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ORGANIZATIONAL CULTURE IN THE SAUDI TELECOMMUNICATION SECTOR: By Focusing on the role of wasta.

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ORGANIZATIONAL CULTURE IN THE SAUDI

TELECOMMUNICATION SECTOR:

By Focusing on the role of *wasta*

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ABSTRACT

The phenomenon of *wasta* is a controversial topic because of its cultural and social contexts. It is considered as an important indigenous form of informal influence in Saudi society. Recently, the use of *wasta* has become more common in human resource practices (recruitment, promotion, and training) in Saudi organizations. As a result of such practices, *wasta* is the primary factor in deciding who obtains a job, promotion, and training. However, studies analysing the impact of *wasta* on management practices remain limited and most them do not address it systematically. Therefore, this research seeks to fill the gap in the literature pertaining to the various forms of *wasta* as practiced in Saudi Arabia in order to build a better understanding of its process, practices and impacts. Data were collected from semi-structured interviews with 30 male Saudi employees and managers employed by two telecommunication companies in Saudi Arabia.

This is the first study in this respect; no other study to date has discussed what forms *wasta* takes in Saudi society and the importance of the *waseet* (middleman) on the outcome of gaining jobs, promotion and training. This study suggests three models relating to the *wasta* practices: *wasta* based on one middleman, *wasta* based on multi-middlemen, and *wasta* based on the blood connection. The study also shows that *wasta* inside the company is more effective than when the *waseet* is operating outside the company and the position and power of the middleman are important factors on the outcome of *wasta*. Furthermore, this study reveals that *wasta* negatively impacts on human resource procedures by undermining policies in three ways: bias of implementation; intervention; and ambiguity in policies. The findings of this study could help the authorities eliminate or at least reduce the influence of *wasta* on human resource management decisions.

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AUTHOR'S DECLARATION

At no time during the registration for the degree of Doctor of Philosophy has the author been registered for any other University award without prior agreement of the Graduate Sub-Committee.

Work submitted for this research degree at the Durham University has not formed part of any other degree either at Durham University or at another establishment.

DEDICATION

To, the souls of my mother and my father, to my sweetheart, Dhoha Alharbi, my children, Moataz, Diala, and Siba, and my family. A special dedication to my Supervisory Team: Dr. Peter Hamilton and Professor Timothy Clark.

THE TERMINOLOGY OF ARAB'S CONCEPTES

Concept	Terminology
wasta	Connection, social networks, nepotism and cronyism.
shafa'ah	Use the position or power (*sheikh*, prince, high position related to one's job, status) to help others to obtain their rights.
jaha	Use of social authority and influence, leverage and power (*sheikh*, prince, high position related to one's job, status).
asyabia	Tribalism. Intense loyalty and obligation to their own tribe or regional group without taking into account other groups.
Blood connection	Tribal or family ties based on kinship.
faza'ah	Urgent help.
maref'ah	Relationships.
aib	Sham

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Chapter one: Introduction

1.1   Background and overview

In order to meet the requirements of the twenty-first century business environment, a business organization has to adapt to change rapidly and effectively in order to achieve its goals or continue to exist. This is particularly the case given that transformations in economic and business environments have become more intense and complex. These complexities facing organizations include human relations, individual behaviour, and organizational processes that are related to success or failure amidst intense competition. These challenges are particularly acute for international businesses which ought to balance priorities between globalization and localization (Smith *et al.*, 2012b).

As a result of the changing economic and business environment, most societies have changed significantly as a result of globalization and modernization. However, the management style within the Arab business world is still influenced by Arab culture, which has certain distinctive characteristics (Al-Faleh, 1987). Arab society is still predominantly based on traditional social networks, even in the area of business activity, thereby presenting a major challenge to companies (Hutchings and Weir, 2006a). These social networks take several forms in the business world, including favouritism and nepotism (i.e. *wasta*), which often depend on personal or kinship relationships.

In Arab culture generally and the Saudi culture in particular, when a person needs a service or product from a government department or private sector, the question 'do you know anyone who works at a certain ministry or company?' is a fairly common one. In the Arab world, this behaviour is termed '*wasta*' (Cunningham and Sarayrah, 1993). The question infers the social networking which is at the basis of *wasta*. The social network itself includes family and kinship ties as factors in the exercise of power, influence, and information-sharing in the politico-business realm (Hutchings and Weir, 2006a).

Despite the role of Islam in ensuring good business practices, *wasta* is widespread in the Arab business world (Iles *et al.*, 2012). This is because the business culture there

depends on solid family systems or *wasta* associations that are supported by Islamic morals and qualities. It means that political limits and methods of insight of the governments there are merely superficial, in contrast with the more profound foundations belief, family, kinship and obligation (Weir, 2003).

Wasta has become increasingly common in the national cultures of the Arab world, and Saudi Arabia is no exception. It involves intervening in order to provide a special advantage or overcome a barrier in order to acquire a service or product for a specific individual. Moreover, according to a report published in a Riyadh newspaper (2013), the Ministry of Labour in Saudi Arabia, quoting a recent survey, pointed out that *wasta* plays a vital role in blocking or reducing the employment of Saudi citizens.

The importance and prevalence of *wasta* in the Arab world means that its use is also widespread in the business environment. Al-Ramahi (2008) highlights that "in the Arab world there is a need to set the person with whom they are dealing in an appropriate social place, through identifying their family and tribe, before any business discussions can take place" (p. 36). Furthermore, Agnaia (1997) highlights that factors such as personal connections, nepotism, sectarianism, and ideological affiliation have a major impact on management procedures in Arab societies.

The prevalence of *wasta* in Saudi Arabia is due to the nature of the Saudi community which tends to reinforce loyalty to the tribe or family by ensuring that priority in employment is given to a certain member of the tribe without taking into account their merit or efficacy. Thus, tribal values are primary factors in the management style in Saudi Arabia.

1.2 Theoretical Framework

Studies related to national culture written since the 1970s argue that organizations are 'culture-bound' and cannot be separated from their cultural contexts ((Meyer and Rowan, 1977; Lincoln *et al.*, 1978; Lincoln *et al.*, 1981; Laurent, 1983; Hofstede, 1991). Hofstede (1984) concludes that culture in multicultural organizations in 40 countries show significant differences as a result of the behaviours of employees. This means that the socio-cultural environment plays a predominant role in shaping the organisational characteristics in terms of management style and organizational structure. Therefore, the fundamental values of organizations differ across countries but the differences among organizations within the same country are limited to practice

(Hofstede *et al.*, 1990). Therefore, Hofstede *et al.* (1990) posit when culture is analysed, then national culture should be assessed in terms of values, while organizational culture should be studied in terms of practice.

Based on this idea, Weir and Hutchings (2005)argue that management practices differ across countries due to the cultural context: "All management behaviour takes place and all management attitudes are rooted in a specific cultural context. Knowledge cannot be understood outside of the cultural parameters that condition its emergence and modes of reproduction" (p. 89). This is because the national culture (i.e. the cultural context) imposes a pattern of management behaviour and organizational culture. Its impact on employees' behaviours and attitudes is reflected in the adoption of different management practices such as change management, decision making, HRM, work-related attitudes, negotiations, reward management, leadership (Kirkman *et al.*, 2006; Elsaid and Elsaid, 2012), and organizational effectiveness and innovation (Denison and Mishra, 1995). Furthermore, culture has an impact on the understanding of some management concepts such as teamwork, participation, and leadership, and therefore no equivalence can be assumed as the meaning of these terms (Smith *et al.*, 2002). However, distinguishing between the meaning of concepts in contextualized or directed to in-group versus out-group members in collective societies rather than individualistic ones seems fairly apparent (Smith and Bond, 1998).

Similarly, much research emphasises that national values and beliefs contribute to the huge differences in management practices and their effectiveness across countries (Ali, 1988; Hofstede and Bond, 1988; Ralston *et al.*, 1993; Selmer and de Leon, 1993; Ali and Azim, 1996). This is because values and norms play a key role in clarifying cultural variations and priorities (England *et al.*, 1974) as well as the formulation of management structure and behaviour (Ali and Twomey, 1987). Therefore, Tata and Prasad (1998); Lindholm (1999); Dastmalchian *et al.* (2000) all argue that organizational culture is fundamentally impacted by the national culture in which the organization is located. This is because the very fabric or cultural component of any society reveals itself clearly in the conduct of its organizations, and imposes itself directly or indirectly, mostly if not totally, on the pattern of administrations and regulations in accordance with the culture of the community. In addition, national culture impacts on the basic assumptions of individual and management practices.

In Arab countries, the culture of organizations and management practices, whether in public or private sector, is influenced by tribal values, religious principles and the authoritarian political system (Mohammed *et al.*, 2008; Rees and Althakhri, 2008). The traditional norms and values of tribe impose "social obligations towards family and members of a larger group including one's work associates" (Dedoussis, 2004: p. 18). In addition, Islam gives priority to the interest of the group ahead of the individual. Therefore, the Arab world including Saudi Arabia tends to reinforce collectivism rather than individualism (Ali *et al.*, 1997; Abu-Saad, 1998). In Saudi Arabia specifically, Al-Wardi (1951) argues that the Islamic and kinship environment has a significant influence on Saudi's values, which contribute to reinforcing the rules, authority, and hierarchy of the family.

These national values are transferred from Arab culture to the organizations situated within the countries, in turn spilling over into workplace practices. The role of these elements is clearly noted by Hofstede (1984), who found that Saudi Arabia has a high score in power distance (95), uncertainty avoidance (80) and masculinity (60), while they have a low score in individualism (25). Later studies that use Hofstede's dimensions, such as At-Twaijri and Al-Muhaiza (1996), confirm these findings on Arab culture. Furthermore, Ali *et al.* (1997), who focus on dimensions consistent with Hofstede find Kuwaitis and Arab expatriates are more collectivist than individual, while Ali *et al.* (2006) conclude that Arabs score higher on collectivism than their American counterparts. In addition, Bjerke and Al-Meer (1993) used Hofstede's national culture dimensions to analyse the effect of Saudi culture on management in the KSA. However, the results do not agree with Hofstede's findings in certain dimensions. They conclude that "Saudi managers score considerably higher on power distance and uncertainty avoidance; considerably lower on individualism and relatively lower on masculinity" (p.35). In this context, Rees and Althakhri (2008) characterize Arab culture as "strongly group oriented, male-oriented and dominated by large power distance, strong uncertainty avoidance, and long term orientation" (p.128).

From the discussion, it is apparent that the majority of studies concerning culture in organizations used Hofstede's (1984) model, including At-Twaijri and Al-Muhaiza (1996) and Bjerke and Al-Meer (1993) or as part of a model or just a single dimension, such as collectivist or individualistic (such as Ali *et al.* (1997); Ali *et al.* (2006), or

masculinity and femininity (see, for example, Buda and Elsayed-Elkhouly (1998); Sims (2009) and Gardner *et al.* (2009)) and impact of organizational culture only (such as Herrera (2008); Al-Adaileh and Al-Atawi (2011); and Aldhuwaihi (2013). These studies concentrate on a particular attribute of culture such as religion, tribalism, or family but without focusing on specific practices, such as *wasta,* that are influenced by these attributes. In addition, most studies used survey (quantitative research) methods, with the result that the analysis is limited to the degree of the cultural impact and does not attempt to understand how this impact occurs in organizations originations and on individuals' behaviours in the workplace. It is this focus on the attribute of *wasta* and how it occurs in organisation and therefore impact workplace practices that allows this study to fill the gap in the literature.

In Hofstede's seminal work on national culture, the concept of power distance is referred to as "the extent to which the less powerful members of institutions and organizations within a country expect and accept that the power is distributed unequally" (Hofstede, 2001: p. 98). It is defined as, "a measure of the interpersonal power or influence between a superior and a subordinate as perceived by the subordinate" (Hofstede, 1991: p. 28). Bjerke and Al-Meer (1993) posit that a high score in power distance can be understood as follows: "Parents put high value on children's obedience, managers are seen as making decisions autocratically and paternalistically, managers are more satisfied with a directive and persuasive superior, managers like seeing themselves as benevolent decision makers and employees fear to disagree with their boss" (p. 31). In addition, Branine and Pollard (2010) indicate that power and authority in Arab society have a strong influence on relationships between manager and employees. In Saudi society, a relatively small number of people possess a high degree of power and authority, while the majority of population do not have this power. The large power distance in the Saudi workplace means orders and the decisions of managers are accepted by subordinators largely without objection. Furthermore, the Saudi management style focuses on the group rather than on the individual. When the power-gap dimension is high, decisions tend to be made on the basis of favours to subordinates and loyalty to superiors, which means that decisions are not made on the basis of merit (Obeidat *et al.*, 2012). The individual tends to use power for personal gain (Sung, 2002) or for their family or tribe as in the case of Arab culture where an employee might use power to pressure subordinates into submission. In addition, the

unequal distribution of power might also encourage the use of *wasta* as a tool to gain access to upper levels of society (Hutchings and Weir, 2006a).

Arab society based on the Hofstede's study can be describe as collectivist, while Saudi Arabia is even more highly collectivist than societies in other Arab states (Mellahi, 2006). Thus, the interests of family and relationships take precedence over work (Trompenaars, 1993), which reflect on Saudi managers' behaviours through combine prefer a tight social framework within the organization (displaying a high degree of collectivism) (Bjerke and Al-Meer, 1993). Thus, it can be inferred that the family and tribal roots also impact on individual and management behaviour (Anastos *et al.*, 1980). In addition, the general societal context and the cognitive styles of managers also influence human resource policies in general (Branine and Pollard, 2010). Therefore, human resources policies in private and public Saudi organizations are affected by the personalized and idiosyncratic factors(Mellahi and Wood, 2002; Rice, 2004). Similarly, Mellahi and Wood (2001) argue that society (and therefore management structures and processes) in the Gulf Cooperation Council (GCC) states are strongly influenced by the closeness of relatives or relationships.

As to uncertainty avoidance, which is concerned with how society deals with uncertainty or ambiguity and whether or not it can tolerate such cases, Arab society, including Saudi Arabia, is characterized by a high level of uncertainty avoidance (Hofstede, 1984). This implies that Saudis are anxious and tend to resist change because it might involve undesired risks. So, they need formal rules to avoid uncertainty and ambiguity. In a high uncertainty avoidance culture, individuals have problems with the unfamiliar (Hofstede, 1991), and they do not prefer dealing with such ambiguity. In this case, uncertainty avoidance plays a crucial role in the decision to recruit relatives or acquaintances rather than strangers (Velez-Calle *et al.*, 2015). Saudi managers are not willing to take such risks and do not like conflict, so, they tend to prefer a tight social framework within their organizations (Bjerke and Al-Meer, 1993) In this case, the use of social networks (*e.g. wasta)* is considered as a way to avoid dealing with potentially unreliable people (Velez-Calle *et al.*, 2015). Furthermore, managers try to avoid uncertain situations by seeking greater career stability and establishing rules and policies (Robertson *et al.*, 2002), and Saudi managers are no exception. In order to attain career stability and avoid risk and uncertainty that unfamiliar staff can bring, Saudi managers prefer to work with familiar individuals from their tribe or region by

giving them high positions in workplaces to ensure their loyalty and avoid the risk of conflict of interest when employing strangers, even Saudis. They try to justify this by arguing that a tribal or family member can understand them and give them their loyalty, even working in the interest of the manager, thereby saving the manager's face, especially among families and tribes. In addition, they will not be able to leave their work if and when they recruit family members. Thus, uncertainty avoidance is considered one of several challenges facing HR managers in Saudi Arabia (House *et al.*, 2004).

Furthermore, Saudi Arabia can be described as a society with a predominantly masculine culture. According to Hofstede (1984), this means that dominant social values are related to the work ethic when this is viewed in terms of money, achievement and recognition. In contrast, feminine social values focus on people and quality of life" (Hofstede, 1984). Moreover, Herbig and Dunphy (1998) also tried to distinguish masculine from feminine culture, and they found that while the former focuses on output and emphasizes performance, the latter by contrast tends to focus on processes and emphasizes aesthetics. Individuals within a highly masculine culture are more likely to take advantage of their increased ability and opportunity to control corruption which comes as part of any attempt at human development (Sims *et al.*, 2012).

Notwithstanding the importance of Hofstede's seminal work on national culture, whose analysis of the national culture enhances the understanding of *wasta* practices in the workplace and their impact on the behaviour of employees within an organization, this study focuses on the dimensions of power distance, collectivism, and uncertainty avoidance. This is because such dimensions can be critical to determining the propensity of certain cultures toward social networking (Dunning and Kim, 2007). Besides, the essential ingredients of social networking (e.g. *wasta)* are based on respect and social status, which reflect the level of power distance and collectivist dimensions. In terms of uncertainty avoidance, it might explain how social networking reduces uncertainty and risks in the workplace by the preference to work with relatives or acquaintances rather than strangers or people who are potentially unreliable. This ensures that the loyalty of individuals is to their families first, and then to other social levels that individuals belong to such as their tribe, religion or the extended family (Sidani and Thornberry, 2010). Hence, these dimensions can explain why interpersonal

loyalty is often more important than organizational affiliation or legal status in Saudi society.

Arab society is still predominantly based on traditional social networks, even in the area of business activity (Hutchings and Weir, 2006a), due to the overarching authority of religion and tribal relations which directly or indirectly reinforce rules, authority, and hierarchy (Ali and Al-Shakis, 1985). This results in the widespread use of favouritism towards members of the family or tribe (*wasta*). Thus, managers give priority to the individual based on the friendships and personal considerations over the interest of organization (Al-Hegelan and Palmer, 1985; Ali, 1995).

Turning to the research on *wasta*, which involves social networks of interpersonal connections based on family and kinship ties and implies the exercise of power and influence through social and political-business networks, it can be described as a form of favouritism used by influential people, who have the power to impact on decision-making (Cunningham and Sarayrah, 1993; 1994; Hutchings and Weir, 2006a; Metcalfe, 2006). The power is used for personal gain (Sung, 2002), or for their relevant of the member of family, tribe in collectivism society as in case of Arab culture by employee their power to pressure on the less power to response for the demands. In addition, the unequally distributed of power might encourage the use of *wasta* as a tool to gain access to upper levels of society (Hutchings and Weir, 2006a).

Numerous studies, which address the impact of *wasta* on management practices, human resource management and organisational values, conclude that *wasta* plays crucial role in wide range of management practices, such as access to jobs, recruitment, selection, promotion (Metcalfe (2006) (Whiteoak *et al.*, 2006). (Dobie *et al.*, 2002; Kilani and Sakijha, 2002; Whiteoak *et al.*, 2006), employees' rewards (Branine and Pollard, 2010) and appraisal practices (Al Harbi *et al.*, 2016). Thus, human resources policies in private and public Saudi organizations are affected by personalized and idiosyncratic factors (Mellahi and Wood, 2002; Rice, 2004) which directly and indirectly reflect on organizational culture, practices and effectiveness.

However, studies set in a Western context argue that the use of a network of relationships can exhibit positive results and reinforce the success of managers and organizations. For example, career outcomes through access to information, social and

professional advice, increased job opportunities, promotions, and career satisfaction have been positively impacted by successful organizational networking (Green, 1982; Kram and Isabella, 1985; Luthans *et al.*, 1988). Furthermore, others studies point out that the absence of organizational networks can create negative consequences for the career advancement of managers, including the lack of professional support, career planning, and information sharing (Morrison, 1992; Burke and McKeen, 1994; Cleveland *et al.*, 2000). Thus, Western studies show that networking can be a useful tool and instrumental in advancing the career success of managers (Tonge, 2008).

In Arab society, *wasta* is considered to be an indigenous forms of social networking which is commonly practiced by all segments of society in all sectors (Sawalha, 2002), at all levels of government (Cunningham and Sarayrah, 1993). *Wasta* is often used to help a member of the tribe or family or close friend regardless whether or not they meet the conditions for job opportunities, promotions and career improvement. *Wasta* practices involve intervening in order to provide undeserved benefits, to overcome a barrier or bypass formal regulations to acquire to access jobs or promotion or training or acquire government contracts that unattainable without using *wasta* (Cunningham and Sarayrah, 1993; Sawalha, 2002; Mohamed and Mohamad, 2011; Smith *et al.*, 2012a; Smith *et al.*, 2012b; Barnett *et al.*, 2013; Abalkhail and Allan, 2016).

Thus, the use of *wasta* as a social network contrasts to its use in a Western context. *Wasta* as a network of relationships has a mainly negative impact in Arab societies on management procedures in general and human resource practices in particular. It provides a particular challenge to the improvement of organisational performance in Saudi Arabia (Assad, 2002; Idris, 2007). This is because personal connections are more important than qualifications and skills (Metcalfe, 2006; Whiteoak *et al.*, 2006). Thus, *wasta* practices in organizations lead to the appointment and promotion of individuals to positions that do not match their abilities, education levels or experience (Giangreco *et al.*, 2010; Finlay *et al.*, 2013). Studies set in Jordan, Oman and UAE highlight that *wasta* is an important factor in obtaining employment or promoting one's career, especially among young people (Dobie *et al.*, 2002; Kilani and Sakijha, 2002; Whiteoak *et al.*, 2006).

From the discussion, it is apparent that *wasta is* practiced widely in Saudi Arabia. However, its use in the business sector is primarily negative because the use of *wasta* does not put the right person in the right job. This can at least partly explain the generally weaker performance of Arab managers which reflect on the poor performance of organizations, thereby hindering economic progress across the region (Makhoul and Harrison, 2004). In addition, it involves unfair and unjust practices in the workplace which impacts on management practices and human resource management. Thus, the study of *wasta* practices provides a platform on how the power distance, collectivism, and uncertainty avoidance dimensions in Saudi Arabia operates inside organizations in the Kingdom. It highlights the impact of the behaviour of individuals on workplace values and shows paradoxically how it leads to prioritising the individuals over the business needs.

1.3   Gap knowledge

Despite the centrality of *wasta* in Arab culture, most research indicates that organizational culture is significantly influenced by the national culture in which the organization is located (Tata and Prasad, 1998; Lindholm, 1999; Dastmalchian *et al.*, 2000). In this context, Arab culture has unique characteristics, values and norms that have a profound influence on the individual, and, therefore, on organizational behaviour (Al-Faleh, 1987). In turn, this has a strong influence on the employment practices and relationships in Arab organizations (Mellahi, 2007).

There is a lack of understanding of organizational culture in Arab society in general and Saudi Arabia in particular, because most studies tend to assess the culture of organization based on the perspective of Western values without due regard to unique values and practices such as *wasta*. In addition, Western social scientists fail to provide a detailed treatment of *wasta* because the concept does not lend itself readily to functional method (Cunningham and Sarayrah, 1993), due to being characterized by hidden practices and it is relationship to individual's behaviours that might change from case to case. In addition, Western social scientists, until recently, might not able to obtain information about the practices or process of *wasta* due to the sensitivity of the topic and its practises (Cunningham and Sarayrah, 1993). In addition, Middle Eastern social scientists, until recently, avoided writing about *wasta.* This is because the topic is considered a social taboo, as discussing *wasta* is a criticism of Arab culture. In addition,

studies which analyse the impact of *wasta* on business and management practices are limited (Hutchings and Weir, 2006a; b; Metcalfe, 2006). Moreover, Barnett *et al.* (2013) state that, as far as they can determine, the role of *wasta* has not been studied in depth by economists. As a result of there is failure of the literature to understand that the use of networks in Arab society (unlike in Western society) is primarily negative for organizational culture; and the failure of the literature to develop an understanding of the practices of wasta on organizational culture.

Therefore, this research seeks to reduce the gap in the literature regarding organizational culture and *wasta* by attempting to understand the practices of *wasta* within organizations and its impact on organizational culture and human resource practices in the Saudi context. This research adapted Hofstede's model (1984), because it is able to critically analyse the national culture which in turn enhances the understanding *wasta* practices in the workplace and its impact on the behaviour of employees within an organization. In addition, this study focuses on power distance, collectivism, and uncertainty avoidance dimensions, because these dimensions can be critical to determining the propensity of some cultures toward networking (Dunning and Kim, 2007). Thus, these can provide useful heuristics for developing an understanding of the cultural context (*wasta*) for organizational culture and human resource practices (recruitment, promotion, and training).

1.4 Objective and Research questions

The aims of this research are to produce a nuanced understanding of organizational culture in Saudi Arabia and to examine the impact of *wasta* (personal connections) on the practice of management in telecommunication companies in Saudi Arabia.

To fulfil this aim, the objectives of this thesis are the following:

- To generate a more nuanced understanding of organizational culture in Saudi Arabia, focusing on the role of *wasta.*
- To outline a research project that will examine how *wasta* impacts management practices in telecommunication companies in Saudi Arabia.

In this context, this research addresses this question, how does *wasta* impact on a range of human resource management practices in Saudi organizations? This overarching question fall into five sub- questions:

1. What is the role of *wasta* within Saudi Arabia?

2. What forms does *wasta* take in Saudi Arabia?

3. What is the role of the middleman[1] in the outcome of *wasta* of Saudi companies?

4. How does *wasta* impact human resource policies and practices in Saudi organizations?

5. How does *wasta* influence the organizational culture of Saudi Arabia companies?

1.5 Methodology

The researcher adopted an interpretive perspective. This uses a qualitative approach by means of in-depth semi-structured interviews to collect data. It investigates how *wasta* affects organizational culture and human resources, especially in the areas of promotion, training and development. Therefore, this study should offer a better understanding of *wasta* in Saudi Arabia and generate a more nuanced understanding of organizational culture within that context.

The aim of this study is to address the research questions, how does *wasta* impact on the range of human resource management practices in Saudi organizations? in order to explore the forms of *wasta* practices in Saudi Arabia and the middleman's role as to its outcome. This is in addition to exploring the influence of *wasta* on the organizational culture and human resource practices amongSaudi organizations in order to be able to expand on the concept of wasta and generate a more nuanced understanding of organizational culture among Saudi telecommunication companies. Studies on this topic are limited and there is a lack of research on *wasta* and how it impacts human resource management in Saudi Arabia. For these reasons, this research adopts an exploratory approach in order to expand the knowledge on *wasta* and understand its process and forms. The inductive approach is more appropriate for an exploratory study of this nature and typically adapts a qualitative research methods.

The qualitative approach is suitable for the current research's attempt to discover and

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[1] I used Middleman to describe individual who involved of *wasta*, because women usually practice *wasta* through their male relatives, such as father, brothers, and uncles.

explore the forms of *wasta* practices in Saudi Arabia and the role of the middleman in them. This is in addition to exploring the influence of *wasta* on the organizational culture and human resource practices among Saudi organizations. Moreover, the wasta phenomenon is related to the culture and social context, and thus needs to be studied in detail so as to understand and explore its practices and process based on people's perceptions and experiences, which can be obtained via interviews that are semi-structured.

Semi-structured interviews were conducted with 20 employees and 10 managers, who were all working full-time in two organizations and whose experiences in these companies ranged from 9 months to 30 years. This was to ensure various periods of job time and diverse information from a variety of experience are covered. In addition, this research shed light on male employees in the Saudi telecommunication sector for three reasons. First, most of the employees in this sector are male. Second, women usually practice *wasta* through their male relatives, such as father, brothers, and uncles. Third, women in Saudi Arabia prefer not to talk to males who are not relatives directly, which could make the task of data collection difficult.

1.6 Structure of the thesis

This chapter has presented an overview of the thesis and has sought to provide a clear indication of the issues motivating this research, the objectives, and research questions, the contribution of this study and findings. The next chapter will shed light on the main theoretical background of the concept of organizational culture. It will highlight the concept of culture in anthropology, psychology and sociology then discuss national culture and its influence on organizational culture and will assess the concept of organizational culture, including definitions, perspectives and typologies. Chapter three focuses on *wasta* and its role in the business environment through drawing on the concept of social networks in general and the concept of *wasta* in the Arab World. The chapter discusses *wasta's* impact on business, then assesses *wasta* practices in the Saudi Arabian business environment, including its various forms and methods. Chapter four will describe the methodology by focusing on the research philosophy and design, data generation sources and methods, the industry-specific focus of the study, and the research design and methods of data generation.

Chapter Five will present and analysis the findings related to the forms of *wasta* and the impact of the middleman on the outcome of *wasta* in order to build a clear picture about *wasta* practices in Saudi Arabia. Chapter Six will then present the description, interpretation and analysis of the data related to the impact of *wasta* on human resource practices and organizational culture in the Saudi Arabia. Finally, Chapter Seven will present a conclusion, including advances to previous academic literature review, empirical and conceptual contributions, discussion of the limitations of the research and implementation of the study and provide recommendations for further research in the topic of *wasta*.

Chapter two: Organizational Culture

2.1 Introduction

In order to survive organizations have to achieve certain goals that must be flexible in order to transform to a changing economic and business environment. In recent decades, organizations have become increasingly more complex in order to survive. These complexities have to take into account human relations, individual behaviour and organizational processes which can mean the difference between success and failure in the face of intense competition.

Organizational culture as a concept emerges from the study of people's values, psychology, attitudes, beliefs, and experiences of an organization. The concept is used to try to explain how people think, reason and make decisions in an organization (Pettigrew, 1979). Therefore, organizational culture is one of the most important theoretical fields by which to understand modern organizations (Delobbe *et al.*, 2002), and as such it has become a standard component in management, business communication, and organizational communication courses (Putnam and Conrad, 1999). This is because the "organizational culture dimension is central to understanding all aspects of organizational life" (Alvesson, 2002: p. 1).

The aim of this chapter is to provide a review of the literature on organizational culture. In order to achieve this, the chapter is divided into five sections. The first section draws on the concept of culture in anthropology, psychology and sociology. The second section discusses national culture and its influence on organizational culture. The third section assesses the concept of organizational culture, including definitions, perspectives and typologies. The fourth section discusses management in the Arab world, while the final section focuses on human resource management in Saudi Arabia.

2.2 Culture

The concept of culture has become dominant in the study of organizations. Although it has an important issue which has received considerable attention in the fields of psychology, sociology and anthropology from scholars and practitioners for over one century, the concept itself is still the subject of heated debate. The controversy started in 1871 when British anthropologist Edward Taylor provided the first definition of culture as a: "complex whole which includes knowledge, beliefs, art, morals, law, custom and

any other capabilities and habits acquired by man as a member of society" (Taylor, 1924: p. 1). This comprehensive definition comprises three parts: ideology which governs peoples' lives in any society (knowledge, beliefs, art, morals, law, custom and any other capabilities and habits); the process of how the ideology is created (acquired by man); and interaction in the social system (as member of society).

Taylor's definition became the foundation for subsequent refinement by British and American anthropologists in the following decades as comprehensive functional positions of culture is an integrated system. Although anthropologist studies argue that culture refers to the whole way of life in which people grow up (Pheysey, 1993: p. 3), there is divergence between these about its vision to study culture through sociocultural system and system of Ideas. In sociocultural system, there are four schools of thought in relation to culture; the functional, the functional structuralism, the historical-diffusionist and the ecological-adaptionist (Allaire and Firsirotu, 1984; Ouchi and Wilkins, 1985).

According to Malinowski (2002) culture in the functionalist school is a part an Integral composed of two parts of autonomous and coordinated institutions. According to this view, culture can be defined as activity tool create appropriate position which make person to deal flexible with specific problem in his life which meet needs of satisfaction (Allaire and Firsirotu, 1984; Ouchi and Wilkins, 1985; Malinowski, 2002). Hence, institution and myths represent the main aspects or manifestation of culture. while, functional structuralize school focus on "complex network of social relation" (Radcliffe-Brown, 1952: p. 19). Culture would be described as an integrated social system focuses on seek to creating ideal life and adaptation tools in order to society balance with its physical environments (see for example, Radcliffe-Brown (1952); Allaire and Firsirotu (1984); and Ouchi and Wilkins (1985)). Furthermore, ecological – adaptationist school studies social institutions as interdependent parts of social system" (Evans-Pritchard, 1951: p. 9). This school treats culture as a system of patterns of behaviour that move socially from one generation to another, in order to make the human contact lasting ecological status (Evans-Pritchard, 1951; Allaire and Firsirotu, 1984; Ouchi and Wilkins, 1985). However, the historical- diffusionist school argue that culture arises outcome of historical circumstances and processes, they who support this vision tend to describe culture as set of temporal interactive, super organic and autonomous configurations or form which contribute historical circumstances to creation (Allaire and Firsirotu, 1984; Ouchi and Wilkins, 1985).

The definitions and assumptions of the differing schools regarding the nature of culture reveal that:

- Culture is an integrated social system.
- Culture is a system of patterns of behaviour inherited through previous generations.
- Culture arises from historical circumstances and processes which might contribute to the reason why culture differs from one society to another.
- Culture is an active tool for dealing with different problems.

According to Wallace (1970), cited in Allaire and Firsirotu (1984), "culture consists of policies that are tacitly and gradually concocted by groups of people for the furtherance of their interests, and contracts established by the practices between and among individuals to organize their strivings into mutually facilitating equivalence structures" (p.198). Meanwhile, the ideational system has seen culture as a system of shared meaning and symbols.

In fact, the diversity of studies on the nature of culture contributes to the multiplicity of views on the concept of culture. Thus, authors argue variously that culture is often related to behaviours or activities of individuals, it refers to the heritage or tradition of groups, it describes rules and norms, describes learning or problem-solving, defines the organization of a group, or the origins of group (Kroeber and Kluckhohn, 1952; Berry *et al.*, 1992). On the other hand, others argue that culture reflects patterns or styles of a specific environment, in which case they refer to general characteristics such as food, clothing, housing and technology, economy, transportation, individual, family activities, community, government, welfare, religion, science, sex and the life cycle (Murdock *et al.*, 1971; Berry, 1980; Berry *et al.*, 1992). These are divergence about the use of culture led to disagree between researchers about multiplicity of the concept of culture. In an attempt to clarify the situation, Kroeber and Kluckhohn (1952), identify 164 definitions of culture and attempt to formulate these into one definition as:

"*patterns, explicit and implicit, of and for behaviour, acquired and transmitted by symbols constructing the distinctive achievement of human groups including their embodiment in artifacts; the essential core of culture consists of traditional ... ideas and especially their attached values; culture systems may, on the other hand, be considered*

as products of action, on the other as conditioning elements of future action" (Kroeber and Kluckhohn, 1952: p. 181).

In contrast, Geertz (1973) defines culture as "the fabric of meaning in terms of which human beings interpret their experience and guide their action" and "an ordered system of meaning and of symbols in terms of which social interaction takes place" (p. 145) . Thus, he changes the focus from complexes of concrete behaviour patterns, customs, usages, traditions, habit clusters to a tool that governs peoples' behaviour to control mechanisms, plans, recipes and rules (Geertz, 1973). He reinforces this idea when he sought to understand the individual's point of view based on his/her relationship to life and vision of his world. Therefore, Allaire and Firsirotu (1984) state that "culture is a stenographic cue for values, norms, beliefs, customs, or any other such string of convenient identifiers chosen among the vast assortment of definitions available in a random pick of text from cultural anthropology" (p. 58).

In fact, this notion suggested by Geertz (1973) of dealing with culture as a tool to control a given behaviour provides evidence on trying to employment under to culture as factional rather than vision superficial which focus on description the traits of culture without determining how these work to people in societies.

Rohner (1984) defines culture as a set of variable meanings which are shared and learnt by a group of people or an identifiable segment of a population, which together work as a compass or guide for their lives. These meanings are transmitted to new generations. Geertz (1975) and Berry *et al.* (1992) produce definitions that agree with Rohner's definition focusing on the shared aspect of people lives. Geertz defines culture as a shared symbol system transcending individuals, while Berry et al. define culture as a sharing way of life by a group of people. Linton (1964) agrees with Rohner's notion of transmission. He argues that culture is heredity and indirectly states that culture cannot be separated from the social. This means that culture is transferred from generation to generation (Culture passed down through generations). However, Jahoda (1984) argues that culture is not confined to rules and meanings, it also includes behaviours. Pelto and Pelto (1975) state that culture is term of personality. Baumeister (2005) defines culture as an information-based system that allows people to live together and satisfy their needs. It is clear that culture is a comprehensive concept that involves sharing patterns of meanings and behaviours which help individuals to live together.

From the definition presented above, it can be concluded that culture refers to the total way of life that consists of a wide range of behaviours or activities of individuals on a micro and macro level. The review shows there is no consensus about the nature of culture, as the different approaches hold different assumptions about what culture refers to Sackmann (1991). Thus, there is no consensus about the nature of culture that can be extended to the national culture.

2.3 National Culture

The role of cross-cultural or national culture in business organizations has received extensive attention among management scholars in the last three decades. This interest has led to two divergences among both academics and practitioners about the role of national culture in an organization. Certain authors argue that culture does not have an impact on organizations, in other words they are 'culture free' in that culture is universal and therefore there are some similarity between organizations anywhere in the world (see for example Hickson *et al.* (1974); Form (1979); Negandhi (1979); and Negandhi (1985)). In contrast, other authors such as Meyer and Rowan (1977); Lincoln *et al.* (1978); Lincoln *et al.* (1981); Laurent (1983); and Hofstede (1984) argue that organizations are 'culture-bound'; in other words organizations cannot be separated from their cultural contexts. For example, Hofstede (1984) concludes that the different national cultures in multicultural organizations in 40 countries show significant differences as a result of the behaviours of employees. In this argument, the socio-cultural environment plays a predominant role in management and organizational structure, although Dedoussis (2004) argues that with respect to Arab management, this culture-bound position is unfounded. Indeed, Oberg (1963) argues that "the rules and requirements for managerial success and/or effective differ so significantly across cultural boundaries as to make any attempt to generalize certain universal principles for management a meaningless task". Thus, Berry (1969); Lammers (1976) and Hofstede (1984) argue that any cross-cultural comparison of institutions is invalid because the researcher is attempting to compare elements that are not similar.

Child (1981) analyses many cross-culture studies and concludes that studies which focus on macro-level issues such as the structure of and technology used by organizations across different cultures tend to support the view that culture is universal and organizations converge. On other hand, studies that focus on people's behaviours

within the organization or what he terms micro-level issues tend to support the idea about a lack of homogeneity (divergence) between organizations in the world. Therefore, he argues that organizations in any country tend to be similar in structure and technology, but people's behaviours impose cultural specificity on organizations. That means that the behaviours of people are a significant factor in distinguishing organizational characteristics. Tayeb (1988) agrees with Child (1981) and states that organizations can have a universal culture and be culture-specific at the same time. He asserts that the two sides complement each other. For example, shop floor layouts, hierarchical structures and division of functions tends to be universal, whereas human resource management (HRM) tends to be culture-specific.

Hofstede (1984) argues that culture at the national level focuses on a common culture held by the people in the community or a particular state and which is distinguished from other people in other communities. In addition, Hofstede (1989) highlights the difference between national culture and organizational culture in order to remove any possible confusion between these two aspects. He argues that national culture is with individuals from their birth, and evolves to play a significant role in formulating the values that govern their behaviour. In contrast, organizational culture is acquired by the individual when they join an organization. Thus, communities are a source for national culture, and organizations are a source for organizational culture. In summary, Hofstede *et al.* (1990) found that the fundamental values of organizations differ across nations but the differences in organizations from the same nation are limited to practice. Therefore, they posit when culture is analysed, then national culture should be assessed in terms of values, while organizational culture should be studied in terms of practice.

Hofstede (1989) analyses national and organizational culture differences across 72 counties in 20 languages in two programmes. The first programme focuses on the differences in national cultures in one organization in 64 countries by studying five dimensions of national culture: power distance, individualism, masculinity, uncertainty avoidance, and long-term orientation. He explains that power distance focuses on differences in power and influence. The measurement of this dimension gives an indication of the degree of acceptance of the community that some of its members have greater authority than others, or the belief in other societies, that people should be equal (Hofstede, 1984). Uncertainty avoidance is concerned with how the society deals with uncertainty and ambiguity, and whether or not it tolerates these cases. It is evaluated by

society's ability to deal with anxiety and change factors in terms of acceptance of the risks, and the difference in emphasis on the existence of social norms and the process (Hofstede, 1984). Individualism versus collectivism measures the degree of integration of the individual in the context of the group. The individual in some societies acts without the backing of the group, and linkages between individuals in this situation are weak. However, the group (such as the family or tribe) in other societies is in charge of protecting individuals within the group and as such requires their absolute loyalty (Hofstede, 1984). Masculinity and femininity, according to Hofstede, a society can have masculine or feminine values. The society is considered to be masculine when its dominant social values are related to "work ethic when this is viewed in terms of money, achievement and recognition". In contrast, feminine social values focus on "people and quality of life" (Hofstede, 1984). Long term versus short term orientation reflect the attention to the present and the future and the impact on decisions or a standard time horizon of the community and the importance of the future has for past and present. Remote communities with view to give high value to persevere and savings, while the communities with the Short high value respect tradition derived from past duties toward society.

The second element of Hofstede's research program examines differences in organizations through focusing on dimensions of organisational culture: task oriented vs. job oriented cultures; process vs. result oriented cultures; professional vs. parochial cultures; open vs. closed communication system cultures; tight vs. loose control cultures; and pragmatic vs. normative cultures. The findings show that national values are a source of difference rather than practices. In contrast, the practice level is key to the differences between organizations more than the values. This study also shows that the power distance and individualism of national culture have a crucial impact on the diversity of management approaches. However, Ronen and Shenkar (1985) criticize Hofstede's method of constructing the scales to study national culture and argue that the results therefore have low content validity.

Similar to Hofstede, Adler (1997) defines national culture as the core values, norms, practices that are dominate in any society and which mould the behaviour of individuals in that society. This means that national culture is distinguish by the fact that is shared by the whole society, and is therefore more general than organizational culture, which may be one of the outputs of national culture. Therefore, organizational culture is

significantly influenced by the national culture in which the organization is located (Adler, 1997; Tata and Prasad, 1998; Lindholm, 1999; Dastmalchian *et al.*, 2000). Thus, organizations cannot be separated from the surrounding national culture, which may lead or contribute to different organizational behaviour in different countries (Adler, 1997). As Rafaeli and Worline (2000) explain this is because employees come to organizations with the values and the attitude of societies in which they grew up.

Specifically, Agnaia (1997) highlights that factors such as personal connections, nepotism, sectarianism and ideological affiliation have a big impact in management procedures in Arab societies. Laurent (1983) also mentions that the ways managers in nine European countries and the United States are differentiated by their national cultures in how they approach organizational issues. Importantly, employees were maintaining their culturally specific ways of working even when employed with the same multicultural organization (Laurent, 1983). As a result, Alvesson (1995) argues that national culture influences organizational strategy and how organizational goals are achieved.

Furthermore, according to Westwood and Posner (1997), the differences in personal work-related values of managers from three different cultural contexts—the US, Australia and Hong Kong—emerged from differences in national culture characteristics. These differences, according to Lok and Crawford (2004), might play a crucial role in determinants of managers' perceptions of their level of job satisfaction and commitment. Thus, Pothukuchi *et al.* (2002) argue that national culture tends to significantly impact on the efficiency and competitiveness measures of IJV performance. Furthermore, Newman and Nollen (1996) report that report that organizations tend to perform more strongly when their management practices are aligned with the national culture.

Turning to the Arab world, Hofstede (1994) found that the Arab countries including Saudi Arabia have high score in power distance and uncertainty avoidance, while they have a low degree in individualism, and relatively low on masculinity. Furthermore, Bjerke and Al-Meer (1993) used Hofstede's national culture dimensions to analyses Saudi culture on management in Saudi Arabia. They found that Saudi managers have a high power distance, and tend to have a high score in uncertainty avoidance orientation. Furthermore, Saudi managers tend to obligate Islamic instruction, so they prefer a tight

social framework in organizational life. Although Hofstede (1991) argues that religions impact on culture is less than assumed, others such as Tayeb (1997) argue that "Islam plays a significant part in the cultural make-up of nations as it shapes the material and spiritual spheres in life" (p. 361). Also, Humphreys (1996) emphasizes that religion is an essential element in the formulation and the formation of cultural perception.

In Saudi Arabia, the Islamic and kinship environment have a significant influence on Saudi's values, which contribute to reinforcing the rules, authority, and hierarchy of the family (Al-Wardi, 1951). As a result, Ali and Al-Shakis (1985) claim that the values of traditional, Islamic religion have a significant influence on the lives of the majority of managers and help to repress individualistic tendencies (p.145). The results also indicate that "managerial value systems differ across sector of enterprise, region of childhood, social class background, income, educational level, management level, and size of the company, so values for working are influenced by personal and organizational background" (Ali and Al-Shakis, 1985: p. 146). However, "Arabian managers are not homogeneous in their value systems" (Ali and Al-Shakis, 1985: p. 146).

In summary, national culture has a significant impact on organizational culture and provides organizations their identity, because the organization cannot be separated from its surrounding environment. In this context, the values of Arab culture, such as Islam and kinship, contribute to a high power distance, and tend to have a high score on the uncertainty avoidance orientation (Hofstede, 1994), which are reflected in the organization's environment and practices.

2.4 Organizational culture

As mentioned in the previous section, national culture has a significant impact on organizational culture. This means that the fabric or cultural component of any society is shown clearly in the practices of its organizations, and imposes itself directly or indirectly on the pattern of administration and regulation.

2.4.1 The concept of Organizational Culture

The concept of organizational culture is one of the most ambiguous management concept around which there has been intensive debate. Thus, Pettigrew (1990) describes it as "a riddle wrapped in a mystery wrapped in an enigma". This ambiguity or uncertainty is due to the multiplicity of dimensions associated the organizational

culture. For example, Jung *et al.* (2009) identify over 100 dimensions. Furthermore, the concept of organizational culture was originally borrowed from anthropology but has since been developed by researchers associated with psychology, sociology and management (Smircich, 1983; Janićijević, 2011). This background makes organizational culture one of the most ambiguous management concepts and as the debate around it remains open there is no consensus about it.

Deal and Kennedy (1982) posit that organizational culture in studies is used in four ways. First, it refers to the problem of the management of companies which have production or service facilities distributed internationally, and which are therefore open to the influence of various national cultures. Second, it is used when departments attempt to integrate different ethnicities into the workforce. Third, it can refer to the informal attitudes and values of the workforce. Finally, it refers to the official culture of the company in terms of organizational values and practices imposed by the management. These ways of understanding organizational culture are important for how managers deal with the integration of the employees into the workforce, as successful integration is vital to improving performance, increasing productivity, and responding to competition.

Morgan (1986) also views organizational culture as important in that it assists the management to create a vision for the administration of an organization in four ways. First, it gives attention to the impact of symbolism rather than rationalism in the organizational environment. Second, it shows that the rest of the organizations in shared systems, in the sense that these necessary organized work. Third, it helps to analyse traditional areas, such as leadership in a new and more meaningful way. Fourth, it contributes to deepening the understanding of organizational change.

The growth of interest in organizational culture is primarily down to two factors. The first is that organizational culture is considered to play an important role in the performance of organizations (Ouchi, 1981; Pascale and Athos, 1981; Deal and Kennedy, 1982; Peters and Waterman, 1982; Denison, 1990; Heskett and Kotter, 1992). This is because proponents argue that company performance is dependent on the extent to which employee values are aligned to company strategy (Blackler and Brown, 1981; Denison, 1990; Gordon and DiTomaso, 1992). However, these studies face severe criticism in two ways. The first criticism focuses on the theoretical validity and practical

utility (Carroll, 1983; Mitchell, 1985; Soeters, 1986; Hitt and Ireland, 1987; Saffold, 1988), because critics claim that the studies do not adopt an academic approach as they are reviews rather than an academic critique (Freeman, 1985). Thus, according to Soeters (1986) they can be criticized for being too populist, too idealistic and methodologically poor. The second criticism relates to the way which organizational culture neglects the significant differences between societies, industries and organizations, and assumes the existence of universal cultural traits (Smircich and Morgan, 1982; Moore, 1985; Martin, 1992).

The second factor is the contentious view that organizational culture is subject to conscious manipulation by company management in order to direct culture to their desired end organizations (Pascale and Athos, 1981; Deal and Kennedy, 1982; Peters and Waterman, 1982). Thus, organizational culture is viewed as a variable that can be changed or controlled either partially or completely by company management. However, the method and extent of control is a major point of contention (Ogbonna and Harris, 2002). So, example, Martin (1985) argues that culture cannot be controlled and managed , but can be changed and manipulated in certain circumstances. This is because it is created by the leaders or the organisational founders (Meek, 1988; Ogbonna, 1992), which means that it can be changed when these individuals leave the organization. Furthermore, in some cases, it occurs because of the desire of employees to change from one specific pattern of culture to another. Siehl (1985: p. 126-127) highlights five circumstances in which organisational culture can be changed: environmental calamities (such as natural disasters or a sharp recession); environmental opportunities (such as technological breakthroughs); internal revolutions (the installation of a new management team); external revolutions (such as being taken over by another company); and managerial crises (such as inappropriate strategic decisions). However, other authors argue that culture cannot be manipulated in any ways as it is the core of an organization (Krefting and Frost, 1985; Gagliardi, 1986; Knights and Willmott, 1987; Ackroyd and Crowdy, 1990; Anthony, 1990; Ogbonna, 1992; Willmott, 1993; Legge, 1994), or because it has its origins in the unconscious or because of the existence of multiple subcultures within an organization (Krefting and Frost, 1985).

2.4.2   Approaches to the Study of Organizational Culture

Smircich (1983) argues that there are five approaches to the study of organizational culture: two of these approaches—comparative management and contingency management—treat organizational culture as a variable, while the other approaches—organizational cognition perspective, structural, psychological perspective, and organizational symbolism perspective—consider organizational culture as a metaphor for the organization itself.

In the comparative management and contingency management perspectives researchers, such as Smircich (1983), view organizational culture as an independent (external) variable that can imported into an organization, and focus on the values, beliefs, and predispositions that can evolve through social interaction. In contrast other researchers, such as Louis (1980); Siehl and Martin (1981); Deal and Kennedy (1982); Tichy (1982), Martin and Powers (1983); and Martin and Powers (1983) treat organizational culture as an internal variable, and focus on rituals, legends, and ceremonies that enable the organizational culture to be developed by ensuring organizational members are in an appropriate environment (Smircich, 1983). However, in these perspectives, researchers show a functional approach to social reality and aim to improve models of social organization and cultural sub-systems, through contribution "to the overall systemic balance and effectiveness of an organization" (Smircich, 1983: p. 344). In addition to variables traditional and organizations they recognize that production can be accompanied by cultural traits, such as values, norms, rituals and ceremonies. Verbal expression is characterized by affecting the behaviour of managers and employees (Alvesson, 2001). The division is important as it affects the management strategy used.

Organizational culture is widely used for measuring various aspects of the economic performance of an organization in order to achieve its maximum level of effectiveness and efficiency (Pascale and Athos, 1981; Deal and Kennedy, 1982; Peters and Waterman, 1982). This occurs because organizational culture has an impact on different variables in the organizational setting including: organizational performance (Ouchi, 1981; Pascale and Athos, 1981; Deal and Kennedy, 1982; Peters and Waterman, 1982; Wilkins and Ouchi, 1983; Denison, 1984; Hofstede, 1984; Hofstede and Bond, 1988; Gordon and DiTomaso, 1992; Heskett and Kotter, 1992); leadership style (Schein, 1985); organizational effectiveness (Pascale and Athos, 1981; Deal and Kennedy, 1982;

Peters and Waterman, 1982; Denison, 1990; Denison and Mishra, 1995); organizational commitment (Lok and Crawford, 1999); job satisfaction (Lund, 2003). All these researchers conclude that organizational culture can contribute significantly to the success of a company (Kunda and Barley, 1988; Alvesson, 1995; Robertson, 1999).

In contrast, theorists who support the organizational cognition, structural, psychological, and organizational symbolism perspectives view organizational culture as a metaphor in that they stress that organizations should be understood as cultures, because it leads to a view that culture is "something an organization is, not something an organization has" (Smircich, 1983: p. 353). Thus, according to Smircich "when culture is a root metaphor, the researcher's attention shifts from concerns about what do organizations accomplish and how may they accomplish it more efficiently, to how is organization accomplished and what does it mean to be organized" (Smircich, 1983: p. 353). This helps the researcher because "the metaphoric process is fundamental in the way the human mind orders reality" (Alvesson, 2002: p. 24) In this context, Davenport (1998) argues that metaphors enable people to speak about complicated phenomena in organizations.

According to Alvesson (1995) using metaphors narrows the concept of culture and therefore there is a clearer distance between culture and organization. Furthermore, organisations can be seen as miniature societies with a distinctive social structure (Morgan *et al.*, 1983.). The use of the root metaphor means that organizations are to be "understood and analyzed not mainly in economic or material terms, but in terms of their expressive, ideational, and symbolic aspects" (Smircich, 1983: p. 348). For example, in the organizational cognition perspective the researcher attempts to discover the rules underpinning the employees' belief systems (Weick, 1985). In the organizational symbolism perspective, the researcher uncovers the system of shared meanings and symbols that enable employees to display behaviour appropriate to the company (Bondi *et al*., 1985). Finally, in the structural, psychological perspective the aim of the research is to the structural links between "the unconscious human mind with overt manifestations in social arrangements"(Smircich, 1983: p. 352). Thus, organizations are focused on the outcome of human ideas rather than looking at what companies do to achieve their goals.

Even though metaphors are used increasingly to characterize organizational culture, this method has been criticized. For example, Tsoukas (1993) highlights a critical aspect of the unsuitability of metaphors in that they are impossible to measure.

2.4.3   Definitions of Organizational Culture

Schein is one of the most prominent researchers to have contributed to defining and developing the concept of organizational culture. He defines organizational culture as:

"a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems" (Schein, 1985: p. 17).

Schein's definition focuses on a set of shared basic assumptions that are invented or discovered by group of people as central to culture; the role of learning in contributing to solving the problems of external adaptation and internal integration; and helping to teach new members the correct way to undertake tasks. Thus, he emphasizes the role played by socialization in assisting with resolving problems faced by staff in organizations.

Deshpande and Webster (1989); Denison (1990); Rowe *et al.* (1994); Cameron and Quinn (1999); Deal and Kennedy (1999); and Hellriegel *et al.* (2004) all define organizational culture as the combination of shared values, attitudes, beliefs, rituals, norms, expectations, and assumptions of the people within the organization with some deference as to how these elements affect behaviour within the organization. Deal and Kennedy (1999) describe organizational culture as a group of assumptions, concepts, and underlying laws that govern daily behaviour in the workplace. They emphasize that these elements of the organizational culture govern the behaviour of people in organizations, and therefore impact on the way things are done in an organization. Cameron and Quinn (1999) describe organizational culture as concerned with identifying values, basic hypotheses, expectations, collective memories and definitions which exist in the organizations being studied. Rowe *et al.* (1994) argue that organizational culture is the set of shared values, attitudes, beliefs, rituals, norms, expectations, and assumptions of the people within the organization. Hellriegel *et al.* (2004) describe organizational culture as "the distinctive pattern of shared assumptions,

values and norms that shape the socialization activities, language, symbols, rites and ceremonies of a group of people" (p.357). The emphasis on 'shared' in these definitions highlights the involvement of members in common activities, processes and rituals in the organization, enabling the individual to contribute to the overall organizational culture (Hatch, 1997).

