Workforce Training for Increased Productivity in Saudi Arabia

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Abstract

Saudi Arabia is embarking on large scale training to bring its national workforce to international standards (Nitaqat). International providers are generally employed for face-to-face course delivery, using packaged course material. However, non-Saudi trainers generally lack understanding of the Saudi norms, and therefore misinterpret trainees’ responses. This study follows Al Gahtani’s (2002) call for research into factors impeding effective training and career development. The research problem therefore concerns the existence, frequency and efficacy of employee training in Saudi firms. The objective of this research is to investigate factors impeding employee training and thus career development of Saudis, and to recommend practices that lead to improved outcomes for the firms and the individuals.

A qualitative study was used as the method for solving the research problem, using an interviewing technique to gather data. Qualitative data were obtained through semi-structured interviews using a purposive sample of human resource directors or training managers from 15 diverse large local and multinational Saudi-based organisations. The interview questions included the experiences and perceptions of senior managers regarding training outcomes for staff and their organisations. The recorded data from the interviews were transcribed, translated into English, and a content analysis was conducted by assigning information and concepts to the research questions.

The results of the analysis produced mixed findings. There was general agreement on the importance of training for organisational objectives; however, employer commitment to career development for staff did not emerge. Skills issues were in some cases secondary in individuals’ access to training, which could be controlled by line management preferences. Saudi trainers were not regarded highly and non-Saudi course leaders, whilst considered competent, were sometimes not understood. With one participant firm’s exception, trainees’ new skills were not formally evaluated.

Conclusions from this study are that the education and employment authorities should consult with industry leaders to devise training courses within career frameworks. Under Nitaqat, managers could take awareness training regarding their firms’ needs to improve Saudi competencies. Other training interventions include online courses through Saudi tertiary institutes, and facilitated in-house workshops and learning circles using Bechtold’s (2011) appreciative enquiry approach.
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Declaration

I, Saleh Essam Kattuah, declare that the DBA thesis entitled ‘Workforce Training for Increased Productivity in Saudi Arabia’ is no more than 65,000 words in length including quotations and exclusive of tables, figures, appendices, bibliography, references and footnotes. This thesis contains no material that has been submitted previously, in whole or in part, for the award of any other academic degree or diploma. Except where otherwise indicated, this thesis is my own work.

Saleh Essam Kattuah
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Chapter 1 Introduction

Saudi Arabia’s oil dominance grants it a high profile among the world’s trading countries. Over the past four decades, the country has embarked on a significant socio-economic infrastructure program to provide for its 18.7 million citizens and some 10 million expatriates. To give some scale to its accomplishments, the 2011 national budget of $US154.67 billion (Saudi Riyals 580 billion) allocated $US40b. each for infrastructure, and education and training (US-Saudi Arabian Business Council 2011). These figures are fundamental to this thesis, as they illustrate the importance of education and training to the economy, where more than half the budget is targeted at socio-economic growth and human capital. Nonetheless, the 7.4 per cent increase in the budget over the previous years is among the slowest expansion rates by the Saudi government and indicates an expectation that the private sector can adopt a larger position in the public-private investment partnership driving Saudi development. This is in fact occurring in 2012, as the Saudi banks lend record amounts to support the $US514b. expenditure to offset the global economic malaise. There could be an expectation that a part of this would be directed to training and education infrastructure and projects. The Saudi Gross Domestic Product (GDP) is expected to increase by 4.6 per cent in 2012, against 1.8 per cent GDP increase expected as average between the largest economies, the G10. Together with this massive and continuing investment and its relatively high per capita income, the Kingdom provides an attractive market for local and international enterprises.

In this expansionary environment, there is an emphasis by the government in providing jobs for the young population emerging from the education system and seeking work. However, the work-readiness of the graduates and school leavers is not to employers’ standards, and the private sector can find cost-effective skilled labour from other Arab countries and southern Asia. This has a dampening effect on employers’ willingness to undertake the training that Saudi recruits need to make them productive, as the employers see a culture-based attitude in Saudis’ lower work ethic and lack of

Per capita income for Saudi Arabia was $US24 000 in 2011, although it was behind the other Gulf Cooperative Council countries (World Fact Book, 2012).
skills. Saudis find difficulties with workplaces dominated by foreigners, English fluency and focus on the organisation rather than individuals and status.

This research examines the effects of culture and language in outcomes related to employee training and development programs. The aim of the thesis is to identify perceived obstacles in transferring skills and knowledge to Saudi citizens to take their place in contributing to their country’s future. This chapter is organised as a background to the research problem, the purpose of this research, research aims and questions, and the organisation of the thesis.

1.1 Background

The Kingdom of Saudi Arabia’s rapid capitalisation through socio-economic investment occurred from a low base; in the 1970s, the Kingdom was amongst the least-developed economies. The country now has quality public and private institutions and increasingly strategic policies. It continues work on its complex financial and legal systems as it takes its place on world forums, including entry into the World Trade Organisation (WTO) in 2005. Membership of global organisations is important to Saudi Arabia’s commerce, as the Kingdom’s entry into the WTO resulted in a reduction of economic protection for Saudi firms, which necessitated a period of adjustment to admit external competition. One area in which the country has somewhat intractable issues is with its labour force, where the latest figures available from the Central Department of Census and Statistics (2009) comprised a total labour force of 8.2 million in 2009, of which only 47 per cent were Saudi nationals and just about 13 per cent were women (i.e., 6% of the total labour force were Saudi women). The Saudi male unemployment rate was 10.5 per cent in 2009 (400,000); no figures are kept on Saudi women’s unemployment rate. However, there is no certainty with the methods used in calculating Saudi labour participation rates and unemployment rates. McDowell (2012) reported that the Hafiz program, which pays unemployed Saudis 2,000 riyals ($533) a month for a maximum of 12 months, was introduced in December 2011. By March 2012, the number of citizens on the program was doubling every two months, then at one million people.

It is notable that Saudis prefer the generous conditions of the public service and do not remain in their lower paid and unattractive private sector jobs. To overcome this
tendency, the government established Saudisation some 15 years ago, with the intention of moving the many skilled jobs that socio-economic development created from the largely expatriate workforce to the newly graduated cohorts of youth streaming on to the labour market. However, as Saudisation was largely self-regulated, and the country’s rapid change demanded immediate skilled and semi-skilled labour, southern and eastern Asian workers were permitted in increasing numbers, thus neutralising some gains made by the Saudisation policy. Eventually, running out of patience, the government in 2011 introduced Nitaqat (‘ranges’ in English), designed to enforce the hire of nationals (Al-Dosary & Rahman 2009, Randeree 2012).

This study’s context relates to the private sector’s employment trends and employers’ reluctance to hire Saudis. As the number of foreign workers are theoretically controlled by expensive work permits and a two-year limit on their employment, this would appear to compel employers to hire Saudis from the unemployment ranks or the vast numbers of youth pouring on to the labour market each year. However, this does not appear to be the case because Arab employees are perceived as lacking a work ethic, competency in their jobs, and having a mixed view towards organisational goals thus inhibiting employers from hiring locals. Sidani and Thornberry (2010) posit that the antecedents for these perceptions stem from the potential role of religion in developing a value system that is not conducive to growth and development, Arab family dynamics relating to human capital within strong social ties, the Arab educational system, and power and leadership and the manner by which groups function in Saudi Arabia. These extenuating variables have implications for organisational commitment and the ability to endure change for Saudis. Paradoxically, a general feeling among employees and job-seekers is that employers lack leadership, the workplace language is usually English, and there is an absence of a team commitment due to the expatriates’ temporary contracts. Further, pay is generally a third or more less than the public service for similar work and Islamic rites may not be sufficiently respected (Al-Waqfi & Forstenlechner 2012). Another discordant factor is the growing workplace tendency away from gender segregation (Elamin & Omair 2010).

Whilst Saudi private sector organisations encompass many industries and range from large corporations such as Sabic (manufacturing), Aramco (oil) and STC (telecom) through subsidiaries of international firms to medium sized and small capital employers, there is nonetheless a common requirement under Nitaqat to train Saudis to take over
experienced and skilled expatriates’ jobs. This requires a study of the Saudi educational system.

1.2 Context

A country’s education system is arguably directed toward gainful employment for its school leavers and graduates. To meet employers’ expectations, governments are moving toward further education for the greater majority of those who complete secondary school (Choy et al. 2008). Once in employment, it is incumbent on organisations to provide employee training and development programs to maximise their competitiveness in the global economy. The training should be linked to organisational goals and be measurable, so that skills transfer actually occurs (Noe & Winkler 2009).

In step with the other Gulf States, the rapid economic development of Saudi Arabia suggests that firms contract out their workplace training and career development programs and use international trainers. However, imported, contracted employee training is frequently ineffective, due to cultural assumptions of the training material, frequent use of English which may cause misconceptions among learners, and the outsourced ‘project’ nature of the training. The generic nature of training points to a lack of focus on the firm’s needs leading to reactive short-term skill development, rather than strategically focussed employee development programs. The limitations of this training approach were highlighted by Wilkins (2001a, 2001b) in the United Arab Emirates and by the local author Al Gahtani (2002), finding that current training projects on the Peninsula also encounter technical, cultural, language and financial difficulties.

Despite Saudi Arabia’s policy of Saudisation, researchers are concerned about the effect of globalisation on the Saudi workforce (Achoui 2007, Al Gahtani 2002, Looney 2004, Madhi & Barrientos 2003). They assert that employers’ dependence on low-cost skilled and professional expatriate labour gives rise to ineffective skills formation for young Saudis to compete for skilled and professional jobs in their own country, or for that matter, elsewhere (Madhi & Barrientos 2003). This realisation appears to have motivated both the public and private sectors in Saudi Arabia to embark on comprehensive employee training and development programs in order to bring the
Saudi workforce to international standards. However, this effort requires knowledge of the dynamics of globalisation, and to be underpinned by sound management principles to ensure such programs are relevant, measurable and effective. Significant research is required to put effective employee development programs into practice (Al Gahtani 2002). The focus of this research is to investigate factors relating to the effectiveness of employee development programs in the Kingdom of Saudi Arabia, where the majority of training programs are imported.

1.3 Research problem

Saudi Arabia is a rapidly expanding country where nearly one-third of the population is under the age of 15 years, and where the educational system is undergoing a decade-long policy change from a didactic focus on boys’ classic education to training all young Saudis for the labour market (Ministry of Higher Education 2010a, 2010b, World Factbook 2012). Due to enduring issues regarding enumeration methods of the various Ministries, there is statistical uncertainty regarding the Saudi participation rate in the labour market, and in the unemployment rate, particularly that for women. Due to a recent increase in unemployment benefits, the numbers of Saudi unemployed are growing rapidly (McDowell 2012). Thus there is a greater urgency to gain employment for these people as more graduates arrive on the job market each year.

Whilst the larger firms trained Saudis for particular jobs, there is an expectation that school leavers and graduates are sufficiently competent to be trained, either on-the-job, or in formal or semi-formal training programs. Delivery of these programs may be internet-based, focus groups or quality circles, industry or government training schemes, or inhouse or external training centres. The Saudi government is generous with assistance to employers in bridging the gap in the working conditions between the public and private sector by supporting the Saudi recruit, although the recruit is now required to stay with the employer after training for a set period depending upon the nature of the training (Al-Waqfi & Forstenlechner 2012). Nevertheless, the education system issues of old are relevant here: generalised curricula, lack of standardisation such as an industry by industry vocational training framework and assessment, language barriers between trainer and trainee, inability to measure the effectiveness of the training on-the-job, and a general ad hoc approach to employee training and development undermine the significant resources being applied. Since a large
proportion of knowledge and skills transfer programs are contracted to foreigners, a crucial problem appears to be the lack of cultural understanding and perhaps the incongruence of the medium of program delivery.

1.4 Research questions

In framing the research questions, a survey of the literature shows that whilst researchers show concern regarding the employability of young Saudis, little attention has been paid to the importance of training Saudi employees once they have been recruited. As noted by Madhi and Barrientos (2003), lack of skills in national employees’ impacts on the firms’ productivity; however the matter of identifying and addressing skills issues is not evident in the literature. The lack of skills endemic among Saudi employees in various jobs becomes crucial in view of the government’s initiatives in employers’ compliance through Nitaqat (see section 1.9). The effective delivery of Nitaqat would mean not just mobilising Saudis in the national workforce, but also ensuring an acceptable level of productivity.

This study examines a sample of Saudi employers’ practices in employee training, the issues involved, and the outcomes for employee development that are considered to affect a firm’s productivity. The research questions are therefore established as:

1. What is the organisational commitment to employee training?
2. What kind of employee training is delivered, and how?
3. What are the issues related to training in Saudi Arabia?
4. What are the outcomes of the training for the employee and for the organisation?

1.5 Objectives of the research

‘Globalisation lies at the heart of modern culture; cultural practices lie at the heart of globalisation’, according to Tomlinson (1999, p.1). In this manner, cultural assumptions, beliefs and practices are important factors permeating business, whether it is the transfer of skills and knowledge across countries, or in the holistic process of international trade (Laurant 1983, Marquardt et al. 2004). Culture influences the
behaviour of employers and their staff more so than differences in professional roles, education, age or gender (Marquardt et al. 2004). Leidner (2010) considered that potential conflict from the local culture of the firm and the world market is a challenge for globalisation. Training and employee development in this environment is therefore susceptible to cultural assumptions and miscomprehension and thus risks losing its effectiveness (Thornhill 1993).

This research seeks to study the impact of norms and language on the effectiveness of employee development programs implemented in Saudi Arabia’s firms since 2005, that is, from the time the country was accepted into the World Trade Organisation. The manner by which this will be undertaken is to examine organisational commitment to employee training, type of training common to Saudi firms, what is achieved for the firm and the employee from that training, and issues in employee training specific to Saudi Arabia.

1.6 Contribution to knowledge

In view of Saudi Arabia’s exposure to globalisation through its international memberships, Saudi researchers, including Al Gahtani (2002), emphasise the need for empirical and theoretical research on knowledge acquisition so that Saudi firms can succeed in the wider competitive environment. Whilst contemporary literature contains valuable insights into the responses of a number of developing countries to the challenges of globalisation, these studies are not appropriate to Saudi Arabia with its higher standards of living. It is the aim of this research to identify factors in information transfer in terms of employee training programs across national borders and cultures relevant to the experiences of Saudi Arabia and other ‘resource rich’ developing economies. This research will contribute to the knowledge in employee development through addressing the recommendation made by Al Gahtani (2002) to develop training programs in the Kingdom to meet global conditions, ensuring that the programs are culturally suited to stimulate the transfer of skills and knowledge. It will also extend the field of human and social capital in an Arab context. Hofstede’s cultural theories relevant to Arab characteristics are of interest in this research, as are the findings of the Arab literature on workplace issues.
1.7 Statement of significance

This research adds to the body of knowledge by identifying aspects of human resource development theory relevant to the Arab cultural environment that affect the transfer of learning. Although Saudi Arabia has achieved significant socio-economic reform over the last generation, stresses occur through mismatch of employment policy and the dynamics of the labour market. A decade ago, all tertiary graduates were granted lifetime appointment to the public sector, where their education contributed toward public service. Over this decade, privatisation of a large proportion of the public sector has meant that economic growth now occurs in the private sector, and that is where the majority of school leavers and graduate jobs are now located. Thus this research is significant in addressing the gap between the educational system outcomes of human capital, and the application of that human capital to the benefit of the individual, the state and the employer.

The Saudi government’s seventh and eighth national development plans, from 2000-2005 and 2005-2010 respectively, focus increasingly on preparing Saudi school leavers and graduates for the labour market (Achoui 2007). This continued with the latest, the ninth development plan, which extends the policies to 2015. These development plans emphasise the importance of developing the Saudi workforce suitable for a mobile global workforce on local employment. Whilst there are ‘localisation’ policies in place through the Gulf Cooperation Council countries\(^2\) including Saudi Arabia, that assist firms to hire nationals, it is the employers who must continue the lifelong learning principles inherent in world trade. These employers may be international subsidiaries or joint ventures that utilise corporate programs to train and develop their employees for service anywhere. It is the challenge for Saudi firms to tailor imported programs for their own purposes, in the process developing the skills and knowledge to deliver employee training programs relevant to Saudi culture. In this conceptualisation, this research therefore addresses an educated Arab workforce and is relevant to many resource-rich emerging economies elsewhere. The recommendations that emerge from the research will be directed to the Ministry of Higher Education, the

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\(^2\) Gulf Cooperation Council (GCC countries) Saudi Arabia, United Arab Emirates, Bahrain, Kuwait, Qatar, and Oman
Ministry of Labour, and the employer organisations relevant to the industry representatives interviewed.

1.8 Methodology

The research design selected for this study is a qualitative approach, due to the thematic nature of the data to be collected for analysis (Liamputtong 2009). A quantitative approach would not capture the characteristics of the employers’ needs, nor identify the nature of the training interventions. The data collection was obtained through semi-structured interviews with a purposive sample of human resource directors or training managers in large local and multinational organisations selected from registered firms on the Saudi Chamber of Commerce and Industry’s online database. A range of industries were selected and invitations explaining the research and its purpose were sent to a number of representative organisations in each sector. The interviews were designed to determine the characteristics and types of training programs used in these organisations and examine the attitudes and perceptions of senior managers who administer and make decisions about training activities in their firms. As part of the interview strategy, questions were asked regarding the effects of culture and language on the training procedures.

1.9 Research terminologies

The following definitions are offered as they relate to this thesis.

*Culture* Culture has many meanings, and in this context it refers to Arab traditions and social norms, and the practise of Islam. Marquardt et al. (2004) define culture as ‘a way of life shared by all or almost all members of the group; its norms are passed through the generations, and it shapes the way one behaves and structures the way one perceives the world’. Bierstadt (1963) defines culture as ‘consisting of a system of explicit and implicit guidelines for guiding a group’s thinking, doing and living (Marquardt et al. 2004, p. 17). ‘Thinking’ encompasses values, beliefs, and folklore; ‘doing’ relates legislation, customs, ceremonies, fashion and etiquette; whilst ‘living’ relates to materials: manufacturing or use of tools, food, clothes and natural resources. Hofstede’s (1991, p.5) definition relates to the ‘collective programming of
the mind . . . it is learned, not inherited. Culture derives from one’s social environment, not from one’s genes’.

**Evaluation** ‘Any attempt to obtain information (feedback) on the effects of training programme and to assess the value of training in the light of that information for improving further training’ (Hamblin 1970/1983).

**Globalisation** ‘The world-wide interconnectedness between nation-states becomes supplemented by globalisation as a process in which basic social arrangements (like power, culture, markets, politics, rights, values, norms, ideology, identity, citizenship, solidarity) become disembodied from their spatial context (mainly the nation-state) due to the acceleration, massification, flexibilisation, diffusion and expansion of transnational flows of people, products, finance, images and information’ (Beerkens 2004, p.13).

**Human Resource Development** ‘the integrated use of training and development, organisational development and career development to improve individual, group and organisational effectiveness’ (Noe & Winkler 2009, p.458).

**Nitaqat** Nitaqat is a sequel to Saudisation that incorporates a mandate on firms to comply with national employee targets, and to be colour-coded under the scheme to advertise the firm’s compliance. Firms that fail to improve their national hires are also penalised (Al-Zahrani 2012).

**Saudisation** ‘The term “Saudization” refers to the various initiatives of the government of the Kingdom of Saudi Arabia (“KSA”) to encourage the employment of Saudi nationals in the private sector. Saudization policies have been pursued by the government since at least the mid-1990s and, in the spring of 2011, the latest Saudization initiative was launched under the auspices of the Ministry of Labour (“MOL”): the Nitaqat programme’ (Chance 2011, p.1).

**Shari’a** Shari’a, or Islamic law, underpins the legal, moral and religious system in the Kingdom. Shari’a law in Saudi Arabia, according to Vogel (2012, p.18) ‘is the constitution of the state, the sole formal source of political legitimacy, and the law of the land, or common law’. It shapes and justifies social and individual morality every Saudi citizen, who by definition, must be a Muslim. It has intricate rules of ritual practices, among them the hajj and umrah; specifically the formal or informal
pilgrimage to the holy cities of Makkah and Al Madinah, which the Kingdom administers.

Training Training is ‘planned activities on the part of the organization, targeted towards increasing the job knowledge and skills or to modify the attitudes and behaviours of employees in ways consistent with the goals of the organization and the requirements of the job Training therefore involves a professional in the field expert working with learners to transfer to them certain areas of knowledge or skills to improve performance in a current or incipient job’ (Noe 2002, p.153).

Training needs assessment ‘The purpose of a training needs assessment is to identify performance requirements and the knowledge, skills, and abilities needed by an agency's workforce to achieve the requirements. An effective training needs assessment will help direct resources to areas of greatest demand. The assessment should address resources needed to fulfil organizational mission, improve productivity, and provide quality products and services. A needs assessment is the process of identifying the "gap" between performance required and current performance. When a difference exists, it explores the causes and reasons for the gap and methods for closing or eliminating the gap. A complete needs assessment also considers the consequences for ignoring the gaps’ (United States Office of Personnel Management n.d., p.1).

1.10 Organisation of the thesis

The thesis is organised in a standard format for qualitative research regarding the impact of culture and language on the effectiveness of employee training and development programs in Saudi Arabia’s workplaces. It consists of seven chapters as follows.

Chapter 1 provides a brief introduction to the study. It presents the research problem, research objectives, contribution to knowledge and practical significance, scope, key terms and structure of the thesis.

Chapter 2 presents the review of the Saudi nature, people, history, religion, government, and the challenges of a harsh climate and volatile region. This background sets the scene for the economic challenges that confront the government as Saudi Arabia seeks to take its place at the world’s forums.
Chapter 3 first reviews the literature on employee training and development theory and empirical studies. Concepts of employee training that fulfil an immediate or future need for job performance, and employee development that relates to career progression in the job are presented. This is followed by an examination of the literature on employee performance and evaluation. The discussion then moves to the Kingdom of Saudi Arabia, and issues involving globalisation, culture, and the hierarchical nature of Arabic organisations. Herein is an analysis of training and development practices which could be used to improve performance in Arab organisations.

Chapter 4 is structured as follows: it starts with an overview of the approach and philosophical paradigm of this study followed by justification for the chosen research method. This is followed by a discussion on the selection of semi-structured interviews which were used for the primary data collection, and validity and reliability procedures for the data. Choice of the population sample size of senior managers from local and international corporations in the Kingdom of Saudi Arabia is explained.

Chapter 5 presents the analysis of the qualitative data collected from the semi-structured interviews to determine the nature of the training programs used in these organisations. There is an examination of the experiences and perceptions of senior managers who make decisions and administer training activities in their firms. It also investigates the effects of culture and language among other factors that affecting employee training and development.

Chapter 6 discusses the research findings and compares these with the literature to embed in this study. The outcomes from this research form the conclusions that may be used by the Nitaqat authorities and the firms to improve the outcomes from the training and, through these, the organisation’s performance.

Chapter 7 summarises the thesis, its benefits and limitations, conclusions and recommendations. It also offers further research opportunities.
Chapter 2 Context of Study: Saudi Arabia

Each year the Saudi Arabian General Investment Authority (SAGIA) hosts a Global Competitiveness Forum to discuss business trends and insights to inform investors, and over the past few years the theme related to productivity (SAGIA 2012). At these forums, the Authority reaffirms its desire for the Kingdom to respond effectively to issues and challenges from the global economy. This chapter describes the characteristics of the country as they pertain to employers and employees, and the particular religious and social restraints that affect nationals’ employment in a cosmopolitan workplace in their own country. It sets the background for the economic challenges that confront the government as it seeks to take its place at the world’s forums.

2.1 Characteristics of Saudi Arabia

This section discusses the formation of the state and the nature of its absolute rulers. The characteristics of the state and its rule are followed by information on the physical environment and agriculture as an example of the difficulties the government must address. Next is a summary of the population and the cultural antecedents.

2.1.1 History

Prior to 1932 and the founding of the Kingdom of Saudi Arabia, the Arabian Peninsula’s populations were under a tribal or clan system (Al-Tawail, 1995). King Abdulaziz bin Aburrahman Al Saud unified the majority of the Arabian Peninsula into a single state in 1932 (Al-Tawail, 1995). Abdulaziz’s reign was considerably enhanced when oil was found in 1938, facilitating social and economic growth in the region, (Al-Rasheed 2002). However, this was impeded by a lack of expertise in several professional fields. Expatriate Arab skills and knowledge were acquired first; later non-Arab contractors and consultants were engaged to both complete projects and to transfer knowledge to Saudis. Al-Shamsi (2010) argues that whilst the Saudi government professes Islamic law, it follows international practice through secular law for trade and contracts. The monarchy has a difficult task in reconciling the two systems and this is somewhat reflected in commercial risk for foreign investment.
2.1.2 Geography and agriculture

Saudi Arabia, occupies 80 per cent of the Arabian Peninsula. Saudi Arabia is divided into thirteen provinces: Makkah, Medina, Riyadh, Eastern Province, Northern Province, Asir, Al-Baha, Hail, Al-Jouf, Jizan, Najran, Tabuk and Al-Qassim. Its capital is Riyadh, the seat of Al-Saud, and the commercial capital and entry point for the Islamic pilgrims (hajj and umrah) is Jeddah on the Red Sea.

The area now occupied by the Kingdom of Saudi Arabia was originally severely limited in its resources and sustenance. The Eastern province survived on subsistence agriculture, growing dates, a few crops, and fishing. The Arabian desert was a hostile environment where permanent habitations existed only at oases through nomadic animal husbandry and subsistence farming. The Western province, the Hijaz, was more urban, with long-distance trade and services to pilgrims to the Holy Cities of Makkah and Madinah. Distance, poverty and tribal societies made the creation of a merged community difficult, until King Abdulaziz used the annual Muslim pilgrimage revenue, customs duties and zakat (tithes) to stabilise the country and gain loyalty from the tribal leaders.

2.1.3 Demographics

Saudi population figures are approximate, estimated from a high, but now declining birth-rate, and an expatriate population whose numbers reflect the economic climate of the day. Table 2.1 presents a comparison of the latest estimates for 2011, compared with those for 1995.
These trends show a declining birth rate, as women now marry later. Studying lesser developed countries including Saudi Arabia over a half-century, Carmichael (2011) found that education is a factor in determining the age women marry, with a positive effect on age at first marriage and reducing spousal age gap. Further, and this particularly relates to the Kingdom, urbanisation has a similar effect, if not as large. The Muslim variable depresses female age at first marriage and increases spousal age gap; the earlier strong negative effect on age of first marriage has decreased. The author notes that this may contribute to the role of Islam in female empowerment.

Urbanisation is a defining factor in Saudi Arabia, as people moved from the harsh interior and a nomadic lifestyle into cities for work and education. Rahmann (2011) notes a continuum of urbanisation as it became increasingly adopted:

- urbanisation is harmful and its growth should be arrested,
- urbanisation is a necessary evil and policy should be aimed at minimising negative effects
- urbanisation is a conditional good and policy should be aimed at supporting its beneficial effects
- urbanisation is an unconditional good and should be accelerated.
The writer suggests that the alignment of a country’s population, and thus its demographics, towards equity or efficiency means that Saudi Arabia would take a middle path according to Shari’a. Thus the population accepts its inevitable urbanisation, with some misgivings. These misgivings may also relate to the numbers of foreign workers that occupy Saudi jobs and this is discussed in section 3.3.

2.1.4 Religion and culture

Islam is the only religion permitted to be openly expressed in Saudi Arabia, and Saudi citizens must be Muslim. According to Al-Shalawi (1988), Islam is central to the Saudi way of life and the source of all legal, political, social and economic acts that are not of a civil (government) source. It is also the basis of the constitution and laws in the country. As noted, international influences such as urbanisation, globalisation, foreign workers and technology have impacted the religion and culture of the Saudi population. Torstrick and Faier (2009) note the high penetration of information and communication technology on the Peninsula and its varying effects on the populations of the Gulf Cooperation Council countries whose religious devotion and insularity impart different reactions to modernity. For example, the authors note that in Qatar, the majority of the population are Sunni Moslems who practise the strict Wahhabi interpretation of Islam as the Saudis, although in Qatar, unlike Saudi Arabia, alcohol is available, women can drive vehicles, and are not obliged to wear the abaya. Rites practised as obligatory in Saudi Arabia are recommended (sunna) in Qatar. Another example of cultural emergence is that whilst picture theatres were shut down in the 1980s, the first private Saudi festival of short films was shown in Jeddah in 2006 to a mixed gender audience; however, a subsequent official festival of short films was held in Riyadh in 2008 to a segregated audience (Ende & Steinbach 2010).

