work was very important for all respondents.

Table 5.33. Frequency and percentage distribution: being treated fairly by my supervisor (importance)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A lot</td>
<td>10</td>
<td>20.0</td>
</tr>
<tr>
<td>Very much</td>
<td>40</td>
<td>80.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.33 shows that 80% of employees considered being fairly treated by one’s superior was very important for them, while 20% held it had a lot of importance.
Table 5.34. Descriptive statistics: importance.

<table>
<thead>
<tr>
<th>How important these aspects of my job are to me</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feeling good about my work</td>
<td>6.0</td>
<td>0.00</td>
</tr>
<tr>
<td>Having good communication with my supervisor</td>
<td>5.8</td>
<td>0.404</td>
</tr>
<tr>
<td>Being treated fairly by my supervisor</td>
<td>5.8</td>
<td>0.404</td>
</tr>
<tr>
<td>Having a supportive supervisor</td>
<td>5.6</td>
<td>0.495</td>
</tr>
<tr>
<td>Having supportive co-workers</td>
<td>5.6</td>
<td>0.495</td>
</tr>
<tr>
<td>Being able to balance my work and home life</td>
<td>5.4</td>
<td>0.495</td>
</tr>
<tr>
<td>Being recognised when I do a good job</td>
<td>5.4</td>
<td>0.495</td>
</tr>
<tr>
<td>Understanding what is expected of me</td>
<td>5.2</td>
<td>0.756</td>
</tr>
<tr>
<td>Getting the training I need to do my job well</td>
<td>5.0</td>
<td>0.639</td>
</tr>
<tr>
<td>Company policy and procedures</td>
<td>4.8</td>
<td>0.756</td>
</tr>
<tr>
<td>My salary</td>
<td>4.4</td>
<td>0.495</td>
</tr>
<tr>
<td>My benefits</td>
<td>4.4</td>
<td>1.641</td>
</tr>
</tbody>
</table>

The levels of importance respondents attached to these factors suggest that the following were very important to them: Feeling good about my work, Having good communication with my supervisor, and Being treated fairly by my supervisor. Salary, company policy and procedures and benefits are rated least.
Table 5.35. T-tests: satisfaction (with actual experience) vs. importance.

<table>
<thead>
<tr>
<th></th>
<th>T value</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>-20.004</td>
<td>.000</td>
</tr>
<tr>
<td>Company policy and procedures</td>
<td>-22.862</td>
<td>.000</td>
</tr>
<tr>
<td>Being recognised when I do a good job</td>
<td>-20.004</td>
<td>.000</td>
</tr>
<tr>
<td>Having a supportive supervisor</td>
<td>-26.192</td>
<td>.000</td>
</tr>
<tr>
<td>Benefits</td>
<td>-15.718</td>
<td>.000</td>
</tr>
<tr>
<td>Understanding what is expected of me</td>
<td>-21.000</td>
<td>.000</td>
</tr>
<tr>
<td>Having supportive co-workers</td>
<td>-49.000</td>
<td>.000</td>
</tr>
<tr>
<td>Getting the training I need to do my job well</td>
<td>-34.293</td>
<td>.000</td>
</tr>
<tr>
<td>Having good communication with my supervisor</td>
<td>-12.160</td>
<td>.000</td>
</tr>
<tr>
<td>Being able to balance my work and home life</td>
<td>-26.192</td>
<td>.000</td>
</tr>
<tr>
<td>Feeling good about my work</td>
<td>-48.582</td>
<td>.000</td>
</tr>
<tr>
<td>Being treated fairly by my supervisor</td>
<td>-16.807</td>
<td>.000</td>
</tr>
</tbody>
</table>

Table 5.35 shows a significant connection between respondents’ satisfaction with the factors discussed above and the importance they give them, to (p<0.001). Employees are not satisfied with the any of the factors listed in Table 5.35, and they expect the organisations to provide better work place, good leadership skills, and other procedures.
5.4 Discussion (Combined Survey and Survey with Former Employees Results)

5.4.1 Overview of Retention Factors

The results of the survey suggest that, in general, respondents in both Dubai and Sharjah agree on the soundness of HR practices and are neutral about job satisfaction and organisational commitment. They agree on the levels of leadership within their respective organisations. They are neutral insofar as intending to leave their organisations is concerned. These results suggest that the respondents are generally neither satisfied nor dissatisfied with their jobs, as attested by the neutral ratings. Such neutrality is reflected in their level of commitment to their organisations. It is also reflected in their ambivalence about staying in their jobs. They do agree that their leaders manifest effective leadership practices. These findings are reinforced by the findings of the survey with former employees in Sharjah, where there are significant gaps between satisfaction levels and the degree of importance attached to each criterion.

5.4.2 Correlation of Retention Factors

Intent to leave the organisation is significantly and negatively correlated with HR practices, job satisfaction, and leadership. The first result suggests that the more HR practices are perceived to be sound and effective, the less likely employees are to leave. If they are more satisfied with their jobs, there is also less likelihood that they will leave the organisation. The correlation between satisfaction and intent to leave is evidenced in the interviews with former employees, where all the factors that influence satisfaction were deemed inadequate, as shown by the significant t-values comparing actual satisfaction to degree of importance attached to the factor. The most important factor is feeling good about their work; however the benefits manifest as giving least satisfaction. When leadership is perceived to be positive, there is less chance of voluntary turnover; achieving good relations between supervisors and subordinates will help embed employees within organisations, and provide a disincentive for employees to quit (Clarke, 2001; Jones & Skarlicki, 2003; Morrow, et al., 2005; Taplin & Winterton, 2007).

There is no significant relationship established between organisational commitment and intent to leave. This, in particular, means that staying within an organisation may not
represent commitment to the organisation. Employees may opt to stay because they need to earn a living, or for some reason other than being committed to the organisation itself.

5.4.3 **Relationship between Location and HR practices**

Comparisons between Dubai and Sharjah show no significant differences on HR variables except on leadership: where Dubai respondents rate it higher (Table 5.3) seem to agree more on leadership practice, Sharjah respondents seem to display a greater intent to leave than respondents in Dubai. These results suggest that employees in Dubai sense better leadership than those in Sharjah and respond positively to it. This is consistent with findings in the literature, as when employees do not feel they are receiving strong leadership and influence from their superiors, they find less reason to stay with the organisation. The factor that influences satisfaction in Sharjah is recognition, as shown by the significant t-values comparing what they deem important and what they actually receive.

5.4.4 **Relationship between Gender and HR practices**

There are significant differences between males and females in their perception of HR practices, organisational commitment, and leadership, with males generally reporting higher levels of satisfaction. Males in the UAE are generally more committed to their organisations, are happier with HR practices, and have a sense of stronger or more effective leadership than females. These outcomes are to be expected in a highly patriarchal society such as the UAE, where there still remains discrimination by gender even in governmental employment.

5.4.5 **Relationship between Need for Supervision and HR Practices**

The only variable where a significant difference is found is leadership, where those without a need to supervise rate it higher than those with supervisory responsibilities. It is to be expected that those with the need to supervise are sensitive to good or more effective leadership. Since they are leaders themselves, they will tend to advocate leadership practices and express agreement about the exercise of these. Moreover, they are more likely to be more sensitive to leadership practices because they are more familiar with them.
5.4.6 Relationship between Tenure and HR Practices

The one-way analysis of variance indicates that none of the factors registered significant differences among various tenure groups. This result is surprising, as it was conjectured that those with longer tenure would tend to give higher scores in the areas of HR practices, job satisfaction, organisational commitment, and leadership, and lower scores on intent to leave, because as employees spend more time with an organisation they become accustomed to and comfortable with its HR practices, leadership norms, and other qualities.

5.4.7 Relationship between Time Served under Immediate Superior and HR Practices

There are several significant variables in this category, stratified by time served with the immediate superior. These variables include HR practices, where the highest mean is those with <1 year of service under their immediate superior, and the lowest mean those with 6–10 years’ service under their current head. This result might be expected, as new employees are still in the ‘honeymoon’ stage and idealistic in their expectations of the organisation. Those who have stayed for some while are accustomed to how the organisation works and are more in touch with the realities of the enterprise.

There is also a significant difference in job satisfaction, where the highest mean is that for <1 year group and the lowest again for the 6–10 years group. There is likewise a significant difference in intent to leave, with the 6–10 years group having the strongest intent and the >10 years expressing the least. Those with very long tenure tend to have developed strong loyalty to the organisation and therefore are likely to express stronger job satisfaction and weaker intent to leave. Hence, 6-10 years group are still in the ‘honeymoon’ stage and idealistic in their expectations of the organisation. Those who have stayed for some while are accustomed to how the organisation works and are more in touch with the realities of the enterprise.

5.4.8 Relationship between Age and HR Practices

The one-way analysis of variance shows no significant differences based on age. This result has not met the expectation that the oldest and youngest would give higher scores in the areas of HR practices, job satisfaction, organisational commitment, and leadership, and
lower scores on intent to leave. As employees spend more time with an organisation, they become accustomed to its HR practices and leadership norms, among other qualities, and are score the organisation highly. On the other hand, those who are very young tend to be more idealistic, and are also expected to score highly. The highest score by the youngest employees may perhaps indicate their high level of expectations than experienced levels of the employees.

5.4.9 Relationship between Educational Attainment and HR Practices

There are no significant differences among the groups when stratified by educational attainment. This outcome did not meet expectations since it was thought that those with higher educational attainment would tend to be more critical of HR practices, job satisfaction, leadership, and organisational commitment, and so show higher intent to leave. Since they have more job options, they were also expected to explore other opportunities, compared with those with lower educational qualifications and fewer options.

5.4.10 HR Practices

The positive evaluation of HR practices in the UAE, in both Sharjah and Dubai is encouraging. This suggests that, in general, governmental employees feel their work conditions are good. They believe that the recruitment and selection processes are impartial and that favouritism is not evident, and that appointments in their organisations are based on merit (that the best person for a job is selected regardless of personal characteristics). They express agreement that their organisations provide them with training opportunities, enabling them to extend their range of skills and abilities. Moreover, they have the opportunity to discuss their training and development requirements with their employers, who pay for any work-related training or development they want to undertake. They consider that their organisations are committed to the training and development of employees. In light of this, it is possibly no surprise that they see their organisations as being committed to building strong relationships with their employees.