However, these definitions which restrict organizational culture to shared values, attitudes, beliefs, rituals, norms, expectations, and assumptions of all members within the organization is subject to various critiques by Martin and Meyerson (1988); Meyerson (1991a); Meyerson (1991b); and Martin (1992). They argue that these definitions concentrate on the integration perspective which only highlights a wide "consensus among cultural members" (Martin and Meyerson, 1988: p. 102). Furthermore, integration studies are characterized by a pattern of consistency of interpretations across different types of cultural manifestation (Martin, 1992). It refers to the attractive content of manifestations such as norms or values in attaining a "cohesive" culture of uniformity; that is, a high degree of organization-wide consensus among the cultural members. Despite this criticism, the shared values, attitudes, beliefs, rituals, norms, expectations, and assumptions of all members within the organization is still the most prominent aspect of organizational culture.

Others such as Deshpande and Webster (1989) and Parker (2000) use the comparative management and contingency management views of organizational culture which explain organizational culture as a tool that helps individuals to understand organizational functioning or the purpose of organization, and thus provide the norms for behaviour in the organization. The aim is for managers to use organizational culture as a tool to implement effective organizational strategy. Deshpande and Webster (1989) state that organizational culture is a "pattern of shared values and beliefs that help individuals to understand organizational functioning, and thus provide them with the norms for behaviour in the organization" (p. 4).

In contrast, a number of scholars use organizational culture as a subjective term (Martin, 2002). Thus, Becker and Geer (1960) define it as a set of common understandings around which action is organized, finding expression in language whose nuances are peculiar to the group. Louis (1980) provides a similar definition in which organizational culture is defined as "a set of understandings or meanings shared by a group of people

that are largely tacit among members and are clearly relevant and distinctive to the particular group which are also passed on to new members" (p. 74)

other understanding of organizational culture is posited by Trice and Beyer (1993) who list the phenomena of what organizational culture is not. A further view of organizational culture is as a system of public and collective knowledge which facilitates the interplay of members with each other. As Pettigrew (1979) explains organizational culture is the system accepted by one group at a given time. He views culture as "the system of such publicly and collectively accepted meanings operating for a given group at a given time" (p. 574). In contrast, Trice and Beyer (1984) expand the concept of organizational culture to any social system that combines ideologies, norms, and values and forms practices such as expressed, affirmed, and communicated to members. They argue that the primary components of organizational culture in any social system are substance and forms. The authors define substance as the networks of meaning associated with ideologies, norms, and values and forms as the practices whereby the meanings are expressed, affirmed, and communicated to members.

According to Ogbonna and Harris (2000), the debate around the definition of organizational culture raises three main issues: First, many researchers note that treating organizational culture as a unitary concept reduces its value as an analytic tool (for example, Pettigrew (1979); Martin (1992); and Ogbonna and Harris (1998)). Second, culture cannot be equated to power and politics or to climate (Riley, 1983; Schein, 1986; Denison, 1996), where climate is concerned with the links between members' thoughts, feelings and behaviours which can be manipulated in a specific situation. In contrast, culture evolves over time and cannot be directed manipulated. Thus it is important to distinguish between culture and climate in theories, methods, and epistemologies (Denison, 1996). The political aspect is one of the most important elements of organizational culture. Much research is fixated with employees working consensually to achieve goals, but in reality groups are divided by political aspects such as rival images, individual goals, coalition building, and dominant interests (Riley, 1983). The third issue is whether or not organizational culture can be manipulated without consensus (Ogbonna, 1992; Legge, 1994). Authors, such as Pascale and Athos (1981); Deal and Kennedy (1982); and Peters and Waterman (1982) argue that organizational culture can be easily changed as most people are unaware of their culture as it operates subliminally. However, authors, such as Krefting and Frost (1985);

Gagliardi (1986); Knights and Willmott (1987); Ackroyd and Crowdy (1990); Anthony (1990); Ogbonna (1992); Willmott (1993); and Legge (1994) believe that organizational culture cannot be changed because culture itself is fundamental with basic underlying assumptions that evolve only slowly(Ogbonna, 1992; Legge, 1994).

In summary, there are a limited studies which address organizational culture in Arab society in general and Saudi Arabia in particular. Furthermore, the majority of studies concerning culture in organizations use Hofstede's (1984) model in full, including At-Twaijri and Al-Muhaiza (1996) and Bjerke and Al-Meer (1993), or as part of a model or just use a single dimension, such as collectivist or individualistic (such as Ali *et al.* (1997), Ali *et al.* (2006), or masculinity and femininity (see, for example, Buda and Elsayed-Elkhouly (1998); Sims (2009) and Gardner *et al.* (2009)). Other studies focus on the impact of organizational culture (such as Herrera (2008); Al-Adaileh and Al-Atawi (2011); Aldhuwaihi (2013), and Basahel (2016)). Thus, previous research still lacks an in-depth investigation into how Hofstede's model operates within an organization and how it is connected with aspects of societal practices such as *wasta*. Instead, these studies concentrate on a particular attribute of culture such as religion, tribalism or family while ignoring how these attributes influence specific practices such as *wasta*.

These studies concentrate on a particular attribute of culture such as religion, tribalism, or family but ignore how these attributes influence specific practices such as *wasta*. In addition, most studies use survey (quantitative research) methods, with the result that the analysis is limited to the degree of the cultural impact and does not attempt to explain how its impact in organizations and on individuals' behaviours in the workplace. It is this focus on *wasta* and how it occurs in organisations and therefore impacts on workplace practices that allows this study to fill the gap in the literature.

Although Hofstede's model (1984) is used in a wide range of culture studies, it has been criticised by other researchers. For example, Earley (2009) argued that Hofstede reduces culture to a set of values, and is ignorant of the flexibility of national culture which might traverse national borders due to interaction and interdependency. Furthermore, McSweeney (2002) has heavily criticized the research methodology employed in Hofstede's studies and rejects Hofstede's model outright. In addition, he suggests that there is no pure individualist or collectivist culture and these can exist side-by-side.

Nevertheless, Hofstede's model (1984) is still important for understanding organizational culture, the practices of *wasta* in an organization, and its impact on organizational culture and human resource practices. It remains one of the most useful and indeed most frequently used models applied to measure the effect of national culture on management practices. Many researchers have confirmed the validity of using this model to describe workplace behaviour (see Chiang (2005)). Furthermore, other researchers such as Tayeb (1988); Søndergaard (1994); and Smith *et al.* (1996) have used Hofstede's questionnaire or other research instruments, and their findings replicated the result of Hofstede's study. In addition, it is still a valuable tool by which one can begin to understand and appreciate a given culture (Cassell and Blake, 2012). OMIT and that are able to understand intercultural differences and synergies, which enhances understanding of a national culture and, in our case, *wasta* practices in the workplace and its impact on the behaviour of employees and the Saudi organizational culture as a whole.

2.5 Summary

The concept of organizational culture is one of the most ambiguous management concepts and the debate around it still open due to the lack of consensus of the various perspectives. This is because the concept of the culture includes a combination of factors that are often complex and ambiguous. Although there is no consensus about the concept, it can be described as the distinctive pattern of shared assumptions, values and norms of a group of people in an organisation.

Organizational culture is important for understanding organizations and assisting the management in creating a vision for the running of an organization. In addition, it has an impact on different variables in the organizational setting, including: organizational performance, leadership style, organizational effectiveness and commitment and job satisfaction.

2.6 Culture and Management in the Arab World

The Arab world includes 21 countries, which span from the Atlantic coast of north Africa across the northern part of the continent to the Arab Gulf and from Sudan in the south to the Mashreq in the north (Dedoussis, 2004). The majority of the population in Arab countries are Muslims, although followers of other religions are also present. Moreover, the Arab world is the heartland of Islam, and it contains 20% of the world's

Muslims (Weir, 2003b, cited in Hutchings and Weir (2006a)).

However, Mohamed and Mohamad (2011) argue that although the Arab countries share common historical and cultural characteristics, they are not identical. For example, they share the Islamic religion, Arabic language, similar social organization and networks (for example the role of the tribe), traditions, and history, as well as a set of values derived from these characteristics. However, the states are diverse in terms of economic, political, and social organisation due to differences in the system of governance and access to natural resources, such as oil, gas and phosphates. For example, countries in the Arab Gulf such as Saudi Arabia, UAE, Qatar, and Kuwait have accumulated considerable wealth from their oil revenue. In contrast, in states such as Palestine and Jordan, revenues rely on aid provided by the oil-producing countries and remittances from migrants working in the oil-rich countries (Cunningham and Sarayrah, 1994).

In Arab and Muslim countries the authoritarian administrative system, in conjunction with the influence of social attributes such as tribalism and religion, have an important influence on public administration systems (Mohammed *et al.*, 2008; Rees and Althakhri, 2008) as well private sector companies. Therefore, Agnaia (1997) highlights that factors such as personal connections, nepotism, sectarianism and ideological affiliation have a big impact in management procedures in Arab societies. In particular, Tayeb (1997) argues that "Islam plays a significant part in the cultural make-up of nations as it shapes the material and spiritual spheres in life" (p. 361). In this context, Humphreys (1996) emphasizes that religion is an essential element in the formulation and the formation of cultural perception, Therefore, Islam plays a significant role in the societal and political systems and on individuals' behaviour in Arab countries (Ali, 1996).

Most research emphasizes the impact of culture on management practices, behaviour and attitudes; "All management behaviour takes place and all management attitudes are rooted in a specific cultural context. Knowledge cannot be understood outside of the cultural parameters that condition its emergence and modes of reproduction" (Weir and Hutchings, 2005: p. 89). In this context, cultural differences are not limited only to the value system hierarchies, but also extend to the weight attached to the values within the hierarchies (Guth and Tagiuri, 1965; Barrett and Bass, 1970; England *et al.*, 1974; Hedley, 1980). Moreover, values play a vital role in clarifying cultural variations and

priorities (England *et al.*, 1974; Hofstede, 1984), as well as impacting on change management, decision making, human resource management, work-related attitude, negotiation, reward management, and leadership (Kirkman *et al.*, 2006). Thus, according to recent studies, values and beliefs contribute to the wide difference in management practices, the formulation of management structure and behaviour and their effectiveness across countries (Ali, 1988; Hofstede and Bond, 1988; Ralston *et al.*, 1993; Selmer and de Leon, 1993; Denison and Mishra, 1995; Ali and Azim, 1996)). This is because of the influence of values in individuals and organization's behaviour, including the shifts in public priorities for individuals and its impact on decision making and strategy (Guth and Tagiuri, 1965). This means that management structures and behaviours often fit with the cultural context. In this connection, personal connections, nepotism, sectarianism and ideological affiliation have a big impact in management procedures in Arab societies (Agnaia, 1997).

In relation to the Arab world, Atiyyah (1999) argues that Arab values and Islamic principles emphasize harmony and cooperation. Therefore, in order to maintain stability, conflict must be avoided. Furthermore, Arab culture "imposes social obligations towards family and members of a larger group including one's work associates" (Dedoussis, 2004: p. 18). This represents a major challenge for management practice in the Arab world, because it leads to *wasta* and favouritism for members of the family or tribe. Thus, managers give priority to the individual based on the friendships and personal considerations over the interest of organization (Al-Hegelan and Palmer, 1985; Ali, 1995). Furthermore, Hofstede's (1984) argues that the Arab world has high score in the power distance and low ranking score in the individualism dimension. This means that the Arab world tends to pay a lot of respect to social status (power and position), and has strong social obligations towards family and members of a larger group. In this context, Mellahi and Wood (2001) argue that society (and therefore management structures and processes) in the Gulf Cooperation Council (GCC) states are strongly influenced by the close degree of relatives or relationship. Thus, in the GCC, including Saudi Arabia, there is a dichotomy between the strong relationships within the tribal and family group of their tribes or families (high score) and the low level of relationships with those outside the group whether non-kin Saudis or guest workers.

A number of researchers have investigated the impact of Arab culture on the

formulation of management style by focusing on the antecedents of Arab culture. Thus, Al-Wardi (1951) argues that the ancient values of a sedentary population, and the values of the Bedouin have a significant impact on Arab culture. They contributed to the shared values in the Arab societies despite the obvious differences in terms of economic and political structures of the countries (Muna, 1980). This occurs as a result of the overarching authority of religion and tribal relations which directly or indirectly reinforce rules, authority, and hierarchy within the family (Ali and Al-Shakis, 1985). In this context, Hudson (1977) argues that cultural values and socialization patterns in Arabian society tend to mean individuals become followers rather than leaders .This presents a challenge for management practise in the Arab world in terms of strengthening the authority of the individual.

A second major factor that influences culture in the Arab world is Islam, which is a fundamental pillar that regulates all aspects of Muslims' daily lives, including business practices (Hutchings and Weir, 2006a). Islam also gives priority to the interest of the group ahead of the individual. In this context, Ali *et al.* (1997) and Abu-Saad (1998) contend that the Arab world can be described as a collectivistic society, as it tends to reinforce collectivism rather than individualism. This is consistent with Hofstede's study (1984), which points out Arab countries had a low score in the individualism dimension. Thus, Arab culture promotes collectivism which in turn impacts on the organizational culture in these countries.

Turning from the Arab word in general to specific country studies, Ali and Wahabi (1995) studied managerial value systems in Morocco, and conclude that the inner-directed values such as egocentric and existential geocentric, existentialist, and manipulative values prevail among managers in Morocco. The authors argue this is in contrast to the outer-directed values that usually dominate Arab culture. Moreover, values differ among Moroccan managers depending on several variables such as income, country of education, managerial level, and father's occupation (social class). These variables impact managers' work orientations (Ali, 1995). These findings contradict the principle of collectivism highlighted by Hofsetde (1984). They are also inconsistent with Ali (1993) and Ali *et al.* (1997) who consider that people in the Arab world tend to show more loyalty and commitment toward the group, such as the immediate or extended family or the business organization, than the individual. In addition, Arab managers exhibit a preference for participative and consultative decision-

making. Polk (1980) agrees that the basic social values which are shared across the Arab world often mean Arab executives tend towards participative management or at least seek to become even more participatory. This is also consistent with Al-Yahya's (2009) findings that management styles in the Arab world depend on close supervision and direction combined with frequent consultation in decision-making and organizational decision in the final stage makes by the leader or top manager (Al-Yahya, 2009). Consultation in decision making reflects the principle of *shura* (mutual consultation) in terms of Islamic governance (Lipsky, 1971; Abdalati, 1993; Ali, 1998). These findings support the principle of uncertainty avoidance highlighted by Hofsetde (1984).

Research in Jordan points out that the local companies suffer excessive centralization, because of Jordanian managers penchant for authority and being unwilling to delegate, which contravenes the idea that Arab culture contributes towards a participative leadership style (Al-Faleh, 1987; Al-Rasheed, 2001). Furthermore, management style in the public sector tends towards a centralization of authority and decision making, particularly in decisions related to personnel and coordination (Al-Yahya, 2009). In addition, Elsayed-EkJiouly and Buda (1996) argue that Arab managers prefer to deal with handling interpersonal conflict based on collaboration between the parties involved, because they fear the homogeneity and collaboration of a group of individuals and they think this might leads to alliance against them. This can be attributed that to the "inability of organizations to effectively utilize the capabilities of their human capital resources in the public sector" (Al-Yahya, 2009: p. 402). Furthermore, Klein *et al.* (2009) found the Arab culture has a significant impact on organizational culture in the United Arab Emirates (UAE) when he examines the impact of Arab national culture on the perception of what constitutes the ideal organizational culture in the UAE. Furthermore, Atiyyah (1993) and Mellahi (2003) conclude that government ideologies and political situations strongly impact upon organizational culture in the Arab world.

Similarly, Badawy (1980) and Muna (1980) argue that Arab managers tend to use directive-consultative decision styles and they prefer to retain power and decision-making by avoiding the formal forms of participation or a delegation of authority. Bjerke and Al-Meer (1993) used Hofstede's national culture dimensions to analyse the effect of Saudi culture on management in Saudi Arabia. They found that Saudi

managers have a high power distance, and tend to have a high score in uncertainty avoidance orientation. Furthermore, Saudi managers tend to follow and adopt Islamic instruction, therefore they prefer a tight social framework in organizational life. The authors concluded that cultural norms and values impact on the effectiveness of management practices and decision-making. In addition, according to Noer *et al.* (2007), Saudi society based on the family and tribe and collectivism is more homogenous than American society. This is reflected in managerial practice and results in more supporting and challenging behaviours named as coaching behaviours. Furthermore, Mohammed *et al.* (2009) researching at project managers in Saudi Arabia establishes that the cultural dimensions of individualism and masculinity have a significant correlation with the propensity for Saudi project managers to adopt a competitive style of conflict management. The findings also establish a correlation between uncertainty avoidance and a tendency for Saudi project managers to attempt to avoid conflict management.

Much of the research finds that management practice in the Arab world is impacted by culture. These impacts can be summarized as follows:

(1) Saudi organizational culture is dominated by transitional Islamic values, social construction (tribe and families), government ideologies and political situations. These factors have a large influence on public and private administration systems.

(2) Arab culture including in Saudi Arabia gives priority to friendships and personal considerations (connection) rather than the interests of organization such as organizational goals and performance, due the obligations of favouritism imposed by family or tribal values.

(3) In relation to Hofstede's (1984) national culture dimensions Arab culture including in Saudi Arabia is distinguished by high power distance that generates respect for the power and position of individual as well as older people as well as a high level of collectivism. This can affect organizational culture because of its role in spreading personal connections, nepotism, sectarianism and ideological affiliations which impact on management procedures in Arab societies.

(4) Arab managers including in Saudi ones tend to use directive-consultative decision styles and they prefer to retain power and decision-making by avoiding

the formal forms of participation or the delegation of authority. This can be reflected in a high score in uncertainty avoidance.

2.7 Human Resource Management in Saudi Arabia

For over 1400 years, Islam has provided comprehensive ethical guidelines for the effective conduct and control of business practices (Abbasi *et al.*, 1989; Budhwar and Fadzil, 2000; Rosen, 2002; Uddin, 2003). Islamic principles, in general, focus on two aspects of the business environment: equity and justice; and creating value which raises the standards of living of all those taking part in a business transaction (Saeed *et al.*, 2001). In Saudi Arabia, Islam is the prime source of legislation, including that of the legal environment in relation to business transactions (Marta *et al.*, 2004), Islam, which is a fundamental part of all daily practices, including political, social, economic and commercial ones, is derived from the Holy Qur'an and the Sunnah (Hutchings and Weir, 2006a). Therefore, most business and consumer decisions undergo a moral or ethical filtering before they take their final form and are subject to the discipline of the market (Rice, 2004).

Furthermore, At-Twaijri (1989) explains that the country's Islamic and nomadic heritage represents a primary source for Saudi values. In addition, Al-Wardi (1951) states that the values of the Saudi population are affected by the Islamic and kinship environment. However, Al-Meer argues that "Saudi managers share a similar language and Islamic heritage with their Arab counterparts, but differ from them in their value system" (Al-Meer, 1996: p. 58), due to the differences in ideological and religious beliefs, patterns of production and relationship with the state from Arab other countries (Ali, 1988) .

Although Saudi managers have a tendency towards an Islamic work principles and a moderate tendency towards individualism (Ali, 1992), "Saudi managers tend to prefer a tight social framework in organizational as well as in institutional life" (displaying a high degree of collectivism) (Bjerke and Al-Meer, 1993: p. 34). In addition, the general societal context and the cognitive styles of managers also influence human resource policies in general (Branine and Pollard, 2010). Thus, it could be inferred that the family and tribal roots also impact on individual and management behaviour (Anastos *et al.*, 1980). Thereby, human resources policies in private and public Saudi organizations

are affected by the personalized and idiosyncratic factors (Mellahi and Wood, 2002; Rice, 2004).

Thus, arguably there is a degree of tension between the influence of Islam and the tribal heritage. Islam urges fairness and equality between individuals, while nepotism and favouritism through personal connections (*wasta*) are also prevalent, as Saudi managers give priority to informal networks such as friendships and personal considerations over the goals and performance of organizations (Nimir and Palmer, 1982; Asaf, 1983; Al-Hegelan and Palmer, 1985). The giving of priority for a relative or member of the family, tribe or region goes against the aim of the recruitment process, which seeks to put the right person in the right place (Knowles *et al.*, 2002). Mellahi and Wood (2001) concur with these finding, arguing that managers employ and promote as many members of their tribe and family as possible.

Organizations use many resources for recruiting personnel (Wanous, 1992). These can occur formally or informally (Schmidt and Hunter, 2014). In the formal process of recruitment, an organization seeks to establish the efficiency, capabilities, and competences of jobseekers in filling vacancies (Torrington et al., 2009; Haroon, 2010). The process includes internal recruitment, referrals, links with employment agencies, college and university placement services, advertising in the media, including the internet and in the publications of professional organizations, following up unsolicited applications and links with societal organizations that promote the interests of minority groups (Rebore, 1982: p. 83-84). In contrast, the informal method usually uses social networks, including family and kinship ties, to access jobs and recruitment.

The formal recruitment and selection process involves a number of phases and variety of dimensions in order to judge the eligibility of candidates ranging from years of experience and educational attainment to the subjective and personal such as quality of output expected and leadership potential (Allui and Sahni, 2016). Therefore, formal recruiting procedures are considered to be the best ways by which to select candidates who match the requirements of the vacancy (Anderson, 1988; Castallo *et al.*, 1992; Castetter, 1992; Herman, 1994).

There is also a preference for filling vacancies from within (Leat and El-Kot, 2007; Mellahi, 2007; Namazie and Frame, 2007) (, 2007; Mellahi and Wood, 2001; Mellahi,

2007; Rees et al., 2007; Rutledge et al., 2011). This form of nepotism, often based on clan, village, political or family connections, can limit opportunities for merit-based recruitment. Therefore, certain institutions, such as Saudi banks, in order to reduce the impact of the informal methods, tend to coordinate with the universities to recruit the best graduates, instead of using traditional methods through newspaper advertisements, which are prone to the use of *wasta* (Fawzi and Almarshed, 2013). Furthermore, other large companies in Saudi Arabia have recently started to adopt this approach in order to bypass the use of *wasta*.

Nevertheless, competition for restricted work opportunities in the public sector encourages *wasta* to play an important role in providing jobs through tribal affiliation. Thus, Atiyyah (1999) posits that organizations in Saudi Arabia are run much like traditional entities such as clans or tribes in that managers practice paternalistic authoritarian and rely on informal methods such as social leadership skills to get work done.

Overall, Saudi values are derived from an Islamic, nomadic heritage and kinship, which reflects on the management style adopted in Saudi Arabia. As Ramlall *et al. (2012)* posit workforce practices can be explained and guided by culture and Islam. Therefore, the values and attitudes to management and work in Saudi Arabia differ significantly from those in the non-Arab world (Mellahi and Wood, 2013). There is a significant body of research which indicates that most Saudi management styles are strongly related to the Saudi cultural context. Most research addressing management styles in Saudi Arabia focuses upon the roles of religion and tribal and family traditions, as the major contemporary cultural and social features that impact on the management practices (Mellahi and Wood, 2001). For example, Mellahi and Wood (2013) argue that management practices in Saudi Arabia are strongly influenced by Islamic laws and values as managers tend to follow Qur'anic principles and the Sunnah as guides for facilitating and accomplishing their business affairs. However, the influence of tribal culture, in which an individual is expected to look after the interests of other tribal members, is still a predominant feature of Saudi management practice. This overrides the influence of religion in certain aspects, particularly in recruitment, training and promotions. These findings are consistent with research conducted by Hunt and At-Twaijri (1996), who conclude that most demographic variables had minimal effect on the Saudi managers' value systems, with the exception of marital status. Similarly, Ali

(1992) concludes that the impact of demographic and organizational variables on Saudi managerial orientations or styles is very limited. In relation to Saudi managers' style, there is no agreement among researchers about the prevailing dominant model. Authors, such as Al-Jafary and Hollingsworth (1983); Ali and Al-Shakis (1985); Ali (1989b) argue that Saudi managers tend to adopt consultative and articipative styles to make decisions. In contrast, others such as Ali (1993) emphasize that authoritarian management style is the predominant method among managers irrespective of contingency factors. He also points out that the consultation method used by managers in Saudi Arabia is not real, merely a facade. According to Ali (1989a), the main reason for the emergence of an authoritarian management style is a result of the traditional focus of preparing individuals to work within the highly structured groups of family and tribe, which places little emphasis on individual work and interaction with other groups outside the family and the tribe. Thus, the importance of family and the tribe are primary factors in the formation of management styles in Saudi Arabia.

In a cross-cultural study, Al-Aiban and Pearce (1993) analysed the influence of values on management practices in Saudi Arabia and the United States. The authors conclude that systems within the framework of traditional and personalized authority structures which are often found in the Arab world in general and Saudi Arabia in particular rely on personal factors, such as someone's family position, affiliations, and *wasta*, rather than on skills and merit. They also find that managers in Saudi Arabia in the public and private sectors are less bureaucratic and more democratic than American managers. They also found that Saudi managers in the public sector are more traditional and less bureaucratic than those who work in private sector.

However, Ali and Al-Shakis (1985) found that "the tribalistic, conformist, and sociocentric values, which compose the outer-directed category are the relatively dominant values (56%) for Saudi managers" (p.145). Furthermore, socio-centric managers tend to be" associated with public and foreign organizations which could be a reflection of the organizational environment. Managers in public organizations might value social approval more than individual fame, and cooperation more than competition" (Ali and Al-Shakis, 1985: p. 148). These findings confirm that the nomadic heritage and kinship environment promotes loyalty to tribe or family rather than the organization and its goals. Thus, Saudi managers tend to prioritise their informal networks (such as friends, family or tribal members) and personal

considerations over the interest of the organization (Nimir and Palmer, 1982; Asaf, 1983; Al-Hegelan and Palmer, 1985). Moreover, the values of Saudi managers are derived from a number of variables including the type and size of enterprise, the region in which the individual was raised, their social class, income, educational level, and management level (Ali and Al-Shakis, 1985).

Bjerke and Al-Meer (1993) use Hofstede's national culture dimensions discussed in the previous section to analyse the impact of Saudi culture on management in Saudi Arabia. They find that Saudi managers have a high power distance, and tend to have a high score in uncertainty avoidance orientation. The authors argue that these aspects can be explained because the belief in authority that Islam engenders demands loyalty, obedience, and compliance from subordinates. This can lead to a wide power distance between managers and employees. However, despite the role of Islam in controlling business practices, as argued previously, *wasta* is widespread in the Arab business world (Iles *et al.*, 2012). This is business culture there depends on solid family systems or *wasta* associations that are supported by Islamic morals and qualities. It means that political limits and methods of insight of the governments there are merely superficial, in contrast with the more profound foundations belief, family, kinship and obligation (Weir, 2003).

Interesting, Tayeb (1988) asserts that the traditional and modern approaches to management can complement each other. For example, shop floor layouts, hierarchical structures and division of functions tend to be universal, whereas human resource management tends to be culture-specific. This means that human resource management can adopt both universal values and local values. This argument is supported by Rosenzweig and Nohria (1994), who conclude that "HRM practices are primarily shaped by local isomorphism" (p. 248). Nevertheless, most countries in the Middle East attempt to reduce the role of national culture in developing the model of human resource, preferring to import existing Western-based management and economic models (Branine and Pollard, 2010). However, Western-based management, in general, neglects cultural traditions and values that play a big role in determining how employees approach their tasks within the organization (Tayeb, 1996) Therefore, Björkman and Budhwar (2007) conclude that the adaption of local values and culture of human resource management practices can have a positive impact on the performance of foreign firms. This means that human resource management practices and policies

should be taken into account.

In relation to Saudi Arabia, Mellahi and Wood (2001) conclude that human resource management policies and practices are determined by the structure of the Saudi economy, the political environment, the structure of the labour market, national human resource development strategy and national culture. However, national culture is by far the most dominant of these factors. However, there is a difference between the private and public sectors. Human resource management in the public sector is still subject to tribal ties and friendship. In contrast, human resource management is more sophisticated in the private sector, albeit it is still subject to the national culture (Mellahi and Wood, 2001). Furthermore, the Saudi private sector applies two systems of human resources practice, one for Saudis and one for foreign workers. However, both the private and public sectors suffer from a lack of modern regulations, such as no maximum working hours, job security, and minimum wages (Mellahi and Wood, 2001).

In addition, the public sector is still the major employer throughout the GCC, including Saudi Arabia (Harry, 2007), and traditionally Saudis prefer waiting for a government job rather than looking for a private sector job (Shaban *et al.*, 1995; Achoui, 2009; Al-Asfour and Khan, 2014). This is for a number of reasons, including theperception of betteropportunities offered in the government sector compared to the private sector which is controlled by foreigners (Madhi and Barrientos, 2003), the stability, prestige and high salaries of jobs in the public sector (Achoui, 2009), and shorter working hours (Tlaiss and Elamin, 2016). In addition, Ramady (2010) highlights several factors that explain why the private sector prefers foreign labour (expatriates) to Saudis. Among these factors are: the high cost of Saudi labour; and negative social and cultural perceptions and attitudes towards manual and low status jobs. In addition, human resource management in Saudi Arabia in general faces a number of challenges including the lack of executive support with human resource managers (cooperation and coordination between executive managers and those who are responsible for human resource programs may not be achieved in an effective and efficient way due to an insufficient human resource management budget (Strategic Human Resources Management and its Impact on Performance: The Case from Saudi Arabia).

However, the labour market is beginning to change with Saudis now seeking employment with large private firms and semi-government institutions due to the

benefits and advantages which offered by these organization. Furthermore, in 2016 the Saudi government reduced the benefits associated with public sector employment and is seeking to privatize certain parts of the public sector, in line with Saudi 2030 Vison plan. Among the aims are to encourage individuals to work in the private sector and to reform the labour market (Saudi 2030 Vison plan, 2016).

Structurally, Saudi human resource management has faced three challenges. First, the lack of relationship between the outputs of the education system and its incompatibility with the needs of a modern business environment (Abdalla *et al.*, 1998; Al-Dosary and Rahman, 2005; Harry, 2007; Achoui, 2009; Khan, 2017). This is because the education system does not focus on developing the skills, talents and knowledge that are needed for the labour market (Girgis, 2002). For example, about two-thirds of all higher education students graduate in the humanities and other fields that do not match labour market requirements (Saudi Government Report, 2003).

Second, because the social status of the worker and his family are important (Mellahi, 2000), Saudi culture places importance on the type of work, sector of employment, and social interactions rather than gaining employment (Mellahi, 2000). Young people, therefore, look for work in administrative and managerial positions and refuse manual and low status jobs (Achoui, 2009). This importance of social status encourages Saudis to use informal networks to obtain jobs and obstruct the government's plans for 'Saudization' (attempting to replace non-nationals with Saudis in the workforce).

Third, unemployment rates are rising creating more competition for jobs; official statistics highlight unemployment of around 12.3% (Saudi Government Report, 2016). The report reveals a slight increase in unemployment during the second quarter of 2016, totalling 657.936 of which males comprised 35.9%. The highest concentration was in the age group 25-29, with 39%. In terms of qualifications, the highest percentage (54.0%) held a bachelor's degree (Saudi Government Report, 2016).

Saudi government established the Saudization program in the mid-1990s. This decree instructed private firms employing 20 workers and over to reduce their non-Saudi labour force annually by at least 5% and to increase their employment of Saudi workers accordingly (Ministry of Economy and Planning, 1995). However, the Saudization program has not achieved its aims as it has faced many obstacles such as the incompatibility between higher education outputs and labour markets requirements

(Khan, 2017), and the Saudi culture which places more importance on the type of job, and *wasta*.

Recently, the government has launched a number of programs in order to overcome these challenges such as the Human Resource Development Fund (HRDF). The main target of this fund is provide grants for qualifying, training, and recruiting Saudis to meet the requirements of labour markets and develop the skills necessary to meet the needs of the private sector. In addition, in order to encourage the private sector to employ and recruit Saudis, the HRDF contributes up to 75% of the salary of Saudis employees in the private sector, and pays for training (up to a maximum of SAR1,500 per month) for three months, and then it contributes to 50% of the salary for the first two years (up to SAR2,000 per month). It pays 75% of the training costs of a Saudi employee in the private sector for two years (Alzalabani, 2004). However, despite these very generous contributions the results were not commensurate with the size of the great support (Ramady, 2010). Therefore, in early 2015, the Saudi government announced a long-term development plan for human resources called 'Saudi 2030'. It includes several programs to improve human resources and human resource management in order to make human resource a key element in building a diversified, dynamic and globalized economy.

Overall, Saudis place more importance on the type of work, sector of employment, and social interactions which encourages the use of *wasta* in order to obtain administrative and managerial positions. The human resource management and practices in Saudi Arabia is impacted by the tribalistic, conformist, and sociocentric values, which compose the outer-directed category are the relatively dominant values (56%) for Saudi managers.

Saudi Arabia have a number of different systems for recruitment: one for public sector, another for semi-government organisations and commissions, and the final one for the private sector. The Ministry of Civil Service, which is response for recruitment in the public sector, uses a special system (*jadarah*) for candidates. The system uses a scoring model in order to compare candidates based on the qualification, experience, skills and training courses attended, then selects those with the highest scores to inform the institutions about the candidates. Recently, a number of government institutions have conducted interviews with the selected candidates in order to confirm their eligibility

with the result that a number of candidates have been rejected. The second category grants semi-government organisations and commissions the opportunity to recruit and select its employees based on the specific criteria determine by these institutions. The third system of recruitment allows private sector companies to select its employees directly based on its standards and needs without any government control except for meeting formal regulations such as the obligation to the Saudization rate and labour legislation.

Although these systems implicitly and explicitly emphasis that best candidates are selected, in reality, the practices are not consistent with this principle. This is because *wasta* still impacts on a wide range of human resource practises. Aldossari and Robertson (2016) argue that formal HR practices are strongly influenced by *wasta* for two interrelated reasons. First, the lack of explicit criteria for deciding on promotion and second the prevalence of informal practices in the selection of employees for jobs and promotion. It is a crucial factor in the recruitment and selection process and those who have the strongest *wasta* are selected for job regardless of the skills, experience and qualifications. Thus, Fawzi and Almarshed (2013) emphasise that *wasta* plays an important role in recruitment in Saudi Arabia, which "deprive organizations of the ability to hire the desired competencies and talents" (p. 27). They also highlight that certain companies, such as some Saudi banks, tend to coordinate with universities to recruit the best graduates instead of using the traditional method of advertising in newspapers in order to mitigate the effects of *wasta*. However, this does not mean that banks do not use *wasta* as a recruitment tool. *Wasta* is still used in banks but its extent might be less than in other sectors. In addition, the increase in the unemployment levels has generated another level of competition between those with *wasta* and those who do not. Thus, the use of *wasta* is still predominant in recruitment. Therefore, Saudis use *wasta* to overcome various barriers in order to progress in their careers (Al-Hussain and Al-Marzooq, 2016).

In summary, studies on human resource management in Saudi Arabia are limited and most focus on understanding the various factors such as national cultures and *wasta* that impact the management and development of human resource policy (e.g. Mellahi (2006); Mellahi (2007); Ramlall *et al.* (2011); Fawzi and Almarshed (2013); Aldossari and Robertson (2016) and Al-Hussain and Al-Marzooq (2016)). These studies often deal with the impact and consequences of these factors. Accordingly, to date, there is

limited research exploring how the local context influences human resource management practices in private organizations in Saudi Arabia. There is also no clear understanding of how *wasta* practices affect selection and recruitment, promotions, and training and development in the private sector in Saudi Arabia.

2.8   Summary of Arab management practices

In Arab culture, Islam, tribalism and traditional Arabic values play an important role in characterizing and shaping human resource management practices and formal decision-making. As a result of this, organizations in Saudi Arabia respond to local values which give priority for individuals in recruitment and promotion. The situation is exacerbated by Saudis placing more importance on the type of work, sector of employment, and social interactions which encourage the widespread use of *wasta*, especially when the education system and its outcome are incompatible with the needs of a modern labour market.

2.9   Conclusions

This chapter has taken into account the literature on culture and national culture in order to understanding organizational culture. Organizational culture refers to shared values, attitudes, beliefs, rituals, norms, expectations, and assumptions of all members within the organization. The debate around definitions of organizational culture raises three main issues. First, many researchers note that treating organizational culture as a unitary concept reduces its value as an analytic tool, culture cannot be equated to power and politics or to climate, and whether or not organizational culture can be manipulated without consensus. Therefore, the concept of the culture of multi-wide concept, comprehensive, includes a combination of factors of complex and comprehensive and ambiguous, accordingly, it is difficult to the existence of a particular input to prove that proper form and the rest of the entrances are wrong.

Organizational culture is impacted by notional culture because the fabric or cultural component of any society shows clearly in the conduct of its organizations, and impacts directly or indirectly on the pattern of administrative and regulatory organizations formed in accordance with a culture of the community in most, if not totally.

Arab countries including Saudi Arabia have a high score in power distance and uncertainty avoidance, while they have a low score in individualism, and relatively low

on masculinity. In addition, the Islamic and kinship environment has a significant influence on Saudi values, which contribute to reinforcing the rules, authority, and hierarchy of the family. Furthermore, cultural values and socialization patterns in Arabian society are more inclined to produce followers than leaders. Therefore, the values of traditional, Islamic religion have a significant influence on the lives of the majority of managers and help to repress individualistic tendencies. In Arab Societies including Saudi Arabia, personal connections, nepotism, sectarianism and ideological affiliation have a big impact on management procedures in Arab societies. The impact of kinship, personal connections, nepotism *(wasta)* on Saudi management practices will be discussed in the next chapter

Chapter three: *wasta*

3.1 Introduction

Although, most societies have changed significantly as a result of globalization and modernization, Arab society is still predominantly based on traditional social networks, even in the arena of business activity which represents a major challenge for companies (Hutchings and Weir, 2006a). These social networks take several forms in the business world, including favouritism and nepotism (i.e. *wasta*) that often depend on personal or kinship relationships.

This chapter focuses on *wasta* and its role, given its importance in the business environment. In order to achieve this focus, the chapter is divided into four sections. The first section draws on the concept of social networks in general. The second section discusses in-depth the concept of *wasta* in the Arab World and its impact in business. The third section assesses *wasta* practices in the Saudi Arabian business environment, including forms and methods. The final section compares *wasta* and with similar concepts, such as nepotism and *guanxi*, that occur in non-Arab societies.

3.2 Social networks

The concept of social networks was first introduced by Barnes in 1954 (Mitchell, 1969; Wasserman, 1994) in relation to an individual. Barnes (1954) found that the typical structural concepts of role status and territorial location were unable to explain fully the village's social life. Therefore, using concepts from mathematical graph theory Barnes described interactions between individuals, which paved the way for the emergence of the term 'personal network'. Thus, as Mitchell (1969) argues, the term 'personal network' refers to linkages surrounding a "single, focal individual".

The use of the concept of personal networks has been expanded in the social sciences to "the notion of a network of relations linking social entities, or of web on ties among social unites emanating through society has found wide expression through the social sciences" (Wasserman, 1994: p. 10). Thus, Mitchell (1994) argues that social networks can be used to understand social relationships in societies. In turn, the social links of individuals cannot be studied outside their societies (Mitchell, 1974). Overall, the concept of the social network allows an analysis of a society cutting through the formal boundaries that exist within that society (Mitchell and Trickett, 1980).

Mitchell (1969) defines social networks as a "specific set of linkages along a defined set of persons and that the characteristics of these linkages as a whole may be used to interpret the social behaviour of the persons involved" (p. 2). He also suggests that the absence of formal institutional structures could encourage social networks to prevail inside organizations. Furthermore, Mitchell (1969) argues that these networks of interpersonal relations work independently of any formal economic and/or political roles. Moreover, interpersonal networks are used in a wide range of ways as channels of communication for (transferring information) between individuals and are also tools for (transferring goods and services between people) (Mitchell, 1969). It is possible for networks to both develop and spread systems of norms and rules which are shared by a group, and develop their own language as well, which can permits to member of group to correctly act in well condition as well as under animatedly changing contingencies (Michailova and Worm, 2003).

Michailova and Worm (2003) point out the complexity of networking and believe that it can only be approached meaningfully "in relation to a particular economic, political, social, historical, and cultural context" (p. 509), Therefore, Homans (2009) and Thibaut and Kelley (1959) argue that social networks convey both positive and negative effects extending back to the original social exchange theorists, that may contribute to making the business environment more or less attractive. This is because the actions of the members of a certain network are entrenched in the wider structure of relations in which network activities are both a medium and an outcome (Michailova and Worm, 2003).

In relation to the business environment, Coleman (1988) argues that social networks are an important part of an entrepreneur's social capital. Social capital can be defined as the characterise that emerges during the contact and collaboration between individuals, which helps to increase the value of individuals' abilities such as intelligence and work experience, as well as embodying a resource for collective and individual action (Coleman, 1988). In this context, Lin (1999) considers that the quality of social networks impact on the value of a person's social capital. However, Burt (2009) points to contingency factors that may reduce or limit the positive impact of these network, while Granovetter (1985) highlights the potential problems arising from the widespread use of social networks. Therefore, Podolny and Page (1998) point out the use of social networks can create serious negative consequences that should not be ignored, such as founding new forms of dependency and abuses of political and economic power,

increasing the indications of corruption and so causing the failure of the development of an open market economy (Edwards and Lawrence, 2000).

Burt *et al.* (1983); Knoke and Kuklinski (1982); and Scott and Carrington (2011) highlight the many elements that help to form of social network such as friendship, advice, communication or support which exists among the members of a social system. These forms of social networks use favouritism in the distribution of benefits and resources among relatives or friends are not exclusive to Arab culture; these exist in other cultures (Roberts, 2010). The term of *wasta* corresponds to *guanxi* in Chinese culture (for more detail see: Chen and Chen, 2004; yang, 1994; chen *et al.* 2009; Luo, 2000), nepotism in Western culture (for more detail see: Ford and McLaughlin, 1986; Vinton, 1998 Chua *et al.*, 2003; Chrisman *et al.*, 2012), *jeitinho* in Brazilian culture (for more detail see: Barbosa, 1992; 1995; Duarte, 2006; Rega, 2000; DaMatta, 2009), and *svyazi* in Russian culture (for more detail see: Ledeneva, 1998; Yakubovich, 2005; Guseva and Tas, 2001; Yergin and Gustafson, 1995; Wilson and Donaldson, 1996). However, the chapter only focus on the *wasta*, because it is integral to Saudi culture.

3.3 *Wasta*

The word *wasta* comes from the word *waseet* which refers to "both the act and person who mediates or intercedes" (Cunningham and Sarayrah, 1993: p. 1), In Arab culture, *wasata* refers to the act, while *wasta* or *wasit* refers to the "middleman" or the person who performs the act (Cunningham and Sarayrah, 1993: p. 1). The middleman usually works as an intermediary between two parties to perform a specific action such as achieving a convergence of views or resolving problems and disputes. Therefore, *wasta* in this sense means an intermediary (Al-Ramahi, 2008). *Wasta* was traditionally used between families to resolve conflict (Barnett *et al.*, 2013) but now transcends family and tribal network to close friends, and even acquaintances (Cunningham and Sarayrah, 1993). Therefore, a number of authors tend to use the terms nepotism and *wasta* interchangeably (Al-Ali, 2008), but *wasta* is more far-reaching (Izraeli, 1997) because it seeks to intervene to provide assistance or obtain special advantages (Al-Ramahi, 2008). This service might surpass to the member of the family to friend, while the *wasta* is not limited on relatives.

Although, the practice *of wasta* is common in the Arab world, there is disagreement over when it first came into general use. For example, Spengler (1964) argues that the

roots of *wasta* go back as far back to 14th century. He basis arguments on *Ibn Khaldūn* who pointed out the importance of connection with the ruler in determining one's profit in his book *"Muqaddimat Ibn Khaldūn: 1955"*. While, Rice (1999) and Kuran (2001) mention that the roots of nepotistic practices in the Arab region go back at least 1500 years. In addition, Al-Ramahi (2008) reports that the tribal system of social organization in Arab society had contributed directly or indirectly to the practice of *wasta* for millennia. Although there is disagreement on how long *wasta* has been around, it is undoubtedly a traditional behaviour integral to Arab culture. Indeed, it can be argued that *wasta* originated from the Holy Qur'an "Whoever intercedes for a good cause will have a reward therefrom; and whoever intercedes for an evil cause will have a burden therefrom" (An-Nisaa, 4: 85). According to this *ayah*, there are two types of intercession (*wasta*): the first type considers intercession to be good (positive *wasta*), which helps an individual to access their rights. The second type of intercession is negative, as it works against justice and robs individuals of their rights (Al-Othemain, 1993).

Cunningham and Sarayrah (1993) , drawing on this *ayah*, divide *wasta* into two types; "intermediary" and "intercessory"; a categorization that is used by a wide range of authors (see for example, Mohamed and Hamdy (2008)). Intermediary *wasta*, which the authors argue is the traditional form, is often used to improve human relations and social norms through seeking to resolve disputes between groups or individuals. In this context, the use of *wasta* is not always illegal. Sometimes, it is used to solve conflicts or to help others to obtain their rights, which are considered legal and moral (Whiteoak *et al.*, 2006). Thus, it can be considered a positive phenomenon. In contrast, intercessory *wasta* involves intervening in order to provide a special advantage or overcome a barrier to acquire a service or product for a specific individual (Cunningham and Sarayrah, 1993). Brandstaetter (2011) takes this definition of intercessory *wasta* a stage further by arguing that it is achieved by a third party to assist another party. Thus, intercessory *wasta* has a negative impact on the distribution of advantages and resources (Mohamed and Mohamad, 2011), by seeking to acquire economic benefits (Whiteoak *et al.*, 2006). Accordingly, it can be seen as illegal or at the very least questionable (Whiteoak *et al.*, 2006), especially when used to the advantage of certain individuals at the expense of others. Indeed, authors such as Cunningham and Sarayrah (1993); Sawalha (2002) and Barnett *et al.* (2013) argue that traditional *wasta* has evolved into a means of

intercession, especially when seeking benefits from government and overcoming the moral barriers imposed by religion and society (Cunningham and Sarayrah, 1993).

Intercessory *wasta* is now the more common of the two types in Arab management practices, including in Saudi Arabia, due to the role of administrative bureaucracy and at the present time, *wasta* practices involve intervening in order to provide unreserved benefits or overcome a barrier or bypassing formal regulations to acquire to access jobs or promotion or training or get government contracts that unattainable without using *wasta* (Cunningham and Sarayrah, 1993; Sawalha, 2002; Mohamed and Mohamad, 2011; Smith *et al.*, 2012a; Smith *et al.*, 2012b; Barnett *et al.*, 2013; Abalkhail and Allan, 2016). Therefore, it is "variety of nepotism and cronyism and is mostly considered a harmful practice" (Brandstaetter *et al.*, 2016: p. 73).

In fact, Sawalha (2002) suggests that *wasta* is practiced in wide ranges by all segments of society as well as in all sectors. This means that the use of *wasta* occurs at all levels of government (Cunningham and Sarayrah, 1993), and is not limited to a specific class or segment of society. However, the degree of *wasta* power is different across the social levels.

The importance of *wasta* in Arab culture can be adduced from the number of proverbs which are widely used that encourage the use of *wasta* or hail its advantages to the user. Those proverbs promote a dependence on kinship or tribe to provide support to the beneficiary (see Table 3-1)

Translation	Meaning
He who has a back will not be hit on his stomach.	Those who have strong support will not be put down or rejected. Only the unconnected or unsupported are punished
Lucky is the person who the governor is his uncle.	People who are related to important others (especially in government) are fortunate as they will have their demands or needs fulfilled. People serve those who are related to important people
Seek who you know, so that your needs will be fulfilled	People tend to serve those that they know. Without knowing anybody, you will have difficulty getting the service you want.
If you have a turban, you will have a safe trip	The turban symbolizes a senior respected person. If you know a senior person, your demands will be meet. Similar to the second proverb.
No one can climb except those who have a ladder.	Rising to high levels requires important connections. Receiving important privileges or benefits is contingent upon using the right connections.

Table 3-1: Arabic Proverbs Encouraging the Use of *Wasta* adapted from Mohamed and Hamady (2008: p. 2).

These proverbs have become a part of an individual's culture in the Arab world. Therefore, it is not surprising that the question "do you know anyone who works at a certain ministry or company?" is prominent in the Arab world in general and in Saudi Arabia in particular "do you know this"?. when a person needs a service or product from a government department or private sector. The question highlights that the social network is the basis of *wasta*. According to Hutchings and Weir (2006a) the social network includes family and kinship ties as factors in the exercise of power, influence, and information sharing in the politico-business realm. In this context, *wasta* in Saudi Arabia and other Arab states in the Gulf is called the 'vitamin wow' (Al Maeena, 2003), as pseudonym of *wasta* when they used to be as expression of the importance of *wasta* for individuals to access jobs or promotion. Moreover, it also is referred to as *ma'arifa* (who you know) or "pulling strings" in the Arab nations of North Africa (Yahiaoui *et al.*, 2006).

In a general sense, *wasta* refers to an implicit social contract, typically within a tribal group, which obliges those within the group to provide assistance (favourable treatment) to others within the group (Barnett *et al.*, 2013). Furthermore, *wasta* is used as a short cut to by-pass systemic obstacles in the public and private sector or overcome laws in order to obtain rights to a good or service (Hutchings and Weir, 2006a). Overall, it is an attempt to obtain privileges or resources through a third party (Al-Ramahi, 2008), hence Sawalha (2002) argues that kinship, locale, ethnicity, religion, and wealth can play a key role for certain individuals (more privileged than others) in obtaining employment, university admission, or treatment of the law.

The prevalence and importance of *wasta* in the Arab world means that it is not surprising to find unconventional practices that use *wasta*, which limit competition and contradict the principle of justice, such as jumping the queue in acquiring public services, gaining job interviews and jobs, acquiring favourable rulings from agencies and courts, winning government contracts (Barnett *et al.*, 2013). Other examples of *wasta* include: government officials exerting their influence to ensure the hiring of a relative, even when the recruitment system is supposed to be merit-based; the granting of special benefits for public officials; exempting close associates from tax collection (Bishara, 2011); and in the Gulf Arab countries, the high and leadership positions in government organisations are usually reserved for members of the ruling families or their supporting tribes (Mohamed and Mohamad, 2011). In contrast, those who do not have access to *wasta* suffer challenges related to bureaucratic processes, are unable to overcome red tape easily, and find it difficult to enter markets such as the jobs markets.

Thus, *wasta* can be described as a form of favouritism used by influential people, whom have power and authorisation to impact on the decision-making, to provide benefits or special rights to others in their family, tribe or close associates. The application of *wasta* means that individual values and professional success do not take into account / do not consider in some issues such as job opportunities, resolving conflict and legal litigation, writing court decisions, speeding governmental action and establishing and maintaining political influence (Al-Ramahi, 2008). Hence, access to *wasta* is important because it relates to having special help to gain advantages in life, and facilitate what will not be available to others who are probably competing for the identical resources, job, contract, promotion, or life possibilities (Whiteoak *et al.*, 2006). Thus, *wasta* plays a crucial role in formulating and making decisions in Arab life (Cunningham and Sarayrah, 1993;

Ahmed, 1999). *Wasta* can therefore be summarized as helping those who have to navigate bureaucracy or gain favourable treatment in business and government (Barnett *et al.*, 2013), but importantly it is not a zero-sum effect, those without access to *wasta* are losers. Thus, *wasta* ultimately determines success or failure (Kropf and Newbury-Smith, 2016).

3.3.1 The Middleman (*waseet*) in *Wasta*

As noted above, *waseet* refers to the 'middleman' or the person who performs the act of *wasta* (Cunningham and Sarayrah, 1993: p. 1). The middleman usually works as an intermediary between two parties to perform a specific action, such as achieving a convergence of views or resolving problems and disputes. Thus, the middleman is the person "who intercedes on behalf of a client/customer to provide jobs, university admission, tax reduction, etc." (Cunningham and Sarayrah, 1994: p. 1).

In this respect, *wasta* is centred on the middleman. The middleman might be an influential person, who has the power and authority to impact on the decision-maker, or an individual who is related to the beneficiary and decision-maker. All *waseet* seek to provide benefits or special rights to others in their family, tribe or close associates (Abalkhail and Allan, 2016). The role of the middleman is to "establish the links between job-seekers and employers by using structural power to allow the applicant access to the job" (Brandstaetter *et al.*, 2016: p. 73).

Yet it is not impossible for international managers to enter into these insider relationships in either China or the Arab World, and this can be done chiefly by work through intermediaries or third parties who already possess insider status, while time is being devoted to building one's own relationships, establishing trust, and acquiring tacit knowledge through commitment over time to local partners and their interests (Hutchings and Weir, 2006a) and *wasta* is based on the power of the middleman which results in a greater tendency to slide into cronyism and corruption (Brandstaetter, 2011).

In Arab culture in general, and Saudi Arabia in particular, the social status of the *waseet* is valued and respected. For example, sheikhs intervened on behalf of their tribesmen in the government to create jobs and collect economic benefits (Ronsin, 2010). As a result, more key positions were filled by the close confidants of the political regime regardless of their competences (Mohamed and Hamdy, 2008).

Therefore, the success of *wasta* in achieving the desires of job-seekers is based on the social status (power) of the middleman, because the *waseet* is the primary element in the process of *wasta*. However, the middleman does not necessarily work inside the organization, but his connections or relations influence the individuals in the organization. In some cases, the middleman is a decision-maker in the organization. Thus, the impact of the middleman is not always on the same level, which is likely to affect the outcome of the *wasta*, because *wasta's* success is based on the level of the *waseet's* impact and intervention. However, *wasta* research tends to ignore the role of the middleman on the outcome of *wasta*, although he is the primary element in its success. Therefore, this study seeks to reduce the gap in this respect.

3.3.2 *Wasta* in the Business World

The importance and prevalence of *wasta* in the Arab world means that its use is also widespread in the business environment. Al-Ramahi (2008) highlights that in "the Arab world there is a need to set the person with whom they are dealing in an appropriate social place, through identifying their family and tribe, before any business discussions can take place" (p. 36). Furthermore, Agnaia (1997) highlights that factors such as personal connections, nepotism, sectarianism and ideological affiliation have a big impact in management procedures in Arab societies.