Studying culture and religion in predominantly Muslim countries, Kucinskas (2010) investigated the relationship between Islamic religiosity and gender egalitarianism among youth in Saudi Arabia and Egypt to understand social currents in each country’s civic sphere. For young Arab men, orthodoxy is negatively associated with gender egalitarianism, whilst Egyptian young women’s self-identified religiosity positively affected gender egalitarianism. However, for Saudi Arabian women, Islamic religiosity has no effect so that they do not consider egalitarianism as an aspect of religiosity. Whilst the Arab culture of Bedouins and desert survival are well-known, it is
interesting that discourse on culture and Islam in the past several years has focussed on modernity and gender issues. Women writers are emerging in Saudi Arabia and elsewhere; however, gender appears grounded throughout Saudi studies on education and training, business, finance and insurance, and workplaces (Ahmad 2011, Clary & Karlin 2011, Elamin & Omair 2010, Ramady 2010).

2.1.5 Summary

In summary, the Kingdom of Saudi Arabia stabilised relatively quickly, forming a functioning state and providing for its rapidly growing population. By the turn of this century, the country was entrenched in the top echelons of international organisations, benchmarking its achievements against the leaders, and embarked on a successful strategy to accommodate and educate its youth. The discussion on that plan to reduce its dependence on expatriate labour and to educate and gain experience for its citizens is the focus of the remainder of this chapter.

2.2 Socio-economic development

In this section, a short explanation is given on the source of Saudi wealth, oil. This is followed by a discussion on the country’s five-year development plans, which seek to channel expenditure into socio-economic goals to achieve the vision of each plan.

2.2.1 Oil revenues

In 1933, the Arabian American Oil company (ARAMCO) was established by four American oil companies: Standard Oil of California (30%); Texaco (30%); Esso (30%); and Mobil Oil (10%). Six years after Saudi Arabia was founded by Abdulaziz, oil was discovered in 1938 on the east coast of the Arabian Peninsula. The new revenue source confirmed the King’s authority, and gave the new Saudi government influence and leverage in international relations. The kingdom thereupon moved from a subsistence economy to one of high expenditure fuelled by the oil incomes. As an example, annual government revenue grew from $US15 million in 1946 to $US100 million in 1950; and then to $US338 million by 1960 (Niblock 2006). With the new financial resources, Saudi Arabia began its transformation to a modern state with the establishment of the Council of Ministers in 1953, and this governance structure
continued under successive rulers as oil revenues rose. In 1972, the Saudi government obtained a 25 per cent equity share of the oil producer, Aramco, and in 1980, the company became 100 per cent Saudi owned (Jaffe & Elas 2007). Despite industry diversification, oil continues to be the main income producer for the country, contributing up to 90 per cent of total revenues during the last half-century (Choudhury & Al-Sahlawi 2000, Niblock 2006). Saudi Aramco is now the world’s largest oil company in terms of proven reserves and production of hydrocarbons. Oil export revenues now account for 80-90 per cent of total Saudi revenues and above 40 per cent of the country’s gross domestic product (GDP) (Eurasia Review 2011).

Saudi Arabia is characterised as a ‘rentier’ economy. In this form, a natural resource in this case oil, is used to fund the country’s infrastructure and to distribute the proceeds from the resource amongst the various levels of the population, that is, without the use of taxation (Schwarz 2008). However, zakat (tithes) is paid by Islamic wage and income earners to distribute to the poor, and taxation is in fact levied on foreign earnings leaving the country (Al-Rasheed 2002). The rentier economy according to Ramady (2010) differs from a re-distributive ‘welfare state’, as the latter includes taxation, which is taken from one section of society and distributed to others. Schwarz (2008) states that Arab rentier states display a particular path to state-formation, with less response to societal demands or political accountability. ‘In rentier states the expenditure side of public revenues is most clearly linked to a state-building agenda of creating societal peace and political acquiescence’ (Schwarz 2008, p.599). Arab states display strength, such as security and in times of oil booms, welfare expenditure; however they are weaker regarding citizen representation, and in times of fiscal crises, they lag on social welfare expenditure (Schwarz 2008).

Saudi Arabia’s Ministry of Petroleum and Mineral Resources and the Supreme Council for Petroleum and Minerals have oversight of the sector and Saudi Aramco directly (McPherson 2010). The Supreme Council, which is comprised of members of the royal family, industry leaders and government ministers is responsible for petroleum and natural gas policy-making including contract review as well as Saudi Aramco’s strategic planning. The Ministry is responsible for national planning in the area of energy and minerals, including petrochemicals. Eurasia Review (2011) reported that Saudi Arabia is shifting its focus beyond oil production since Saudi Aramco reached its target production capacity of 12 million barrels per day. Further, Aramco’s spare oil
production capacity can accommodate Saudi Arabia’s stated target of 2 further million barrels per day. Thus the country is diversifying its economy by expanding its refining, petrochemicals, and mineral products industries (such as high-value fertiliser).

2.2.2 Five year plans

Saudi Arabia is credited with a sophisticated planning system, advised by resident consultants from the World Bank (Ramady 2010). Preservation of the government and the provision of national security were the drivers for several decades and underpin the Saudi government’s succeeding five-year strategic plans (Al-Rasheed 2002). The development plans focus on differing aspects of Saudi socio-economic life and include balanced urban, material, and social development as well as improved standards of living and quality of life for its citizens. Excerpts from the succeeding plans of the Ministry of Economic and Planning, approved by the Council of Ministers, are presented below at table 2.2.
### Table 2.2

**Focus of development plans**

<table>
<thead>
<tr>
<th>Development Plan/s</th>
<th>Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>First, second, and third 1970-1984</td>
<td>Infrastructure projects and basic government services, water supply, electricity, education; next oil infrastructure, transport and housing. The third included establishment of a comprehensive public administration.</td>
</tr>
<tr>
<td>Fourth and fifth 1985-1994</td>
<td>Increasing public services, industry diversification, promoting private sector input to counteract declining oil revenues. The fifth plan followed these themes, but the 1991 Gulf War slowed implementation</td>
</tr>
<tr>
<td>Sixth and seventh 1995 – 2004</td>
<td>Higher education, internal privatisation of health and other public services, efficiency of services for both sectors. The seventh continued these themes, renewing diversification and adding localisation.</td>
</tr>
<tr>
<td>Eighth 2005 - 2009</td>
<td>As the economy matures, the strategic plan format extends to 20 years and is presented in four parts. The vision focuses on Saudi citizens’ quality of life and standard of living by providing quality education and health care, liberalising trade and creating relevant jobs for the Saudi workforce. The eighth plan allocates targets under the vision.</td>
</tr>
<tr>
<td>Ninth 2010 – 2014</td>
<td>The ninth plan emphasises the Kingdom’s Islamic and Arab identity, human rights, education, national security, sustained economic development, and balanced regional development. Specific items included moving towards a knowledge-based economy, human development, and others concerning private sector performance. A mention was made of small to medium enterprises, due to their contribution to the labour market.</td>
</tr>
</tbody>
</table>


### 2.2.3 Education

Of the socio-economic development elements of the five-year plans, education is the focus of this research. Historically, the Arabian Peninsula was a place of learning, and the Prophet Mohammad united the peninsula and established a seat of learning in Makkah in the 7th century, CE. Learning took place in maktabs (small local schools) described first by ibn Sina in the 11th century, and madrasahs (places of learning) held in mosques to study the Quran (Asimov & Bosworth, 1998). Prior to 1932 and unification, the Arabian Peninsula supported only basic education due to ongoing conflict and a subsistence economy, except for institutes in mosques in Makkah and Madinah to the west, and Al-Ahsa to the east (Faraj, 2005). Earlier, under Turkish rule
(Ottoman), Makkah and Madinah were places attended by scholars during the hajj and supported by income from the pilgrims. Literacy was valued for reading the Qur’an and trading (Long 2005).

At unification there were three forms of education on the Peninsula, Qur’anic and traditional learning from the mosques, the Ottoman public schools, and private schools (Albalawi 2007). As noted, mosques at Makkah and Madinah provided superior resources and attracted the foremost scholars in the Arabic language and Islam. The Turks introduced their schools with a Turkish curriculum and language in Makkah in 1880, offering boys a three-year primary education, middle school for three years, and a final five years of schooling for those seeking further education, later extending along the west coast. Parents resourced private schools for teaching literacy and the Qur’an. Upon unification, the government began establishing schools across the Kingdom, with 323 schools by 1954, when the Ministry of Education was established. Girls’ schools met with strong resistance from traditionalists and an education was denied to women until 1960 when the General Directorate for Girls was established. Whilst the government resourced sufficient educational facilities to accommodate the rapidly growing population, there were still greater numbers of male students than female until the 1990s. To facilitate administration and remove traditionalist interference, the Ministry of Education absorbed the General Directorate for girls in 2003, although the Directorate remains a separate part of the Ministry (Al-Sadaawi 2010). Public education in Saudi Arabia is free to all citizens. It is also strictly segregated, with the exception of the King Abdullah University of Science and Technology which opened in 2009 and where men and women study together using English. Further, women are not required to wear the niqab (veil) and may drive on campus. In 2009, 15 per cent of the students were female and had studied overseas (Saqib 2011).

The Ministry of Education is responsible for free general education in all public schools, with the Ministry of Higher Education offering free tertiary education: managing school buildings, equipment, and all curricula. The Saudi government devotes more than 25 per cent of the Saudi annual national budget to education (Ministry of Higher Education, 2010a). Education is the Saudi government’s means to provide jobs for its citizens and diversify its economy. Arguably the greatest educational barrier for the country is gender segregation; often resources for males and females are duplicated at separate locations and usually staffed by educators of that gender. As an example of
these issues, there are insufficient women lecturers in higher education and men teach female classes through a one-way video conference link (Oyaid 2009).

In 1949, higher education in Saudi Arabia commenced when the College of Islamic Jurisprudence was established in Makkah, later the University of Umm Al-Qura (Ministry of Higher Education, 2010b). Riyadh University, which is now King Saud University, is the oldest university, established in 1957. The development of higher education was slowed by lack of resources with insufficient lecturers and disinterest in the community. Institutes that offered diplomas and bachelor degrees in specific subjects like Islamic studies, Arabic language, and education were developed; however students who wished to pursue professional qualifications were granted overseas scholarships. This situation remained until the mid-1970s, when the Ministry of Higher Education was established to take over from the Ministry of Education responsibility for universities and institutes of higher education (Alebaikan 2010). The Ministry of Higher Education now oversees all post-secondary education, the universities and colleges. The Ministry of Higher Education (2010a) reported that in 2009 there were 31 public and private universities, including eight for women, and 487 colleges, of which 40 were for women. Saudi Arabia’s education system is depicted at figure 2.1.

![Diagram of Saudi Arabia's education system](image-url)

**Figure 2.1 Saudi Arabia's education system**
The above figure simplifies the education system in Saudi Arabia. There is a relatively straightforward system of private and public education facilities and educators, although strict gender segregation is observed in all public institutions with the exception of King Abdullah University of Science and Technology near Jeddah. Primary school is 6 years, intermediate is 3 years until 15 years of age and then children may choose at year 9 to explore different subject streams, or leave the academic system for vocational or technical training. Public education is free; in fact tertiary students are further supported through monthly stipends to assist their families. The Technical and Vocational Corporation supports 35 colleges of technology for boys, and 15 higher technical institutes for girls. The Corporation states that in all, it has 63 institutes and 61 programs that are all designed to meet the labour market’s needs (Technical and Vocational Corporation 2012). There is a further organisation, Tatweer, established in 2011, whose mission is to radically address perceived deficiencies between school-leavers and graduates who are unable to compete with the global workforce available to Saudi employers. Tatweer assists the large number of dropouts from school, and designs curricula to meet employers’ needs through the public education system (Tatweer Education Holding Company 2012).

In part to address perceptions of religious and literary courses preferred by students, the King Abdullah Scholarship Program was instituted in 2005 to gain access for a substantial proportion of Saudi postgraduates to the more employment directed courses offered internationally. The Ministry of Higher Education noted that 1.15 million students (60 per cent women) were enrolled in higher education in 2012, 5 per cent in private institutions. The Saudi government invested SAR 9 billion SAR ($AU2.3b) to fully fund 125,000 students in both undergraduate (medicine only) and graduate courses in 22 countries (ICEF Monitor 2012). Thomas (2013) reported recently that the international education is modernising Saudi society by eroding cultural barriers, religious extremism and gender inequality. Some 73 per cent of the 9,000 students in the United States in 2013 were women, despite having to have the permission of a male relative to travel abroad. For example, one Saudi graduate from a Canadian university returned home to Saudi Arabia and set up an e-portal career gateway for women, glowork.com. Further, a not-for-profit recycling enterprise was started up by another graduate from the same university.
2.2.4 Summary

This section summarises socio-economic development in Saudi Arabia in terms of educating its citizens, according to the five-year plans, for employment. Whilst the education of citizens, effectively just in the last four decades, is impressive, the imbalance of foreign workers in the country shows that this achievement is not being translated into gainful employment for nationals. This matter is addressed in the next section.

2.3 Labour Market

The national labour market is skewed by a foreign workforce, mainly from eastern and southern Asia. In this section, statistics showing the profile of the workforce are shown followed by a discussion on unemployment, and employers’ reactions to training their staff.

2.3.1 Labour force profile

In a recent briefing, the International Monetary Fund (2012) noted that ensuring sufficient job creation for nationals was a crucial issue for GCC countries and highlighted the importance of employment for social cohesion. Economic growth alone was not sufficient to provide the needed number of jobs:

Enhancing education and training systems, improving job placement services, and, potentially, providing targeted subsidies for hiring of new labor market entrants could help boost job creation. At the same time, it will also be necessary to address differences in wages and benefits that are causing nationals to prefer to work in the public rather than in the private sector (IMF 2012, pp. 20-21).

In 2009 the population of the GCC countries was estimated at 43 million, with immigrants as a large proportion due to the reliance on imported labour, approximately two-thirds (68%) of the GCC labour force (Gulf Investment Review Monthly Economic Review 2012). This is the latest official figure; however, gathering accurate statistics is difficult on the Peninsula due to ordinary traffic over the Saudi borders, and the number of foreigners who overstay their (generally) two year work visa. For example, the World Factbook estimates the total labour force for the Kingdom in 2011 at 7.63m, 80 per cent of whom were foreigners. In 2009, the Central Department of Statistics and Information (2009) estimated the then total labour force at 8.61m, half of whom were foreigners. Of
interest to this study, there is a further claim that 90 per cent of the private sector employees are foreigners, and that the Saudis overwhelmingly prefer working in the public services (Achoui 2009, Sfakianakis (2011, 15 June). Table 2.3 shows the total labour force estimated by the Central Department of Statistics and Information for 2009.

Table 2.3
*Total labour force 2009 by age and sex*

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Total</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>19-24</td>
<td>1,238,231</td>
<td>401,389</td>
<td>836,842</td>
</tr>
<tr>
<td>25-34</td>
<td>1,476,763</td>
<td>576,829</td>
<td>904,254</td>
</tr>
<tr>
<td>35-44</td>
<td>1,270,636</td>
<td>497,883</td>
<td>772,753</td>
</tr>
<tr>
<td>45-54</td>
<td>1,075,540</td>
<td>411,683</td>
<td>663,857</td>
</tr>
<tr>
<td>55-64</td>
<td>105,671</td>
<td>2,131</td>
<td>103,540</td>
</tr>
<tr>
<td>65+</td>
<td>86,972</td>
<td>4,277</td>
<td>82,695</td>
</tr>
<tr>
<td>Total</td>
<td>8,611,201</td>
<td>1,283,021</td>
<td>7,328,180</td>
</tr>
</tbody>
</table>

Source: Central Department of Statistics and Information 2009, table 5

Using the official statistics, table 3.3 shows that 85 per cent of the total labour force in 2009 were men and 15 per cent were women; of these the male unemployment rate was low, at 3.5 per cent and the women’s rate 15.9 per cent. Women also appeared to leave the workforce progressively after the age of forty. Again, other statistics differ, with 2009 figures from the World Bank (2009) showing total male participation rate of 80 per cent for the country, and women 21 per cent. Nevertheless, there is proportional similarity. The total unemployed were predominantly in their twenties, and these figures represented some 18 per cent total unemployed of those registered for work. Table 2.4 relates to Saudi nationals’ data:
Of the 4.2m Saudis in the labour force, approximately half the total labour rate according to the Central Department’s estimation, 84 per cent were men and 16 per cent were women. The national male unemployment rate was about 7 per cent, and the women’s rate some 28 per cent, thus the total number of Saudi women working was only about a half-million in 2009. According to the Department, the Saudi nationals’ population was 18.7m in 2010, although the World Factbook estimated it at just on 21m in 2012. With 30 per cent of the population under the age of 15 years, less than 9 per cent of working age Saudi women (over 15 years of age) were therefore actually employed. Further, 27 per cent of women in their twenties were unemployed.

Of interest to this research are the nature of the jobs available and those chosen by Saudis. Table 2.5 shows the total jobs available in the country’s labour market.

Table 2.4
Saudi labour force 2009 by age and sex

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Total</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-19</td>
<td>25,758</td>
<td>786</td>
<td>24,972</td>
<td>11,196</td>
<td>361</td>
<td>10,835</td>
<td>14,562</td>
<td>425</td>
<td>14,137</td>
</tr>
<tr>
<td>20-24</td>
<td>492,432</td>
<td>100,302</td>
<td>392,130</td>
<td>153,720</td>
<td>77,834</td>
<td>75,886</td>
<td>298,712</td>
<td>31,558</td>
<td>267,154</td>
</tr>
<tr>
<td>25-29</td>
<td>879,167</td>
<td>202,206</td>
<td>676,961</td>
<td>178,062</td>
<td>91,962</td>
<td>86,070</td>
<td>701,105</td>
<td>110,214</td>
<td>590,891</td>
</tr>
<tr>
<td>30-34</td>
<td>816,024</td>
<td>183,995</td>
<td>632,029</td>
<td>49,272</td>
<td>26,470</td>
<td>22,802</td>
<td>766,752</td>
<td>130,525</td>
<td>626,227</td>
</tr>
<tr>
<td>35-39</td>
<td>668,381</td>
<td>107,680</td>
<td>561,701</td>
<td>10,515</td>
<td>4,633</td>
<td>5,882</td>
<td>658,866</td>
<td>103,047</td>
<td>555,819</td>
</tr>
<tr>
<td>40-44</td>
<td>528,800</td>
<td>69,289</td>
<td>469,511</td>
<td>3,347</td>
<td>95</td>
<td>3,252</td>
<td>525,453</td>
<td>69,194</td>
<td>466,259</td>
</tr>
<tr>
<td>45-49</td>
<td>380,256</td>
<td>32,226</td>
<td>348,030</td>
<td>2,435</td>
<td>0</td>
<td>2,435</td>
<td>377,821</td>
<td>32,226</td>
<td>345,595</td>
</tr>
<tr>
<td>50-54</td>
<td>230,152</td>
<td>12,211</td>
<td>217,941</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>230,152</td>
<td>12,211</td>
<td>217,941</td>
</tr>
<tr>
<td>55-59</td>
<td>133,314</td>
<td>4,948</td>
<td>128,366</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>133,314</td>
<td>4,948</td>
<td>128,366</td>
</tr>
<tr>
<td>60-64</td>
<td>55,918</td>
<td>1,263</td>
<td>54,655</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>55,918</td>
<td>1,263</td>
<td>54,655</td>
</tr>
<tr>
<td>65+</td>
<td>75,313</td>
<td>1,739</td>
<td>73,574</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>75,313</td>
<td>1,739</td>
<td>73,574</td>
</tr>
<tr>
<td>Total</td>
<td>4,286,515</td>
<td>705,725</td>
<td>3,580,790</td>
<td>448,547</td>
<td>200,385</td>
<td>248,162</td>
<td>3,837,968</td>
<td>505,340</td>
<td>3,332,628</td>
</tr>
</tbody>
</table>

Source: Central Department of Statistics and Information 2009, table 6.
Table 2.5

*Total labour force 2009 by age and main occupation*

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Employees (15 Years and Over) By Age Group and Main Occupation Groups</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>Total</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Workers</td>
<td>10,536</td>
<td>1,850</td>
<td>1,950</td>
<td>2,060</td>
<td>2,170</td>
<td>2,280</td>
<td>2,390</td>
<td>2,500</td>
<td>2,610</td>
<td>2,720</td>
<td>2,830</td>
<td>2,940</td>
</tr>
<tr>
<td>Sales Workers</td>
<td>7,164</td>
<td>1,260</td>
<td>1,360</td>
<td>1,460</td>
<td>1,560</td>
<td>1,660</td>
<td>1,760</td>
<td>1,860</td>
<td>1,960</td>
<td>2,060</td>
<td>2,160</td>
<td>2,260</td>
</tr>
<tr>
<td>Clerical Workers</td>
<td>1,800</td>
<td>360</td>
<td>460</td>
<td>560</td>
<td>660</td>
<td>760</td>
<td>860</td>
<td>960</td>
<td>1,060</td>
<td>1,160</td>
<td>1,260</td>
<td>1,360</td>
</tr>
<tr>
<td>Agriculture, Forestry, and Fishing</td>
<td>2,000</td>
<td>300</td>
<td>400</td>
<td>500</td>
<td>600</td>
<td>700</td>
<td>800</td>
<td>900</td>
<td>1,000</td>
<td>1,100</td>
<td>1,200</td>
<td>1,300</td>
</tr>
<tr>
<td>Construction and Repair</td>
<td>3,536</td>
<td>650</td>
<td>750</td>
<td>850</td>
<td>950</td>
<td>1,050</td>
<td>1,150</td>
<td>1,250</td>
<td>1,350</td>
<td>1,450</td>
<td>1,550</td>
<td>1,650</td>
</tr>
<tr>
<td>Wholesale and Retail</td>
<td>2,000</td>
<td>360</td>
<td>460</td>
<td>560</td>
<td>660</td>
<td>760</td>
<td>860</td>
<td>960</td>
<td>1,060</td>
<td>1,160</td>
<td>1,260</td>
<td>1,360</td>
</tr>
</tbody>
</table>

Source: Central Department of Statistics and Information 2009, table 31

Nearly one-third (31%) of the total labour market jobs are occupied by service workers, followed by 21 per cent in basic engineering support. The next similar groups are technician positions (11%) sales (10%) clerical (9%) and specialists (8%). Following these are agricultural workers (4%) and management (4%), and industrial (2%). Thus there are about one-third technical and engineering jobs, one-third service workers, then office and retail and managers; and agriculture and industrial workers. Table 2.6 analyses the jobs Saudis hold.
Table 2.6
Nationals’ labour force 2009 by age and main occupation group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Saudis</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>14,565</td>
<td>17,605</td>
</tr>
<tr>
<td>25-34</td>
<td>28,712</td>
<td>35,444</td>
</tr>
<tr>
<td>35-44</td>
<td>70,105</td>
<td>83,376</td>
</tr>
<tr>
<td>45-54</td>
<td>76,762</td>
<td>90,389</td>
</tr>
<tr>
<td>55-64</td>
<td>68,868</td>
<td>82,669</td>
</tr>
<tr>
<td>65+</td>
<td>85,483</td>
<td>102,858</td>
</tr>
<tr>
<td>75+</td>
<td>277,92</td>
<td>311,266</td>
</tr>
<tr>
<td>85+</td>
<td>220,182</td>
<td>241,764</td>
</tr>
<tr>
<td>95+</td>
<td>123,014</td>
<td>131,962</td>
</tr>
<tr>
<td>105+</td>
<td>85,918</td>
<td>95,336</td>
</tr>
<tr>
<td>115+</td>
<td>75,313</td>
<td>82,626</td>
</tr>
<tr>
<td>125+</td>
<td>5,837,988</td>
<td>6,865,993</td>
</tr>
</tbody>
</table>

Source Central Department of Statistics and Information 2009, table 33

The job categories are less defined for Saudi nationals. They occupied a greater number of service jobs in 2009, 35 per cent of Saudi employees against 31 per cent of total workers. At about half the workforce Saudi nationals proportionally had higher rates for technicians (18% Saudi, 11% total), clerical (15% and 9% respectively), managers and directors (6% and 4% respectively) and specialists (9% and 8% respectively).

The results from foreigners occupying certain job categories was evident in basic engineering (6% Saudis proportionally and 21% total labour force) and sales (6% Saudis and 10% total labour force); and arguably in agriculture (3% Saudis and 4% total labour force) and industry (1% Saudis and 2% total labour force).

2.3.2 Unemployment

Researchers are concerned about the impact of globalisation on the job market (Al Gahtani 2002, Achoui 2009, Looney 2004, Madhi & Barrientos 2003). Whilst the Kingdom’s remarkable development since the oil boom in the 1970s depended upon expatriate labour, the previously high birth rate and expatriate development of the socio-
economic infrastructure resulted in severe national underemployment. Foreign labour is a major resource for the Saudi labour market and since the 1990s, the ratio of expatriates to the total population remained relatively stable, around 27 per cent (Sfakianakis 2011, 15 June). However, the 2010 census showed that the non-Saudi population had grown more than earlier estimated due to an economic boom caused by the rise in oil prices between 2003 and 2008. From 2004 the ratio of non-Saudis to the total population rose, reaching 31 per cent of the 27.6 million people living in the country by the end of 2010.

The Saudi economy is producing work; in 2009, 674,000 new jobs were created in the private sector, and another 42,200 in the public sector. Ninety per cent of private sector jobs are occupied by foreigners. Sfakianakis (2011, 15 June) reported that unemployment among Saudi nationals rose from 9.8 per cent in 2008 to 10.5 per cent in 2009 and that rise was due to joblessness among youth. In 2009, some 27.4 per cent of Saudis under the age of 30 were without work, including 39.3 per cent of those aged 20-24 years. The International Labour Organisation (ILO) (2011) reported that Saudi Arabia’s youth unemployment is amongst the highest in the region, second only to Iraq and the country has a higher joblessness rate than Egypt, Sudan or Lebanon (figure 2.2).

Figure 2.2 Arab youth unemployment, by gender, compared with total unemployment
The ILO (2011) noted that the Kingdom’s previous five-year development plan (2005–09) aimed to reduce unemployment by approximately half from 270,000 in 2004 to 140,000 by 2009; to the contrary, unemployment increased to 463,000 in 2009. Further, the labour participation rate for Saudis in 2009 was a low 49.9 per cent, so that less than one adult in two of working age was employed or seeking work. The low participation rate was exacerbated by the lack of women in the labour market; less than one woman in four of working age held a job. Women account for a mere 15 per cent of the Saudi labour force, and these numbers are split roughly equally between expatriates and nationals.

In its current five-year development plan, the government determined that private sector employment for nationals should grow at 5.3 per cent per year, thus from a planned 1.22 million new jobs created between 2010 and 2014, some 1.12 million, or 92 per cent, should be occupied by Saudi nationals. However, Sfakianakis (2011, 15 June) observed that whilst the government is planning for job growth, 982,420 work visas for foreigners were issued to the private sector in 2009, more than double the number granted in 2005. The commentator noted that 6.21 million, or 90 per cent of 6.89 million private sector employees were non-Saudis, up almost 30 per cent from 2006. The main reason for the disparity is wages, with foreign labour, particularly from South and Southeast Asia, receiving lower wages than Saudis, and they are highly skilled. Saudi Arabia has long had a labour force policy of Saudisation, replaced in 2011 by Nitaqat to encourage compliance. Whilst Saudi women are not officially denied work, and the Employment Law specifies this, work permits for non-Saudi women tend to be restricted to the health, education and air transport sectors. There are no restrictions on the employment of Saudi women, provided that the appropriate working environment is provided (Hatem Abbas Ghazzawi & Co. 2011). The Employment Law allows for 48 hour weeks before overtime is paid, no minimum wage for non-Saudis. However, the heat during the day and frequent prayer breaks splinter normal working hours, and there are calls for shops to shut in Saudi Arabia by 10p.m., and to declare a two-day weekend, Friday and one other day, thus reducing work hours before overtime to 40 hours. In September 2012, the National Committee of Workers (not a trade union) and employer representatives discussed the effect of working hours on institutions; unification of working hours in the public and private sectors; daily working hours in
the wholesale and retail trade; and distribution of daily working hours. A two-day weekend (Thursday-Friday) was agreed for early 2013 (Arab News, 2012).