These results contrast with those garnered from the interviews with Sharjah’s former employees, which indicate that none of these areas met employees’ expectations.

Studies show that a global point of view is useful in human resource management, as it reveals the true nature and background of HRM practices (Guthrie & Olian, 1991; Jackson &
Schuler, 1995; R. Locke & Thelen, 1995). However, there are fewer written works and published writings about HRM in the UAE than in many other countries (Budhwar & Mellahi, 2007; Okpara & Wynn, 2008). A number of authors have argued that the Middle East, like other developing areas, focuses on understanding cultural traditions and restricting employees from taking part in making decisions (Ali, 2004; C. Robertson, et al., 2001; Tayeb, 1997). This is clearly indicated in the former employees’ questionnaire, where the majority of respondents rated HR practices followed by the UAE organisations as poor; thus the present study confirms this viewpoint.

HR practices greatly affect how employees act and behave towards their work and company (Huselid, 1995; Ordiz & Fernández, 2005). In Middle Eastern countries, organisations and employees tend to take similar approaches towards their work and therefore have similar attitudes towards HR practices. However, a significant number of differences between countries have been identified that social and cultural issues alone cannot explain. There are many factors that shape the way HRM is used in any one area, and while these may include region-specific national and religious factors others are also important (Budhwar & Mellahi, 2007; Murphy, 2001).

A ‘high commitment’ HR system is one in which an organisation allows employees to become involved in and dedicated to the achievement of the organisation’s goals and objectives (Arthur, 1994; Youndt, 2000). Through high commitment practices, employees become aware of how important it is to be responsible for their career paths and to align their personal growth and gain with that of their organisation (Baron & Kreps, 1999; B. Becker & Gerhart, 1996). When this idea is applied to the specific groups studied, it can be seen in this study that those who tend to be less satisfied with HR practices are females, older employees and those with moderate lengths (6–10 years) of service.

That moderately long-serving staff (6–10 years) are less satisfied with HR practices could be due to the focus these days on youth and fresh graduates rather than experienced personnel. This, of course, could indicate that they are overlooked for training by their employer.

Women may need to focus on family matters especially within the first two years of having a baby. Beyond this, organisations with different groups such as young and old, men and women, experienced and new employees, need to cater to the different needs of each. The HR system should be built in such a way that it meets the expectations of the employees and involves them in achievement of the organisation’s goals and objectives. Further, they
need to make employees and managers aware of the importance of commitment to both organisational and personal growth.

The above findings suggest that UAE organisations should leverage the soundness of their HR practices, as current practices are not effective. According to Baron & Kreps (1999), the practices involved in a high commitment system focus on giving more to employees so that they can, in turn, give more to the organisation. A high involvement approach to management makes use of practices that allow workers to be responsible for their own management and smooth running (Lawler, 1992). Through high commitment practices, workers are able to develop their skills, gain information, deepen motivation and achieve a greater sense of confidence (Thomas, Kochan & Osterman, 1994; Lawler, 1992; Levine, 1995; Pfeffer, 1998).

Making use of high commitment practices among UAE organisations implies two things: on one hand there will be a higher chance of employees being retained (Arthur, 1994; Huselid, 1995; Shaw, et al., 1998); on the other hand, firms may be exposed to reorganisation practices that have been connected with the reduction or even loss of employees (Guthrie, 2001).

Despite this possibility, positive outcomes are expected from HR practices that consider both intrinsic and extrinsic factors in UAE organisations. A study conducted by Huselid (1995) involving more than 900 organisations in the US found that human resource practices are of two types. First are those that focus on skill improvement; second are those that focus on enhancing interest and motivation. It was discovered that financial effectiveness and a positive change in employees’ attitudes followed from skill-enhancing practices, because employees were more effectively selected, trained and encouraged to develop. Activities that enhanced motivation, such as performance evaluation, also increased the rate of productivity. Arthur (1994) was able to demonstrate that high commitment systems of human resources can be directly related to the retention of employees by enhancing their sense of performance and contribution.

The present study reveals that HR practices in UAE organisations are not fully effective. In particular, women, older aged and experienced employees are dissatisfied with current HR practices, which can be observed from their neutral levels of commitment towards the organisation. The higher ratings given by younger employees reflect their high level of expectations rather than experience. Hence, Sharjah public organisations need to employ HR practices that make the employees commit towards the organisations.
5.4.11 Organisational Commitment

Employees in this study expressed neutrality in terms of organisational commitment as measured by the survey. This means that they are neither very committed to nor detached from their organisation. They are unlikely to put in a great deal of effort to help their organisation be successful beyond that normally expected. They are also neutral in terms of ‘talking up’ their organisation to their friends as a great place to work. Their loyalty to their company is ambivalent, and few would accept almost any type of assignment in order to keep working for the organisation. Moreover, they are neutral about being proud to say that they are part of the company, and few claim that they are extremely glad they chose to work for the organisation over others—in fact, a few did not even like working for their organisation. Employees also reported neutral perceptions of the similarity of their value and the organisations’; they were unsure about how often they agreed with the company’s policies on important matters relating to them.

Neutrality does not stop there. Respondents do not know if small changes in personal circumstances would cause them to leave the company, or if a large change would be required; few feel there is much to be gained by sticking with the organisation indefinitely. Nor do they really care about the fate of their company, or think that their organisation is the best. There is no strong sense of ‘belonging’ to an organisation; and no emotional attachment to it.

Commitment refers to how involved an employee is with the company’s goals and principles (Mowday et al, cited in Price, 2003 p. 261). According to Foote et al (2005), a large number of studies suggest that employees show organisational commitment because they look at their company as a ‘higher entity’ which they wish to follow. Porter et al (1974) suggest that employees must be able to do three things to develop organisational commitment: recognise the company’s objectives, be motivated to work hard for the company, and wish to remain in the company. Employees who are committed choose to stay with their company (Meyer & Allen, 1997).

Allen et al. (cited in Price, 2003, p. 262) argue that affective commitment, which relates to how emotionally attached an individual is to an organisation, is vital to worker satisfaction. Workers who have deep affective commitment to their organisation communicate that feeling to co-workers and so share their principles (Sommer, et al., 1996). This differs from normative commitment, whereby an employee feels obliged to commit to the organisation
as part of his or her responsibilities as an employee (Allen et al., cited in Price 2003, p. 262; and from continuance commitment, whereby employees are aware of the costs and other risks associated with leaving the organisation and so opt to remain with their financial benefits and obligations in mind (Sommer, et al., 1996).

Mayer and Allen (1991) note that as commitment develops after an employee has experienced the satisfaction of his needs, companies should control and manage the experiences they provide to their workers so the desired commitment will develop. If employees feel that the company is not committed to them, this may result in disaffection, and an intent to leave (Meyer & Allen, 1997).

In this study males expressed more organisational commitment than females. If employees are not satisfied with their jobs, they will not be fully committed to the organisation, which will increase employee turnover. Human resource practices and style in Sharjah may cause employees to commit half-heartedly, and leave readily. Findings suggest, too, that females may commit less to their organisations since they are less satisfied with HR practices and experience lower job satisfaction. However, this finding may not be conclusive, as in the participation of females in Sharjah organisations is low. Perhaps this fact contributes to the low organisational commitment of females: institutionalised gender bias could be the reason for this finding.

5.4.12 Job Satisfaction

Job satisfaction was rated as neutral by employees. This suggests that employees feel that their salary or wage, and the value of the pay and fringe benefits they receive, are not at a satisfactory level. They are also neutral with regard to feeling a sense of accomplishment from their jobs. Other areas which are rated neutral include the amount of support and guidance they receive from their supervisor, the amount of independent thought and action they can exercise in their job, the amount of challenge in their jobs, and the quality of supervision.

There is a significant difference in job satisfaction insofar as time served under a superior is concerned, with the highest mean for the < 1year group and the lowest still for the 6–10 years group.

It is somewhat alarming to note that job satisfaction is only neutral. Carol and Richard (2001, p. 235) define job satisfaction as how an individual reacts to his/ her working
environment. Both intrinsic and extrinsic elements are involved in job satisfaction (Clark, et al., 1996). The development of skills and the provision of responsibility and challenges are examples of intrinsic elements (Clarke et al, 1996), while material aspects like wages and benefits are extrinsic. According to Purcell et al. (cited in Armstrong, 2003, p. 240), companies are more successful when their employees are motivated and have a strong commitment, and especially when they have job satisfaction. The most important factors that affect job satisfaction are job opportunities and influence, as well as cooperating in joint efforts, which are considered extrinsic elements. These are areas UAE organisations may consider, to improve the sense of job satisfaction among their employees, in comparison to intrinsic factors such as salary, bonuses, and other benefits.

Pay systems as well as working conditions and regulations are important factors in achieving job satisfaction (S. Cohen & Bailey, 1997; Maertz & Griffeth, 2004; Taplin & Winterton, 2007). Naumann (1993) suggests that an employee’s satisfaction, as well as any decision to stay or leave, is also affected by interaction with other people in the work environment. For example, if an employee is loyal to his supervisor, this will deepen his job satisfaction and may increase his intent to stay.

Becker (1992) and Williams and Hazer (1986) all find that job satisfaction is related to organisational commitment. Workers commit to an organisation if they are satisfied with their jobs, compared with those who are not (Chen, 2007). This finding is contested by Curry et al, (1986), who do not agree that a relationship exists between organisational commitment and job satisfaction; but it is endorsed somewhat by Vandenbarg and Lance (1992), who find that organisational commitment brings about job satisfaction, which is a reversal of the cause and effect of the Becker (1992) & Williams and Hazer (1986) findings.