3.3.2.1 *Wasta* and employment prospects

A number of researchers have highlighted the impact of its use in the business world. One outcome of the use of *wasta* is identified by Metcalfe (2006) in that personal skills and professional success are not the primary factor in deciding who gains a job. Personal connections are more important and *wasta* distorts access to the job and also to promotion, especially if it is not available to all candidates (Whiteoak *et al.*, 2006; Al-Hussain and Al-Marzooq, 2016). Studies in Jordan, Oman and UAE highlight that *wasta* is an important factor in obtaining employment or promoting one's career, especially among young people (Dobie *et al.*, 2002; Kilani and Sakijha, 2002; Whiteoak *et al.*, 2006). For as recruitment, selection or promotion is based on *wasta*, decision makers tend to recruit and select candidates with the strongest *wasta* (Cunningham and Sarayrah, 1993).

Similarly, Finlay *et al.* (2013); Giangreco *et al.* (2010) and Ta'Amnha *et al.* (2016) suggest that *wasta* leads to the appointment and promotion of individuals to elevated positions that do not fit with their abilities, education levels or their experience. Thus, the authors argue the Arab world becomes a "poster child for The Peter Principle", which argues that organizations risk promoting employees above their capabilities because they are good at their present job (Peter and Hull, 1969). However, in the case of the *wasta* principle the employees start at a level beyond their competence. Finlay *et al.* (2013) argue this creates an organization in which there is no devolution of power downwards because of the lack of skills, which in turn results in a rigid rules-based system somewhat akin to Weber's vision (1978) of rational-legal authority and traditional authority (Weber and Parsons, 1997). This aspect embodies the structural problems facing managers in the Arab world. In particular, the excessive and pervasive bureaucracy (in a Weberian sense), which is exacerbated by the use of *wasta* (Weir, 2000; 2001).

Metcalfe (2006) argues that informal individual relations and family networks determine which individuals gain access to training and development opportunities. Thus, the use of *wasta* does not put the correctly most appropriately qualified person in place or ensure that an individual has access to correct training and development, which can at least partly explain the generally weaker performance of Arab managers when compared to their counterparts in other regions of the world. In turn, this curtails economic progress across the region (Makhoul and Harrison, 2004; Ta'Amnha *et al.*, 2016). In a study on the Arab Gulf countries, Weir (2000) agrees that *wasta* undermines their position in the global economy.

Metcalfe (2006) argues that informal individual relations and family networks determine which individuals are eligible for training and development opportunities, as well as several other aspects of management. She also highlights a further impact of *wasta* when arguing that human resource management (HRM) systems in the Middle East are "premised on high trust relationships, and the execution of functional-oriented HRM practice is based on personal contacts and connections rather than formal procedures" (Metcalfe, 2007 p: 67). In other words, the personalized rather than the procedural nature plays a vital role in HRM dynamics (Metcalfe, 2007). For example, according to Iles *et al.* (2012) in Tunisia, word-of-mouth among informal connections plays a role in the hiring and employing of individuals. This is reinforced in Arab

culture by the role of, word-of-mouth informal networks which is considered to be binding because failure is classified as *aib* (shame). Significantly, most informal practices of HR happen outside work environment at family meetings and occasions, or through special visits to managers at home. Individuals, in such cases, tend to use power of an Emir or Shaikh or individual's value or influence which is called in Arab culture *jaha*. This *jaha* cannot be ignored in traditional Arab culture, and the request or demands are usually achieved in informal meeting or by a promise to meet these demands in the near future.

The use of *wasta* is not limited to a single aspect of human resource management, it also includes performance appraisal. Al Harbi *et al.* (2016) conclude *wasta* and managers' interests and power impact on the performance appraisal in Saudi organization. They argue that managers place a high priority on personal relationships rather than fairness towards employees. As a result, they give employees who have links through *wasta* higher performance evaluations. The authors argue that *wasta* is perceived as exerting an unfair influence on the outcome of the performance appraisal process.

Furthermore, Ishaq and Zuilfqar (2014) found that there is a positive relationship between *wasta* and recruitment in the public sector in Jordan. However, *wasta* was not found to be a significant moderator of the relationship between employee motivation and recruitment and selection policy. Furthermore, Swailes and Al Fahdi (2011) conclude that *wasta* is extensively used in the Omani public sector. Although, this reduces the level of staff turnover, it leads to an exodus of talented workers to the private sector.

Overall, the practice of *wasta* is a negative and harmful practice for organizations, because it contributes to the reduction of workplace diversity (Albdour and Altarawneh, 2012), the "inability of candidates to perform the job" (Makhoul and Harrison, 2004: p. 25), hardship in attracting and retaining qualified employees who have no family connections within the organization, and mixing family issues with those of business (Abdalla *et al.*, 1998: pp. 555-559). These reflect negatively on the performance of organizations, thus, damaging the organization's image (Hutchings and Weir, 2006a).

In addition, Tlaiss and Kauser (2011) highlighted how widespread the phenomenon is in relation to a successful career for Middle Eastern managers. They conclude that *"wasta* is still very widespread in the Middle Eastern region"* (p. 471), with 89% of managers in

the Middle East using *wasta* and 86% of them stating that *wasta* can be helpful in all kinds of interactions and 80% admitting to using it regularly. In addition, Ezzedeen and Swiercz (2001) find that *wasta* plays a role in recruiting 65% of employees of the second largest mobile telecommunications provider in Lebanon. However, Mellahi and Wood (2003) found that more jobs were obtained through connections with acquaintances or friends rather than through family links in Algeria.

From the above, it can be argued that individuals use *wasta* in the realm of employment in order to obtain benefits in the three ways. First, it is used by individuals who have the competencies required but are unable to obtain their rights through the official process. In the second category, the person does not meet the requirements of the job or promotion, and therefore uses to by-pass this barrier. The last category includes individuals who basic qualifications (Oukil, 2016).

3.3.2.2 *Wasta* in state-business relations

The use of *wasta* is common in state-business relations due to the business person's use *wasta* as an easy method to "speed up administrative procedures and to gain exclusive access to public sector services, business opportunities, government contracts, tax exemptions, jurisdiction and credit" (Loewe *et al.*, 2007: p. 15). Furthermore, *wasta* can be used by business people as a tool to pressure for change in legislation and government regulation to their advantage (Loewe *et al.*, 2007). Although *wasta* is useful for getting a permit or being awarded a concession faster and easier than usual, it can also be indispensable for getting such permits or concessions, as well as gaining preferential access to information, licenses, government contracts, tax exemptions, and jurisdiction (Loewe *et al.*, 2007). In addition, business people in the Arab world including Saudi Arabia use *wasta* to keep abreast of potential changes in administrative rules and procedures, thus they are able to respond and deal with these changes rapidly. In certain cases, business people provide advantages in order to attract individuals who have influential family or tribal links as partners or employees in the company. The aim of employing the *waseets* is to impact on an individual who has the power of decision-making, in order to speed up administrative procedures, or obtain information about confidential government information on business opportunities, or ensure access to up-to-date information regarding changes in administrative rules and procedures (Loewe et al., 2007). In addition, Arab owner-managers of SMEs use *wasta* in order to secure

markets contracts, obtain opportunities, and increase their chance of success *(Sefiani et al.*, 2016). In this context, many business people argue that *wasta* is useful in saving business people time and money (Loewe *et al.*, 2007), and contribute to the success of SMEs in the economy (Hutchings and Weir, 2006b).

In contrast, the dark aspect of *wasta* is that it is incompatible with equality rules in terms of the opportunity for investment, as it is used by people to obtain confidential information from the government on business opportunities (Loewe *et al.*, 2007). This is because some business people tend to use *wasta* to get information about new government projects or municipal decisions before the decisions are published formally to put in tenders such as for new roads, schools or malls (Loewe *et al.*, 2007). As a result, business people can recommend relations or friends to buy surrounding land before government decisions become formally published (Loewe *et al.*, 2007). For this purpose, business people try to establish relationships with those who are responsible for decision-making in government, because they present a rich source of information about future projects (Loewe *et al.*, 2007). This practice of business people can be created atmosphere of inequality or unfair competitions, which reflects poorly on the business climate.

In addition, business people have a tendency to use *wasta* to win a government contract (Loewe *et al.*, 2007). For example, individuals are employed to supply information about financial bids submitted by other companies, or to influence those who are responsible within the commission for opening the envelopes containing the bids, recording and approving tenders. In some cases, companies win government contracts although the quality of the project might not be up to the necessary standards. Furthermore, certain business people resort to obtaining recommendations or supporting letters from influential people such a prince, or the executive manager in order to win contracts. In some cases, the government directly gives certain contracts to companies without the use of tenders.

As a result, the widespread direct and indirect use of *wasta* affects the fairness and predictability of state-business relations , because *wasta* plays a major role in winning contracts and receiving tax deductions or gaining access to tax exemptions (Loewe *et al.*, 2007). This atmosphere is not appropriate for current business climates as it contributes to encouraging business people to adopt *wasta* in the future, through for

example, "employ[ing] people who have *wasta* or are specialised in building up *wasta* to go through administrative procedures easily and without major risks Both smaller and larger companies also give little gifts to public sector employees and other influential people in order to improve their *wasta*" (Loewe *et al.*, 2007: p. 24 -27). Therefore, Boye at al. (2006) and Dieterich (1999) in Loewe *et al.* (2007) argue that the widespread use of *wasta* in Jordan plays a significant impact in curtailing investment and negatively impacting on significant comparative and competitive advantages. The findings of these authors can be applied to most Arab countries to varying degrees as highlighted by the UN report *'Rethinking Economic Growth: Towards Inclusive and Productive Arab Societies'* highlights that widespread nepotism and corruption as well as low amounts of investment and a poor regulatory environment are the major causes of the competitive weakness of the private sector in the Arab World (UNDP, 2012).

In addition, the report highlights that the region had the lowest productivity growth rate of any world region between 2000 and 2010 except Latin America, with 1.5 percent for North Africa and 1.2 percent for the Middle East against a world average of 1.8 percent. Al Maeena (2003) and Cunningham and Sarayrah (1994) highlight the role of *wasta* in contributing to the brain drain in Arab world, which contributes to the region's low productivity (Kilani and Sakijha, 2002). In turn, this curtails economic development (Makhoul and Harrison, 2004).

In summary, the discussion highlights that the prevalence of *wasta* has a negative effect on the state-business relations in terms of the efficiency and equality of these relations, the level of investment in the private sector and on private sector development (Loewe *et al.*, 2007).

3.3.2.3 *Wasta* in business negotiations

The influence of national culture on negotiations has been the topic of intensive debate and studies (Salacuse, 2003; Agndal, 2007); therefore, the use of *wasta* as manifestation of national culture in business negotiations is common in the Arab world. According to Khakhar and Rammal (2013), Arab negotiators tend to build trust in relationships and use influence as a bargaining tool during negotiations with foreign parties. However, relationship-building depends on the objectives of the negotiation and the nature of the relationship being determined (Ghauri, 2003). Arab negotiators often seek to build strong working relationships with potential business partners as a basic step to building

trust and respect for each other, and then exploit it in the formal negotiations (Khakhar and Rammal, 2013). Therefore, Iles *et al.* (2012) stress that conducting business in the Arab World follows two sequential stages: first, building relationship and connections, as a stage to test a potential partner; and second, only if the test is passed, discussing business in later meetings. Consequently, the ability of foreign businessmen to convert business relationship to a strong bond of friendship with the host counterpart is a crucial factor to the success of the negations (Abbasi and Hollman, 1993). This is because Middle East managers tend to interject an emotional appeal in their business negotiations (Abbasi and Hollman, 1993).

Moreover, the concepts of 'saving face' and 'preserving one's honour' still plays an important role with individuals in the Middle East. This may explain why certain Middle Eastern business people prefer to negotiate through trusted third parties (Abbasi and Hollman, 1993) as a means to avoid an embarrassment in the case of negotiations failing. In this context, Heiba (1984) argues that because of the lack of trust and high level of suspicion between foreign investors and host governments in Third World countries, including Arab ones, the negotiation process can take a long time. In addition, the polychronic time system followed by individuals in the Arab world partly explains why negotiations with Arab managers requires a significant investment of time (Khakhar and Rammal, 2013). These time factors encourage negotiators in Arab countries to use personal contacts to overcome bureaucratic obstacles (Heiba, 1984). In certain cases, negotiations in the Arab world are conducted with numerous corporates/ companies at the same time, but the organization with the strongest *wasta* connections would typically be the one that gets the contract (Hutchings and Weir, 2006b).

In contrast, *wasta* for non-Arab negotiators should be used to "identify points where genuine commonalities can occur, and state these clearly in the negotiation as it creates the potential for tapping into future business opportunities through the referent power" (Khakhar and Rammal, 2013: p. 586). Therefore in the Arab world not only is the timing of the business negotiations important but also so is communication with people who make things happen and have good contacts with key decision-makers (Heiba, 1984). Hutchings and Weir (2006b) concur, arguing that strong *wasta* connections and the associated social network can play a vital role in winning a particular company or organization a business deal when there are several competing companies. This means that the personal connections approach is crucial in a business deal. Therefore, Arab

negotiators are keen to make the atmosphere of negotiations open, friendly and informal (Khakhar and Rammal, 2013).

3.3.3   The Paradox of *Wasta*: Perceptions in the Middle East

The widespread practice of *wasta* in the Middle East seems contradictory since it does not appear to be consistent with the teachings of Islam. For example, Islam stresses that jobs should be awarded on merit and qualifications, and not on considerations of kinship and social relations (Ali, 2005). In the Qur'an, Muslims are instructed that "the simplest that you can hire is one who is competent and trustworthy" (Qur'an, 28:26). Prophet Mohammed is also reported to have said "He who is in a leadership position and appoints knowingly one that isn't qualified to manage, than he violates the command of God and His messenger" (Ali, 2005). Additionally, it also is "inconsistent with justice principle which used more than a thousand times in the Holy Quran '610 AD'" (Richards and Waterbury, 2009: p. 351). However, the main reason behind the apparent contradiction between the practice of wasta in the Middle East and the teachings of Islam is that wasta and authoritarian power relations overshadow Islamic principles (Branine and Pollard, 2010; Al Harbi *et al.*, 2016).

Although, "most Middle Easterners view *wasta* as a part of the environment and do not consider possible long-term detrimental consequence for the society" (Cunningham and Sarayrah, 1993: p. 15), the spread of *wasta* in the Arab World has received strong criticism from certain sociologists as "shame societies" (Ali; *et al.*, 1995). In addition, individuals in Arab societies generally speak of *wasta* in "negative terms" and "think largely of its corrupt side", negating the traditionally positive role it has played in mediation (Hutchings and Weir, 2006a: p. 147). Furthermore, according to Kilani and Sakijha (2002) and Tlaiss and Kauser (2011), individuals across the Arab world want to eradicate or at least curtail it, because it is deemed to be unfair. Therefore, most publications emphasize the corruption and rent-seeking dimensions and stigmatize *wasta* as a harmful practice which undermines economic development. Thus, *wasta* tends to be practiced surreptitiously by individuals in order to avoid the negative consequences of this behaviour, especially when the act undermines or is at least inconsistent with the policies and laws.

On the other hand, Some authors focus on the social capital function of *wasta* as an informal institution (El-Said and Harrigan, 2009) . Therefore, some authors see *wasta* as

positive for the individual and for society, due to its role in assisting individuals develop a sense of belonging to a social entity that provides unconditional acceptance and assistance to the novice in solving problems that are commonplace to someone more experienced (Cunningham and Sarayrah, 1993: p. 191). The *waseet* and those who benefit consider their use of *wasta* to be a source of status (pride and prestige) in their society (Barnett *et al.*, 2013). In addition, employing people from a known family has a several positive aspects related to increasing motivation, reducing employee turnover and correcting undesirable behaviours of a family member in the organization.

Furthermore, *wasta* might be useful for those who look to overcome the obstacles of bureaucratic procedures and its cost or those who do not meet the requirements, especially regarding issues which are considered to be the primary standards of success. However, this is considered to be a negative factor by those who are accustomed to and interested in dealing with the merit principle or equal opportunities (Barnett *et al.*, 2013).

However, this behaviour of business people creates negative stereotypes of the level of business ethics in the Middle East (Izraeli, 1997). Therefore, 27% of business people rationally argued they resort to use *wasta*, because it is the only way through which they can get what they want, (Loewe *et al.*, 2007). In this context, it can be argued that that there are two ways to interpret this statement: in certain areas, rights cannot be enforced without *wasta*, or it enables applicants to access rewards to which they are not formally entitled (Loewe *et al.*, 2007). Therefore, the use of *wasta* makes it difficult for those who attempt to pursue their business legitimately within the regulations (Cunningham and Sarayrah, 1993).

The paradox of *wasta* is that it is "widely practiced and simultaneously denied by its practitioners and beneficiaries" (Cunningham and Sarayrah, 1993: p. 4). Danet (1989) agrees that Middle Easterners argue against *wasta* while practicing it themselves, citing that individuals criticize *wasta* in informal situations and in the media, complaining of its spread, and claiming that they want to eradicate or at least curtail it. They, in certain situations, describe it as a pattern of corruption. However, at the same time, they practice it in a wide range of formal institutions when they need to access public or private services.

3.3.4   Academic Perceptions of *Wasta*

Despite the centrality of *wasta* in Arab culture, Western social scientists fail to provide a detailed treatment of *wasta* because the concept does not lend itself readily to functional method (Cunningham and Sarayrah, 1993). In addition, Western social scientists cannot obtain information about the practices or process of *wasta* due to the sensitivity of the topic and its practise . Researchers need to observe peoples' lives inside the Arabic societies in order to understand their behaviour in relation to *wasta*. Therefore, Western books or journals rarely cover the topic *wasta* rarely, or deal with it superficially (Cunningham and Sarayrah, 1993). In addition, Middle Eastern social scientists, until recently, avoided writing about *wasta*. This is because the topic is considered a social taboo, as discussing *wasta* is a criticism of Arab culture. Indeed, Smith *et al.* (2012b) argue that "*wasta* has not been studied empirically" (p. 335).

A further weakness in the literature on *wasta*, is that research focuses on "describing and explaining the extent to which perceptions, behaviours and practices differ from those found in organizations within the more frequently studied Western nations" (Smith *et al.*, 2012b: p. 333). Although another studies provide substantial evidence about "average differences between national cultures often outweighed rather than variations between individuals within any particular sample (Gerhart and Fang, 2005). Podolny and Page (1998) point out that, studies in this field ignore the serious negative economic and business consequences of the practice of *wasta,* focusing instead on the consequences for social networks.

Thus, studies which analyse the impact of *wasta* on business and management practices are limited (Hutchings and Weir, 2006a; b; Metcalfe, 2006). Barnett *et al.* (2013) state that, as far as they can determine, the role of *wasta* has not been studied in depth by economists. As a result of this weakness, the literature on *wasta* in the social sciences in general and business practically remains limited and largely anecdotal.

In the case of Saudi Arabia, there is few studies that analyses the impact of *wasta* on business and management practices in the Kingdom, despite its economic development. In addition, Saudi Arabia is the only Arab member of the Group of 20 largest economies in the world. Furthermore, "Saudi Arabia was ranked 12th in the top 20 host economies for FDI inflows" (UNCTAD, 2011).

3.3.5 Summary

The arguments introduced in this section demonstrate the concept of *wasta* and its significance, highlighting that *wasta* can be viewed in two contrasting ways. The first is the positive aspects; for example, when it is used to improve the atmosphere of negotiations to increase the transparency and clarity of the official bureaucracy. The second is the negative aspect of *wasta* which influences a business deal contrary to transparency and justice principles. Metcalfe (2006) suggests that "working relations *(wasta)* in the Arab world are facilitated by the understanding of how to move within relevant power networks" (p.96). Therefore, Rice (1999) mention that most people focus on negative aspect of *wasta* and think of only its corrupt aspect, which negates the traditionally positive role it has played in mediation. Khakhar and Rammal (2013) support Rice's idea and criticize studies conducted by Al-Ali (2008); Cunningham and Sarayrah (1993); and Cunningham and Sarayrah (1994) which classify *wasta* as nepotism and a negative business practice. Khakhar and Rammal (2013) argue that those studies have analysed *wasta* from a negative social and general management perspective, it is not address his process or practices and how it is impact on the management procedures and policies. However, *wasta* is related to business and social networks, and can be seen as a bargaining tool for Arab managers during negotiations with foreign parties (Khakhar and Rammal, 2013)**.**

Importantly, Whiteoak *et al.* (2006) argue that "the lack of research undertaken in *wasta* contributes to the lack of understanding about the way *wasta* is used and could be applied in business dealings is largely". In addition, the lack of basic knowledge about *wasta* means that is it very difficult to compare it accurately with networking or mentoring (Tlaiss and Kauser, 2011). They also mention that further research needs to be conducted with a larger sample, across a range of industries. Furthermore, most of studies address the impact of *wasta* on employment prospect.

3.3.6 *Wasta* practices in Business in Saudi Arabia

The question, 'do you know anyone who works at a certain ministry or company?' is prominent in Saudi culture particularly, when a person needs a service or product from a government department or private sector. When a person wants something to be done, then s/he finds out who is the decision maker and look for someone who knows that person. The question highlights that the social network is the basis of *wasta*. It also

involves intervening in order to provide a special advantage or to overcome a barrier to acquire a service or product for a specific individual according to a report published in a Riyadh newspaper (2013), the Ministry of Labour in Saudi Arabia, quoting a recent survey, pointed out that *wasta* plays a vital role in blocking or reducing the employment opportunities for Saudi citizens; the government has adopted a policy of 'Saudization' which aims to replace expatriate workers with Saudis. However, business people use their personal connections and their ties (*wasta*) to resist, change or at least seek to postpone the implementation of Saudization policies. *Wasta* still plays a vital role in the Saudi work environment despite the government's effort to eliminate all forms of corruption through the anti-corruption commission (NAZAHA) (Al-Hussain and Al-Marzooq, 2016). Harry (2007) argues that as a result of the use of *wasta*, attractive career opportunities dwindle for individuals who lack connections or *wasta*, that forces him to accept a modest job that was previously thought to be below him, such as working in a supermarket or clerical jobs.

Fawzi and Almarshed (2013) argue *wasta* plays an important role in the employees recruitment in Saudi Arabia and that "deprive organizations of the ability to hire the desired competencies and talents" (p. 27). They also mention, some institution, such as Saudi banks, tend to coordinate with universities to recruit the best graduates instead of the traditional method of recruitment by advertising in newspapers. Furthermore, Alreshoodi and Andrews (2015) found that there is a positive relationship between PSM and employee outcomes, even more than what the theory suggests; *wasta* has negatively impacted on employee outcomes among Saudi public servants and has proven to have a pervasive effect on the workplace. As well as the above, they also argue that *wasta* influences PSM negatively

In this context, Aldossari and Robertson (2016) argue that *wasta* plays a vital role in determining the practices and norms of organizations. Furthermore, the authors posit that expatriates are initially only vaguely aware of the impact of *wasta* on organisational procedures. Thus, once the expatriate is in place, the understanding of *wasta* grows affecting the psychological contract between employers and employees. In addition, Aldossari and Robertson (2016) argue that formal HR practices are strongly influenced by *wasta* for two interrelated reasons. First, the lack of explicit criteria for deciding on promotion and second the prevalence of informal practices in the selection of employees for jobs and promotion.

Therefore, Al-Asheikh (2007) classifies *wasta* as one of the most common patterns of administrative corruption in Saudi Arabia, followed by time wasting and non-compliance with the official working hours, and then by using the influence of the position to accomplish personal interests. However, the use of *wasta* cannot be described as administrative corruption, it can be classified as factor that might lead to corruption in Saudi Arabia, such as the use of bribery. In this regard, Shaqawi (1994) argues that there are several factors that encourage individuals to resort to *wasta* such as obsolescence and the lack of clarity of laws and regulations, the length and complexity of procedures, and the lack of interpretive regulations.

As with the wider Arab world, individuals in Saudi Arabia seek to establish relationships and build connections as the first step in developing business transactions, which can be a time-consuming process. The next step is to discuss the methods of the transaction. Thus, completing a business transaction can take a long time. As a result, the business climate in Saudi Arabia is not sufficiently dynamic for the modern era.

Individuals in Saudi Arab tend to regularly use cartoons in local newspapers and on social media networks, such as Twitter, Facebook, YouTube, to criticise *wasta*. Figures 1 to 10 give a number of examples of this usage. In addition, a show called 'Know Any One', which is also critical ,of *wasta*, is watched by 4 million individuals (islamtoday.net).

Figure 3-1: Alwatan newspaper (23/03/2013)

This cartoon shows that individual who has *wasta* flies over the queue of people waiting for a job. This cartoon highlights the importance of using *wasta* is obtaining employment, regardless of the qualifications and eligibility of the individuals concerned.

Figure 3-2: Alwatan newspaper (23/03/2013)

This cartoon shows the dialogue between two individuals who work in the same institution. One says to the other: "all employees in this institution are from the same family; only you are from a different family; I think you got this job through *wasta*". The other individual tells him "even I was employed through *wasta*, because I have relationship with the family. I am son of their aunt". This cartoon highlights how *wasta* encourages specific families to dominate jobs in certain institutions.

Figure 3-3: Riyadh newspaper (25/01/2010)

This cartoon tells that how the manager behaves towards and answers individuals who look for job in his institution. "Be ashamed of yourself! How can you look for job without any *wasta*?". This cartoon indicates the challenges which individuals face when accessing a job without access to *wasta*.

Figure 3-4: Al-Jazirah newspaper (10/05/2010)

This cartoon tells what the manager answers an individual who provide his certifications and qualifications to gain job in the institution. "What on earth is going on? Your documents are incomplete, where is the *wasta*?". This cartoon shows that no qualifications are useful without *wasta*.

Figure 3-5: Alwatan newspaper (23/03/2013)

This cartoon also shows individual providing strong qualifications to the HR manager who has obtained his position through *wasta*. The manager tells him that those certifications and qualifications are not sufficient for the job. Similar to Figure 3-4, this cartoon indicates personal skills and professional certifications and qualifications are not the primary factor in deciding who gains a job. Personal connections are more important and *wasta* distorts access to the job and also to promotion.

Figure 3-6: Riyadh newspaper (23/07/2009)

This caricature compares between two individuals. In the lift side, individual has high qualifications, whereas another individual, in the right side, has *wasta*. The individual who has *wasta* has good progress and promotion, due to *wasta*, more than individual has high qualification. This caricature shows that *wasta* is an important factor in promotion more than qualifications, and it determine which individuals are eligible for training and development.

Figure 3-7: Alwatan newspaper (10/05/2009)

This cartoon illustrates how *wasta* blocks the way to jobs in Saudi Arabia or at least acts as a filter. This cartoon points out that *wasta* plays a vital role in blocking or reducing employment for Saudi citizens.

Figure 3-8: Al-Jazirah newspaper (16/07/201)

This cartoon illustrates that *wasta* is able to open a closed door and solve any problem. This means that nothing is impossible using *wasta*.

Figure 3-9: Riyadh newspaper (13/04/2013)

This cartoon uses the difference size of the letter *wa* (literally meaning 'and' but often used as a symbolic expression of *wasta*) in the Arab language, as an expression of the power of *wasta* being different between individuals. Therefore, the influence of *wasta* to access job or promote is different depending on the position the middleman (*waseet*).

خلف كل رجل عظيم ...

Figure 3-10: Aleqtisadiah (30/08/2012)

This cartoon again uses *wa* along with a sign that "*wasta* is behind every great man". This cartoon highlights the role of *wasta* in accessing the correct training and development and not put the correctly most appropriately qualified person in place.

In summary, *wasta* can be considered a manifestation of Arab culture, because of its widespread use and acceptance, which relates to the two dimensions of Hofstede's model. Firstly, power distance implies high inequality between manager and employees and has a strong influence on relationships between them (Branine and Pollard, 2010). A large power distance means the decisions of managers are accepted by subordinators without question. Furthermore, individuals tend to use power for personal gain (Sung, 2002) or for their family or tribe, as in the case of Arab culture where an employee might use power to pressure the less powerful to respond favourably to demands. In addition, the unequal distribution of power might encourage the use of *wasta* as a tool to gain access to upper levels of society (Hutchings and Weir, 2006a). Secondly, collectivism which relates to the interests of family and relationships takes precedence over work (Trompenaars, 1993). Thus, it can be inferred that the family and tribal roots also have an impact on individual and management behaviour (Anastos *et al.*, 1980). Therefore, human resources policies in private and public Saudi organizations are affected by personalized and idiosyncratic factors(Mellahi and Wood, 2002; Rice, 2004). Similarly, Mellahi and Wood (2001) argue that society (and therefore management structures and processes) in the Gulf Cooperation Council (GCC) states are strongly influenced by the closeness of relatives or relationships. Thus, managers give priority to the individual based on friendships and personal considerations rather

than the interest of the organization (Al-Hegelan and Palmer, 1985; Ali, 1995) in order to reduce the certainty statuition.

However, studies on *wasta* remain limited (Hutchings and Weir, 2006a; b; Metcalfe, 2006). Most studies focus on the outcome and impact of the practice, and address *wasta* from a non-systematic perspective. A number would consider it from the concept of public opinion, while others look at *wasta* from a descriptive historical perspective (see, for example, Dobie et al., 2002; Kilani and Sakijha, 2002; Metcalfe, 2006; Whiteoak et al., 2006; Finlay et al., 2013; Hutchings and Weir, 2006a, 2006b; Alharbi et al., 2016). These studies often deal with the consequences of the use of *wasta,* and conclude that personal skills and professional success are not the primary factor in deciding who gets a job in the Arab world, including Saudi Arabia. *Wasta* is significantly more important and therefore jeopardizes access to jobs and promotions, training and development, and performance appraisals.

In Saudi Arabia, the existing research on the effects of *wasta* on human resource management remains limited (Fawzi and Almarshed, 2013; Al Harbi *et al.*, 2016; Aldossari and Robertson, 2016). Only Harry (2007) addresses the impact of *wasta,* and focuses on understanding its impact on management and development of human resource practices in Saudi Arabia. However, the study does not address the process of *wasta* or how *wasta* contributes to the appointment and promotion of employees. Therefore, there is a clear lack of fundamental knowledge about the role of *wasta* on the various aspects of human resource management. However, there is sufficient research on the related concepts of nepotism, cronyism and favouritism, which supports the idea that *wasta* could play an important role in human resource management and employee outcomes. Furthermore, previous studies concentrate on a particular attribute of culture such as religion, tribalism, or family but without focusing on specific practices such as *wasta* that are generated by these attributes. Thus, no study has investigated how *wasta* impacts organizational culture and human resource management in Saudi Arabia. And so, this study focuses on *wasta* in Saudi Arabian context in order to highlight its use and impact on power distance and collectivism dimensions, and human resource practices in terms of accessing jobs, promotions, training and development.

3.4   Gap knowledge and Contribution of study

Based on the discussion on the previous chapters, Saudi culture is complex, derived as it from various factors, such as social attributes (tribalism, religion) and the authoritarian administrative system (Mohammed *et al.*, 2008; Rees and Althakhri, 2008). These factors determine the social and cultural behaviours, attitudes, norms and values held in the Kingdom, which in turn impact on the organizational culture (Ismail and Ibrahim, 2008; Tlaiss and Kauser, 2010). Based on Hofstede's classification, Saudi Arabia is a highly collectivist society (Mellahi, 2006), as it "imposes social obligations towards family and members of a larger group including one's work associates" (Dedoussis, 2004: p. 18). The result is that family and relationships take precedence over work or the interests of organizations (Trompenaars, 1993). Thus, the values contribute to favouritism for the member of the family or tribe (*wasta*) but this is contrary to Islamic principles of justice, equity and fairness set out in the Quran and Sunnah. In addition, it is contradictory to *shafa'ah* which is consistent with Islamic principles and helps individuals to access their rights without, and this is very important, harming others. Furthermore, those who reported gaining career benefits from *wasta* tended to be already socio-economically advantaged and well connected (Cunningham and Sarayrah, 1993), further undermining any form of equality in the workplace (Tlaiss and Kauser, 2010). Thus, the impact of the values of tribalism and religion can be contradictory in Saudi Arabia.

In addition, Saudi culture has a high power distance which means that there is a power gap between the hierarchies in a company, with employees afraid to disagree with managers(Ailon, 2008). This gap reduces the ability of subordinates to discuss or refuse the instructions and decisions of managers, as well as the amount of direct contact between them. This encourages employees to use *wasta* (through a *waseet*) as a tool to gain access to upper levels of society (Hutchings and Weir, 2006b), by acquiring promotion, training or other job benefits.

In the context of the use of *wasta*, the Saudi government is attempting to replace non-nationals with Saudis in the workforce through the Saudization program it established in the mid-1990s. Private sector organizations are supposed to conform to their Saudization quotas otherwise they can face government sanctions (Mellahi, 2007). This has encouraged the use of *wasta* as the businesses affected employ family or tribal

relatives to meet the quotas, regardless of whether or not individuals have the relevant qualifications and skills. However, *wasta* also acts a as barrier to the Saudization plans. Saudis place great importance on status which is, in part, related to the type of work and sector of employment (Mellahi, 2000). As a result, Saudis use *wasta* to obtain jobs with high status (often in the public sector) which can obstruct the government's plans for 'Saudization'.

Furthermore, the lack of compatibility between output from the education system and the needs of the modern business environment (Abdalla *et al.*, 1998; Al-Dosary and Rahman, 2005; Harry, 2007; Achoui, 2009; Khan, 2017) is due to the education system not focusing enough on developing the skills, talents and knowledge that are needed for the labour market (Girgis, 2002). For example, about two-thirds of all higher education students graduate in the humanities and other fields that do not match labour market requirements (Saudi Government Report, 2003). Thus, individuals look to *wasta* to overcome the incompatibility between their education and the needs of the modern business environment.

These various elements, which all increase the use of *wasta*, are a the major hindrance to achieving and improving organizations performance in Saudi Arabia (Curry and Kadasah, 2002), because of its negative impact on the administrative structures and behaviour in organizations (Assad, 2002). Overall, in Saudi Arabia the influence of *wasta* is dominant in organizational culture (behaviours, attitudes, and norms) (Tlaiss and Kauser, 2010; Al-Hussain and Al-Marzooq, 2016) because it impacts on the basic assumptions of managers and employees in the workplace. Therefore, *wasta* as a part of national culture impacts on the work values, management practices and organizational performance.

From the above, there is a degree of tension between the influence of Islam, and impact of the tribal heritage on organizational culture. Islam urges fairness and equality between individuals, while nepotism and favouritism through *wasta* undermines any form of equality, justice, fairness in the workplace by providing undeserved advantages to a group of individuals who may not necessarily merit them. This is because Saudi managers give priority to informal networks over the goals and performance of organizations (Nimir and Palmer, 1982; Asaf, 1983; Al-Hegelan and Palmer, 1985).

Indeed, *wasta* practices contribute to expanding the gap between Islamic values and ethics and current management practices in Arab society, as well creating tensions within organizational culture, which in turn negatively affects work performance.

Assessing the interplay between these factors inside Saudi organizations and building a clear picture of organizational culture in the Saudi context is considered complex and unique due to overlap between social attributes (tribalism, religion) and the authoritarian administrative system. The contribution of this research pertains to a more nuanced and context specific understanding of organizational culture through understanding the relationship between the *wasta* traits and cultural dimensions, especially power distance and collectivism. This is due to power distance exposing the degree of inequality between managers and employees, meaning that the orders and decisions of managers are accepted by subordinates without objection. Furthermore, collectivism refers to cooperation between the individual at the organizational and societal level, as well as the extent to which an organization offers benefits to employees (Kirkman *et al.*, 2006) — all of which are linked to the cultural practice of *wasta.*

3.5   Conclusion

This chapter, taking into account the literature on social networks, considers *wasta* as one of form of social networks that is common in Arab culture. The analysis highlights its impact on the business and management practices. As social networks that use favouritism in the distribution of advantages and resources are not exclusive to Arab culture (Roberts, 2010), it also highlights the differences and similarities between *wasta* and other types of social networks such as *guanxi* in Chinese culture, nepotism in Western culture, *jeitinho* in Brazilian culture, and *svyazi* in Russian culture.

The term social network is used in the literature as a metaphorical term to provide an understanding of informal social relationships in societies. Studying social networks can provide an in-depth understanding of the relationship between individuals and the society in which they are embedded. Moreover, social networks take many patterns such as family and kinship ties friendship, advice, communication or support which exists among the members of a social system.

In terms of the business environment, the absence of formal institutional structures is one of the main reasons for the emergence and prevalence of social networks inside an organization. Furthermore, the spread of social networks can have both positive and negative impacts on the business environment. Importantly, there are a number of contingency factors that can play a role in limiting the positive impacts, such as the creation of new forms of dependency, the abuse of political and economic power, an increase in corruption and the undermining of the development of an open market economy (Edwards and Lawrence, 2000).

The chapter also provides an in-depth view about *wasta* practices in Arab culture, in order to understand why Arab management is less active than western management. According to literature, the word of *wasta* derives from the word *waseet* which refers to both the act and person who mediates or intercedes. The term has a number of different local expressions, such as "vitamin wow" and "*jaha*" in the Arab Gulf countries, "*ma'arifa*" (who you know or pulling strings) in North Africa, and *laktaf* (shoulders). Although, there is disagreement over when it first came into general use, but it is related to connection with the ruler in determining one's profit "Muqaddimat Ibn Khaldūn: 1955".

Wasta can be viewed in two contrasting ways: the positive aspect termed 'Intermediary' and the negative aspect called 'Intercessory. However, Arab management practices, including in Saudi Arabia, tend to follow intercessory practices, as individuals use it in various ways to: by-pass systemic obstacles in the public and private sector; overcome laws in order to obtain rights to a good or service; provide benefits or special rights to others in their family, tribe or close associates; and facilitate what will not be available to others who are probably competing for the identical resources, job, contract, promotion, or life probabilities.

However, the wide spread use in the Arab world is contradictory since it is not consistent with the teachings of Islam, which for example stresses that jobs should be awarded on merit and qualifications, and not on considerations of kinship and social relations. It also is inconsistent with justice principle which used more than a thousand times in the Holy Quran. Furthermore, individuals in Arab societies generally speak of *wasta* in negative terms and think largely of its corrupt side. This means that *wasta* is generally practiced surreptitiously by individuals in order to avoid the consequences of

this behaviour, especially when the act undermines or is inconsistent with the policies and laws.

The prevalence of *wasta* in the Arab world means that its use is widespread in the business environment including employment prospects, state-business relations and business negotiations scuh government officials exerting their influence to ensure the hiring of a relative, even when the recruitment system is supposed to be merit-based; the granting of special benefits for public officials; exempting close associates from tax collection; and in the Gulf Arab countries reserving top governmental positions for members of the ruling families or members of their supporting tribes. In addition, it is used to speed up administrative procedures and to gain exclusive access to public sector services, business opportunities, government contracts, tax exemptions, jurisdiction and credit. It can also be used as a tool to pressure for change in legislation and government regulation to their advantage. Furthermore, business people try to establish relationships with those who are responsible for decision-making in government, because they present a rich source of information about future projects. Moreover, the use of *wasta* in business negotiations, strong *wasta* connections and the associated social network can play a vital role in winning a particular company or organization a business deal when there are several competing companies. This means that the personal connections approach is crucial in a business deal in the Arab world.

However, the prevalence of *wasta* has a negative effect on the state-business relations in terms of the efficiency and equality of these relations, the level of investment in the private sector and on private sector development. Therefore, UN report (2012) points out that the private sector in Arab World is among the least competitive globally in part due to *wasta*. This is because this practice of *wasta* creates inequality or unfair competition, which reflects poorly on the business climate.

Chapter four: Research Design and Methodology

4.1 Introduction

The preceding chapters have reviewed the theoretical and practical literature associated with organizational culture, Arab management practices, and *wasta* (personal connections is one of the manifestations of Arab national culture). This chapter will discuss the methodology used to carry out this research. And so, this chapter provides an overview of the research methodology. It focuses on the technological aspects of methodological issues related to researching organizational culture and the practices of wasta. It also describes the methodology. This chapter is divided into four parts: research philosophy and design; data generation sources and methods; the industry-specific focus of the study; and the research design and methods of data generation.

4.2 Nature of the Research

The aims of this research are to generate a more nuanced understanding of organizational culture in Saudi Arabia, focusing on the role of *wasta* and examining how *wasta* impacts on management practices in telecommunication companies in Saudi Arabia. In order to achieve these aims, this research addresses the research question: how does *wasta* impact on the range of human resource management practices in Saudi organizations? As stated in Chapter One page 5 this question is divided into five sub-questions.

4.3 Research Philosophy

An essential step in conducting any social science research is to ascertain and justify the research philosophy adopted by the researcher. This is because such a philosophy will determine how the researcher chooses the appropriate steps, procedures, and research tools. As Sapsford and Jupp (2006: p. 175) argue, "the philosophical stance of the researcher's world view underlines and informs the style of research". The term research philosophy refers to the development of knowledge and the nature of that knowledge (Saunders *et al.*, 2012). In relation to the present research, "all theories of organisation are based upon a philosophy of science and a theory of society" (Burrell and Morgan, 1979: p. 1).

The philosophy of research centres on 'epistemology' and 'ontology'. Epistemology is "a way of understanding and explaining how we know what we know" (Crotty, 2007: p.

8), and focuses on the acquisition of knowledge through questions that establish the truth and how to acquire information in order to gain knowledge in a specified field (Guba and Lincoln, 1994; Blumberg *et al.*, 2011). In addition, Blaikie (2007) argues that epistemology focuses on social reality as the best method for acquiring knowledge. In brief, epistemology focuses on 'what it means to know,' as well as seeking to assist in determining what types of knowledge are legitimate and sufficient (Gray, 2004). In contrast, ontology seeks to understand 'what is' (Gray, 2004), Therefore, ontology is focused on the objective of research through what is being explored and the objective of the questions. Blaikie (2007) defines ontology as "claims and assumptions that are made about the nature of social reality, what exists, what it looks like, what units make it up and how these units interact with each other. In short, ontological assumptions are concerned with "what we believe constitutes social reality" (Blaikie, 2007: p. 8).

In light of the nature of this study and the research questions, an interpretive approach is an appropriate paradigm for exploring how *wasta* impacts on the range of human resource management practices in Saudi organizations. This is because an interpretive approach focuses upon understanding the world as it is experienced by its social actors in order to expand our knowledge. This research seeks to consider *wasta* by understanding and interpreting its meanings in terms of human behaviour rather than generalizing and predicting the causes and effects. In addition, this research also aims to interpret the subtle impact of a concept, which an interpretivist theoretical perspective makes possible, because the approach allows the in-depth investigation and analysis of a certain phenomenon in order to understand it (Blumberg *et al.*, 2011).

Moreover, this type of theoretical perspective is used widely in the humanities and social sciences, because it helps in understanding the differences among humans while taking into account the effect of individuals' unique natures when conducting research (Saunders *et al.*, 2012). In addition, an interpretivist approach assumes that the reality is not external to individual recognition (Hussey and Hussey, 1997), which can offer an understanding of *wasta* based on interpreting the meanings of individual recognition.

Finally, there is a tangible lack of research on *wasta* in general and there is no study of *wasta* and its processes and how it impacts on human resource management in Saudi Arabia. This is because the topic is considered a social taboo, with some sort of prior insight of the research context but assumes that this is insufficient in developing a fixed

research design due to the complex, multiple and unpredictable nature of what is perceived as reality (Hudson and Ozanne, 1988). In this sense, the concept of *wasta* still needs an in-depth investigation and analysis to bring further understanding and develop the theory. Therefore, an interpretivist approach is appropriate to understand the phenomenon of *wasta*, because it allows appreciating the meanings and interpretations the interviewees ascribe to *wasta* so as to understand how they experience *wasta* as an everyday socially-constructed reality.

4.4 Research Design

Research design denotes an outline, plan or guide to be followed for the sake of addressing the research question. Thus, Churchill (2009) defines a research design as "the framework or plan for a study used as a guide in collecting and analysing data. It is the blueprint that is followed in completing a study" (p. 127). In other words, it provides a plan or framework for data collection and analysis (Ghauri and Grønhaug, 2010: p. 54). Accordingly, the research design plays a significant role in ensuring that the study is moving in the right direction by choosing the most appropriate instruments and procedures that best fit the research context (Churchill, 2009; Frankfort-Nachmias and David, 2009). Therefore, the quality of empirical research is significantly impacted by the research design (Ghauri and Grønhaug, 2010). Hence, choosing an appropriate research design allows for solving the research problem or answering the research question which represents the main stage in empirical research, as it helps determine the information acquired.

Therefore, a clarification of the methodology from the outset of the research is necessary in order to establish the research design (Saunders *et al.*, 2012). It also determines if the research project adopts a deductive approach which examines the research question through developing theories and hypotheses and generating research strategies, or uses the inductive approach which tends to collect data in the first stage before developing a theory based on the data analysis (Saunders *et al.*, 2012)

This aim of this research is to explore how *wasta* impacts on the range of human resource management practices in Saudi organizations through collecting data from employees in Saudi organizations in order to develop a theory based on the data analysis. Thus, the deductive approach is unsuitable for this study, due to the exploratory nature of the research. The inductive approach is suitable for exploring the

impacts of *wasta* to improve the existing theory in this respect. Following Saunders *et al.* (2012), the inductive approach is used to build new theories or improve existing ones from the data analysis.

Furthermore, this research adopts an interpretivist paradigm (theoretical perspective) which is relevant to the inductive approach, to first collect data before developing a theory based on the data analysis (Saunders *et al.*, 2012). In addition, the inductive approach employs qualitative research methods (Ghauri and Grønhaug, 2010; Saunders *et al.*, 2012), which allows research findings to emerge from the frequent, dominant, or significant themes inherent in the raw data, without the restraints imposed by structured methodologies (Thomas, 2006).

Business research is classified into three types: exploratory study, descriptive study, and experimental study (Zikmund, 2009). An exploratory study is best suited to this research, as this type of study is characterized by its highly sensitive nature, and needs to be studied in-depth. In addition, *wasta* is related to human behaviour in organizations. Furthermore, the nature of organizational culture and *wasta* is complex and ambiguous because of the impact of human behaviour. Moreover, only a few studies discuss the topic of *wasta* in general, and there is no study on *wasta* forms, its processes, and it impacts in Saudi Arabia. Therefore, an exploratory study is deemed appropriate to provide new insights on *wasta* in Saudi Arabia, as the context is ambiguous, as well as the lack of clarity about its process and consequences (Ghauri and Grønhaug, 2010; Zikmund, 2010; Cooper and Schindler, 2011). The data about *wasta* is required in order to discover "what is happening; to seek new insights; to ask questions and to assess phenomena in a new light" (Robson, 2002: p. 59). Moreover, Zikmund (2010) adds that these studies can provide an in-depth and better understanding of all aspects of the problem, because there has been no prior study of this topic in the Kingdom.

According to the context, exploratory research tends to lead to new insights and ideas, which can be used as a basis for further research (Selltiz *et al.*, 1976; Churchill, 2009), and research as such can provide significant ideas about *wasta* .In addition, Cooper and Schindler (2011) suggest that the research design can also be improved through explanatory research's contribution to the development of concepts and definitions, as well as to establishing priorities. Furthermore, exploratory research is distinguished by

being flexible and adaptable to change (Ghauri and Grønhaug, 2010; Saunders *et al.*, 2012). Therefore, this type of research fits with "literature searches, experience surveys, focus groups or selected case analyses" (Selltiz *et al.*, 1976; Churchill, 2009). Therefore, an exploratory study is appropriate for the current research, because *wasta* is still a fairly unknown concept due to its highly sensitive nature and the limited studies on it. Therefore, it needs to be studied in-depth (Robson, 2002).

Additionally, this study also adopts a descriptive approach in order to describe the process and procedures of *wasta* and it will try to answer questions such as who, what, where, and how (Zikmund, 2010; Cooper and Schindler, 2011), all of which are related to describing the characteristics of *wasta.*

4.5   Research methodology

Research methodology refers to the "strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence" (Robson, 2002). Therefore, the clarification of methodology from the outset of the research project is necessary in order to establish the research design (Saunders *et al.*, 2012).

4.5.1   Qualitative approach

The *wasta* phenomenon is related to culture and the social context in which it is situated. It needs to be explored based on individuals' perceptions of its process and practices which are not fully understood due to the dearth of previous studies. Thus, a deep understanding and more details are required of the description of its dynamic as a new area based on people's experience. In this case, qualitative techniques are suitable for exploring a new area (Miles and Huberman, 1994), because it requires: a detailed description; the experience of the process typically varies for different people; the process is fluid and dynamic; and the participants' perceptions are a key consideration (Patton, 1990: p. 95). In addition, qualitative techniques focus on "the interpretation rather than quantification; an emphasis on the subjectively rather than objectively; flexibility in the process of conducting research; an orientation towards process rather than outcome; a concern with context- regarding behavior and situation as inextricably linked in forming experience; and finally, an explicit recognition of the impact of the research process on the research situation" (Cassell and Symon, 1994: p. 7), that make

qualitative research highly appropriate for this study. This is because *wasta* has received very little research attention, due to the nature of the topic.

In addition, the exploratory nature of this study justifies the adoption of qualitative techniques, in order to understand people's perceptions and views of a particular phenomenon (Walliman, 2006). This allows for a deeper understanding of a social phenomenon than would be obtained from purely quantitative data (Silverman, 2005), which uses language in a similar way to scientists investigating the natural order: variables, control, measurement, and experiment (Bryman, 2006: p. 12). In addition, qualitative methods are distinguished by the breadth, richness and depth of emic understanding, description and reflexivity (Martin, 2002). Methodologically, qualitative research is based on the meanings expressed through words, the collection of data through classification into categories, and the analysis of these categories (Saunders, 1987). It also involves some kind of direct encounter with the world, being routinely concerned with measurable phenomena and also with the ways in which people distinguish, understand and give meaning to their experiences (Gerson and Horowitz, 2002)

Another reason for adopting a qualitative research methodology is that a comprehensive analysis of the relationship between organizational culture and *wasta* requires rich data that can be collected through conducting detailed interviews with key employees (Brown, 1998). Furthermore, a qualitative method takes into account social and cultural construction (Silverman, 2005). This is important for the subject under investigation, as *wasta* is a socially-constructed phenomenon in Saudi Arabia and a social practice often occurs surreptitiously. Thus, a qualitative method is more suitable, because it is able to take social and cultural construction in its account.

In addition, Gerson and Horowitz (2002) also mention that qualitative methodologies offer more than epistemological assumptions and encompass several distinct approaches, the most distinguished of which is participant observation and in-depth interviewing.

Siehl and Martin (1988) provided three strong reasons to justify using the qualitative approach in studies related to organizational culture. First, organisations are a socially-constructed reality with which qualitative methods are considered epistemologically congruent (e.g. Berger and Thomas (1966) and Burrell and Morgan (1979)). Second,

qualitative methods provide rich and detailed data, which can be used to provide a 'thick description', and therefore more detailed information and analysis of the issues. Finally, the qualitative analysis of data allows for ambiguities and paradoxes, contradictions and variations in individual behaviour to be explored.

4.5.2   Research Method Development

Studies that address *wasta* in the Arab world have used three tools: a survey questionnaire (e.g. Tlaiss and Kauser (2011); Mohamed and Mohamad (2011); and Whiteoak *et al.* (2006)), focus groups, and participant observation. However, the use of questionnaire to investigate the impact of *wasta* only has provided limited insight about its practices as the nature of questionnaire is necessity restricted. This is because the questionnaire is not an active conversation that can generate new questions based on the interviewees' answers.

In addition, the topic of *wasta* needs specifically detail that cannot be obtained by questionnaire if we are to get an accurate picture about its practices and process. In addition, Schein (1999) argues that a single questionnaire-based approach to data collection does not provide researchers with any way of knowing if the questions they have asked are really important to the particular research topic. In addition, he points out there is no way of telling what the person answering the questionnaire has read into the questions being asked, nor the extent to which the answers received might have been influenced by the guarantees of anonymity. Further, he also considers asking an individual about a shared phenomenon to be inefficient, even invalid, arguing that if culture is a shared phenomenon then asking a group of individuals about it is false logic. Such an approach, in his view, will not allow for any analysis of the total cultural profile within the organisation.

Bailey (2012) used focus groups to explore the meaning of *wasta* with young adult Emeriti women from three social-economic groups. The women were interviewed by the author in order to explore the topic of social capital, specifically a form of social capital defined by *wasta*. However, using focus groups is not appropriate in the case of exploring *wasta* in Saudi Arabia because of the sensitive nature of the topic. In addition, many Saudis are uncomfortable in group discussions, especially if it is related to the negative aspects of work. This may be due to the fear that their opinions will be passed on to their manager, which will impact on their position or status in the organization. In

certain cases, even if they agree to participate, their participation will be limited during the discussion. Thus, some participants might dominate the discussion, negatively impacting the results. Moreover, the selection of participants and obtaining agreement is time-consuming, while finding appropriate times to hold the meeting can be challenging. In addition, there are factors such as the size of the group, its composition, and the personalities of participants that can influence the outcomes of the discussion (Ghauri and Grønhaug, 2010). The convener also needs to be able to create a relaxed atmosphere (Collis and Hussey, 2003).

Makhoul and Harrison (2004) used the participant observation and informal interviews to address intercessory *wasta* and village development in Lebanon. However, this method is not an ideal option by which to address *wasta* among companies in Saudi Arabia, as individuals may change their behaviour when being observed because of the sensitivity of the topic and *wasta* is usually practiced surreptitiously. Thus, the outcome will provide an unrealistic view of individual behaviour.

Thus, alternative techniques such as observation and focus groups are deemed unsuitable for examining *wasta*. Therefore, semi-structured interviews are considered to be the most appropriate technique by which to collect data for the present research. Several factors contribute to the decision to use interviews: this study is an exploratory one which needs more details about the phenomenon in order to understand the reasoning and opinions of individuals. These details can be obtained by means of semi-structured and in–depth interviews (Cooper and Schindler, 2011; Saunders *et al.*, 2012). Furthermore, this study follows an interpretivist approach, which normally uses interviews (King, 2004). Moreover, the highly confidential and sensitive nature of *wasta* means that, until recently, the topic was considered to be a social taboo and thus not a topic for research (Cunningham and Sarayrah, 1993). The interview allows the researcher to explain the ethical issues and to assure individuals involved about the confidentiality of their input in order to encourage them to contribute to the research. In addition, the sensitivity of *wasta* requires that the researcher creates an atmosphere of trust to encourage participants to talk. Thus, semi-structured interviews provide flexibility in this respect, as it does not follow any sort of scheduled outline (Bryman and Bell, 2011).

4.6   Data Collection and Generation

Data collection is very important for the success of any research project (Marchington and Wilkinson, 2002). Zikmund (2009) reckons that primary data are those gathered specifically for research. This research needs specific data that can provide a comprehensive picture about the practices of *wasta* and its impact on organizational culture in the Saudi telecommunication industry. (Saunders *et al.*, 2012) argue that such information can only be obtained through using semi-structured and in-depth interviews.