### 2.3.3 Job creation initiatives

Launched in 2005, the original concept for Saudi’s six new economic cities was to provide accommodation, jobs and all services in greenfield developments to address challenges for expanding existing cities. The Saudi Arabian Government Investment Agency (2010) reported to the OCED that each city was to be themed according to industry; the first development was the King Abdullah Economic City north of Jeddah at Rabeigh, and connected along the Haramain very fast rail. Its focus was sea port and the supporting logistics to alleviate Jeddah’s position as the major Red Sea port for the country, at $US27 billion, it was planned to support 2 million population and a million jobs. To the far north, at Hail, the Prince Abdulaziz bin Musaid Economic City with 55,000 jobs was also planned as a trading centre and inland port for agricultural and mining enterprises. As a holy city, Al Madinah was to receive a technology hub and industries around education and tourism, with 20,000 new jobs. Jazan Economic City, at the southernmost end of the Red Sea, was destined for a seaport, agriculture and a large industrial park, producing 500,000 jobs. The fifth at Tabouk and the sixth in the Eastern province, were then to be confirmed. These cities were planned as private-public enterprises, with foreign investment to provide the ongoing capital with government support. However, by 2012, the Financial Times reported that the global economic crisis had slowed international interest in the cities, with the Arab uprisings also prompting direct economic support for citizens. By 2020, the cities were expected to accommodate and provide jobs for 4.5 million people and generate $150 billion in non-oil GDP, although at 2012, 12,000 new jobs were claimed for King Abdullah City.

### 2.3.4 Skills training

Improved delivery of education and training, as noted, is the government’s strategy for providing the required human resources to the economy, but formal education in the Kingdom has not developed over time to respond to employers’ needs (Madhi & Barrientos 2003). Skills training in the Kingdom is now receiving significant attention from researchers and commentators, and they indicate a widespread concern for the quality of professional and other training in the Kingdom.
Vocational training has long been used to address a perceived skills gap in the Kingdom. However, Baqadir et al. (2011) suggested that the skills gap has not diminished. Studying private sector employers’ perspectives, they found that a technical education fails to offer Saudi graduates a sufficient level of skills and attitude to work for the employers to recruit them. ‘The perceived skills gap centres on three factors: work ethics, specialised knowledge and generic skills’ (Baqadir et al. 2011, p. 551). Al-Turki (2011) explored enterprise resource planning which is being implemented by many Saudi organisations. The author found that the majority of organisations undertaking the program had serious time and/or cost overruns in implementation, and the outcomes were influenced by poor management commitment and lack of a clear strategic objective. Change management programs and extensive training were essential for successful implementation. Assessing the training needs of faculty members in the Saudi Teacher Colleges, Al-Ghamdi (2010) found that an appropriate means of performance evaluation was necessary for training effectiveness, and that this should incorporate financial and career opportunities.

2.3.5 Summary

This section considers the state of employment in Saudi Arabia. It finds that a very low participation rate of Saudi women in the workforce and that young Saudis have a high unemployment rate. There are several factors involved, summarised by Baqadir et al. (2011) as the Saudi work ethic, and a lack of specialised knowledge and generic skills to work in a team. This indifference is arguably reflected in management, who lack goals and commitment in business practices (Al-Turki 2011). Whilst these examples are recent, they follow a theme of workplace indifference in the Arab culture, as the collectivist society has loyalty to clans and family, and not so much to a profit-making firm.

2.4 Saudisation and Nitaqat

The Saudisation program is a two pronged response to the significant salience of foreign workforce in the Kingdom: the accessibility of low-cost labour from south Asia and the inability of the young population to access skills and knowledge through education which limits their opportunities in the labour market (Madhi & Barrientos 2003). It appears that globalisation compounds both these factors. Nitaqat, introduced in
2011, intensifies compliance by employers that are rated as not proactive with employing Saudis by, among other measures, limiting the firms’ access to work visas. At the same time, complying firms are rewarded with further visas, training assistance and opportunities for further contracts.

Saudi Arabia’s challenges concerning its youth are high dependence on the oil and the petrochemical industry and thus foreign labour as shown in section 3.3.1 a low participation rate for women and disconnect between students’ choice of study and the skills and knowledge requirements of employers in the private sector. Recent studies related to training programs in the private sector especially in small and medium size companies (SMEs) show that training is not structured nor is it efficient in producing the necessary skills (Achoui 2009).

From a private sector perspective, there is the additional problem of limited future planning for local business. That the majority of Saudi companies rely on short-term strategies in their practices, rather than developing business models which could plan for the longer term. This short term practice adversely affects the performance of Saudi firms in the evolving markets, especially during the economic crisis, when planning requires responses to emergencies (Achoui 2009). Ali (2009) is also concerned with the slow adaptation to modern technologies shown by many managers, which is the antithesis to the need for rapid change in the global environment.

2.5 Chapter Summary

This chapter presents the unique environment of Saudi Arabia, and the challenges its society continues to meet in achieving competence for its young population in a rapidly globalising world. Whilst it modernises the economy, the government ensures that its Islamic principles are the foundation of its progress. However, challenges occur through improving the quality of its education, and its employment and management practices, the source of the main job growth of the future. This sector will provide the diversification and the impetus to invigorate vocational education, possibly through the chambers of commerce and other employer associations.

Other initiatives required are structural labour reform, including workplace conditions, minimum wages and enforcement of Nitaqat regulations are required. On
the firm level, recruitment and performance reviews based on competency, training that is rewarded through monetary and career reward packages are factors in attracting and retaining Saudi employees. Next chapter introduces the methodology for the primary research.
Chapter 3 Literature Review

This chapter introduces the environment of the research and places it in context. For the purposes of this study, employee training is considered necessary to fulfil an immediate or future need for job performance, and employee development relates to career progression in the job. The inherent concepts of employee training and development are therefore first to be discussed, followed by concepts of performance and evaluation. The discussion then moves to the context, that is, the Kingdom of Saudi Arabia, and the issues involving globalisation, culture, and the hierarchical nature of Arabic organisations. This is followed by training and development practices, and evaluation of these, which could be used to advantage to improve performance in Arab organisations.

3.1 Employee training and development

Employee training and development is a generic term. However, Noe (2002, p.153) defines training as planned activities on the part of the organisation targeted towards increasing the job knowledge and skills or to modify the attitudes and behaviours of employees in ways consistent with the goals of the organisation and the requirements of the job. Training therefore involves transferring knowledge or skills to improve performance by formal or informal means such as coaching or mentoring. Development is a broad, ongoing multi-faceted set of activities (training activities among them) to bring a person to another threshold of performance, often to perform a new role in the future. Significantly, Tansky and Cohen (2001) link career development with management commitment to the organisation and an increased interest to develop their employees.

There are a multitude of approaches to employee training and development; these can broadly be defined as specific training for a current job and comprehensive development for future performance. Lepak and Snell (1999) noted the increasing trend for organisations in developed economies to buy in skills rather than develop them in-house. The authors developed a framework for skills acquisition based on the resource capacity of the firm, human capital, and transaction cost economics, which allocated certain attributes to the particular form of skills acquisition, employment or skills
purchase. In this study on skilling nationals in GCC countries, purchase of foreign skills has long been the driver of socio-economic growth and it is ‘localisation’, generating jobs for the national labour market that is the focus. The first part of this discussion is the theory of human capital, and its relationship with the social capital.

### 3.1.1 Human capital

The term human capital was popularised by Becker (1994) in the mid 20th century, using manufacturing references to illustrate the human labour component in the formation of wealth. In 1962, Becker proposed two forms of human capital, general and specific. General human capital, such as a computer programmer, who assists productivity for the firm and can also be used by others; it thus sets competition for the worker’s services. Human capital may also be specific to a firm but not other firms, such as corporate knowledge, so that there is a monopoly-type relationship between the employee and employer (Lazear 2009).

Human capital remains a mainstay in the literature. Human capital is derived from socio-economic status, individual differences, education and training, and experience (Judge et al. 2010). In studying the careers of individuals, Judge et al. found in a large study that successful individuals with high general mental ability ‘attained more education, completed more job training, and gravitated toward more complex jobs’ (Judge et al. 2010, p. 92). Further, Kambourov and Manovskii (2009) concluded that in Canada, human capital was occupation specific, that the longer an individual remained in an occupation, the higher rewards were received (5 years’ experience gained 12-20% in wages). For the firm, Almeida and Carneiro (2009) estimated that the rate of return in investing in their employees over time as 8.6 per cent.

The importance of human capital underlies the United Nations’ Human Development Report, which is an annual index evaluating the rate of human capital formation around the world (United Nations Development Program [UNDP] 2011). The Human Development Index comprises three parts: a life expectancy ratio for the standard of citizens’ health, the educational standard and the literacy ratio, and the income index shows the standard of living for the nation. The index has a positive relationship between human capital formation and economic development so that if there is an increase, per capita income for the nation also increases. The United Nations takes the view that steady progress in human development is the strong foundation for
economic development for the nation for a long period of time. The Arab data for the Report is shown at figure 3.1 (UNDP 2011).

![Figure 3.1 Trends in Human Development Index for Arab region, 1980 – 2011.](image)

Source UNDP 2011

Studying the relationship between human capital and productivity, Danvila del Valle and Sastre Castillo (2009) emphasised the importance of training as a creator of human capital, which enables organisations to gain competitive advantages that are sustainable in the long-term and that result in greater profitability. This implies a framework of learning interventions that are either on-line and readily available to the workforce, or are consistently offered through formal off-the-job training courses.

Of interest in this study, Al-Ghamdi et al. (2011) question the measurement of corporate productivity for Saudi Arabia. The researchers used an older international corporation productivity measurement of McInnes (1984) and applied it to international and national firms in Saudi Arabia, finding differing relationships among the variables.
to McInnes’ study. Al-Ghamdi et al. (2011) called for further research to establish variables that account for Arab culture in determining productivity gains in regional corporations. Of the three countries in the McInnes study, only one (United Kingdom) focussed on labour for productivity, whilst Japan and the United States did not. In this study, labour productivity is the focus of corporate productivity, and training the key to improved performance. Whilst time and place and obviously the competitive environment have altered, the call for a definition for Arab productivity raised by Al-Ghamdi et al. (2011) is highly relevant.

3.1.2 Social capital

In 1988, Coleman (1988) posited a relationship between human capital and ‘social capital’. Coleman was working on an earlier concept of Granovetter (1973). Granovetter noted that social network models, before the advent of social media, related to the strong ties of small, well-defined groups: family, friends and firms. However, the interaction of individuals from a primary group to individuals in other groups diffused information and influence and permitted greater mobility and community organisation. This Granovetter termed ‘the cohesive power of weak ties’ (Granovetter, 1973, p. 1360). The concept of a social network in the sociology literature moved from primary groups to focus on relations between groups, where individuals ‘embed’ their actions in generating trust, establishing expectations and creating and enforcing norms (Coleman 1988). Coleman used the economic terminology to posit social capital, wherein capital comes not from outcomes, but in the strength of the relationships, ‘the cohesive power of weak ties’.

The relevance to this study of social capital in this study is its power in creating human capital. Coleman (1988) notes that relationships between the parents and children influence intellectual development in the child, a form of human capital, and the formation of trust, expectations and social norms. Lesser (2000) brought this into the organisation, noting that a recruit’s induction training aligns the new employee with the firm’s methodology rules and practices. The inductees mingle with others from different parts of the firm, with senior members of the firm who passed on the firm’s culture, and accounts of their own career paths. There is evidence that organisations actively encourage social capital tenets in employee training and as part of the firm’s values. Ellinger et al. (2011) found organisational investments in social capital were positively
related to employee job performance. The finding that ‘relationships are stronger at low to moderate levels of managerial coaching suggesting that selective rather than exhaustive application of the developmental approach may be more effective’ (Ellinger et al. 2011, p.67).

3.1.3 Management learning

Management, leadership, or organisational developments are the various titles for management instruction in organisations (Mintzberg 2004). The Master of Business Administration emerged in the United States with Harvard University offering the degree from its new Graduate School of Business Administration in 1908, soon adopting FW Taylor’s (1911) principles of scientific management. The graduate degree was designed to train students in the techniques of business such as finance and accounting, marketing and statistics, human resources and employment matters, and operations management (Harvard Business School 2011). Of interest to this research, the first executive program, that is, a shortened version of the full program designed for employed management’s development was introduced in 1943 by University of Chicago’s Booth School of Business; typically the students had ten years or more of work experience. These qualifications in various configurations are now offered in the majority of universities or their affiliates around the world, and online (Executive MDA Council 2011). However there is some doubt about their effectiveness in the organisation, due to the generic nature of the curriculum (Ruben & Dierdorff 2009).

One of the organisation-based development programs was termed the learning organisation and this combined the business and human resource environments (Pedler et al. 1989). A learning company was in an environment of change, ‘an organization that facilitates learning of all its members and continuously transforms itself’ (Pedler et al. 1989, p.1). This style of continual learning was based on life-long learning and was deemed to be an appropriate response to globalisation. Gibb (1997) found the concept of use in reducing transaction costs for small firms. Gibb differentiated between contextual learning, gained through experience, and objective and abstract knowledge from instructors. The contextual knowledge, the author found, was frequently located in the firm’s immediate environment, and the concept of learning circles among managers within an industry was introduced.
3.1.4 Employee learning

By the turn of this century, concepts for staff training such as *team building* and *high performance workplaces* that focused on continual change and the learning issues that were entailed gave way to a hybrid approach, developed by higher education organisations. Mumford (2010) studied typical learning-related interventions in organisations designed to improve organisational capability, such as strategy briefings and operational workshops, and matched these interventions, or courses, with those a university may offer. The author found several instances where contextual learning could be matched with higher education’s objective or abstract knowledge transfer. This is the direction for this research, as it has relevance for Saudi Arabia, where there is disconnect between the universities’ graduates work readiness, and the needs of the employer. The purpose of the paper is to identify potential opportunities for increasing the perceived relevance of university provided work-based learning.

The human resource function in any organisation, public or private, small or large, maintains training programs to fulfil the skills resources required by line management. Training is important to achieve strategic objectives, especially during periods of growth and technological development in the contemporary world of changing information and innovation (Figliolini et al. 2008). Organisation members’ working performance combines as a whole to become organisational performance. The benefits of offering training to employees are to enable greater customer loyalty, higher of customer satisfaction, and healthy profit margins (Ramady 2010). Phillips (1997) suggested that training was viewed simply as an expense by some organisations; however, it is a long term strategy for organisational development. Continuous training for staff on the basis of training needs is crucial to adapt the organisational skills needed to meet future needs, improve individual job satisfaction, redeployment of staff, and enhance career prospects, job opportunities and take advantage of technological advances (Vance 2010).

Integrating training and development activities into key business decisions and activities is crucial. As a human resource function and a performance component, training and development should be linked with recruitment and selection, career planning and development, and the performance appraisal and pay system. The benefits include increased flexibility transferring people with core skills to different parts of the
operation; banking and consolidating key management skills; a focus on building unique operation skills; and deriving satisfaction from staff who understand and can contribute to recognisable goals (Yun & Lansbury 2008). Phillips (1997) suggested that human resource training and development required professionals to assist train and educate employees to increase competency and develop career actions; facilitating change and performance improvement. Gilley et al. (2002) state that human resource practitioners can assist managers to improve staff performance at all levels. Human resource development practitioners should use marketing concepts and approaches to respond to line needs and provide management with updated training and services to satisfy development needs (Gilley et al. 2002). The authors further suggest that human resource development personnel should therefore also undertake training and attend conferences to ensure that the organisational approach meets state of the art practices and standards.

A systematic approach to measure the effectiveness and efficiency of training and development begins with needs assessment (Phillips 1997). Needs assessment describes the gap between employees’ competency before training and produces a skills and knowledge standard for competencies after training. Needs assessments therefore encompass a problem statement, objectives for training, budget, facility requirement, internal and external support.

3.2 Skills standards and evaluation

As well as a learning event, employee training is a factor in organisational change, thus there are several aspects to evaluation of training: the training program or course itself, the acquisition of competence or knowledge for the trainee, and the longer term result for the organisation.

The initial training received by an employee is usually an induction into the organisation, which can be a formal course before or after commencement at the job for awareness or knowledge and skills development, or merely advise a professional of the organisational environment. With an international organisation such as IBM (no date), for example, there is a two-day induction course for university students on work experience that introduces them to the company and focuses on the acquisition of business skills and personal skills, opening paths for students to acquire further
knowledge from IBM sources when they return to university. Williams (2009) reported on a survey that found that effective employee induction training can improve retention rates.

However, another form of induction is a group of new employees who receive awareness information on the firm’s business culture, its plans, policies, employment conditions, responsibilities such as health and safety, security systems, and introductions to key staff members (Armstrong 2003). Whilst management must offer some form of organisational induction to each employee to save time and errors, a casual induction can occur when a supervisor briefs a new employee and leads the employee through the job’s specifications for some time. Induction training is infrequently evaluated. Harrison (2002), studying the experiences of newly qualified teachers in their first postings, found little evidence for the success of the induction program in their progress, despite regular observations and mentor meetings. For the program itself, evaluation of the contents of the program is on-going; reflecting changes in company policies, groups or teams.

Employee training is frequently self-driven through on-line or physical courses on offer from the organisation, and staff members access the courses as they see fit. Doloi (2008) argues that, as self-education is difficult once a person is employed as leaving work for a year or more to gain further qualifications is frequently not an option, that individuals are increasingly using the internet to gain accreditation or qualifications. Similarly, the larger organisations offer courses online, focus groups or workshops to enable staff members to gain knowledge or skills to further their job competency or move into other areas. Smaller organisations can also encourage staff to access provider courses, sometimes tailored to a firm’s purpose. Whilst there may be some skill or knowledge test at the end of the course, there is little evaluation of its effects on individuals who undertake such training. As a group however, there is a substantial body of evidence to the effects on wages and economic growth (Blundell et al. 1999).

Mass staff training programs generally reflect organisational change derived from internal structural change; market or competitor change, especially through globalisation, or technological change, and these are usually audited or evaluated. Over the last half-century, there have been many evaluation models introduced, and these are discussed under.
3.2.1 Models of evaluation

There are many training evaluation approaches and techniques. On the other hand, there are four main complementary evaluation frameworks: Kirkpatrick, the Bell system, Parker and CIRO (McCracken & Wallace 2000). Kirkpatrick's evaluation model is perhaps the most popular and is used by many organisations (Hale 2003). In 1959, Kirkpatrick first published a model for evaluating training programs. Subsequently the model evolved so that later Kirkpatrick & Kirkpatrick (2006) offered a series of actions for training:

- determining needs, objectives, subject content
- selecting participants, resources, schedules, technology and trainers
- coordinating the program and evaluation.

The four levels of reaction, learning, behaviour and results, form a sequence of evaluation events, subject to growing difficulty and time consumption to evaluate; however, each level provides more information. The first level, evaluation, relates to the written responses of the trainees to the course, their thoughts and feelings about the course, the trainer and the venue. The next level, learning, captures increased knowledge and skills from the course, and change of attitude. The third part, behaviour, seeks transfer of new knowledge or skills to the working environment, and the last, results identifies effects for the organisation in productivity, reduced error, and cost reduction. Others have added a fifth level of evaluation, such as return on investment, or the impact external to the organisation (Phillips 2010, Kaufman & Keller 1994). However, there was a level of argument regarding the Kirkpatrick model. Holton (1996, p.5) dismissed it as ‘a taxonomy of outcomes’ and not an evaluative model. Using the core duty of beneficence, Bates (2004) concurred with Holton, noting the inability of the Kirkpatrick model to effectively address the questions of whether the training was effective; and to provide modifications to improve that effectiveness.

James Bell Associates (2012), a United States firm, has an evaluation model for planning and conducting independent training evaluations, and conducting training to enhance clients' performance measurement capability. The model first measures the extent to which training objectives are met (Burden & Proctor 2000). It has an application level which measures participant knowledge and competencies after
receiving training, and the final level measures the value of training in relation to its cost and shows the benefits from training investment.

The CIRO (context, input, reaction, output) evaluation model, probably one of the first to assess training programs, was developed by Warr, Bird and Rackham in 1970. Again there are four categories of evaluation. Context is concerned with identifying training needs from an organisation's context and setting training objectives for evaluation. The input category identifies resources required and selects the most appropriate training methods to achieve the training objectives. The reaction component collects and analyses information on participant reactions or opinions regarding the training, and the final, outcome category identifies to what extent training objectives were achieved.

Finally, the CIPP (context, input, process, product) model, was developed by Stufflebeam (2003) in the late 1960s to measure education outcomes. The context category identifies the training needs with particular reference to specific problems and opportunities, and produces training goals and objectives. The next, input component again identifies available resources, and allocates them to meet the training objectives and produces a training plan. Process relates to the implementation stage and identifies possible areas of failure, and the product level measures to what extent training goals have been met by examining training outcomes. The CIPP model includes ultimate outcomes (organisation performance or business results) and is of use at board level.

These models focus on the following criteria for determining training effectiveness:

- stakeholder perceptions (level one: reaction)
- learning gain (level two: learning)
- on-the-job performance improvement (level three: behaviour)
- organisational improvement and return on investment (ROI) (level four: results).

Stakeholder reaction provides insight into trainees' motivation and satisfaction, but does not directly measure training results. Traditionally, training evaluation measured number of trainees and their reactions towards the course. Trainees were asked questions about the program characteristics, instructional effectiveness and their views regarding the relevance and results of the training; however this practice was
insufficient to define training effectiveness and quality (Collins 2002, Russ-Eft & Preskill 2009). Whilst of use, trainee perceptions are insufficient measurements to determine outcomes regarding the program objectives and organisational performance (Combs & Falletta 2000, Green 2001). Assessing training effectiveness based on trainees' perceptions is described by James and Roffe (2000) and Acton and Golden (2003) as ad hoc, unsystematic, informal and unstructured evaluations of training, which tends to be post-training appraisals rather than approaching the evaluation from the design stage. For example, in assessing the Kirkpatrick model, Aliger and Janak (1989) found no relationship between the trainees' reactions and the other evaluation stages.

Thus, training effectiveness includes an organisational focus of employee performance and organisational goals, such as return on investment, changes in productivity, quality improvement, customer satisfaction and market share (Burrow & Berardinelli 2003, Miller 2002). In this regard, Kirkpatrick (1996) as cited by Hale (2003, p. 29) stated the future of training directors and programs depends to a large extent on their effectiveness. To determine effectiveness, attempts should be made to measure training in scientific terms.

Whilst level four (organisational performance) is the important indicator of training effectiveness, it is difficult to establish direct relationships between training interventions and the organisational performance measurements (quality, customer satisfaction, ROI, and market share) (Burrow & Berardinelli, 2003). Evaluation criteria therefore concern learning gain, that is, acquired competencies and attitudes, and on-the-job performance improvement through changed behaviour and work patterns, or training transfer. These results represent levels two and three in the Kirkpatrick model (learning and behaviour). If trainees improve their job performance (skills, knowledge and attitude) they can improve performance and contribute to organisation performance (Burrow & Berardinelli 2003, Phillips 2010, Russ-Eft & Preskill 2009).

An effective training evaluation model therefore includes Kirkpatrick’s levels 3 and 4 (behaviour change and results). In this view, training needs and objectives are defined in terms of the changed behaviour and increased effectiveness, rather than just increasing knowledge, skills and abilities (Bramley & Kitson 1994). Also, executive management and line managers are involved in the training process and are able to evaluate the changes in behaviour and effectiveness through measurements to identify levels 3 and 4 outcomes. To connect training outcomes and organisation performance,
Burrow and Berardinelli (2003) proposed another organisational measure, an intermediate level between 3 and 4. This new level establishes changes in individual’s work characteristics from the training using criteria such as quantity, quality, performance, new job duties, cross training, decision-making, error rate (Combs & Falletta 2000). There could also be changes in team or group work patterns: productivity, budget, material use, customer satisfaction, downtime, grievances, errors rate (Swanson & Houlton 1999).

Knowledge transfer during training assists organisational performance; however, measuring this factor is frequently neglected (Muhlemeyer & Clarke 1997). Transfer of training is defined as the degree to which trainees effectively apply the trained skills, knowledge and attitude gained in a training context to the job. Evaluating transfer of training requires specific measurements, such as performance tests and observation, to measure behaviours and learned skills or knowledge (Mann 1996). Muhlemeyer and Clarke (1997) also argue that transferring knowledge could lead to resistance to change in the organisation, since the transferring process includes change. Resistance from employees, colleagues and line managers may occur because of reservations about the knowledge gained by trainees. Organisational resistance may arise because of the introduction of new techniques and knowledge that may impact on other organisational processes and functions which operate under the pre-existing methods. Moreover, technical problems may arise through the mismatch of new knowledge and old technology within the workplace.

Further, evaluation could be very focused and short-term or quite comprehensive with focus on the long-term results and long-term training and development evaluation should focus on all organisational stakeholders and on results (Burrow & Berardinelli 2003, Collins 2002, Russ-Eft & Preskill 2001). Evaluation should be based on a clear identification of the purpose and results expected from the training, thus, if the course is designed to respond to a particular problem, or meet specific requirements, evaluation should determine if that specific goal was successfully achieved and not focus on broader expectations. Thus, evaluating these courses should not focus on the organisation outcomes (Burrow & Berardinelli 2003, Miller 2002).

A more direct form of evaluation is competency based; essentially, a trainee is tested to ensure that the skill or knowledge was transferred. Australia has a robust training evaluation system for its vocational and technical training sector. In a meta-
analysis of the field, Guthrie (2009) cited several models of competency which offer measurements for evaluation. Cheetham and Chivers (1998) introduced the ‘reflective practitioner’ paradigm with competence-based approaches, including ‘functional outcomes’ and ‘personal competence’. This model, and several other versions of competence, were compiled by Le Deist and Winterton (2005) into an international approach as shown in figure 3.2

<table>
<thead>
<tr>
<th>Conceptional</th>
<th>Occupational</th>
<th>Individual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cognitive competence</td>
<td>Meta-competence</td>
<td></td>
</tr>
<tr>
<td>Functional competence</td>
<td>Social competence</td>
<td></td>
</tr>
</tbody>
</table>

Source Le Deist & Winterton, 2005, cited in Guthrie, 2009

Figure 3.2 A competency model

In regards to evaluating competence, Guthrie (2009) suggests that it may be either a personal attribute or held in the context of an occupation or a particular workplace. Whilst there is strong support for competence-based training, there is a continuing need for attention to the quality of both delivery and assessment. Zuniga also (2010) notes issues with competency training, as skills assessment measures ability, not performance, and does not collect data regarding other issues that affect work. Competency can also be perceived differently by individuals, so that Zuniga advises that training assessment requires at least three individuals, including the trainee.

3.2.2 Skills evaluation

Competency evaluation concerns measuring that dimension of Le Deist and Winter's (2005) model that was the focus of the training, and for the purposes of this study, that relates to cognitive and functional competence. The elements of functional competence were first described by Frederick Taylor (1911), who firmly believed that workers should be trained. The elements of this model were a scientific study of the tasks and a scientific selection and training of each employee. Systems were to be standardised and best practice enforced, including the best tools and working conditions, and the enforcement of standards and employee cooperation was the duty of the manager. Managers used scientific principles to plan the work, using a detailed instruction and supervision for each worker's discrete tasks. Nearly a century later, the
same principles are being followed, as in this example of preparing a training program (Barbazette 2006):

- defining the problem and launching a needs assessment with the stakeholders
- undertaking a performance analysis to define the training need
- gathering information through surveys and interviews
- analyses: feasibility, goal, needs balanced with wants, tasks
- contextual analysis for the training and the population to be trained
- plan presentation, approval, resources
- conduct training
- commence evaluation program.