Parsons (1998) takes the connection between job satisfaction and organisational commitment and finds that it applies to staff turnover as well. Evidence suggests that when an employee is not satisfied with his job, chances of retention are low, leading to high turnover of employees. Other factors that contribute to job satisfaction include salaries and benefits, location and working conditions, communication with co-workers, relationships with various people, standards of the organisation, safety measures and protection, and a team environment (Mosadeghrad & Yarmohammadian, 2006).

The findings of this research indicate that Dubai has a lower intention to leave rate because of high job satisfaction, mainly due to shifts in and reorganisation of human resource practices to enhance employees’ satisfaction with their work. Employee loyalty is the main
reason for low intention to leave. This is highlighted by the finding, which shows that Dubai employees demonstrate different attitudes than their Sharjah counterparts. This is because organisations operating in Dubai seem to reflect the vision of their leaders, paying more attention to the employees’ needs at the highest level, in parallel with the practices of international organisations in the labour market.

5.4.13 Leadership

Overall, respondents viewed leadership favourably. In practice, employees feel that their leaders encourage slow-working people to greater efforts, that they are willing to listen to job-related problems, that they show how to improve performance, and that they pay attention to their staff, respecting their opinions and encouraging their efforts. The respondents agree that their supervisors make them feel valued and exercise practices that make a positive contribution to the effectiveness of their organisation.

Although all respondents placed a high value on leadership practices, those in Dubai rated it more highly than those in Sharjah, and males were generally more satisfied with it than females. Those without a need to supervise also seemed more in satisfied agreement than those with supervisory responsibilities.

According to Risher and Stopper (2001), individuals have to accomplish four tasks to be considered effective leaders: offer guidance, ensure proper performance, build commitment and dedication, and confront challenges in different situations. A good leader focuses on finishing tasks and maintaining strong relations with co-workers (Covin, et al., 1997), and persuades and encourages the team to plan, develop, and complete work (Brower, 1995). Adler (1991) adds that leadership is influenced by cultural aspects. When a good relationship exists between employee and employer, employees do not form intentions to leave (Morrow, et al., 2005); one way to make sure that employees are cooperative is to present a leadership style they can approve of (Savery, 1991). Reinout et al. (1998) find that leadership that is human-oriented increases job satisfaction.

Not all people respond to the same forms of leadership. Susan (1999) contends that various leadership styles are necessary to achieve job satisfaction at different levels. For instance, showing support and consideration to an employee will lead that employee to feel highly satisfied with his job. In particular, transformational and charismatic leadership styles ‘result in a high level of follower motivation and commitment as well as well above average organisational performance (Bryman, 1992; Eby, Freeman, Rush, & Lance, 1999; Nanus,
According to Clarke (2001), Jones and Skarlicki (2003) and Taplin and Winterton (2007), leadership style can clearly influence employee satisfaction, as well as overall performance and the prospect of retention. However, leaders must keep in mind that even though leadership styles influence an organisation and its departments and teams, there should not be a single style (Goleman, 2000). At present, public organisation leaders are taking a new approach to leadership, which allows flexibility in applying rules and indicates respect for the opinions of workers; both are seen to increase job satisfaction.

Studies in several countries find a relation between leadership and job satisfaction (Y. Berson & Linton, 2005; Mosadeghrad, 2003; Seo, Ko, & Price, 2004) and argue that leadership as well as organisational culture affects and influences an employee’s commitment and level of job satisfaction (Lok & Crawford, 1999, 2004; Zeffane & Al Zarooni, 2008).

In the present study, leadership was related to employees’ commitment. In Sharjah, although employees rated leaders as supportive, they were not satisfied with current HR practices demonstrating that leadership is not the only variable which influences job satisfaction. Thus, the present results are in contrast with findings that leadership influences employee’s commitment and level of job satisfaction (Lok & Crawford, 2004).

### 5.4.14 Intent to Leave

Intent to stay or leave was been rated neutrally by respondents. This implies that they are ambivalent about leaving their organisations and unlikely to be searching actively for an alternative position. Few are sure that, if it became possible, they would leave. They are also neutral about whether, if they received a job offer that paid the same as the one they have, they would immediately leave their organisation. This could be impacted by other factors at their organisation such as geographic location and other consequences such as pension scheme. Therefore, the respondents are neutral about moving to other organisations.

There is a significant difference in intent to leave insofar as time served under a superior is concerned, with the 6–10 years group having the strongest intent and the >10 year group expressing least interest in moving.

When a company is able to retain skilful employees, this proves useful in the long run; however, retention offers certain challenges, as current research indicates (Barney, 1991;
Companies are aware of the benefits of employee retention. Given the lack of manual labour that occurs from time to time and gives companies problems when looking for high-performing employees (Jones & Skarlicki, 2003), companies try to come up with ways to improve the production rate of their labourers (Leeves, 2000) even as their workers look for better opportunities, taking advantage of their rarity.

The individuals upon whom this study is based are members of the UAE labour force. Employees in UAE have a high turnover rate. Studies indicate that the expense of recruiting a new staff member is double that of retaining an existing one; because of this, HR practitioners are being encouraged to identify the causes of turnover so an approach can be established to counter the trend (Sutherland, 2002).

Recent studies show that organisations that experience low rates of turnover incorporate practices such as giving employees the opportunity to participation in more ways than providing labour. This approach emphasises staff development, and being clear about working terms and conditions (Fernie & Metcalf, 1996). Some studies also show that a worker’s decision to stay or leave depends on behaviour of the supervisor, the way a company makes its policies and how the employees respond to them (Gaertner & Nollen, 1992).

5.5 Conclusion

The outcomes of the present study lend support to the theoretical framework initially presented in Chapter Two (see page 72). The factors of HR practices, job satisfaction, commitment, leadership, retention, labour markets and organisational culture indeed interact with each other. In particular, HR practices are linked to enhanced employee satisfaction and greater commitment to work, and through these means encourage retention. The above results indicate that the more HR practices are perceived to be sound and effective by employees, the less likely they are to leave. In addition, if they are satisfied with their jobs, the probability that they will leave the organisation decreases.

Finally, when leadership is perceived to be positive there is a decreased chance of voluntary turnover. Dubai employees show greater agreement with their organisations’ leadership practices, but the results show no significant relationship between organisational commitment and intent to leave. Leadership and intent to leave do, however, differ with location. Sharjah respondents seem to have a greater intent to leave than respondents in Dubai. Males tend to have more positive perceptions of commitment and leadership skills
than females. In addition, a significant difference is found is leadership, where those without a need to supervise seem more in agreement than those with supervisory responsibilities. Age and education do not play a role in HR practices. This study goes some way towards identifying traits in the UAE that indicate the links between employee retention and satisfaction.
Chapter 6: Conclusions, Implications and Recommendations

This chapter contains seven sections. The first section presents a summary of the study’s results. This is followed by the discussion of results, a comparison between Dubai and Sharjah implications for theory, implications for practice, and conclusions.

6.1 Summary of Results

The purpose of this study was to identify HR practices and factors that affect employee retention in the United Arab Emirates, with emphasis on public organisations in a comparative approach between Sharjah and Dubai. To accomplish this task, both quantitative and qualitative research approaches have been used. A non experimental survey, using a semi-structured interview, was employed as the primary instrument to collect data. This was supplemented with a questionnaire and focus groups.

Based on the results of the study, answers to the research questions are discussed below:

6.2 Question 1: How do HR Practices Affect Employee Retention in UAE Public Sector Organisations?

The research objectives were to determine what extent HRM practices and organisational culture affect the retention of employees within an organisation. The questionnaire focused on aspects like leadership style, appraisal systems, compensation, and the environment of the workplace, decentralisation aspects, and strategies of development, training, and retention. These findings could then be used in understanding the practices of the Human Resources related to the retention of employees in public organisations.

The responses of the participants in the study give a clear indication of how HR practices affect the satisfaction of employees and have implications for their subsequent retention in the organisation. The major aspects that affect an employee, according to the findings, are job security, job descriptions, and job profiles. The desires of most employees are decentralisation and reduced hierarchy in the workplace. They also desire empowerment and accountability in their areas of work. This means that they require specialised training (Barber & Bretz, 2000; Chiu, et al., 2001; Rynes & Gerhart, 2000).

In both Sharjah and Dubai HR practices were evaluated positively, according to the survey results. The impression created is that government employees in general feel that their conditions are good. They are content with the recruitment and selection processes, which
they consider impartial and free of favouritism. The employees also seem happy with the opportunities offered to them for training, enabling them extend their professional abilities and skills. Overall, the employees think that the organisations they are working for are committed to nurturing good relationships with their workforce. Branham (2005) emphasises that adequate communication between management, employees, and other departments is the prime reason workers stay with an organisation.

However, interviews with former employees in Sharjah give the impression that the employees’ expectations were not met. It is obvious that former employees are unlikely to give a hundred percent approval of the companies for which they no longer work. The reasons that made them move away feature as the negative issues such employees mentioned during interviews.

The majority of employees feel that the changes being made in terms of human resources management practices and style are not sufficient, and that the workplace environment is not fully suitable to the working needs of employees; they blame this state of affairs for both absenteeism and the rate of turnover. Safety is a major concern, and employees hold reservations about the extent to which their working environment is free of health hazards.

The FGD carried out among Sharjah government organisations indicate that employees are not quite satisfied with the efforts being made to inculcate a culture of growth, particularly through the apportionment of sufficient and appropriate office space. For this reason, employees fail to fully benefit from being part of an organisational culture and environment that facilitates personal growth. The employees have a strong desire to be given tasks that facilitate personal development and professional achievement. Such an environment, they say, will enable them to have a sense of responsibility as well as provide motivation to work well. The work environment provided by UAE organisations is, according to most participants, unsatisfactory. One of the participants commented that the environment was poor because the building space in which the company was based was not designed with future goals in mind. There was also a lack of a pleasant environment to work in, such as small office spaces and narrow corridors, offering an uncomfortable setting.

The participants feel that the attention being paid to cultural and socio-economic and political aspects because of the employees’ varied cultures is not sufficient. Meanwhile, they agree that the national culture has a direct influence on organisational culture. In the case of UAE, there is a rather peculiar problem in that the majority of the workforce is expatriate, so that people from many different cultures are in proximity. The research
participants indicate that workplace culture is not highly satisfactory, and strategies are needed to improve it.