4.6.1   Semi-Structured Interviews

Fontana and Frey (1994) argue that interview is an appropriate technique for gaining an in-depth understanding of a human phenomenon, because of the variety of interview forms. The interview is a face-to-face verbal interchange (Zikmund, 2009; Saunders *et al.*, 2012), which depends on direct conversation between the interviewer and interviewee (Kvale, 1983). This setting gives the interviewer the opportunity to obtain feedback as to whether the answers are sufficient or if further detail is required, in which case the interview can seek clarification or further information (Zikmund, 2009). Thus, when the phenomenon under investigation (i.e. *wasta*) requires complicated and highly confidential information rather than observation, focus groups or questionnaires, interviewing is the most appropriate technique to gather such valid and reliable data that are consistent with the research questions and objectives (Saunders *et al.*, 2012).

Interviews can be divided into several types depending on the questions. Saunders *et al.* (2012) divide them into structured interviews, semi-structured interviews, and unstructured interviews. Most business research adopts the semi-structured interview, because it provides an in-depth understanding of social phenomena (Hussey and Hussey, 1997).

Saunders *et al.* (2012) define the semi-structured interview as a researcher making sure that a list of primary themes and questions about his/her topic should be covered. However, the questions are not fixed. The interviewing circumstances can lead to changes in the questions from interview to interview. Moreover, it provides the interviewer with the opportunity to probe the meanings of any unclear answers in order to add significance and depth to the data obtained (Saunders *et al.*, 2012). In addition,

Bryman and Bell (2011) argue that the data obtained from semi-structured interviews are capable of explaining and understanding many types of social behaviour including providing a precise idea of the participants' views, especially when these views and experiences are temporary, uneven, complex, and contextual (Arksey and Knight, 1999).

The phenomenon under investigation (i.e. *wasta*) involves complicated and highly confidential information, as well as being a controversial issue due to its connection to the cultural and social context. Thus, semi-structured interviews provide flexibility, as they do not follow a specific outline (Bryman and Bell, 2011), and therefore can encourage new questions being asked. It can also lead the discussion into important areas that were not previously addressed by the research questions and objectives (Saunders *et al.*, 2012).

The interview allows the researcher to explain the ethical issues and to assure the individuals about the confidentiality of their input in order to encourage them to contribute to the research. In addition, interviews are efficient in terms of gathering data. The efficiency of the interviews stems from the fact that the "interviewee may use words or ideas in a particular way" and the interview "provides an opportunity to probe these meanings in order to add significance and depth to the data obtained" (Saunders *et al.*, 2012: p. 378). It can also lead the discussion into important areas that were not previously addressed by the research questions and objectives (Saunders *et al.*, 2012). In other words, it creates new questions based on the interviewee's answers. Thus, semi-structured interviews provide the flexibility in this respect, as it does not follow any scheduled outline (Bryman and Bell, 2011). This is consistent with an exploratory study and interpretivist approach because the interviewer can obtain immediate feedback about whether or not the answers are relevant and adequate. If further details are required, then the interview provides the opportunity to seek clarification (Zikmund, 2009). The setting can also help interviewees tease out words or phrases they want to use. Finally, it also allows facial expressions and body language to be taken into account. Accordingly, face-to-face interviews were used in this research to collect data. Thus, semi-structured interviews are suitable to gain an understanding of the influence of *wasta on* culture.

4.6.2 Semi- structured Interview Questions

28 questions were formulated to acquire an understanding of the nature of organizational culture and *wasta* in Saudi Arabia, as well as the impact of *wasta* on organizational culture, promotion, training and development in the Saudi telecom sector (see Appendix 1). These questions are divided into four parts; some questions are designed to cover general cases and information; other questions for specific issues related to *wasta*. The first part consists of general questions about the job and position of the interviewee (see introduction in Appendix 1).

The second part mainly focuses on the term and central feature of culture and organizational culture as well as the role of religion and tribe in Saudi Arabia so as to generate a more nuanced understanding of organizational culture in Saudi Arabia and its telecom industry (see part A of Appendix 1).

The third part of the interview mainly focuses on how the Saudi culture influences management and decision-making process in organizations, especially the degree of involvement in the decision-making process, the factors which affect the decision-making process, the promotion, training and development in organizations with respect to wasta, and how it influences the nature of organizational culture (see part B of Appendix 1). The final part of these questions focuses on describing the term and process of *wasta* and its role in the promotion and training in organizations, as well as the formal and informal aspects of *wasta* practices in Saudi Arabia in order to describe how *wasta* impacts promotion, training and development and the ways in which *wasta* has pervaded the telecommunication sector in Saudi Arabia (see part C of Appendix 1). However, the interview questions were checked by supervisors from the United Kingdom in view of the research questions.

These semi-structured interview questions were derived from prior studies that address culture, *wasta* and informal social networks in Saudi Arabia and other Arab countries, as well as the researcher's own experiences during his work in the control and investigation board in Saudi Arabia. These reflect propositions that are consistent with the research objectives of this study (see the link between the interviews question and the literature review in Table 4-1 of the interview schedules).

However, the aim of these semi-structured interview questions is to act as a guide during the interviews, and to ensure there is no direct personal influence on either the interviewer or interviewee.

Table 4-1: The Interview Schedules

Research Question 1: To review what is the role of *wasta* within Saudi Arabia

Literature Review	Interview Question (example)
wasta is common (Cunnunghan and Sarayrah, 1993; Mohmamed and Mohammed, 2011; Sawalha, 2002). *Wasta* practices among all segments (Cunningham and Sarayrah, 1993). *Wasta* is very widespread (Tlaiss and Kauser, 2011) Priority to personal considerations (Asaf ,1983). Personal connections (*wasta*) is an important to obtaining employment or promoting (Metcalfe, 2006; Whiteoak *et al*, 2006; Dobie et al., 2002; Kilani and Sakijha, 2002)	How would you describe the role of *wasta* in Saudi Arabia? What role doe knowing people who work in the organization play in promotion? What, if any, role does *wasta* play in the promotions decision process in Saudi Arabia? and your company? What are the most important factors that enable someone to get ahead in the Saudi Society? What are the most important factors in becoming a managers? You side earlier that you have worked (….) years in this company, what were most important things that enabled you to get the Job?

Research Question 2: To review what forms does *wasta* take in Saudi Arabia

Literature Review	Interview Question (example)
wasta involves intervening to acquire a service or product for a specific individual (Cunningham and Sarayrah, 1993). *wasta* uses a third party to assist another party (Brandstaetter, 2011, Al-Ramahi, 2008) social network (*wasta*) includes family and kinship ties (Hutching and weir 2,006 a) *wasta* use Kinship, locale, ethnicity, religion, and wealth ro in "obtaining employment, university admission, or treatment of the law" (Sawalha, 2002).	What is your understanding of *wasta*? How would you describe *wasta* in Saudi Arabia? How is *wasta* employed within organizations in Saudi Arabia?

Research Question 3: To review what is the impact of the middleman on the outcome of *wasta*?

Literature Review	Interview Question (example)
wasta used by influential people to provide benefits or special rights to others in their family, tribe or close associates.	What role doe knowing people who work in the organization play in promotion?
89% of managers in the Middle East using *wasta* and 86% of them stating that *wasta* can be helpful in all kinds of interactions and 80% admitting to using it regularly (Tlaiss and Kauser, 2011)	Which has more impact *wasta* from inside or outside the organization? Does the position or power of the person who involved have an impact in the outcome of *wasta*?

Research Question 4: To review how *wasta* impacts on human resource policies and practices in Saudi organization

Literature Review	Interview Question (example)
wasta distorts access to the job and promotion (Whiteoak *et al*. 2006)	How is *wasta* employed with in organization in Saudi Arabia?
wasta leads to the appointment and promotion of individuals to elevated positions that do not fit with their abilities, education levels or their experience (Finlay et al. 2013).	How would you describe how decision are made in relation to who gains promotion in your organization?
The personalized rather than the procedural nature plays a vital role in HRM dynamics (Metcalfe, 2006)	How clear and transparent are the procedures and criteria for promotion within your organization?
Informal individual relations and family networks determine which individuals gain access to training and development opportunities ((Metcalfe, 2006)	What are the most important factors that enable someone to get ahead in the Saudi Society?
	What are the most important factors in becoming a managers?
	What role doe knowing people who work in the organization play in promotion?
	What, if any, role does *wasta* play in the promotions decision process in Saudi Arabia? and your company?
	What is the role of *wasta* in the training and development decision process in organizations in Saudi Arabian? and your company?
	How are decisions concerning access to training and development made in your organization?

Research Question 5: To review how *wasta* influences organizational culture of Saudi organization

Literature Review	Interview Question (example)
Organizational culture is influenced by the national culture (Adler, 1997; Tata & Prasad, 1998; Dastmalchian et al., 2000; Lindholm, 2000). values of traditional, Islamic religion have a significant influence on the lives of the majority of managers and help to repress individualistic tendencies (Ali and Al-Shakis,1985) *wasta* undermines their position in the global economy (Weir , 2000) personal connections, nepotism, sectarianism and ideological affiliation have a big impact in management procedures in Arab societies (Agnaia, 1997) *wasta* plays a crucial role in formulating and making decisions in Arab life (Cunningham and Sarayrah, 1993; Ahmed, 1999)	What do you understand by the term of culture? What do you consider are the main features of Saudi Arabian culture? What do you think are the central values that influence Saudi culture? What do you understand by the term organizational culture? What do you think are central values that influence Saudi Culture? How does Saudi Culture impact management processes in your organization?

4.6.3 The Industry-Specific Focus of the Study (Field Work)

The telecommunication sector is part of the Saudi government's effort to diversify the economy and move it away from total dependence on the oil sector. In this context, in early 2003, the sector was privatised. This was the latest transformation since the Post, Telegraphs and Telephones (PTT) Directorate, which was affiliated to the office of the

Attorney General under the umbrella of the Kingdom's internal affairs created in 1926. Since its establishment, the sector has received continual support from the government.

The communications sector was the first to be privatised in the Kingdom. The privatisation programme has a number of objectives including increasing the effectiveness and competitiveness of the national economy through liberalisation of the services market and opening up sectors to fair competition. The reforms in the telecom sector were implemented in four phases.

In the first phase, termed corporatisation and which happened in 1998, the state-owned and operated telecom agency was transferred from the Ministry of Posts, Telegraphs and Telephones (MoPTT) to the Saudi Telecom Company (STC), a state-owned but independently run company operating on commercial grounds. The second phase started in 2001 with policy and regulatory reform which saw the re-organization of the telecom sector and the issuance of the necessary legislative instruments such as the Telecommunications Act (2001), its Bylaw (2002), and the ordinance of the Communication and Information Technology Commission (CITC) which established CITC as an independent regulator. The third step was the partial privatization of STC in early 2003, with 30% of the company being sold to the public. The final phase, liberalisation, started with the issuing of licenses for Very Small Aperture Terminal (VSAT) service provisioning in 2003, and the data services provisioning in 2005. Two additional licenses were issued (in 2004 and 2008) for second-generation mobile services (GSM) provisioning, in addition to third-generation mobile services (3G). The third mobile licensee (Zain) launched its commercial services in the third quarter of 2008. In addition, CITC issued a second fixed-line telephone license to Atheeb, which launched its commercial services in the second quarter of 2009.

Competition in the mobile telecommunications market, which started in 2005, has resulted in major developments in terms of service offerings, quality of service, customer care, reduced prices, and subscriber growth. The total number of mobile subscriptions grew to around 51 million by the end of 2013, with penetration standing at 169.7% (CITC, 2013). Prepaid subscriptions constitute the majority (86%) of all mobile subscriptions, in line with the trend in other similar markets around the world (CITC, 2013).

Domestic telecom services revenues in Saudi Arabia have grown steadily at a compound annual growth rate (CAGR) of around 12%, increasing from about SAR20bn (US$5.3bn) in 2001 to SAR75bn (US$20.16bn) in 2013 (CITC, 2013). Mobile services revenues represent about 73% of all telecom sector revenues in the Saudi market (CITC, 2013). In addition to revenues from the domestic market, investment by licensed Saudi telecom companies in foreign telecom markets has resulted in a rapid growth of revenues for the sector from foreign operations – from SAR455m (US$121.3m) in 2007 to around SAR18.7bn (US$5bn) in 2012 (CITC, 2013). Domestic revenues, however, still represented over 78% of the total telecom sector revenues of SAR90bn (US$23.99bn) in 2012 (CITC, 2013).

The growth in capital investment, development and expansion of ICT networks have significantly contributed to the national gross domestic product (GDP). This has been the result of liberalising the telecommunications sector and opening up markets to competition, which in turn has attracted investment and growth in the sector. The deployment of modern technology and availability of applications have the positive effect of raising the efficiency of other economic sectors as well. Growth in GDP in 2012 was SAR2.1bn or about 7% (CITC, 2013).

According to CITC estimates, the contribution of the ICT sector to GDP is around 3%, and has been rising over the past three years. If, however, the oil and mining sector components of the GDP are excluded, it is estimated that the ICT contribution to the national GDP would be 6% (CITC, 2013). Studies also show that there is a direct correlation between the availability of broadband services and the rate of growth in GDP. It is estimated that a 10% increase in the availability of broadband services could result in growth in GDP of between 1.2% and 1.3% (CITC, 2013). Currently, six companies provide telecom services in Saudi Arabia: three of these companies (STC, Mobily, and Zain) provide mobile phone and data services, while the other three companies (STC, Adheeb, and ITC) provide landline and related services. This study concentrates on STC and Mobily, both of which compete intensely in the mobile services arena, which has grown dramatically in recent years due to the widespread use of smart phones, drawing on the fact that 50% of the population is under the age of 26.

This fieldwork focuses on the Saudi telecom industry for a number of reasons. First, according to the Ninth Development Plan (2010-14), the Saudi government is

increasingly dependent on the telecom sector in its efforts to diversify the sources of GDP away from the oil sector (Ministry of Economy and Planning, 2010). Second, the telecom sector in Saudi Arabia is witnessing a compound annual growth rate (CAGR) of around 12%, increasing from about SAR20bn (US$5.3bn) in 2001 to SAR75bn (US$20.16 bn) in 2012 (CITC, 2013). In addition, the government's plans to develop a knowledge-based economy require updating of the infrastructure in the telecommunication sector (CITC, 2013). Furthermore, the privatisation of the telecom sector requires changes in the sector's management practices.

4.6.4 Sample

Qualitative research usually focuses on understanding a specific phenomenon within a given context. Therefore, conducting qualitative research requires working with a small sample in a specified context (Miles and Huberman, 1994). A purposive method of sampling was adopted with the sample being drawn from two telecom organisations under the aim of establishing a sample that best represents these companies in terms of answering the research questions (Bryman, 2012).

The initial approval letters to conduct the research were obtained for the period 01/10/2014 to 30/12/2014. This was the best time to carry out this study as most employees and managers in these companies had returned from their summer holidays. In addition, the permission includes conducting the research with a sufficient number of employees. Therefore, face-to-face interviews were conducted with 15 employees from each company who were interested in participating in the research. Selecting the sample was randomly form different department in each company in order to obtain advice about potential participants. It seeks to ensure homogeneity and symmetry of the samples between these companies.

Therefore, the primary research data was collected through semi-structured and in-depth interviews carried out from October to December 2014 with two categories of workers in the two aforesaid Saudi telecommunications companies. The first category consists of employees, while the second consists of managers. This research was conducted with 30 participants, 15 from each company (see Table 4-2), who were interested in participating in the research. The objective was to obtain in-depth data through face-to-face interviews, because the purpose of a qualitative interview according McCracken (1988) "is not to discover how many, and what kinds of people, share a certain

characteristic. It is to gain access to the cultural categories and assumptions according to which one construes the world, qualitative research does not survey the terrain. It is, in other words, much more intensive than extensive in objectives." (p. 17)

The sample is divided into 20 employees and 10 managers, who were all working full-time at two organizations. These have had different periods of experience in these companies ranging from nine months to 30 years. This is to ensure that we cover multiple periods of job time and obtain different detailed information from a variety of experiences (see Table 4-3).

Table 4-2: Summary of Interview Numbers

Sample	Company A	Company B
Employees	10	10
Managers	5	5

This research tries to shed light on male employees in the Saudi telecommunication sector for three reasons. First, most of the employees in this sector are male. Second, women usually practice *wasta* through their male relatives, such as father, brothers, and uncles. Third, women in Saudi Arabia prefer not to talk to males who are not relatives directly, which could make the task of data collection difficult.

Selecting the sample is achieved by contacting the Human Resource management in each company in order to obtain advice about potential participants. The sample should also ensure homogeneity and symmetry between these companies and avoid any bias from the employees towards their managers or employers (see Table 4-3).

Table 4-3: Interviewees' Details

No	Organization	Pseudonyms	Position	Title of Job	Experience
1	Company B	B1	Manager	General Manager	6 years
2	Company B	B2	Manager	Executive Manager	2 years and 3 months
3	Company B	B3	Manager	Manager	2 years and 6 months
4	Company B	B4	Employ	HR Technical Support	10 years
5	Company B	B5	Employ	Training Manager	9 years
6	Company B	B6	Employ	Specialist in Benefit and Compensation	1 year and 6 months
7	Company B	B7	Manager	Manager	5 years
8	Company B	B8	Employ	Specialist in Policies and Procedures	1 years and 6 months
9	Company B	B9	Employ	staff of Human Resources System	9 years
10	Company B	B10	Manager	Manager	10 years
11	Company B	B11	Employ	Business Sector Training Supervisor	9 years
12	Company B	B12	Employ	Corporate culture specialist	9 months
13	Company B	B13	Employ	Executive President HR Office	2 year
14	Company B	B14	Manager	Culture Department	3 years
15	Company B	B15	Employ	Administrative Assistant	7 Years
16	Company A	A1	Manager	General Manager	9 months

17	Company A	A2	Employ	HR Senior Expert	14 years
18	Company A	A3	Employ	Accounting Manager	5 years
19	Company A	A4	Employ	Accounting Manager	9 months
20	Company A	A5	Employ	Third Party Expert HR Management and Planning	30 years
21	Company A	A6	Employ	Second Expert Organizational Change	24 years
22	Company A	A7	Manager	Manager	3 years
23	Company A	A8	Employ	HR Support Specialist	8 years and 6 months
24	Company A	A9	Employ	Administrative Assistant	10 years
25	Company A	A10	Manager	Manager	15 years
26	Company A	A11	Manager	Director	16 years
27	Company A	A12	Employ	Administrative Assistant	11 years
28	Company A	A13	Employ	Accountant in Financial Administration	5 years
29	Company A	A14	Employ	HR Management Specialist	11 years
30	Company A	A 15	Manager	Director	6 years

4.6.5 Theoretical Saturation

Theoretical saturation is the phase of qualitative data analysis in which the researcher has continued sampling and analyzing the data until no new data appear and all concepts in the theory are well-developed (Lewis-Beck *et al.*, 2003: p. 1122). Theoretical saturation is related to qualitative research and "entails bringing new participants continually into the study until the data set is complete, as indicated by data replication or redundancy" (Bowen, 2008: p. 140).

Reaching data saturation occurs when the researcher gathers enough data and information to replicate (complete) his study and no new potential information is being added from the next interview and participant ((O'Reilly and Parker, 2012; Walker, 2012), when the ability to obtain additional new information has been attained, and when further coding is no longer feasible (Guest *et al.*, 2006).

According to this, the researcher stopped conducting interviews at 30 interviews, because after 24 interviews the data reached theoretical saturation and the researcher could not find any new data. Therefore, the researcher continued to conduct the interviews until he did not find any new data that could be taken from other interviews, just repeated ideas without significant variations. In addition, around 70 of the 94 open codes were identified within the first nine transcripts. An additional 21 codes were identified in the next 12 transcripts, and only 3 codes were identified in the next three transcripts, giving a total of 94 codes. No new codes appeared from the next interviews (24- 30).

In addition, the purpose of the qualitative interview, according to (McCracken, 1988), "is not to discover how many, and what kinds of people, share a certain characteristic. It is to gain access to the cultural categories and assumptions according to which one construes the world, qualitative research does not survey the terrain. It is, in other words, much more intensive than extensive in objectives."(p. 17).

4.6.6 Interview Procedures

An informal and flexible environment creates a relationship of trust with the interviewees and therefore helps to achieve the best outcomes from the interviews. The

purpose of the interview was clearly explained to the interviewees. In addition, the interviewees were asked if the interview could be recorded in order to ensure precise transcriptions for analysis, but that the recording will only be used for this project, with names remaining confidential at all times. The recordings will be destroyed when the research is complete. However, 11 employees refused permission to be recorded.

In order to achieve a high level of effectiveness from the interviews, this study employed face-to-face interviews in Arabic, the original language of the researcher and the participants, in order to help participants understand the nuances of the questions (Murray and Wynne, 2001). The questions were translated from English into Arabic (see Appendix 2), with the following aim: "to achieve a text in the target language that is equivalent (that is, of equal value) to the source language" (Pym, 2007). In order to ensure such equivalence, the translated questions were piloted with several Arab lecturers and students at Durham University by reviewing both the English and Arabic versions of the questions (see Figure 4-3).

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┌─────────────────────────────────────────────────┐
│           Design interviews question             │
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                        ▼
┌─────────────────────────────────────────────────┐
│   questions were translated from English into    │
│                     Arabic                        │
└─────────────────────────────────────────────────┘
                        ▼
┌─────────────────────────────────────────────────┐
│   translated questions were piloted with several │
│    Arab lecturers and students at Durham          │
│                  University                       │
└─────────────────────────────────────────────────┘
                        ▼
┌─────────────────────────────────────────────────┐
│           Conducts interviews face to face        │
└─────────────────────────────────────────────────┘
                        ▼
┌─────────────────────────────────────────────────┐
│   Interview were translated from Arabic into      │
│                   English                         │
└─────────────────────────────────────────────────┘
                        ▼
┌─────────────────────────────────────────────────┐
│   Interview were piloted with several Arab        │
│   lecturers and students at Durham University     │
└─────────────────────────────────────────────────┘
                        ▼
┌─────────────────────────────────────────────────┐
│         Preparing for coding and analysis         │
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Figure 4-1: Interview Procedures

Each interview was audio-recorded and lasted between 52 and 96 minutes. The amount of data collected from the 19 interviews totaled about 27 hours recording time, plus the interviews that were recorded by hand as some participants refused to be audio-recorded. Thereafter, each audio-recorded interview was transcribed verbatim. Then the interview responses were translated from Arabic into English. The translations underwent the same process as the interview questions to ensure equivalence in the translations.

4.6.7   Pilot Study

As Blumberg *et al.* (2011) and Yin (2009) have pointed out, the pilot study is usually carried out prior to the official study in order to develop research questions and the relevant line of questioning. Specifically, the pilot study helps ensure that the research questions are unambiguous and easily understood by the interviewees. Furthermore, pilot interviews allow for an assessment of the quality of the questions and provide an opportunity to restructure the order of questions – if needed be (King, 2004). In addition, the pilot helps refine the data collection design with respect to both data content and procedure to be followed. Face-to-face interviews are an easy way to conduct a pilot study as it allows for immediate feedback.

In order to test the interview questions, the pilot was conducted on a limited number of individuals to prepare for the official study. Therefore, the interviews were conducted with two people at different positions from each company in order to meet the criteria discussed above.   There is no change in the interviewees question, because the feedback from interviewees about the questions was positive and they confirmed these questions were clear and understandable.

4.7   Data Quality Issues

The objective of the study is to discover the impact of *wasta* on the organizational culture, promotion, development and training. Thus, the quality of the data is a vital factor in achieving the objective. Data quality issues are related to: reliability, form of bias, generalisability, and validity (Saunders *et al.*, 2012). However, the terms of reliability and validity are inappropriate in qualitative research (Agar, 1986); hence, researchers such as Crawford *et al.* (2000); kirk and Miller (1986); and Seale (1999) prefer to use terms such as trustworthiness, rigorousness, and quality of data, while focusing on establishing a thorough and transparent way by which to assess the quality of research and data analysis. Others such as Lincoln and Guba (1985) use the term dependability instead of reliability. This research was adopted the qualitative methodology, therefore, trustworthiness is an appropriate technique by which to assess the quality and rigor of this research.

4.7.1   Trustworthinesss

Trustworthiness is used to assess the quality of qualitative research, and whether it meet the criteria of validity, credibility, and believability. According to Lincoln and Guba (1985), trustworthiness of the study is established when findings as closely as possible reflect the meanings and experiences as described by the participants. Thus, trustworthiness reflects the validity and reliability of qualitative research (Jackson, 2003).

Padgett (1998) argues that reactivity and bias of the researcher and the informants are among the challenges for achieving trustworthiness of the qualitative research. However, Lincoln and Guba (1985); Padgett (1998); Horsburgh (2003); Mauthner and Doucet (2003); and Creswell (2013) provide strategies to manage these threats to trustworthiness such as prolonged engagement, triangulation, peer debriefing, member checking, negative case analysis, audit trail and reflexivity. Adopting these strategies allows the research findings to authentically represent the meanings as described by the participants (Lincoln and Guba, 1985; Padgett, 1998; Horsburgh, 2003; Mauthner and Doucet, 2003; Creswell, 2013). In order to increase the trustworthiness of the interview data and avoid any bias that might be created by the interviewee process, interview training was undertaken. In addition, in line with Flick (2009) piloting the questions was undertaken through two interviewees from each organization in order to ensure that all questions could be understood and that no ambiguity was possible.

Furthermore, biases can occur because of mistakes in translating the questions or the use of contextual explanations as might trigger different mental associations between the respondents and ultimately lead to fundamentally different responses (Sinkovics and Ghauri, 2008). In order to avoid this and achieve a high level of effectiveness from the interviews, this study employed face-to-face interviews in Arabic, the original language of the researcher and the participants. This helped the participants understand the nuances of the questions (Murray and Wynne, 2001). The questions were translated from English into Arabic, with the following aim: "to achieve a text in the target language that is equivalent (that is, of equal value) to the source language" (Pym, 2007). In order to ensure such equivalence, the translated questions were piloted with several Arab lecturers and students at Durham University by reviewing both the English and Arabic versions of the questions. In addition, the transcriptions of interviews were
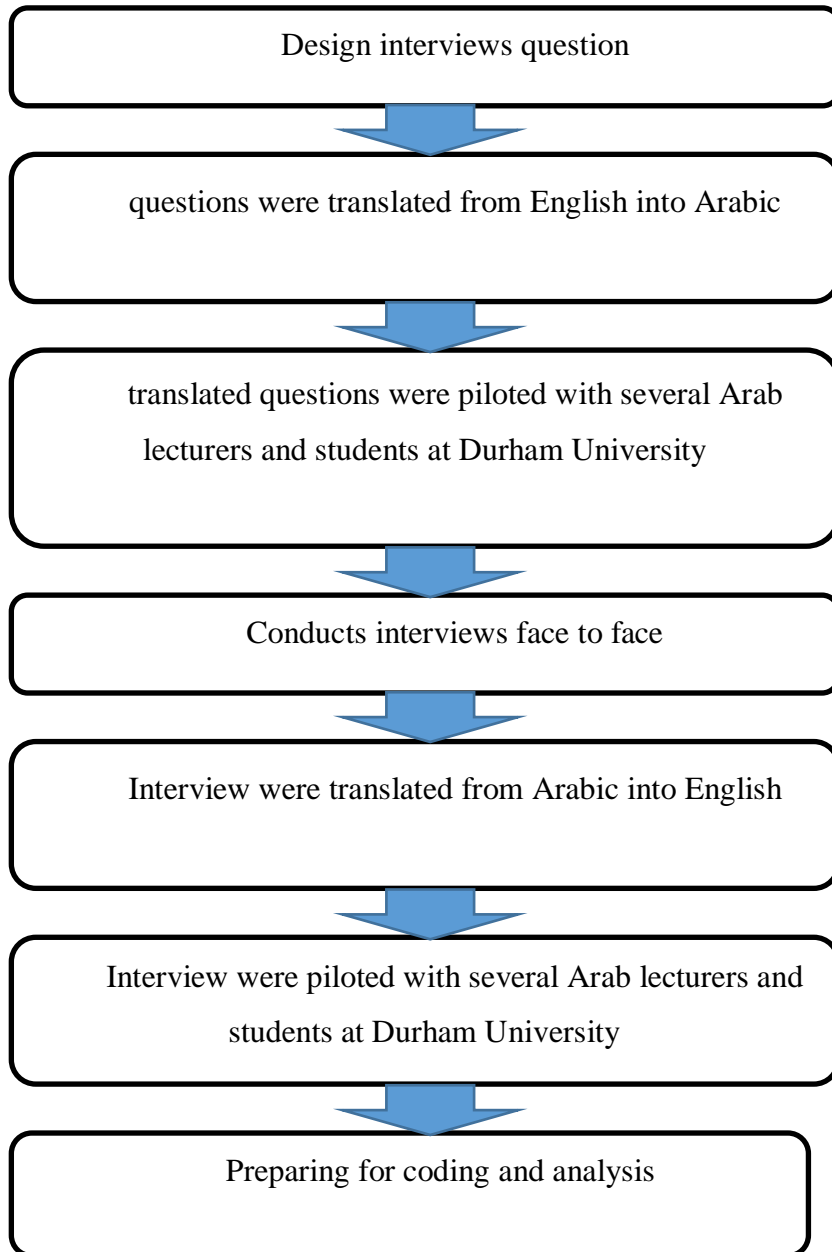
reviewed in the same way. Moreover, the transcriptions were reviewed and refined by the participants to ensure that the responses were unbiased and error-free (Lincoln and Guba, 1985). The third stage in ensuring the trustworthiness of the data saw open question added at the end of interviews (see Appendix 1) to give the informants the opportunity to add relevant comments about the interview questions or to overcome any perceived bias by the researcher during the interview.

A further method by which the research ensures the trustworthiness of the data is by using a wide range of informants in order to obtain a rich mix of attitudes, needs or behaviour (Shenton, 2004). These informants worked in different departments, at different levels and had a range of experience in these companies from nine months to 30 years. Thus, the data obtained from the interviews spans a variety of jobs, experience and management.

Regarding the reliability of interpretation of data, "training and reflexive exchange about the interpretative procedures and about the method of coding can increase the reliability" (Flick, 2009: p. 386). In addition, Richards and Richards (1991b) argue that using software in the data analysis will add rigour to qualitative research. Therefore, Nvivo software was used in the data analysis, step by step after that to coding undergo to two step in order to ensure these give accours meaning and interpretation of data. The coding was reviewed manually and refined more than once by the researcher. In addition, the coding was checked by three researchers at Durham University, all of whom in the third and fourth year of their doctoral studies. They did not have any previous idea or knowledge about the topic. Then, it was discussed and checked with the supervisors of the thesis. Moreover, the steps related to interpreting the data and themes which emerged from the data analysis meet the criteria for interpreting, as is seen in the next chapter. This contributes to increasing the reliability of this study.

4.7.2 Ethical issues

As *wasta* was considered to be a social taboo until very recently, individuals in Saudi Arabia, and the wider Arab world for that matter, have avoided discussing and writing about *wasta*. In addition, *wasta* is one of the key challenges facing companies in Saudi Arabia. Therefore, acquiring permission for the data collection procedure two telecom company took a considerable time. Moreover, the names of companies and informants are kept confidential. In addition, all respondents are adults.

However, as highlighted previously, *wasta* is a complicated issue in Saudi society, such that participants are not usually willing to discuss it. Thus, privacy and confidentiality are necessary. Therefore, the interviewees were given full information about the topic and purpose of the research and how the data collected would be used, secured and destroyed after the completion of the doctorate (see Appendix 3). In addition, in order to ensure the privacy and confidentiality of the participants against any unwanted exposure, this research avoids detailing any information about the identity of the interviewees and promises that the information gained will remain anonymous (except for the interviewer) throughout the interview process.

The primary aim of this stage is to establish a trusting and truthful relationship between the interviewee and interviewer. Furthermore, clearly separate interviews were conducted with respondents in order to avoid disclosing personal information to other respondents. Finally, pseudonyms have been created for each respondent and company to ensure anonymity.

Moreover, interview questions were checked according to the guideline supplied by Durham University Business School. *The Research Ethics Review Checklist* and *Process Flow Chart* have been completed and handed in to the doctoral office. In addition, consent forms were issued explaining the aim of the research and how the data would be used and stating that the participants had the right to opt out of the interviews at any stage of the interview (see Appendix 4).

As mentioned earlier, *wasta* is a controversial issue. Individuals need encouragement by the researcher to participate and talk about this case in-depth and in detail. Therefore, seeking to obtain information and rich data presents its own challenges for the researcher.

4.8   Data Analysis Procedure

The first stage of the process of analyzing that data began during the interviewing phase (data collections) by seeking to make notes about or abstract sense of the raw reality one of encountering (Lofland, 1971; Shaw, 1999). In this stage, the researcher wrote down a lot of the themes and concepts that emerged during the interviews and their transcription. In the second stage, after completing the interviews and their transcriptions, the researcher used Nvivo software to manage and analyze the large of

amount of data from the 30 interviews. This is because Nvivo was able to deal with this large volume of data, as a specific software program that will organize and make the process more accurate. This programme is an organization tool that can be used to facilitate the coding, retrieval and categorization of data, and also store large amounts of data (Smith and Hesse-Biber, 1996; Anselm and Corbin, 1998; Heffernan, 2004; Powell and Ennis, 2007). Furthermore, the researcher can use it accurately to undertake specific searches, thereby ensuring the validity of the results. In addition, the searches can be verified by manual scrutiny techniques (Welsh, 2002). Overall, Richards and Richards (1991a) argue that using qualitative data analysis software helps to add rigor to qualitative research.

In the third phase, reading the interview transcription more than three times to divide the data into meaningful units (Shaw, 1999), develop the concepts and themes (Patton, 1987), and determine the themes and concepts was undertaken (Miller, 1990: p. 138).

4.8.1   Coding

The aim of this research is to explore the forms of *wasta* practices in Saudi Arabia and role of the middleman as to its outcome. This is in addition to exploring the influence of *wasta* on the organizational culture and human resource practices among organizations in Saudi Arabia in order to expand on the concept of *wasta* and generate a more nuanced understanding of organizational culture among telecommunication companies in Saudi Arabia. Studies on the topic are limited in general, and there is no prior research on the forms of *wasta* practices, the role of the middleman as to its outcome, and the influence of *wasta* on the organizational culture and human resource practices in reality. Therefore, the coding process of this study informed by grounded theory coding, because "it allows for generating or developing a theory from data and its analysis" (Strauss and Corbin, 1998: p. 12), and it is also more commonly used in analyzing qualitative data (Bryman, 2012).

Coding generally involves the organization of qualitative data (Coffey and Atkinson, 1996) by categorizing data according to the concepts of research. Richards (2005) argues that coding helps reduce or limit researcher bias in the analysis through separating data from its context, and it also introduces a certain degree of sensitive interpretation. Furthermore, coding can enable the researcher to conceptualize the data, raise questions about the data, and understand the relationship among and within the

data. Template analysis allows for the development of hierarchical codes within a case, which can then be applied across cases (King *et al.*, 2004).

The analytic process is based on coding. And so, as described below, coding for this research follows three phases (Corbin and Strauss, 1990).

4.8.1.1 Open coding

Open coding represents the first phase of the analytic process and deals with original texts to break them down into meaningful units. It is defined as "the process of breaking down, examining, comparing, conceptualizing and categorizing data" (Corbin and Strauss, 1990: p. 91). This emerges from reading the raw data line-by-line for an initial coding of words, phrases, and paragraphs coding, and tends to be a more descriptive and interpretive process. The purpose of open coding is to give the analyst new insights by breaking through standard ways of thinking about or interpreting phenomena reflected in the data (Wicker, 1985).

In open coding, "events/ actions/ and interactions are compared with other ones for similarities and differences" (Corbin and Strauss, 1990: p. 12). They are also given conceptual labels. In this way, "conceptually similar events/actions/interactions are grouped together to form categories and subcategories" (Corbin and Strauss, 1990: p. 12).

Meanings were derived through raw data which resulted in 94 sub-dimensions (e.g. consistent of *wasta*, the present reality of *wasta,* the future trend of *wasta, wasta* based on the one *waseet*, *wasta* based on multi-*waseet*, narrow circles (close relatives), broad circles (share the last name), exceptions, selective application, non-adherence to standards, intervention in scoring, intervention in changing standards …etc.).All similar themes were labelled into categories, and the coding procedure was repeated until no discrepancies could be found.

4.8.1.2 Axial coding

Axial coding builds a relationship between the sub-categories in order to "a set of procedures whereby data are put back to gather in new way after open coding, by making connections between categories" (Corbin and Strauss, 1990: p. 96). In axial coding, categories are related to their sub-categories, and the relationships are tested

against the data. Also, further development of categories takes place and one continues to look for indications among them (Corbin and Strauss, 1990). Through the "coding paradigm" of conditions, context, strategies (action/inter-action), and consequences, subcategories are related to a particular category (Corbin and Strauss, 1990: p. 13).

Similar sub-categories were merged in order to identify the relationship between open coding and the next level of aggregated conceptualization. This stage helps render themes more theoretical and more abstract (e.g. concept of *wasta*, bias of implementation, interventions, ambiguity of policy, … etc.)

4.8.1.3 Selective coding

Selective coding is the final phase in analytic process to selecting the core themes. According to (Corbin and Strauss, 1990: p. 96), it defines as "the procedure of selecting the core category, systematically relating it to other categories, validating those relationships, and filling in categories that need more refinement and development". The process focuses on unifying categories around one core category, and how different categories are related to the central topic (Corbin and Strauss, 1990). These were explored at this stage in order to explain the phenomenon and address the research question. Examples of coding are shown in the following tables.

This stage helps render themes more theoretical and more abstract (e.g. *wasta* forms, *wasta* practice in human resource, and the impact of *waseet*) as can be seen in the template for analysis.

Table 4-4: Example of coding procedure of *wasta* forms

Example Quotes	Open coding	Axial coding	Selective coding	Initial interpretation
I got this job after I submitted a formal application upon establishment of the company through a friend of mine who worked in the employment department, and who said that vacancies are available in the company. He followed up my application and facilitated my selection for interviews and evaluation tests and he informed me about any updates occurring in my application. He helped me finalize my recruitment procedures.	*Wasta* based on one *waseet*	The Role of Friendship	System for the use of *wasta*: forms of *wasta*	This interprets forms of *wasta* practices in Saudi Arabia that impact the decision-making process in organizations.
When l looked for a job after graduating, I submitted a formal application to this company. When I told my father about this, he tried to help me by employing his relations and acquaintances to get to the decision-maker in this company. He asked his friend to help me get this job. His friend told my father that he has a friend who has a direct relationship with the brother of the CEO of the company. He will ask him to help me get this job.	*Wasta* based on multi-*waseet*			
Some of the promotion procedures and standards are based on the scoring system and they are clear, transparent, and the same for everyone. Such procedures are effective and respected in the company. However, some violations have been made against the standards due to the exception system which undermines adherence to such standards.	*Wasta* based on blood connections	The Role of Blood Connection		

Table 4-5: Example of coding procedure of styles of *wasta* used to impact human resource procedures.

As can be shown in the example below, it illustrates the coding procedure at each of the three levels:

Example Quotes	Open coding	Axial coding	Selective coding	Initial interpretation
"Some exceptions are made in promotions against regulations. Some individuals were promoted although the promotion committee did not recommend it. Some employees were promoted above one degree within one year while the promotion regulations state that an employee has to spend two years in each job degree before being promoted"	Exceptions	Bias of implementation	Style of *wasta* practices	The ways of using power or influential individuals in organizations to impact the HR procedures.
"Selective application is when the promotion procedures and policies are only adopted by employees who have no connections or relations with influential individuals in the company. Other employees are treated with favouritism".	Selective application			
"Some of the promotion procedures and standards are based on the scoring system and they are clear, transparent, and the same for everyone. Such procedures are effective and respected in the company. However, some violations have been made against the standards due to the exception system which undermines adherence to such standards".	Non-adherence to standards			

Example Quotes	Open coding	Axial coding	Selective coding	Initial interpretation
"wasta/middleman interferes in scoring and selection standards by having high scores awarded in the annual performance evaluation to their beneficiaries".	Intervention in scoring	Intervention	Style of *wasta* practices	The ways of using power or influential individuals in organizations to impact the HR procedures.
"Adoption of these policies is subject to the desire of managers where the standards are controlled, adjusted, and manipulated in favour of individuals at the expense of other individuals".	Intervention in changing standards			
"*wasta* or connection contributes to promoting an individual to specific jobs with high financial or employment benefits, or helps him get nominated for a specific job or provides him with experience about the company and jobs".	Intervention in the job market			
"They provide continuous support and interfere with the promotion committee to select a specific individual".	Intervention in committees			
The problem lies in changing the policies from time-to-time in favour of individuals who have connections or relations in the company at the expense of others who are eligible for promotion. Most of these changes are made in favour of departments' managers who benefit from these changes against the principle of applying competence and merit.	Changing policy	Ambiguity of policy		
"The policies and procedures are made known to all employees but they are incomprehensible and ambiguous".	Lack of transparency			

4.8.1.4 The coding procedure to the *wasta* forms themes

One waste

Multi-*waseet*

Blood connection

System of using

Inside organization

Outside organization

Resource of *wasta*

Friendship

Kinship

Mutual interest

Resource of *wasta*

waste's forms

Phone call

Family influence

Office and home visit

Tools of *wasta* practice
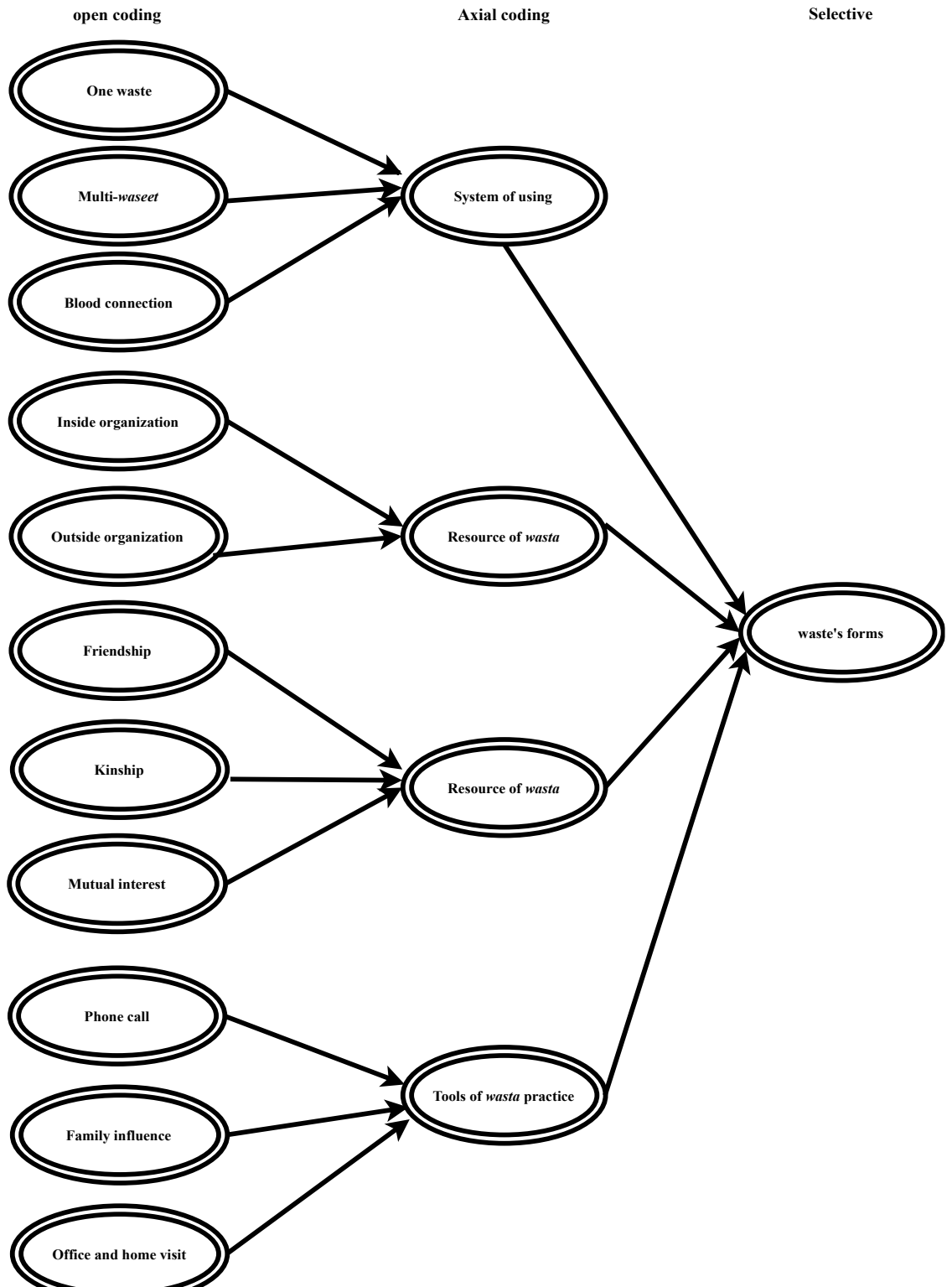
Figure 4-2: coding procedure of wasta forms theme

4.8.1.5   The coding procedure to the impact of *wasta* on the human resource
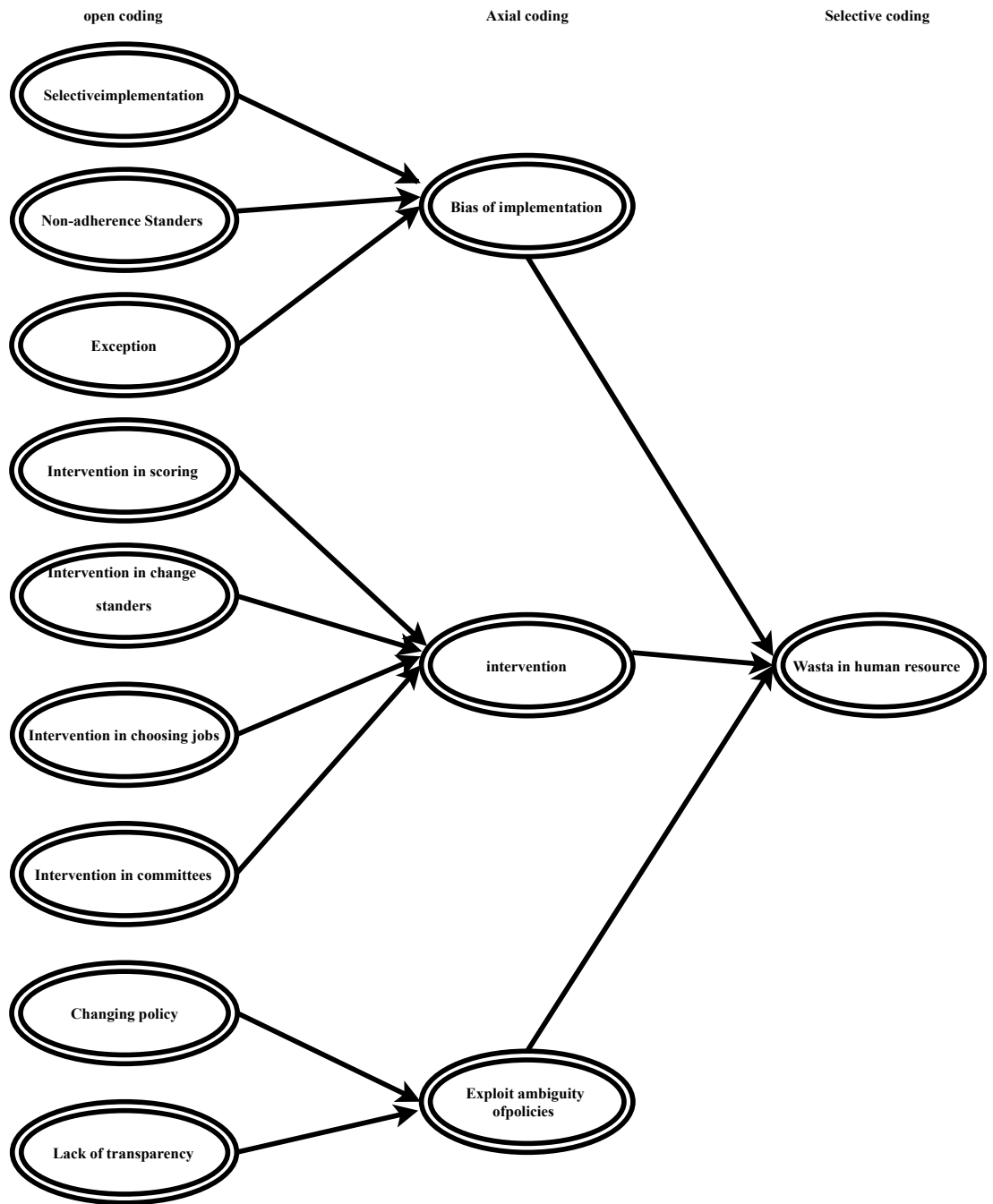
Figure 4-3: :The coding procedure to the impact of wasta on the human resource

4.9   Template for Analysis

Variation of _Wasta_

1. concept of _wasta_

2. The reality of _wasta_

   i.   Consistent of _wasta_.
  ii.   The present reality of _wasta._
 iii.   The future trend of _wasta._

3. Ethics of _wasta_

   i.   Attitude to the _wasta._
  ii.   Condition for the use of _wasta_.
 iii.   _Wasta_ and _shafa'ah._

System of the Use of _Wasta_ (Forms of _Wasta_)

1. Role of Friendship

   i.   _wasta_ based on the one _waseet_.
  ii.   _wasta_ based on multi-_waseet_

2. Role of Blood Connections

   i.   Narrow circles (close relatives).
  ii.   broad circles (share the last name)

The Impact of Middleman (_Waseet_)

1. _Wasta_ Tools

   i.   phone call.
  ii.   Family and tribal influence.
 iii.   Office and home visits

2. Impact of middleman on outcome of _wasta_

   i.   Middleman inside the organization.
  ii.   Middleman outside the organization.
 iii.   The power of the Middleman.

The **Impact** of *Wasta* in Human Resource Procedures

1. Becoming a Manager.
2. Practices of *wasta* in human resource procedures
   i. Bias of implementation:
      - Selective implementation.
      - Non-adherence to standards.
      - Exception.
   ii. Intervention:
      - Intervention in evaluation Scoring.
      - Intervention in changing Standers.
      - Intervention in job market.
      - Intervention in committees' works.
   iii. Ambiguity of policy:
      - Change policy
      - Lack of transparency.
3. Consequences of *wasta* practices
   i. Impact on the procedures.
      - Facilitating the procedures
      - Fasle procedures
      - Influencing the decision making
   ii. Accessing Benefits:
      - Creating opportunities.
      - Underserved Benefits.

The Impact of *Wasta* on Organizational Culture

1. Impact on the Values of the organization.
   i. Prioritizing certain individuals.
   ii. Appointment of non-qualified staff.
   iii. Barriers to growth.
2. Undermining of law and regulations.
3. Employees and decision- making.

4.10 Conclusion

This chapter discusses the research methodology and paradigm, as well as the reasons for adopting such method in this research. The researcher adopted an interpretive perspective from epistemological philosophy by using a qualitative approach through in-depth semi-structured interviews to collect data. This is to investigate how *wasta* affects organizational culture and human resources, especially in the areas of promotion, training and development. Therefore, this study should offer a better understanding of *wasta* in Saudi Arabia and generate a more nuanced understanding of organizational culture within the same context.

The aim of this study is to explore the forms of *wasta* practices in Saudi Arabia and role of the middleman as to its outcome. This is in addition to exploring the influence of *wasta* on the organizational culture and human resource practices in organizations in Saudi Arabia in order to expand on the concept of wasta and generate a more nuanced understanding of organizational culture among Saudi telecommunication companies. The studies in this topic are limited and there is a lack of research on *wasta* and how it impacts human resource management in Saudi Arabia. According these reasons, this research adopts an exploratory approach in order to expand the knowledge on *wasta* and understand its process and forms. As mentioned earlier in this chapter, the inductive approach is more appropriate for an exploratory study of this nature and can benefit from qualitative research methods.

The qualitative approach is suitable for the current research's attempt to discover and explore the forms of *wasta* practices in Saudi Arabia and the role of middleman in them. This is in addition to exploring the influence of *wasta* on the organizational culture and human resource practices among organizations in Saudi Arabia. Moreover, the *wasta* phenomenon is related to the culture and social context, and thus needs to be studied in detail so as to understand and explore its practices and process based on people's perceptions and experiences, which can only be obtained via interviews that are semi-structured.

Semi-structured interviews were conducted with 20 employees and 10 managers, who were all working full-time in two organizations. These have had various periods of experiences in these companies that range from 9 months to 30 years. This is to ensure various periods of job time and diverse information from a variety of experience are

covered. The data collected from interviews were transcribed into Arabic and then translated into English before analysis using theoretical analysis techniques (open coding, axial coding, and selective coding) as well as the Nvivo software to determine the themes that would allow for addressing the research questions.

Chapter 5 Data Analysis: *Wasta* Forms and the Role of the Middleman

5.1   Introduction

This chapter focuses on the description, interpretation, and analysis of the data related to the forms of *wasta* and the impact of the middleman on the outcome of *wasta* in order to build a clear picture about *wasta* practices in Saudi Arabia. This chapter is divided into three main sections. This first section analyses the reality of *wasta* as a prelude to determining the various forms of *wasta*. The second section describes and determines the differences between *wasta* and *shafa'ah*. The third section analyses the role of the middleman and his impact on the outcome of *wasta*.

5.1.1   Variation of *wasta*

This theme emerged when participants discuss *wasta* and the conditions in which *wasta* is used. There is another practice, *shafa'ah*, in the Arab world, including Saudi Arabia, which on the face of it is closely related to *wasta*. As a result, participants highlight a number of aspects which help to clear the confusion between these concepts.

5.1.2   Concept of *wasta*

During the interviews, the participants proposed their own definitions of *wasta.* Indeed, B9 argues that:

> *"Wasta is the using of influence, power, and social connections to influence decision-makers in order to facilitate the awarding of financial or employment benefits to individuals who do not deserve them, and breaking the regulations, laws, and procedures imposed by the general policies of the government or public sector".*

This statement can be considered as a comprehensive definition of the concept of *wasta*. It includes four parts (acts, actors, reasons, and the consequences).

Firstly, the process of *wasta* is achieved by using influence, power, and social connections that can involve the use a middleman;

Secondly, the reasons behind the use of *wasta* is to influence decision-makers;

Thirdly, the consequences of using *wasta* is to facilitate the awarding of financial or employment benefits to individuals who do not necessarily deserve them; and

Finally, the explanation of how *wasta* provides benefits for individuals who do not deserve them through the circumvention or breaking of regulations, laws, and procedures imposed by the government or public sector.