Whilst Taylor’s model remains virtually intact, the management style he advocated has changed. Meyer et al. (2011) documented a US project for recording novice competency validations as a collaborative effort between management, training specialists, information technology, human resources, and clinical nurse specialists. After development, feedback and a trial confirmed the project’s success at 95 per cent approval. The four dimensions of Le Deist and Winter’s (2005) competency model therefore encompass unlimited forms of competency and applications from Taylor (1911) to Meyer et al. (2011). However, the scientific principles of skill training remain, and as Zuniga (2010) notes competency evaluation measures ability, not performance.

3.3 Organisational structures for training and development

Research shows that Arab workplaces, employers and employees, tend to regard both job and management training as a lower priority (Achoui 2009, Soltani & Liao 2010). However, Arab organisations need to consider important issues: continuous technological change; the increasing removal of trade barriers; the consequent globalisation; the volatility of customer demand within existing markets (cf. Luoma 2000, Ulrich 1997). This confronts the Saudi organisation with the need to be a learning and knowledge-based organisation, continually reviewing its structure and job descriptions, and employing training and development to prepare staff members for the economic and competitive challenges in the global market. In Saudi Arabia as elsewhere, continuous change creates the need for a learning organisation to use a
skilled workforce to build and sustain competitive advantage (Luoma 2000). Read and
Kleiner (1996) and Acton and Golden (2003) contend that advances in technology and
knowledge are rendering many traditional employees' skills obsolete, while
simultaneously developing needs that make training and development necessary, not
only for individual growth but, also, for organisational growth.

3.3.1 Human resource development

Human resource development, as a field of study and as a set of organisational
activities, was defined by Nadler in the late 1960s as ‘a series of organised activities
conducted within a specified time and designed to produce behavioural changes’
(Walton 1999, p. 57). Nolan (2002) noted that the human resource development
literature contained a wide range of different and complex activities, such as education,
development and training. The concept is therefore difficult to encapsulate (Garavan
1991, McCarthy et al. 2003). Human resource development aims to make learning more
efficient and effective; learning is either education for life or training for work. Another
facet of the literature is the number of models for training and development that range
from operational to strategically focused (Garavan et al. 1995, Luoma 2000, McCracken
& Wallace 2000).

Human resource development is an important function of human resource
management concerned with planning and managing people's learning. McCarthy et al.
(2003) state that the human resource development group supports line management
training activities in organisations and contributes to organisational learning. Specific
dimensions include: enhancing learning capacities of employees, developing learning as
a shared responsibility, viewing learning as a part of the job specification, and fostering
conditions which facilitate organisational learning. Garavan (1999) asserted that the
function enhances core competencies to meet organisational challenges and changes. It
is also concerned with selecting the best delivery systems for human resource
competencies and organisations' and individuals' growth. Human resource development
focuses on the management and delivery of training activities within the organisations.
Walton (1999), Luoma (2000) and Burrow and Berardinelli (2003) note the following
responsibilities for the human resource function:

- recruitment and retention of valued staff members
- defining and measuring levels of performance of all employees
• analysing job tasks to meet the organisation's objectives
• identifying training needs
• planning and implementing training interventions to improve job
  performance and enhance careers
• creating an organisational capability for future sustainability
• creating, providing and enhancing a corporate culture that facilitates
  learning, innovation and changes.

Human resource development may be considered as an integrated business
function, rather than a separate organisational unit. Garavan et al. (1999) observed that
human resource development should be integrated with business objectives, and should
be viewed as an investment in capability rather than as an employment cost.

3.3.2 Training and development

Training and development, part of human resource management concerns
improving, and modifying employees' skills and knowledge to undertake their current
and future jobs effectively, thereby increasing individuals' and organisations' growth
and performance. According to Mondy et al. (1999, p. 254), training and development is
‘a planned, continuous effort by management to improve employee competency levels
and organisational performance’. Nadler and Nadler (1989, p. 6) define training as ‘an
organised learning experience provided by employers within a specific period of time to
bring about the possibility of performance improvement and/or personal growth’. For
the purposes of this study, training and development relate to existing and future job
tasks respectively, and both are concerned with enhancing individuals' skills,
knowledge, behaviour and attitudes. Nevertheless, although training is concerned with
current or present work, its benefits may continue throughout an employee’s career and
assists in future promotion. Werther and Davis (1996) argue that the distinction between
training for the present and development for the future may merge. Therefore, in this
study the forms are assumed to incorporate one activity.

Continuous technological change and the global economy necessitate a proactive
role rather than a reactive role for human resource development, which therefore has a
strategic value (McCracken & Wallace 2000). As new technologies and tasks emerge,
Walton (1999) stated that people should have the capability to rapidly acquire the
associated skills and knowledge, and this role provides the capacity for the organisation
to change, develop and grow. McCarthy et al. (2003) argue that the strategic value of training shows that the organisation’s skills and knowledge represent sustainable competitive advantage.

The concept of strategic human resource management and employee development emerged in the 1980s with authors such as Miles (1984), Lengnick-Hall and Lengnick-Hall (1988) and Wright and McMahan (1992). Arguably, important contributions were those of Lee (1996), who presented the concept of training maturity, and Garavan (1991), who highlights the strategic management of training and development, and of management professional education interventions, so as to achieve the objectives of the organisation, while at the same time, ensuring the full utilisation of the knowledge in details and skills of individual employees (p.18). Harrison (2000) argues that a strategic view of training and development involves its integration with the organisation's missions and goals and, through enhancing employees' skills, knowledge, learning and motivation at all levels, the aims is continuous organisational and individual growth. McCracken and Wallace (2000) state that this creates a learning culture within which a range of training, development and learning strategies fit with, and influence, the corporate strategy. Therefore, training and development are part of the organisational environment and thus, part of its strategy for growth.

To achieve a strategic position in the organisation’s planning, training and development should be based on a systematic approach, rather than comprising short courses to meet immediate needs (Armstrong 2003). Armstrong argues that training will fail to obtain its objectives and affect organisational performance if it is based on a piecemeal approach and is used in isolation without executive support. A systematic training approach includes developing a training needs assessment, formulating training objectives, designing the courses for the training program, administering the courses effectively, and evaluating their effectiveness (Goldstein 1993). Gaines-Robinson and Robinson (1989) argued that organisations need to adopt a training-for-the-impact approach (proactive and strategic), rather than training-for-the-activity approach (reactive). However, both improve performance, whether the objective was improvement or reduced costs and waste (Gaines-Robinson & Robinson 1989).

A systematic approach to training, as noted, comprises training needs assessment, developing the course or program, implementation and evaluation. The program should be assisted or undertaken by training professionals to incorporate
learning theories and organisational culture for the preferred learning style in the design (see figure 3.3, a summary of factors from Armstrong 2003 and Buckley and Caple 2009)

![Diagram of Systematic training and development approach]

- Training needs assessment
- Organisational analysis
- Task analysis
- Personal needs analysis

- Set up training objectives and develop evaluation criteria
- Design training course and select implementation method

- Resource and implement course

- Evaluate individual and organisational outcomes against criteria

Adapted from Armstrong 2003, Buckley & Caple 2009

Figure 3.3 Systematic training and development approach

### 3.3.3 Training needs assessment

Training needs should be assessed as the first step to set the planning strategy and regularly during the program to account for changes that normally occur in an organisation (Nadler & Nadler 1989). Needs assessment identifies the required training and determines the direction and purpose of training, and thus should be rigorous as it underpins the remaining program. Also, training needs should fit the organisation's culture as well as the organisation's corporate strategy; thus, training can assist in the organisation's objectives.

The needs assessment determines the gap between the existing practices and the organisational objectives, assessing the internal and external organisational
environment, and then establishing training aims to meet those needs. Beardwell and Holden (1994) contend that individual and group needs, which should fit the organisation's objectives, are important in the needs assessment and should be interrelated and interconnected to the training design. Armstrong (2003) advocates a deficiency model approach for needs assessment: the difference between existing knowledge and competency and that desired. Needs assessment for training comprises organisational needs, task needs and individual needs (Armstrong 2003, Goldstein 1993, Stone 2002). Figure 3.4 explains the most important sources of information under each dimension.

![Organisation and individual variables to assess training needs]

**Source:** Adapted from Armstrong 2003, Goldstein 1993, Stone 2002

**Figure 3.4 Training needs analysis variables**

Organisation analysis, according to Stone (2002), Walton (1999) and Werther and Davis (1996) considers the organisation's needs as a whole, seeking where training can contribute to the organisation's goals, and identifying areas of actual or potential weaknesses that could be corrected by training. Marchington and Wilkinson (2000, p.
define job analysis as ‘a process of identifying the purpose of a job and its component parts, and specifying what must be learned in order for there to be effective work performance’. Job analysis therefore includes identifying and analysing responsibilities and tasks, and identifying job performance standards, knowledge and skills to perform the tasks.

Individual needs analysis, according to Stone (2002), examines employees’ performances and compares them with established standards to determine the training needs for each employee. Thus, it focuses on how well employees perform their jobs and what skills and knowledge they use; identifying individuals and their needs.

3.3.4 Training design

Learning theories and learning styles aid development of an effective training program. Designing a training program includes the objectives and needs analysis, and the details of the course: location, methods, content, time, trainers, costs, and evaluation. The trainer should be aware of differing learning styles in individuals to provide a successful learning experience. Tanwir Uddin Haider et al. (2010) explored visual learning, verbal learning and active learning among trainees, noting that those who reported their preferred style of learning performed well in that style. In this section learning theories and styles are discussed. The cognitive and behavioural learning approaches dominate training styles.

Cognitive learning relates to the acquisition of knowledge and the behaviourist approach refers to changing behaviour. The cognitive learning approach implies that learning occurs within the mind, it relates to how people think and memorise (Foot & Hook 2008, Torrington & Hall 1995, Yeo 2002). In this approach learning is structured; training is by lectures and directing; and the subject matter, facts and learning rules, is important. Thus, learning takes place in formal settings where information is delivered to trainees; this approach is theoretical and lacking stimulus for learners of a practical nature. Nevertheless, recent cognitive theorists have been concerned to discover how problems are solved: whether this is by trial and error, by deductive reasoning, by seeking more information or assistance.

Behaviourist theories are based on observable behaviour, and Cole (1995) reported that this is derived from behaviourist theory which suggests that if no behavioural change is recorded, no learning can be said to have taken place. According
to Foot and Hook (2008) program training and computer-based training were developed from behaviourists’ work. In these styles, the correct responses are immediately rewarded by praise from manual or computer and the trainees are told that they have given the correct answer and pressed the correct key and can progress to the next stage.

In another model, discovery learning, trainees are given tasks to achieve and must discover their own learning approach to complete the task. Therefore, they learn by trial and error. Although a successful approach, discovery learning has time and resource constraints, especially in an organisational context, where the organisation has job descriptions and specified processes (Senge 1990). Nevertheless, in certain forms of learning, such as appreciative enquiry espoused by Bechtold (2011) and Cooperrider and Srivastva (1987), discovery learning can be employed by adult groups such as quality circles. There are four tenets of appreciative enquiry, which seeks solutions before problems: identify existing systems and practices in the organisation, envision new practices which could improve productivity, design training within resource parameters and organisational objectives, and deliver the training, assessing the outcomes. In this way the standard training model remains, it is the justification that moves from negative (an issue to resolve) to the positive (an improvement). Bethold (2011) noted that this approach follows management literature concepts such as industry leaders, best practice firms, and employee of the month. This researcher believes this approach could suit the collectivist Arab culture, and in accord with Hofstede’s (1991) characterisation, where Arabs show evidence of a collectivist society.

3.3.5 Training implementation

The effectiveness of the training relies on qualified trainers who are knowledgeable regarding managing the trainees and delivering the material (Bee & Bee 1994, Hale 2003, Hughey & Mussnug 1997). Armstrong (2003) asserted that training programs should be continuously monitored to ensure they proceed according to plan and within the agreed budget, and training should be evaluated after each event. Mondy et al. (1999) noted that challenges to conducting successful training include executive commitment, a qualified trainer who understands the corporate culture, and appropriate record keeping. In selecting qualified trainers, Hassi (2012) recently noted that for efficiently designed training, international practitioners should take into consideration cultural differences for Arab clients.
3.3.6 Evaluation

Training is a tool used to change people's behaviour, while evaluating training effectiveness is centred on measuring that change. Given the resources involved in training, evaluating its outcomes is mandatory (Mann, 1996). Al-Athari and Zairi (2002) opined that training evaluation was the assessment of a total value of the training system, training course or program in social as well as financial terms. Evaluation differs from validation in that it attempts to measure the overall cost-benefit of the course and not just the achievement of its laid-down objectives. The term is also used in general judgmental sense of the continuous monitoring of a program, or of the training function as a whole.

Hence, training evaluation collects all the descriptive and judgmental information required to make effective training decisions. Evaluation should be viewed as part of an effective training process and a base to improve organisational decision-making about human performance improvement (Burrow & Berardinelli, 2003). It describes where human resource development adds value to the organisation's performance, identifying training costs and measuring benefits of the employees' performance. Bee and Bee (1994) state that it is necessary to evaluate training to improve the efficiency and effectiveness of training programs, including the trainer's performance to justify expenditure.

Grove and Ostroff (1990), Redshaw (2000) and Shandler (1996) note difficulties that emerge from evaluation: other organisational activities, market forces, competition, new technology, legislation, the economy. Further, performance lags training, the effects of which are complex and difficult to measure. Performance indicators may include employee satisfaction, commitment, motivation, changes of behaviour and attitudes. To overcome evaluation issues, Burrow and Berardinelli (2003) and Redshaw (2000) call for executive and line management support, commitment and leadership. Thus, line managers should assist in determining the training objectives and evaluation criteria. For a summary of evaluation of effective training, Burrow and Berardinelli (2003) advise that:

- evaluation must be objective and targeted towards individual, job and organisational performance
• agreed evaluation criteria are necessary in training design
• evaluation should be relevant to the organisation's culture and objectives
• evaluation should be conducted within the structure and resources by the human resource functions.

Particularly in Arab organisations, evaluation is neglected in training programs, or given little attention and based on level 1 evaluation. Al-Athari and Zairi (2002) found most Kuwaiti organisations rely on trainees' reaction to evaluate their training. In Kuwait, Abdalla and Al-Homoud (1995) found no specific procedures for evaluating organisational training. In the majority of Arab organisations, training is evaluated at the reaction level, instead of focusing on the results level and on the transferred knowledge to the workplace. However, Kirkpatrick (1996) considers the wider measures as the best evaluation criteria as they focus on the effects of the new information on organisational performance.

To conclude this section, the influence of training on improving organisational performance is an important indicator of its effectiveness, that is, level four of the Kirkpatrick evaluation model. Increasing or improving an organisation's performance is the ultimate organisational objective. From a management perspective, connecting the outcomes for any organisational activity to the organisational performance is necessary to assess the effectiveness of that activity and justify its cost.

3.4 Globalisation

Globalisation is a widely used term that can be defined in a number of ways. When used in an economic context as in this research, it refers to the reduction and removal of barriers between national borders in order to facilitate the flow of goods, capital, services and labour (UN-ESCWA 2002). Since mid-20th century, barriers to international trade have been progressively lowered through international agreements, such as GATT, and organisations, such as WTO. This creates a global open market for goods, capital, services and labour and exhibits both advantages and disadvantages (IMF 1997). The processes of globalisation result in new market principles that require better quality and lower prices for products and services (Marquardt 2005). The challenge therefore is the use of these principles to enter and remain in this world market.
Globally branded organisations are highly adaptable, as they have long experience in the marketplace and, in given business sectors, far greater resources than local firms. Many Saudi companies are also global, such as Aramco (oil and gas), ACWA Power International (infrastructure) and Saudi Arabian Airlines. In other sectors, smaller Saudi companies with fewer resources must compete with global brands such as Microsoft in software, Nike in footwear, and Coca Cola in drinks (Mankin 2009). However, technological change and the dynamics of the world market allow opportunities to flourish in the development of new goods and services that are marketed without boundaries on the internet and through social networks. Other examples of growth potential for Saudi firms are innovative finance, such as sukuk-based products (Islamic bonds); and extending the stay of pilgrims on hajj to Makkah and Al-Madinah by offering tourist packages along Jeddah’s coastline. Despite Saudi’s unique position in religious tourism and its access to new finance products, it is important that national firms embrace concepts of innovation, specialisation and change management to meet global challenges. This is especially of concern with food and territorial security, and with internal social pressures of unemployed youth (Ramady 2010).

Innovation and specialisation are the keys to firms’ capacity to compete. According to Mankin (2009), firms that adopt technological innovation, flexible business models, and that have a good resource base are attractive to employees skilled in innovation and change. Alvesson (2004) notes that the traditional organisation structure has lost ground to alternative business models that offer a focus on greater flexibility and adaptability. In this revised focus, change management skills are inherent in the human resources function, where the success of the program implementation to change attitudes toward the new corporate goals is fundamental to organisational success. In the Saudi private sector, innovation is practised through rhetoric, rather than action, and change management is not regarded as an organisational requisite. Adnan (2011) noted whilst Saudi Arabia ranked at 41 on the global innovation index ahead of Italy, Poland, Turkey and China, its innovation output index was low at 98, thus indicating a tendency to import innovation rather than pursue it in the workplace. However, there remains the issue of the Hofstede high power distance phenomenon, with its deference to authority in a sometimes authoritarian, hierarchical working environment (Hofstede 1985, Rice 2003).
The new business environment is also fundamental to changing the concepts of business-to-business transactions. Outsourcing tasks and functions is now the norm in many industries with many firms becoming management centres and standard operations contracted to specialist firms, including workplace training and staff development programs (Mankin 2009). This aspect is of importance with information and communications technology, where onerous resource commitments of finance and logistics corporations, as examples, are becoming outsourced to multinationals such as Google in a process termed cloud computing (McDonald 2010). An outstanding example is the advent of China as the world’s manufacturer: only critical and proprietary products are now retained by the majority of the world’s firms; the remainder are frequently subcontracted locally. Outsourcing by national firms thus has a major effect on low-skilled labour markets, with rising unemployment rates becoming a critical element for governments in providing sufficient job opportunities for national workforces (Mankin 2009).

The literature on globalisation describes a rapidly changing business environment driven by technological change and the rise of specialist firms. Manufacturing capacity has been provided by Asia for over half a century: first by Japan and Korea, then successively by Vietnam and Thailand, now India and importantly, China (Becker & Gerhart 1996, Rose & Kumar 2006). Firms increasingly demand higher skills and knowledge from their staff; this can be provided first by public or private education, then by lifelong learning principles frequently delivered by specialist firms in a business-to-business environment. In the case of Saudi Arabia, with its trade barriers reduced, local firms must rapidly attain the efficiencies of the international firms so that they can compete (Kumpikaite & Sakalas 2008). However, for these firms, there are precedents of Saudi multinationals, adequate national resources, and access to the world’s knowledge and skills. It is a matter of the strategy, its planning and implementation, that these firms can apply.

3.5 Culture in societies

Culture underlies the socio-economic norms of globalisation in any aspect of business and the impact of culture is greater in global companies (Korany & Dessouki 2008). Relevant to this study, culture influences every aspect of skills development. A culture may be a way of life shared by all or almost all members of the group; its norms
are passed through the generations, and it shapes behaviour and world mindset (Marquard et al. 2004). Culture is an important factor that influences learning among the organisational members, who may come from many different countries. Culture influences the behaviours of employers and employees more than differences in professional roles, education, age, or gender (Marquard et al. 2004). Effective trainers are able to establish a positive relationship with trainees (Othman 2008). Therefore, employers need to ensure that international trainers understand the local culture in designing and implementing skills-based courses. Further, idioms of language and place may form a barrier between the trainee and the delivery, especially in the case of technology and the jargon associated with computers (Al Gahtani 2002). Another common challenge is that most of the programs are imported by employers in developing countries where the majority of the global workforce are located, which may result in less effective training for these workforces (Al Gahtani 2002; Wilkins 2001a,b). This caution was highlighted by Atiyyah (1991) in an earlier article discussing training in Arab countries.

3.5.1 Organisational culture and social norms

Research underpins the importance of international organisations observing country differences in deciding on bringing these factors into their human resource management strategies and organisation cultures to fit in with the host country. Hofstede (1994) states that national culture is of such importance that management is ‘culturally dependent’ on the host country’s norms. However, Gerhart (2009) argues that the empirical evidence is weak, due to the effects of sample size and the nature of the research, arguing for a fresh approach to the issue. Claus and Briscoe (2009) concur with Gerhart. In an exhaustive review of cross-cultural survey on performance management, including training, the authors state that the research is exploratory in nature and that the design and substance of the studies less than rigorous. They also found that the studies ‘are interested mainly in cultural differences as an intervening variable’ (Claus & Briscoe, 2009, p.175).

Whilst the later reviews argue against the quality of cross-cultural research in organisational decision making, Kim and Lee (2009) studied cultural stereotyping in South Korean airline employees’ attitudes towards nationals from China, South Korea, United States and Japan. Using Hofstede’s cultural dimensions, they investigated
whether there is a difference in constructs for each of the four countries’ passengers, with South Koreans as an in-group to compare with the out-groups. The results supported the notion that the service behaviours of the airline employees are affected by national stereotyping and culture. Kuo (2010) adopted the same research design as Kim and Lee investigating hotel employees’ service to guests from Taiwan, Japan and the United States. Kuo found significant differences in customer satisfaction, and recommended training to modify staff attitudes to cultures.

Employee commitment is a factor in organisational training, particularly in a multicultural environment. Taylor et al. (2008) examined the effects of policies of ten mixed international firms on employee commitment in 39 affiliated organisations in host countries. They found that high performance work practices and high adaptability were significant indicators of employee commitment in a multicultural environment. Of concern in this research, Arab women bring another dimension to potential training outcomes to build self-efficacy and interpersonal skills in multinational corporations. Bennett and Wright (2010) sought team-building behaviour among two groups of Emirati students, one group from a homogeneous single-gender, single-nationality university, the other a co-educational, mixed nationality university. They found significant differences, where the homogeneous team participants reported a more positive attitude to working in teams and beneficial outcomes than the heterogeneous team, although the homogeneous group showed behaviours detrimental to effective teamwork. These behaviours included acceding to team norms, such as changing their views to accommodate the team. In the gender-segregated workplaces of Saudi Arabia, there may not be opportunity for Saudis to use their education, human capital, without significant attitude and empowerment training, especially women. Bennett and Wright’s (2010) homogeneous group’s team performance over that of the heterogeneous group was not the case in a study of bank trainees in Australia; Australian (individualistic country) and Kenyan (collectivist country) employees. Pattni and Soutar (2009) studied the impact of short training on these employees' efficacious beliefs and skills. They found that the post-test results showed the training was effective and there was no significant difference in performance between the two cultures.

Relevant to this study, Lee and Li (2008) studied cross-cultural differences in international organisation training in China and Taiwan where national trainers have national and expatriate employee learners. Results of the study show that ‘the level of fit
between the expatriate's learning style and the instructor's teaching method, and the
degree of perceived cross-cultural differences between parent country and host country
could moderate the effectiveness of expatriate training’ (Lee & Li, 2008, p. 600). Thus
expatriate trainees who reported that the instructor’s style was familiar, perceived lower
cross-cultural differences, accepted more training and achieved higher training
effectiveness. To avoid social-cultural influences on managerial practices, Mendonca
and Kanungo (1996) argued that emerging economies may superimpose efficient
management techniques and practices on their indigenous work cultures, so that the
nationals conform to workplace norms. However, transferring managerial development
techniques and training programs are often unsuccessful due to the rigidity of the
program and an inability to adjust it to meet host country cultural norms. In regard to
organisational culture, Smith and Bond (1993) advised that training programs should fit
the internal work culture that involves norms, values and attitudes of an organisation's
managers and subordinates who are responsible for effective implementation of these
programs and techniques.

3.6 Training and development in Arab organisations

Considering the extent that governments in the Arab world invest in knowledge
transfer, it is reasonable that Arab countries recognise the value of management
development and staff training to gain the skills and knowledge necessary to compete in
the world economy, particularly as growth and economic development slows. Arab
governments are committed to building their skilled and experienced labour forces and
ensuring their managers and professionals are equipped to respond to the swift changes
that occur in the home economy, the region, and with their trading partners. That there
are insufficient numbers of competent, educated and experienced workers is a critical
feature of developing countries, including the GCC countries. These countries are
assessing their needs, changing their education policies toward marketable skill-
building, and using significant sections of their budgets to attain a modern labour force.
Thus governments and employers are focussing seriously training and development (Al-

Organisations operate in an environment of political, socio-economic and
technological change which creates challenges to which they need to respond regardless
of size, location or industry (McCracken & Wallace 2000, Nolan, 2002). These complex
challenges are characterised by the globalisation of economic activity, fragmentation of markets and the rapid introduction of new technologies infrastructure. Continuous economic change places demands on firms to learn how to manage the new environment quickly and successfully. Further, such change creates opportunities to introduce innovative products and services with high quality standards and competitive prices to meet customers' needs (McCracken & Wallace, 2000, Ulrich 1997).

For Arab organisations, skills training is a crucial factor impeding their development. This is a continuing dilemma, as Murrell (1984) earlier noted that training and development was critical for emerging economies. However, the majority of Arab enterprises do not regard training and development as a strategy that contributes to the organisation's success. Instead, it is viewed as a bonus activity or time off work and not to be taken seriously so that it may be offered solely to management’s inner circle of relatives or friends, as these relationships are important to the Arab management style and leadership (Al-Dosary & Rahman 2009). There is therefore conflict between the underlying aim of maximising profitability through training and development decisions and constraints of culture (Al Bahar et al. 1996, Abdalla & Al-Homoud, 1995, Wilkins, 2001b). Abdalla et al. (1998) found that Arab countries perform some aspects of the management of training and development in a way consistent with modern management theories and practices; however, they were highly deficient in the training needs assessment and program evaluation phases.

Non-oil Arab countries rely on their indigenous managerial workforce, while the oil-rich GGC countries recruit large numbers of foreign qualified staff, including managers Atiyyah 1993, Ramady 2010). This in turn creates a dichotomy regarding whether international managerial theories, principles and practices apply in Arab organisations. Researchers, training professionals and managers in the Arab states describe training effectiveness in their countries as being generally low (Al Madhoun 2006). Moreover, Atiyah (1993) earlier contended that management development in the Arab countries was at a low commitment - low activity stage due to the lack of recognition of its contribution in improving organisational performance. Wilkins (2001a) attributed this problem to the fact that the management courses were conducted in English. The lack of well qualified, educated and trained managers, in addition to the lack of administrative staff, has in turn negatively affected development projects and activities (Branine & Pollard, 2010). In this environment, individuals with minimum
qualifications and experience often occupy professional and important positions, a practice known as wasta or use of social influence (Mohamad & Mohamad 2011).

Aspects of the local culture that may be unfamiliar to expatriate trainers include the Arab organisational culture, allocation of responsibilities within organisations, local labour economics, the influences of religion, and the expected style of leadership and communication (Wilkins 2001b). The school systems in the Gulf States generally encourage students not only to respect their teacher, but also never to question or challenge them. Moreover trainers have to be good communicators with strong interpersonal skills, and there is difficulty in training women effectively, particularly in Saudi Arabia’s segregated society.