Sound HR practices seem to affect employee retention in UAE public sector organisations in a positive way. The converse here is that unsound HR practices definitely lead to an increase in turnover. Sound HR practices are an indication of satisfaction with the current job, translating into a remote possibility of leaving an organisation. Moreover, HR practices seem to have to do with leadership. The results show that whenever employees perceive organisational leadership positively, the likelihood of voluntary turnover is dramatically lowered.

The study does not discover any relationship between HR practices and the demographic variable of location. Although there is similarity between Sharjah and Dubai in terms of the soundness of HR practices, this does not in any way suggest a demographic trend in terms of location. This lack of relationship may be attributed to the overarching influence of the national culture in UAE, which overshadows any organisational differences that may exist between public sector settings. The gender demographic reflects significant differences, not only in HR practices, but also in organisational commitment and leadership. Males rated this more highly than females in every case. This is an indication that HR practices are not being applied uniformly to both genders.

6.3 Question 2: What Factors Influence Employee Retention within UAE Organisations?

Lack of empowerment and management style are some of the factors that influence the retention of employees, all over the world and within UAE organisations. Many of the participants in the research stated that the main style of leadership is the centralised style of management. There were indications that employees did not like this centralised style, and that it affected their intention to stay with the organisation. Such organisations may benefit from a different style of leadership, which may be less authoritarian, perhaps participatory or delegating in style. A business management style that is autonomous operates independently in aspects of costs and profits, and the process of decision-making makes middle managers accountable not to the organisation’s top executive members but to the immediate superior manager. These managers have the responsibility of ensuring the effectiveness and success of their particular area; such empowerment enhances self esteem and leads to a less rigid, more contented workforce.
Few participants in this study reported that the management style of their organisation was decentralised. Those under centralised leadership wanted changes that would enable them to have a sense of responsibility, give them the power to make decisions, and permit them be involved in decision-making. For example, one of the participants criticised the need to seek approval for leave from the general department director, proposing that such approval could be left to the HR director, to reduce processing time for minor matters and create commitment within the HR system. Other forms of delegation of roles might be allowing the accounts department to make decisions about petty cash transactions. A centralised form of management restricts employees from being creative and hampers them from making even minor decisions. Low job satisfaction is indicated in a work place which has low autonomy.

The leadership style used in an organisation shows various managerial behaviours, attitudes, and skills characteristics that directly influence job productivity, commitment and satisfaction. Performance appraisal is another aspect that influences employee contentment, especially in Sharjah. Study participants requested programs of appraisal and assessment with clear and communicable criteria. If such programs are not well articulated, employees may feel that they are not logical or fair. Through appraisal programs, employees can evaluate themselves and consider ways of improving their performance. Unsatisfactory appraisal systems may provoke employees into leaving the job.

Participants also raised the problem of discrimination among supervisors when evaluating performance, a factor that negatively impacts on those employees who are not favoured. They also felt that the HR team should focus on communicating the results of an evaluation to the employee being clear about goals and being consistent in the terms of assessment. Such strategies will remind employees of organisational goals and help them commit to those goals.

Employees in both Sharjah and Dubai indicated that having good communication with their immediate supervisors was one of the most important aspects of their work. They also regarded highly the practice of being fairly treated by their supervisors all the time. Employees did not seem to draw a connection between company policies and practices on the one hand and any aspects of their work on the other. This may be because there is no direct relationship between a company’s policies and the employees’ ability to feel good about their immediate work environment. It is common for individuals to assess their level of satisfaction relative to that of their colleagues; the most important assumption among
employees giving this view is that whatever policies and procedures the company puts in place should be applied uniformly.

Given this, it is clear that leadership style is the most important factor influencing employee retention in the UAE public sector. This is relevant, as the impact of HR practices is assumed to be more prevalent and so should influence leaders to motivate and increase the level of engagement and productivity of their employees, thus fostering high job commitment, high job satisfaction, and intention to stay. However, the least important factor is company rules and policies. A company’s policies do not greatly influence how employees feel about their immediate work environment, so they do not affect retention.

6.4 Question 3: How do HR Practices Affect Employee Commitment and Job Satisfaction in UAE Public Sector Organisations?

Some UAE organisations have displayed aspects of discrimination and bias that have damaged their image and provoked employees into resigning. An essential role of HR is to ensure there is just and fair handling of the needs of all employees. HR personnel have the responsibly of ensuring proper salary and wages are given to employees, depending on the work level and quality. They should also devise a reward system which is systematic and fair, and supports the organisation’s norms and culture of equity (Lobel, 1996). A critical aspect in satisfying the needs of employees is to provide them with a job design and job description they are content with. The compensation system should also be just and fair, as indicated by research participants. This means that there should be a salary scale that shows that one is paid according to one’s job performance.

Participants made the point that most organisations lack compensation benefits like allowances for air tickets, housing, or telephone, among others. The bonus established by the service civil law in Sharjah is not enough to attract educated staff such as Masters degree holders. Health insurance was not provided, making employees in Sharjah organisations feel insecure about working off medical bills.

According to Deloite (2009), the only way to attract and retain a desirable work force is by planning for the future needs of employees and providing sufficient initiatives to attract suitable personnel. Research participants called for the establishment of a department within organisations to plan for both present and future needs. They saw a need for staff to be taught the difference between administration management and human resource
management, and stressed the importance of having HRM in their organisations for the sake of retaining employees and attracting highly qualified applicants. The participants also called for leaders who could encourage employees in appropriate directions. This meant that HRM leaders needed to be highly qualified and committed to the needs of their staff, giving their organisations guidance in how to improve staff satisfaction and retention. The HR departments should also be responsible for providing training to employees; many of the participants reported that their organisations did not offer this, limiting the development usefulness of their staff. For organisations to start training its employees they first have to carry out assessments to weigh the points which require to be addressed within the organisation (Medcof & Rumpel, 2007); this too was seen as a task for the HR department.

Participants made the point that most organisations’ HR practices have no provision for compensation benefits like allowances for air tickets, housing, or telephones, among others. These omissions cause some lack of satisfaction and commitment. The bonus established by the service civil law in Sharjah is not enough to attract educated staff such as Masters degree holders. Health insurance is not provided, and this makes employees in Sharjah organisations feel insecure about working off medical bills.

One of the most important ways of attracting retaining a desirable work force is by planning for the future needs of employees and providing sufficient initiatives to attract suitable personnel. Research participants called for the establishment of a department within organisations to plan for both present and future needs. They saw a need for staff to be taught the difference between administration management and human resource management, and particularly to be made aware of the role that the human resources department plays in attracting and retaining highly qualified applicants. Moreover, the participants called for leaders who could encourage employees in appropriate directions. This meant that HRM leaders needed to be highly qualified and committed to the needs of their staff, giving their organisations guidance on how to improve workers’ satisfaction and retention. The HR departments should also be responsible for providing training to employees; many participants reported that their organisations did not offer this, limiting the development potential of their staff. For organisations to start training its employees they first have to carry out assessments to weigh the points which require to be addressed within the organisation (Medcof & Rumpel, 2007); this, too, was seen as a task for the HR department.
The most important factors to come out of research findings here include planning the future needs of all employees, eliminating discrimination and bias against some employees, installing a systematic and fair reward system, and providing compensation benefits and allowances, such as medical insurance. The factor that stands out as most critical is the establishment of a department within the organisation for planning for both present and future needs. There is a clear a need for staff members to be informed on the difference between administration management and human resource management, particularly with regard to the role the HR department plays in attracting and retaining qualified employees.

6.5  *A Comparison between Sharjah and Dubai*

Both Sharjah and Dubai employees agreed to the soundness of HR practices In terms of job satisfaction, Sharjah and Dubai employees’ responses showed no significant difference in job satisfaction. Nor did location play a significant role in organisational commitment: results show no significant relationship between organisational commitment and intent to leave.

However, leadership practices and the intent to leave or stay were significantly different: Dubai employees showed greater satisfaction with their organisations’ leadership practices than did Sharjah employees, who seemed to harbour a greater intent to leave than their counterparts in Dubai. The reason could be that Dubai organisations had adapted leadership development programs for their employees to enable them to gain skills and to qualify their young employees to be leaders in the future (Albawaba, 2008b). There was some gender difference indicated, too: males tended to show more commitment and leadership skills than females. In addition, a significant difference in attitudes to leadership was found, where those without a need to supervise seem more in agreement than those with supervisory responsibilities. Age and education were not seen by participants to play a role in HR practices.

The results of the survey suggest that, in general, respondents in both Dubai and Sharjah agree on the soundness of HR practices but are neutral concerning job satisfaction and organisational commitment. They agree on the levels of leadership within their respective organisations. They are neutral insofar as intention to leave their organisations is concerned. These results suggest that the respondents are generally neither satisfied nor dissatisfied with their jobs. Such neutrality is reflected in their level of commitment to their organisations.
The two locations show no significant differences on the variables selected for examination except on leadership, where Dubai respondents seemed to agree more. Sharjah respondents seemed to have a greater intent to leave than respondents in Dubai. These results suggest that employees in Dubai sense better leadership than those in Sharjah, and respond positively to it. This meets the expectations of the researcher, since employees who do not feel they are receiving strong leadership and influence from their superiors tend to find less reason to stay within the organisation.

6.6 Summary

It was observed that UAE employees are not motivated to improve their performance and are detached from the organisation’s progress. They also lack that enthusiasm required to bring profits to the organisation, but are not completely disinterested either. Few employees are willing to work on any given task to retain their tenure. Most are unable to relate their career growth to the organisation’s direction, and are not particularly happy about the HR practices in place.

Some areas elicit a neutral reaction from employees, such as attitudes towards the company’s rules and policies, and the effect of these on retention. In this regard, employees seem not to have the slightest idea whether they would make the effort to change their job if changes were made in their personal responsibilities, and seem unsure if they would prefer to wait for some major HR policy modification to occur. They appear disinterested in the company’s success and growth, an indication that they lack a sense of belonging to a worthwhile enterprise or valued group of co-workers.