A1 adds more detail related to the power of influence. He notes that:

> *"Wasta is to use formal and informal influence and network of family and tribal connections to award employment or financial benefits to individuals who do not deserve them against the regulating procedures and policies. Such procedures and policies are supposed to cover all employees equally".*

In this context, two types of influence, formal and informal, can be practiced inside organizations. Formal influence relates to using the power gained from one's position inside an organization, whereas informal influence refers to the network of family and tribal connections. The types can be interrelated. Thus, *wasta* can be initiated informally through the network of family and tribal connections but can be transferred to formal influence when it is practiced by the managers inside their companies, because they use the power of their official position.

A number of interviewees including A3, B3 and B7 indicate that *wasta* refers to the use of power, influence, or informal relations (tribal, regional, or emotional affiliation) to break the rules and regulations to ensure a job is done, to obtain an interest, or to expedite procedures to achieve rights for other members of their families who do not deserve these benefits or interests. They believe that the majority of the use of *wasta* is based on informal relations. These show the dark side of *wasta* in dealing with employees. It is, in this sense, against the principles of equality among employees.

In contrast, A1 indicates the positive side of *wasta:*

> *"Wasta means cutting down on time and procedures to reach or receive benefits that you don't or may not deserve. In some cases, it is used to get a right that would not have been received without wasta. There is a type of wasta that is based on emotions and takes place automatically and unconsciously without using influential persons. It might be a social or regional emotion or a sectarian or religious affiliation".*

This statement defines the term of *wasta* as a facilitation process due to its role in cutting time and procedures in order to obtain an advantage that might or might not be

deserved. Thus, it expands the definition of *wasta* by mentioning that it can be used to obtain the beneficiary's rights, which they would not achieve without its use.

Importantly, both sides could use *wasta*: positive and negative. The type of rights whether it deserves or does not deserve that are determined which side of *wasta* using of the cases. This also shows that *wasta* can be taken place automatically and unconsciously without using influential persons. It might be a social or regional emotion or a sectarian or religious affiliation. This is important point, because it means that *wasta* can occur without previous coordinated (involuntarily) based on emotions. It is called *faz'ah (faz'a)*. *Faz'ah,* in Arab culture, is usually based on emotional feelings towards an individual or his/her situation, especially when the individual asks others to help you. It can be related to humanitarian conditions such as in hospitals or universities and for certain services or goods.

Another respondent confirms the use of *wasta* to obtain undeserved rights:

> *"A connection refers to an individual who has powers to find opportunities, solve problems, or provide benefits to an individual who might not deserve them at the expense of the rights of other people, or he may deserve such rights but cannot get them without connections"* (B5).

This statement reveals that *wasta* can be used in two ways. First, it is used to obtain undeserved rights at the expense of other people. Second, it can use to obtain merited rights but such rights cannot be obtained without connections. However, the second type of *wasta* is *shafa'ah* and it usually occurs to recover the rights that taken by others using the first method.

Likewise, A10 supports this idea and he reports *wasta* can come from inside or outside organizations based on the power or influence of individuals:

> *"Wasta refers to an individual who has power or influence inside or outside the company and who has good connections in the company to help him to get his merited rights or contributes in breaking the laws and regulations to grant individual unlawful rights, or facilitate procedures for a certain individual"*.

This quote emphasizes that power or influence inside or outside the company can help individuals by breaking the laws and regulation to obtain their rights even if these are underserved. The respondent tacitly refers to *shafa'ah* in the first part of the quote but the second part provides a clear view about *wasta* practices in Saudi Arabia.

From the above comments, it can be noted that both of sides of *wasta*, positive and negative, use similar connections or power or influence. However, the important difference is whether *wasta* is used to obtain rights that are deserved or undeserved. Thereby, the type of rights can be considered as a crucial factor in determining if *wasta* is positive or negative. It also determines the difference between *wasta* and *shafa'ah*.

In contrast, B4 describes *wasta* based on its consequences arguing that the person who has *wasta* will be the best candidate for jobs or promotion or training. Thus, he states that:

> "*Wasta can be called the 'winning horse' or the 'key to all closed doors'...it means using relationships, connections, friendships, personal, family, or tribal influences, or relations with powerful people to get jobs or financial benefits or undeserved rights. In addition, it bypasses all barriers and employment, regulatory, or legal requirements to get benefits or contracts that do not match the candidate's potential whether such candidate is an individual, a company, or a corporate body*".

This definition of *wasta* is a broad one focusing on its negative implications and is referred to as intercessory *wasta*. It is common in Arab management practices and involves providing undeserved benefits and granting exemption from certain requirements. It implies that *wasta* means applying the correct connections in order to obtain undeserved rights that do not match the candidate's potential. This behaviour, in human resource practices, contributes to the promotion of non-qualified individuals who can become high level managers. Furthermore, according this statement, *wasta* is not limited to an individual but includes companies or corporations. This means that *wasta* can be used widely to bypass barriers such as employment, regulatory or legal requirements. Thus, the use of *wasta* is wider than just human resource practices. Therefore, it can be described as a social behaviour.

Overall, according to the above comments, *wasta* can be defined as a state, incident, or social behaviour that is based on relationships, connections, and friendships through personal, family, or tribal influences, or relations with powerful people that helps an individual or company to obtain an administrative post, a job or contract to which they are not rightfully entitled. Thus, in human resource practices, it can be described as a hidden social behaviour practice that contributes to putting the wrong individual in the wrong position.

5.2 The Reality of *wasta*

Understanding the reality of *wasta* is important in building a clear picture about its impact on companies and on Saudi society in general; in turn this helps understand its effects on human resource management in companies. This then is driven inductively by the data and based on the analysis of the interviews, the reality of *wasta* can be divided into three parts: the present reality of *wasta*; the system for its use; and the hierarchy of *wasta* which refers to how managers in companies use *wasta* and which areas of human resource management use it most frequently.

5.2.1 Consistent with Culture

The comments of the participants indicate that *wasta* is considered to be consistent with the culture of Saudi society, which is dominated by the values of tribalism which in turn promotes the favouritism of relatives and friends. Furthermore, it is reinforced by proverbs prevailing in Arab culture such as "he who has a back will not be hit on his stomach" and "lucky is the person who the governor is his uncle" (Mohamed and Hamdy, 2008: p. 2).

In terms of Saudi culture, the tribe and family are very important elements and they create high level of obligations on members of the tribe and family. Therefore, the tribe plays a crucial role in influencing the lives of individuals. Accordingly, the influence of the tribe extends to the culture and individual. In addition, affiliation to the tribe is very strong as the individual derives power and influence from such an affiliation. This affiliation to the tribe and family imposes obligations on an individual who has to obey the tribe's norms and rules, including giving preference to tribal members through looking for strong connections to carry out routine and simple procedures. Furthermore, the culture of shame (*aib*) in Saudi society forces individuals to meet *wasta* requests in order to avoid criticism from their family or tribe, although they might not wish to action this type of behaviour. Hence, the culture of Saudi society has encouraged the use of *wasta* to access what are clear and expressed rights.

A6 describes how Saudi culture (values of tribalism) promotes the favouritism of relatives and friends in the organizations and how it affects administrative positions and financial benefits:

"In the past, the Saudi culture had a great impact on the assignment of administrative positions and financial benefits based on the tribe of the Executive President and Executive Vice-Presidents, and granting benefits to employees who did not deserve them".

This statement reflects how Saudi culture, imposes obligations on an individual who has to obey the tribe's norm and rules, including giving preference to tribal members. This obligates the use of *wasta* in order to provide advantages and financial benefits for tribal members. This has resulted in certain departments within a company or the public sector being dominated by certain tribes or families. In general, the obligation to adhere to tribal norms promotes the interest of the individual at the expense of the organization. This would not occur without the tribal obligations.

Similarly, interviewee A14 reports *wasta* can be based on geography, because individuals emotionally prefer to work with staff of their area:

"The members of certain tribes or regions dominated the powerful positions and decision-making in the company".

However, *wasta* is not only used by Saudis, other nationalities working in companies in Saudi Arabia try to fill their departments with their compatriots, which deprives others including Saudis of work. This phenomenon appears clearly in company B. In this company, for example, Indian employees dominate the IT department, where the Indian managers try to block the hiring of other nationalities. In addition, Jordanians dominate the marketing department. As B7 argues

"Wasta can be based on nationality rather than tribe or family which created parties and lobbies in the company based on nationality. Such parties contribute to the emergence of internal conflicts and domination of certain nationalities in specific sectors or departments. For example, the Jordanians dominate the marketing sector while Indians dominate the IT sector".

This quote gives an example of the impact of Saudi national culture on the practices of *wasta* by other nationalities who work in Saudi Arabia. It is evident that other nationalities favour working with their compatriots. Thus, they adopt the same culture and practices of *wasta* and give priority to their compatriots in the same way. As a result, incompetent individuals who can be Saudi or from other nationalities can reach high administrative and decision-making positions.

Another example about the obligations created by Saudi cultural norms and how it contributes to incompetent individuals reaching high administrative and decision-making positions is provided by A2:

"The brother of the former Executive President was promoted to a general manager position without a department or employees in order to benefit from the financial and employment benefits of the position".

The evidence reveals that executives are able to create positions for members of his family or tribe whether or not that person is competent. The aim of the promotion was to obtain the status and financial benefits of the position. Although this behaviour might be classified as corrupt, the respect of the tribe or family is very important and would not have been achieved if the position was not created. This evidence highlights that Saudi cultural norms give priority to relatives regardless of their competence.

From the interviewees' comments, it can be inferred in Saudi Arabia the predominant culture gives priority to the interests of the tribe members. This is reinforced by Arabic proverbs that encourage the use of *wasta*. Therefore, *wasta* reflects dominate values of tribalism which encourages favouritism of relatives and friends.

5.2.1.1 The Present Reality of *Wasta*

The participants believe at present *wasta* has an effective, powerful role in Saudi Arabia. The use of *wasta* has become a necessity for getting things done and is also the subject of intense competition. The majority of participants acknowledge that *wasta* exists in all aspects of life in Saudi Arabia ranging from daily routines and formal procedures such as obtaining driving licenses and passports, gaining admission to universities, gaining employment and winning promotions, through to winning government and private sector contracts. For instance, B9 reports that:

"In Saudi Arabia wasta is powerful and effective to a great extent as it amounts to 50% of eligibility at the present time and its peak is now when individuals start looking for friends and connections in public or private organizations before applying for a service or a job".

This comment reveals the respondent believes that more than half of daily administrative procedures completed are based on the *wasta*. This means that *wasta* is pervasive in the daily life in Saudi Arabia, especially when Saudis tend to look to use

wasta before knowing the requirements for any services or jobs. Thus, Saudis are less interested in the conditions of services, jobs or goods. Instead, they are interested in using *wasta* as they consider that it is able to overcome all requirements or conditions.

Similarly, A5 confirms the statement by B9.

> *"In Saudi Arabia wasta is highly prevalent and contributes to facilitating services and applications in any public or private institution to finalize procedures, whether formal or informal"*.

As does A2.

> *"wasta is hugely common and it has a significant and effective role in carrying out formal and informal acts"*.

From above statements, it can be concluded that Saudis use of *wasta* even in daily routines that could be undertaken without wasta. This could be related to the nature of individuals who do not like waiting. Thus, they look for short cuts by using *wasta* even if the procedures are routine and simple. Therefore, it is not surprising in Saudi culture if Saudis look for connections before applying for any service.

> *"The first thing that comes to mind when asking for a service, even if routine, is to look for connections"* (B7).

This explains the widespread use of the question, "do you know anyone who works at the certain ministry or company?". Furthermore, it explains the spread of *wasta* in Saudi society and its effectiveness in completing procedures without delay.

A6 highlights that *wasta* is used whether in relation to the government, semi-government and private sector

> *"Wasta is so effective that people look for strong connections to carry out routine and simple procedures whether it is in governmental, semi-governmental and non-governmental organizations"* (A6).

This means that there is no difference in *wasta* practices between the public and private sectors though it is more common in public sector due to the bureaucratic procedures.

It is evident that *wasta* use by Saudi regardless the positions of the individuals and the nature of the topic.

Indeed, interviewee B10 confirmed the statement made by B7 that regarding seeking individuals to looking for connections (*wasta*) before applying for a service or a job in the public or private sectors.

> *"Wasta is powerful and effective and practiced in nearly 50% of day-to-day dealings in the public and private sector ... it is so effective that individuals seek connections before applying for a service or a job in the public or private sectors".*

These comments revolve around the specific question 'do you know anyone who works at a certain public office or private company?' which an individual raises when s/he requires a public or private service. Therefore, they resort to its use, even if routine service can be achieved without connections. It is also seen as a solution to overcome bureaucratic obstacles, in government or semi-government institutions and the private sector.

The evidence from the interviews shows a number of important features:

First, how significant the use of *wasta* is. Second, Saudis routinely use *wasta* in order to access a service or gain a job. Third, *wasta* is used to facilitate services and applications in both public and private institutions. Fourth, it is used across a range of activities from routine daily services to more difficult issues. Fifth, it is used in both formal and informal situations. Accordingly, *wasta* can be considered to be incorporated into the daily behaviour of an individual's life and most of the populace use it widely in both their interactions with the public and privative sectors. This widespread use of *wasta* makes it challenging to reduce its usage.

Overall, the role of *wasta* is very significant and effective in Saudi society and individuals believe that they cannot complete any procedure, formal or informal, routine or complex, without using *wasta*. Therefore, they tend to look for *wasta* or connections in routine and simple procedures and consider it as an easy way to complete their procedure without any delay. This is because Saudis consider *wasta* to be part of the daily practices in Saudi Arabia in relation to overcoming barriers caused by regulations, the law, and queues. In other words, *wasta* is an invisible hand for obtaining what an individual wants, regardless of any conditions.

5.3   The Ethics of Using *Wasta*

As discussed previously, the role of *wasta* at the present time in Saudi Arabia is very significant and individuals believe that they cannot complete any procedure, formal or informal, routine or complex, without using it. *Wasta* is more important rather than qualifications, skills, merit and the requirement or policies in organizations. However, the use of *wasta* differs amongst individuals depending on their attitudes to it. The interviewees highlighted different attitudes to use of *wasta* and the conditions for its use.

5.3.1.1   Attitudes to the Use of *Wasta*

This theme became apparent when the data revealed that large numbers of employees in both companies do not mind using *wasta* and would use it in the future. A number of employees were dissatisfied about their situation and their job prospects because they did not have connections through which to use *wasta*. They argued that if they had connections they would be in a better situation and regretted not being able to use connections, as they would then be promoted. A9 would consider using *wasta* in the future because he feels that without *wasta* he will remain in his grade and position for a long time although he has the competencies required for promotion.

> *"If I had connections I would have been in a better situation. I regret that I did not use connections. If I do not use connections others will be promoted and I will remain in my current position".*

This statement summarizes how Saudi employees consider *wasta* to be key to obtaining high positions, promotions, and a better job and salary. His statement applies to other employees because they believe *wasta* is more important than qualifications, skills, merit and the requirement or policies in organizations and it determines positions and salary. This explains why Saudis want to use *wasta* now and in the future.

This idea was supported by A2 and he adds *wasta* is necessary inside the company to complete a task or mission or receive a service even when you are an employee in the company.

> *"I do not mind using connections in the future to get a promotion and a better position or to get financial or job benefits because connections are important at the present time. Even if you are an employee in the company and seek to*

complete a task or mission or receive a service quickly you cannot do this unless you have connections in the company".

This attitude demonstrates the desire that Saudis have to invest in their connections in order to obtain promotion, a better position or to gain financial or job benefits. In short, the Saudis will consider using *wasta* to obtain promotion, a better position or to gain financial although they criticize its use. This might be because of the importance of the role of *wasta* at the present time, and the fear that if they do not use *wasta* then they will not get what they want. This means the use of *wasta* is liable to increase in the future, because they believe *"if I had wasta I would be able to get a higher-ranking post and rapid promotions"* (B6).

B9 confirms the statement made by B6 and provides an example of the reasons behind the Saudis' attitudes toward using *wasta* in the future:

> *"Some employees are promoted faster than their workmates in the same department because they are exempted from the requirement to complete statutory term required to be promoted stated in the regulations of the company which is two years… some employees receive higher job positions because they have connections in the company or other companies".*

As can be concluded from the comments, it is evident *wasta* plays a crucial role in fast-tracking promotions and obtaining higher job positions. This is a strong reason for interpreting Saudis' attitudes toward using *wasta*, especially when they note its practice in the workplace. This can be seen in the case of A14 who provided a good example of the role of *wasta* in career development in organizations and explains why employees invest in *wasta*.

> *"During 10 years of working for the company, I received all my promotions, employment, and training courses through connections. If I did not have connections (wasta) I would not have got all this".*

This employee accesses the job by using *wasta* ten years ago but still uses *wasta* to develop his career. Furthermore, he will continue to use it in the future. Thereby, it can be concluded that employees access the jobs by *wasta* and then use it, regardless of his/her competencies. This behaviour might encourage others to look for *wasta* to use it in the future. However, these comments appear to contradict the beliefs of Saudis who criticize and seek to eliminate *wasta* although they use it.

Overall, the statements of the interviewees show the importance of the role of *wasta* in human resource management practices. They also show that *wasta* is not limited to one stage of career but continues from recruitment to retirement. The evidence justifies the current attitudes towards the use of *wasta*, because it appears without its use then it is difficult, if not impossible, to progress in the job market and in an individual's career. In turn, this creates a major challenge for eliminating *wasta* in the future.

5.3.1.2 Conditions for the Use of *Wasta*

Although, most participants admit they would use connections in order to obtain a promotion, a better position, or financial or job benefits, they would only use *wasta* as the last resort. This appears in the comment of interviewee B11 states *wasta* is the last option to obtain my rights:

"Connections will be my last option if I fail to get my rights by other means".

This reveals that employees feel that in some cases they are forced to use *wasta* when the company lacks transparency and fairness in dealing with them. Individuals do not mind use *wasta* when they want it to obtain their rights.

This implies that administrative behaviour always uses favouritism rather than competence and merit, thereby forcing individuals to use *wasta* reluctantly in order to gain what they see as their rights.

In this context, interviewee B9 does not mind to use *wasta* when he competence and merit:

"I do not mind using connections as long as I have competence and merit and only if connections are the only way I can get the position".

This statement indicates some Saudis only use *wasta* in certain cases, particularly when they have the relevant competence and deserve the job or promotion, but they cannot get these through official channels. B2 agrees with statement made by B6 and sees *wasta* as part of his rights as long it does not harm others:

"In the future, I might use it to get benefits as part of my rights without harming other people".

The comments highlight that the use of *wasta* might increase in order to obtain rights if its use does not cause a negative impact on other people's rights. It is evident that individuals believe *wasta* are more important in obtaining their rights than official methods.

Overall, based on these comments on the use of *wasta*, there is a high degree of consensus between the participants about four conditions:

- Firstly, the participants state they will only use connections when they fail to obtain their rights through the correct procedures;
- Secondly, it will be used only when they have the relevant competencies and merit;
- Thirdly, *wasta* will be used if connections are the only way they to obtain their rights; and
- Finally, they will use it only if its use does not harm other employees.

5.3.1.3   *Wasta* and *Shafa'ah*

As mentioned above *wasta* can be defined as a state, incident, or social behaviour that is based on relationships, connections, and friendships through personal, family, or tribal influences, or relations with powerful people that helps an individual or company to obtain an administrative post, a job or contract to which they are not rightfully entitled. The concept of *wasta* focuses on using connections to obtain rights whether deserved or undeserved and the participants highlight three conditions for the use of *wasta*. The first is when they fail to obtain their rights through the correct procedures. The second is when they have the relevant competencies and merit; and *wasta* is the only way they to obtain their rights. The third is that they will use it only if its use does not harm other employees. This reveals that there are the blurred lines between their understanding of *wasta* and *shafa'ah*.

A11, who is a works manager, states if the employees are merited then it is intercession (*shafa'ah*) not *wasta*:

> "I have received several phone calls from friends and colleagues as well as family members asking me to help people who work at the same company I am in, so I call that person's manager and recommend him for a promotion or to be helped in

his performance evaluation, as long as that person is worthy, and that it would not cause any harm to another employee nor deprive him of his rights".

This could be considered as intercession (*shafa'ah*) and not using connections, to intercede for someone and help him within his own rights without causing harm to others". The quote implies that there is a grey area in determining the difference between *wasta* and *shafa'ah*. This explains that in contrast to *wasta, shafa'ah* occurs when intercession is justified by helping an employee obtain his/her rights without depriving other employees of their rights.

However, B2 disagrees and views *wasta* and *shafa'ah* as having the same meaning and processes, but they are different in terms of aims or target:

"Wasta is the use of relationships and connections to get deserved benefits; which can be called positive wasta. While negative or bad wasta means using such connections, relationships, friendships, and influence to receive underserved benefits. The difference lies in the benefits to be received by using wasta; whether they are deserved or not ... wasta or shafa'ah does not necessarily mean taking away the rights of other people".

Thus, his statement is evidence of a misunderstanding between *wasta* and *shafa'ah.* It is important, therefore, that this section highlights the differences between the two practices (see Table 6.1 for a summary). *Shafa'ah* is considered to be an intercession to do good (i.e. positive *wasta*). It can also be referred to as intermediary *wasta.* Unlike *wasta*, which the Holy Qur'an warns against using as it harms others, *shafa'ah* is generally consistent with Islamic principles. Indeed, Islam promotes *shafa'ah* as a method of cooperation between individuals. Furthermore, *shafa'ah* is a social norm as it seeks to resolve disputes between groups or individuals or helps individuals to access their rights without, and this is very important, harming others. It is practiced explicitly in some countries where the formal practice is called *jaha*. Finally, it does not involve reciprocity because it is a part of the Islamic and Arab moral code. In contrast, *wasta* occurs surreptitiously and can involve reciprocity although some individuals use it as method for promoting mutual interests either currently or in the future (see the below table 5-1)

Items	Wasta	Shafa'ah
Connotation	Inconsistent with Islamic principles	Consistent with Islamic principles
Nature of exchange	Unwritten	Unwritten
Islam's position	Islam bans it	Islam supports it
Impacts	Works against justice	Works to restore justice
Principles of exchange	Reciprocity can occur currently or in the future.	No reciprocity
Nature of practice	Surreptitious	Explicit practice
Usage	Illegal and immoral	Legal and moral
Impact	Negative in most cases	Positive in general
Result of using	Harm others and depriving them of their rights	Helps individuals to access their rights
Consequences	Obtain undeserved benefits or advantages	Obtain deserved benefits or advantages

Table 5-1:The Differences between *Wasta* and *Shafa'ah*

A number of participants in the study highlight the differences between *wasta* and *shafa'ah*. For example, B2 states,

"Shafa'ah does not necessarily mean taking away the right of other people".

This is the core of *shafa'ah* in Islam; *shafa'ah* simply means helping individuals to access their rights. This is total contrast to the current use of *wasta*, because *wasta* usually seeks to obtain undeserved benefits or advantages for an individual. The consequences of this behaviour deprive others of their rights. The participants also attempted to find conditions by which *wasta* can be transferred to *shafa'ah* and how *wasta* can become *shafa'ah* when individuals use *wasta* to help an employee obtain promotion that s/he merits and for which s/he has the relevant competences.

Returning to the participants' four conditions for using *wasta* in the future (the participants state they will only use connections when they fail to obtain their rights through the correct procedures; it will be used only when they have the relevant competencies and merit; *wasta* will be used if connections are the only way they to obtain their rights; and they will use it only if its use does not harm other employees), it

is apparent that they are not referring to *wasta* but to *shafa'ah*. Thus, from the transcription of the interviews, it is clear that informants were confused in their understanding of *shafa'ah* and its differences from *wasta*, while others try to demonstrate the differences between the two practices.

5.3.1.4 Summary

To summarize, the interview responses indicate that there are several points of confusion when the participants try to explain the practises of *wasta* and *shafa'ah*. For example, a number of the interviewees profess that they do not mind using *wasta* in the future, but only to obtain the rights to which they are entitled, whether a promotion, a better position or financial or job benefits. And importantly they would only use *wasta* as a last option and if it did not harm others. These conditions mean they are not discussing *wasta* with its negative connation and practice but *shafa'ah* which is a positive process that maintains the principles of transparency and justice. This condition is consistent with *ayah* (evidence) from the Holy Qur'an "Whoever intercedes for a good cause will have a reward therefrom; and whoever intercedes for an evil cause will have a burden therefrom" (An-Nisaa, 4: 85). From this perspective, *Shafa'a* is not inherently negative when it works in line with Islamic teachings and strongly encourages the principles of equity and justice in business practices.

5.4 System of the Use of *Wasta*: Forms of *Wasta*

The second important element in understanding the reality of *wasta* is the system of its use. Generally, individuals in Saudi Arabia use *wasta* in their daily lives or even in their careers in obtaining jobs, promotion or training. The individual experience of using of *wasta* is a significant indicator by which to assess the role of *wasta* in human resource management practices as it provides details about how they use it. *Wasta* usually works after the submission of the application, whether to obtain a job, promotion or training. In some cases, coordination with the middleman (*waseet*) occurs before the application is submitted. However, the significant role of *wasta* starts following the submission of the application with finding the individual based either inside or outside organization who can impact on the procedures until the decision is made. The individual's system of using *wasta* is divided into two parts: the first is the role of friendship and the second is blood (i.e. family or tribe) connections.

5.4.1 The Role of Friendship

A number of employees state that they use their friends to obtain jobs. The individual submitted a formal application after a friend, who worked in the employment department, said that there were vacancies available that matched his skills, later following up the application and working to influence the decision.

5.4.1.1 *Wasta* Based on One *Waseet*

The friend then followed up the application and facilitated the individual's selection for interviews and evaluation tests, making the interviews easier, and speeding up the process. Furthermore, he helped finalize the individual's recruitment procedures. Interviewee B11 states:

> *"I got this job after I submitted a formal application upon establishment of the company through a friend of mine who worked in the employment department who said that vacancies are available in the company. He followed up my application and facilitated my selection for interviews and evaluation tests and he informed me about any updates occurring in my application. He helped me finalize my recruitment procedures".*

This evidence shows that the individual used a *waseet* (middleman) inside the organization in order to help him gain the post. In this case, the job-seeker used his friend who worked in the employment department and who played a role to coordinate with the decision-maker to facilitate the recruitment. Thus, the *waseet* had a direct relationship with both the jobseeker and decision-maker in the department. Furthermore, as an insider he was able inform his friend about the progress of the application.

A number of other interviewees report similar cases, such as B5 and B13 They state that a friend or a friend of a member of their family who had a direct relationship (i.e. a potential *waseet*) with decision-makers such as an executive or general manager.

Furthermore, interviewee A13 provides insight about the forms of *wasta* related to the role of *waseet*, highlighting that the role might not be valuable in terms of the contract itself. He states:

> *"I got this job through one of the colleagues who worked in the company, when he notified me that the company had job openings, and that the company is seeking*

employees with previous experience, so I applied for the job through the company's website, and had an interview with three employees. My colleague played an important role in following up with my application, making the interviews easier, and speeding up the process, his role might not be valuable in terms of the contract itself, but he certainly had an effective role in making the procedures go more smoothly and acquiring the job itself and he informed me of the final decision before receiving the formal call form organization".

Importantly, the comments reveal that *wasta* is not limited to the blood connection of family or tribe, friends and colleagues also play important role through *waseet* in *wasta* practices. Another characteristic of the hidden role of the *waseet* is that it mitigates the need to have direct contact between the beneficiary and the decision-maker.

In addition, evidence supplied by participant B1 highlights that there can be different forms in the process of *wasta* by creating a direct connection between the beneficiary and decision-maker although they do not know each other. He reports that:

"I got promotion in this department by using my relationship with my friend who was a close relative of the human resource manager. He called and asked him to help me get promotion before I visited the manager in his office and asked him to help me to get promoted in the department. He promises to help me and ask me to keep in touch. Then he called me after two weeks to inform me the promotion committee agree to promote me and the decision would be issued shortly".

In this form of *wasta*, the middleman creates a direct connection between the beneficiary and decision-maker, although they do not know each other before this meeting. On this occasion *wasta* created a relationship between the beneficiary and decision-maker and the role of *waseet* was to coordinate the first meeting between them. This could pave the way for a long-term relationship, which can be used when the employee requires promotion, training or performance evaluation.

The creation of direct *wasta* is also seen in the next example but in this case the *waseet* worked outside the organization, but had a strong relationship through which to influence the decision-maker. For example, A8, who works as a department director, states that:

"I got this job through one of my connections outside the company, namely an individual [my uncle] who is a close friend to an executive official holding the position of a general manager in the company. My uncle coordinated with his friend then I contacted the manger directly and until he told me the final decision.

These ways help me to building direct relationship with this manager, therefore, I resort to him when I need any promotion or training or other type of services in this company".

In this case, a number of points are important: First, the *waseet,* who is a relative of the jobseeker, played a coordinating role to arrange a meeting between jobseeker and the decision-maker in the organization. Second, the role of the middleman was to build trust between jobseeker and decision-maker, but his role stopped at the first meeting between them because he was confident that his relationship with the decision-maker did not require further follow-up, as he knew that his request would be achieved. Finally, he also paved the way for building of a permanent and on-going relationship between the two. Such a relationship enabled the employee to use it when he needed *wasta* within the company.

In addition, *wasta based on one waseet can be* combined different forms by using connections inside and outside the company as can be noted in the comment of A1. He highlights:

"I used my connections with some managers and influential individuals within the company plus my connections outside of the company who have a direct relationship with the CEO to help me to a great extent to get this job".

According this statement, the jobseeker can use more than one *waseet* simultaneously inside or outside of organization to add more pressure on the decision-maker. In addition, the decision-makers may not necessary know the jobseeker is using more than one middleman. This approach combines different forms of *wasta* by using connections inside and outside the organization. This might make *wasta* more effective because there are more than one *waseet* working towards the same target creating more influence.

The results from the interviews show that *wasta* involving a *waseet* can take a number of forms. The *waseet* can be a friend of the beneficiary with direct connections to the decision-maker. In other words, the *waseet* has a good relationship and connection with both beneficiary and the decision-maker. In contrast, the *waseet* may not be a direct friend of the beneficiary, but a friend, a relation or connected through a second friend. In addition, the *waseet* can work within the organisation or be outside of the organisation. Furthermore, the *waseet* may act as a middleman throughout the process

or s/he can step aside at a certain point and allow a relationship to develop between the beneficiary and the decision-maker.

5.4.1.2 *Wasta* Based on Multi-*Waseet*

Another form of *wasta* that occurs is based on a series of *waseets*. A11, who works as a director, describes forms of *wasta* when other middlemen contact him to act as a middleman. Thus, he describes how an individual uses his family and friends as the initial *waseet* and ask him to contact other managers in the same company to ask for help. Importantly, the individual seeking *wasta* does not know the other *waseets* personally:

> *"I have received several phone calls from friends and colleagues as well as family members asking me to help people who work at the same company I am in. So, I call that person's manager and recommend him for a promotion or training or to be helped in his performance evaluation".*

In the case of A11, there are two types of middlemen: himself acting for members of the family and other friends and A11's connections. He does not personally know or meet the beneficiary. He only knows the members of his family or friend and the manager of the beneficiary. This statement also highlights the use of a series of *waseets*, who do not necessary know each of the others in the chain.

This approach was also used by informant B4 who mentions that he used a series of middlemen in order to reach the decision-maker in his current company. He used around four middlemen, his knew the first or initial *waseet* because he was a friend of his father, but he did not know the names of other middlemen and did not have any direct contact with them:

> *"When l looked for a job after graduating, I submitted a formal application to this company. When I told my father about this, he tried to help me via employing his relations and acquaintances to reach the decision-maker in this company. He asked his friend to help me to get this job. His friend told my father that he has a friend who has a direct relationship with the brother of the CEO of the company. He will ask him to help me to get this job".*

As can be seen from above, the form of *wasta* combined friendships and blood connections at the same time. In this case, the father of the interviewee did not know the brother of CEO, but he reached him through other *waseets*.

The findings suggest that *wasta* also comes in the form of multi-*waseets* and that the *waseets* in the chain do not necessarily know each other. The relationships may combine blood connections and friendship. In addition, there is no limit to the number of middlemen who can be involved in the *wasta* process. Also, the number of *waseets* differ from case to case. Thereby, the number of *waseets* will stop growing when the ultimate middlemen who has direct relationship with decision maker is reached.

5.4.2   The Role of Blood Connections

Participants state that they acquired their job by using their blood connections, based on family, tribe or kindred, with managers in the companies. Furthermore, not only do they use *wasta* to obtain job at the outset but also they continue to use it at all stages of their careers because they find *wasta* is an easy way to attain their wishes, even if undeserved. A14 admits:

> *"I got this job through the mediation of my brother and some of my relatives working in the company".*

As can be noted, this informant uses the position of his brother and his relatives in all human resource management practices. Importantly, the blood connection is not necessary limited to immediate relatives but can include members of the extended family. However, the closeness of the relative plays a crucial role in the impact or attention. Normally, the middleman or decision-maker gives higher priority to close relatives and he may not be able to help other members, regardless of the conditions or the competencies of the beneficiary.

Likewise, interviewee B15 also used blood connections in the company to obtain his job:

> *"I got this job through a relative of mine who works in an executive position in the company. He told me that a job was available and I submitted a formal application through the company's website. I went through interviews. He continued supporting me throughout all tests until I got the job and received a good job offer. I am still counting on his support to get many benefits in the company."*

This comment shows that the beneficiary used a relative who held a high position to obtain his job. He received the support his relatives in all procedures. The decision – maker give him priority for the member of his family, because this will give his more

respect inside his family. In the both cases, the beneficiaries have continued to use *wasta* throughout their career, indicating that the impact of *wasta* based on blood connections does not stop with the gaining of the job. The blood connection means attention must be given to the interests of the member of the family or tribe.

B8 shared a different experience in using the blood connection. He states:

"I got this job through the support of the Manager of Strategy Development at the company. When I learned that a vacant position was available and I submitted a job application. I did not have any relationship or connection in this company, but I knew the name of the Manager of Strategy Development. He has the same family name. I went directly to his office to meet him and ask him help me (cousin-to-cousin). He promised me he would do his best to help me. After two weeks I received call from him to inform me the date of interview and provide me some questions that might arise in the interview. The Manager continued supporting me until I got the job and a good job offer".

From this statement, it can be concluded that *wasta* based on the blood connection, the beneficiary and the decision-maker do not necessarily know each other, although the two are related. This is due to the large size of the tribe in Saudi Arabia which can comprise of millions of individuals; all of whom share the same last name. Sharing the same last name is sufficient for the beneficiary to go the decision-maker or manager and ask for help based on *faz'eh* (Arab norms). The cousin cannot abandon the cousin without bringing shame on the decision-maker.

Similarly, interviewee A6 provides the negative side of *wasta* based on blood connections. He was twice deprived of promotion, because his head of department interfered to promote a member of his tribe. He states:

"I lost two promotions to an administrative position although I was the most eligible competitor based on the scoring mechanism. However, the section head interfered in the last stage before the decision was made and he promoted one of the members of his tribe, although I was the only candidate who met promotion requirements. In addition, he does not any previous contact before the beneficiary joined the company".

This quote provides another example of how managers or section heads can interfere in favour of a member of his family or tribe, although there was no previous contact. Thus, one of characteristic of *wasta* based on blood connection, is that it is easy to build new relationship based on the family or tribe's name.

The findings indicate that *wasta* can be based on blood connection in two ways. First, a narrow circle of individuals who are close relatives (family). They usually know each other and meet constantly. Second, a broad circle of individuals who share the same last name, whether family or tribe, but do not know each other. However, they use Arab norms (*faza'ah* or *asabyia*) of cousin. In both cases, the beneficiaries obtain help from the decision-maker, not just to gain jobs but also throughout their careers.

5.4.3   Summary

Overall, these findings indicate that *wasta* occurs through friendship or blood connections. The actual process of friendship *wasta* can be divided into two models based on the number of *waseets*; one *waseet* who has a relationship with the beneficiary and decision-maker, or by multi-*waseet*, who may not know all the individuals in the chain. The second way in which *wasta* occurs is based on blood connection. This can be achieved in one of two ways. First, a narrow circle of individuals who are close relatives (family. Second, a broad circle of individuals linked through the same last name (family or tribe) who do not know each other, but use the Arab norms (*faz'eh* or *asabyia*) of cousin.

However*, wasta* based on the friendships can be combined with blood connections, but *wasta* based on blood connection is limited to the family and tribe. In addition, *wasta* based on the friendships may need a series of *waseets* to reach the decision-makers, as there is a rarely direct connection between the beneficiary and the decision-maker. In contrast, *wasta* based on the blood connection, in most cases, does not need complex coordination. However, there is no difference in the effectiveness between *wasta* based on the friendship or *wasta* based on the blood connection even when *wasta* based on blood connections occurs directly.

5.5   The Impact of the Middleman

The middleman refers to the individual/s who works as the link between the decision-maker and beneficiary. *Wasta* is centred on the role of middleman and the outcome of *wasta* is primarily based on his power and his influence. Therefore, this section addresses his impact based on the four themes drawn out from data.

5.5.1 *Wasta* Tools

Wasta tools refer to the methods by which individuals in Saudi Arabia connect to the middleman. The tools of *wasta* in Saudi Arabia include the phone call, family and tribal influence, and office and home visits. There are different factors which determine the best way to connect to the middleman, such as the type of issue, the position of the middleman, and the level of relationship. Thus, A2 highlights that the level of the relationship can determine the kind of *wasta* tool used. He states:

> *"If the relationship is strong and close with the manager or decision-maker phone calls are enough"*.

This statement was supported by A1:

> *"Phone call in case the relationship close"*.

From the above quotes, the middleman does not randomly choose the tool used. This is determined by the degree of kinship if the decision-maker is a relative and the level of the relationship if he is not relative. This behaviour in Arab culture called *mianeh*. If the *waseet* has *mianeh* (a close friend and a lot in common) with the decision maker, then the call phone is the best way. In some cases, the middleman knows the decision-maker (*ma'arifa*), but he does have *mianeh*. As can be noted in the statement of B2:

> *"The most common wasta type is the use of kinship and it takes place through the phone which is more common at the present time ... office visits are very few but they depend on the type of issue and how close the relationship is with decision-makers"*.

Although Saudis prefer phone calls in *wasta* practices at the present time, other tools of *wasta* remain common and still have a high degree of acceptance.

5.5.1.1 Phone Call

There is consensus among the participants that the use of the phone call is the most commonly used *wasta* tool at the present time. It is chosen because of several factors such as fast communication with the decision-maker and the ability to easily follow-up as necessary. For example, B8 states that:

> *"At the present time, phone calls are the common means used in wasta being the fastest and easiest means that enables continuous follow up of the application and continuous communication with decision-makers at any time".*

It was supported by 23 informants such as B12, A7, A11, and A14. B12 argues that:

> *"Wasta takes several forms including phone communications which are more common being the fastest and most effective means that enables continuous and direct communication with decision makers in all employment stages"*

This statement reveals that phone calls are commonly used in *wasta* practices and are most effective in ensuring direct contact with the decision makers at all employment stages, which places more pressure on the decision maker to respond to the request. In addition, the increase in the use of phones by the younger generation has supported the use of this tool. Furthermore, the phone enables the *waseet* to work secretly and without embarrassment from the beneficiary.

5.5.1.2   Family and Tribal Influence

The culture of Saudi society is dominated by the values of tribalism which includes favouritism for relatives and friends and is reinforced by the proverbs prevailing in Arab culture. Members of the family and tribe have mutual respect for each other and they tend to respect the older individuals in their family. Furthermore, the influence is greater for close relatives such as father, brother and uncle. Moreover, the culture of shame (*aib*) in Saudi society forces individuals to meet *wasta* requests in order to avoid criticism from their family or tribe, despite the fact that they might not want to promote this form of behaviour. These features have a significant impact on the decision-maker. For example, A1 points out:

> *"In most cases, wasta might be direct or indirect such as using influential individuals within the family such as the father, uncles, or siblings, home and family visits".*

This quote refers to family and tribal influence in narrow circles such as father, brother, uncles, and aunts who are referred to as first class relatives. These have a strong influence and practice daily pressure to meet their request. The family and tribal influence can be extended to include anyone who has the same last name of the family or tribe and other kinships which are called cousins. Because of the strength of the family and tribe, most *wasta* occurs at family meetings and occasions.

5.5.1.3 Office and Home Visits

In Arab culture visits to the office or home are important and in most cases are a requirement, especially when the middleman or decision-maker has a high social value. Therefore, the Saudi middleman uses the office or home visits (*jaha*) as one of the tools of *wasta*. Seventeen interviewees contended that office is more common and effective than other types of practices. For instance, B1 mentions that:

> *"Wasta is used in promotions and performance evaluation through phone calls or office visits"*.

This statement illustrates the importance of using office visits in *wasta*. Visits to the office can be considered as type of *jaha* which cannot be rejected. Therefore, Saudis tend to use office visits in *wasta* in order to ensure the decision-maker will meet their request, especially when the topic is sensitive or they do not have a strong relationship with the decision-maker.

However, B2 points out that the role of visits has declined and is governed by the level of relationships and the nature of issue. He says:

> *"Office visits are very few but they depend on the type of issue and how close the relationship is with decision-makers"*.

This comment reveals that the use of office visits in *wasta* has reduced in the past twenty or thirty years. This is because an individual can use phone calls instead of office visits to achieve the same target. In addition, Saudi do not like to travel to visit the office of the decision-maker when they have other tools to use. Furthermore, Saudis classified the topic afterward determine which the best way to contact with the middleman or decision-maker based on the type of issue and how close the relationship is with decision-makers

In relation to home visits, 16 interviewees contended that the home visit is important and follows the phone call in frequency of use. For example, A6 argues:

> *"Home visits are more effective than communications, recommendations, and office visits because under the Saudi culture home visits are very valuable and demands are mostly met compared to other means"*.

This comment reveals that the home visit as a traditional custom in Saudi Arabia gives it greater impact. This is because in Saudi culture if anyone enters your home and makes a request, then you must grant it or help him/her to achieve it when you cannot make the decision yourself.

5.5.2 Impact of the Middleman on Outcome of *Wasta*

As mentioned above, *wasta* is centred on the role of middleman and the outcome of *wasta* is primarily based on his power and his influence. The middleman can be located inside or outside organization as was discussed in the section of *wasta* forms; this location can create different impacts on the outcome of *wasta.* Therefore, an assessment of the impact of the middleman, whether inside or outside the organization, is a crucial factor in building an understanding of *wasta* processes and practices.

5.5.2.1 The Impact of the Middleman Inside the Organization

From the interviews, it is apparent that 16 participants contended that the impact of the middleman with connections inside the company is more effective than the impact of a middleman from outside the company. They gave several reasons to support their belief. B4 was asked about the impact of middleman on the outcome of *wasta.* He points out that:

> *"Connections from inside the company are more important and effective than connections from outside the company because connections based inside the company are close to decision-makers and the connection may have a strong influence in the company so employees meet the demands for fear of marginalization or harm".*

This statement demonstrates that the location in the organization is deemed an important factor in the outcome of *wasta*. The middleman (*waseet)* in inside organization is able to influence the decision-maker positively to meet the request or negatively if the request is not met through depriving the decision-maker/s of their rights in the future. This is one of the major challenges in reducing the use of *wasta* within a company.

A10 confirmed the statement made by B4 and adds familiarity with procedures in the companies for the reason for the better success of the internal *waseet:*

"If the mediator (waseet) has close relations with individuals in effective administrative positions, mediation will be stronger due to closeness to decision makers and familiarity with procedures in the companies".

Familiarity with procedures enables the middleman to exploit opportunities and gaps in the regulations to access jobs, promotions, training or other undeserved advantages. Familiarity with gaps and how deal for these gab for the favours as a result of familiarity with procedures.

In contrast, A2 adopts a different approach by focusing on the Board of Directors. He argues that:

"Connections within the company are more effective because if there is no relationship between the connections and the company, then connections cannot command the company or its officials. The Board of Directors is the ultimate decision-maker and it is a part of the company because board members communicate directly with top management whether the Executive President or Executive Vice Presidents and general managers. The Board has the right to approve or disapprove and order the executive departments".

This quote argues that the middleman inside company is more effective because he usually has direct contact with those who have decision-making authority, such as the Board of Directors, the Executive President, Executive Vice Presidents and general managers. This relationship, especially with the Board, is an important influence on the other top management, thus, it impacts on the formulation of decision-making.

This view was confirmed by A5 who states that:

"The role of the Board of Directors and top management has reduced the influence of external wasta but internal influence has strengthened".

Thus, if the *waseet* has a high position in the company such as a member of the board, Executive President, Executive Vice President or general manager, he is able to command other staff in the company such as the Committee of Recruitment and Promotion or Training. Furthermore, the Board of Directors in Saudi culture has a huge impact on company policies and procedures and they appoint the Executive President and Executive Vice Presidents.

Finally, A7 summarizes his reasons for internal connections having more impact than external connections, when he argues:

"Wasta in the company is more important and effective than wasta from outside the company because it entails many factors including relations with workmates and friendship, mutual interests with decision-makers in the company, close relations with decision-makers, familiarity with internal procedures, and on-going follow up by phone."

Overall, support for the idea that internal connections are more effective was justified by the following reasons:

5.5.2.1.1 Proximity to the Decision-Makers

Direct association with decision-makers is the most important reason for making internal connections more effective. In part this is because employers fear marginalization or harm, if managers or middlemen use their relationship with decision-makers to harm others if they do not meet his requirement:

"A direct association with decision-makers or other entities such as the Board of Directors. This creates a strong influence in the company so employers meet its demands for fear of marginalization or harm" (B6).

Similarly, B8 points out the role of proximity to the decision-maker in the impact of the decision-maker to meet his request by permanent pester and insist:

"Connections from inside the company are more important and effective than connections from outside the company because those inside the company are close to the decision-maker and can influence him directly".

The impact of the *waseet* inside company or organization is stronger and more effective because the middleman can use his association with decision-makers as a tool to put pressure on the committees or employees.

5.5.2.1.2 Follow-up Procedures

Internal connections allow the middleman to easily and efficiently follow-up the procedure. As B1 states:

"Being close to the decision-makers ensures on-going follow up of the issue and familiarity with all developments and procedures taken".

While informant A7 points out that:

"Wasta within the company is more important and effective than wasta outside the company because it entails many factors including ... on-going follow up by phone".

On-going follow-ups to the requests for recruitment and promotion help individuals to obtain updates on the process, reduce waiting time, and speed-up the process of decision-making. In addition, it enables the *waseet* to exert pressure on the decision-maker in order to prevent him from changing his initial decision or if the decision is undermined at any stage.

A4 confirms that following-up by the *waseet* can reduced the time involved:

"Relationships and connections in companies have a significant role in employment and promotions; they facilitate completion of employment procedures in some cases where employment and selection procedures might take five months but connections reduce this time to two months".

This comment describes how *wasta* inside a company contributes towards facilitating and reducing the time of employment and selection procedures from five to two months. This occurs because of the ability of the middleman to follow-up the application process and influence the staff in the company. In some case, the middleman might follow-up the application from one department to another.

In addition, A14 provided the specific example of his own case. His colleague who works in current company played an important role in following up with his application, making the interviews easier, and speeding up the process, although his role might not be valuable in terms of the contract itself.

"I got this job through one of the colleagues who worked in the company, where he had notified me that the company had job openings, and that the company is seeking employees with previous experience, so I applied for the job through the company's website, and had an interview with three employees. My colleague played a great role in following up with my application, making the interviews easier, and speeding up the process, his role might not be valuable in terms of the contract itself, but he certainly had an effective role in making the procedures go more smoothly and acquiring the job itself ... making the recruitment procedures smoother for him through continuous follow-ups of his application until a decision has been made, and shortening up the waiting time before the interview, and getting the contract, which cuts the time of the process two months shorter in regular circumstances".

This comment reveals that following-up the procedure by a middleman inside organization impacts directly on the decision-maker and contributes to speeding-up the process.

5.5.2.1.3 Familiarity with the Opportunities

The participants also believed inside connections benefited the middleman because he would be familiar with the appropriate opportunities, enabling him to exploit the opportunities in their favour by lobbying and influencing decision-makers. According to B1:

> *"Connections from inside the company are more important because they are familiar with the systems of the company and because they have many relations with decision-makers. Being close to the decision-makers ensures on-going follow-up of the issue and familiarity with all developments and procedures taken. Further, they are familiar with the appropriate opportunities and use them in their favour by lobbying and influencing decision makers".*

This comment reveals that a middleman who works in the company knows when positions are vacant, along with the financial benefits and the future opportunities. However, this information is not available to middlemen outside the organization. The knowledge allows the middleman to inform his relatives or friends before any official announcement about the vacancy. The middleman, based on his experience, can advise his relative to choose a certain job, and then lobby decision makers to appoint his relative.

5.5.2.1.4 Familiarity with the Regulations

The participants also believed that internal connections allow the middleman to exploit gaps in the regulations, and help him manage these in favour of the beneficiary. Thus, interviewee B7 posits:

> *"Connections inside the company are more important and effective than connections outside the company for closeness to the decision-maker, familiarity with internal procedures of the organization, using of gaps in regulations to bypass them, and strong relations with decision-makers".*

Similarly, informant B12 supports this opinion, as he points out*:*

> *"Based on my experience, I thought wasta (connections) inside the company has many factors that make it effective, because the mediator (waseet) usually relies on the power of his position or job to influence decision makers. In addition, he is familiar with the internal procedures of the organization and how to use the gaps present in regulations to bend them".*

The familiarity with regulations and procedures gives the middleman a good chance to determine any gap in the regulations or procedure and how he can exploit it. Thus, *wasta,* in some cases, works through the gaps in regulation.

Familiarity with regulation also helps the middleman because he knows how previous procedures went and he can therefore use this knowledge to pressure the decision-maker:

> *"The culture of the society entails being close to the decision makers, and familiarity with internal procedures of the organization plays a significant role in pressuring decision makers to meet and respond to the wasta requirement, thus wasta inside the company has high probability of success compared to wasta from outside the company" (B13).*

Finally, this is also confirmed by A13:

> *"Using wasta from inside the company, especially when it is available, because the weseet had power to work with the top manager which is more effective compared with wasta from outside the company. That is because those connections would be closer to where the decisions are made, with knowledge of the internal procedures of the organization".*

The comments highlight how familiarity with the regulations can be used to the advantage of the internal *waseet*. The internal middleman is able to find loopholes in the regulations which he can then exploit in favour of the beneficiary. In this case, *wasta* is not about breaking the law but by-passing polices and regulations. In addition, familiarity with the regulation and the internal procedures of the organization allows to the middleman to discover the best way to affect the decision-maker and apply pressure to speed up the process.

5.5.2.1.5 Exchange of Interests:

Mutual interests, both present and future, play an important role in the use of *wasta*. These can be more easily exploited by an internal *waseet*. For instance, A8 points out that:

> *"These are subject to the exchange of interests and benefits. For example, if I hire an individual in the section and this individual is connected to another individual in the company in terms of relationship or kinship, the middleman promises to help him or them in the future in return for acceding to the request for assistance"*.

This quote points explicitly to the reciprocity in *wasta* as a norm. It is not considered to be an obligation and Saudis do not explicitly mention it when they ask a middleman to help, but it is tacitly understood by all parties. Thus, it can be referred to as an exchange of interests which are not necessarily confined to the short term. The reciprocity can be kept to be used in the future when they *wasta* is required, either inside or outside the organization.

Similarly, A9 argues that mutual interests are important:

> *"connections in the company are more important and effective than those out of the company because they are subject to many factors including colleagueship and friendship relations and the mutual interests between decision makers in the company"*.

Likewise, interviewee A11 provides an example of mutual benefits. He admits:

> *"Connections from inside the company are more powerful and effective than from outside of the company, because they are based on exchanging benefits. For example, if I recruit or promote an employee of the department, who was referred to me by a relative or connection of his from the company, the referred person then owes a favour to the person who has referred him, and he has to pay him back by returning that favour in the future when it is needed"*.

From the statements a number of conclusions can be reached. First, that mutual interests contribute to the success of the internal middleman. Second, mutual interests are not necessarily about the present transaction but can be used in the future. This is a feature of Arab culture in all aspects of life, not just human resource management practices; 'if you help me then I help you when you need helping'. Third, the use of mutual interest in human resources management is restricted to the manager or decision maker, because the exchanging interests requires a position of power. Finally, the use of mutual interests is not necessarily mentioned explicitly, but is implicit when the transaction is undertaken.

Over all, it can be concluded from the interviews that the presence of a *waseet* inside a company or organisation is considered to be more effective than a *waseet* located outside the company or organisation for a number of reasons: proximity to decision-makers; the ability to follow-up the process; familiarity with the opportunities and regulations; and the exchange of interests. Furthermore, according to these reasons and the comments of participants, it could be argued that the result of *wasta* inside company, in most cases, is able to achieve the purpose of using it. Therefore, Saudis, in most cases, look for *wasta* inside an organization initially, due to the four reasons mention above, and they tacitly acknowledge that *wasta* inside an organization is guaranteed results.

5.5.2.2   The Impact of the Middleman Located Outside the Organization

Only six participants believe connections outside the company are more effective than connections inside the company. For example, A5 argues the connection or *wasta* outside the organization normally occurs based on the friendship or personal connection:

> *"Two years ago, the influence of connections outside the company were strong because these connections were with the Board of Directors or Vice President in addition to the personal interests of the company. As the Board of Directors and Top Management changed so the influence of external relations diminished while internal influence is getting stronger".*

In relation to connections outside the company, a direct connection with the Board of Directors, Vice President or top management makes *wasta* more effective. Thus, it is important to note that changes in the personnel of a company can influence the effectiveness of external *waseet*.

The participants provided a number of reasons to support their opinions. B6 points out two important points: close personal relations and mutual interests. These are important for human relations management if they are related to other transactions of the company, such as the awarding of contracts or projects:

> *"sometimes connections from outside the organization are more important because they are usually connected through close personal relations or mutual interests, some such interests are directly associated with the transactions of the company, such as the awarding of contracts or projects to the company".*

According to the statement, when *wasta* outside company is associated with the transactions of the company, it will make it more effective. This is because the connection usually happens with individuals who have decision-making authority such as the Board of Directors, Vice President or top management and them seek to preserve on the interest of the company by response to the request of external mediator.

This is confirmed in the following statement that *wasta* in telecommunication companies could be considered to be a specific issue as the companies have interests with other authorities and multiple governmental agencies:

> *"As you know, companies are joint-stock companies that have interests and contacts with other authorities and multiple governmental agencies. And the companies or parties that deal with the company seek to use such interests. so, this interest forces the company to respond to the wasta from outside, especially from other parties that have mutual exchanges or interests such as companies or government sector. Earlier, the company used its connections to hire a retired military figure to work for the company but he did not continue in his position"* (B9).