Needs assessment in Arab organisations comprises identifying an issue, setting objectives and evaluation criteria, selecting strategies to solve problems and to determine the required materials and equipments, and sourcing suitable trainers to develop and administer a course (Durra 1991, Hassi & Storti 2011). Methods by which training needs are assessed in Arab organisations such as interviews, surveys, observations, focus groups and document examination. Arab employees are not consulted by their managers regarding their training views, nor are the managers usually professional trainers (Agnaia 1996, Al-Raisi et al. 2011). Therefore, without employees' views, the objectives, design, approach and content of the program may not relate to the actual workplace issues that the employees experience. Moreover, assessing training needs by standards of competency may not reflect the actual situation because this assessment, as is the employee’s initial appointment, is subject to wasta (nepotism) between the supervisors and employees, that is, family and personal relationships. Moreover, because employees are rewarded for all training completed, they are not selective in their attendance when training is available (Abdalla & Al-Homoud 1995, Agnaia 1996, Randeree 2012).

Training methods are also limited in Saudi Arabia, lectures and discussions are the most popular techniques, while group discussion, case study, and role-playing are rarely used (Al Raisi et al. 2011). As discussed in section 2.2, evaluation is an important stage of the training process; however, it is generally not followed through (Hassi & Storti, 2011). Training is seen as an overhead, not an investment to be evaluated. In Kuwait, Al-Athari and Zairi (2002) found few evaluate their training programs through questionnaires, observation, and performance records, generally at level one (trainee's
reaction) of Kirkpatrick’s evaluation model. Al-Raisi et al. (2011) and Abdalla and Al-Homoud (1995) found evaluation methods in Arab organisations are highly subjective and their results have limited impact on improving the on-going training program. The common evaluation challenges in Arab organisations are the cost of conducting this process, difficulty in finding evaluation methods, difficulty in finding quantitative financially criteria or language, time required to accomplish this process and lack of information needed for evaluation (Abdalla & Al-Homoud 1995, Hassi & Storti, 2011).

A survey by Wilkins (2001a) of large business organisations in the United Arab Emirates found that 73 per cent had a formal training and development strategy, 68 per cent employed a training manager, and 73 per cent had a training centre. Wilkins found that whilst businesses were training nationals, many GCC organisations were reluctant to invest in training for expatriate employees because of an expectation that they were competent for their one or two years’ contract. Management development in the GCC, according to Wilkins at the time, was based on international business school curricula. Muna and Bank (1993) found that the GCC firms at the time spent three times more resources on management development as their counterparts in UK and USA, but the benefits were limited; hence, training should be planned to be more effective. Al-Sanea (1989) and Abdalla and Al-Homoud (1995) and Soltani & Liao (2010) stated that Arab organisations used international models, such as career development systems and professional development programs that were based on foreign work methods and principles. Al-Fathely (1995) and Al-Ali (1999) argue that Arab organisations’ training had insufficient investment, no systematic evaluation processes, and a lack of strategic linkage between the organisations’ strategies and the training and development function.

The majority of Kuwaiti organisations relied on foreign consultants and trainers. Again in Kuwait, Abdalla and Al-Homoud (1995) found no practices for determining training needs or evaluation, and that job specifications affect the training outcomes. Al-Ali (1999) concurred, finding that the majority of the investigated Kuwaiti organisations did not have a formal training and development system, an absence of a systematic organisational training needs analysis, and lack of effective procedures for T&D evaluation. However, a study by Al-Athari (2000) found differing situations. Al-Athari (2000) identified that the majority of Kuwaiti organisations had a clear training strategy and linked human resource strategies and organisational objectives. The majority of the organisations assessed their employees' training needs; however there was a lack of
effective evaluation. The reason for the indifference to training, according to Al-Otiby (1995), was that trainees may perhaps not be interested in the courses, considering them of no relevance. Al-Otiby (1995) observed that training in Kuwaiti organisations was focused on supervision and lacked training competence. These factors have long been an issue in Arab organisations. Solitani and Liao (2010) emphasise a fundamental need for Arab managers to reconsider their attitude to employee training and to realise the importance of training in achieving organisational commitment and sustainable competitive advantage. Further, the authors argue that employees should recognise their own training needs and act on their own behalf.

In Saudi Arabia, Albahussain (2000) findings revealed that, although attitudes towards the value of training and development were favourable in the Kingdom, in practice the function in manufacturing businesses was under-resourced, unplanned and uncoordinated. More recently, Achoui (2009) undertook a meta-analysis of Saudi training studies, and found that human resource development in large government and private companies was relatively efficient; however, in small and medium size companies these programs continued to be under-developed structurally and functionally.

There is therefore no gainsaying that human capital management in the GCC countries is a challenge, given management’s inability to adequately address the issue of employee commitment (cf. Solitani & Liao, 2010). In an interesting case study, Jones (2009) documented a rejection of a training database in a large Kuwaiti public service organisation. Jones (2009) also found that political and cultural barriers are inadequately anticipated by international consultants, including among the locals ‘the fear of exposure of incompetence; a ‘them and us’ mentality; job security concerns; the protection of relationships; and a lack of trust of local consultants’ (Jones 2009, p. 260). Researchers, including Jones (2009), also note the considerable financial resources that GCC countries have invested in education and training. Unfortunately, according to Jones (2009), employees view training and development as merely a break from their jobs and responsibilities; moreover, they are selected to attend these programmes on the basis of their personal relationships rather than on organisational or personal need. Jones (2009) points out that, whilst international consultants offer their training and development services, the Arab countries point to insensitivities or assumptions from these firms that can often impact the effectiveness of the program for the trainees. Jones
(2009) suggests another approach, such as course accreditation, evaluation, and a reward system for performance is required to gain the benefit from these resources.

### 3.6.1 Training in Saudi Arabia

The Saudi Arabian government views education and training as the route to the development of work-ready skills in the Kingdom, spending more than a quarter of its budget on the sector; however, the education system has not delivered the competencies that employers demand (Madhi & Barrientos 2003). Further, Saudi Arabia's labour market relies on cost effective foreign labour, with only one in ten employees in the private sector being a Saudi citizen (Sfakianakis 2011). Sfakianakis notes that with the GCC countries’ young populations, there is disconnect between Arab youth’s expectations of a public sector, or a private sector professional or managerial career and the reality of their skills and experience. Further, the private sector, whilst still growing, has to move from relying on cheap labour to exhibiting a high wage equilibrium to encourage Saudi participation and also to discourage continual job changes seeking higher wages. Saudis bid for greater status and salary ‘has curtailed efforts to offer on-the-job training; once Saudis feel more secure in private sector positions, training programs will more naturally be able to flourish’ (Sfakianakis 2011, p.1).

The Saudi government has addressed these issues in its Saudisation Guide for Contracting Companies (Saudi Aramco, 2011). Section 2.2.4 of the Guide offers that the Human Resources Development Fund will pay 50 to 70 per cent of the salary for the first year of any qualified Saudi employee, and further, that it will fully support a year's training of an unqualified Saudi employee for skills development (on-the-job training), with no obligation on the employer. These initiatives are designed to overcome other issues that are raised in the literature. Al Gahtani (2002) and Wilkins (2001b) discuss the challenges facing skills development and training in Saudi Arabia: courses adapted from international material that have unfamiliar concepts, delivered in English or are translated into Arabic, and do not reflect segregation. Al Gahtani (2002) advised that training needs to be in Arabic, and its contents and goals focused to Saudi conditions, and that it must address the variety of skills required by employers.

### 3.6.2 Developing an Arab training program
Following the review on training literature in section 2.2, and the cultural literature on training at section 2.4, it appears that employee training programs aimed at organisational efficiency should be given significantly more attention by researchers, training professionals, employers, and, indeed, the Human Resource Development Fund and similar government agencies.

However, in the planning steps for a training program, a training needs analysis is infrequently practised in Arab organisations. Abdalla and Al-Homoud (1995) found that there are no specific or systematic practices or procedures for determining training and educational needs due to the lack of reliable information, turbulent political, economic, and fast-changing social environments. Other Arab researchers argue that the lack of job descriptions, clear performance appraisal, and the approach used for assessing the development needs of employees are impressionistic and generalized rather than systematic (Achoui 2009). Agnaia (1996) argued that the unsystematic training approach occurs for two reasons: training programs are not based on identified needs, an issue in evaluation; and economical, political, and social factors provide constraints. There is also an issue with stakeholders; Arab organisations use various sources to determine training needs: supervisors, trainees themselves (self-assessment); but less on task or job requirements, job description and competencies. Inadequate training needs analysis in Arab organisations, as noted, cause issues relating to the program design. Attiyah (1993) recommends that training professionals should be aware of cultural topics that cannot be freely discussed, such as politics, religion, sectoral beliefs, and Islamic work ethics. This situation has not altered in two decades; Hassi (2012) drew attention to global training providers who do not take social mores into account when design training activities across cultures and for different nationalities in an organisation.

Arab management, according to Soltani and Liao (2010), require a re-evaluation of their employee training interventions. In an Iranian study, the researchers found that the management approach to training, given that participation employed other than performance criteria, had an upward impact on employee turnover. They found no evidence to correlate training to the performance of both employee and organisation. Soltani and Liao suggest that management's orientation towards training had an indirect effect on employee motivation and caused a gap between employee expectations and views on organisational training. They called for Iranian and Arab managers to
reconsider their training objectives in light of sustainable competitive advantage and to recognise the importance of employee training in enhancing organisational commitment. This was confirmed by Bulut and Culha (2010) in a Turkish study, where they investigated the impact of organisational training on employee commitment. Training was conceptualised as motivation for training, access to training, benefits from training, and management support for training. The results of their study showed that all dimensions positively affected employee commitment.

Returning to Bechtold’s (2011) appreciative enquiry approach, the researcher found a complementary link for the approach to Arab cultural factors and employee satisfaction after training. Bechtold stated that sharing of stories as part of the appreciative enquiry approach served to bond employees and instil a shared sense of ownership for the past and future success of the organisation. ‘The use of (appreciative enquiry) builds on the cultural attributes of Arab culture including high collectivism, strong family and relationship orientation, high context and narrative communication, low risk tolerance, prevalence of positive intentions, and homogeneity of the Islamic society’ (Betchtold, 2011, p. 25).

3.7 Chapter summary

This chapter gives an overview of the literature on training and development and explains characteristics of the Kingdom of Saudi Arabia. The first part considered the theories pertaining to human development, such as human and social capital (Lazear 2009, Ellinger et al. 2011) in order to give a framework for the chapter. Employee training and development was found to be a continual process, employing significant resources by organisations; however, it is frequently mismanaged and outcomes are unclear (Al-Ghamdi et al. 2011). There are two parts to this process, training and development, the first of which relates to individual knowledge and skill acquisition, that is, competency-based, and the second that focuses on organisational performance and reaching its objectives. Organisational culture and environment were found to be important in this regard (Guthrie 2009). Development relates to the longer term goals for the organisation and the individual and was described in this study as future job competencies or organisational goals; an example could be training in significant technological change that the organisation was planning to introduce.
The next part of the chapter related to the study context. Saudi Arabia has a distinctive culture, a hierarchical management structure, and has significant barriers to its economic growth, in part through segregation of the sexes and a collectivist society (Ramady 2010). Its rapid development was gained through cost-effective skilled labour that is imported and exported as the need arises which makes it difficult for unskilled Saudis to compete, especially with low wages. The government is addressing these issues through nationalisation, aimed at delivering jobs for millions of young Saudis arriving on the labour market in the next decade. Nevertheless, there are considerable issues in the high percentage of expatriate labour that is building the country and the need for ‘lifelong training’ for those unemployed and those that are employed. For the Saudi employees, the private sector workplace is a foreign experience, as the language is frequently in English, and they find that they are a minority in their own country (Claus & Briscoe 2009).

Training and development in Arab organisations was found to be mixed, with the majority of Arab researchers stating that training was taken as a benefit of the workplace, not seriously, and that wasa, or influence, was present in selection of those who were trained. This contributes to high turnover in the private sector in Arab countries, where citizens seek the extremely beneficial working conditions of their public sectors. Further, trainers were generally expatriates; sometimes the courses were delivered in English, or when translated into Arabic, the concepts and references were not understood. To evaluate an Arab training program, Kirkpatrick’s (1996) concepts are relevant: a cost-benefit analysis could be employed; however, the reality is that organisational change, turnover, and technological change combine to make performance assessments difficult. For Arab employee training, Bechtold’s (2011) concept of using appreciative enquiry may be a useful concept for this study.

The last section returned to the context, in this case, organisational structures, principles and practices that contributed to successful outcomes for staff training. This considered training and development functions in the firm, management support, needs assessment and the design of the training program. Conducting the training considered if the objective was task-based, and therefore of less concern to the overall organisation, or whether it was part of an organisation-wide change management program, and the implications of this (Soltani & Liao 2010). The next chapter presents the unique
environment of Saudi Arabia, and the challenges its society continues to meet in achieving competence for its young population in a rapidly globalising world.
Chapter 4 Methodology

This thesis investigates the gap between the employability of Saudis in the private sector, and the skills levels and work attitudes inherent in job specifications. Saudi employers prefer expatriates for their skills, cost-effectiveness, and the simplicity of the biennial employment contract (Mashood et al. 2009). For example, there are no promises of continuity and little or no off-the-job training for foreign workers. From the literature review and the context chapters, it appears that employers are relatively unconcerned whether or not they engage with their employees, Saudi or expatriate, and Saudi employees seek employment in the generous and relaxed conditions of their public agencies. This chapter moves from establishing the theory and context relating to employee training to the primary research setting.

The chapter begins with the theory pertaining to primary research and the rationale for selecting a qualitative approach for primary data collection, semi-structured interviews. This is followed by a discussion regarding the population sample chosen for the study, and the validity and reliability of the data collected for the study.

4.1 Research paradigm

A framework for primary research begins with the philosophical paradigm, the theoretical field that is selected to embed the research design. Saunders et al. (2009) pointed out that research philosophy shapes a research methodology, its strategies, data collection methods and data analysis techniques. Creswell (2003) confirmed that the overall paradigm of scientific inquiry and the philosophical basis for the research determine the specific research design of a study to solve the particular research questions. Easterby-Smith et al. (2002) and Saunders et al. (2009) cited two philosophies, positivism and phenomenology. Collis and Hussey (2009) explained that the positivistic (quantitative) and the phenomenological (qualitative) paradigms differ in their approach to the generation of knowledge through data collection; a positivistic paradigm involves a formal, objective, deductive approach to problem solving, whereas a phenomenological paradigm adopts a more informal, subjective and inductive
approach to theory testing. Easterby-Smith et al. (2002) observed significant differences in the paradigms (see table 4.1).

Table 4.1
*Characteristics of research paradigms*

<table>
<thead>
<tr>
<th>Factor</th>
<th>Positivism</th>
<th>Phenomenological</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research procedures</td>
<td>Hypotheses and deductions</td>
<td>Induction through rich data</td>
</tr>
<tr>
<td>Observer</td>
<td>Must be independent</td>
<td>Reacts to what is being observed</td>
</tr>
<tr>
<td>Concepts</td>
<td>Data measurable</td>
<td>Stakeholder perspectives</td>
</tr>
<tr>
<td>Sample</td>
<td>Large and random</td>
<td>Small and purposive</td>
</tr>
<tr>
<td>Data collection</td>
<td>Specific and precise</td>
<td>Rich and subjective</td>
</tr>
<tr>
<td>Human interests</td>
<td>Should be irrelevant</td>
<td>Focus of data collection</td>
</tr>
<tr>
<td>Data Analysis</td>
<td>Simplified, fundamental</td>
<td>Complex, inclusive of context</td>
</tr>
<tr>
<td>Reliability</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Validity</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Explanations</td>
<td>Must demonstrate causality</td>
<td>Aim to increase understanding</td>
</tr>
<tr>
<td>Generalised</td>
<td>From sample to population</td>
<td>From one setting to another</td>
</tr>
</tbody>
</table>

Source: Derived from Easterby-Smith et al. 2002, and Collis and Hussey 2009

A phenomenological paradigm is socially constructed and reflects the different interpretations and meanings of study participants when relating to various phenomena, their responses and attitudes. The analysis of these data requires thorough explanation of different participant experiences, not external causes to explain behaviour (Easterby-Smith et al. 2002). Selection of either paradigm, positivism or phenomenology, requires a given approach to data collection and analysis, quantitative for positivism and qualitative for phenomenology. The positivistic approach may be categorised as traditional, quantitative, or empiricist, the phenomenological approach as post-positivistic, subjective, or qualitative (Collis & Hussey 2009).

This study is a qualitative case study of training and development in Saudi Arabia. Thomas (2011) states that case studies gather data on phenomena: persons, events, institutions or systems that are investigated holistically through a research design. The *case* comprises a class of phenomena that provides an analytical frame for the study which can be viewed and explained. Case studies may be explanatory or
descriptive, where the explanatory case is used to explore causation (Yin 2008). This study does not employ a true phenomenological paradigm; as a descriptive, qualitative approach it has limitations of time and resources.

4.2 Research design

Research design refers to the composite strategy used for identification of problem, data collection and analysis. Oppenheim (1992) stated that the basic plan of research and the logic behind the research design must make it suitable to draw general conclusions. On a practical level, at the research design develops the plan for conducting the research, specifying the elements to be investigated and the methods to be followed (Oppenheim 1992). Saunders et al. (2009) concurred, a general plan and clear research strategy contain clear objectives that direct the researcher in data collection, time and location of the research and ethical issues relating to the project. According to Sekaran (2003) developing a research design entails a series of rational decisions, identifying the purpose of the study, whether it is exploratory, descriptive or hypothesis-testing; identifying the type of investigation; deciding the extent of the researcher’s intervention; identifying the setting of the study; deciding measurement and measures; deciding data analysis; deciding data collection methods; deciding time horizon; deciding sampling design; and finally, identifying the unit of analysis. Therefore, research design is about classifying research activities, including data collection and analysing the data, in a manner that helps to achieve the research aims.

In social research, choice of research methodology is debated. The suitability of a research methodology cannot be determined beforehand until it is applied to a specific problem. As Oppenheim (2000) suggests, no single approach is necessarily superior and the choice of a research design depends on the type of question(s) which the research aims to answer. There are many important factors to be taken into account to choose the right research design, given the nature of the research questions or objectives. The philosophical paradigm underpinning this research as well as practical issues like availability of literature and ease of data collection methods are also considered when selecting an appropriate research design. In the following subsections, research philosophy, nature of research objective and the rationale behind the chosen research design is discussed.
4.2.1 Selection of research design

In a qualitative study, the focus is a relatively constricted phenomenon, explored in its natural environment, as the researcher examines the perceptions and experiences of the study participants, and a qualitative research methodology is more suited to the study of human behaviour and beliefs (Rudestam & Newton 2001). In selecting a qualitative approach, the research questions and objectives, methodological limitations, criticisms and issues relating to the topic were considered. A qualitative approach also provided a more flexible research design since the theories and hypotheses are not determined in advance. This enables more flexibility when dealing with social issues that are often unpredictable and uncertain (Easterby-Smith et al. 2002).

For the research design therefore, a qualitative approach was deemed appropriate as it emphasises processes and meaning over quantification. A qualitative approach involves subjective evaluation of data, encompassing findings and conclusions (Easterby-Smith et al. 2002). This is an exploratory study of the practices and views on employee training and its antecedents among senior management in large Saudi and multinational organisations. The purpose of the research was to gain in-depth data on Saudi employee training facilities, course planning, delivery and evaluation. Qualitative research employs various forms of data collection using instruments such as questionnaire surveys, focus groups and forms of interviewing that may include close-ended questions or semi-structured questions. Since the study seeks to obtain opinions as well as information on the effects of culture and language in employee training practices, an in-depth method of qualitative research such as one-on-one interviews was decided upon.

Referring to course delivery, participants’ experiences were requested regarding issues of language and cultural norms for expatriate trainers on the one hand and trainer standards for nationals on the other. Further, study participants’ views were sought on their expectations from employee training, their views on the success of such training, and their future intentions as representatives of their firms on training in light of Nitaqat. Data were therefore collected from participants on their organisations’ training history as well as about their practice and experience. Data collection also emphasises the socially constructed nature of reality (phenomenology philosophy), a close
relationship between the researcher and the object of the study, and the context that influences the inquiry.

The extant literature also influenced the research design chosen for the study. Where there is research interest and copious literature, a deductive (quantitative) approach is relevant as there are findings or theories from which suppositions can be drawn (Creswell 2003). For this research, and as noted in section 1.6, there were no identified studies of training and development practices in corporations in Saudi Arabia, and few studies in corporate human resource and training for Arab organisations. When the research topic is new and there is little literature, the research problem needs to be addressed by a qualitative approach. It would be more appropriate to generate data and analyse them to formulate a theory; a pre-existing theoretical base does not guide the study because the theories available are incomplete or unsatisfactory.

4.3 Population and sample

As developing countries lack studies concerning employee training, Saudi Arabia was selected for the study’s data collection. Saudi Arabia needs research in the field of training and adult education to fulfil the government’s goal of skilling the labour force. Further, as a Saudi, the researcher was in a familiar context and could collect rich data, aware of the business culture and the professional ethics of the investigation. The requisite number of respondents for the study was guided by the advice of Bryman and Bell (2007) and Flick (2009) to interview a sufficient number of subjects to address the research questions.

Careful selection of informants is an important issue, especially in qualitative research. Bryman and Bell (2007) state that purposive sampling is a common technique for selecting participants for qualitative interviews. Bryman and Bell (2007) identify this technique as a non-probability form of sampling where the researcher seeks to sample research participants so that the selection is relevant to the research questions. Based on this approach, a purposive sample was obtained for employee training and development representatives from large Saudi firms. These organisations were selected from the list of registered firms on the Saudi Chamber of Commerce and Industry’s online database. As a criterion, a selected firm must be a service organisation with at least one branch office besides a head office and must have a workforce of more than
500 employees. The 20 short-listed firms were contacted by email, which included an introductory letter further explaining the research, and guaranteeing privacy for the firms and their representatives. The first 15 organisations to respond with positive interest in participating in the research were selected when confirmed to be relevant informants. As mentioned very early in the research, the interviews are narrowly focussed on managers rather than having fewer organisations and interviews with, for example, trainees and trainers. Also, secondary data such as policies (mentioned in an earlier chapter) is required in order to more accurately compare the interviewees’ experience of management practices, and the professed intention of the organisation through its written policies.

The response rate was a result of the research design. According to Oppenheim (1992) the following factors have been found to increase the response rate:

- advance warning: informing the respondents of the study in advance
- explanation of selection: explaining the method of sampling used
- sponsorship by management: motivating the respondents
- confidentiality: assuring respondents their information was private

The research sample consisted of an approach to 20 large local and multinational organisations in Jeddah. The response rate was 75 per cent as the number of the interviews was confirmed at fifteen participants, one for each firm.

4.4 Data collection

The data collection method used in this study was face-to-face semi-structured interviews to capture rich data from variables which need to be explored in depth. Liamputtong (2009) suggested that interviews are an effective tool of qualitative research for gaining in-depth information.

4.4.1 Interviews

An interview as a purposeful discussion between two or more people used to collect valid and reliable data relevant to research questions and objectives (Saunders et al. 2009). Collis and Hussey (2009) define an interview as a method of collecting data in which participants are asked questions to find out what they do, think or feel. Bryman and Bell (2007) also promote interviews as an effective data-collection strategy in
qualitative research. Interviews are a commonly used method for data collection in social science in general and in management and business research in particular. Thus, an interview is a face-to-face or voice-to-voice conversation directed by a researcher to obtain relevant data, information, expression, opinions and beliefs related to the research objectives.

In data collection, interviewing has the advantage of flexibility, where the interviewer can modify and adjust questions to suit the situation. This assists the researcher to collect supplementary data and to clarify the data to meet the needs of the research questions. Interviews can therefore gain greater certainty with regard to the information collected, where the researcher can explain the purpose of the study and clarify any misunderstanding of the questions or the concepts (Oppenheim 1992). The interviewer can direct the interaction with the respondent in a purposeful manner leading to strong results. It allows the interviewer to ask more complex and follow-up questions not possible in other research methods. In addition, it takes into account the non-verbal communication, like the behaviour, body language and facial expression of the interviewee. However, Collis and Hussey (2009) caution that interviewing for data collection may be expensive and time consuming, especially if there are a large number of respondents to be interviewed or if there is a problem in direct access to an appropriate sample. The interviewer may ask leading questions, influencing a participant’s response, or may elicit more information from one interviewee than another, thereby skewing the data. Further, there is the issue of the selected participants; other participants may lead to a different finding.

Single participant, face-to-face interviews can be divided into three types: unstructured interviews, semi-structured and structured interviews. An unstructured or informal interview does not have a predetermined list of questions or theme, and the researcher cannot influence the conversation, which may not relate to the research questions. The respondent or interviewee is given the chance to talk freely about the situation or their beliefs. On the other hand, in structured or semi-structured interviews, a set of pre-determined questions are asked and the responses are recorded on a standardised schedule. The interviewer can collect the data by taking notes or recording the conversation (Creswell 2003).

The semi-structured interview was selected for this study to allow interaction and access to information from the respondents while keeping the conversation within
the strict parameters of the research questions. The researcher used a questionnaire based on the research problem and then focused on the research questions in the ensuing conversation. In addition, this more open technique is more suited to Arab organisations, because managers prefer to talk rather than complete a questionnaire (Baqadir et al. 2011, Muna 1980).

4.4.2 Interview questions

Questionnaires for interviews can include open-ended questions which allow for a flexible response, or closed questions where a respondent must select answers from a predetermined list (Collis & Hussey 2009). Closed questions, arranged in themes to meet the needs of the research questions, were generally selected for this survey as the information was required for comparison purposes. There were open-ended questions at the end of each group theme to give respondents the opportunity to express their views on specific questions or to add additional insights or comments. According to Cooper and Schindler (2010), factors that influence use of closed questions include the need to classify respondents on some stated point of view and that the participants can develop clear opinions on the topics. Arguably, Cooper and Schindler (2010) add that answering closed questions is less risk for respondents; however, this was not the preferred option for this study.

The questionnaire included different types of questions: information, measured and open-ended. The order of the questions was from the general to more specific questions. Demographic questions appeared at the end of the questionnaire so that by the time the interviews were finishing up, the participants may be inclined to divulge more information (Sekaran 2003).

The questions were presented in four sections. The first section established the nature of the firm and its training experiences. Questions in this section included whether the participant represented a local firm or was part of a global entity, the participant’s views on the position of training and development with the firm, the type and frequency of employee training (including language of course delivery), the manner by which employee training needs were determined, and the procedures followed.

The second section concerned employee training outcomes. These questions included whether the participant thought employee training was effective in its objectives, and the means that the firm used to evaluate its employee training and the
ultimate effect of the training on both the individual and the firm. The third section probed issues in the training function, the effects of language and social norms, and procedures the firm followed to accommodate training according to the new government edicts. The fourth section concerned the success of the transfer of skills training into the employee’s day-to-day tasks, and the value of this improvement to the firm. The results of the trainees’ opinions of their courses were also raised.

As a measurement of response, a five point Likert scale was used for the closed-ended questions where the respondents were asked to indicate the degree of agreement or disagreement with each statement, or to indicate the degree of frequency of using some related issues. The scales differed according to the questions as follows:

- (1) not important (2) less important (3) unsure (4) important (5) very important
- (1) to a very small extent (2) to a small extent (3) to a considerable extent (4) to a great extent (5) to a very great extent
- (1) strongly disagree (2) disagree (3) not sure (4) agree (5) strongly agree
- (1) never (2) rarely (3) sometimes (4) mostly (5) always.

The wording of questionnaires should reflect the participant’s language usage, that is Arabic, and avoid leading or repeated questions. The length of questionnaire and the time needed for interviewing were taken into consideration, together with the style and order of the questions. Careful consideration was given to the design, layout and wording of the questionnaire.