Only when employees look up to their company as a ‘higher entity’ will they feel compelled to follow HR principles. The failure by employees to comprehend the company’s targets is an indication of dissatisfaction, as does the lack of motivation to accomplish those targets. The same applies to the sense of belongingness towards the company and to desire to stay within it. This study shows that effective commitment is directly proportional to the emotional attachment the employee feels towards the firm, such that committed employees spread their values to colleagues.

The study’s findings also indicate that commitment comes as the result of the fulfilment of an employee’s needs. Companies have to control and manage the experiences they offer their employees in order to enhance their commitment. When employees feel that the
company does not offer the same amount of commitment that it demands, their loyalty is impossible to retain.

In terms of gender, males are comparatively more organisation-oriented than females. When considering employee dissatisfaction, the level of commitment towards an organisation remains critical in the determination of the likelihood of the majority of the employees staying with the firm. Despite their clear differences, the statistic results of the males and females are incomparable, owing to the lesser participation of females in Sharjah organisations. That, perhaps, is one of the reasons for the female ratio to be comparatively less than the male of dissatisfaction.

The provision of job satisfaction is a major challenge to UAE organisations. Their employees’ lack of interest in their jobs is evident in the fact that they are dissatisfied with the returns they are receiving for their work. Their ambivalence toward their jobs and companies are further indication of their dissatisfaction with the degree of respect they receive from their seniors, in such matters as being denied the right to think and make decisions. It is little surprise that this survey finds job dissatisfaction is directly proportional to tenure under a single senior, with the highest satisfaction recorded in those with less than a year’s tenure and the lowest in the most experienced group.

UAE organisations need to improve in areas of skill development and the offering of responsibility and challenges, both of which are intrinsic of satisfaction and commitment. Similarly, materialistic and monetary factors such as salary and incentives need to be looked into as part of organisational HR practices. This is because any firm’s success is based on employee motivation and commitment, attitudes that are derived from their job satisfaction. Job satisfaction, in turn, is derived from job opportunities and influence, as well as in participation in the group’s extrinsic efforts.

The pay structure and the working environment together form strong elements in creating job satisfaction. In this study, the level of job satisfaction seems to be a key factor in employees’ decision to continue or discontinue in their jobs, and communication patterns with their colleagues on this issue play a key role in their decisions to stay or quit.

Job satisfaction is gained through commitment towards the firm, meaning that commitment corresponds directly to job satisfaction. This was proven to be very true in this research, in that the organisational commitment was seen to be the direct result of job satisfaction. The re-organisation of HR policies in Dubai to include job-satisfying elements
for employees has led to an increase in the level of employee retention. This is crucial since the employee’s patriotism towards the firm encourages tenure, thus lowering employee turnover. However, as this survey finds, there are subtle differences in the approach adopted in Dubai compared to that of Sharjah with regard to employment retention patterns.

Meanwhile, in both Sharjah and Dubai, there is general agreement on the value of effective leadership. Employees were commendatory of managers who were encouraging of slow employees and patient in explaining the complexities of a project, and were constantly working towards performance improvement. Attention givers, non-opinionated and effort-influencing managers, were strongly commended. Respondents agreed that their managers made them feel worthwhile by exercising delegating rules that had positive effects on production. The majority of respondents endorsed such leadership practices, with the Dubai ratings higher than those of Sharjah. Employees at managerial level were not so accepting of current leadership values, although those not at that level endorsed them.

In line with contemporary HR literature, it emerges that leadership is the end product of cultural factors; it entails a good rapport between employers and employees, leading to employee retention. To gain employee’s cooperation, there is need for the creation of a leadership strategy that they can approve of. The study’s findings clearly show that although every person has varied choices and may not approve of a particular form of leadership, humanitarian leadership works towards accomplishing job satisfaction. Moreover, there is room for a variety of leadership patterns at different hierarchical levels. For instance, encouragement received from a leader leads to job satisfaction and a sense of achievement for the employee. A charismatic leader may develop a fan-following strategy that makes employees attempt to imitate his style and commitment.

This study shows that skilful employees tend to prove resourceful in the long run, but that there are many challenges associated with attempts to retain them. The effort should be worthwhile, if companies comprehend the profits they gain by retaining their present employees.

Overall, UAE employees have a high level of turnover. Research indicates that the expenditure in recruiting a new staff member is double that of retaining the old one. With this in mind, UAE HR practitioners need to identify the causes of turnover in their organisation, and then devise a program that will halt the trend. The current research results demonstrate that organisations with lower rates of turnover are implementing
methods such as offering employees the opportunity to contribute more than mere labour, stressing staff development, and being clear about the terms and conditions of employment and promotion.

The research results confirm the theoretical structure discussed in Chapter Two. HR practices, job satisfaction, company culture, the values of leadership, retention of employees, and commitment are confirmed as highly interconnected concepts in the UAE labour context. HR practices are crucial in developing an employee’s commitment to work, and in promoting retention. The more employee-friendly HR practices are, the lower the chances that workers will leave. As employees experience greater job satisfaction, they become more enthusiastic about being a part of the organisation.

Good leadership, too, has a positive impact, since it lowers the rate of voluntary turnover. This can be seen in Dubai’s employees, who projected satisfaction with the organisation’s leadership methods even though the survey results do not display any relevant link between commitment and the intent of an employee to leave the firm.

The discussion above indicates that the work environment in UAE public sectors is unsatisfactory and requires a better strategic framework. As discussed in Chapter Two, job satisfaction is dependent upon many varied aspects such as the working environment and working conditions (Mosadeghrad & Yarmohammadian, 2006). Herzberg et al. (1959) emphasise that certain other aspects are extrinsic by nature. These are the ‘hygiene’ factors that may not motivate employees but do bring about liveliness in the workplace. Empirical studies by Kin near and Sutherland (2001); Meudell and Rodham (1998) and Maertz and Griffeth (2004) reveal that the workplace environment is the chief motivational variable that encourages employees to stay in the organisation. This holds true in the UAE public sector, where employees are dissatisfied with the current workplace environment and demand better conditions, ranging from documented job profiles and a good and healthy work ambience, to workplace safety measures. This study provides evidence supporting the theory that a good worker is a happy worker, drawing a link between job satisfaction and performance.

The results of the former employees’ survey show that there is correlation between satisfaction and intent to leave, as the most important factor is feeling good about their work. The majority of respondents rated HR practices, followed by UAE organisations, as poor, and the major impediments to commitment to their work; this supports Proposition 1, that HR practices will positively relate to organisational commitment.
UAE organisations’ management techniques are autocratic, with a one-way decision-making power; and are also directive. It has been judged as autocratic (Liu, 1986a, 1986b) and directive (Barret & Bass, 1976; P. Wright, et al., 2000), owing to the centralised control of the staff and least work empowerment (Beehr & Gupta, 1987; LaBier, 1986; Likert, 1967).

A major concern revealed in this research is the extent of centralisation and its effect on morale. The findings are similar to those of Mohammad (2006), who finds a link between an absence of autonomy and a low level of job satisfaction. By deploying different leadership paradigms, managers can enhance employees’ job satisfaction as well as their commitment and performance (Mosadeghrad & Yarmohammadian, 2006). Especially in the UAE, where work patterns are highly dependent on culture, job satisfaction is strongly influenced by the leadership style. Emphasising specific set policies, fostering a transactional attitude towards leadership techniques, and setting common scenario-related rules, will all aid public sectors in increasing disincentives for employees to leave.

In this study, it also emerges that performance appraisals are useful for motivating employees and lessening voluntary turnover. Performance appraisals used in the UAE public sector were found to be unsatisfactory, as their standards were not set precisely and employees received little benefit from them.

The FG analysis and semi-structured interviews both indicate that HR policies have a direct impact on employee dissatisfaction and retention. The chief aspects affecting an employee’s length of stay in the firm are compensation, decentralisation (autonomy), democratic communication (appraisal system and basis), and employee training and development seminars. Wager’s (2001) analysis of the relation between HR activities and turnover finds that hi-tech HR systems lead to fewer employees quitting their jobs; no such systems are present in the high-turnover area of Sharjah’s public sector. Factors such as performance-based promotions, employees’ formal introduction, a structured pay policy during employee training, and problem-resolving teams would help in retaining employees for longer. The current study results backed Wager’s research on the prime reasons for employees’ decision to continue with their jobs. The challenges faced by the public sectors can be resolved by using the discussed HR techniques to improve their employees’ retention rate. The best solution is the one identified by McGregor (2006) in his Theory Y, which stresses the fact that employees have a tendency to work and achieve their targets, and at a higher rate, especially when there are complementary incentives or bonuses.
6.7 Proposition testing

In this section each proposition will be restated, a general conclusion presented and justification for this conclusion provided.

Proposition 1: Good HR practice is positively related to organisational commitment

HRM practices, such as regular appraisals, bonus and compensation schemes, training and development opportunities, and regular constructive feedback, can significantly enhance the organisational commitment of employees (Iverson & Buttigieg, 1999; Meyer & Smith, 2000; Wong, et al., 2001).

The results obtained from focus group discussions and from the survey with former employees indicate that performance appraisal and benefits affect their commitment to their organisation. Employees are likely to perceive well designed, developmental performance appraisal and internally equitable and externally competitive compensation systems as indicative of the organisation’s support and commitment to them; and they reciprocate with commitment to and trust of the organisation.

The findings strongly support the proposition that good HR practice is positively linked to organisational commitment. This is consistent with Wimalasiri (1995), who argues that HRM practices influence commitment through selection, placement, development, rewards, and retention. Others find that HRM practices such as recognition of employees, competence development and empowerment of employees have a significant positive impact on organisational commitment among professionals in IT section (Paré & Tremblay, 2007)

Proposition 2: The relationship between HR practices and turnover will be mediated by organisational commitment.

Effective HRM involves understanding the ways in which policies and procedures influence an employee’s job satisfaction and organisational commitment.