Along similar lines, interviewee B10 believes:

> *"Wasta, in most cases, occurs due to personal relationships. Personal relationships with individuals outside the organization are usually governed by joint and mutual interests and friendship relations with connections outside the company. Connections outside the company are more important and effective than other connections"*.

This view was supported by B3 who works as a manager in the Elite and Leadership Program Development and he adds convincing points related to close relations and cautious.

> *"connections from outside the company only mediate when they have close relations with the decision-makers and when they are sure that their mediation or request will not be rejected. Further, outside of work relations are stronger and closer that in-work relations, which are cautious"*.

From this comment, it is apparent that an outside middleman's close relations with the decision-makers gains a high level of respect in Arab culture. Thus, the request of the middleman from the outside is unlikely to be rejected. In general, Saudis try to avoid embarrassment and therefore they seek contact with close relations to ensure a

successful outcome. Therefore, it can be seen that close relations are important for the practise of *wasta* regardless of whether the middleman is inside or outside organization.

In contrast to the majority of participants, a number believe that a *waseet* based outside the company is more effective than a *waseet* based in the company. The main reason they give is that based the *wasta* is based on a strong personal relationship and the external *waseet* is sure that the decision-maker will be respect their relationship and meet his request. In this case, the process is based on the principle of trust. In addition, in contrast to those who believe that mutual interest helps the internal *waseet*, a number of interviewees believe the opposite. Thus, they point out that the close relationship between the external *waseet* and the decision-maker helps with mutual interests because in the business sector the interests are directly associated with the awarding of contracts or projects to the company. The interviewees argued that the lack of transparency in the awarding of contracts or projects benefitted the mutual interests.

Overall, it can be concluded that the connections from outside the company focus on close personal relationships and the exchange of interests. Therefore, although the majority of participants in the study believe connections inside the company are more important and effective than connections outside the company, this does not mean the role of the external *waseet* should be ignored. This role still has an important on the outcome of *wasta*.

5.5.2.3   The Impact of the Power of the Middleman

A third point of view was expressed by five of the participants, who believed that the position and power of the middleman, rather than where they were located, had a greater impact on the outcome of *wasta*. For example, B11 and A4 concluded that there is no difference between connections outside or inside the company, because it depends on the power of mediator and how close he is to the decision-maker whether it through connections, relatives, or friendship. This assertion could be correct at present, because the exchange of interests have gained greater currency than kinship ties as a result of the modernisation of society and the rise of individual autonomy.

B6 provides two examples to explain why the position and power are more important than whether the middleman is an insider or outsider. He argues:

> *"Connections from outside or inside the company are effective but they depend on the mediator and his position or social status ... Sometimes, connections from outside the organization are more important because they are usually connected with close personal relations or mutual interests, some such interests are directly associated with the transactions of the company such as awarding of contracts or projects to the company. At other times connections inside the company are more important because they are directly associated with decision-makers or entities such as the Board of Directors".*

Thus, he highlights that the success can be dependent on close personal relations or mutual interests or direct relationship with the decision-makers, or entities such as the Board of Directors.

Furthermore, all participants agree the power of the *waseet* plays a significant role on the *wasta* outcome regardless of whether he is inside or outside organization. In this context, A7 mentions:

> *"Yes, he has a strong influence. When the mediator's power and influence is strong he will have more authority which entails an appreciation of the mediator and his prestigious position and the mediator's power is stronger in all departments of the organization whether in or outside the company ... because the mediator's power and influence are more powerful their mediation will be stronger".*

The example provided by A11 highlights the importance of the power of the *waseet*, when he states that:

> *"I have tried changing my occupational position more than once but was not able to, despite using my connections, because there are those who are more powerful and influential than my personal relations and connections, who stood against the change of my position".*

This example demonstrates that the power of the middleman can be used negatively to deprive others of benefits in the job market. It also demonstrates the darker aspect of *wasta*, as it can create conflict between the managers in the organization, especially when there are two or more candidates for a position, all of whom have the support of different middlemen inside or outside the organization.

In addition, the high position or power of the *waseet* can exert pressure on employees involved in the decision-making process as highlighted by B9:

"When the mediator's position is high his powers are stronger and his mediation will be more effective on decision-makers. This individual can exert pressures on employees involved in decision making to meet his demands".

A number of participants, including B5, B8 and A7 also highlight that the power of *waseet* or middleman extends to all departments of the organization. In this context, A3 states:

"When the mediator's power and influence are powerful their mediation will be stronger and the respect and position of the mediator will be effective in all departments of the organization".

Similarly, informant A7 also supports this view:

"There is a positive relationship between the power of the mediator and his influence. The power of the middleman makes a strong impact due to the authority he has based on his prestigious position".

Respect in Saudi society can be gained from holding high positions in the public or private sectors. In this context, A10 argues that:

"In companies in general the Board of Directors has a very strong and affective influence and it might dictate certain policies on the executive management and interfere in its work".

Overall, the position and power of the middleman is vitally important for the outcome of *wasta*, regardless of whether the middleman is inside or outside the organization. This is because the *waseet's* power is usually related to his authority which helps boost his mediation power. Moreover, there is a positive relationship between the position of middleman and mutual interest.

5.6 Discussion

This chapter considers the finding of analysis data that was collected from employees who work in Saudi telecommunication companies in order to gain a more nuanced understanding of organizational culture in Saudi Arabia focusing on the role of *wasta*. This study seeks to discover how *wasta* affects organizational culture and human resources, especially in the areas of promotion and training and developing. In order to achieve the purpose of research, this chapter answers three questions:

RQ 1. What is the role of *wasta* in Saudi Arabia?

RQ 2. What forms does *wasta* take in Saudi Arabia?

RQ 3. What is the role of middleman in the outcome of *wasta*?

The findings are driven inductively by the data analysis and can be summarized in following points in preparation for discussion in detail in separate sections.

1: The role of *wasta* is very significant and effective in Saudi society and individuals believe that they cannot complete any procedure, formal or informal, routine or complex, without using it.

2: Wasta in Saudi Arabia takes one of two forms; the first method depends on the existence relationships through kinship or friendship. In this method, the process of *wasta* can be divided into two models based on the number of *waseets*: *wasta* can be undertaken by one *waseet* or by multi-*waseet*. The second way in which *wasta* occurs is when the beneficiary does not know anyone who works at the organization and thus looks for assistance by using the family or tribal name (blood connection).

3: *Wasta* inside the company is more important and effective than connections outside the company for a number of reasons: proximity to decision-makers; the ability to follow-up the process; familiarity with the opportunities and regulations; and the exchange of interests. Furthermore, the power and position of the middleman significantly impacts on the outcome of *wasta* and this impact increases when the middleman works inside the organization.

Although the focus of the study has been on *wasta*, there is another practice, *shafa'ah*, in the Arab world, including Saudi Arabia, which on the face of it is closely related to *wasta*. The findings confirm that there is overlap and confusion between the

understanding of *wasta* and *shafa'ah* in practice. This confusion is not limited to individuals but it also includes official institutions such as National Anti-Corruption Commission.

5.6.1 The Role of *Wasta* in Saudi Arabia

Personal connections, such as nepotism have strongly impacted on management procedures in Arab societies (Agnaia, 1997). Hutchings and Weir (2006a) suggest that the social network includes family and kinship ties as factors in the exercise of power, influence, and information-sharing in the politico-business realm. *Wasta* practices involve intervening in order to provide undeserved benefits or overcome a barrier to acquire access to jobs or promotion or training or win government contracts or acquire favourable rulings from agencies and courts that are unattainable without its use (Cunningham and Sarayrah, 1993; Sawalha, 2002; Mohamed and Mohamad, 2011; Barnett *et al.*, 2013).

The findings of the study suggest that the role of *wasta* is very significant and effective in Saudi society and individuals believe that they cannot complete any procedure, formal or informal, routine or complex, without using it in both the public and private sectors. In part this is because Saudis consider *wasta* to be an effective short cut to by-pass systemic obstacles in the public and private sector or overcome laws in order to obtain rights to a good or service (Hutchings and Weir, 2006a).

This result is not surprising, because *wasta* is considered to be an indigenous form of informal influence in Saudi society. It is one of the manifestations of national culture in the Arab world generally, and in Saudi Arabia in particular. It has impacted the organizational culture because organizational culture is significantly impacted by the national culture in which the organization is located (Adler, 1997; Tata and Prasad, 1998; Lindholm, 1999; Dastmalchian *et al.*, 2000). Thus, organizations cannot be separated from the surrounding national culture, which contributes to different organizational behaviour in different countries (Adler, 1997). As Rafaeli and Worline (2000) explain, this is because employees come to organizations with the values and the attitude of societies in which they grew up.

Saudi Arabia is part of the Arab culture and there is much similarity with Arab culture. Therefore, the findings are consistent and support previous studies on Arab culture.

Barnett *et al.* (2013); Cunningham and Sarayrah (1993); Mohamed and Mohamad (2011); Sawalha (2002); and Yahiaoui *et al.* (2006) have shown that the practice of *wasta* exists in all segments of society and in all sectors and all levels of government. Tlaiss and Kauser (2011) also point out that *"wasta* is still very widespread in the Middle Eastern region" (p. 471).

Furthermore, there is no difference between *wasta* in these organizations. *Wasta* is commonly practiced in both organisations although one of them is a private company since it was established and the other was partially privatized in early 2003, with 30% of the company being sold to the public. This indicates that the national culture has impacted on the organization which share the practices of *wasta.*

5.6.2 The Differences between *Wasta* and *Shafa'ah*

Although the focus of the study has been on *wasta*; there is another practice, *shafa'ah*, in the Arab world, including Saudi Arabia, which on the face of it is closely related to *wasta*. This study shows that there is overlap and confusion between *wasta* and *shafa'ah* in use and practices. *Shafa'ah* is considered to be an intercession to do good (i.e. positive *wasta*), which helps an individual to access their rights (Al-Othemain, 1993). It is also referred to as intermediary *wasta*; Cunningham and Sarayrah (1993) highlight that it is often used to improve human relations and social norms through seeking to resolve disputes between groups or individuals.

However, unlike *wasta*, which the Holy Qur'an warns against using as it harms others, *shafa'ah* is generally consistent with Islamic principles. Indeed, Islam promotes *shafa'ah* as a method of cooperation between individuals. Furthermore, *shafa'ah* is a social norm as it seeks to resolve disputes between groups or individuals or helps individuals to access their rights without, and this is very important, harming others. It is practiced explicitly in some countries where the formal practice is called *jaha*. Finally, it does not involve reciprocity because it is a part of the Islamic and Arab moral code. In contrast, *wasta* occurs surreptitiously and can involve reciprocity although some individual recently use it as way of mutual interest either currently or in the future.

I could be highlighted the difference between *wasta* and *shafa'ah*, "*shafa'ah* does not necessarily mean taking away the right of other people". They also try to find conditions

by which *wasta* can be transferred to *shafa'ah* and how *wasta* can become *shafa'ah* when individuals use *wasta* to help an employee obtain promotion that he merits and for which he has the relevant and competences. For instance, participants put a number of conditions on their use of *wasta* to gain a promotion, a better position or to get financial or job benefits such as they would use only as a last resort. Saudis not mind using or connections in the future, but it will be my last option, especially if I fail to get my rights without using it as well as when they have competence and merit if connections are the only way I can get the position. Moreover, they might use it to get benefits as part of my rights without harming other people".

However, there are several points of confusion when the participants try to understand and *shafa'ah*. For example, a number of the interviewees are happy to use in the future, but only to obtain the rights to which they are entitled, whether a promotion, a better position or financial or job benefits. But importantly they would only use as a last option and if it did not harm others.

These conditions transfer as a negative meaning and practice to *shafa'ah* as a positive process, which maintains the principles of transparency and justice. This condition is consistent with ayah (evidence) from the Holy Qur'an "Whoever intercedes for a good cause will have a reward therefrom; and whoever intercedes for an evil cause will have a burden therefrom" (An-Nisaa, 4: 85).

From this perspective, is not inherently negative as when it works in line with Islamic teachings and strongly encourages the principles of equity and justice in business practices. Furthermore, it offers a framework that creates values and elevates the standard of living of all parties involved in the exchange, while adhering to these principles and guidelines (Saeed *et al.*, 2001) .

Additionally, there is overlaps between them in process and practices, especially in the level of middlemen or *shafa'ah*. *Shafa'ah* likes takes one of two forms. The first method depends on *ma'refah* (relationships through kinship or friendship). In this method, the process of can be divided into two models based on the number of *shafa'ah*. *Shafa'ah* is done by one *shafa'ah* and *Shafa'ah* is by multi-*waseet* (multi–middlemen). The second way in which *shafa'ah* happens is when the beneficiary does not know anyone who works at the organization and thus looks for assistance by using the family or tribal name (blood connection). Moreover, *shafa'ah*, like deeply rooted

practice among all segments of society and in all sectors. This means that the use of *shafa'ah* occurs at all levels of government and at all procedure of human resource practices across the social levels.

However, the use of *shafa'ah* has been controlled by some conditions in Islam which limited or restrict it. The important condition is that a person deserved to the intercession (*shafa'ah*.) order to deserve this *shafa'ah*, such as they meet requirements for job or promotion. Others argue that individuals need to money or jobs might be entrance to use the *shafa'ah* regardless, whether he meets job's or promotion's requirements or not. That means *shafa'ah* might be helped to overcome administrative bureaucracy or to reduce waiting time when the individual meets the requirements. Second condition is that it will help individuals to access their rights. Moreover, the topic of *shafa'ah* must be legally permissible and system there should be no coercion to have accompanied or pay a bribe or contrary to law or regulation or legislation set by the government for the organization of the public interest. Thus, it has maintained its positive image.

This confusion is not limited on the individual, it also includes formal institutions. Recently, National Anti- corruption commission resort to the General Presidency of Scholarly Research and *Ifta* to get fatwa to distinguish between *wasta* and *shafa'ah* and sentenced both of them in Islamic law (Nazzah.gov.sa). The General Presidency of Scholarly Research and *Ifta* points out *shafa'ah* uses to help individuals to obtain or reach to their rights or restore their rights, and the reduction of injustice, or reform among the people. While according to sharia scholars contributes to assaulting on the rights of others, provides undeserved benefits and works against public interest (Nazzah.gov.sa).

In Summary, despite these difference between *wasta* and *shafa'ah* in many points such as connotation with Islamic principle, the impacts, usage, nature of practices and result and consequences of using, there are several points of confusion to understand them. This confusion is not limited on the individual, it also includes formal institutions such as National Anti- corruption commission.

5.6.3   The Forms of *Wasta* Practices in Saudi Arabia

The findings driven inductively by the data analysis and show *wasta* in Saudi Arabia takes one of two forms. As can be seen in Figure 1, *wasta* happens, the first method depends on *marefah* (relationships through kinship or friendship). In this method, the process of *wasta* can be divided into two models based on the number of *waseets* (middlemen): Model 1 *wasta* is done by one *waseet* (one middleman), and Model 2 *wasta* is by multi-*waseet* (multi–middlemen). The second way in which *wasta* happens is when the beneficiary does not know anyone who works at the organization and thus looks for assistance by using the family or tribal name (blood connection) (Model 3).
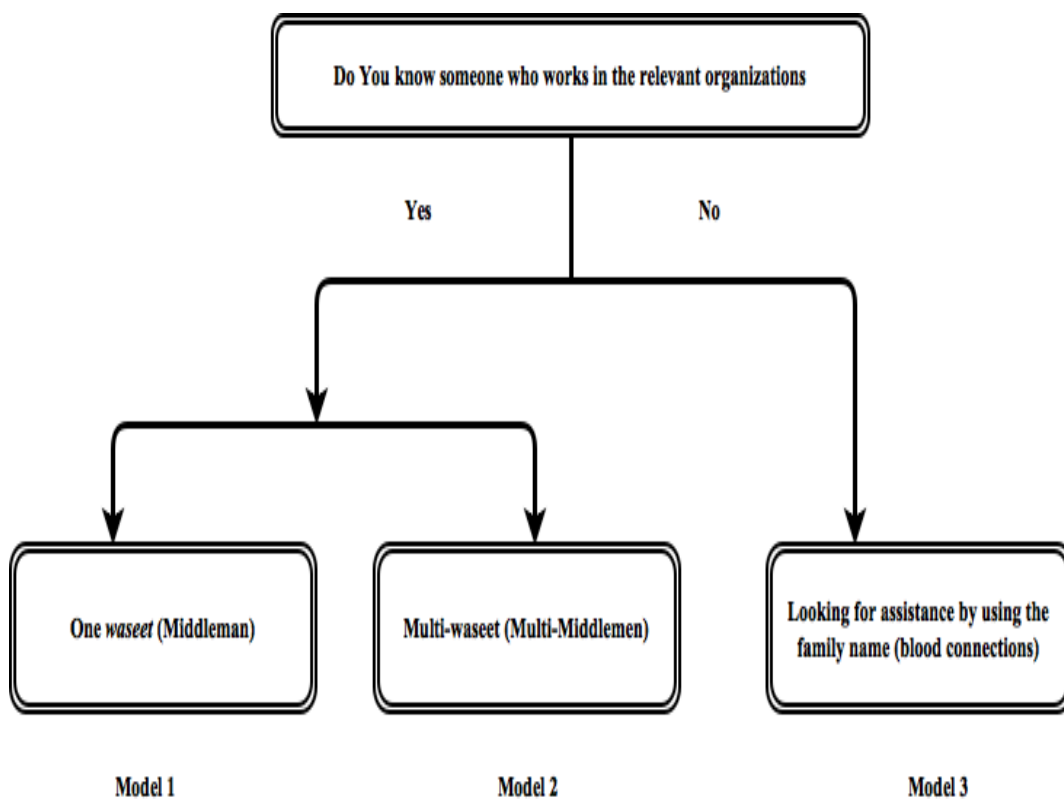
Figure 5-1: *wasta* Models

5.6.3.1 Model 1: *Wasta* by One *Waseet*

One Middleman (C)

The middleman has direct relationship with both beneficiary and decision-makers

Scenario A

Decision Maker (B)

Beneficiary (A)

Scenario B

Two possible scenarios:

A. Beneficiary is informed back through Coordinator.

B. Beneficiary is contacted directly by decision maker.
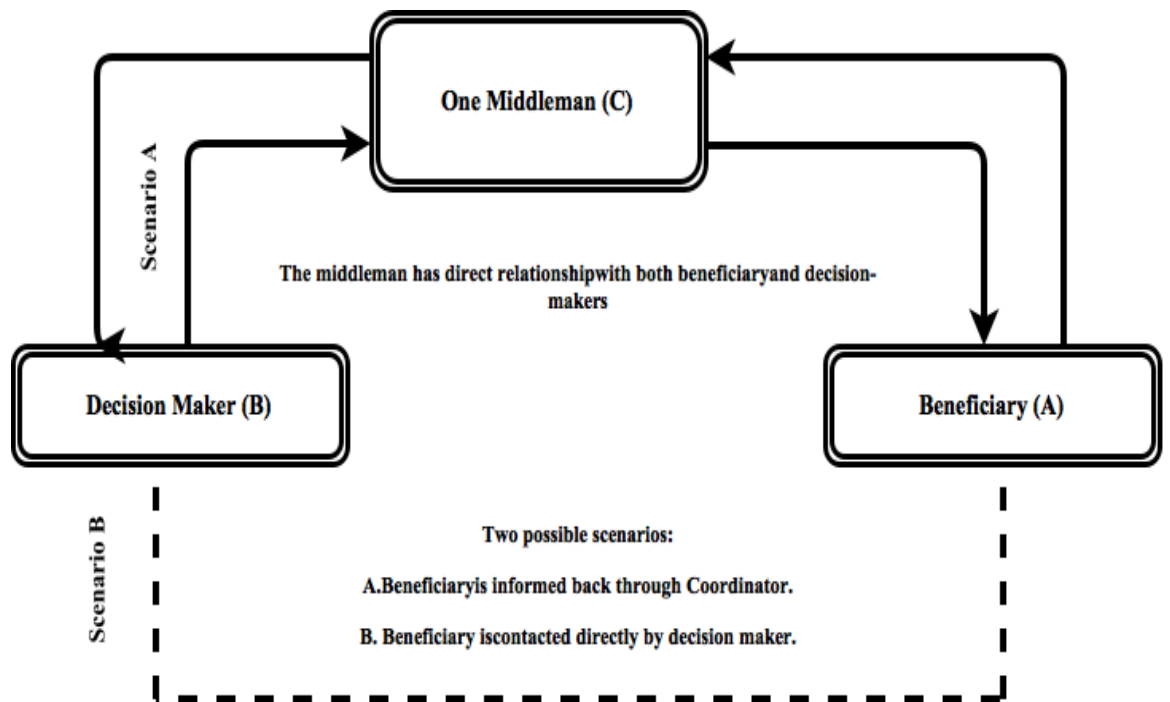
Figure 5-2: *wasta* by one middleman *(waseet)*

In this type of *wasta*, the process is relatively simple and the message can be passed easily between the beneficiary and decision-maker, because the middleman has a strong, direct relationship with both. These relationships are based on the exchange of (mutual) interests, or through friendship or blood connections. In addition, building a direct relationship between the beneficiary and decision-maker can be easier than through the use of multi-middlemen. The *wasta* process usually starts with the beneficiary, when he needs access to goods or services such as employment, promotion or training or other types of administrative service in the public or private sectors. He searches for an individual who has a strong relationship with the decision-maker and then contacts that person to ask for help. He usually has a close relationship or is a relative of the middleman. In this model the middleman has strong, direct relationship with both the beneficiary and decision-maker, although he does not necessarily hold a high position or power; in some cases he is just a close friend of the decision-maker. He is, regardless of the nature of the relationship, able to influence the decision-maker to assist with the beneficiary's requirements. After the middleman has passed the beneficiary's wishes to the decision-maker, one of two scenarios will happen:

Scenario A: the decision-maker works on meeting the demands of the beneficiary. Then s/he will inform the decision or the procedure to the middleman to pass it to beneficiary without any direct contact between the beneficiary and the decision-maker. This scenario happens in most case, especially when the decision-maker prefers to keep a formal relationship with the beneficiary, or closes the door to the future demands.

Scenario B: the decision-maker requests direct contact with the beneficiary. In this case, the middleman plays the role of a *wasta* coordinator, building the bridge of trust between them. During the direct contact the beneficiary is informed of the procedures or decision. However, this scenario can create a relationship. As a result it rarely happens and is governed by the type of *wasta*, the nature of kinship, and the circumstances surrounding decision-making.

5.6.3.2 Model 2: *Wasta* by Multi-*Waseet*
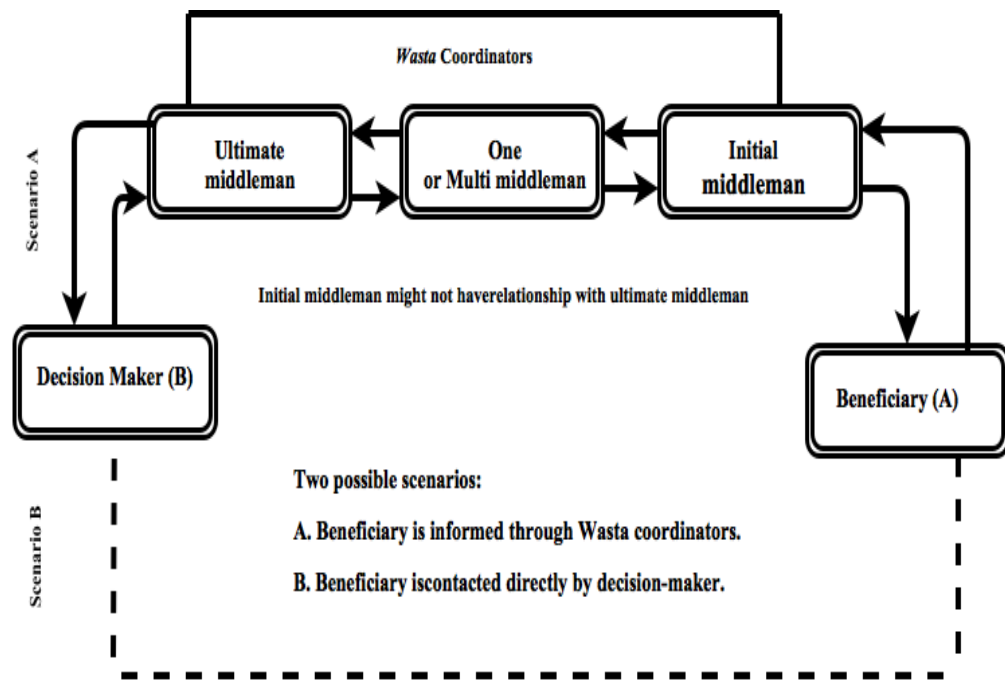
Figure 5-3: *wasta* by Multi- middleman *(waseet)*

This type of *wasta* is more complex than the other types as it requires a series of *waseets*, who might not have previous relationships or knowledge of each other. As with Model 1, these relationships, in most of cases, are based on the exchange of (mutual) interests, or through friendship or blood connections. Unlike in Model 1, it is not necessary for these relationships to continue into the future, and most of the stop without building.

In this type, the *wasta* process occurs through multi-middlemen, who are referred to as *wasta* coordinators. The process starts when the beneficiary requires access to goods or services such as employment, promotion or training or other types of administrative service in the public or private sectors. The beneficiary contacts an individual who has a close relationship with him and is able to help. This individual is called the initial middleman, who may hold a good position, and have many relationships, but does not have a relationship with the decision-maker. Therefore, he, in order to help his friend, will use his position and his relationships inside or outside the organization to find someone who has good relationship directly or indirectly with the decision-maker, and is able to influence him. He might contact one or more middlemen in order to reach the ultimate middleman who has close relations with the decision-maker. Contacting the

ultimate middlemen is a significant step in order to obtain support of the decision-maker. After accessing the decision-maker with the beneficiary's requirements, one of two scenarios will happen:

Scenario A: The decision-maker works to meet the demands of the beneficiary. In this scenario, the decision maker informs the decision or procedure to the beneficiary through the *wasta* coordinators without any direct contact with the beneficiary. This scenario is more common in order to keep the relationship on a formal basis with the beneficiary, or to close the door to the future demands.

Scenario B: The decision-maker requests direct contact with the beneficiary. In this case, the roles of the *wasta* coordinators are to build trust in order to arrange direct contact between the decision-maker and beneficiary. Accordingly, at the direct contact the beneficiary is informed of the procedures or decision. However, this approach might pave the way for a relationship between the decision-maker and the beneficiary, and as a result rarely happens, primarily because of the multiple intermediaries restricting direct contact between all the parties.

5.6.3.3   Model 3: *Wasta* by Blood Connection
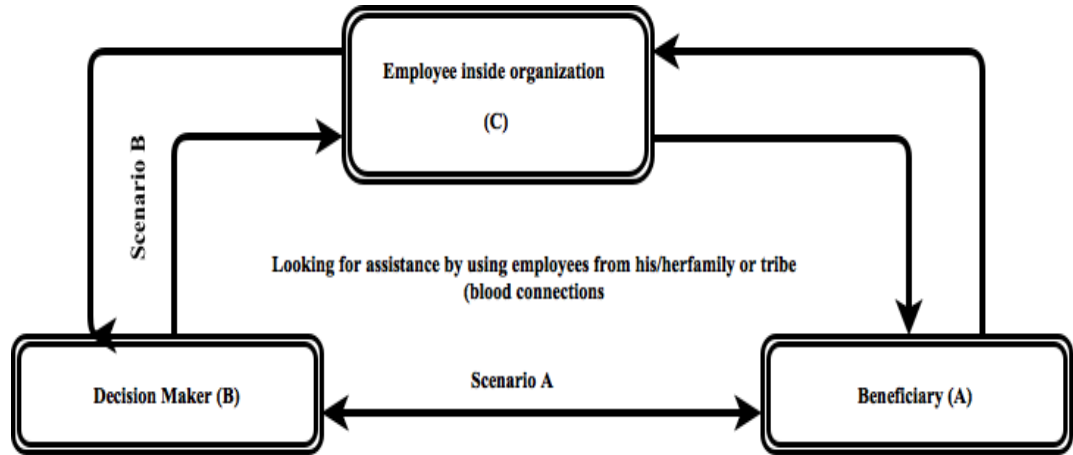
Figure 5-4: *wasta* by blood connection

This type of *wasta* is different from that which uses one or multi-waseet, because it is based on the blood connection through using the family or tribe name and does not require a previous relationship. This behaviour is called *faz'eh* or *asbaiyah* in the Arab culture (loyalty for family or tribe). In this type of *wasta*, the emotion of social connections and tribalism is utilized in order to obtain assistance. In this case, the beneficiary needs access to goods or services such as employment, promotion or training or other types of administrative service in the public or private sectors, but does not know any individual who can help. There are two scenarios that can occur.

Scenario A: He investigates the family name of the decision-maker. If the decision-maker has the same family or tribe name, he will approach him directly and ask for help. In this case, he will obtain the decision at the same time or at least will obtain a promise from the decision-maker to meet his requirements or demands.

Scenario B: If the name of decision maker's family is different from the family of beneficiary, then the beneficiary seeks an employee who has the same family or tribal

name in the organization. The beneficiary then approaches this individual and asks for assistance to influence the decision-maker.

In this section, *wasta* occurs through one of three methods, two of which use middlemen while the third depends on using the family name. Therefore, a direct relationship or contact with the decision-maker is not necessary in order to invoke *wasta*.

These forms of *wasta* are common in all Arab countries and it is similar in the governments and private sectors, as well as it does not change from g sector or department to other. Interestingly, the use any type of *wasta's* forms is driven and controlled by only the degree of relationship, whether there is pervious relationship or contact or no. This is because *wasta* generally uses to reach to the decision maker in first stage then seeking to influence on the decision to meet the desires of individual in next stages. Thereby, these forms of *wasta* is explained how can be reached to the decision maker or to reach to other individuals have strong relationship with decision maker and they are able to influence on his decision is curial factor to meet the requests regardless the type of service. On other words, the type of request or service does not determine which the form of *wasta* can be used. It could be used any form of *wasta* with any service or human resource management practices (recruitment, promotion, training, performance evolutions…) or to gain contract form government or companies.

Additionally, the reach to decision maker is very important and represent a corner stone to success of *wasta*. However, in the third model *wasta* based on blood connections, there is no need to the middleman, because decision maker played the role of middleman and decision make at the same time. Contrary, in the first and the second models of *wasta*, the middleman is crucial factor in procedures of *wasta* and its outcome.

In special case, the position or power might be reducing the number of middlemen or decline its role even though they do not have existence relationship or contact with decision- maker, because they who have high position or influence might resort to direct contact with decision- maker via using the formal position to create relationship and ask him to help his relative or friend. Such case might occur with the member of royal family or ministers or deputy ministers or general managers. In this sense, the mutual

interest might be replaced a substitute the pervious relationship. *Wasta* might be strongly impact when the personal relationship and high position come together in middleman, but it does not means other forms of *wasta* ineffective to achieve desires *wasta* seekers.

Hence, such practice does not common occurrence and use compare to these forms of *wasta* that based on the pervious relationship. This is because some individual does not give mutual interest the same degree of attention to social and family or friends relations. Additionally, Saudis individual tend to maintain the family and social relations, Thus, they do not have choose to neglect or ignore their requests, because such represent one of social obligations that must to be performed to met to the member of his family or friends. Therefore, the middleman and decision –maker usually seek to meet the request of member of family or friends to avoid the social criticism, and loss of friends. In Arab culture, Friends have the same degree of important of the member of family; however, they may be more important and closer to cousins in some position and conditions.

Specifically, this finding was driven inductively from the data. This study addresses the forms of *wasta* in-depth from a systematic perspective. Most studies address *wasta* from a non-systematic perspective (Tucker and Buckton-Tucker, 2014), some focus on the term of public opinion (Kilani and Sakijha (2002); and Loewe *et al.* (2007), while others look at *wasta* from descriptive historical treatises (Cunningham and Sarayrah (1993); Kilani and Sakijha (2002); Tucker and Buckton-Tucker (2014)). Furthermore, more recent studies in *wasta*, such as Dobie *et al.* (2002), Kilani and Sakijha (2002), Metcalfe (2006), and Whiteoak *et al.* (2006), focus on *wasta* as a behaviour in general without addressing its forms and how it is practiced. In addition, Aldossari and Robertson (2016); Aljbour *et al.* (2013); and Barnett *et al.* (2013) focus on the consequence of using *wasta* and its impact on management practices. Moreover, Al-Ramahi (2008) argues that *wasta* is an attempt to obtain privileges or resources through a third party without discussing deeply how it occurs and how many middleman or forms or method can be used or followed to reach the decision-maker. In other words, Al-Ramahi focuses on public opinion and descriptive historical treatises without investigating the process of *wasta* and how it is used. However, he does acknowledge the role of the third party. While *wasta* can occur directly based on the blood

connection, it also occurs based on the third parties through one or more middlemen based on family, tribe, kinship, locale, ethnicity, religion, and wealth or close associates. In terms of the level of middleman, these studies mention, in most cases, a direct connection as in blood connection (family or tribe). However, *wasta*, according to the findings of this study, is not necessarily based on one middleman. It can be based around a number of middlemen and it is not limited to blood connection. It includes family, colleagues, work mates, and friends.

In summary, *wasta* in Saudi Arabia takes one of two forms, *wasta* happens, the first method depends on relationships through kinship or friendship. In this method, the process of *wasta* can be divided into two models based on the number of *waseets* (middlemen): *wasta* is done by one *waseet* (one middleman), and *wasta* is by multi-*waseet* (multi–middlemen). The second way in which *wasta* happens is when the beneficiary does not know anyone who works at the organization and thus looks for assistance by using the family or tribal name (blood connection). The use any type of *wasta's* forms is driven and controlled by only the degree of relationship, whether there is pervious relationship or contact or no. Moreover, the type of requests or services does not determine which the form of *wasta* can be used. It could be used any form of *wasta* with any service or human resource management practices (recruitment, promotion, training, performance evolution…) or to gain contract form government or companies.

5.6.4   The Roles of Middleman in Outcome of *Wasta*

The Study has shown that the power and position of middleman (*waseet*) has significant impacted on outcome of *wasta*. The power or position is crucial factor to determine effectiveness of *wasta* as well as the level or relationship with decision maker can be played role in outcome of *wasta*. Because of the high power of position of the middlemen might employ as future card in mutual interest, especially, *wasta* typically characterized by "implicit obligation to provide aid when requested by other members of a specific social network, often a tribal group" (Barnett *et al.*, 2013: p. 42). Moreover, the mediator's power is usually related to his authority, which helps boost his mediation power given that there is a positive relationship between the position of middleman and mutual interest.

On other side, the middleman might be used his power or position to pressure on the decision maker especially when the power of the middleman is high rather than the decision maker because employers will seek to meet its demands for fear of marginalization or harm. For example, the CU or BOC might be used their power to influence on the committee of promotion or recruitment or training to candidate specific individual who has direction relationship with one of them parts or they received recommendations of influence individual or they have mutual interests either currently or in the future. Interestingly, the decision maker might be play the role of middleman when he orientates the executive departments or committees to choose specific individual to recruitment or promotion based on influence or recommendation form others.

However, whenever the mediator close to the decision-making centre (inside organization) was its effectiveness and its ability to influence decision-making on several factors: Firstly, following up the procedure and allow the easily and efficiently because he is familiarity with all developments and procedures taken. Secondly, Familiarity with the opportunities and Regulations that could be helped them to exploit the opportunities in their favour by lobbying and influencing decision-makers and exploit gaps in the regulations. Additionally, Exchange of interests, both present and future, still play an important role in the use of *wasta*. It can be considered as a common factor affecting the results of *wasta*, whether from within or from outside the organization regardless it is legal or illegal.

In this context, it should be exchange of interests might be caused to expand the use of *wasta* from the family and the tribe's to include friends and acquaintances (those who cab, give order; those who want to, obey), However, mutual interest might be common between all these type of social networks *(wasta, guanxi, jeitinho, savyazi)*, Because mutual interest, most case, used the card for the future although this rule is implicit and they do not mention it openly. Arguably, the outcome of *wasta* based on the power or position of middleman *(waseet)*. Thus, *wasta* seems to be different of other type of social networks in this respect, because the success of *wasta* depends in the role of power of middleman and the level of his impact on the decision maker, when there is intensive competition among the candidates for a particular job, the chance of an individual who has strong and influence *wasta* to win this job more of other candidates.

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This might be explained ethically why Saudis do not mind using *wasta* at present and in the future in order to gain a job, promotion, a better position or even financial or job benefits. Participants are also happy to use it in line with their competence, even if it does harm to other employees, because people in the Arab culture including Saudi Arabia believe the power of middleman that personal skills and professional success are not the primary factors in deciding who gets a job.

This supports studies in Jordan, Oman and UAE highlight that *wasta* is an important factor in obtaining employment or promoting one's career, especially among young people (Dobie *et al.*, 2002; Kilani and Sakijha, 2002; Whiteoak *et al.*, 2006).

In conclusion, the power and position of middleman (*waseet*) has significant impacted on outcome of *wasta*. However, this impact of the power or position increases when the middleman works inside organization, because the closeness of decision- making centre give the middleman opportunity to influence decision-making, following up the procedure and, Familiarity with the opportunities as well as exchange of interests.

5.7 Conclusion

The findings, as mention above, indicate that *wasta* in Saudi Arabia is not different from other Arab states and its role is very significant and effective in Saudi society. Saudis believe that they cannot complete any procedure, formal or informal, routine or complex, without using *wasta*. Therefore, they tend to look for the opportunity to use *wasta* in routine and simple procedures and consider it to be an easy way to complete their procedure without delay. *Wasta* is an inherent part of Saudi culture and practice. Therefore, any attempt to eliminate it faces two challenges as, first, participants believe that *wasta* cannot be eradicated, although it can be mitigated. Nevertheless, the negative impact will remain. The second challenge relates to the practice of *wasta*, which, in most cases, happens surreptitiously, and is therefore difficult to root out.

In practice, *wasta* in Saudi Arabia uses one of two methods. The first method depends on existing blood connection or friendship. In this method, the process of *wasta* can be divided into two models based on the number of *waseets*: *wasta* is undertaken by one *waseet* (one middleman), or by *multi-waseet* (multi–middlemen). The second way in which *wasta* happens is when the beneficiary does not know anyone who works at the

organization and thus looks for assistance by using the family or tribal name (blood connection). Furthermore, *wasta* is based on blood relationships or friendship. The findings also indicate that there are two forms of blood connections. First, a narrow circle of individuals often close relatives (family), who usually know each other and meet constantly. Second, a broad circle of individuals linked by a common last name (family or tribe). They do not know each other, but they use the Arab norm (*faz'eh* or *asabyia*) of cousin. Second, *wasta* occurs through the use of either a single *waseet* or multi-middlemen. The single *waseet* has a relationship with both the beneficiary and decision-maker while the multi-*waseets* approach uses a series of relationships to connect the beneficiary and the decision-maker.

Regarding the role of middleman and the outcome of *wasta* is primarily based on his power and his influence and the impact of middleman inside the organization on the outcome of *wasta* is more effective than middleman located outside the organization. This is due to five reasons: proximity to the decision-maker; ability to follow-up the process; familiarity with opportunities; familiarity with regulations; and exchange of interests. In addition, the position and power of the middleman, regardless of whether they are inside or outside the company, has a greater impact on the outcome of *wasta*.

The findings show that there is confusion among the participants in understanding the differences between *wasta* and *shafa'ah.* The differences between the two concepts are: application of Islamic principles; the impacts, usage, nature of practices and results; and consequences of using.

Overall, as a result of the finding *wasta* can be defined as a state, incident, or social behaviour that is based on relationships, connections, and friendships through personal, family, or tribal influences, or relations with powerful people that helps an individual or company to obtain an administrative post, a job or contract to which they are not rightfully entitled. It can be described as putting the wrong person in the wrong position. As a result of the confusion between *wasta* and *shafa'ah,* Saudis are happy to use *wasta* in the future, but only to obtain the rights to which they are entitled, whether a promotion, a better position or financial or job benefits. However, importantly they would only use as a last option and if it did not harm others: these being the features of *shafa'ah*.

Chapter six: Data Analysis: The Impact of *Wasta* on Human Resource Practices and Organizational Culture

6.1   Introduction

The previous chapter analyses the forms of *wasta* and the role of the middleman in the outcome of *wasta* in order to build a clear picture about the system of *wasta* in organizations in Saudi Arabia. The chapter focuses on the description, interpretation and analysis of the data related to the impact of *wasta* on human resource practices and organizational culture in the Saudi telecom sector. In order to achieve this, the chapter is divided into four sections. The first section analyses the forms of *wasta* in human resource practices in Saudi telecom sector. The second section describes the impact of these *wasta* practices in the Saudi telecom sector. The third section describes the impact of *wasta* practices on the organisational culture in the Saudi telecom sector. The final section is a conclusion.

6.2   The Impact of *Wasta* on Human Resource Management

This theme (*wasta* practices in HRM) was frequently noted during the participants' discussion of promotion and training procedures in their companies. *Wasta* impacts on human resource management in three interrelated ways: Accordingly, the impact of each element cannot be isolated from the others. Analytically, the first aspect relates to the type or style of *wasta* practices, the second focuses on the consequences of *wasta*, and the final part addresses the impact of *wasta.*

6.2.1   Becoming a Manager

The theme of becoming a manager featured frequently when the participants discussed the factors that enable an individual to get ahead in Saudi society and become a manager in their organization. Twenty-one out of 30 respondents agree they need *wasta* to attain a high position, even when they merit the promotion. B11 highlights cases of managers who obtained their position by *wasta*:

> *"In our company to be promoted to a managerial position you need connections before competence. There are over five cases in the company where employees were promoted to high executive positions in the company when they were not eligible for the position in terms of merit and competence".*

This comment reveals that although merit should be a crucial factor in becoming a manager, *wasta* can be used by any employee to gain a managerial position regardless of the skills or competence of the individual. In other words, *wasta* overrides other considerations. It is evident, therefore, that *wasta* can lead to the promotion of individuals to positions that do not correspond to their abilities, educational levels or experience. Thus, the use of *wasta* deprives the most appropriately qualified person from their rightful place. The dilemma of *wasta* is that it allows an incompetent employee to gain a high position that does not correspond to their abilities

This point was confirmed by B9 when he talked about the requirement to become a manager in his company. He argues that:

> *"An individual needs a close personal relationship with a powerful manager in the company [in order] to be promoted to a manager even if he has the skills, experience, and qualifications required for promotion"*.

This quote reveals another dilemma of using *wasta* in that merit or competency are not sufficient to gain a high position, *wasta* is also needed to become a manager. Without *wasta* competent employees can struggle the reach the higher levels in an organization. This raises the awareness of the challenges of the widespread use of *wasta* inside organizations, and placing priority on connections over skills or competency. Again it highlights that the use of *wasta* deprives the most appropriately qualified person of their rightful place.

On a similar note, B3 who works a manager agrees when he noted that competence, diligence, and leadership skills are not enough to get a job or become manager in most cases without the use of relationships and connections

> *"You will need connections (wasta) even if you are competent and qualified"*.

Another respondent classifies the importance of *wasta* which can contribute to becoming manager in the organization. He places *wasta* with the top management and Board of Directors before competence and merit.

> *"In our company to be promoted to a manager position you need connections first; your connections in the company and relations with Top Management and Board of Directors then competence and merit come next"* (A2).

This comment reveals the negative view of employees towards promotion procedures, and the impact of *wasta* on their careers to date and future, especially if they do not have connections in the workplace. Employees feel without *wasta* they can only become mangers in exceptional cases.

Employees believe without *wasta* they are unable to attain managerial positions, due to the importance of using the *wasta* to obtain high positions. A1 who works manage reports that excellence and eligibility represent only 30% of the requirements for promotion. He provides an example about his own case:

> "*Excellence and eligibility are not enough to receive promotions or positions; however, they complement qualifications and excellence and represent nearly 30% of eligibility. For example, my connections with some managers and influential individuals within the company plus my connections outside of the company helped me to a great extent to get this job as I used my connections to exert pressure on the company to award me this job. If I did not use my connections (wasta) I would have got a job in the company but at a lower level*".

This quote illustrates that *wasta* contributes around 70% of eligibility for promotion and becoming managers, while qualifications and competency account for only 30% of eligibility. This describes how the combination of skills and qualifications and strong connections help to obtain high position. This limits the chances of those who depend on their skill, qualifications and merit to try to become managers. It can be inferred from this statement that *wasta* is able to facilitate the path to a managerial position, and that an employee's use *wasta* is an effective method, even if they have the relevant skills.

This belief was by A3 who stated.

> "*In our company promotion to a managerial position requires competence, merit, and the supporting relations and connections (wasta). If competence and skills are weak, powerful connections will be needed. Combining competence, connections, and social relations ensures prompt promotions and obtaining leading positions*".

This highlights that the need of *wasta* increases when the individual has poor competencies and skills. *Wasta* can put the wrong individual in wrong position, whilst those with the necessary competences and merit might lose their chance to reach to a

top management position. Combining competence, connections, and social relations can be considered to be the best way to reach a high level in the organization.

In this context, A5 prioritises the factors needed to become a manager:

> *"In our company to be promoted to a managerial position wasta is the priority requirement, followed by competence, merit, education, creativity, and accomplishment".*

This comment demonstrates that *wasta* is deemed to be the crucial factor in determining which employees obtain managerial positions. In turn, this means that employees with strong connections are more likely to be promoted than those with weak *wasta*.

In sum, it is apparent that *wasta* is the most important factor to becoming a manager even if the individual has the relevant competencies, skills and experience. Thus, individuals, even when they are qualified, use *wasta* when applying for a position. Therefore, managers may not be suitably qualified for their role. Furthermore, this means that those with strong *wasta* are at an advantage. This aspect is discussed in the next section.

6.2.2 The Practice of *Wasta* in Human Resource Management Procedures

Three sub-themes emerged from the interviews in relation to the type of *wasta* practices in Saudi organizations: bias of implementation; intervention; and ambiguity of policy. Each themes contains a number of sub-themes. However, it is important to note that the themes and sub-themes are not mutually exclusive and can be used simultaneously. Furthermore, there is a degree of overlap between them. For example, intervention in changing standards can lead to a bias of implementation, especially in relation to the non-adherence to the standards. The three themes and the various sub-themes are discussed in the following sections.

6.2.2.1 Bias of Implementation

Bias of implementation means not applying the correct application procedures and job or promotion requirements to certain candidates because of their use of *wasta*. This is common practice in Saudi companies because of the influence of the *waseet*

(middleman). In such cases, managers tend to adopt one of three approaches: selective implementation; non-adherence to standards; and exceptionalism.

6.2.2.1.1 Selective Implementation

Twenty interviewees contended that selective implementation is a major feature in promotion regulations and policies. Selective implementation occurs when the immediate manager receives recommendations from people with whom he has strong and effective personal relations.

B9 provides a clear definition of selective implementation.

> *"When the promotion procedure and policy are only adopted for employees who do not have connections or relations with influential individuals in the company. Other employees are treated with favouritism because they have friendship or kinship relations with influential individuals inside and outside the company"*.

In the above case, organizations adopt the statutory procedures for specific employees or candidates but others who have *wasta* do not have to follow the same procedures, which contravenes the regulations that assert employees should be treated equally. In practice, the *waseet* can include recommendations that his beneficiary be excluded from certain requirements of the process. This evidence illustrates that there is a negative side to using *wasta* in organizations in human resource procedures in that selective implementation means not treating all employees equally. Thus, while policies can be clear and explicit, the problem lies in the procedures or implementation, when the policies are circumvented for the benefit of a particular person.

A1 who works General Manager Planning and Regulation Department, based on his experience in his company, argues that:

> *"The major problem about such procedures is that, if they are adopted, they are effective for specific people not on everyone which means selective adoption"*.

This quote demonstrates that selective implementation serve certain employees because of the influence of the *waseet*. Thus, the procedures adopted by-pass the correct policies. It is apparent that the problem lies in the procedures for promotion, not the policies.

B13 supports the views of B9 and A1 and argues that the main issue for promotion lies with the application of regulations. The statement confirms *wasta* influences the application of procedures. Thus, *wasta* creates challenges for the organization to deal equally with all employees in terms of promotions, when the use *wasta* is so powerful and effective. It exempts employees, who have *wasta*, from all or part of the procedures based on the selective implementation of regulations.

> *"The problem lies in the application of regulations for all employees equally. These regulations are adopted for some employees while others are exempt from all or part of the terms because they have connections and relations with the relevant manager or an executive official in the company. In this case relations are stronger than regulations and adoption. Wasta contributes to injustice and selective application of promotion procedures and policies against employees who have no connections or relations with powerful persons in the company. Other employees are treated with favouritism because they have friendship or kinship relations or recommendations from powerful persons inside and outside the company, and are exempted from certain requirements" (B13).*

From this statement, it is apparent that the use of *wasta* from inside or outside the company creates a bias of implementation. It can be exploited to affect the human resource decision, especially in relation to promotion and training.

From above comments, there is agreement between managers and employees that the problem lies in the selective implementation of policies. There is also a consensus among the respondents that the use of *wasta* causes the selective application of procedures and policies related to promotions. In this context, the failure to announce the results of tests nominated for promotions raises doubts about the company's compliance with its policies. Thus, eligible and competent individuals are not promoted while others, who are less competent and do not have the required skills, are promoted to leading positions.

A11 was asked about the way in which selective implementation occurs in Saudi companies. He mentions that:

> *"Applying selectivity in practice is done through nominating certain names for a promotion, during which an interview and set of standards are applied to everyone, but the person with the connection (wasta) will eventually get the promotion. This is because when internal phone calls are made, as well as*

recommendations of a certain person, it will affect the decision of the committee of promotions".

This comment reveals that selective implementation, in most cases, occurs surreptitiously. The standards are applied to all employees but, in reality, those standards are applied only to those who do not have *wasta*. This is because the job is already reserved for the employee with *wasta* although he might not meet promotion criteria. Thus, *wasta* affects the integrity and fairness of the decisions implemented by the committee of promotions.

Overall, it is apparent that selective implementation in relation to human resource policies is widespread. Thus, the use of *wasta* directly impacts on human resource management practices and procedures in relation to promotion and training. In turn, this undermines the integrity of the process and creates an unfair playing field for employees without effective *wasta*.

6.2.2.1.2 Non-adherence to Standards

Seventeen interviewees out of 30 respondents contended that companies do not adhere to the requisite standards. This occurs when companies do not follow the regulations and policies, which are then ineffective and results in the failure to treat all employees equally. For example, certain employees are promoted faster than their colleagues in the same departments because they are exempted from the requirement to complete a statutory two-year term as stated in the regulations of the company.

B3 mentions that rules related to promotions are partially effective:

> *"Policies and rules related to promotions are partially effective, especially the regulations and policies that stipulate that an employee has to spend two years at least in a job in order to be promoted to the next level. There are exceptional promotions of specific individuals while promotion standards and procedures are not completely observed".*

This statement raises a number of considerations about the feasibility of such standards, if they are not mandatory. For example, the policies of promotion set out specific conditions of the time to be spent in each grade before promotion to the next level can occur. However, companies do not follow these rules due to the intervention of *wasta*. Thereby, certain employees were promoted more than two levels within one year in

some departments of the company. This cannot occur without the use of *wasta* because all organizations have clear policies and written regulations which, in theory, control promotion and training. These regulations are supposed to be followed in all cases of promotions regardless of the name and position of the candidates.

Another example of the non-adherence to standards is highlighted by B4 who reports *wasta* is able to overcome departmental requirements. For example, some departments require a minimum education degree to gain promotion. However, these requirements can be by-passed through the intervention of *wasta*, which results in the standards waived in favour of a certain candidate.

> *"Some departments require a minimum education degree for a person to be employed. For example, the minimum degree is Bachelor but individuals having general secondary degree are hired in this position against requirements because the exceptions, wasta, and exchange of interests legalized such practices".*

The comment exemplifies how *wasta* contributes to the non-adherence of the requisite standards for obtaining jobs or promotion. This practice could not occur without strong *wasta*. It shows again that the problem lies in the practice of implementing the standards, not the standards themselves.

This was supported A8 who argues that:

> *"The company adopts promotion procedures and standards based on a scoring system. However, it is not about the existence or lack of standards. The main issue lies in compliance with these standards. The standards are selectively applied in favour of some individuals at the expense of other individuals, which is the key reason behind the prevalence of wasta and favouritism".*

The comment highlights that non-compliance with set standards is one of challenges which are created by the use of *wasta*, despite the fact the organization commits in its regulation to treat all employees equally. *Wasta* contributes to standards suffering from a lack of stability in their enforcement. This means that the standards are changed, disabled or by-passed for the benefit of employees with strong *wasta*. When companies do not follow the regulations and policies, which are then ineffective and results in the failure to treat all employees equally.

B2 who works as Executive Manager of Competencies and Professional Management in company B, discusses his experience as a member in promotion committee in the company:

> "In certain cases, the company promotes employees to higher job levels although the promotions committee did not recommend such promotions because of the failure to meet the necessary standards".

He adds another example:

> "Some of the promotion procedures and standards are based on the scoring system and they are clear, transparent, and declared for everyone. Such procedures are effective and respected in the company. However, some violations are made against the standards due to the exceptions system which undermines adherence to such standards. For example, some individuals, who do not meet promotion requirements, were promoted. Some other individuals are promoted over one job level within one year. In some cases, some individuals are promoted three job levels within one year".

This statement provides two different examples of non-compliance with standards. First, employees, who do not meet the promotion requirements, being promoted, despite not being recommended by the promotions committee. Second, employees being promoted over one job level within one year. These examples are inconsistent with the established standards of promotion, and implies that *wasta* can be used to subvert these standards. Thus, it can be inferred that *wasta* has a strong effect on the adherence to the standards of promotion.

On a similar note, A11, who is a Director in company A, mentions that personal relations and connections determine which standards apply to each candidate. This, standards differ amongst employees.

> "In the past, those standards were already there, but committing to them and applying them in practice differed from one employee to another, because personal relations and connections played a major and effective role in promotions, and took a bigger part of making the decision".

This quote reveals that standards differ from one employee to another. Those who do not have *wasta* will be required to meet all the standards mentioned in the regulations, while those who have *wasta* will be treated differently in terms of meeting the standards.

In conclusion, it would appear that *wasta* practices contribute to the non-adherence to standards in favour of certain employees who have the appropriate *wasta*. This occurs in one of two ways: change the adherence to standards from time-to-time; or looking for exceptions to the standards. This latter point is discussed more fully in the following section.

6.2.2.1.3 Exceptions

Eighteen interviewees out 30 respondents contended that exceptions are made in the case of promotions. Exceptions means exempting individuals from the specific requirements required to obtain a job or promotion. This is highlighted by interviewee B2:

> *"The Executive President and Executive Vice President, Corporate Human Resources are the only individuals who have the right to grant exceptions from the promotion standards and requirements".*

This statement reveals that only the top management have the right to permit exceptions. These are not available to all employees; only for those who use *wasta* through *waseet*s who have a direct relationship or an indirect relationship through other middlemen with one of the management. This means that *wasta* is practiced in certain cases by the permission of top management.