4.4.3 Reviewing the instrument

Reviewing the interview instrument is advisable to assist the validity and reliability of the data collection. Saunders et al. (2009) noted that it is useful to review the interview questions to reduce misinterpretation or incorrect responses. As the study participants were Arab managers, the questionnaire was translated into the participants' Arabic by the researcher. The translations were circulated amongst bilingual Arab researchers in Australian and Saudi Arabian universities to test the translation, and the interview questions for accuracy and completeness. They approved the translations and said that there were no significant differences between the translated and the original text; although they did not comment on the structure or aims of the survey. A copy of the questionnaire in English and Arabic are at appendixes C and D respectively.
4.4.4 Interview procedures

The data collection was conducted in Jeddah, the commercial capital and the second largest city in Saudi Arabia from July to August, 2011. As a large port, Jeddah has a wide industrial presence and this diversity assisted in compiling a comprehensive sample to provide rich data for the research. The interviews were arranged with the firms’ representatives and these were made at the convenience of the interviewee. A copy of the interview agreement, guaranteeing privacy and confidentiality was forwarded for signature at the time the interview was confirmed. In all but one case, permission was granted to record the interviews and the researcher also made notes as the interview progressed to check against the transcriptions or as a record. The interviews were conducted in Arabic the respondents' offices and were from one to two hours in length.

The interviews began with the researcher further explaining the process to be followed and emphasising confidentiality. The interviewees were encouraged to express their views on issues relating to the research questions. Finally, the closed questions were written on cards for the interviewees to read these questions to reduce the risk of bias.

The interviews were successful in gathering rich data through the use of Arabic, which assisted understanding and clarity of the participants’ views. The use of mixed open and closed questions proved efficient, as the main points were assured to be answered and the open-ended questions allowed the free expression of ideas, issues and intentions by the participants (Creswell 2003).

4.5 Validity and reliability

Validity and reliability give credence to research procedures and findings. Validity is the extent to which the data collection and analysis relate to the research questions; that is, the extent that the process measures that which it is supposed to measure (Collis & Hussey 2009). According to Collis and Hussey (2009) and Saunders et al. (2009), validity is undermined by research errors, such as faulty research procedures, poor samples, inaccurate or misleading measurement and ambiguity about causal direction. To ensure valid data, the researcher must develop an accurate
measurement tool that guarantees that all respondents are responding appropriately to all questions.

In this study, procedures to ensure validity of the data collection method were the use of semi-structured interview methods. Saunders et al. (2009) assert that usually the validity of in-depth and structured interviews is high. This is due to the flexible and responsive interactions between interviewer and respondents. In this study, the respondents were encouraged to give accurate data by a variety of means. The researcher built a good rapport with the interviewees through visiting their offices; introduced the study in a clear explanatory manner; provided the interviewees with a list of the probable questions to prepare answers for them in advance; emphasised the confidentiality of the obtained data; tried to ensure the absence of any kind of bias, taped entire interviews where possible, and took notes to ensure that all details were recorded. Many questions were also asked in structured interviews to confirm the findings with greater detail and deeper insight. The transcripts of the interviews were assessed against notes taken during the interviews.

Reliability can be assessed as consistency, so that data must be relevant to the research questions’ intent. However, Marshall and Rossman (2006) state that reliability of qualitative phenomenological research cannot be fully determined since findings from non-standardised research methods are not necessarily repeatable as they reflect social reality at the time they were collected, in a situation that could be subject to change. Saunders et al. (2009) disagreed; concern about reliability in interviews also occurs through the risk of bias. In this study the researcher tried to avoid interviewer bias resulting from the comments, tone or non-verbal behaviour of the interviewees responding to the questions. By employing a flexible approach during the interviews, the researcher attempted to avoid bias.

4.6 Analysis

Qualitative data are subjective in analysis, and depend on the research questions (Saunders et al. 2009). Whilst there are many analytical techniques, the approach adopted involves disaggregating the mass of qualitative data into meaningful parts or categories. This permits reorganisation and analysis of the data in a systematic and rigorous manner. Here, the raw data from transcripts and notes are read and compared to
the research questions to identify patterns or relationships, build themes, and drawing conclusions. Thus, the data are tagged by features or the research questions, and sorted until the concepts are coherent.

Analysis commenced after each interview to keep the participants’ views and insights fresh and the researcher focussed on the research problem. The recordings were transcribed and notes gathered in English for analysis. In addition, summaries, self-memos and a research diary were employed to assist in understanding the data flow. In these initial steps, themes and interrelationships began to emerge. As Easterby-Smith et al. (2002) noted, interviews should be paced to allow sufficient time for administration and to think about the data, analyse and explore some issues. Each interview took between one and two days’ work, so that over the months, there was sufficient time to think about each interview transcript in detail.

On return to Australia, the transcripts were re-read to reinterpret the results of the first interviews in light of later responses that could give new insight to a range of issues, and to reassess the interview data as a whole, finding new relationships and stronger bases for themes. The research questions guided this process. A decision was made to assess the data and classify it manually without computer-based assistance, as the nature of the data made it difficult to digitally glean key words and concepts from the different forms of data records. Further, Saunders et al. (2003) assert that qualitative data can be assessed quantitatively using frequency of given events to display a large amount of themed data. This approach of describing and presenting the qualitative data provided a useful technique for the closed question data.

4.7 Chapter summary

This chapter discussed the paradigm, design and method of data collection selected for the primary research. The research investigates culture and language effects on employee training and the transfer of learning in Saudi corporations. The study is exploratory, as there is a lack of literature on the topic and the research studies subjective human perceptions and experiences. The qualitative method comprised semi-structured interviews to gather rich data through an in-depth exploration of the subject. The interview questions’ design and layout; question types, format, and content, population and sample; and the procedures for administering the questionnaire were
discussed. Further, issues of reliability and validity, and data analysis were also discussed. The next chapter moves the narrative to the primary research and a discussion of the findings and conclusions.
Chapter 5 Data Analysis and Findings

Qualitative data were extracted from interviews conducted with senior managers from large local and global corporations in Saudi Arabia. The last chapter described the methodology for the primary research. The interviews were designed to determine the characteristics and types of training programs used in these organisations and examine the attitudes and perceptions of senior managers towards training. This included the firms’ approach towards employee training, given the government’s emphasis on skills development among Saudis, and their views on their training programs’ successful integration into work practices and thus productivity.

This chapter presents the analysis of the data and discusses elements of the findings as they relate to the research questions. The format of the presentation meets the requirements of the research questions:

1. What is the organisational commitment to employee training?
2. What kind of employee training is delivered, and how?
3. What are the issues related to training in Saudi Arabia?
4. What are the outcomes of the training for the employee and for the organisation?

The first part of the analysis concerns information on the participating industries, demographic information on their representatives, details of the firm’s training functions and course delivery, issues relating to employee needs, trainer standards and training assessments, and incorporating new skills into work practices. The participants’ views on issues that influence training outcomes and their observations on successful outcomes are also discussed. Descriptive analysis with frequency distribution is used to present the findings from these interviews and where appropriate, quotes from the interviewees are included to illustrate relevant views.

5.1 Participants

This section describes each participant firm’s industry and size, and collated demographic information on the study participants. Table 5.1 presents each firm’s industry sector, employee numbers, and locations.
Table 5.1  
*Characteristics of participant firms*

<table>
<thead>
<tr>
<th>Participant</th>
<th>Industry</th>
<th>Employees No.</th>
<th>KSA locations No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>Utility provider: water and electricity</td>
<td>3200</td>
<td>3</td>
</tr>
<tr>
<td>P2</td>
<td>Utility provider: electricity</td>
<td>30000</td>
<td>10</td>
</tr>
<tr>
<td>P3</td>
<td>Food products: soft drinks</td>
<td>2000</td>
<td>15</td>
</tr>
<tr>
<td>P4</td>
<td>Airline</td>
<td>7000</td>
<td>26</td>
</tr>
<tr>
<td>P5</td>
<td>Vehicle retailer</td>
<td>2500</td>
<td>5</td>
</tr>
<tr>
<td>P6</td>
<td>Construction: concrete</td>
<td>7000</td>
<td>14</td>
</tr>
<tr>
<td>P7</td>
<td>Tourism: accommodation</td>
<td>2200</td>
<td>8</td>
</tr>
<tr>
<td>P8</td>
<td>Food retailer: fast food</td>
<td>2400</td>
<td>65</td>
</tr>
<tr>
<td>P9</td>
<td>Vehicle retailer</td>
<td>4600</td>
<td>8</td>
</tr>
<tr>
<td>P10</td>
<td>Finance</td>
<td>5400</td>
<td>284</td>
</tr>
<tr>
<td>P11</td>
<td>Utility provider: water</td>
<td>5000</td>
<td>3</td>
</tr>
<tr>
<td>P12</td>
<td>Consumer products</td>
<td>2800</td>
<td>18</td>
</tr>
<tr>
<td>P13</td>
<td>Food products: oil</td>
<td>6830</td>
<td>3</td>
</tr>
<tr>
<td>P14</td>
<td>Food products: poultry</td>
<td>4300</td>
<td>630</td>
</tr>
<tr>
<td>P15</td>
<td>Trader: chemicals</td>
<td>3400</td>
<td>5</td>
</tr>
</tbody>
</table>
Demographic information was collected on their representatives: age and position in the firm (table 5.2).

<table>
<thead>
<tr>
<th>Age range</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than thirty years</td>
<td>1</td>
</tr>
<tr>
<td>31-40 years</td>
<td>6</td>
</tr>
<tr>
<td>41-50 years</td>
<td>5</td>
</tr>
<tr>
<td>Over 50 years</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Position (Manager)</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resources</td>
<td>6</td>
</tr>
<tr>
<td>Training</td>
<td>6</td>
</tr>
<tr>
<td>Combined</td>
<td>3</td>
</tr>
</tbody>
</table>

The context for the study participants, all male, shows that the firms they represent are diverse in their industries, representing many sectors: utility providers, construction, transport, food, retail. The firms were large, ranging up from 2,500 employees to 30,000 people, so that they represented the leaders in their fields and thus expected to be highly competitive and focused on firm productivity and employee performance, especially in the retail and food sectors. The interviewees were responsible for their firms’ training and their ages generally indicated substantial experience in their profession, and knowledge of the adult training industry. They would be well aware of government decrees on Saudisation (at the time of the interviews).

5.2 Industry sector leadership

In light of the position of the firms in their respective industry sectors and in Saudi society, the interviewees were asked if they regarded their organisation as being a part of the international community. A majority, 11 of the 15 respondents, answered in the affirmative and said that their organisation was part of the global economy. They
stated that their training and development programs reflected international standards. The following comments attested to this view:

Yes, we are global, for example, recycling water is international business now. So we are trying to improve ourselves to be competitive in the global market (P1)

We are an international company and to be competitive we should develop unique strengths (P9)

We have branches all over the world and seek competition – America, India, France and many other countries (P7)

We are a Saudi-French company. Our performance should be of international standard (P11)

Ten per cent our business is outside Saudi borders, so we are international company. And we need efficient training to adapt to the differences in our market in Bangladesh (P8)

It’s very difficult to compare us with others because we are such a big company. But we are a part of the global economy (P3)

The world changes according to the technology around us. We must have international standards, international leaders and adapt to international markets. Therefore, I think we are part of international society (P15).

On the other hand, 4 participants said that they did not consider that their firms were globally oriented and denied a link between employee training and globalisation as their operations are limited and domestic (P10, P2). Participant P6 noted that as a branch office of a global firm their group did not control employee training.

In an overview of the participants’ responses, there appeared a range of views on employee training, generally based on the firm’s structure, size, and training policies. This diversity substantially affected the training practices for each firm. Nevertheless the firms’ study representatives, as Saudi leaders in their industry sectors, reflected a broad range of training resources, practices, and perceptions of training and development in Saudi Arabia. Their reports on the extent of their employee training and the nature of the resources employed are discussed below.

5.3 Training functions

This set of questions explored the firms’ commitment to training, the position of the training function in the firm’s structure, dedicated in-house facilities, internal and
external resources, and the delivery of courses. This discussion begins with the firm’s commitment to employee training.

**5.3.1 Training commitment**

To gauge the importance of training to management, participants were asked whether their respective organisations included employee training as a part of their overall business strategy. This question also confirmed that the participant’s firm in fact conducted employee training, a prerequisite for study participants. All of the respondents agreed that training was a part of their business strategy, and this was emphasised by several participants:

Yes, we incorporated training as an essential part of our employee development; we run different courses for different purposes and there are dedicated budgets for each course (P12)

Yes, we have training of a very high standard, with rigorous methods of control and experienced trainers who can work with employees of different cultural backgrounds. Our training is a ‘must’ for us to keep up with international standards. It has a positive effect on performance for our employees (P9)

Yes, we run training programs as an important part of our operations. We have a training program with a set timetable of activities for the first ten days as job orientation for all new employees. Then there is specific operation training for one month and ten days, where three persons supervise the worker in a particular job (P6)

Yes, sure, training helps us to not just improve technical knowledge but human skills which is very important for delivering services to customers in a company like ours (P7)

Yes, I believe employee training is the main component of human resource development. It not only helps increase employee skills but can help achieve your business objectives (P10)

Yes, we have training for a whole host of things, from teaching employees how to operate machines and to improving their interpersonal or customer service skills. The employee is our capital. We should invest in them (P3)

We didn’t have a training plan earlier. The main problem was lack of awareness of training and no clear training budget. This year for the first time we have allocated a special budget for training. We have many employees who have worked with us for more than 30 years but have not received any training. They will begin to get some training this year (P11).

There was a consistent theme among the participants that they considered ‘employee training as the main component of human resources development’ (P10) and
the employees as the organisation’s capital. Participants reported a need to improve not just technical but social skills. This sentiment was continued in a response that ‘training is a must to keep up with international standards’ (P9) and in a culturally appropriate manner. There was the general response that training should be of high standard and its outcomes assessed.

The result from analysis of this data is that all 15 firms’ representatives believed in the advantages of employee training for their organisations and therefore included training as an integral part of their business strategy. Only one firm reported that they conducted induction training, although training was held in high esteem by all firms. Possibly, if the firms devoted significant resources to training, then a structured approach to job skills training off the job, such as induction, may have had a higher profile.

Later, the interviewees were asked about their personal views on training, separate from their employers’ policy on employee training. The interviewees endorsed employee training, five strongly agreeing that training programs had an important role in achieving business objectives and improving employee skills. Following are representative responses reflecting this conviction in the importance of training:

Yes, through training and development employees learn to save costs. Moreover, productivity will improve as they learn to use new technology. Employees need to keep up with the technological advances and training is crucial for that (P3)

Training improves . . . productivity which is especially important in high service production and delivery firms. Most organisations in this sector such as hospitals and airlines have dedicated training centres (P4)

Training reduces the chances for mistakes by employees and minimises problems at work, thus ensuring smooth functioning of the business (P7)

Yes, I do believe in the effectiveness of training. Speaking from my own experience, employees who have training develop a good work ethic and acquire better product knowledge than those who don’t have training. This is the key to a good sales business (P10)

Yes, training is needed to not only deliver efficiency but a certain standard of service. Because we sell high quality cars we have to conform to international standards. That is why we need training (P9)

I think training is very important for our field because chemical products are constantly being reviewed and sale representatives should be able to explain new products to the client (P15).
The study participants clearly endorsed training interventions for improving skills standards, productivity and customer service. Training builds a work ethic in employees.

5.3.2 Training practices

To deliver training, interviewees mentioned a range of off the job training interventions. There are a range of training methods available for meeting different training needs (table 5.3).

Table 5.3
Types of training

<table>
<thead>
<tr>
<th>Training intervention</th>
<th>Training offered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lectures</td>
<td>11</td>
</tr>
<tr>
<td>Workshops and case studies</td>
<td>8</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
</tr>
</tbody>
</table>

A majority of the respondents, 11, used trainers as lecturers in adult training courses, whilst half used both workshops and case studies as training interventions. This is a popular means of training adults, as the members of a workshop can be exposed to actual situations faced by the firm and become involved in the resolution of issues. About a quarter used other training interventions, which could be online training or seminars. The lecture method was used to impart product knowledge or job information, whereas the workshop was suited to training issues that need a more interactive program such as work ethic, sales skills and customer service. These interventions were used in combination, as the study participants reported:

Yes, we used all the components of these programs after appraising their ability for solving the problem and (depending on the time involved) (P7)

Yes, we have used all these programs (case study, lectures, self improvement theories and problem-solving) (P12)

Our training is directly conducted with our managers. We have some good programs based on action plans and case studies (P3)
Management determines the training programs, (and sometimes uses a) workshop if we need our employees to work as a team, and sometimes a case study. Our management evaluates the strategy for training (P13).

There was therefore a range of interventions used by employers to improve employees’ productivity through training. Some three-quarters of training interventions related to transfer of information through lecturer delivery. This could be ineffective in improving employees’ skills and task competencies without practice and feedback, and thus arguably did little to improve the firm’s productivity.

Following from the firm’s commitment, the participants were asked how the training was provided, formal or informal training, that is, whether training was conducted off the job. Fourteen respondents said that they had formal staff training programs, and these are described as follows:

Yes, our programs were initiated a year ago. We have administration, English, computer, and as well specialist courses. We also run courses for interpersonal skills, work ethic for all staff even for specialist staff. For example, if we have a new engineer, it’s important to train him through an integrated training approach in such soft skills to reduce work conflict and teach him how to work in a team (P4)

We have international training from (global vehicle brand) for all sections of our staff, sales, marketing, -after-sale maintenance and administration. We have recognised that our sales representatives should be trained so that they are able to better convince our customers about our products (P9)

Yes, we have training programs; but each department runs its own courses (P3)

Yes, we do. We have four types of training for our employees: passenger services courses, coordination and follow up courses, behaviour courses and administration courses (P1)

Yes, we have a joint training program with the government. It is a vocational training program with 75% of the cost borne by the government and 25% by our firm. We have courses according to employee needs e.g. course for computer science, administration (P6)

We have on-the-job training and we have general and specialist courses. But our main courses are for secretarial practice, English language, computer science and administration (P14)

We believe in on-the-job training for all our employees. But we have special programs to improve the leaders (P13).

A majority view (14) was that there should be an integrated approach to training and development and therefore firms offered their employees specialist as well as
generalist training. While specialist training courses were task- and skills-based, general courses related to improving competency in English, computer-based work, teams, work ethic and administration.

All but one of the organisations had formal training programs to improve competency in both the workplace and task and skills competency. Workplace skills included improving the employee’s attitude to work, and English fluency. The service organisations were also training for administration and customer service.

Whilst a large majority of participants (14) stated that their organisation can accommodated training courses, not all provided training in Saudi Arabia. One respondent, P2, was unsure of the firm’s attitude to formal staff training:

We all know the importance of training; we have training programs for the senior leaders and management. But at the same time our management is not convinced of the usefulness of such training for all workers. We don’t run programs for all workers. Instead we have good supervision and help for workers on the job. So I am not sure if I can say that we have a proper training program as such.

Although this firm professed a training strategy as part of their business operations, this related only to management and not to all employees.

5.3.3 Determining employee needs

Employee needs underpin provision of training. Employee needs can relate to individual skills such as work ethic, language fluency, relationships with customers and staff, and technical or task competencies to the needs of the firm. Organisational needs may occur through technological change, changes in the industry or the competition, or changes in product. The interviewees were asked their experiences in determining their employees’ needs for training. Six indicated that they had employee assessment techniques in place to determine training needs, whilst a majority, 7, said that they did not consider employee needs specifically. The remaining declined to answer. Answers from the assessing firm’s representatives included the following:

We have an instrument called KPI, or Key Performance Indicators, by which we evaluate employee performance for the year. We then allocate training according to the areas of need highlighted in this evaluation. We also evaluate (the employee) at the end of the year (to assess eligibility for) a raise or promotion through the KPI. If yes, we give additional training to secure that promotion (P1)
Our strategy is to decide according to annual evaluation by management and human resources department; they determine who is going to have training and who is not (P3)

We have three methods to determine employee needs: the first involves direct discussions with employees; in the second method, training needs are discussed by the specialist trainer with the supervisor; and third, annual evaluation according to the job description determine the need for more training (P4)

We train employee needs according to our requirements. We have a proper evaluation of all newcomers and keep that record in their individual files (P9)

Our training courses are also defined by the needs of the public. To ensure the best service for our customers, we need highly-qualified employees proficient in English and computers (which we deliver as) administration courses through vocational training (P12).

Of the 7 interviewees’ firms who did not assess employees’ needs, the following expressed their situations:

We don’t have a strategy as such and decide our training programs according to the need of the moment (P8)

We don’t have any set strategy. It occurs randomly. We don’t have a regular evaluation of employee performance but provide training as and when a problem emerges (P14)

Our problem is that (head office) authorises compulsory training programs, without thinking about the specific needs of each branch (P5)

In our organisation, the amount of training an employee receives also depends on the type of relationship (between the employee and the) manager. I can’t say whether this is a good practice but if the employee has a good rapport with a manager, (this often results in) better training than others (P2).

A small majority of responses (7 of the 13 responding) showed that these firms do not take individual employee needs into account in Saudi Arabia. In training staff, the firms respond to external events. However, a minority (6) assessed their employees’ needs and offered training based on skills’ upgrade and promotion potential. All respondents acknowledged that employee training was related to improving performance on the job. It seemed that these firms tailored their training to improve performance for the firm’s competitiveness.

5.3.4 Dedicated training facilities

To further examine the type of training programs in effect in these organisations, the respondents were asked whether they used in-house dedicated facilities, and internal
or external providers. Of the 15 respondents, 9 reported dedicated training facilities, although they also used external providers for specific courses. There was considerable comment on this point as the examples show:

We have a special training centre which determines and measures employee skills. But we hire a mix of internal and external trainers (P4)

We have a special training centre built and run by our parent company . . . All our training is conducted under the same global standard and supervision; we don’t contact any external company (P9)

Yes, we have a special training centre, especially concentrating on sales. But the training here is rudimentary as it only relates to providing the employees information about the product. Actually, what we want is to improve our employees not only by teaching them product knowledge but also developing their sales skills (P3).

On the other hand, the firms of 4 respondents did not have dedicated training centres, for various reasons. These were explained by the interviewees:

We don’t have a training centre as such but our human resources department takes care of these issues and determines the courses our employees need. Then we have a British company which looks after one portion of our training to ensure that we deliver best practice training (P1)

No, we don’t have a training centre. We have an agreement with a training department from the government. Building Company Institute helps us in training people for applying specialist courses. Before employing anyone our company (gives new employees) three months training (P6)

We conduct training sessions but we don’t have a special training centre. This firm pays more attention to (employee training for) a complete course about poultry. The poultry industry has many operational areas and functions so we need people with different types of training. We only have on-the-job training and head office runs a training centre in City of Taif, but most of our employees are trained externally. We just established a training centre that will provide a complete range of services but we still need professional staff to run these courses (P8)

We don’t have special training centre, we train our employees in England where we have our main branch for training our sales representatives (P15).

Only 2 respondents mentioned that they have both specialist and general training centres for their employees. The following are the responses obtained from these participants:

Both (types) are equally important. We need training for qualified graduates and more experienced people in management. We contact specialist centres for
training for graduates in some technical jobs. We have about forty courses every year, so sometimes we need support (P13)

We have both. We comply with international standards. We also significantly increased our training activities. In 2007 we ran administration courses for 3 individuals; in 2010 we have 8-9 courses for all our employees (P4).

With few exceptions, the firms represented in the survey either had dedicated training facilities or used external training providers, or both. Considering the general acceptance of training, it appears that needs were fulfilled by the most expeditious means at the firm’s disposal.

5.3.5 Dedicated trainers

As an aspect of the importance of training to a large firm, a resource of in-house trainers would be expected to underpin the training function. However, the complexity of course design and the range of courses that a firm needed may mean that external professional trainers were more effective. A majority of 11 respondents explained they used both sources. There were a range of responses. P7 and P13 used external providers: ‘We contact a specialist centre for training newly recruited graduates in technical jobs’ (P7). One firm, P6, used a government provider. Several firms’ representatives, P10, P13, P3, P2, P8 and P5 stated that they used both forms, given that they required various levels of training:

Yes, we have an in-house training centre … but sometimes we contact specialist trainers for technical courses (P10)

Yes, we have a training centre because we are a big company and we have a large number of employees. But sometimes we contact specialist training for technical courses (P3)

Yes, we have in-house training for labourers and other employees. Every employee is trained for about two months at the start of his contract. We also have external training for managers (P8)

We have a special training centre. But we have trained our employees (externally) in Dubai according to our needs. Sometimes we need specialist courses for which we have to send the employee abroad (P5).

Whilst bulk training such as induction and skills training was conducted in-house, the majority of firms (12) employed training providers for specialised skills, technical courses, and supervisor or management training. On the other hand, 2 respondents said that they had dedicated trainers on their staff for all their training
needs. One vehicle retailer, P12, sourced all training in-house, although that was not necessarily in Saudi Arabia for specialist and leadership skills. In contrast, 2 outsourced all employee training. Similar to the vehicle retailer, another global firm’s representative, P15, outsourced all training to their national training centre in England.

Another interview question related to trainer qualifications, and whether the participants viewed the trainer’s educational level in relation to the trainees’ educational standards. A majority of respondents, 13, did not consider this point as relevant to training, although the skills and knowledge of the trainer were viewed as important.

Again, it appeared that the majority of firms (14) had dedicated training resources, facilities, a training group, and access to public and private sector trainers, thus fulfilling the government’s decree to train their Saudi (and expatriate) staff. There is therefore considerable potential for adult learning providers, both public and private, to enter into partnerships with these large firms and assist their training function. This would encourage firms to undertake more staff training at a higher standard.

5.3.6 Frequency of training

Whilst the majority of interviewees (14) delivered employee training, the frequency of such training impacts its usefulness. Eight respondents said that they conducted training at least twice each year.

We run courses three times a year for our employees. I myself have taken three of these courses but I still feel that in some areas I still need some more training (P1)

We have training according to the needs of the employee. We run courses twice a year for new employees who need help in communication skills, English and computers. We also have job-specific training for existing employees to help them learn more in identified areas of weakness at work (P7)

We run courses twice a year, every six months, for our managers as well as employees and labourers (P2)

We have training according to our needs depending on the pressure of work and time available, but mostly about twice a year (P5)

Specialist job training for employees can last for two weeks; we also run more general courses for English and computer program since we work in foreign exports (P11).

Two respondents, P9 and P12, mentioned that they carry out more frequent training more than three times a year. Participant P9 explained:
We run 3-4 training courses per year. We allocate specific plans for training. Each employee has a timetable, with one course per day of training; here we have web and e-training for sales and after sales.

On the other hand, 2 respondents stated that they conduct training and development programs once every two years. Interviewee P4 reported that structured training occurred biennially, whilst skills training was given on an as needed basis:

Each year we have a plan allocated for training for the four different sections of our employee base. If an employee takes a course (in a given) year, we will give (the employee) another course after two years. If there has been a change in technology we give them retraining in order to keep up with the international standards. Otherwise, we need all available manpower to be on the job and not wasting time with training programs which are just a mere formality and do not add any tangible skill.

A further 2 respondents mentioned that they conduct training and development programs less frequently. P15 and P6 responded:

Our employees probably get training five times in their time at our company: once for orientation when they first start to work with us, after that they are given additional training as the need arises. Otherwise there is no need for regular training as such, because the cost of running such programs on a regular basis is high and the outcome debateable. We only have training when we see the need for it, for example when there is a new product (P15)

If (the employee) comes through channels of government training, we will give (the recruit) a few months to finish training before employment, We don’t have training after the employee starts on the job, therefore, we prefer those who come through such channels (P6).

Only 1 respondent mentioned that they only conduct training programs once each year, although there were other learning opportunities. P8 explained:

According to our plan we must have training courses annually for each employee, but in case there is an important ad hoc seminar or course the employee can go to it. Every employee gets about seven days of training in a year.

The interviews confirmed that a majority (10) of the corporations under examination conduct their training programs two to three times a year. As a result, there seems to be a general consensus that training should be a strategy for the benefit of both employee and the corporation. There were some concerns that the training program may impact the work flow and therefore the frequency and duration of the courses were curtailed. This was due to budgetary constraints and the work load. The firms’
representatives in the study confirmed their organisation’s capacity to conduct training activities at least once each year.

Whilst one corporation representative only mentioned induction training, several (P7, P15, P6) alluded to pre-induction training through government sources before employment, or induction training for recruits. They considered such training an introduction to the workplace, the firm’s values and policies, and the skills required for the job. It appears that Saudi firms recognise the need for skilled employees and managers to meet the challenges of the industry competition.