It is demonstrated by the focus group responses that HR practices influence employee commitment. For example, one finding of this study is that males express more organisational commitment than females. If employees are not satisfied with their jobs, they will not be fully committed to the organisation, and this will increase employee
turnover. Human resource practices and styles in Sharjah may cause employees to commit half-heartedly, and leave readily. Findings suggest, too, that females may commit less to their organisations since they are less satisfied with HR practices and experience lower job satisfaction. However, this finding may not be conclusive, as the participation of females in Sharjah organisations is low.

The finding strongly supports the proposition that HR practices and turnover are mediated by organisational commitments.

**Proposition 3: National culture moderates the effects of leadership behaviour on organisational commitment and job satisfaction.**

The results from the focus groups show that the expectations of employees, and their behaviour and performance may be different among different national cultures. The influence of national culture on individual behaviour is well established, and is reflected in the way organisations are structured and managed.

The findings and discussions presented in this research strongly support the proposition that national culture moderates the effects of leadership behaviour on organisational commitment and job satisfaction. This is consistent with the position of Al-Faleh (1987), who argues that Arab culture has distinctive features which dominate managerial considerations and behaviour; and of McSweeney (2002), who argues that national culture strongly influences the behaviour of an organisation’s employees.

**Proposition 4: Organisational commitment mediates the relationship of leadership behaviour with job satisfaction.**

The findings resulting from the focus groups show that lack of empowerment and leadership style are factors that influence the retention of employees within UAE organisations. Many of the participants in the research stated that the main style of leadership is a centralised management. There were indications that employees did not like this centralised style, and that it affected their intention to stay with the organisation. Such organisations may benefit from a different style of leadership, which may be less authoritarian, and more participatory or delegating in style. The leadership style used in an organisation shows various managerial behaviours, attitudes, and skill characteristics that directly influence job productivity, commitment and satisfaction.
The findings strongly support the proposition that organisational commitment mediates the relationship of leadership behaviour with job satisfaction.

**Proposition 5: National culture affects organisational culture coupled with job satisfaction**

The results from the survey of former employees indicate that the national culture can have a significant influence on the organisational culture of a firm as well as on leadership style, and hence on job satisfaction and commitment.

In UAE national, and particularly in public, organisations, when women are made to work alongside men they become uncomfortable and may be more inclined to consider a change of job as they feel there has been a serious breach of tradition in their work place. The findings from the focus group show that leaders should take the traditions of the country into consideration in the workplace. A study by Robert Half International shows that organisational culture is becoming recognised as a key reason for employees staying with an organisation (Marcia & Clawson, 2004).

The findings of this study strongly support the proposition that national culture affects organisational culture coupled with job satisfaction.

**Proposition 6: Employees’ organisational commitment will be negatively related to employee turnover.**

The findings from the survey show that those with very long tenure tend to develop strong loyalty to the organisation and therefore are likely to express stronger job satisfaction and weaker intent to leave; but they are neutral in terms of ‘talking up’ their organisation to their friends as a great place to work. Their loyalty to their company is ambivalent, and few would accept almost any type of assignment in order to keep working for the organisation. Moreover, they are neutral about being proud to say that they are part of the company, and few claim that they are extremely glad they chose to work for the organisation over others—in fact, a few did not even like working for their organisation.

Neutrality does not stop there. Respondents do not know if small changes in personal circumstances would cause them to leave the company, or if a large change would be required; few feel there is much to be gained by sticking with the organisation indefinitely.
Nor do they really care about the fate of their company, or think that their organisation is the best. There is no strong sense of ‘belonging’ to an organisation; and no emotional attachment to it.

In this study males expressed more organisational commitment than females. If employees are not satisfied with their jobs, they will not be fully committed to the organisation, which will increase employee turnover. Therefore, the findings weakly support the above proposition. This is consistent with external findings that if employees feel the company is not committed to them, they may become disaffected, and form an intent to leave (Meyer & Allen, 1997).

Proposition 7: National culture and labour market conditions have a direct influence on employee retention.

The results of the focus group found, for example, that salary and wages contribute to employee dissatisfaction in the UAE and are considered one of the main factors that leads employees to leave an organisation. When employees compare salary and compensation provided in neighbour cities that compete with global organisations, for example, they are likely to seek new job opportunities.

The results show that different places have different labour market conditions; these conditions are influenced by the national culture. An organisation that has conditions which are relatively favourable in the labour market will retain its employees in comparison to others which do not have favourable conditions. National culture has a direct impact on the labour market, and this translates to retention of employees if the culture is favourable.

The finding strongly supports the proposition that national culture and labour market conditions have a direct influence on employee retention. Kinicki (2001) argues that labour market variables influence employee turnover, and Gaertner and Nollen (1992) argue that the intention of an employee to quit a job is based on the behavioural outcomes of the existing policies of the company, the existing labour market, and the views of the employee.
6.8 Limitations of this Study, and Indications for Future Research

Several limitations need to be recognised in this study. The first is that the participants in this research were not representative of all UAE employees. The entire FG sample, for instance, was drawn from the government sector in Sharjah. This means that the results may not be transferable to employees in the private sector. Because this was a study undertaken in the government sector, it focused on a workforce cohort comprised predominantly of UAE nationals. This was a deliberate choice, partly because of the lack of research on employee retention in the United Arab Emirates; but whilst this study contributes new knowledge, it cannot be assumed that its findings can be generalised, even to other Arab Muslim countries. It is important to recognise the cultural differences which help form people’s attitudes: differences between countries in implementing Islamic Shariah law, differing local traditions, and the diverse economic and political contexts of any country will shape the nature of the workplace. In Arabic cultures in particular, for instance, such factors will affect the manner in which women are permitted to participate in the workforce.

This research was limited to a few people representing six UAE organisations in Dubai and Sharjah. It was further limited to those aspects revealed in the research to be of relevance to employee retention within the organisational and national culture of the UAE. This limitation provided an extra challenge because there is very little literature on UAE workplaces. In addition, the findings may not be applicable to other government organisations if researchers use different research methods.

The limitations and strengths of this research can offer guidelines for future research efforts in this or related topics. One future strategy that may be of value is the use of a model that can be expanded to other related and relevant variables, such as orientation strategies, leadership style management, and a firm’s business strategy. It may also be useful to consider aspects such as flexible work environments, employee’s empowerment, especially of the female portion of the UAE workforce, and HR practices for encouraging the retirement of weaker employees and attracting highly qualified individuals. One major opportunity for future research is the documentation of a research design that focuses on practical ways of establishing HR practices to influence employee retention. There is also the need to consider using a wider representative sample.

The second area that future research could examine is applying this study’s research proposition to longitudinal and case study designs. A small-scale study could present a
comparison of HR performance of different organisations at different times, drawing conclusions about those aspects which most strongly influence employee contentment and thus reduction of turnover.

6.9 Implications for Theory

A study of employee turnover is required to consider the relationship between voluntary turnover and the performance of the organisation. Research indicates that a review of international HR practices will assist HR management in the UAE, which could benefit by understanding the nature of the work and learning how to adapt a framework of HRM standards (Guthrie & Olian, 1991; Jackson & Schuler, 1995; R. Locke & Thelen, 1995). UAE has few documents dealing with HR management, compared with other nations (Mellahi, 2007; Okpara & Wynn, 2008). Researchers point out that the Middle East, like any other developing region, is still assigning importance to cultural traditions and excluding employees from decision making (Ali, 2004; C. Robertson, et al., 2001; Tayeb, 1997). In this study, this was brought to light in the interviews with former employees, in which most respondents gave low scores to the HR standards adopted by organisations. Enterprises in Middle Eastern countries are known to adopt identical methods to accomplish their tasks, and hence share attitudes towards HR policies. Social and cultural concerns are not the only distinguishing factors between nations: other influences frame HR management, chiefly national and religious issues (Budhwar & Mellahi, 2007; Murphy, 2001).

A responsible, committed HR department is invaluable to any organisation that wishes to promotes employees’ participation in achieving organisational targets (Arthur, 1994; Youndt, 2000). Via responsible HR policies, employees learn the relevance and responsibility of their work and see how these relate to personal career goals; they can then associate their personal growth and profits with the organisations’ (Baron & Kreps, 1999; B. Becker & Gerhart, 1996; Delery, 1998; Delery & Doty, 1996). Females, elderly workers, and those with six to seven years of experience are most dissatisfied with HR practices. There may be many reasons for this, such as women’s divided attention as they have to shoulder household responsibilities; or conflicts between diverse work populations of young and old, inexperienced and highly experienced hands. An organisation needs to develop an HR system that caters for such different needs in its drive to reach retention targets.
The conceptual framework of this study is based on design and theory principles to do with how employees become committed to an organisation and how HR systems can encourage high performance. The variables are represented by Sharjah and Dubai public organisations. The model of this research is to consolidate these variables and identify the relationship between them. The literature offers many variables on which to build the theoretical framework: aspects like job satisfaction, HR practices, leadership, retention, organisational culture and labour markets. The main contribution that this research theory offers to the whole research is the connection between employee retention and leadership, job satisfaction, and organisational commitment. The secondary contribution is the study of employee turnover in the context of HR practices and the state of the labour market.

6.10 Contributions to Organisational Practices and Policy

Research suggests that it is important to consider current leadership style as a threat to labour in the UAE government workplace. Without devaluing the current effort of the UAE government to support leaders, the information gained from this research should provide a foundation for managers and policy makers to recognise that it is the responsibility of government to initiate measures that will make the workplace experience a more pleasant one for workers, and so weaken the intent to leave.

This research has both practical and theoretical significance, in the provision of information that will help in the understanding of HR practices that affect the retention of employees. The study of these two variables will contribute to the improvement of employee welfare in UAE public organisations. An understanding and identification of critical variables in the practices of HR and their association with organisational commitment and job satisfaction is also provided; these may improve employee retention among the public organisations in Dubai and Sharjah.