However, exceptions undermine the concept of meritocracy and deprives the competent individual of their rights. When B13 was asked about the promotion process in his company, he mentions that:

> *"Some individuals were promoted although the promotion committee did not recommend it. Some employees were promoted over one level within one year while the promotion regulations state that an employee has to spend two years at each job level before being promoted".*

This quote makes direct reference to the role of exceptions in overruling the recommendations of promotion committees and exemplifies how *wasta* works through exception using two examples. First, individuals, who do not deserve promotion based on promotion committees' report, can be promoted. Second, employees are promoted more than one level within one year in contravention of the promotion regulations which state that an employee has to spend two years at one level. These examples

highlight that connection with top managers in an organization contributes to exemptions from the regulations being issued. This means that the use of exceptions is available only for employees who have direct or indirect *wasta* with top managers in an organization. This is clear evidence of the role of *wasta* in obtaining an exception to the regulations and the promotion committee's recommendations. It implies that the use of *wasta* is able to override the recommendations of promotion committees. It also shows that the application of exception to minimum statutory time periods to be spent at a certain job level contributes to the rapid promotion of certain employees. However, this can only occur if the employee has strong and influential *wasta* that is able to impact on the top management.

Similarly, A8 provides examples about the practice of exception in the company. He states that:

> *"Individuals were promoted more than two times and two job levels in the company. For example, an employee was promoted from degree 50 to degree 52 overlooking degree 51 because he had connections with the Executive Vice Presidents in the company and therefore he was exempted from some requirements and standards".*

This example shows that the application of exception contributes to the rapid promotion of certain employees and jumping a number of employment levels. It is evident that the employee with strong *wasta* has chance to obtain exceptions from top management throughout their career and thus reach high position quickly, due to rapid promotion and jumping some levels of employment. It can be inferred that when exception is obtained from top management, then the employee will be able to obtain continuous promotion without having to meet the necessary standards of any position.

Significantly, B9 agrees with above statements and notes that exception is not limited to Saudis. It practices from other nationality He states:

> *"Employees are promoted before completion of statutory term due to the exceptions made on the basis of kinship or affinity relations with powerful individuals in the company or the practice of wasta by all nationalities who favour members of their own nationality".*

He adds:

"The company suffers from fanaticism to nationality to a great extent as lobbies and parties were created in the company based on nationality. For example, Jordanians are concentrated in the marketing section, Indians are concentrated in the IT section, while Egyptians are concentrated in the sales section".

This indicates that the use of *wasta* in the case of exceptions is not limited to Saudis but includes other nationalities in the company. As a result, some departments in company have become the remit of specific nationalities, and do not encourage other nationalities to join. In addition, they exclude the members of their nationality from some requirements in relation to promotion or gaining a job.

However, the use of exceptions does not mean policies and procedures are undeclared. The use of exceptions by Executive President or Executive Vice-president Human Resources usually exploits gaps or ambiguities in policies:

"The policies and procedures are declared to all employees but they are incomprehensible and ambiguous even to some employees because they provide the opportunity for exceptions and favouritism which enables the Executive President or Executive Vice-president Human Resources to exempt any individual from these requirements" (B7).

This statement exemplifies how exceptions from the regulations work. The top managers in an organization use their experience and understanding of the regulations to find the gaps or ambiguities in policies that enable them to exempt favoured employees from certain requirements.

This position is supported by B5 states that:

"The policies and procedures are clear and declared to all employees but they are applied on a selective basis due to the exceptions which enable the Executive President or Executive Vice President Human Resources to exempt any individual from such requirements".

These statements emphasise that the policies and procedures suffer from ambiguity which provides the top management with the opportunity to interpret the policies more loosely. Thus, the top management can use the interpretation of the regulations to exempt favoured individual from these requirements.

Top management attempt to provide justifications for granting exceptions, indicating that they recognize exceptions act against the regulations and policies in favour of specific candidates as can be noted on the statement was made B10, who works as Manager in company B, indicates that:

> *"The company justifies these exceptions that a vacancy exists and needs to be occupied by employees in the company instead of hiring and recruiting individuals from outside the company".*

This comment reveals that exceptions are not issued randomly by the top management, rather they attempt to provide acceptable justifications for granting exceptions in order to avoid embarrassment and criticism by other employees or the board of directors. It can be inferred that exceptions require acceptable justifications from the top management.

Significantly, exemptions are not just used in the case of promotions, it is included most of human resource practice:

> *"Some violations and exceptions are made in favour of certain people whether by the top management or HR department including insisting on selecting a certain person although he does not meet the requirements or recommending assigning a certain person to a certain course in a certain country regardless the requirements" (B1).*

This evidence implies that the exceptions included recruitment and training; although this type of exception can be made lower down in the organization such as managers of department. As highlighted by respondent B7 who states,

> *"The power of the manager in the department and his closeness to an employee allows the manager to use his power to exempt certain employees from the requirements. For example, candidates for training are selected based on the relation of the employee to the manager, whether personal, tribal or regional affiliation. Additionally, an exception system is in place where some employees are exempted from the training requirements".*

Overall, it can be argued that *wasta* impacts on the human resource practices by using exceptions for certain employees from certain requirements and standards in relation to promotion and training. These exceptions are usually used when the candidate does not meet the relevant standards and can be used in all stages of employment, promotion and training. However, in the case of exceptions in relation to promotions *wasta* can only be

used with the top decision-maker regardless whether this is through direct or indirect *waseet*.

6.2.2.1.4 Summary

The analysis of the interview shows that the bias of implementation is used by *wasta* to impact negatively on decision-making in Saudi human resource departments in general, and on promotion and training in particular. The bias of implementation occurs as a result of pressure by the *waseet* on the decision-makers in order to achieve benefits for their beneficiaries. It contributes to the by-passing of policies in favour individuals with access to strong *wasta*. The bias of implementation includes selective implementation, non-adherence to standards, and exceptions from standards.

6.2.2.2 Intervention

The theme of intervention emerged when the informants described the practices of *wasta* inside their companies during the recruitment and promotion processes. The participants agree that the impact of the middleman leads to intervention in many aspects of human resource management and plays a significant role in influencing outcomes. Normally, the power of middleman, as discussed in Chapter 5, is the important factor that encourages intervention by the decision-maker. This intervention occurs in evaluation scoring, in filling a job vacancy, in changing standards, and in the decisions of committees.

6.2.2.2.1 Intervention in Evaluation Scoring

The impact of *wasta* extends to the company or organization in the form of intervention in the annual performance evaluation by changing the weight of the score. Intervention in the annual evaluation is important because the appraisal is a significant element in deciding between the candidates for upgrades or promotions. Moreover, the evaluation score is a crucial factor in choosing between the candidates for promotions and other jobs. Eleven respondents contended that *wasta* intervenes in the annual performance evaluation. The process was described by B9 who stated that:

> *"wasta/middleman interferes in scoring and selection standards by having high scores awarded in the annual performance evaluation to their beneficiaries".*

This statement highlights that *wasta* can impact on promotions through the manipulation of the annual performance evaluation. This is because the annual performance evaluation is an important element for determining if employees deserve to be promoted, especially when the organization require the specific level or degrees of education to obtain promotion. Therefore, the *waseet* intervenes to obtain a high score in the annual performance for his favourite in order to help him put pressure on the decision-maker to promote him. In addition, when the employee has high score in the annual performance evaluation it is considered to be a sign of competence or merit. Ultimately, it can be inferred that manipulation of the annual performance evaluation can affect the human resource decision through changing the weight of score of the standards.

This was confirmed by B11 from the Business Sector Training who adds that intervention in the annual evaluation process is common, but it is even more important when the employee completes the statutory period for promotion:

> *"In our company, the annual performance evaluation is one of the standards which is used to assess the employee's position for promotion and bonus at the end of the year, but it has become more important for the employee to complete the statutory period for promotion. So, the intervention of a middleman is sought so as to give a certain employee high scores which are awarded in the annual performance evaluation, thereby offering a very good chance to promote him as meritorious and competent".*

The evidence underlines the importance of intervention in the annual evaluation process when the employee completes the statutory period for promotion. This is because the appraisal plays an important role in selecting the candidates for upgrades or promotions. This implies that intervention will increase when the employees are in line for promotion.

A13 emphasises this idea by stressing that:

> *"The same applies to promotions, the more connections you have within the company and administration department, the more your influence in the criteria of preference becomes significant, as well as finding more vacancies, pushing the committee of promotions into favouring or nominating a certain person, supporting employees through preparing evaluations on their competence and*

efficiency, and granting them high evaluations in their annual performance evaluations".

This comment expands the role of middlemen from merely intervening to obtain high scores in the annual performance evaluation in order to help them to get priority in the promotion based on the points, especially when the organization adopts the points system for the promotion. This means that the employees who have a high score are suitable for promotion. This is because the annual performance evaluation is considered to be one of tools for judging the competence and efficiency of employees. A number of interviewees A3, A14, B6, B8 and B9 support these views that argue *wasta* is used to intervene in the annual evaluation scoring to improve the score of a certain employee, due to the role of the appraisal as an important element in the points system used to decide between candidates for upgrades or promotions.

In sum, it can be argued that *wasta* is used to intervene in the annual evaluation scoring process in order to improve the score of a certain employee in order to smooth his promotion. The process usually happens by stealth just prior to the decision being made to promote a particular candidate. The means that *wasta* has negatively impacted on the promotion procedures through intervention in the annual performance evaluation.

6.2.2.2.2 Intervention in Changing Standards

Intervention to change polices or regulations through *wasta* involves a temporary change to the policy or regulation then it reverts to the original stipulation. Eleven out 30 interviewees contended that *wasta* is used to intervene in changing standards. When A5 was asked about the role of *wasta* and middleman in changing standards, he reported that:

> *"The problem lies in changing standards or the scores of standards from time-to-time in favour of individuals who have connections (wasta) or relations in the company at the expense of others who are eligible for promotion. Most of these changes are made in favour of department managers who benefit from these changes against the principle of seeking competence and merit. These consecutive changes made within a short term do not allow for the adoption of any policy for a period of time to evaluate its success or failure".*

The comments reveal that *wasta* contributes to policy instability with the frequent changes to the standards or the scores of standards. The sudden changes are not in the

best interest of the organization or the employees. They are merely initiated to help certain individuals in the organization, often department managers. Furthermore, the instability in the scores of standards does not allow the annual performance process to be evaluated in terms of its success or failure.

B8 provides an explanation of how the changes work:

> *"Adoption of these policies is subject to the desire of managers where the standards are controlled, adjusted, and manipulated in favour of individuals at the expense of other individuals".*

This quote highlights that managers are able to change the standards as necessary to meet the demands of *wasta* of a specific employee. This implies that these changes are not necessarily in the best interest of the company, because it can deprive deserving employees from promotions.

Another responds points out the impact of these arbitrary changes which exploits the flexibility to adjustment of scores in relation to promotion standards asserts that:

> *"Those who have connections in the company have better chances in promotion because the policies are flexible and allow the adjustment of scores in relation to promotion standards and requirements in favour of individuals who have influence in the company" (*A7*).*

This comment demonstrates that changing the scoring or weight of standards is one of method of intervention. The ability to change the scoring system can help *wasta* to proliferate and bring about undeserved promotions.

B12, B13 and A2 noted that the decisions to change the selection standards were usually justified as being in the interest of the company and were based upon the managers' recommendation in order to grant a veneer of legitimacy to the change. In reality, the purpose is merely to serve the interests of specific individuals in the organization.

In summary, *wasta* is able to negatively influence promotion decisions by intervening to temporarily change standards or the weight of standards in order to promote a specific employee who does not necessarily meet the original standards of promotion. This has a number of effects including encouraging the proliferation of *wasta*, undeserved promotions that are not in the interests of the organisation or the employees, and

instability in the annual performance process which means its success or failure cannot be evaluated.

6.2.2.2.3 Intervention in the Job Market

In terms of helping an individual gain a job, the middleman has two paths by which he can help. First, with good connections in the company he has access to information about the best jobs available and current or future financial benefits. He can pass this information on to individuals. Second, the middleman can use his relationship with those inside the company to nominate his beneficiary for the position.

B9 points out a further use of *wasta* in relation to promoting an individual to a specific job with high financial or employment benefits.

> *"Wasta or connection contributes to promoting an individual to specific jobs with high financial or employment benefits, or helps him to be nominated for a specific job or provides him with experience about the company and jobs".*

This comments shows that *wasta* is used to obtain the best jobs for their favourite; this job might provide high financial or employment benefits or open way to reach higher levels in the future. Because the *waseet* has information about which jobs provide high financial or employment benefits, it can be inferred that the *waseet* intervenes to attempt to gain his beneficiary a specific job in the company.

This appears clearly in statement was made by A3:

> *"Connections seek to promote the individuals to whom they are related to jobs that have high financial or job benefits that might qualify them to higher leading positions in the future".*

This evidence shows that obtaining certain jobs can lead to gaining leading positions in the future, that jobs usually has competitive of employees due to its role in determine of their career. Therefore, employees seek to use their connections to access in this type of job. The *waseet* intervenes in an attempt to promote his favourite to this job, because he knows this job has a functional future and might qualify them for leading positions in the future.

On a similar note, A1, A8 and A11 confirm that those who have *wasta* within the company have better luck in gaining promotions and may occupy positions with better financial benefits and social status (a higher job level or a better benefits). This is because of the role of the intervention of the middleman in choosing the best jobs based on his experience and the information about future jobs or financial benefits. This information is only available to those who work in the company or have a strong relationship with the top management. Thus, the role of *wasta* is not confined to accessing jobs or promotion but is also concerned with the financial advantages and other benefits related to the position.

In conclusion, *wasta* can be used to acquire information about jobs and their benefits, then the middleman can intervene to choose the best jobs regardless of the candidates' suitability for the role. Again, *wasta* can result in individual attaining positions for which he is not qualified. It could be argued that *wasta* negatively influences the promotion decision through interventions to choose the jobs that have financial advantages and other benefits related to the position.

6.2.2.2.4 Intervention in Committees

The promotion committees in an organization have the authority to assess those who deserve promotion and candidates them to make the promotion's decision. In this context, the members of the promotion committees should be chosen by the top management in an organization. However, the committees also suffer from intervention in their work and decisions because of the use of *wasta* by the middleman. This intervention by the *waseet* leads to the promotion of certain employees who might not deserve the promotion, by using their power or position to pursue on the member of committees to impact on the decision.

> *"They provide continuous support and interfere with the promotion committee to select a specific individual" (B8).*

B13 highlights an example of intervention in committees' decisions, overruling their recommendation for promotion.

> *"Some individuals were promoted although the promotion committee did not recommend it. Some employees were promoted over one level within one year*

while the promotion regulations state that an employee has to spend two years at each job level before being promoted".

The comment shows that the top management in organization, when the employee has access to *wasta,* does not adopt the recommendation of the promotion committee and by-passes its recommendation. This can be considered as intervening in the work of the promotion committee, which reviews the profiles of the candidates against the standards or criteria for the position. It can be inferred that interventions in promotion committee work can occur indirectly in order to promote those who do not meet the promotion standards or criteria and are contrary to the committee recommendations.

Other cases noted by B11, B12 and B13 the committees respond to the pressure in order to avoid any potential harm that might occur if they do not meet the request of the *waseet,* particularly if he has influence or power in the company. Another example is that the middleman promises to help the member of the committee in the future in return for acceding to the request for assistance.

In conclusion, it can be argued that *wasta* impacts negatively on promotion procedures by influencing committees or ignoring its recommendations, especially when the *waseet* has powerful links in the organization or has a strong relationship with the top management. Once again, the use of *wasta* can result in the promotion of an employee who may not deserve the position, because of his lack of skills or qualifications.

6.2.2.2.5 Summary

The data from the interviews show that *wasta* impacts negatively on the decision-making of the human resource department in general, and on recruitment and promotions in particular through the use of interventionist policies. These policies include intervention of the middleman in the annual performance evaluation, intervention in changing standards, intervention in the job market, and intervention in the decisions of the appropriate committees.

6.2.2.3 Ambiguity of Policy

This theme emerged during the respondents' discussion about the transparency of policies and regulations. Ambiguity of policy refers to the lack of clarity and transparency in the regulations and policies, which can result in more than one

interpretation. This ambiguity can be exploited by the *waseet* in order to impact on employment or promotion procedures. It also contributes to confusion among employees in terms of understanding policy clearly, thus preventing them from being able to object to decisions. The ambiguity of policies is discussed in relation to two elements, the continuous changes in policies and the lack of transparency.

6.2.2.3.1 Changing Policy

The continuous changing of employment or promotion policy, which includes amending standards, is one element that encourages the practice of *wasta* in human resource management. The management resorts to this method in order to tailor a policy to specific candidates, especially when the previous policies work against the candidate. This change in policy is usually justified as being in the best interest of the organisation, when in fact it is merely to serve a specific employee. However, the problem with continuous changes is that the instability of policies contributes to a lack transparency. This is exploited by the middleman in favour of their candidates and their relatives and friends.

In this context, A8 states:

> *"The problem lies in changing the policies from time-to-time in favour of individuals who have connections or relations in the company at the expense of others who are eligible for promotion. Most of these changes are made in favour of departments' managers who benefit from these changes against the principle of applying competence and merit. These changes are made within a short time, which does not allow time to evaluate its success or failure".*

The comment reveals *wasta* contributes to ad hoc changes of policies. This change in most cases occurs through the influence of *wasta* in order to favour certain employees who do meet the standards of policies. It can be inferred from this comment that changing the policies regularly encourages the use of *wasta*.

Furthermore, the changes are justified as being for the benefit of the organization, rather than a specific individual:

> *"Decisions related to promotion are unfair and influenced by many factors including wasta and favouritism which have a significant role in amending and changing regulations related to promotions from time to time and not ensuring*

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transparency, but serve influential individuals in the company to promote their relatives" (A2).

To conclude, the use of *wasta* plays a significant role in the continuous changing of regulations related to promotions in order to serve influential individuals. Thus, the policies cannot be protected from *wasta*, and actually encourage the use of *wasta*.

6.2.2.3.2 Lack of Transparency

The second aspect of the ambiguity of policy is the lack of transparency in relation to policies, regulations, and decision-making. A2 indicated that the lack of transparency in policies is one gap that is exploited by *wasta*. This means that when the there is a lack of transparency in policies

B7 adds the problem is not in the declaration of the policies and procedures, the problem is ambiguous in these policies.

> *"The policies and procedures are declared to all employees but they are incomprehensible and ambiguous".*

Similarly, interviewee A8 states that:

> *"The policies and procedures are unclear to all employees because of the interventions of the general manager and vice-general managers who have a certain percentage in terms of whom gains promotions. For example, if there are ten employees to be promoted the general manager and his deputies have the right to select 10% of those who will be promoted regardless the standards of promotions. The lists of employee eligible for promotion are submitted to a deputy general manager and those who are to be promoted are selected based on the names regardless the standard".*

These comments reveal that the policies give top managers a certain percentage of exceptions in terms of gaining promotions, which is exploited to promote their favourites or relatives. Furthermore, it is clear that the adoption of the relevant polices is not transparent. The scores of candidates are not declared; therefore, it is not clear whether or not the scores are manipulated. In turn, this raises doubt about the credibility of the process and its overall transparency.

In summary, the *waseet* takes advantage of the lack of transparency in policies, regulations, and decision-making for the benefit of their beneficiary. In addition,

declaring the policies does not necessary help transparency as the policies are ambiguous and can therefore be manipulated by the use of *wasta*.

6.2.2.3.3 Summary

Wasta plays a significant role in changing regulations related to promotions from time-to-time to serve influential individuals. Thus, *wasta* has a strong impact on policies which are changed using various justifications. In addition, declaring the policies does not necessarily add to transparency as the wording is ambiguous allowing their exploitation by the *waseet*. Therefore, it can be argued that *wasta* impacts negatively on promotion decisions.

6.2.3   Summary of the Impact of *Wasta* on Human Resource Management

The analysis indicates that *wasta* is not associated with a specific phase in the job market but is used in all phases. It can include gaining the job but is extended to the next steps in career development such as promotion and training. The findings also show that *wasta* negatively impacts on human resource procedures by undermining policies through bias of implementation, intervention, and ambiguity in policies. These types are not mutually exclusive, can be used simultaneously and contain a degree of overlap. For example, intervention in changing standards can lead to a bias of implementation, especially in relation to non-adherence to the standards. This practice impacts on the procedures and creates benefits for certain employees, but negatively affects other employees, organizations, laws, and society as a whole.

Wasta, in general, is used to circumvent policies and appointment regulations. Thus, it undermines the values of justice and equity for all candidates by promoting unqualified staff. This contrasts with the main purpose of the regulations and policies of human resource management which is to give all candidates equal opportunities, and to treat them without discrimination.

6.3   Consequences of *Wasta* Practices on Human Resource Management

As discussed in the previous section, the use of *wasta* undermines the effectiveness of human resource management policies through bias of implementation, intervention, and ambiguity in policies. The impact of the use of *wasta* is to violate the values of justice

for employees by giving the chance for promotion to certain unqualified staff. These types of *wasta* create consequences for the practice of human resource management, in terms of procedures and accessing benefits.

6.3.1 **Impact on Procedure**

The procedures of human resource management mean that decisions go through many stages before the final decision is made. This is partly because of the number of standards and criteria that have to be fulfilled. However, *wasta* can be used to by-pass these barriers, and reduce some of the steps as discussed below.

6.3.1.1.1 **Facilitating the Procedure**

Wasta can help to speed up the procedure by reducing the waiting time for gaining jobs or promotions, as A4 indicates:

> *"They facilitate the completion of employment procedures in some cases where employment and selection procedures might take five months but connections reduce this time".*

This comment shows that employment and selection procedures in Saudi Arabia normally take five months due to the bureaucracy procedures which take a long time. This is because decisions go through many stages (submit application, review application, select candidates, interviews …etc) before the final decision is made. However, *wasta* is able to reduce this time by speeding up the individual procedures until the decision is issued. Importantly, this speeding up of employment procedures is not available for those who do not have *wasta*.

Similarly, B6 assert the using *wasta* to facilitate your procedures in the company is common:

> *"Wasta is widely practiced in companies through personal connections. When you have a connection within any company you may take advantage of it to facilitate your procedures in the company".*

From above quote, it can be concluded that *wasta* can facilitate any procedures in organisations whether it is related to obtaining an advantage in the provision of services

or accessing jobs. The facilitation takes many forms, such as reducing the waiting time, or obtaining undeserved service.

A6 highlights how this is achieved these

> *"It is enough to have close relations with decision-makers in the company where he can intervene to facilitate employment and interview procedures and support the individual before the general manager or employment officer"*

The statements reveal that *wasta* is used to reduce the time taken to make decisions for certain candidates, as policies and procedures are not followed. This means that polices and regulations are not sufficient to facilitate the procedure for gaining jobs or promotion. *Wasta* is also used as a tool to support an individual by making the employment procedure easier and overcoming any barriers. Thus, *wasta* undermines the equality principle between employees.

6.3.1.1.2 False Procedures

False procedures refer to a sham formal procedure for hiring a certain individual. In this context, *wasta* can be used to create a procedure that follows the formal method and requires the candidates undergo the tests and interviews, albeit the decision is a foregone conclusion in favour of a specific candidate. In other words, it uses a formal procedure to cover a sham decision. B3 highlights this process:

> *"In such a case the candidate goes through all the legal steps adopted in the employment procedures and is subject to all the general employment procedures and policies formally, while the job is already awarded to him in advance".*

This statement shows that there is no difference in the administrative procedures between the candidates but the job has already been awarded to a candidate with *wasta*. This policy misleads candidates by appearing to follow the formal procedures. Thus, the surreptitious use of *wasta* avoids complaints being raised against the organization or department.

A4 points out how this practice is uncovered:

> *"The recruitment policy adopted by managers raises many questions about it. Some individuals are recruited from other companies in leading or executive*

positions. As time goes by the weaknesses and poor competence of those individuals are spotted".

This comment implies that *wasta* practices contribute to false procedures being applied to recruits from other organization to obtain high positions and financial benefits. Thus, false procedures allow managers to recruit relatives or friends, although the individuals do not have the necessary competencies. Therefore, *wasta* contributes to the spread of false procedures in the formal recruitment policy in order to circumvent the regulations.

6.3.1.1.3 Influencing the Decision-making

Wasta is also used to influence the decision-maker. The middleman employs his relationship with the decision-maker to meet a request on behalf of his relatives or friends. However, the ability to influence the decision maker is governed by factors such as the strength of the relationship, the exchange of mutual interests, and the power and position of the middleman. The relationship, in most cases, is sufficient when it is strong, otherwise mutual interests or the power will be invoked.

A7, who is manager, notes,

> *"Decision-making was driven by the relationships, and personal interests. Relations represent a key driver in this context, when the decision is related to a certain area, and a specific person is trusted, such a person is consulted. The building of confidence is a key requirement in seeking opinion and advice for a certain decision. Confidence might be subject to social and work relations".*

This statement demonstrates that *wasta* drives the decision-making in organizations. It also appears that the involvement in decision-making is controlled through trust. When an individual gains the trust of the management it gives him the right to consultation and participation in decision-making. This trust is built upon social and work relations. It can be inferred that decision-making in organizations is impacted by *wasta,* although organizations attempt to cover up by official processes and procedures.

This was confirmed by another interviewee who states relationships and connections in most cases influence the employment decision-makers. Therefore, *wasta* influences decision-making in relation to promotions.

"Relations and connections in companies play a significant role in employment and promotions by influencing the employment decision-makers internally (B13).

On the similar comment, A2 asserts:

"Decision-making in the company is still influenced by wasta and favouritism which influences promotions, training, internal and external seconding, and employment".

Furthermore, interviewee A8 from company A has serious doubts about whether or not the decision-making in his company is in the best interest of the company. He mentions:

"I cannot confirm that all decisions made by the company take into account the best interest of work as many decisions raise questions because they are not clearly associated with the best interest of work".

This means that the decision-making is biased against the best interests of the company and therefore employees. It does not place high priority on the interests of the organisation, but instead on the influence of *waseets* and their clients.

These statements imply that decision-making lacks professionalism in relation to promotion, recruitment, and training. Thus, the outcomes are not always in the interest of the organisation as the decision-maker prioritises relationships and personal interests rather than meritocracy. Furthermore, the use of *wasta* can create conflict of interests between the company and managers, which can impact on the growth and success of the company.

In conclusion, the use of *wasta* in relation to promotion, recruitment, and training gives priority to the individual rather the organisation by facilitating the procedure, using false procedures and influencing the decision-maker. Furthermore, these practices affect the employees' trust in the procedures and process of the organization. Thus, employees believe that *wasta* is more important than merit, which undermines any congenial working environment.

6.3.1.2 Accessing Benefits

Wasta can be used to grant access to benefits to members of the family or tribe or friends. These privileges cannot be obtained without *wasta* and can be analysed in two forms: creating opportunities and underserved benefits;

6.3.1.2.1   Creating Opportunities

Wasta plays a significant role in the creation of job opportunities. In this context, it contributes directly or indirectly to creating a job that matches a candidate's abilities and qualifications. A5 points out:

> **"***The same applies to promotions which are based on the power of influence of connections and friends in the company but such influence may continue and is used to create job opportunities that enable individuals to be promoted to and get promotions promptly".*

From the above comment, one impact of using *wasta* is to create a job in order to promote a certain employee. Relatedly, participant A6 discusses the role of *wasta* in expediting promotions including through the creation of positions and the exemption from certain requirements.

6.3.1.2.2   Underserved Benefits

Twenty-four interviewees contended that most benefits obtained by *wasta* are underserved, because *wasta* is usually used to ignore regulations. The benefits are not necessarily related to financial privileges, but can include preferential treatment in the work environment in terms of promotion, training or performance evaluation. In this context, respondent B5 argues that:

> *"If I had connections or relationships in the company when I submitted job application I would have got a better job offer and benefit".*

Participant A4 provides another example:

> *"If I had connections or relations with an influential individual in the company I would have got a better job offer in view of my specialization and previous experience in marketing. If I had strong connections I would have got a job degree two degrees higher than my current job".*

In this context, A10 states:

> *"Wasta contributes to the breaking of laws and regulations to grant individuals unlawful rights, or facilitate procedures for a certain individual".*

More specifically, participant B12 adds that:

"Connections in companies provide insider information to the individual about the value of financial offer on which he can negotiate and thereby can raise the value of financial offer or the raise the bar of negotiations if he learns [through wasta] that the company is flexible enough to raise the value of financial offer".

Furthermore, A6 mentions:

"If the connections are highly powerful they may contribute to rising the amount of financial offer and benefits due to the employee because they know the internal secrets of the company and maximum amount of financial offer".

Thus, B13 states:

"the granting of benefits or privileges to individuals or legal personalities such as the companies, or business institutions that may not deserve such benefits according to the regulations and laws, is due to the failure to meet requirements needed to receive them".

The comments imply that *wasta* can make a difference between what is deserved and what is undeserved, because it can be used to make exceptions to certain requirements and is more important than skills and qualifications. Therefore, the use of *wasta* undermines the regulations and laws in order to grant undeserved benefits. This means that job benefits are based on the power of *wasta*, and that the benefits may increase following the intervention of the *waseet*. Thus, the job benefits differ according to the power of the *waseet* among employees who are on same level and in the same department and are not necessarily related to an employee's skills and qualifications. Furthermore, the information on benefits is not available for all candidates; just for those with the right connections. This information helps an individual to negotiate and obtain the upper limit of benefits, although organizations want to keep employees on lower financial benefits.

To sum up, the results show that *wasta* gives priority to individuals over the interests of the organisation. This creates several consequences, some of which are related to influencing the procedures such as facilitating the procedure, the use of false procedures and influencing the decision-maker. Thus, certain individuals with access to *wasta* are able to access jobs, promotions, and training, although they do not meet the requirements. In addition, employees with access to *wasta* are able to gain benefits,

which may be undeserved. The impact of these outcomes on the longer term organizational culture is discussed in next the section.

6.4   Impact of *Wasta* on Organizational Culture

The discussion on the impact of the use of *wasta* in the previous sections highlights its influence on the procedures and regulations of an organization. These impacts can be negative or positive and, in turn, affect organizational culture in Saudi Arabia. In order to complete the picture about *wasta*, the follow section discusses the impact on organizational culture in terms of the values on the organization, barriers to growth, the undermining of laws and regulations, and employees' involvement in the decision-making process.

6.4.1   Impact on the Values of the Organization

The use of *wasta* creates several challenges for Saudi companies that impact on their performance, because its use changes the priorities of the decision-makers from being in the best interest of the company to being in the best interest of certain individuals. Among the outcomes of the shift in priorities is the appointment non-qualified employees and barriers to a company's growth.

6.4.1.1   Prioritising certain individuals instead of the organization

The use of *wasta* generally grants special advantages for certain employees in organizations. They often have relatives with the influence either inside or outside organization. In most cases, the outcome is to the detriment of the organization. Participants in the study confirmed this point of view. A4 states that:

> *"When the leader is changed, the new leader recruits the members of his tribe or region. At a certain point the members of a certain tribe or region controlled the effective jobs and decision-making in the company. Accordingly, the decisions considered the interests of the members of this tribe".*

This statement provides a good example of giving priority to the members of the tribe or region, as opposed to the success of the organization. This happens when the top management or decision-makers seek to recruit or promote members of their family regardless of their suitability to the job role. In tribal societies, such as Saudi Arabia, the managers seek to recruit or promote the members of their tribe or region first, before considering the best interests of the organizations. Thereby, they avoid criticism from their tribe or family.

A11 also provides examples of how names are important in gaining promotions and leading to certain groups dominating a department:

> *"In Saudi Arabia, using connections (wasta) is effective and significantly negative. If you went through the list of senior administrative positions of ministries and heads of companies, you will notice that the names on that list are the names of certain families and of certain regions".*

This comment reveals that as a result of the widespread use of *wasta* the high positions in organizations are dominated by certain families or certain regions. These managers will follow a similar approach of giving priority to members of the tribe or their region for any new recruitment or promotion. This is because if they promote individuals who do not belong to their tribe or their region to high positions, they might be lose control of the decision- making process.

B5 and A14 agree that decisions, especially, those related to obtaining positions and promotions, prioritise the interests of individuals related to the decision-makers. Thus, the decisions on promotion are taken by influential individuals in the company in the interests of members of their tribe or region.

In summary, *wasta* contributes to prioritising certain people over the interests of the organization through the recruitment or the promotion of members of the tribe or region associated with top management, even if those benefiting do not meet the requirement of the position. This will lead to the appointment of non-qualified employees. It can be inferred that *wasta* impacts negatively on organizational culture through prioritizing certain individuals instead of the organization.

6.4.1.2 Appointment of Non-qualified Staff

As this research highlights, the use of *wasta* is common in relation to recruitment, promotion and training. The result of using *wasta* in this field can contribute to the appointment of individuals who lack the skills, qualifications or experience for the requirements of the position. As discussed previously, the use of exceptions by top management contributes to this outcome. Interviewee A2 states that:

> *"Employees who have relations with the Board of Directors or Top Management get a managerial position in a few years even if they have poor skills and*

qualifications, while other competent and experienced employees are marginalized because they do not agree with the direction of the company, wasta, and favouritism".

This quote shows that the influence of *wasta* on Board of Directors or Top Management can contribute to the recruitment of employees with poor skills and qualifications. The Board or Top Management will support these employees for promotion to high positions even if they are not qualified. It also appears that those who have connections with the Board of Directors or Top Management have a better chance to obtain high position rather than those who are suitably qualified.

Similarly, B8 argues that *wasta* deprives competent employees of the opportunity to reach high positions in an organization:

"The prevailing wasta and favouritism led to recruiting incompetent staff in effective administrative posts in the company at the expense of other competent employees who were marginalized".

More specifically, B 11 states:

"In our company to be promoted to a manager position you need connections before competence. There are over five cases in the company where employees were promoted to high executive positions in the company, while they were not eligible for the position in terms of merit and competence".

This evidence implies that *wasta*, in many cases, places the wrong person in the wrong job. It also shows that *wasta* with Board of Directors or top management can result in individuals achieving managerial positions regardless of whether or not they are competent. Thus, merit may not be an important element in gaining appointments and promotions. In turn, this means that employees emphasize the need for *wasta* to gain promotion to a managerial position. In turn, the appointment of non-qualified individuals can create conflict between employees and managers which contributes to the emergence of a sub-culture in the organization based on the tribal or regional or nationality.

In summary, it can be inferred that *wasta* negatively influences the organizational culture through placing the wrong person in the wrong job. Unqualified staff who have connections with Board of Directors or Top Management can gain promotion or jobs.

This connection gives them chance to reach high position rather than who are suitably qualified.

6.4.1.3 Barriers to Growth

In a competitive environment, companies have to grow to be successful. However, *wasta* is a barrier to growth for organizations in Saudi Arabia and can cause poor performance and a loss of investment. This is because, as highlighted in the research, *wasta* results in the appointment non-qualified people and the recruitment of incompetent employees and leaders. A8 provides an example about falling production and performance in his company under the previous management, because the company prioritised individuals from an executive manager's family over the interests of the company. He asserts that:

> *"In the Saudi culture wasta and favouritism of relatives and friends are common in creating secondary cultures in the company based on regionalism, tribalism, or friendships that are associated with mutual interests. It tends to see the preference of individuals based on family, tribal, or friendship affiliations rather than competence, merit, best interest of work, equity, and justice, creating a sense of injustice in many of the management practices related to human resources especially in promotions and employment. Those who have connections can open all closed doors. These practices compromised the company for a long time as many employees resigned. They cause employee dissatisfaction and employee turnover because the work climate is not healthy. Accordingly, the company's performance dropped in the past years before corrective actions was effected".*

This statement describes how *wasta* creates secondary cultures in the company through recruitment and promotion based on regionalism, tribalism, or friendship. In most cases, this goes against the best interests of the organization, especially when the use of emotion leads to the appointment of non-qualified, incompetent employees and leaders. It leads to tensions between the interests of the organization and top managers which impacts negatively on the performance of the company.

B1 who works manager provides an example about the impact of *wasta* on company performance:

> *"The prevailing wasta and favouritism led to recruiting incompetent staff in effective administrative posts in the company at the expense of other more*

competent individuals who were marginalized. ... It causes a loss of investment opportunities due to the incompetency demonstrated by some people".

This comment highlights the impact of *wasta* on the performance of company and the lost investment opportunities which meant that the organizations could not expand.

6.4.2 Undermining of Laws and Regulations

Wasta in most case works to bypass or undermine the regulations and roles through the influence of the middleman. Thus, 15 participants out 30 argued that *wasta* is usually used to break laws or regulations. In this context, A10 who is manager mentions:

"Wasta contributes to breaking the laws and regulations [in order] to grant individuals unlawful rights, or facilitate procedures for a certain individual".

From above quote, it can be concluded that *wasta* results in the breaking of laws and regulations to grant individuals undeserved rights, such as access to jobs, promotions and financial benefits. Without breaking the laws and regulations, all individuals would have the same chances of being promoted or gaining a job, and those are qualified will have the opportunity to obtain high positions. It can be argued that the success of *wasta* is based on the power of middleman who is able break the laws and regulations. Without breaking laws and regulations *wasta* cannot work.

On a similar note, B9 argues that the breaking of the regulations and laws by using the influence and power of individuals, and social connections facilitates the awarding of financial or employment benefits to individuals who do not deserve them:

"Wasta is the using of influence, power, and social connections to influence decision-makers in order to facilitate the awarding of financial or employment benefits to individuals who do not deserve them, and breaking the regulations, laws, and procedures imposed by the general policies of the government or private sector".

This comment reveals that the breaking the laws and regulations is a necessary condition for granting undeserved advantages. Thus, the *waseet* uses *wasta* works to undermine the regulations and procedures.

Therefore, A2 asserts the use of *wasta* creates disrespect for regulations which in turn undermines their power and credibility, a loss of respect for law and order, and a lack of

loyalty. This is because *wasta* cannot work within the rigour of laws or regulations, but instead tries to exploit weaknesses and gaps in these policies in order to benefit individuals at the expense of the interests of the organization.

6.4.3 Employees Involved in the Decision-Making Process

Wasta is one of the main challenges facing decision-makers in an organization, because of the potential impact of the power of the middleman. This power means that decision-makers take decisions against the interests of organization. Therefore, decision-making suffers from a lack of professionalism and transparency. B2, who is a manager, reports that:

> *"Some decisions are affected by wasta and connections in favour of some individuals in the company".*

This comment confirms that decisions lack professionalism and *wasta* plays important role in the formulation of decisions. This means that the decisions are not always taken in the interest of the organization, especially when the interest of organization conflicts with the interest of *wasta* or *waseet*. It can be argued that the decision lacks fairness, due to the role of *wasta* in favour of certain individuals

This point was confirmed by A1 who adds that although decisions have tended to become more professionalism in two aspects, dynamism and speed, they still suffer from bias and lack of transparency when related to the interests of certain individuals. These interests include access to jobs, and gaining promotion and other benefits.

> *"Decisions have become more dynamic and rapid but they still lack transparency especially the decisions related to individuals".*

The lack of professionalism and transparency is not surprising because Arab culture attempts to grant special advantages to the member of tribe or family. Therefore, the middleman impacts on the decision-making process in order obtain decisions consistent with the interests of their client even if the decisions are against the interests of organization.

Another highlighted how decision making in the company is subject to two influences:

"Decision-making in the company is dominated and influenced by of decision-makers and whether such decision is in line with his directions or not. [Second], decisions may be delayed, cancelled, or replaced, although it is important to the company because this decision is against the directions of influential individuals in the company" (A5).

This statement exemplifies that decision-making is in the remit of decision-makers, but is subject to change if the decision conflicts with the wishes of the managers, even if the original decision is in the interest of the organization. This means that the decision is subject to filtering before it is promulgated in order to assess if it is consistent with the wishes of the top management. It can be inferred that decision-making in Saudi organization is controlled by desire of top management before the interests of the organization.

As a result, the influence of those engaged in the decision–making process in general is still weak. Twenty-one interviewees argue that decision-making is controlled by the top management, while respondents B9, B10, B11, B12 and A10 indicate that central strategic decisions are made by senior management in consultation with the board of directors and the involved of employees in the decision- making weak.

This reveals that the role in decision-making is limit that consist with employee answer regarding the involve in decision-making, most of the replay that employee engagement level in decision making varies from an employee to another according to the nature of work, but it is rare or very poor in most departments.

Overall, these practices have impacted on the values of organizations and employees such an equal and justice principle between the employees and negatively impact on the decision- making procedure in organization, that will impact on the values, attitudes, beliefs, rituals, norms, expectations, and assumptions of the people that govern daily behaviour in the workplace.

These practices of *wasta* impact negatively on organizational culture in Saudi's organizations culture by two ways: firstly: it gives on giving priority to friendships and personal considerations rather than the interest of companies. Secondly, it influences on the justice and fair between employees that might be generated negative impact on employee, organization, societies, laws and regulations which reflect on organizations, because it creates disrespect of regulations, lack of credibility in the law and an

appointment nonprofessional people and compliment of people, disable the values of the organization. These practices, thus, creates barrier for growth of organizations.

6.5 Discussion

This chapter considers the finding of data in order to gain a more nuanced understanding of organizational culture in Saudi Arabia focusing on the role of *wasta*. This study sought to discover how *wasta* affects organizational culture and human resources. In order to achieve the purpose of research, this chapter answers two questions:

RQ 4. How does *wasta* impact upon human resource policies and practices in Saudi Arabian organizations?

RQ 5. How does *wasta* influence the organizational culture in Saudi Arabian companies?

The findings are summarized in following points in preparation for discussion in detail in separate sections:

1*: Wasta* is the most important factor in becoming a manager, even if the individual has the relevant competencies, skills and experience.

2*: Wasta* negatively impacts on human resource procedures by undermining policies though bias of implementation, intervention, and ambiguity in policies. These types are not mutually exclusive, can be used simultaneously and contain a degree of overlap.

3: The findings of this study show that the practice of *wasta* in Saudi Arabia is still characterized by high power distance, collectivism, and uncertainty avoidance following Hofstede's model (1984) despite changes in the business environment in favour of globalization and modernization. In addition, the use of *wasta* impacts negatively on organizational culture and decision-making by giving priority to certain individuals who have access to *wasta* over the interests of the company.

6.5.1 The impact of *Wasta* on Human Resource Management Procedures

Most studies addressing the topic of *wasta* conclude that personal skills and professional success are not the primary factor in deciding who gains a job in the Arab

world, including Saudi Arabia. *Wasta* is significantly more important and it distorts access to jobs and promotions (Dobie *et al.* (2002); Kilani and Sakijha (2002); Metcalfe (2006)), especially when it is not available to all candidates (Whiteoak *et al.*, 2006). For example, studies set in Jordan, Oman and the UAE highlight that *wasta* is an important factor in obtaining employment or promoting one's career, especially among young people (Dobie *et al.*, 2002; Kilani and Sakijha, 2002; Whiteoak *et al.*, 2006). Similarly, Finlay *et al.* (2013) suggest that *wasta* leads to the appointment and promotion of individuals to elevated positions that are not commensurate with their abilities, education levels or their experience.

Metcalfe (2006) also argues that informal individual relations and family networks determine which individuals are eligible for training and development opportunities, as well as several other benefits of management. He also highlights a further impact of *wasta* when arguing that human resource management systems in the Middle East are "premised on high trust relationships, and the execution of functional-oriented HRM [human resource management] practice is based on personal contacts and connections rather than formal procedures" (Metcalfe, 2007: p. 67). In other words, the personalized rather than the procedural nature plays a vital role in human resource management dynamics (Metcalfe, 2007). However, those studies focus on the outcome and the impact of the practice of *wasta*, without addressing the process or procedure of *wasta* or how *wasta* contributes to the appointment and promotion of employees. This is the key contribution of this study. The current study focuses on the impact of *wasta* on the internal procedures of appointment and promotion. This study addresses the 'how' of the impact of *wasta* on the decision-making in relation to gaining jobs and promotions. Furthermore, this study reveals how the manager or middleman uses *wasta* to influence promotion and training procedures by explaining how *wasta* intervenes in the implementation of policies and regulations.

In relation to the impact of *wasta* on human resource policies and practices in Saudi Arabian organizations, the results of the study show that *wasta* is not only associated with a specific phase in the process of recruitment and selection but can be used in all phases of an individual's career. It can be extended to the next steps in career development. *Wasta* is more common in recruitment than other human resource

procedures according to the participants because of the increase in competition for jobs due to the rise in unemployment rates (official statistics point out the average of employment around 12%) and the level of convergence of qualifications among candidates for jobs. In line with Aldossari and Robertson (2016) and Fawzi and Almarshed (2013), they emphasize that *wasta* plays an important role in recruitment in Saudi Arabia and those who have the strongest *wasta* are selected for the job regardless of their skills, experience and qualifications   In addition, it confirms the argument of Aldossari and Robertson (2016) about the lack of explicit criteria for deciding on promotion and second the prevalence of informal practices in the selection of employees for jobs and promotion..

In addition, the use of *wasta* in recruitment appears to be related to a Saudi culture that places greater importance on the type of work, sector of employment, and social interactions. According to Mellahi (2000), the social status of the worker and his family plays a significant role in determining the type of job and organization that the worker seeks. This has contributed to the rise in the use of *wasta* in employment and promotion. This makes youngsters who leave school early or do not complete university studies reluctant to accept work in certain jobs such as a salesman because they do not consider these jobs to befit their social status (Baxter, 1998). However, these beliefs are no longer as strong as they once were although they have yet to completely disappear.

Therefore, ethically, Saudis do not mind using *wasta* at present or in the future in order to recruit, promote, obtain a better position or even financial benefits. Participants are also happy to use it in line with their competence, even if it does harm to other employees. This is because people in Arab culture including Saudi Arabia believe that personal skills and professional success are not the primary factors in recruitment or promotion. Personal connections are considered to be more important, and so *wasta* distorts access to a job or promotions as Dobie *et al.* (2002); Kilani and Sakijha (2002); Metcalfe (2006); and Whiteoak *et al.* (2006) explain.

In order to achieve the target by means of *wasta*, the middleman works to overcome human resource policies in general, and recruitment and promotion polices and regulation to favour a certain candidate belonging to their family or tribe or among their

close associates in order to recruit and promote their relevant. Therefore, he resorts to circumventing policies through bias of implementation, intervention, or ambiguity in policies. These types of intervention are not mutually exclusive and can be used simultaneously. Furthermore, there is a degree of overlap between them. For example, intervention in changing standards can lead to a bias of implementation, especially with non-adherence to the standards. This practice impacts on the procedures and creates benefits for certain employees, but it negatively affects other individuals, the organization, laws, and society as a whole.

The results of the study show that bias in implementation impacts negatively on the promotion process and procedures through three types of practices. First, selective implementation occurs when the promotion or training procedures, and policies are only adopted for employees who have no access to *wasta* by influential individuals in the company. Second, other employees are treated with favouritism because they have friendship or kinship relations with influential individuals within or external to the company. While, non-adherence to standards refers to companies that do not follow the regulations and policies, which are then ineffective, and result in the failure to treat all employees equally. That is in total contrast to fair principles and values of justice. Third, expectation is a type of bias in implementation, which refers to exempting individuals from certain requirements to access a job or obtain promotion. As result of this, individuals were promoted despite the failure of the promotion committee did not recommend them. Some employees were promoted over one level within one year despite the promotion regulations clearly stating that an employee has to spend at least two years at each job level before being promoted. Such practices cannot occur in normal conditions, because the policies and regulations do not permit them and, therefore, it may be classified as corruption. Therefore, human resource management seeks to create excuses or justifications for the exemption of the individual from promotions or training conditions in order to meet the request of middleman or decision-maker such as the lack of alternative candidates. It should be noted that bias of implementation is one of the more common style of *wasta* practices in Saudi organizations and it depends on temporarily and selectively disabling policies, which are then reapplied once the current procedure is completed. Therefore, organizations

tend towards the use of secrecy and opacity, including the failure to announce the results of test of the candidates in order to avoid provoking complaints and grievance issues.

In terms of intervention, the middleman can intervene in the evaluation scoring, including the annual performance evaluation, and may even change the weights of the standard scores. It usually happens by stealth just prior to the decision in order to promote a particular candidate. This is because promotion in most organizations in Saudi Arabia relies on a points system in order to differentiate between the candidates. Another type of intervention is changing standards which involves a temporary change before the policy or regulation reverts to the original, as well as intervening in the decisions of the committees. The middleman uses pressure on the committees to select a specific individual. In some cases, the committees respond to the pressure in order to avoid any potential harm that might occur if they do not meet the request of the *waseet*, especially if he has influence or power in the company. Another example is that the middleman promises to help members of the committee in the future in return for their acceding to his request for assistance. Finally, intervention in filling a job vacancy may use one of two paths. First, with good connection in the company, the *waseet* has access to information about the best jobs available and the current or future financial benefits. He can pass this information on to favoured individuals. Second, the middleman can use his relationship with those inside the company to secure a job or promotion for his client.

The impact of *wasta* on the human resource practices can be summarized by Figure 6.1 which shows how the middleman impacts on human resource practices in favour of his client.
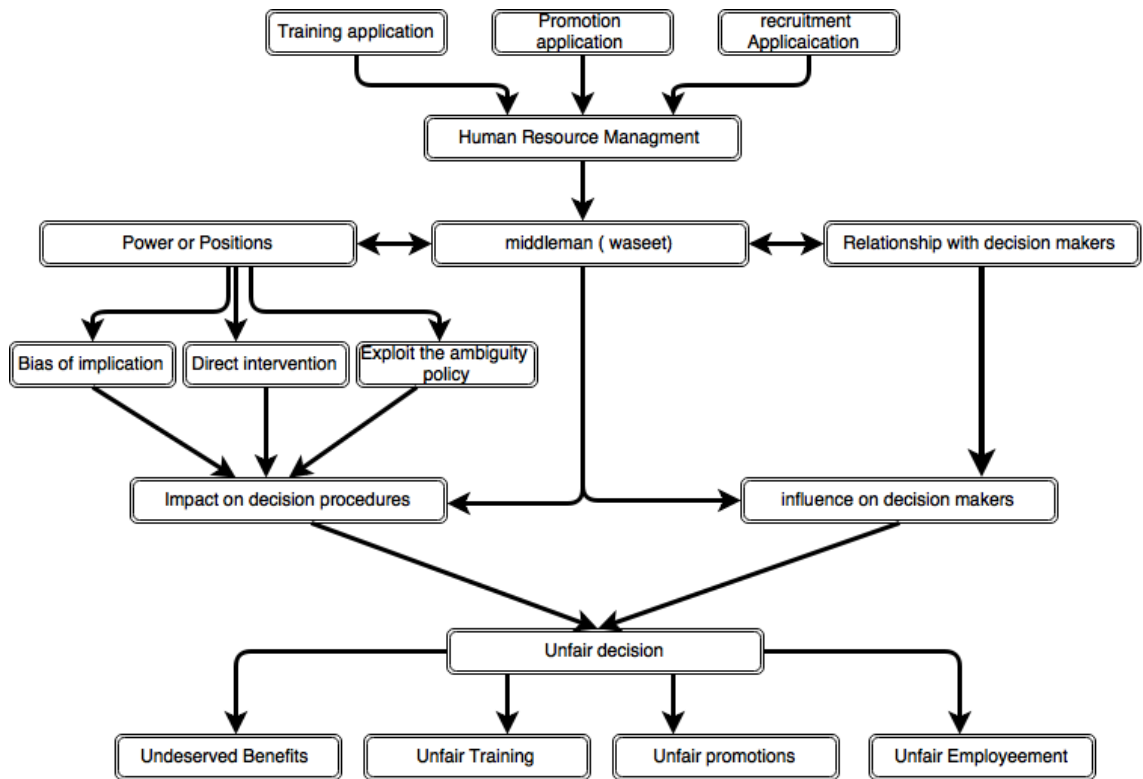
Figure 6-1: the impact of *wasta* on human resource practices

As can be seen of the diagram the middleman usually intervenes after submitting the application to human resource department and it continues until decision making.

Such practices also have an impact on the hiring (recruitment) procedures, thereby contributing to a sham formal procedure for hiring individuals by following a formal method and requiring candidates to undergo tests and interviews even though the decision is already a foregone conclusion in favour of a specific candidate. This behaviour is common in *wasta* practice as a way to deceive and mislead by giving the impression that all recruitment and promotion procedures are in accordance with official regulations. Eventually, there is the influence on the decision-making process to exempt employees or candidates from some requirements, helping them to get fast promotion or training even though they do not meet the conditions of the job or course training. These cannot occur without wasta, because it plays a critical role in formulating and making decisions in Arab life (Cunningham and Sarayrah, 1993; Ahmed, 1999). Such shift in priorities has resulted in recruitment and promotion of nonprofessional people, which could become a barrier to company growth. In this regard, it might contribute to

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undermining the role of HRM by putting the wrong individual in the wrong place, which contrasts with the target of recruitment procedure of putting the right person in the right place (Knowles *et al.*, 2002).

Wasta, in general, impacts negatively on human resource practices by circumventing policies and appointment regulations and thus to destroy the values of justice for candidates by giving the chance for promotion to certain unqualified staff while the main purpose of the laws and policies of human resources is to give all candidates equal opportunities, and to treat them equally without any discrimination. Such practices confirm and support study of Metcalfe (2006); he argues that informal individual relations and family networks determine which individuals gain access to training and development opportunities. He also highlights a further impact of *wasta* when arguing that human resource management (HRM) systems in the Middle East are "premised on high trust relationships, and the execution of functional-oriented HRM practice is based on personal contacts and connections rather than formal procedures" (Metcalfe, 2007: P. 67).

Such styles or types of *wasta* practices could be one of several reasons explain why Arab executives (manager or leadership) do not prefer delegation of authority and tend to centralization style as Ali and Swiercz (1985) mention in their study about managerial decision styles in Saudi Arabia. Such centralization might be allowed to them to except and provide special advantages to member of their family.

Importantly, many studies might be explained the prevalence of using *wasta* to impact on human resource management Such as Ali and Swiercz (1985) and Agnaia (1997), they argue that there are several factors, unrelated to performance and merit, which have a big impact **o**n management procedures in Arab societies and determine recruitment, promotions and salaries such as personal connection and manoeuvre, nepotism and sectarian and ideological affiliation. Additionally, Ali and Al-Shakis (1985) mention that   "the tribalistic, conformist, and sociocentric values, which compose the outer-directed category are the relatively dominant values (56%) for Saudi managers, that lead Saudi managers tend to priorities their informal networks (such as friends, family or tribal members) and personal considerations over the interest of the

organization (Nimir and Palmer, 1982; Asaf, 1983; Al-Hegelan and Palmer, 1985). As well as Al-Aiban and Pearce (1993) analysed the influence of values on management practices in Saudi Arabia and the United States and conclude that systems within the framework of traditional and personalized authority structures that are often found in the Arab world in general and Saudi Arabia in particular rely on personal factors, such as someone's family position, affiliations, and connections (i.e. *wasta*), rather than on skills and merit.