5.4 Training delivery

To answer the research questions on means the firms used for formal training, the next section of the interview questionnaire concerned implementation. These included methods used in training, incentives for attendance by the employees, matching education with training, and supervisor involvement in the course,

5.4.1 Course language delivery

An issue in training in Saudi Arabia is the language for delivery of the course, English or Arabic. This was an issue, as international standards demanded English fluency, whilst meaning may be lost unless complex matters were explained in Arabic. Nine respondents stated that their courses were delivered in English, with the following explanation:

All employees should improve their skills by realising the importance of English language and undertaking courses to learn the language. Therefore, we focus on English (P12).

Six interviewees reported that courses are conducted in both languages. According to these interviewees, using both languages was the best approach in ensuring a level of English proficiency among trainees. Understanding of course material was facilitated by resorting to Arabic whenever necessary. Their statements explained this point further:

Training in Saudi Arabia should be in Arabic and English. This will not only ensure that the local trainees can competently learn and understand the course content, there will also be the cultural benefit of encouraging the use of Arabic (P3)
The trainees believe that if the trainers are Arab and they know English then it can assist them understand the course and improve their skills. However, if the trainer is Arab and does not know English then (trainees assume) he has no knowledge of the course (P4)

Generally, there is little benefit in the trainer just knows English. If the trainer can also speak in Arabic the employees will get the maximum benefit since that is our mother tongue (P7).

All training was conducted in either English, or English and Arabic. Surprisingly, although they may use Arabic and English, no company used Arabic as the sole language for a training course:

If the trainers are foreign, the benefit is zero and there is loss of money. Also, sometimes it is the fault of the trainee. If you don’t know English why do you attend classes run by a foreign trainer? You will not learn anything or get benefit of the training because you only know A-B-C-D of the English language (P1)

Another problem is that some employees don’t speak English well at all, so foreign trainers need translators. If we bring translator the message and idea of the training will be lost in the process because the training is interactive. So we need trainers fluent in both Arabic and English. The ideal candidate for trainer would be a Saudi trained and educated abroad (P2).

5.4.2 Training incentives

Respondents were asked about the conditions related to employee training. Two-thirds (10) of the firms gave time off work to trainees, and a third (5) noted that employees were paid a training allowance to make training more attractive. Nine said that they provided refreshments and meals. Two respondents reported that they do not offer incentives for training. The majority (13) offered hospitality and time off for training, whilst a minority (5) encouraged their employees with an allowance for training. Participant P8 said that each manager had an annual budget of 20,000 Saudi riyals for training.

For Arabs, the presence of an authority figure such as a senior manager could instil a sense of discipline in the program and encourage trainees. Interviewees were asked whether executives were ever present during training, or participated in the sessions. One quarter of the participants indicated that management representatives attend training programs, although for a study majority of 8, such support did not occur. As a consequence, employees attending the training sessions were expected to be self-motivated sufficiently to achieve maximum learning outcomes.
Our managers should come to the workplace, follow up on external training, listen to the each employee as individuals (P5)

We should care about the social situation of the employee; sometimes the employee may be facing problems at home, which then reflects on performance. Also, employee morale must be kept up by motivation and salary increases. These issues are very important for a developing company like us because caring about the social situation of the employee will improve organisational loyalty (P2)

We also need to have systems of motivating employees about the importance of training. And senior management can play a crucial role in doing that (P8).

As a result, the respondents acknowledge the importance of executive management in their employees, and the need to encourage them to gain skills and engage with the firm. The support of the executive would assist successful transfer of skills and engender a work ethic for employees.

5.4.3 Preparation of trainers

A majority (9) of the respondents also mentioned the cultural gap between trainees and foreign trainers who are usually hired by the company due to lack of experienced trainers in the country. Nine interviewees said that the lack of sensitivity to Saudi culture by non-national trainers affected the delivery of training and this issue needed to be addressed by both familiarising the foreign trainer to local culture or encouraging more local trainers. The following responses illustrated this point:

Sometimes different cultural backgrounds can create problems. I will give you an example, in one training program I attended here, the trainer didn’t know anything about Saudi Arabia and talked about American services and work systems, and I found that most of the points held no relevance for Saudi Arabia (P8)

When both trainer and trainee can establish a rapport, there will be a greater benefit from training; but not if there is too much of a cultural and linguistic gap between the two to understand each other. It creates conflict, since the trainer finds it is difficult to adapt to our environment. We have faced such problems before (P1)

The positive side of foreign trainers is that they have experience. But it is better to have a trainer from our own culture. Different cultural backgrounds can create problems of understanding and communication during training. As a result, training only yields half of the intended impact as the rest is lost in the communication process event, even if everyone uses English (P4)

The problem is that our training centre doesn’t have the ability to deal with all these employees who come from different countries (P7)
If the trainer is from a different culture then that person must know and respect our customs. Trainers should be aware of the importance of prayer time for Muslims and religious festivals. We have had some foreign trainers who conducted training on Eid or during prayer time (P5)

In one training session, the trainer said that you must shake hands with each and every customer that enters the showroom. He didn’t know that in Saudi Arabia, men can’t shake hands with women (P9)

We train our employees in England but they don’t know our behaviour and customs in Saudi. Sending our employees to have training in England has many problems especially in terms of employee behaviour (P15).

As a result, although the corporations agreed in the assimilation of their expatriate employees into the workplace, there were disadvantages from the cultural gap between foreign trainers, local trainees, and also expatriate employees learning Saudi social norms.

5.5 Training outcomes

The next set of questions concerned the manner by which skills and knowledge are transferred from training to the workplace in these organisations. This concerned apathy toward training, skills and acquisition, perceived outcomes and feedback from the trainees, and these are discussed in turn.

5.5.1 Apathy towards training

Respondents said that attitudes towards training negatively affected outcomes from training programs. According to the respondents, this could occur if trainers and the trainees were not enthusiastic about training and attending courses:

There are people who have no concept of training; they just work on the job, there is no long-term career about training or improving yourself (P8)

If the trainee is willing and enthusiastic he will gain the maximum benefit from training. But Saudis don’t continue on the same job for long. They come on training for a few weeks, work for some months and then leave (P5)

There is no awareness about occupation type, working towards a career. A Saudi may be trained as a (salesperson) but would like to get another job. The attrition rate amongst Saudis is high, we employed 100 Saudis and there were only 25 remaining after two months, it is better to employ foreigners (P6)

The main problem is that the course is not enough for most trainees to realise its importance (P14).
5.5.2 Technical skills

Although there appeared to be a general consensus on the need for training, views diverged as to the skills to be acquired. Most corporations (14) train their employees in operations on the job. They also had basic courses on the work ethic, English and computer fluency, and administration. However, respondents needed specialised courses for particular operations and the respondents emphasised that there was a need to improve that aspect within their organisations.

Most of our training is for English language which does not give them any solid skills for the job. Instead, we need job-focussed training that teaches our employees sales techniques to get new customers and time management to improve job productivity (P4)

If the right training is given, then I do agree with its usefulness. But many courses that we deliver are too general and do not have any direct benefit to the employee (P11)

No, we still complain about training. We have a lot of new products but lack training in marketing, product knowledge and sales. So we face difficulties in getting our employees to sell new products to our customers. Because most of the courses are general so they assist in an employee’s social development but we cannot see any effects in sales (P12)

I agree that most of Saudi trainers aren’t specialised. Most of the people don’t know the meaning of training - it isn’t graduating from a university but becoming specialised in one’s job. The (main) problem is to change their concept toward training (to gain) high skills with high production (P14).

5.5.3 Acquisition of skills

The respondents were asked their opinions regarding the extent to which employees could apply skills and knowledge from training to their work. Six respondents said that they held strong opinions that skills were acquired through training and were used in the workplace.

Employees in our company were quite apathetic about this in the beginning. But now with time and experience we can see that they apply their training to the work (P7)

The use of new skills depends on the type of work. We find that training is quite useful for sales jobs, as employees find the sales techniques they learn in our courses useful to their work (P3)

Yes, we have efficient methods of assessing training because the effectiveness of training reflects on our production. Our training programs are very successful.
because there is a follow-up from our managers on employee performance and we find that employees find ways to apply their skills (P4).

Two respondents, P1 and P12, were ambivalent regarding the success of training outcomes:

The answer is yes. But I can’t say 10% the people are different from each other. We don’t evaluate the effect of training program per se, but we evaluate the person and do a follow up check on him by writing a report about his performance. He has his own job file and if there is any problem we will tell his direct manager to look it up. We also have incentives for employees to ensure compliance (P1)

We find that employees in our firm apply only 30% per cent of their newly-learnt skills. We feel that it is possible to reach 100 per cent but because there is no follow up after training from our managers we have not achieved that target (P12).

Of concern, 5 interviewees agreed that employees do not apply their newly-acquired skills to their work. These are their responses:

Generally they don’t apply their skills on the job, because there is no follow up from our managers to make sure that there is a penalty for employees who don’t apply and incentive for those who do (P2)

I would almost agree. But there is no follow up from our management on employee performance after training to find if they apply their newly-acquired skills. In general training in Saudi Arabia it’s a new concept, we need more time to convince the employees of its importance (P5).

A later question probed participants’ views on a similar theme: whether training improved employee skills. The majority of 8 respondents said that training did not significantly improve employee skills:

No, because we are a local Saudi company, we need many years to develop more advanced training programs that improve the work ethic and attitudes; we just give basic training so employees so that they can do the job (P2)

Here, work is allocated and completed according to qualification and experience, so training does not really play any role in improving employee skills or improving job proficiency (P5)

We don’t have special training courses to improve the skills and attitudes of our employees. So I don’t think we can say that it improves employee skills, at least in our company (P6).
The remainder, 7 participants, said that they believed training and developing programs could improve the skills and attitudes of the employees. Some responses are as follows:

Yes, training always has a direct effect on employee performance and that is what the management needs to nurture (P1)

We feel that they should apply their training even if it is in soft skills like interpersonal skills and customer service. Employee behaviour is very important in our line of business as we work with discerning clients of the highest standard (P9)

We find that the effect of training on overall performance is very low in our company but we believe that it can help us improve in some areas, especially improving the skills of our salespeople. Our main goal is to increase our sales and satisfy our clients. Training can help in some matters like maintaining good relations with our clients and ensuring customer satisfaction (P15).

A small majority (8) of respondents agreed that training activities can be advantageous for the company in fostering a positive environment in the workplace and developing competent personnel. Generally, the respondents stated that technical training improves skills.

5.5.4 Feedback from trainees

Seven respondents said that they did not ask for feedback from employees with regard to training programs. They gave a variety of reasons as to why they did not do so. P14 explained one firm’s position:

Not really, because most of the training programs are only for managers, so after training there is no one to measure and monitor their work to see if they apply their training. But now we are trying to introduce training programs for all our employees, so maybe then we will be able to determine if skills from training can actually be applied to the job.

However, 4 respondents said they interviewed trainees to gain their feedback, as P4 commented:

We have four standards to evaluate the training programs undertaken by the employees: the relevance of the training content and their work, type of training, training room services like lighting, and is the trainer using modern equipment? Generally, the training is conducted by a specialist trainer and everything runs according to these rules.
Two respondents gained feedback about training by results on training certificates, and a further 2 interviewees mentioned that their organisations used questionnaires to collect feedback from trainees, as noted by P13:

Yes, there is a system to ensure compliance in our firm. Employees must fill out a training form and the management always evaluates employee performances after on-the-job training.

5.5.5 Evaluating the course

In line with the interviewees’ previous statements on training evaluation, their responses to course assessment were predictable. A majority of the respondents (9) did not evaluate their training programs:

There should be a test after training but we don’t have such methods of assessment to test its usefulness (P5)

As we said we should have a strong program to evaluate training courses, but we are still weak in this aspect of managing and assessing our activities (P2)

There is no follow up and evaluation for internal training (P8).

On the other hand, 6 interviewees evaluated the training and development programs in their organisations. Some focussed on the training program and trainer, while others considered the employee’s performance after training:

We evaluate the performance of the employees and report to the Building Company institute which runs the training for us (P6)

Yes, we do have such assessments. We started from zero and have improved our training program to industry standards and we are also proud to say that we have put in proper measures for assessing training outcomes. Now we have inspectors to check and evaluate. We follow up on employee performance because our market is competitive and we need to retain the best workforce (P1)

Employees should apply what they learn in the training program. Management has a responsibility to follow up on these issues and ensure that company money is not wasted. So, we have an inspector to measure before and after performance to determine the effect of training on employees, and to evaluate whether the employees can actually apply their skills (P4)

Any performance management is built on two aspects: what and how i.e. what is working and how is it working. Whether it is competence training or technical training, we determine effectiveness based on these questions. For example, sometimes in sales they achieve 120 per cent of their target, but that doesn’t mean they know their work very well because the work may have been low quality and the sales may have occurred due to some external factor. Instead, we evaluate their performance from the sales figures as well as feedback from the
customers. A salesperson may have achieved a given target, but a customer may have said ‘this salesperson was lacking in customer service and didn’t know how to deal with us because he is from a different culture and he knows enough about Saudi culture’. Here, we can see that in terms of the results the salesperson may have completed the sale (the what) but he is weak on the how (P3).

In our company, every training program has the (global vehicle brand) standard international certificate. We also have a rigorous follow up for trainers as well as trainees after the course (P9).

Another company representative in the study detailed the firm’s policy requiring an employee to undergo induction training:

Yes, we have a training program with a set timetable of activities for the first ten days as job orientation for all new employees. Then there is specific operation training for one month and ten days, where three persons supervise this training. Finally, there is a follow-up and we have a test after each course, if the trainee fails then the training is repeated. Our training is effective with 70 per cent of our workforce (P7).

5.5.6 Cost

Productivity and training costs are complex issues, as the firm’s training function had its own budget, or used training budgets of line managers. Either of these alternatives was expected to be recovered through greater productivity. The respondents were asked if training could reduce costs by saving, through fewer mistakes on the job and improved employee performance. The responses were mixed; whilst 7 interviewees reported cost savings, 2 did not agree and the remainder were undecided. This reflected the range of industries and training policies of the various firms.

5.5.7. Firm performance

Of the 15 respondents, 10 said that training impacted the firm’s productivity, although one respondent said that training had no impact whatsoever. The following responses illustrate the majority (10):

Every company depends on the productivity of its financial capital and human resources, but it is the humans who do the job and put the capital into use. So the human element is very important and we need to increase their skills by training to increase profits. Even if we pay SR1,000 per course, we would get more and more in productivity over time (P11)

Training has direct and indirect effects, where direct effects refer to increase in the employee productivity and indirect effects result in an overall improvement in the company’s work culture (P14).
Training’s impact on profitability gained a similar response, with 10 interviewees agreeing to a relationship, whilst the remainder were doubtful or declined to answer. The statement of P15 reflected the majority view:

We are an international company and have continuous development in our standards and products, so we adapt through continuous training. There are different models applied in less-developed markets such as Bangladesh so there must be efficient training to accommodate such differences. We need training for our best employees . . . to capitalise on opportunities in the global market.

Product and service quality is an important factor in a firm’s productivity. Interviewees were asked their opinions on the impact of training on quality of operations in their companies. There was support from the majority (12) of the respondents on some measurable change in operational quality after training, as explained by P15.

The overall performance of our company depends on how fast we are able to transport goods overseas. If we get the latest technology in shipping and navigation, then we need trained staff to run them which will then improve overall performance.

Whilst the remainder did not comment, there was a tacit agreement that training was useful to the firm’s performance, as the Bangladesh training illustrated. However, there was no direct measurement of the effects of such training.

5.5.8 Satisfaction with training

Study participants were asked about the general level of satisfaction with the training programs in their respective organisations. While they may believe in the importance of training as a strategy and have substantial resources to implement that strategy, they may not have received the full benefit from these resources. Therefore, it was important to enquire about their satisfaction level with their individual programs. Surprisingly, only 5 people said they were satisfied with their training programs and no one graded their satisfaction level as ‘very satisfactory’. Participants P3 and P11 were representative of this view:

Yes, I am satisfied with the training because it gives a basic job-education for any employee who has little education and improves employment skills for others (P3)

Yes, I can say I am satisfied with the training because we started from zero and have now built a training program according to the (best practice standards) of international companies working in same field (P11).
On the other hand, the majority of 7 (47%) respondents were unsatisfied with their firms’ training standards, as they explained:

No, I’m not satisfied with the training in my company. It is conducted randomly and haphazardly according to the mood of administration. Also an employee is given preferential training if he has a good relationship with the manager. Sometimes people who don’t like or need training are given courses by force or if a manager does not like an employee he may be sent to a remote centre (P2)

We don’t have any training programs with a proven record of success (P5)

Training is supposed to have a beneficial effect on the company’s production, but in our company this has not been the case (P8)

I am dissatisfied because the cost of training is very high but the benefit from training is low (P14)

We give our engineers courses to increase their knowledge. Training normally succeeds with 25-30 per cent of the people but fails with 75 per cent because there is no work ethic or willingness to work (P6).

As evident from these responses, the majority of respondents (7) reported that their firms’ training did not yield the desired outcomes and they often encountered issues. Whilst they acknowledged the importance of training, in actuality the resources devoted to employee training had not shown significant improvement in the firms’ productivity. For the majority (7), training appeared to be a waste of time because both employees and their firms gained little from it.

A later question related to employees’ acceptance of training. While training is focussed on improving tangible issues like skills and productivity, employee satisfaction is also important for productivity. Training may assist employees’ involvement with the workplace and hence improved performance. Therefore, the managers were asked if training could foster employee satisfaction. A majority of 11 respondents said that training impacted employee satisfaction, as described by P3:

We believe that training is not a waste of time but investment in human resources. The result will be apparent sooner or later. Training improves people’s knowledge and skills and will somehow have an impact on performance. The better their performance the more satisfied they will be in their jobs.

Other respondents mentioned positive effects from training: one, in promoting cooperation amongst the members of the staff; another, P4, offered the view that trained personnel of international standard fostered a sense of teamwork:
As we said we have four types of training. In the last, on-the-job training, we have courses in teamwork, where trainees interact a lot with one another. There is role-play as one trainee is appointed the manager of five others. In this course, they learn about cooperation and team spirit in a relaxed environment, which is very important for us as an aviation company (P4).

Overall, the majority (11) of senior managers interviewed held the view that respect for employees and their satisfaction in their jobs resulted in improved performance. However, the remainder were unconvinced.

5.5.9 Firm as industry leader

The standing of the firm in the business community is an intangible asset that may be affected by training; that is, the company is viewed as an investor in its human resources to improve employee skills and its standard of service. Seven respondents said that training influences a firm’s social and business standing, attracting recruits:

Yes, I think training has a direct effect not just on productivity or profit but on the general reputation of a company, which is equally important today (P5)

Since we are trying to build customer base and partnerships with other communities in this era of globalisation, we need employees of international standard to not just do productive work but add to our reputation (P12).

Whilst the remainder saw little or no impact of training on the firm’s standing in the community, the minority (7) saw that training could create a positive image for a firm that is dedicated to improving the skills of its employees as well as the standard of service to its customers. This could create goodwill for the company, important in this era of building brand image.

5.5.10 Section summary

The respondents’ training resources, experiences and views showed that they considered employee training important for their businesses because it assists in many areas: employee skills and satisfaction, the firm’s productivity and quality of output, and ultimately the reputation of the company. Training not only imparts technical skills of language and computer fluency, it also assists with social skills such as understanding the work ethic and customer service. Effective training delivery is necessary to assist employees with their industry and technological advances, the global economy, and high growth industries such construction and travel. Staff must understand new operating procedures and products, especially in dynamic service sectors. There was
also a general view that the more successful companies had in-house training resources. It was also suggested that training could familiarise international employees with Saudi culture. Due to lack of knowledge of Saudi values and cultural norms such as gender segregation and religious practices, international employees are often unable to deal with Saudi customers of varying education levels. There was also a suggestion that training courses should be customised to suit the skill level and job requirement of particular employees.

5.6 Chapter summary

The participants reflected a broad range of the private sector, and generally considered that they were leaders in their fields. The firms represented were utility providers (3), food producers (3), retailers (3), travel (2), then one each of trader, consumer producer, finance, and construction. The majority (11) claimed a global presence, with four local firms. All participants were engaged in the discussion and answered their questions fully. The next chapter discusses this analysis in respect of the literature.
Chapter 6 Discussion

The literature and empirical evidence has demonstrated that employee training and development is a factor in organisational success and may increase firm performance. The Saudi Arabian government in particular views education and training as the means to develop a work-ready labour force and spends a significant proportion of its budget on the sector to improve skills and knowledge (Madhi & Barrientos 2003, Onsman 2010). Skilled people implement organisational strategies, conduct day-to-day business activities, employ the firm’s technology and other assets, and provide quality products and services to satisfy customers. Once employed, formal and on-the-job training are necessary elements in an organisational strategy to maintain and improve staff competencies and knowledge. Thus training and development is part of an organisation’s human resource objectives, an investment to be coordinated closely with core business centres throughout the organisation.

In the Saudi government’s Nitaqat program, the objective is to qualify Saudis to a level where they will be acceptable to the job specifications of national and international employers, given the level of distrust of Saudi skills by employers, and the extent of the government’s efforts to gain the tens of thousands of graduates and school-leavers each year that arrive on the job market. In this context, globalisation relates to the threat of international competition for jobs in Saudi Arabia, rather than skilling Saudis to work internationally. First there must be a robust managerial and professional sector that can lead the country forward. It must be noted that the government is not undertaking Nitaqat to lose the fruits of its program overseas, or indeed, to other GCC countries.

This chapter discusses the results derived from the qualitative analysis of responses from managers who represent a broad section of Saudi industries, international and domestic. The research questions that frame the discussion are:

1. What is the organisational commitment to employee training?
2. What kind of employee training is delivered, and how?
3. What are the issues related to training in Saudi Arabia?
4. What are the outcomes of the training for the employee and for the organisation?

The research aimed to determine the nature and characteristics of training and development programs of the representative organisations, the managers’ experiences with the various courses and their views of their effectiveness. The respondents commented on the character of the course delivery, such as relevance in language and cultural content, and were asked their opinions regarding future course development for skills training in their organisations. This chapter is structured on those lines: importance of training in their firms; the various approaches to training and development by organisations such as the forms of course deliveries; and the means used to gauge and evaluate the results from these courses. Workplace outcomes from training and development interventions for the respondents are explored, finalising the discussion with a model of an organisational response to address employee and management indifference through shared commitment to the organisation and to human capital.

6.1 Corporate training practices

This section discusses the first two research questions, the nature of the organisational commitment to employee training and what kind of employee training is delivered. The interviewees discussed their organisations’ approaches to training their employees. As can be expected, there were a range of methods used and steps taken to achieve the various training objectives. This section, 6.1, considers the manner by which the firms integrated training into their corporate objectives, and the structure and delivery of training by the respondent organisations.

6.1.1 Aims

Executive commitment and support to line management lead to operational employees’ satisfaction with their career development; committed managers are more likely to seek employees’ career development through employee training (Tansky & Cohen 2001). All 15 respondents stated that training, and in some cases career development, were considered as part of their organisations’ strategic goals. This is a finding of the research. Elbanna (2008) studied strategic planning practice, management participation and strategic planning effectiveness in Arab firms, finding that strategic
planning practice with management participation significantly enhanced strategic planning effectiveness. When strategic goals in such planning are aligned with intellectual capital, that is, human capital, structural capital and relational capital, the result is increased organisational performance (Sharabati et al. 2010). A focus on capital was confirmed by participants in this study; as examples, respondent P3 stated: ‘The employee is our capital. We should invest in them’ and participant P12 commented that: ‘We have incorporated training as an essential part of our employee development’. Further, one third of interviewees noted that training was integral to achieving their business outcomes. This response is in accord with Mumford (2010), who found that contextual learning for employees’ development could be matched with knowledge transfer to enhance organisational objectives.

This study showed that in two cases specific funding was allocated by the participant firms for staff career development within their organisation. As a consequence there appears to be scope for improved concentration on human and social capital formation, particularly with the support of the private sector. Ramady (2010) has identified that Saudi GDP per capita was, and remains, one of the lowest among the GCC countries. Ramady argues strongly for resurgence in productivity so that management and professional classes can be re-established in the country.

6.1.2 Executive support

The support for training from the majority (93%) of firms in this study appears to have progressed from the observation of Al-Ali (1999) who stated that the majority of organisations in Arab countries did not have formal employee training. Although it is difficult to generalise from a restricted number of firms that are leaders in their fields, the introduction of Nitaqat in 2011 provides a strong impetus to firms to improve the outcomes from their training to retain Saudi staff members. This is also supported by pre-2011 studies by Anshari et al. (2009) and Alsharri (2010) who reported that Saudi employees are usually financially and practically supported for workplace training. The results of this study support Anshari et al. (2009) and Alsharri (2010).

In the hierarchical Arab societies, and despite the collectivist society, there is less circulation between levels of executive, managers, supervisors and employees than is experienced in international workplaces (Ramady 2010). Respondents agreed that supervisors and managers who do not currently do so should engage more frequently
with their employees, for example, to establish their views on training and the effect of past courses. Management support for training was alluded to by Al Qurashi (2009), who showed that whilst dedication to work is valued in Islam, this rarely applies in practice. The findings of this study concur with the literature, suggesting that there is low management commitment to training outcomes in Saudi firms. To elaborate, Al Qurashi (2009) suggested that Arab management should focus more on enhancing employee commitment to the firm, and training opportunities can be used to improve an employee’s work ethic.

Managers can foster positive behaviours in employees through training. Effective communication and providing feedback are key management/supervision activities in enhancing commitment and transfer of learning. Executives guide the training through organisational objectives and resources; management and employees deliver training and development outcomes. Executive support for training through planning, resources and course delivery may be enhanced by active interaction, and this point is discussed below.

6.1.3 Types of delivery

Training and development interventions are complex and may defy definition. Noe (2002) described such programs as an organisation’s planned activities aimed at increasing job skills and knowledge, or to modify employees’ behaviours and attitudes to appropriately align them with corporate goals. All but one of the respondents stated that they provided formal training for staff. They noted that the government was a partner in providing general courses in administration, computer science, and languages (Nitaqat or nationalising of the job market). Training can be tailored directly to the needs of the organisation (e.g., awareness training on organisational goals), a standardised course (learning a new computer system) or a combination of both (induction training). Nearly two-thirds (60%) of the respondents said that standardised, off-the-shelf type courses do not meet their organisation’s strategic objectives, whilst a further one-third of interviewees agreed on the need for tailored courses to meet their organisation’s training objectives, with only one dissenter.

The organisations in this study that delivered training had separate management training programs on offer for selected staff. This approach concurs with the literature’s observations (Vance 2010) that training was crucial to allow staff to acquire the
organisational skills needed to meet future needs and take advantage of technological advances, whilst improving individual job satisfaction, allowing redeployment of staff, and enhancing career prospects. Some of the participant firms offered a personal development course as an aid to socialisation, instilling a work ethic and, for employees dealing with customers, customer service. As another form of organisational learning, professional development widens knowledge and aims at increasing decision-making, creativity and risk-taking functions in the individual, and is used by several of the respondent firms as workshops, case studies and forums. In countries such as Australia, providers offer accredited training to employers and their staff in the same manner as attaining a professional qualification. Cases in point are accountants, lawyers, engineers, line managers and chemists, among others, who must maintain their knowledge as part of their professional obligations. To maintain employee performance, firms use policy awareness and skills training on the external and internal environments (Crumpton-Young et al. 2010). Tansky and Cohen (2001) linked career development with management involvement for employee commitment. Of interest to this study, these aspects of career development were not pursued by the majority of firms (73%) in this study, despite the fact that the organisations are leaders in their fields.

Just one respondent in this study, P2, stated that there was training only for senior management. In this firm, trained managers were expected to supervise their staff without training the employees who were hired for a specific purpose and were already considered competent in their jobs. This attitude appears consistent with findings in other Arab studies, the latest being Soltani and Liao (2010), who called for Arab management to re-evaluate their employee training interventions, as management's orientation towards training affected employee motivation and caused a gap between employee expectations and their views on individual outcomes. Bulut and Culha (2010) concurred, and called for Arab managers to recognise the importance of employee training in enhancing organisational commitment.