The current HR standards found in organisations located in the UAE, and especially in Sharjah, score poorly. The cause could be, as suggested by Ali (2004), that organisations in the UAE have less documentation and more emphasis on cultural traditions than similar organisations in other countries; this includes not enabling employees with decision-making rights. Although these HR standards were approved by the Dubai and Sharjah respondents, their response to values such as deriving job satisfaction from their work and feeling a commitment to the enterprise was neutral. As people who enjoy the nature of their work are more inclined to maintain a long-term relationship with their organisation, the current
study was interested in examining the factors that encourage UAE workers to quit the public sector; in this case, it may be asserted that worker dissatisfaction is partly a product of poor HR standards. Those in higher management levels want more choice and autonomy to be available; the neutral response to organisational commitment indicated by one and all may be attributed to the lack of this quality. This is in line with the findings by Clarke (2001), Jones and Skarlicki (2003), Morrow et al. (2005), and Taplin and Winterton (2007), which highlight the crucial relationship between leadership and human resources. Maintaining a good rapport between supervisors and subordinates assists in retaining employees, while offering no emotional incentives to remain is a gateway for employees to resign their jobs.

From the results of this research, it is clear that UAE companies need to focus on their HR policies, which fall short of acceptable standards. As suggested by Baron and Kreps (1999), companies should concentrate on satisfying their employees’ needs in order to receive more from them in return. Freedom to manage on their own, and the liberty to work on projects needs without interference (Lawler, 1992), are two obvious and achievable goals. Using techniques that enhance commitment to the organisation and its policies enables employees to improve their skills and develop greater levels of self-confidence (Thomas, Kochan & Osterman, 1994; Lawler, 1992; Levine, 1995; Pfeffer, 1998). Not only will such changes in UAE organisations improve the chances of retaining employees (Arthur, 1994; Huselid, 1995; Shaw, et al., 1998) but it will enhance the chances of recruiting suitable employees from the dwindling numbers of job-seekers (Guthrie, 2001)

Moreover, positive results are expected from HR policies that recognise both the intrinsic and extrinsic qualities of UAE firms. This is in line with the findings of a survey by Huselid (1995), in which over 900 US firms identified HR practices of two varieties: one that concentrated on developing employees’ skills, and one that placed stress on motivation. The first selected employees on talent, and provided training and motivation; profits in these companies increased significantly. The second promoted motivation though performance evaluation; the productivity level in these companies rose significantly. Arthur (1994) finds that high-commitment HR systems directly correspond to an increase in the number of long-term employees, which he attributes to developing their skills and increasing their opportunities to contribute to the organisation. This confirms the current analysis, which is that HR policies practiced in the UAE are insufficient and inadequate, and require change.
6.11 Conclusion

The current high rate of employee turnover in the UAE is expensive. The role of HR departments is to satisfy the needs of employees through the provision of training, rewards systems, equality of treatment, and benefits, among others, to foster employee commitment and reduce the rate of employee turnover. This research presents a study of those aspects that HR has to perform in UAE public organisations to achieve these goals.

There is a clear need for changes in the human resources management practices and style in UAE public organisations in order to ensure employee satisfaction. This will greatly help reduce high turnover rates. The workplace environment needs to be made fully suitable for the needs of all employees by ensuring leadership styles that encourage decentralisation and delegation of duties, equality in the implementation of employee evaluation and appraisal systems, and provision of sufficient employee benefits, rewards, and structures for recognition.

Organisational heads need to look into the various factors that influence employee retention in UAE organisations, key among them the leadership style of top managers, fairness in the treatment accorded to employees by their supervisors, a clear understanding of what is expected of them, and being made to feel good about their work. Discrimination, whether on gender or on the grounds of experience, remains a problem in need of an urgent solution. To deal with this, HR departments need to come up with practices that consider the future needs of all employees, eliminating discrimination and bias, installing a systematic and fair reward system, and providing compensation benefits and allowances such as medical insurance.
References


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Appendix 1: Cover Letter for the Questionnaire

Waleed Al Naqbi
School of Management
Edith Cowan University
Joondalup
Tel: 0415269967
E-mail Address: walnqbi@ecu.edu.au

Dear .................

Re: A Request to Participate in Research

I am a PhD candidate from Edith Cowan University, Western Australia and I am currently conducting research on employee retention management. This research is fully endorsed by the School of Management at Edith Cowan University and my supervisors, Professor Alan Brown and Dr Maryam Omari.

Employee retention is a highly important strategic tool for corporations. The aim of this study is to examine the influence of human resource practices on the retention of core employees of government organisations in the UAE. The findings would benefit both the organisations and employees in the area of HRM. Results from this study will assist in the development of an effective HRM retention program for organisations.

Your participation will form a critical part of the research. To assist in my research, I would like to invite you to participate in this study. The survey study would require 20 minutes. The sharing of your knowledge and experience as you answer the questionnaire will be valuable to me and as such will be treated with the strictest confidence. No reference will be made to any individual and the information will be reported in an aggregated form. A summary of my findings will be provided upon your request.
Return date for the questionnaire:

If you have any queries, please do not hesitate to contact me. You may also contact my supervisors, Professor Alan Brown, on +61863045231, and Dr Maryam Omari, on +61863045281. Alternatively, you can contact Edith Cowan University’s Human Research Ethics Committee on +618 63042170. I thank you in advance for your assistance and consideration.

Yours sincerely

Waleed Al Naqbi
Appendix 2: Consent Form

School of Management

RESEARCH STUDY: THE RELATIONSHIP BETWEEN HUMAN RESOURCE PRACTICES AND EMPLOYEE RETENTION IN PUBLIC ORGANISATIONS

CONSENT AGREEMENT FOR THE INTERVIEW

I am a PhD student at Edith Cowan University investigating the management of employee retention in UAE government organisations. The aim of this study is to identify HR practices and factors that affect employee retention in UAE organisations.

You can help in this study by consenting to complete an interview. As a participant you will be asked to express your expert opinion and judgement on the current development of retention management in the organisations and to identify the key HR factors influencing retention in the work place. Appendix 1 describes the procedure. The survey will require approximately 20-30 minutes and the data collection would occur over a two month period, commencing on the day I start.

If you are willing to participate in this study, could you please complete the details below. If you have any questions about this study please feel free to contact either myself, Waleed Al Naqbi on 0504844266 or my supervisors, Professor Alan Brown, on +61863045231, and Dr Maryam Omari, on +61863045281. Alternatively, you can contact Edith Cowan University’s Human Research Ethics Committee on +618 63042170.

I understand that I am free to withdraw my consent and discontinue my participation at any time without prejudice. I also understand that all materials in this study are confidential. I agree that the research data gathered for this study may be published, provided that neither my company nor myself are identified.

Name of Participant: _________________________________________________________________

Signed: ________________________________ Date: ________________________________

Researcher: Waleed Al Naqbi

Signed: ___________________________
Appendix 3: Information Letter and Consent Form

This focus group has been designed to collectively identify the variables of interest in the study of employee retention in United Arab Emirates government organisations, and gain a more shared understanding of the associated issues related to employee retention. Please note that all information collected will be completely confidential and anonymous, only aggregate results will be reported. As such no individuals and/or agencies will be identified in the research findings.

Just before we start I will like to inform you that is anticipated that the focus group will take around 2 hours. Please note, you are welcome to refuse to answer any of the questions you are not comfortable with, or withdraw from the focus group process at any stage should you decide to do so.

If you are willing to participate in this study, could you please complete the details below. If you have any questions about this study please feel free to contact either myself, Waleed Al Naqbi on 0504844266 or my supervisors, Professor Alan Brown, on +61863045231, and Dr Maryam Omari, on +61863045281. Alternatively, you can contact Edith Cowan University’s Human Research Ethics Committee on +618 63042170

I understand that I am free to withdraw my consent and discontinue my participation at any time without prejudice. I also understand that all materials in this study are confidential. I agree that the research data gathered for this study may be published, provided that neither my company nor myself are identified.

Name of Participant: __________________________________________________________

Signed: -------------------------------------------------- Date: ---------------------------

Researcher: Waleed Al Naqbi

Signed:------------------
Appendix 4: Questionnaire

Part (A) Demographic Questions

The following questions concern your position and other personal information. Completion of this information is voluntary and confidentially is assured. No individual data will be reported.

THANK YOU!

1. Where do you work
   - Sharjah
   - Dubai

2. What is your Sex?
   - Male
   - Female

3. What is your Job Title?

4. Do you supervise others?
   - Yes
   - No

5. How long have you worked for the organisation?

6. How long have you worked for your Immediate Supervisor?

7. What is your Age Group?
   - Under 26
   - 46 to 55
8. What is your highest level of Education?

- Did not complete High School
- High school degree/equivalent
- Diploma
- Associate’s/2-year degree
- Bachelor’s degree
- Master’s degree
- PhD

Part (B) HR Practices

1) My work conditions are good
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

2) The recruitment and selection processes in this organisation are impartial
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

3) Favouritism is not evident in any of the selection process in this organisation
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

4) All appointments in this organisation are based on merit (i.e. the person for job selected regardless of their personal characteristic)
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

5) This organisation has provided me with training opportunities enabling me to extend my range of skills and abilities
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure
6) I get the opportunity to discuss my training and development requirements with my employer
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure

7) My work pays for any work-related training and/or development I want to undertake
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure

8) This organisation is committed to the training and development of its employees
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure

9) This organisation is committed to build strong relationship between employees
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure

If you answer in the negative to any of the above, please explain why?

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Part (C) Job Satisfaction

The following statements describe your feelings toward certain job related issues regarding the organisation you currently work for. For each, please indicate the extent to which you agree/disagree with the statement by circling the appropriate number on the scale.