However, the finding of this research is not surprising, because these styles or types of *wasta* (bias of implementation, intervention, and changing policies) related to negative social and cultural perceptions and attitudes and occur in all level or phases of human resource practices, and it clearly practices in recruitment and promotion. As a result of this practices, the human resource policy is inactive and lack its effectiveness, thus, the policies become biased and does not insure the equality between the employees and organize the administration procedures. This cannot occur by right ways with *wasta*, because it works to change the facts and give priority of individuals rather than interest of company and disable the principle of merit and competence. Therefore, individuals who might not be merit or competent and undeserved these privileges will access jobs or obtain promotion based on his family's name or connection with influence individuals. This might support by Cunningham and Sarayrah (1994), who state "the use of *wasta* fosters the progress of an individual or a group of people who have reached their positions through befriending influential people a hindrance for those who struggle to get things done by the rules" (p. 135), as well as might "deprive organizations of the ability to hire the desired competencies and talents" (Fawzi and Almarshed, 2013: p. 27).As a result of these practice of *wasta* some Saudi organizations, such as banks tend to change the method of recruitment of staff to coadunation with universities directly to recruit the best graduates (Fawzi and Almarshed, 2013). Because they" realized the reliance on informal networks means that information on the most suitable jobs and the most suitable candidates is unreliable and creates extra inefficiencies for employment creation".

However, Saudi Newspaper published some reports about the negatives that could be support the finding of this study. For example, the Sebaq electronic newspaper recently

published a report on the role of *wasta* in the recruitment of individuals into the centennial fund, reporting high salaries, bonuses and privileges that are not commensurate with their qualifications. The newspaper added that most of them have ties and links about ratios with influential people within the Fund, some advisers and staff do not attend to the Fund only a few and limited times, some of them exceed the total monthly salary with bonuses 200 thousand Riyal Saudi (Sabeq newspaper, 2015). It can be concluded of this report what *wasta* plays role in changing the priorities of the companies from interest of companies to individual's priority.

In return to the impact of religion in cultural and management practices, it should be argued, in *wasta* case, family, tribal and cultural structure are more impact of religion. For example, Saud's individual described as committed to a religious community. However, they practice *wasta* although they know *wasta* practice totally dose not accordance with the principles and teachings of Islam. This is consist with Hofstede (1991) idea about the impact of religion in culture. He argues that religion impacts in culture is less than assumed, and it is contrast with study of Tayeb (1997), which concluded that Islam plays a significant part in the cultural make-up of nations as it shapes the material and spiritual spheres in life. As well as it is contrary with Humphreys (1996) idea that emphasizes that religion is an essential element in the formulation and the formation of cultural perception.

In addition, managers in Saudi Arabia prefer to appoint the member of a family, because they shared values, orientations, norms of behaviour and customs of employees with him and they state that the individuals of my family or tribe understand me well and help my success due to social factors (Tayeb, 1995).

From above, *wasta* is centred on giving priority to friendships and personal considerations and its impact on human resource practices, especially in recruitment and promotion through three ways. Firstly, bias of implementation (selective implementation, non-adherence to standards, and expectation), Secondly, intervention that including (intervention in evolution scoring, in intervention in changing standards, intervention in choosing job, and intervention in committee working), and finally, change HR policies by exploitation ambiguity policy and lack transparency. Thus, it

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would be argued that these practices reduced the trustworthy in human resource decision, and it might be impacted on the trust in all management decision. This is because HRM decisions that made based on *wasta*, in most case, raises concerns about conflicts of interest, between interests of companies such profitably, achieved high level of performance and growth and own self-interest or the interest of those with whom they have *wasta* although they lack of skills and merit. Moreover, HRM decisions made based on *wasta* create a negative impact on other employees when they will feel that these decisions propitiate some employees.

In this sense, *wasta* might be slipped or open the gateway to corruption, because it works on break laws and regulations that contrary to against the justice principles of justice to provide privileging benefits for individuals and priority of individual rather than companies' interest. Such benefits, in most case, are undeserved. That might be one of several reasons explain why Arab executives (manager or leadership) do not prefer delegation of authority and tend to centralization style as Ali and Swiercz (1985) mention their study About managerial decision styles in Saudi Arabia. Such centralization might be allowed to them to except and provide special advantages to member of their family. This is because they believe social networks built on family networks are a significant force in all aspects of decision-making and thus play a very important role in the career advancement of individuals (Metcalfe, 2006), as well as Tlaiss and Kauser (2011) confirm that and they state that: "It appears that *wasta* in the workplace is one of the most important factors affecting the recruitment and career success of individuals" (p. 474).

Those citizens who are not able to change by gaining relevant qualifications and skills, and who lack connections or *wasta* are not able to get attractive jobs so have to accept what was previously unacceptable – such as checkout jobs in Saudi supermarkets or low level clerical jobs (Harry, 2007). For example, Saudi banks avoid using newspapers for job advertisements and tend to coordinate with universities to recruit the best graduates (Fawzi and Almarshed, 2013).

6.5.2 The impact of *Wasta* on Organizational Culture

Wasta can be considered to be a manifestation of Arab culture, because of its widespread use and acceptance. Studies conclude that national culture is distinguish by the fact that is shared by the whole society, and is therefore more general than organizational culture, which may be one of the outputs of national culture. Studies also argue organizational culture is essentially impacted by the national culture under which the association is found or located (Adler, 1997; Tata and Prasad, 1998; Lindholm, 1999; Dastmalchian *et al.*, 2000). Thus, organizations cannot be separated from the surrounding national culture, which may lead or contribute to different organizational behaviour in different countries (Adler, 1997). As Rafaeli and Worline (2000) explain, this is because employees come to organizations with the values and attitudes of the societies in which they grew up.

In Arab countries, culture of organizations and management practices, whether in public or private sector, is influenced by tribal values, religious principles and an authoritarian administrative system (Mohammed et al., 2008; Rees and Althakhri, 2008). In Saudi Arabia, Al-Wardi (1951) argues that the Islamic and kinship environment has a significant influence on Saudi's values, which contribute to reinforcing the rules, authority, and hierarchy of the family. These values were transferred from Saudi Arab culture to the organizations operating in the country and spill over into workplace practice. The role these elements play is clearly noted by Hofstede (1984). He found that the Arab countries have high score in power distance, uncertainty avoidance, and masculinity, while they have a low score in individualism. Later studies that use Hofstede's dimensions, such as At-Twaijri and Al-Muhaiza (1996), confirm his findings on Arab culture. However, Bjerke and Al-Meer (1993), who analyse the effect of Saudi culture on management in the country, are not in agreement with Hofstede's findings in certain dimensions. They conclude that "Saudi managers score considerably higher on power distance and uncertainty avoidance but considerably lower on individualism and relatively lower on masculinity" (p. 35).

The findings show implicitly at least that *wasta* reinforces inequality in the power between managers and employees. In addition, its use encourages employee loyalty to

the decision-maker instead of the organization, which impacts on the employees' behaviour, values and attitude in workplace. Furthermore, because of the high power distance Saudi managers make decisions autocratically and paternalistically to subordinates who are characterized as having "strong dependence needs" (Bhuian, 1998). *Wasta*, based on the finding of the current study, operates using the high power distance so that decisions are made in favour of the managers' family and friends. In addition, *wasta* is usually practised within the top management in an organization. Thus, the power and authority of these decision-makers allow to them practice *wasta* without objections from employees, who are afraid to disagree with managers, even when the decision is in the best interest of organizations. This research supports other studies which indicate that power and authority in Arab society exert a strong influence on the relationship between managers and employees (Branine and Pollard, 2010).

In addition, in this research, *wasta* practice is found to impact on the collectivism dimension. It does so through favouritism towards family members (in-group) rather than non-family members (out-group). This is in the line with Mellahi (2006), who argues that the relationship between the manager-employee in group are characterized by protection and cohesiveness. The in-group's wishes are prioritised over the out-group. In this sense, the high power distance and collectivism (a low degree in individualism) in Saudi culture might explain the spread of *wasta,* because power distance is related to the respect that individuals show to social status or the authority of a position. This provides decision-makers in organisations with more chances to use this power. In addition, the power of the middleman impacts on the outcome of *wasta.* Furthermore, the low degree of individualism contributes to reinforcing the rules, authority, and hierarchy of the family. This is used in the context of *wasta* to benefit family members and friends.

Moreover, *wasta*, according to how it is practised in the workplace, is used to avoid dealing with potentially unreliable individuals including those with relatives or have relationships with managers. This is in the line with Velez-Calle *et al.* (2015), who argue that uncertainty avoidance has an impact on the decision whether to make a deal, and so it makes managers prefer to deal with their own relatives, close friends or acquaintances rather than with strangers. And the reason is that it might avoid the risk

of conflict with other employees they might not agree with in terms of ideas or style of management. In other words, when managers recruit members of their own families, tribes or circles, they usually ensure their loyalty and willingness to stay for a long time in the organization. This means that managers avoid uncertain situations by reducing the level of staff turnover, which reflects positively on career stability in their originations. This confirms previous findings which suggest that recruiting people from a known family contributes to reducing employee turnover, not to mention the level of ease when it comes to correcting the undesirable behaviours of a family member within the organization (Hofstede *et al.*, 2010; Swailes and Al Fahdi, 2011).

This might explain the spread of *wasta* practice in the workplace, which only encourages managers to use *wasta* and their power to recruit members of their family, tribe or region. Moreover, uncertainty avoidance is related to the issue of trust, and in Arab culture, they place a lot of trust in the members of their own family, tribe or region, and so they may be justified in thinking that only members of their own families and tribes can understand them. Furthermore, *wasta* is used in business negotiations to reduce uncertainty toward the result of these negotiations. Therefore, Arab managers and businesses (including Saudis) often seek to build strong working relationships with potential business partners as a basic step to building trust and respect for each other, after which they can then exploit it during formal negotiations (Khakhar and Rammal, 2013). In addition, Hutchings and Weir (2006b) concur, arguing that strong *wasta* connections and the associated social network can play a vital role in winning for a particular company or organization a business deal, especially when there are several competing companies. These confirm the use of *wasta* as a way to reducing uncertainty in all aspect of business.

In relation to its impact on the values and attitudes in the workplace, *wasta* impacts negatively on organizational culture in Saudi Arabia in two ways. First, its practice gives priority to friendships and personal considerations over the interest of companies by managers using the power distance dimension in recruiting and promoting their relatives who maybe not be qualified for the job, which, in turn, impacts negatively on the performance of the organization. This contrasts with the aims of the organization practice of *wasta* is negative and harmful for organizations, because it contributes to

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reduction of workplace diversity (Albdour and Altarawneh, 2012), an "inability to perform the job by candidates recruited through *wasta*" (Makhoul and Harrison, 2004: p. 25), difficulties in attracting and retaining suitably qualified employees who have no family connections within the organization, and mixing family issues with those of business (Abdalla *et al.*, 1998).

Second, Tlaiss and Kauser (2011) and Kilani and Sakijha (2002) conclude that *wasta* impacts on the Islamic principles and ethics in the work place. They argue that the practice of *wasta* is a variety of nepotism and cronyism which is contrary to justice, equity and fairness of Islamic principles; thus, is deemed to be unfair. The finding of this study confirm that *wasta* undermines the Islamic principles of justice and equity for employees, because the power distance is exploited by managers to serve their family, tribe and friends. In addition, the practice is contradictory with *shafa'ah,* which is consistent with Islamic principles and helps individuals access their rights without, and this is very important, harming others. Thus, this research extends our knowledge in relation to how *wasta* and authoritarian power relations overshadow the Islamic principles (Branine and Pollard, 2010; Al Harbi *et al.*, 2016).

Furthermore, the negative influence on Islamic ethics impacts negatively on employees' behaviours and their interactions, and the growth and performance of organizations. Therefore, it creates a negative impact on employees, organizations, society, laws and regulations. This is because its use fosters disrespect for regulations, a lack of credibility in the law and the appointment unqualified individuals and which undermines the values of the organization. Thus, the practice of *wasta* creates a barrier for the growth of organizations.

These findings are also consistent with Adler (1997); Tata and Prasad (1998); Lindholm (1999); Dastmalchian *et al.* (2000) who suggest that organizational culture is significantly influenced by the national culture in which the organization is located. This means that general cultural values and norms play a significant role in the formulation of management structures and behaviour (Ali and Twomey, 1987). This occurs because of the influence of individuals' values on the organization's behaviour, including shifts in public priorities for individuals and the subsequent impact on

decision-making and strategy (Guth and Tagiuri, 1965). In this context, values and social attitudes to management and work in Saudi Arabia are very different from those found in the rest of the [non-Arab] world (Mellahi and Wood, 2013).

The impact of *wasta* on organizational culture is summarized in Figure 6.2, which shows how *wasta* practices change the priority of managers by focusing on individuals instead of the organization as a whole, thereby leading to unfair practices in the workplace.
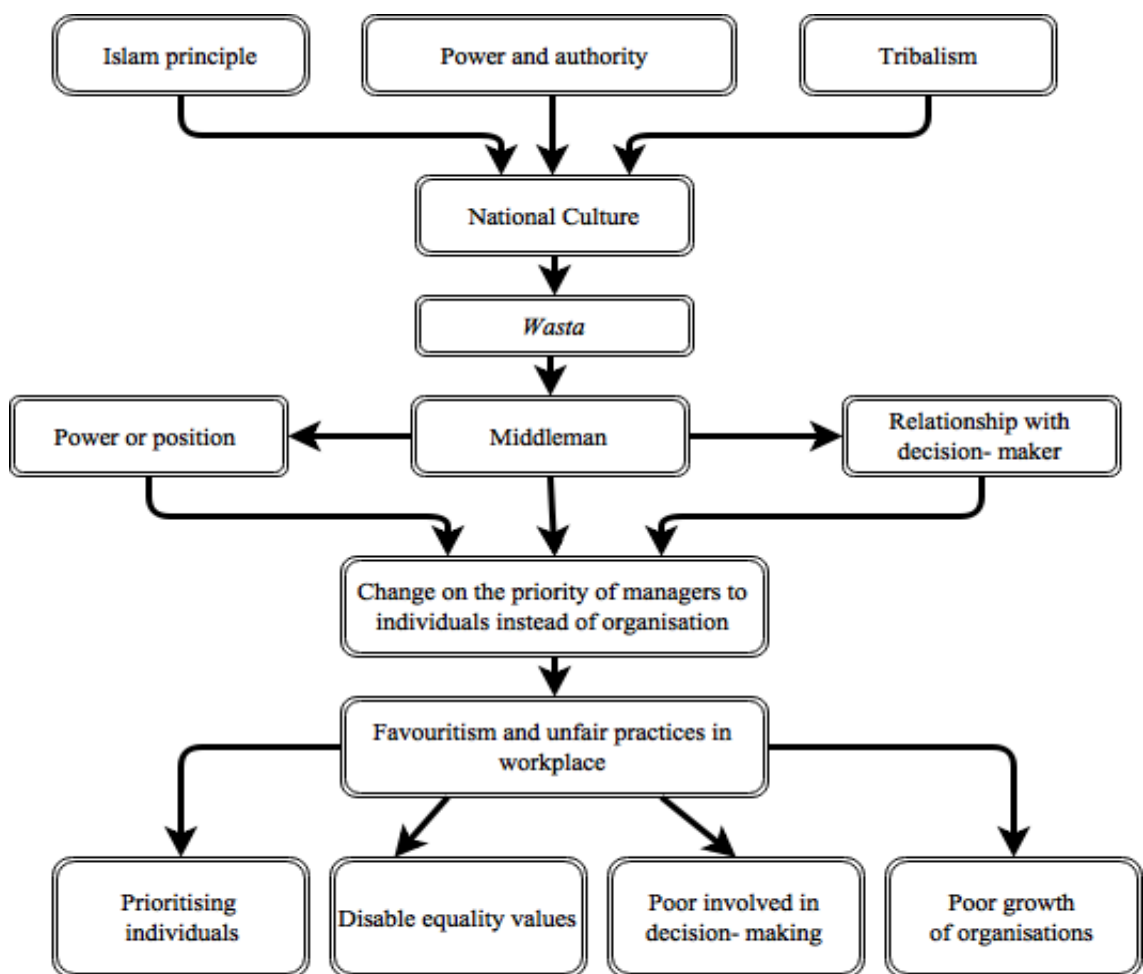

Figure 6-2: the impact of *wasta* on organizational culture

In summary, *wasta* practice and its outcomes confirm the high scores in the power distance and collectivism dimensions of Hofstede's (1984) model. Thus, it can be

argued that culture of organizations in Saudi Arabia are still characterized by high levels of authority and power which employ decision-makers in favour of their relatives instead of for the interest of their organizations. In addition, wasta operates inside organizations through power distance and collectivism. It impacts on organizational culture in Saudi organizations in two ways. First, it gives priority to friendships and personal considerations rather than to the interest of companies. Second, it undermines the principles of justice and equality between employees. Therefore, it impacts negatively on employees, organizations, society, laws and regulations in a manner that creates disrespect for regulations, a lack of credibility in the law and the appointment of unqualified individuals, undermining the values of the organization. These practices, thus, create barriers for the growth of organizations.

6.6   Conclusion

The findings, as mention above, shows that *wasta* is a crucial factor in attaining a managerial position regardless of the individual's competence and merit. Thus, *wasta* can determine which employees get ahead regardless of their skills, qualifications and experience. In other words, personal connections are of primary importance in attaining a high position in the organizations studied.

In terms of the impact of *wasta* on the human resource procedures and practices, the results from the interviews show that the bias of implementation is one of the methods used by *wasta* to impact on decision-making in the human resource department in general, and on promotions and trainings in particular. The bias of implementation occurs as a result of the influence of the *waseet* on the decision-makers in order to achieve the desires of the beneficiary. It contributes to circumventing policies, partly or temporarily, in favour of certain individuals. The bias of implementation includes selective implementation, non-adherence to standards, and the use of exceptions by top management.

In terms of selective implementation, this contributes to the overriding of human resource policies by treating employees with *wasta* with favouritism, while those who do not have access to *wasta* are subject to all the relevant standards. Furthermore, *wasta*

practices contribute to the non-adherence to standards for promotion or training in favour of certain employees who have connections in two ways: changing the standards as necessary when the policies are flexible; or by looking for exceptions to the standards. Thus, companies do not always follow the regulations and policies, which are then rendered ineffective and result in the failure to treat all employees equally. In addition, the use of *wasta* impacts on human resource practices by using exceptions for certain employees from some of the requirements and standards necessary for promotion and training. This exception is usually used when the candidate does not meet the job requirements and can be used in any of the stages of gaining employment, promotion or access to training.

It should be noted that there is a degree of overlap between all the practices of selective implementation, non-adherence to standards, and the use of exceptions. The impact can be interrelated; for example, the use of exception can lead to non-adherence to standards and selective implementation.

The findings from the interviews also show that *wasta* impacts on decision-making in the human resource department through the use of intervention. This includes intervention of the middleman in annual performance evaluation, intervention in changing standards, intervention in the job market, and intervention in committees.

In term of intervention in the annual evaluation scoring, this usually happens by stealth just prior to the decision being made to promote a particular candidate. Intervention to temporarily change policies or regulations ensures that a specific employee does not have to comply with the original standards set for the promotion. Thus, *wasta* contributes to unstable policies which suffer from the frequent changes of standards or the scoring of standards in order to favour certain employees. Thus, the changes are not in the best interest of the organization.

Moreover, *wasta* can be used by the *waseet* to acquire information about jobs and their benefits. Then, the middleman can intervene to choose the best job, regardless of the candidate's suitability for the role. Finally, *wasta* is used to influence committees, especially when the *waseet* has powerful links in an organization or has a strong

relationship with the top management. In general, intervention by the middleman can be used to influence decision-making in the human resource department in relation to access to jobs, promotions and training.

The interviews also highlighted another practice associated with *wasta*, that of exploiting ambiguous regulation and policies. W*asta* plays a significant role in changing regulations related to promotions. These changes are justified by the management in a number of ways. In addition, the policies and procedures are declared openly but the wording is unclear which allows for exploitation by the middleman.

The findings of this study show that the practice of *wasta* in Saudi Arabia is still characterized by high power distance, collectivism, and uncertainty avoidance following Hofstede's model (1984) despite changes in the business environment in favour of globalization and modernization. In addition, the findings assert that *wasta* practices represent the use of power distance in decision making to reward a member of one's family or friends. The findings also show, implicitly at least, that *wasta* expands the gap in the relationship between manager and employees by shifting the employee's loyalty to the manager or decision maker instead of the organization, which in turn is reflected in the employee's behaviour, values and attitudes in the workplace.

These *wasta* practices can impact negatively on organizational culture in Saudi Arabia in two ways. Firstly, it gives priority to friendships and personal considerations rather than the interest of companies. Secondly, it undermines justice and fairness among employees, which has a negative impact on employees, organization, societies, laws and regulations of the organizations. In other words, *wasta* creates disrespect for regulations, lack of trust in the law through the appointment of unqualified people, thereby disabling the values of the organization. These practices, thus, create a barrier for organizational growth because of their negative impact on the values of organizations and even employees. Such practices will generate favouritism and a sub-culture within the organization that is based on the family, tribe or nationality, thereby jeopardizing integration between different ethnicities in the workforce.

<center>**Chapter 7**: **Conclusion**</center>

7.1 Introduction

Wasta is considered to be an embedded form of informal influence in Saudi society and is defined in this research as the intervention of a patron in favour of a client in the Arab world. It is a type of behaviour that is used to attempt to overcome barriers in the public and private sectors in order to obtain privileges and advantages. However, there has been little academic discussion about *wasta* and those studies that do exist do not discuss *wasta* in-depth. Indeed, most studies address *wasta* by focusing on its consequences without looking at how it is practiced, including the role and methods of the *waseet* (middleman). Thus, this research is the first study to examine how the use of *wasta* impacts on organizational culture and human resource practices in Saudi Arabia. It also investigates the various forms of *wasta* and explains the processes by how *wasta* occurs in Saudi organizations. Specifically, this study highlights how a middleman or middlemen use *wasta* to influence promotion, training and development procedures. It does so by explaining how *wasta* is used intervene in the implementation of human resource management policies and regulations.

This research extends two areas in the literature regarding *wasta* studies. First, in Chapter Five, it reveals the forms of *wasta* used by the middleman (*waseet*) and how these impact on the outcome of *wasta*. Second, Chapter Six addresses the gap in the literature regarding the impact of *wasta* on the organizational culture and human resource practices in Saudi Arabia in general, and on promotion specifically. It also highlights how *wasta* is used to intervene in the implementation of human resource management policies and regulations.

This chapter is divided into four sections. The first section outlines the main findings. The second section discusses in-depth the contributions of the study to the literature. The third section highlights the limitations of the study. The final section provides recommendations for further research.

7.2 Summary of the Main Findings

The purpose of this research is to gain a more nuanced understanding of organizational culture in Saudi Arabia by focusing on the role of *wasta*, and to investigate how *wasta* affects organizational culture and human resource management, especially in the areas of recruitment, promotion, training and development.

In this context, the research examines how the *wasta* impacts on the range of human resource management practices in the Saudi Arabian telecom sector. The main question is divided into five sub-questions:

RQ 1. What is the role of *wasta* within Saudi Arabia?

RQ 2. What forms does *wasta* take in Saudi Arabia?

RQ 3. What is the role of the middleman in the outcome of *wasta* of Saudi companies?

RQ 4. How does *wasta* impact human resource policies and practices in Saudi organizations?

RQ 5. How does *wasta* influence the organizational culture of Saudi Arabia companies?

Throughout Chapters 5 and 6, the main questions and sub-questions of this thesis were analysed and discussed. The findings were driven inductively from the data and are summarized in the following points:

The role of *wasta* is very significant in Saudi society and individuals believe that they cannot complete any procedure, formal or informal, routine or complex, without using *wasta*. Therefore, they tend to look for the opportunity to use *wasta* in routine and simple procedures and consider it to be an easy way to complete their procedure without delay. *Wasta* is an inherent part of Saudi culture and practice.

Wasta in Saudi Arabia takes one of two forms. The first method depends on relationships through kinship or friendship. In this method, the process of *wasta* can be divided into two models based on the number of *waseets*: *wasta* can be undertaken by one *waseet* or by multi-*waseet*. The second method is when the beneficiary does not

know anyone who works at the organization and thus looks for assistance by using the family or tribal name (blood connection). The use of either type of *wasta* is driven and controlled by the degree of relationship, and whether or not there is any previous relationship. Moreover, the type of request or service sought or if it relates to the public or private sector does not determine which form of *wasta* is used. Thus, either form can be used in relation to human resource management practices (recruitment, promotion, training, and performance evaluation).

This study discovers that the outcome of *wasta* and its success depends on the power and position of the middleman. Furthermore, the power is generally stronger when the middleman works inside the organization. This is because proximity to the decision-making centre endows the middleman with the opportunity to directly influence decision-making, follow-up procedures and be more familiar with the opportunities, as well as be in a position to exchange interests.

The study shows that *wasta practise* impacts negatively in recruitment, selection, promotion, and training polices and procedure and decision-making of human resource management in Saudi Arabia through undermining policies (in part to reduce their effectiveness) through bias of implementation, intervention in procedures, and taking advantage of ambiguity in policies. It is also found that the *wasta* practice is more commonly used in recruitment than in other human resource procedures (promotion, training, performance appraisal), and its practice is not only associated with a specific phase in the process of recruitment and selection but can be used in all phases of an individual's career. It can even be extended to the next steps in career development. Furthermore, there is no agreement between the participants on whether performance evaluation or promotions is the second most commonly used arena for the use of *wasta*.

The study also finds that practices of *wasta* in Saudi organization assert the power distance dimension in Saudi Arabian organizations. This is due to the practices of top management whose decisions are based around the practice of *wasta* and are accepted by employees/subordinates without objection. In addition, the study shows that the influence of family and tribe is transferred to the workplace and family and relationships take precedence over the interests of organizations, which supports

Hofstede's collectivism dimension. Moreover, the study also finds that practices of *wasta* in Saudi organization assert uncertainty avoidance when managers seek to recruitment their relatives in organization, or selection them to high position on order to avoid risk of conflict form others employees they might be do not agree with his idea. Furthermore, *wasta* practices help to reduce the level staff turnover, especially when the relatives to managers.

In addition, the examination of the influence of *wasta* shows that it had the strongest influence on the values, norms, and attitude of workplace in two areas. First, it gives priority to friendships and personal considerations rather than the interests of companies. Second, it contradicts the Islamic ethics of justice, fairness and equity between employees, which in turn impacts negatively on employees' behaviours and their interactions, and the growth and performance of organizations. Furthermore, it negatively influences laws, regulations and decision making, because it creates disrespect for regulations, a lack of credibility for the regulations and the appointment of non-qualified people, and undermines the values of the organization.

Although the primary focus of the study is on *wasta*, there is another practice, *shafa'ah*, in the Arab world, including Saudi Arabia, which appears to be closely related to *wasta*. This study shows that there is overlap and confusion between *wasta* and *shafa'ah* in use and practices. This research concludes that *shafa'ah* is an intercession to do good, which helps an individual to access their legitimate rights. In addition, the use of *shafa'ah* has been controlled by some conditions in Islamic law which limit or restrict its use. The important condition is that a person must earn intercession (*shafa'ah*) in order to deserve it, such as meeting the requirements. Thus, it is a positive process because it maintains the principles of transparency, fairness and justice.

7.3   The Main Contributions of the Research

The findings from this research contribute to the understanding of how *wasta* impacts on organizational culture and human resource management practices in the Saudi Arabian telecom sector.

In the line with prior studies that used Hofstede's (1984) dimensions to analyse organization culture in Arabic society (At-Twaijri and Al-Muhaiza (1996); Bjerke and Al-Meer (1993); Ali *et al.* (1997); Ali *et al.* (2006); Buda and Elsayed-Elkhouly (1998); Sims (2009) and Gardner *et al.* (2009)), findings from this research confirm the two dimensions—power distance and collectivism—by using a qualitative method. This study asserts that *wasta* practices in organizations highlight the high power distance in decision-making which favours family or tribal members or friends. Furthermore, the research depicts how *wasta* operates by using the power distance and collectivist dimensions. Furthermore, the research supports other studies which indicate that power and authority in Arab society exert a strong influence on the relationship between managers and employees (Branine and Pollard, 2010). The findings show implicitly that *wasta* expands the gap in the relationships between managers and employees, and ensures the loyalty of the employee to the manager or decision-maker rather than the organization. This is reflected in employees accepting without objections the decisions made on the basis of *wasta*, as they are afraid to disagree with managers (Ailon, 2008), even when the decision is against their interests or the interests of the organization.

The practice of w*asta*, in this research, impacts on the collectivist dimension and changes the favouritism to family members or close friends (in group) in the line with Mellahi (2006), who argues that the relationship between the 'manager–employee in group' is characterized by protection and cohesiveness. This group has priority over the 'manager-employee out-group' whose relationship is characterised by achievement and task-related performance targets (Mellahi, 2006).

The findings also contribute to knowledge in terms of the impact of *wasta* on organizational culture. The research highlights how *wasta* practices make the culture of organizations more complex because of its role in creating or reinforcing the conflict between the essential elements—tribe and religion—that shapes organizational culture in Saudi Arabia. The findings show that *wasta* practices had the strongest influence on the values, norms, and attitude of workplace by placing priority on friendships and personal considerations rather than the interest of companies. This is in the line with research by Nimir and Palmer (1982); Asaf (1983); Al-Hegelan and Palmer (1985) and Trompenaars (1993). Furthermore, giving priority to personal networks involves bias in

dealing with employees, which undermines the Islamic ethics of justice, fairness and equity as also found by (Kilani and Sakijha, 2002) and (Tlaiss and Kauser, 2011). Further, it is contradictory with *shafa'ah* which is consistent with Islamic principles and helps individuals to access their rights without, and this is very important, harming others. Thus, the findings extend the research into how *wasta* overshadows Islamic principles (Branine and Pollard, 2010; Al Harbi *et al.*, 2016).

These contributions on the influence of *wasta* on organizational culture help to build a better understanding of organizational culture in the Saudi context. It also provides a clearer picture of the complexity of organizational culture by highlighting the gap between Islamic principles, business ethics and *wasta* practices. The findings highlight that the impact of *wasta* overshadows business ethics and official regulations which promote competency and merit, work values and the performance of organizations. Furthermore, *wasta* practices confirm the high score of power distance and collectivism of Hofstede's model, which contribute to redirect the loyalty of an employee from the organization to those who have power or authority.

In relation to the impact of *wasta* in human resource, in the line with prior studies (Metcalfe (2006) (Whiteoak *et al.*, 2006); (Dobie *et al.*, 2002; Kilani and Sakijha, 2002; Whiteoak *et al.*, 2006). Furthermore, findings show *wasta* is used more in recruitment than in other human resource procedures. However, the participants could not agree if the second most used form of *wasta* in human resource procedures was in relation to performance evaluation or promotion.

Furthermore, these findings show that *wasta* impacts on human resource policies and practices and decision-making by undermining these policies in three ways: bias of implementation; intervention in scores or committee work; and ambiguity in policies. These findings, to a certain extent, address the gap in the literature raised by (Hutchings and Weir, 2006a; b; Metcalfe, 2006) and Barnett *et al.* (2013) about the limited number of studies which assess the impact of *wasta* in management practices, particularly in Saudi Arabia. Furthermore, previous studies focus on the outcome and the impact of the practice of *wasta*, without addressing the process or procedure of *wasta* or how *wasta* contributes to the appointment and promotion of employees.

Overall, the contributions of the research to the literature highlight the impact of *wasta* on the internal procedures of recruitment, selection, promotion and training by building a model that explains the process of *wasta*, starting from the initial application for a job through to the making of an unfair decision. Therefore, this study is set against a background of a dearth of studies on *wasta* and the limited focus in the existing literature on the results or consequences of *wasta* rather than how it occurs or is practiced.

Additionally, the previous studies conclude that *wasta* occurs through third parties, but without providing any details about how it happens or how the decision-makers inform the beneficiary of the decision. In other words, these studies explain the *wasta* process superficially without providing any details or a deeper understanding of the process of *wasta*. This research developed this model and ascertains that *wasta* in Saudi Arabia takes one of two forms (models). The first form depends on kinship or friendship relationships. In this method, the process of *wasta* can be divided into two models based on the number of *waseets*: *wasta* can be undertaken by one *waseet*, or by multi-*waseet*. The second form of *wasta* is when the beneficiary does not know anyone who works at the organization and thus looks for assistance by using the family or tribal name (blood connection). Which type of *wasta* is used is driven by only the depth of previous relationship. Moreover, the type of request or service required does not determine which the form of *wasta* is use.

This research developed this model and ascertains that *wasta* in Saudi Arabia takes one of two forms (models). It explains the process and procedures of *wasta* in more detail, which provides a clear view about the understanding and use of *wasta*. Thus, the research extended the knowledge of *wasta* with regard to how it works, and demonstrates how contact is made with the decision-maker or how to reach individuals who have a strong relationship with the decision-maker. Second, the research explains how the decision-maker imparts the decision to the beneficiary. Interestingly, this investigation has demonstrated that the use of any type of *wasta* is driven and controlled by only the degree of relationship: whether there is a previous relationship or contact or not. This is important because there are no studies or discussions about the forms of *wasta.* Thus, this is the first time that the forms of *wasta* (models) have been identified

and explained in more detail to provide a clear view about the understanding and use of *wasta.*

Furthermore, this study examines the importance of the middleman on the outcome of *wasta*, which has been ignored by previous studies. This is achieved by addressing the concepts of the middleman, his power or position, and looking at if he works inside or outside the organization. The research discovers that the outcome of *wasta* is dependent on the power and position of the middleman, which increases further when the *waseet* works inside the organization. Moreover, there is a positive relationship between the position of the middleman and mutual interest. Thus, the research extends the knowledge of and also explains why *wasta* does not always achieve the desires of the applicants. Additionally, it not only provides a general perspective of the middleman role, but also can be used to interpret how the role of the middleman influences the decision-maker's behaviour to those who do not realise the importance of the middleman in the *wasta* process. This is important because no studies discuss the role of the middleman in the outcome of *wasta.* Thus, this is the first time that the role of the middleman has been identified and explained in terms of the failure to achieve the desires of the applicants.

7.4 Implications of the Study

This research comprehensively reviews the relevant literature and uses a designed methodology that links the research question to the evidence. This thesis also adds new knowledge to the study of *wasta* that generates a more nuanced understanding of organizational culture in Saudi Arabia by looking at its effect on organizational culture and in turn human resource management practices. As one practical example, it connects both *wasta* forms and the power of the middleman to their impact on management practices in the telecom industry in Saudi Arabia.

In terms of the theoretical implications, the research shows that *wasta* confirms the scores attributed to the dimensions of power distance, uncertainty avoidance, and collectivism of Hofstede's (1984) model, which assesses the culture of organizations. This accords with previous studies which conclude that traditional values of culture still dominate the workplace in the 21st century even though governments endeavour to

adopt global and modern standards of business. More importantly, the research findings pinpoint key issues through which *wasta* operates in Saudi Arabia's organizations, i.e. high power distance, collectivism, and uncertainty avoidance in the workplace. This means that high power distance between manager and employees contributes to the spread of *wasta* in the workplace. Furthermore, the use of *wasta* might be considered in recruitment to reduce uncertainty avoidance through employing individuals that can contribute to reducing the level of staff turnover and thus avoid the risk of recruiting people that are unknown to managers.

This research reveals that *wasta* impacts negatively on many aspects of organizational culture such as decision making, human resource management practices in organizations by giving personal connection and favouritism high priority rather than personal skills and professional success. This inevitably leads to having the wrong individual in the wrong place, which in turn undermines the organizational culture and reflects negatively on organizational performance. Furthermore, the findings of this research provide a clearer picture of the complexity of organizational culture by revealing the conflict between Islamic principles, business ethics, interest of organizations, and *wasta* practices in the workplace, all of which reveal the challenges facing both local and multinational companies. This might explain the poor performance in organizations when traditional values take precedence over work or organizational interests.

The research findings underline how *wasta* practices undermine the Islamic ethics of justice through giving priority to personal networks when dealing with employees, which is a direct contradiction of the teachings of Islam. This asserts that *wasta* and authoritarian power relations overshadow Islamic principles by exerting an unfair influence on selection, promotion, and training. Thus, it undermines any form of fairness, justice and equality in the workplace.

This research has demonstrated ways in which *wasta* shapes organizational HR practice by focusing on the Saudi Arabian context. It confirms that *wasta* is a key factor in recruitment, selection, promotion, and training. Importantly, the research reveals that

wasta undermines policies through bias of implementation, intervention in procedures, and taking advantage of ambiguity in policies. This first study looks more closely at how *wasta* undermines business ethics and official regulations that emphasise competency and merit. Thus, it can be assumed that *wasta* impacts negatively on motivation of individuals, let alone trying to develop their skills and abilities.

Significantly, this research has developed, for the first time, two models, and ascertains that *wasta* in Saudi Arabia takes two forms (models). The first form depends on kinship or friendship relationships. In this form, the process of *wasta* can be divided into two models based on the number of *waseets*: *wasta* can be undertaken by one *waseet* or by multi-*waseet*. The second form of *wasta* is when the beneficiary does not know anyone who works at the organization, and thus looks for assistance by using the family or tribal name (blood connection). This result expands on how decision making is made in organizations based on *wasta* by providing details on how it happens or how the decision makers inform the beneficiary of the decision.

This study was not only driven by a quest for a fundamental understanding of the issues but also for practical considerations in overcoming the negative effects of the use of *wasta* in Saudi organizations. The results of the study form the basis for a framework that can help the decision makers to reduce the impact of using *wasta*. For instance, the in-depth understanding of *wasta* provided by the research for non-Arabs is of particular importance in the business world. Companies that are considering investing in the Middle East in general and Saudi Arabia in particular will be able to use the findings to help with their business decisions.

Saudi Arabia, as discussed earlier, has a special importance in the global arena and is attractive for multinational companies because of its strategic location and natural resources (Rice, 2004: p. 59). In addition, the government is attempting to diversify its economy away from a dependence on oil by attracting more foreign investment and multinational companies. Therefore, knowing and understanding the practices of *wasta* as a part of Saudi culture is an important issue for companies considering investing in Saudi Arabia. It can help them to try to reduce the negative impact of *wasta* by developing strict regulations in terms of recruitment, promotion and training to ensure

that the right individual is in the right job. Accordingly, this study contributes vital knowledge which can be helpful for these companies to understand the culture of the Gulf area in general and the culture of Saudi in particular. This knowledge can be used as a roadmap for companies in developing a regional business policy.

In addition, this study can also help organizations to gain an advantage in the promotion of effective procedures to overcome the negative affect on growth and performance through adopting universal regulations. In particular, the study shows that *wasta* impacts on human resource policies and practices as well as decision making by undermining policies in three ways: bias of implementation; intervention in scores or committee work or to change standards; and exploiting the ambiguity in policies. These practices explain *wasta* leads to the appointment and promotion of individuals to positions that do not fit with their abilities, education levels or experience and deprive competent employees of the opportunity to attain high positions in an organization. In part, this finding explains the weak performance and growth of Saudi companies and why incompetent employees become high level managers in Saudi Arabia. In this case, this knowledge could help to increase the awareness of board of directors or top management in challenging the use of *wasta*.

Furthermore, these practices of *wasta* (bias of implementation; intervention in scores or committee work or to change standards; and exploit of ambiguity) can be linked to corrupt practices because these work against justice, fairness and equality amongst employees. This knowledge could be used by the authorities and anti-corruption commission to understand and counter the use of *wasta* in circumventing human resource policies and practices. The authorities and anti-corruption commission in Saudi Arabia could conceivably reduce the negative practices and impact of *wasta* by looking at new methods in human resource practices and criminalizing the use of *wasta*. This would improve the level of transparency in human resource management in general and recruitment and promotion procedures in particular.

In relation to the importance of the middleman in the process of *wasta*, the findings show that the impact of *waseet* located within the organization is more effective than one based outside the organization. This knowledge could be helpful in reducing or

eliminating the role of *wasta* based on social network employment companies such as LinkedIn or employment agencies in the GCC instead of direct recruitment which often ends up with the *waseet* already placed within the organization.

Overall, the findings can be used to enhance Arab governments' and organizations' efforts to assure and develop employment equity by recognizing and effectively profiting from the influences that societal and organizational culture have on equity and fairness.

7.5   Limitations of the Study

Although this research makes a significant contribution to expanding our understanding of the concept of *wasta* in general, including its forms, the role of the middleman on the outcome of *wasta*, and its impact on human resource practices and policies, a number of limitations need to be taken into account.

First, this study involves semi-structured interviews with 30 Saudi Arabian male employees and managers who are employed by two telecommunication companies in the country. Interviews usually seek to obtain opinions about a certain phenomenon. However, participants do not need to provide their honest opinions, but can instead answer in an 'ideal' way. In this respect, the answers might be biased due to negative or positive attitudes towards the management or organization and, therefore, may not give the correct impression about the phenomenon. In this context, other types of methods, such as focus groups or a mixed methods approach, may be useful in overcoming conservative interviewees during an interview, and encourage them to reveal the full extent of their practices of *wasta*.

Second, this research only focuses on the role of *wasta* in two companies situated in Riyadh, the capital of Saudi Arabia. Therefore, this research does not attempt to analyse the impact of *wasta* in all corporations in Saudi Arabia. Therefore, the results cannot be generalised to Saudi Arabia. Thereby, research into other organizations in other areas in Saudi Arabia, including international companies located in Saudi Arabia, could be used to generalize the findings.

Third, the interviews were conducted with a relatively small sample of around 30 respondents which might impact on the results and their subsequent interpretation. Therefore, this a further reason as to why the findings cannot be generalized to all organizations in Saudi Arabia.

Fourth, women were not included in the interviews, as due to social conventions women in Saudi Arabia prefer to talk to males who are direct relatives. Thus, the opinions of Saudi women are excluded.

Fifth, this research focuses on the private sector. However, in Saudi Arabia, *wasta* practices in the private sector are more restricted than those in the public sector. This is because the private sector seeks to reduce the use of *wasta* in order to ensure its continued growth; as highlighted in the research, *wasta* tends to undermine the efficiency of the organisation. Thus, other sectors such as government and semi-government should also be examined.

7.6   Recommendations for Further Research

This research adds new insights and makes a significant contribution to the understanding of organizational behaviour and human resources management studies. It does so by expanding our understanding of the concept of *wasta*, and its impact on human resource practices and policies. However, the findings should be considered as a foundation for further research into the forms of *wasta* and its processes and procedures. Therefore, there are opportunities for further research to explore how the models developed by the researcher work inside other organizations to help generalise the findings. Also, it is suggested that these models can be used to compare the use of *wasta* in Saudi companies with foreign companies in Saudi Arabia in order to determine if there is difference between the two types of organisation.

A further area for future research would be the role of the middleman because this investigation has highlighted that the power of the middleman has an important impact on the outcome of *wasta*. Thus, there is considerable scope for research into the *waseet's* role in multi-national companies in Saudi Arabia and other countries in the Middle East, as well as domestic companies in Saudi Arabia.

In addition, as explained in Chapters 3 and 5, *wasta* leads to the appointment and promotion of individuals to positions that do not match their abilities, education level or experience. In this respect, further research could investigate the degree to which non-qualified individuals become high-level managers.

Moreover, Saudi Arabia is characterized by being moderately masculine in Hofstede's studies, with strong sex-role distinctions (Hutchings and Weir, 2006a). The Saudi government, in line with its Saudi 2030 Vision Plan, aims to increase extent and the contribution of women to the labour market in both the public and private sectors. For example, a number of women were recently appointed to high positions in the financial sector with the expectation that the engagement of women in the sector will increase in the future. Therefore, further research is needed to consider the function and implications of *wasta* in terms of gender, and should include the working roles and experience of women.

Sixth, as mentioned with regard to the limitations of the study, it would also be interesting to assess the impact of *wasta* on the performance of companies or organizations. The findings of this research highlight that *wasta* impacts negatively on the performance of a company and leads to lost investment opportunities which means that the organizations cannot grow as rapidly. In the respect, further research regarding this impact would be worth undertaking to expand the knowledge of the negative impact of *wasta*.

Additionally, the research concluded that the practice of *wasta* in Saudi organizations is not limited to Saudis. It is practiced by foreign employees who dominate certain departments in organizations and try to block the hiring of other nationalities. In this respect, there is an opportunity for further research to assess the functioning and implications of *wasta* in terms of nationality in Saudi organizations, including the work roles and experience of foreign managers.

Furthermore, further research in needed to investigate whether or not the use of social network employment companies such LinkedIn or employment agencies in recruitment in GCC could be useful in reducing the use of *wasta* in the private sector.

Additionally, future research could analyse the impact of *wasta* on business ethics in Saudi Arabia compared with Islamic ethics. Participants in the study asked for a greater enforcement of *shari'ah* (Islamic law) which emphasises the importance of equity amongst employees.

Finally, it would be interesting to understand how individual perceptions about the utility of *wasta* are influenced based on the degree to which policies of equity are enforced in the workplace.

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Appendix 1: Interview Question

Introduction

1. What is your job title?
2. Can you provide an overview of what your job entails?
3. How many years you worked at [name of org]?

Part A

1. What do you understand by the term 'culture'?
2. What do you consider are the main features of Saudi Arabian culture ?
3. What do you think are the central values that influence Saudi culture?

Part B

1. What do you understand by the term organizational culture?
2. How does Saudi culture impact on the management processes in your organization?
3. How would you describe the decision-making process in your organisation?
4. How would you describe how decisions are made in relation to who gains promotion in your organization?
5. How clear and transparent are the procedures and criteria for promotion within your organisation?
6. How are decisions concerning access to training and development made in your organization?
7. How clear and transparent are the procedures and criteria for training and development within your organisation?

Part C

1. What are the most important factors that enable someone to get ahead in Saudi Society?
2. You said earlier that you have worked (……..) years in this company, what were the most important things that enabled you to get your current job?
3. What are the most important factors in becoming a manager?

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4. What role does knowing people who work in the organization play in getting a job?

5. What role does knowing people who work in the organization play in promotion?

6. Are you familiar with the notion of wasta? What is your understanding of wasta?

7. How would you describe the role of *wasta* in Saudi Arabia?

8. How is *wasta* employed within organizations in Saudi Arabia?

9. What, if any, role does *wasta* play in the promotions decision process in Saudi Arabian organisations? and your company? In what ways does it play a role in each of these?

10. What is the role of *wasta* in the training and development decision process in organizations in Saudi Arabian? and your company?

11. What type of *wasta* is most commonly used to [1] employ individuals, [2] promote individuals [3] ensure individuals gain access to training and development?

12. Which has more impact - *wasta* from inside or outside of and organization? Why?

13. Does the position or power of the person who is involved have an impact on the outcome of the wasta?

14. What are the formal or informal aspects of *wasta* practices in Saudi Arabia? and your company?

15. Is there any else you would like to add that I have not asked but which you consider important?

Appendix 2: Interview Question Translation

No.	Arabic	English
1	ما هو مسمى وظيفتك ؟	What is your job title?
2	هل يمكنك تقديم لمحة عامة عن طبيعة عملك والمهام التي يتضمنها؟	Can you provide an overview of what your job entails?
3	كم سنة تعمل في هذه الشركة؟	How many years you worked at [name of org]?
4	ماذا تفهم من مصطلح الثقافة؟	What do you understanding by the term of "culture"?
5	من وجهة نظرك، ما الملامح الرئيسة للثقافة السعودية ؟	What do you consider are the main features of Saudi Arabian culture?
6	برأيك، ما القيم المركزية التي تؤثر على الثقافة السعودية؟	What do you think are the central values that influence Saudi culture?
7	ماذا تفهم من مصطلح الثقافة التنظيمية؟	What do you understand by the term "organizational culture"?
8	كيف تؤثر الثقافة السعودية في العمليات الإدارية (الإدارة) في شركتك؟	How does Saudi culture impact management processes in your organization?
9	كيف تصف عملية صنع القرار في شركتك؟	How would you describe the decision-making process in your organisation?
10	كيف يمكنك أن تصف عملية اتخاذ القرار فيما يتعلق بترقية الموظف في شركتكم؟	How would you describe how decisions are made in relation to who gains promotion in your organization?
11	ما مدى وضوح وشفافية اجراءات ومعايير ترقية الموظف في شركتكم؟	How clear and transparent are the procedures and criteria for promotion within your organisation?
12	كيف تصف عملية اتخاذ القرار فيما يتعلق بكيفية تدريب وتطوير الموظف في شركتكم؟	How are decisions concerning access to training and development made in your organization?
13	ما مدى وضوح وشفافية اجراءات ومعايير تدريب وتطوير الموظف في شركتكم؟	How clear and transparent are the procedures and criteria for training and development within your organisation?
14	ما أهم العوامل التي تمكن الشخص من تبوء المناصب في المجتمع السعودي؟	What are the most important factors that enable someone to get ahead in the Saudi Society?

No.	Arabic	English
15	أنت قلت في وقت سابق، انك تعمل في هذه الشركة من (.....) سنة. ما أهم الأشياء التي مكنتك من الحصول على الوظيفة؟	You said earlier that you have worked (……..) years in this company, what were the most important things that enabled you to get the job?
16	ما أهم العوامل التي تساعد الموظف ليصبح مديراً؟	What are the most important factors in becoming a manager?
17	ما دور المعارف والعلاقات مع اشخاص يعملون في الشركات في الحصول على وظيفة؟	What role does knowing people who work in the organizations play in getting a job?
18	ما دور المعارف والعلاقات مع اشخاص يعملون في الشركات في الحصول على ترقيات؟	What role does knowing people who work in the organization play in promotion
19	هل انت على دراية بمفهوم الواسطة؟ ما هو فهمك للواسطة؟	Are you familiar with the notion of *wasta*? What is your understanding of *wasta*?
20	كيف تصف دور الواسطة في المملكة العربية السعودية؟	How would you describe the role of *wasta* in Saudi Arabia?
21	كيف توظف أو تستخدم الواسطة في الشركات في المملكة العربية السعودية؟	How is *wasta* employed within organizations in Saudi Arabia?
22	ما الدور الذي تلعبه الواسطة في قرارات الترقية في الشركات في السعودية؟ وفي شركتكم؟ وما هي الطرق التي تلعبها في كلاً منهم؟	What, if any, role does *wasta* play in the promotions decision process in Saudi Arabian organisations? and your company? In what ways does it play a role in each of these?
23	ما دور الواسطة في عملية اتخاذ القرار فيما يتعلق بأمور التدريب والتطوير في الشركات في المملكة العربية السعودية؟ وفي شركتكم؟	What is the role of *wasta* in the training and development decision process in organizations in Saudi Arabian? and your company?
24	ما هو نوع الواسطة والأكثر استخداما ل [1] توظيف الأفراد، [2] ترقية الأفراد [3] ضمان حصول الافراد على التدريب والتطوير؟	What type of *wasta* is most commonly used to [1] employ individuals, [2] promote individuals [3] ensure individuals gain access to training and development?

No.	Arabic	English
25	ما هو الأكثر تأثيراً ـ الواسطة من داخل أو من خارج الشركة ؟ ولماذا؟	Which has more impact - *wasta* from inside or outside of and organization? Why?
26	هل المركز الوظيفي او سلطة الشخص الممارس للواسطة لها تأثير على نتائج الوساطة؟	Does the position or power of the person who is involved have an impact on the outcome of the *wasta*?
27	ما هي الجوانب الرسمية وغير الرسمية لممارسات الواسطة في السعودية؟ وفي شركتكم؟	What are the formal or informal aspects of *wasta* practices in Saudi Arabia? and your company?
28	هل هناك أي شيء آخر تود إضافته لم يدرج ضمن الأسئلة لكنك ترى أنه مهم؟	Is there any else you would like to add that I have not asked but which you consider important

Organizational culture in Saudi Telecom sector: by focusing in the role of
wasta

Researcher: Mohammed Alofi

PhD student at Durham University

Participant Information sheet

Introduction

I am PhD student at Durham university in the UK. I am undertaking research for my doctorate into the organizational Culture in Saudi Telecom sector: by focusing in the role of *wasta*.

The Research context

My doctoral thesis aims to provide an empirical study of organizational Culture in Saudi Telecom sector: by focusing in the role of wasta. More specifically the research will address the following: how does *wasta* impact on the range of human resource management practices in Saudi organizations?

This main question falls into five sub- questions:

1. What is the role of *wasta* within Saudi Arabia?
2. What forms does *wasta* take in Saudi Arabia?
3. What is the role of the middleman in the outcome of *wasta* of Saudi companies?
4. How does *wasta* impact human resource policies and practices in Saudi organizations?
5. How does *wasta* influence the organizational culture of Saudi Arabia companies?

What Data Will Be Collected?

While the research does focus on the impact of *wasta* on the range of human resource management practices in Saudi organizations and it focus on the telecom sector.

Interviews will conduct with employee and manager in order to achieve the aim of the thesis.

What Will Happen to The Data?

All of the data collected may be used to assess the impact of *wasta* on the range of human resource management practices in Saudi organization.

Anonymity of the participating organisations will be preserved at all stages of the research and similarly, interviewee data will be presented anonymously. Confidentially will also be maintained and no information obtained from the interviews will be used except on the above basis. Subject to the agreement of participants' interviews will be taped and transcribed; recorded material will be held securely and destroyed after the completion of the doctorate. If you have any queries please contact me at the address below.

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Appendix 4: Consent Form

Title of Project: ORGANIZATIONAL CULTURE IN THE SAUDI
TELECOMMUNICATION SECTOR: By Focusing on the role of *wasta*

(The participant should complete the whole of this sheet himself/herself)

   Please cross out as necessary

Have you read the Participant Information Sheet?
YES/NO

Have you had the opportunity to ask questions and to discuss the study?
YES/NO

Have you received satisfactory answers to all your questions?   YES/NO/N/A

Have you received enough information about the study and the intended uses of, and access arrangements to, any data which you supply?   YES/NO

Were you given enough time to decide whether you want to participate?   YES/NO

Are you happy to proceed based on the info received   YES/NO

Who have you have spoken to? …………………………………………………….

Do you consent to participate in this study   YES/NO

Your valuable response is extremely important for this study. For future retrieval of the interview for analysis I would like to record the interview. Would you allow me to record the interview using a voice recorder, please?   YES/NO

You are free to withdraw from the study:

   *at any time and
   *without having to give a reason for withdrawing and
   *without any adverse result of any kind

Signed ....……   **Date** ....

   (NAME IN BLOCK LETTERS) ....………........