1) My salary/wage is fair considering what other people are paid
   a) Extremely Satisfied b) Satisfied c) Neutral d) Dissatisfied c) Extremely not satisfied

2) The amount of pay and fringe benefits I receive
   a) Extremely Satisfied b) Satisfied c) Neutral d) Dissatisfied c) Extremely not satisfied

3) The feeling of worthwhile accomplishment I get from doing my job
   a) Extremely Satisfied b) Satisfied c) Neutral d) Dissatisfied c) Extremely not satisfied

4) The amount of support and guidance I receive from my supervisor
   a) Extremely Satisfied b) Satisfied c) Neural d) Dissatisfied c) Extremely not satisfied
5) The degree to which I am fairly paid for what I contribute to this organisation
   a) Extremely Satisfied b) Satisfied c) Neural d) Dissatisfied c) Extremely not satisfied

6) The amount of independent thought and action I can exercise in my job
   a) Extremely Satisfied b) Satisfied c) Neural d) Dissatisfied c) Extremely not satisfied

7) The amount of challenge in my job
   a) Extremely Satisfied b) Satisfied c) Neural d) Dissatisfied c) Extremely not satisfied

8) The overall quality of supervision I receive in my work
   a) Extremely Satisfied b) Satisfied c) Neural d) Dissatisfied c) Extremely not satisfied

9) My salary/wage is fair considering what other people are paid
   a) Extremely Satisfied b) Satisfied c) Neural d) Dissatisfied c) Extremely not satisfied

*If you answer in the negative to any of the above, please explain why?*

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**Part (D) Organisational Commitment**

Listed below are series of statements that represent possible feelings that individuals might have about the company or organisation for which they work. With respect to your own feeling about particular organisation for which you are now working with, please indicate the degree of your agreement or disagreement with each statement.

1) I am willing to put in a great deal of effort beyond that normally expected in order to help this organisation be successful
   a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

2) I talk up this organisation to my friends as great organisation to work for
   a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

3) I feel very little loyalty to this organisation
   a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure
4) I would accept almost any type of job assignment in order to keep working for this organisation
a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

5) I am proud to tell others that I am part of this organisation
a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

6) I find that my values and organisation’s value are very similar
a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

7) I would take very little change in my present circumstances to cause me to leave this organisation
a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

8) I am extremely glad that I chose this organisation to work for over others I was considering at the time I joined
a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

9) There’s not too much to be gained by sticking with this organisation indefinitely
a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

10) Often I find it difficult to agree with this organisation’s policies on important matters relating to its employees
a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

11) I really care about the fate of this organisation
a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

12) For me this is the best of all possible organisation
a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

13) Deciding to work for this organisation was a definite mistake on my part
a) Strongly agree b) Agree c) Disagree d) strongly disagree c) Not sure

14) I do not feel a strong sense of ‘belonging’ to my organisation
Part (E) Leadership

The following statements describe your feelings toward your supervisor currently work for. For each, please indicate the extent to which you agree/disagree with the statement by circling the appropriate number on the scale.

1) He/she encourages slow working people to greater efforts
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure

2) Your supervisor is willing to listen to your job-related problems?
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure

3) Your supervisor is willing to listen to your job-related problems?
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure

4) Your supervisor shows you how to improve performance?
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure

5) Pays attention to what you’re saying
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure

6) Respect your opinions?
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure

7) Encourages those (s)he supervises to give their best efforts?
   a) Strongly agree   b) Agree   c) Disagree d) strongly disagree c) Not sure
8) Your supervisor can make you feel valued?
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

9) Your supervisor is willing to listen to your job-related problems?
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

10) The organisational leadership practices make positive contribution to the overall effectiveness of the organisation
    a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

If you answer in the negative to any of the above, please explain why?

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Part (F) Retention

1) I think a lot about leaving organisation
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

2) I am actively searching for an alternative to the organisation
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

3) As soon as it is possible, I will leave the organisation
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

4) If I had another job offer that paid the same as the one I have, I’d leave here in a minutes.
   a) Strongly agree  b) Agree  c) Disagree  d) strongly disagree  c) Not sure

If you answer in the negative to any of the above, please explain why?

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Appendix 5: Interviews With Former Employees: Questionnaire

<table>
<thead>
<tr>
<th>How satisfied I was with these aspects of my work:</th>
<th>Interviews With Former Employees</th>
<th>How important these aspects of my job are to me:</th>
</tr>
</thead>
</table>

Directions: For each aspect of your job listed below, first circle the number to the left that best reflect how satisfied you were with each job aspect in your current job. Then, circle the numbers to the right that best reflect how important each aspect is to you.

<table>
<thead>
<tr>
<th>Aspect of your job</th>
<th>Very little</th>
<th>Some</th>
<th>A fair amount</th>
<th>Quite a bit</th>
<th>A lot</th>
<th>Very much</th>
</tr>
</thead>
<tbody>
<tr>
<td>My salary</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
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<tr>
<td>Company policy and procedures</td>
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<tr>
<td>Being recognised when I do a good job</td>
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<tr>
<td>Having a supportive supervisor</td>
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<tr>
<td>My benefits</td>
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<tr>
<td>Understanding what is expected of me</td>
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<tr>
<td>Having supportive co-workers</td>
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<td>Getting the training I need to do my job well</td>
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<tr>
<td>Having good communication with my supervisor</td>
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<td>Being able to balance my work and home life</td>
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<tr>
<td>Feeling good about my work</td>
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<td>---------------------------</td>
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<tr>
<td>Being treated fairly by my supervisor</td>
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</table>
Appendix 6: FG Open-ended Questionnaire

Organisational culture:

1) What kind of a workplace environment does your organisation provide?

2) Please outline the management style of your organisation?

3) In details, share some of the positive and negative experiences you have encountered with your organisation?

Labour market:

1) Are you currently happy with your salary/wages? Why or why not?

2) Please outline the compensation benefits your organisation offered to employees?

3) What are the factors that attracted you to join this organisation?

4) How would you describe your work condition at this organisation?

HR practices:

1. What actions could the organisation have taken to keep their human resources and attract other applicants?

2. How would you rate the compensation and benefit of the organisation?

3. How would you describe the training programs provided by your company?

4. Identify specific aspects in this organisation that you would change in order to improve the workplace environment?

Further questions would be based on what participant’s say and what would assist them to clarify.

Exploratory questions include:

- How often does this occur?
• How does this affect your practice?
• How do you feel about this?
• Tell me why you feel this way?
• Tell me what theses are specifically
• Tell me more about this
• Why is it important to improve these areas?
• How would you change them?
• Can you tell me more about these?
Appendix 7: Semi-structured Interview Questionnaire

1. Can you describe the selection and recruitment procedure at your organisation?

2. Does the procedure help to recruit the right person at the right time?

3. Do you have the right to control and manage your staff?

4. Can you describe your performance appraisal

5. Can you tell me the retentions strategy at your organisation?

6. Can you identify the barriers that affect the HR practices at your organisation?
### Appendix 8: Comments raised in the survey

<table>
<thead>
<tr>
<th>Parts</th>
<th>Sharjah</th>
<th>Dubai</th>
</tr>
</thead>
</table>
| **HR Practices** | - Recruitment without seeing the employee’s qualifications.  
- Some programs are expensive so we don’t have them.  
- There’s no good relationship between the employees.  
- Courses are made only for the directors not the employees—although they need it more.  
- There’s no democracy between the employees.  
- Recruitment among relatives and friends is preferred by the directors.  
- There’s much care about training degrees but the jobs are neglected.  
- No opportunity to discuss the training we should take.  
- There are no requirements for skills.  
- During my stay in this institute I haven’t been through any training..  
- Training budget is limited to the Training and Development Department.  
- Random training  
- Sometimes incompetent people are hired when it’s very clear that they will not help the organisation to grow.  
- We don’t have our own independent training budget, which negatively affects the quality of training obtained.  
- The selection process is based on relationships, not on qualifications.  
- There is no training strategy.  
- Selection requirements are based on mediation, not efficiency  
- Not enough training which could improve ability of the employee | - Recruitment, training and promotion are driven by the Emiratisation  
- The characteristics are more important to them than the experiences.  
- No opportunities to discuss the training with the managers because they are too busy.  
- No relationship between employees.  
- No equity between employees. |
| **Organisational Commitment** | - The only decision-makers are the managers.  
- I have loyalty to this institution.  
- The General Manager is the one that leads, but he has to know how to lead this institute.  
- There’s no transparency when it comes to money. | - My manager thinks that she is better than everybody else. |
| **Job Satisfaction** | - The selection of employees is not made with equity.  
- There’s no motivation from the director that could help the employees.  
- There’s no competition in the work environment. | - The salary doesn't suit the job.  
- The salary doesn't match the tasks given.  
- No empowerment—just obey instructions.  
- I’m proud to be part of this... |
<table>
<thead>
<tr>
<th>Parts</th>
<th>Sharjah</th>
<th>Dubai</th>
</tr>
</thead>
<tbody>
<tr>
<td>• There's no appreciation for work completed.</td>
<td></td>
<td>organisation that reflects Sheik Mohamed vision in making Dubai a better place to live.</td>
</tr>
<tr>
<td>• Lack of independence from the hierarchy.</td>
<td></td>
<td></td>
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<tr>
<td>• Poor salary.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Failure in the administration.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Although managers are proud of me, other employees get higher salaries.</td>
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<td></td>
</tr>
<tr>
<td>• I'm responsible for the employees and salaries. In my opinion the salaries are low compared to the tasks given.</td>
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<tr>
<td>• There are no bonuses or raises.</td>
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<tr>
<td>• Just following orders—nobody listens.</td>
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<tr>
<td>• Very high restrictions of independent action</td>
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<tr>
<td>• Other institutes give higher salaries than this one—and more promotions.</td>
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<tr>
<td>• The new employees get higher salaries than the older ones.</td>
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<tr>
<td>• No equity between employees and their salaries.</td>
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<tr>
<td>• No salary inquiries.</td>
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<tr>
<td>• Very low salary.</td>
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<tr>
<td>• No competition.</td>
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<tr>
<td>• No support from the directors.</td>
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<tr>
<td>• Favouritism plays a very large role in this institution.</td>
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<tr>
<td>• Courses are only made for the directors.</td>
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<tr>
<td>• No appreciation for good work.</td>
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<td></td>
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<tr>
<td>• No motivation for the employees.</td>
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<td></td>
</tr>
<tr>
<td>• I have a sense of belonging to this institute because in it I serve my country and satisfy my ambition.</td>
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</tr>
</tbody>
</table>