A bare majority (53%) of the respondents’ firms used workshops for training, and the same proportion employed case studies as a training strategy. Lectures were popular and employed by three-quarters (73%) of the respondents, whilst 27 per cent of respondents indicated they used other methods. The mix of training programs currently offered appears consistent with the observation of Atiyyah (1993) nearly 20 years ago, who found Arab organisations used limited training methods of workshops, case
studies, and lectures. Al-Jenaibi (2011) advocated for a mixture of lectures, presentations, workshops and training courses, and this approach to training delivery is advocated for Saudi firms, given that they predominantly rely on the lecture format. To widen training options within the context of Arab experience, Bechtold’s (2011) approach is to use appreciative enquiry that involves story-telling and sharing as the basis for bonding employees to the organisation to drive training outcomes in Saudi’s highly collectivist society. As an interactive approach for general, that is, non-skill training could support workshops, this would appear to be a fruitful path for Arab training and development, and one that should be pursued.

A minority of corporate representatives who contributed to the research stated that they used their organisations as a case study, analysing the particular topic in comparison with that of similar corporations in the sector. This is valued, as it allows trainees to view their own company from the perspective of the competitor. Lectures are used for knowledge and skill development, and workshops are used for an interactive forum such as customer service, work ethic, and sales skills. For a majority (53%) of the interviewees’ firms that undertook diverse training approaches, these methods were interchangeable, depending on relevance, time and cost. At other times, management determined the training method through the nature of courses on offer or the training outcomes, for instance, for the few who wished to inculcate team work values, management would use workshops as a method of training delivery.

6.1.4 Facilities

Respondents who were human resource managers observed that training resources should include dedicated centres, good administrative support and access to experienced and skilled training designers and presenters to maximise the benefits from training. A majority of respondents (60%) indicated that their organisations had dedicated training facilities, whilst a further 13% reported that they used both in-house and external training providers, due to the number of employees to be trained, and the extent of the courses offered to staff. Mankin (2009) noted the emergence of private sector training providers who offer resources and services based on discipline or industry, as well as those offering induction and staff development programs. In considering resources for training, Phillips (2010) noted that training and development programs require professionals, and that firms should consider a range of options in the
internal or external provision of cost-effective and efficient training. The interviewees reported variously that they used in-house and external resources, both international and national firms, to meet their training needs.

Just over half (53.3%) of the respondents said that lack of facilities severely affected their training programs with 26.7 per cent acknowledging occasional similar difficulties. The remaining three disagreed; either abstaining, or stating that there were sufficient facilities or the quality of training was not dependent on facilities. Issues included technology and environment issues, such as space and lighting, and presenters who could engage easily with the trainees.

In Saudi Arabia, facilities for education and training are often the subject of contention, as the pace of change in the country, gender separation, and the fact that a part of employee training is generally outsourced means that in-house facilities, equipment and trainer skills are frequently substandard (Awadh & Wan Ismail 2012). Over a quarter of the respondents (27%) did not have dedicated training facilities, outsourcing their training and development to public or private sector providers. Mankin (2009) commented on this trend and, earlier, Lepak and Snell (1999) pointed out that some Arabian organisations had a tendency of hiring skilled labour rather than developing their own at an in house level.

According to Ellinger et al. (2011) employee performance is directly related to their company’s investment in human and social capital. Thus organisations should provide adequate facilities for the successful implementation of training and development programs. In a survey of large organisations in the United Arab Emirates, Wilkins (2001a) found that the majority of firms had a training and development policy, a training manager and dedicated training facilities for UAE nationals, as expatriates were hired for a short term on the basis of competency in their field and did not require new skills.

6.1.5 Needs assessment

There are several factors concerning organisations’ training policies and practices. Training, according to Sharma (2009), involves altering employee attitudes, skills and knowledge so that there is a change in the individual’s and organisation’s goal attainment. The differences between the skills standard or knowledge required by the organisation of its staff and the existing skills level of the employees define the training
outcome. According to Buckley and Page (2009), an assessment of employee skills and knowledge defines the training content. However, less than half (40%) of respondents stated that they assessed employees’ training needs. The majority who responded to the question (47%) did not undertake an assessment of employee training needs.

An effective training and development program requires a needs analysis, planning towards corporate objectives, and course design that is attractive and engages the trainees. The course should be held in well presented facilities with highly competent trainers. Assessment should be sectionalised so that the trainee is competent at the end of the course, and the new skills practised in the workplace as soon as possible (Al-Dosary & Rahman 2009, Awadh & Wan Ismail 2012, Hale 2003).

A lack of a training needs assessment can occur for several reasons. It may be a change management presentation, where the organisational goals shift and the change needs to be communicated, or client needs or industry conditions change; there may be new technology or systems changes; or legislative change can alter a firm’s strategic direction. In these cases, training is general; everyone needs to know the new order (Aguinis & Kraiger 2009). However, in one respondent’s organisation, the interviewee reported that no assessment was undertaken and employees received training due to a favourable relationship with their manager; whilst inequitable, this was the norm for that organisation. This sole example in this study illustrates Bechtold’s (2011) observation that such favouritism (wasta) occurs with homogeneity of the Islamic society, a highly narrative form of communication, a positive mien and strong relationship and family orientation.

Other interviewees were of the view that their organisations only provided courses on an as-needed basis. These reports of reflexive responses in initiating training programs by the study firms concur with the findings of Abdalla and Al-Hamoud (1995) that Arab organisations do not train sufficiently due to the perception that the pace of socio-economic change, and lack of reliable information renders planned training obsolete before it occurs. According to Agunaia (1996), the noncommittal management approach to training was due to a lack of analysis of identified individual and organisational needs and this could occur as a result of various constraints that act as barriers: funding, social and wasta factors. However, in identifying factors for successful skills acquisition in information technology, Al-Mabrouk and Soar (2009)
more recently noted that Arab companies were growing increasingly sophisticated in their training interventions, thus gaining greater competencies in their employees.

For training and development programs to meet the organisation’s strategic goals, the training needs should be consistent with the culture of the organisation. The needs assessment assists in establishing the gap between the organisation’s goals and its existing practices; it should also evaluate the external and internal organisational environment and provide training objectives to meet those needs. According to Atiyyah (1993), needs assessments in Arab organisations consist of establishing the problem, identifying skills and quality standards to address the issue, and translating these into course content and assessment criteria, then administering the course. Methods by which the employees’ needs are assessed in Arabic countries are document examination, interviews, focus groups, surveys and observation. In this study, needs assessment was conspicuously absent.

6.1.6 Frequency of training

Over half (54%) of the organisations of the interviewees offered training courses two or three times each year, and these were aligned with identified organisational needs. Induction courses are undertaken for English and computer fluency, verbal and non-verbal communication techniques, and there are also job training and technology upgrades available for their employees. Two respondents said that courses were infrequent due to the cost to the organisation and that these were confined to induction courses and product training. Thus a typical staff member would receive no more than five courses during the time of their employment. One only respondent said courses were conducted once each year; however, employees at their own discretion could attend seminars and workshops when the need arose.

Managers and training professionals in Arab countries, according to Al-Madhoun and Analoui (2002), describe the effectiveness of Arab training courses as quite low as continuing training for inter-related skills was not pursued. This reflects the response of 13 per cent of this study’s respondents who conducted training courses infrequently, about once every two years. These respondents considered that training was a waste of time and added no value to their employees’ skills or performance and thus they placed little value on consistency in training. However, there was a majority view (87%) that employee training should be provided on a regular basis, aligned to the
aims of the organisation, and address perceived skills deficiencies or future opportunities in the organisation. There was little evidence to suggest this was the case in the 15 organisations studied.

6.1.7 Corporate training discussion

All study interviewees stated that training was part of their organisations’ strategic goals, and they allocated funding to training and career development; a large majority (93%) provided employees with formal training. This was undertaken in partnership with the government for many courses, including management training, usually in dedicated training facilities using both agency and inhouse trainers. Others used agencies for their training needs, either public or private sector providers, although some international firms had their training facilities offshore.

Formal training was conducted through lectures and workshops with case studies, sometimes the organisation itself as the case, and other forms of instruction. Respondents noted that prior qualifications were not considered, either for the trainer or the trainees. Further, a majority (7 of 13 responses) of participants reported that they did not assess employee training needs. Al Qurashi’s (2009) call for Arab firms to focus on training towards affective commitment of the employee to the firm therefore is supported by this research, as the work ethic is deemed by the study participants to require strengthening in the Saudi labour force.

Frequency of courses for organisational needs was generally two or three times each year: induction courses including English and computer fluency, and courses for job training and technology upgrades. Cost was a factor for some firms. Training, however, was not planned as adopted in an ad hoc manner; this was highlighted by the use of available government courses on the work ethic, personal development, English and computer improvements. These attributes and competencies are considered insufficiently imbued in the education system.

6.2 Implementation

Globalisation, technological change, and a changing commercial market are environmental changes that organisations need to address to ensure employees have the knowledge and competencies to maintain competitiveness. Further, there are internal matters such as expansion, new products, and new staff who require continual training
through workshops, seminars, conferences, courses and on-the-job practice. To obtain the maximum advantage from skills and awareness training all staff need to be cognisant of the organisation’s objectives and management’s expectations for the future so that they can respond accordingly, particularly in areas such as supply chain and customer service (Alvesson 2004, Baqadir et al. 2011, Luoma 2000). Thus this section considers the most appropriate approaches to training and development in Saudi Arabia.

6.2.1 Cost

Whilst training and development programs can be expensive, they should be considered as an investment for the organisation rather than a cost of employment (Garavan et al. 1999). One-third of the respondents agreed that the cost of training was an issue and that their budget may curtail extra training initiatives, whilst another third did not consider this to be so. The remaining third dismissed a high cost argument, saying that the training and development programs were not expensive, since they achieved specified outcomes. Acton and Golden (2003) explained that technological and market changes and a high rate of innovation is rendering contemporary knowledge and skills obsolete. This leads to significant need to develop training courses that serve the dual needs of the individual and the organisation. Whilst cost is a factor, the alternative of irrelevancy in marketplace is detrimental to the organisation’s function and certainly its objectives. Soltani and Liao (2010), however, note that Arab employees’ views are that training is costly, and the practice of wasta intervenes with their equal opportunity to attend training courses. Thus whilst two-thirds of the participants (67%) agreed that employee training improved profitability, the remainder disagreed or declined to answer.

6.2.2 Trainers

A large majority of respondents (73%) indicated that they used both outsourced and inhouse trainers. However, two interviewees said that all training of recruits for their firms, which were international subsidiaries, took place in the United Kingdom thus there was no need for the subsidiary to have local training facilities. However, the majority (73%) of respondent organisations employed dedicated trainers and hired specialist instructors when required, particularly for management training and technical skills courses.
One model of training involves experts in a given field working with trainees to transfer particular skills or areas of knowledge to augment the trainees’ competencies at certain tasks or groups of tasks, such as team members working together. Smith and Bond (1993) stated that training interventions should be tailored to the local working environment so that employee attitudes, norms and values are effectively managed for successful course outcomes. This model could be applied in the widespread use of case studies and workshops for training in Saudi firms, using a facilitator rather than a lecturer.

The majority (93%) of the respondents were critical of the expatriate trainers who were an impediment to the transfer of information through cultural assumptions, language differences, and speech idioms. This finding confirmed that of Wilkins (2001b), who found that social norms in Arab countries are generally not understood by expatriate trainers. The widespread use of non-Saudi trainers was of concern to Atiyyah (1993), Hassi (2012) who pointed out that trainers of Arabs should understand complex Islamic and cultural matters such as work ethic, politics, religious requirements and regional social norms. Without awareness of the cultural complexity, trainers could not successfully transfer knowledge and skills to employees who were unaware of the nature of their idioms or social context examples.

These include expected style of communication and leadership, allocation of responsibilities, specific organisational culture, religious requirements and gender segregation. In the GCC countries, educators are held in respect, and students or trainees show respect by passiveness: they do not ask questions or challenge statements. Further, in Saudi Arabia, men may not train Saudi women, although this directive is not as stringent in the other GCC countries. Examples given by respondents include that prayer breaks were not observed during the session, and men were expected to greet women.

International consultants rarely anticipate cultural and political barriers, including rejection by the local consultants based on fear of incompetence, relationship protection (wasta), and job security concerns (Jones 2009). Trainers, whether international or local, should be competent in their course delivery, content and assessment. The majority (60%) of the respondents reported that expatriate trainers should be sensitive to the needs of the trainees, although they accepted that the expatriates were competent in their subject. This finding agrees with the observations of
Medonka and Kanungo (1996) who found that management development courses were often unsuccessful in emerging countries due to a lack of flexibility in delivery and a misunderstanding of local norms.

Part of the Saudi cultural difference concerned gender separation in the working environment. Pattni and Soutar (2009) noted that the Saudi government’s resources employed to improve human capital for women could be wasted if entrenched attitudes to mixed-gender workplaces do not change. The researchers studied training interventions in indigenous communities from Kenya to Australia and found that training was effective when local norms were taken into consideration; arguably it is Saudi employees’ attitudes, drawn from their cultural norms, that affect their on-the-job performance in this matter; or employers’ willingness to change.

Inexperienced trainers were an impediment to skills and knowledge transfer, according to the strong opinion of 53.3 per cent of respondents, whilst a further 40% agreed. All participants thought trainer competence was significant. In a review of Arab management training, Branine and Pollard (2010) pointed out that insufficient qualified and experienced training managers negatively affected skills transfer. This is supported by Anshari et al (2009), who state that Arab trainers should approach courses such as customer service from multiple perspectives, social, intellectual and technological. In this model, trainers should be highly skilled to facilitate the transfer of a complex situational skill to employees, such as marketing.

Seeking rapport is important in the delivery of training outcomes and this could be influenced if there were educational distances between the trainers and the trainees, as well as cultural gaps. However, the greater majority (86%) of the respondents said that they did not consider prior qualifications of either the trainees or the trainer. Choice of trainers is random, based on who is available, and that trainers are uniformly qualified in their profession (Agnaia 1996, Jones 2008). Earlier, Atiyyah (1996) posited that individuals can achieve positions such as training through wasata, or nepotism, so that local managers and trainers are underqualified and thus there is the need for skilled international contractors. Tlaiss and Kauser (2011) recently found that, on balance, traditional wasata retains its influence in career progression and social status and is unlikely to diminish in the near future, despite the perception that it is an unfair practice. Wasta is also used in networking and mentoring and thus has a disproportionate effect on employee training.
6.2.3 Language

The majority of respondents (60%) stated that their training programs were conducted in English which they used as a means of their employees gaining English fluency with customers and suppliers. Separate English language courses were available for employees if they wished to improve fluency. The remaining respondents offered courses in both Arabic and English languages, stating that the content of the course was too important to chance misunderstanding. In addition, the respondents explained that there is also cultural merit in using Arabic, as it is their native language. However, if the course is conducted only in Arabic there is an issue with trainees’ perception of the trainer’s competency; consequently no organisation reported using Arabic alone. On the contrary, Al Gahatani (2002) advocated training and development courses to be conducted in Arabic, and course goals centred on conditions in Saudi Arabia, thus addressing the specific skills needs of individual organisations. Similar to Al Gahtani’s call for Arabic as the basis for training, Wilkins (2001b) attributed issues in delivering British-based training programs on the Arabian Peninsula to the use of English by the trainers, leading to lack of interest of and engagement with the trainees. Marquardt et al. (2004) asserted that national culture, including language, affects training and development programs, and is more influential than variables such as gender, status in the organisation, age or education. Thus the finding of this study is that the use of English alone by the majority (60%) of respondents may be detrimental to the transfer of knowledge and skills to trainees, due to the trainees’ variations in English fluency, and their ability to absorb knowledge outside their frame of reference. Trainers should use Arabic as well as English in courses, and this was the preferred position for a minority (40%) of the respondents.

It is evident from the findings of the study that misunderstandings frequently occurred as expatriate trainers used generic course content from a jurisdiction that was not relevant to the trainees. Further, there were idiom and accent issues from different English language speakers that confused hearers. Al-Gahtani (2002) pointed out that generic courses delivered in Saudi Arabia were ineffective because they were conducted in English. The majority (60%) of respondents in this study, and all who delivered in-house training agreed that generic courses delivered by trainers in English were inappropriate and expensive. This concurs with Wilkins (2001b) who stated that concepts and examples in generic trainer-delivered courses that were translated from
English to Arabic remained open to misunderstanding through failing to engage the trainees’ attention and willingness to participate. Course translators were not necessarily appointed due to their knowledge of the topic, but rather for English-Arabic fluency. The respondents considered that information was lost in the process and thus trainees were often not made aware of the original meaning and hence learning did not occur. Participants advocated for Saudi trainers who were educated abroad in an English-speaking country and who were knowledgeable in their subject.

Issues with English accents and the globalised social backgrounds of the trainers accounted for a quarter (26%) of respondent comments. In a Chinese study of national and expatriate trainers, Lee and Li (2008) reported that if the instructor’s style was familiar, trainees perceived lower cross-cultural differences, accepted more training and achieved higher training effectiveness. The assumption here is that didactic delivery is the primary form of training, and indeed GCC education systems until the last few years comprised teachers lecturing, and students listening, reading and memorising given facts (Algarfi, 2010). This is now changing, driven by the Saudi government’s ten-year plan to modernise the education system and refocus attention on the student as learner. Thus adult training has taken a similar form. However, in an interesting approach to training, Bechtold (2011) advised Arab employers to base their training interventions on appreciative enquiry, a cooperative search technique employed as a workshop or learning circle. Appreciative enquiry actually seeks positives rather than negatives, considering the best aspects of people, situations, their organisations, and the world around them. This drives outcomes from training that would provide a better fit for collective social gains for the employees and the organisation. Given an entirely different direction on training, that is, using an Arab facilitator experienced in the appreciative enquiry model, employees could then give priority to their perceived needs and pursue individual online courses, use team-based discussion groups, and try different approaches to their tasks rather than attending perhaps irrelevant lectures. For knowledge-based training interventions such as organisational commitment and improved decision-making that are required under the Nitaqat mandate, appreciative enquiry meets the discursive verbal approach favoured by Arabs more so than the didactic system.
6.2.4 Management attendance

Without appropriate planning by senior management and ensuring a training program is fully implemented and attended outcomes can be ineffective (Agnaia 1996). Attendance by senior management, at least to introduce a course, can mitigate these issues and focus trainees on achieving competency in the new skill. As Noe and Winkler (2009) contend, transfer of learning will increase according to the level of management support, and this can include participation in the training. One quarter (25%) of the respondents reported that senior management supervised training throughout a course, whilst two-thirds (67%) said that management was not involved in formal training. One interviewee was unsure. Soltani and Liao (2010) state that management’s attitude has an indirect effect on the motivation of employees towards the training. As Arab culture is collectivist, employees look to management for guidance (Branine & Pollard 2010). Therefore, management should endorse training to ensure employees gain the full benefit from it and should indicate their support.

An issue raised by the research concerns the educational levels of the trainees, and whether it is necessary to match that of the trainer with that of the group. This is explored in the next section.

6.2.5 Implementation discussion

This study identified that the majority (87%) of employers assisted their training initiatives with funding and practical support. Cost received mixed responses, with a third (33%) of the study representatives viewing training as a cost and another third (33%) as an investment. The majority of participants (73%) observed that management was not physically present during the training, at either inhouse or agency courses. Nearly two-thirds (60%) of respondents used English as the language of instruction to improve fluency and practise interaction as in customer service, and the remainder both Arabic and English to improve understanding of the content. A finding of this study suggests that both languages are used to improve understanding of both the course content and English comprehension. Respondents were of the view that both national and international trainers had limitations. National trainers were viewed as less competent than international trainers, however, expatriate trainers frequently used generic content and delivery styles, and this was not viewed well when religious observances and gender separation practices were not respected and complied with.
Further, there were presumed differences between management’s expectations for trainees’ improved performances and the trainees’ attitude towards training, arguably, Saudi employees’ attitudes affect their performance more so than their culture. This could be addressed through a different approach to knowledge development, such as appreciative enquiry. In this model, staff could determine their needs within the firm’s broad objectives and pursue learning initiatives in line with their jobs, and indeed, their career preferences within the organisation.

6.3 Results

Training must be measurable to gauge outcomes. One-third of the respondents observed that measuring the results from course delivery was an issue with training, whilst 40 per cent were mildly concerned and two respondents disagreed. Al-Dosary and Rahman (2009) were concerned about measuring the training outcomes, stating that government policy seeks to gain the private sector’s cooperation in hiring the domestic workforce and that measures were important for successful training. Al Abdalla and Al Homoud (1995) and Athari and Sairi (2002) asserted that many training courses in Arab countries had few evaluation techniques and evaluated their workers by their reaction to the course, rather than the knowledge they acquired and could use in their work. Employees in Arab countries tend to view training as a break from their routine, wasta may be involved, or individual or organisational productivity may not be a priority. Armstrong (2003) advised continuous monitoring of costs and standards for programs and that their results are evaluated after every event.

One method of assessing training course outcomes is in gauging the response of employees who undertake the course, and surveying their reactions. Trainees are generally asked questions regarding the structure and content of the course, its validity to their work, views on their results and their opinions of the presenter. Whilst a useful guide on the content and presentation, this evaluation method does not probe into the adequacy of the course to address the identified issue, nor does it gather data for the long-term usefulness of the course content (Collins 2002, Russ-Eft & Presskill 2009). According to Combs and Falleta (2000), the perceptions of trainees are thus not sufficient to establish whether the results of a training course or a development program met performance standards and organisational objectives. Using trainees to evaluate a short course was described by James and Roffe (2000) as unstructured, ad hoc, informal
and an unsystematic assessment of training. Evaluation should be longer term and incorporated in the course design. This observation concurred with the views of Aliger and Janak (1989) who found no link between any of the evaluation stages and trainee reactions. In this study, respondents stated that training evaluations should be based on results, such as improved sales for a customer relations course, or a measurable skill for competency in new technology.

A majority (60%) of respondents reported that their organisations do not have a policy on training evaluation, relying on the course provider to incorporate assessment as one form of evaluation; whilst a minority of managers (40%) conducted evaluation assessments through external audits or internal checks. Assessment included the course design components and the manner of the presenter, and a number of elements focused on the trainees and their acquired skills and competencies. One respondent’s company had a mandatory test for all employees ten days after training for latent competency, and they must continue taking the test until they pass. Notably, a number of respondents said that whilst they would consider post-training testing, they had no mechanisms to achieve that outcome. However, as Al-Raisi et al. (2011a) pointed out recently, post-training testing could soon be de rigueur due to online monitoring technology. This is further discussed at section 6.5.1.

Those that had no follow-up procedures reported only 30 per cent effectiveness in skills or knowledge transfer. A third (33%) of the respondents pointed out that as a result of this laxity there were no positive outcomes from the training program. They called for greater line management input and engagement with employees overall so that skills learned in training could be applied to the benefit of the individual and the organisation.

The above findings of this study on training outcomes appears to conform to the observation of Atiyyah (1993) and Abdalla and Al Homoud (1995) who found that Arab training evaluation techniques were subjective and ad hoc, and that there was little objective data to support improved on-the-job performance. According to Abdalla and Al Homoud (1995), and supported by this research many years later, the common challenges for Arabian companies for employee training are lack of information required for assessment, difficulties finding evaluation techniques and financial criteria.
On the other hand, in neighbouring Kuwait, Al-Athari and Zairi (2002) observed that most Kuwait firms connected organisational aims with training, although they noted that assessment at the time was less than optimal. Although Saudi employees were positively inclined towards training courses, Albahussain (2000) found that in the manufacturing sector, training was unplanned, under-resourced and uncoordinated. Later, Achoui (2009) found that whilst skills development was adequate in large Saudi private and public organisations, this was not the case in small- and medium-sized enterprises as they lacked adequate structure and monitoring systems.

Training programs may fail to achieve their objectives if they are undertaken on a piecemeal approach without support from the executive (Armstrong 2003). Just under half (40%) of the respondents to this survey considered that their employees were able to apply the skills and knowledge they gained from training to their jobs. Some of the respondents said that their employees were initially concerned regarding the relevance of the course; however, the respondents mentioned that the employees were able to translate formal learning into their work.

The respondents were in the majority (60%) unclear as to the details of employee training and the manner in which it should be conducted. According to Luoma (2000), training objectives occur in frequently volatile environments: market conditions, customer demands, the removal of trade barriers, and the results of globalisation. Thus it was unsurprising that the results from employee training were mixed. A minority (47%) of the respondent firms conducted their training to achieve results, whilst the majority (53%) in one form or another trained employees for other reasons. Training in theory was acceptable, but in practice was often a waste of time and resources as often the employees gained little.

6.3.1 Satisfaction with training

A minority of one third (33%) of the respondents reported satisfaction with the scope and administration of their organisation’s training, and that was only moderate. They agreed, however, that training courses raised levels of competency among employees who had a substandard education, and also imparted extra skills to others. Educational standards are of concern in Saudi Arabia and other GCC countries, as there remains a skills gap between graduates’ and employers’ needs (Ramady 2010). Doloi (2008) explained that once a person is employed, further education is difficult, given the
time commitment and this need is increasingly being addressed through online courses. However, specialised employer courses need to be tailored to the organisation’s needs, not generic skills and knowledge. Large companies offer online courses or training through lectures or workshops and focus groups to enable their employees to gain skills or knowledge to move into other areas or improve their competencies (Coultas et al. 2012, Siddiqui 2011). Smaller companies are also encouraging their employees to access online training that is tailored to meet the company’s objectives.

A majority (47%) of respondents were unsatisfied with the quality of formal training and development programs offered in their firms. They reported that programs were unplanned and uncoordinated and attendance at courses was often at the discretion of a line supervisor, not based on employee need. Whilst this situation is well reported in the older literature (Abdalla & Al Hamoud 1995, Al Bahar et al. 1996, Wilkins 2001a) it is of concern that this attitude permeates workplaces in the second decade of the 21st century. The government’s Saudisation program aimed at jobs for youth was established for a decade until it was replaced in 2011 by Nitaqat. Nitaqat has similar aims of localisation; however it was intended to significantly strengthen compliance. Companies should heed the government policy, and to remain competitive in their markets, accept government training and financial assistance. Adequate educational qualifications, vocational training, the transfer of knowledge from expatriate worker to citizen, greater attention to encouraging citizens into the private sector, and inclusion of women into the labour force are outstanding matters to be addressed (Randeree 2012). A clear and unified policy in terms of structural reform across GCC countries needs to be collectively defined. Within this environment, the minority of respondents’ dissatisfaction with their training should be highly marginal.

Another complicating factor in the delivery of quality employee training is the tendency for the GCC countries to use expatriate contracted management for their corporations (Atiyyah 1993, Ramady 2010). Al Madhoun (2006) and Branine and Pollard (2010) noted the gap between international management practices and those acceptable for the Arabian Peninsula, compounded by inexperienced Arab administrators and managers. The issue of wasta also contributes to the issues of quality with the majority of Arab managers.
6.3.2 Discussion of results

In the results from training, measuring outcomes from training was of relative concern; however the results were mixed with the majority, as more than half were not undertaking objective evaluation of their training, and a minority of survey participants did not assess the effects of employee training. Satisfaction with the training outcomes was low, as there was little evidence of recognition in the organisation for the potential benefits from the significant expenditure of resources.

6.4 Issues

In this section, the views of the study participants who were senior managers in Saudi Arabian companies were probed on a range of matters associated with training outcomes. The findings of the research concur broadly with Atiyyah (1993) and Al-Madhoun and Analoui (2002) that private (and public) organisations were actively pursuing training strategies for nationals. All the respondents reported that employee training was important to their organisational performance and environment, whether or not they operated in a competitive sector. They also agreed that the development potential for the employee was considered in training delivery. These findings show that the managers interviewed were committed to building a skilled Saudi labour force and ensuring that their organisational leaders, professionals and managers, are equipped to effectively respond to change in the local and, where perceived as relevant, the global environment. However, the reality is that the results are mixed.

6.4.1 Benefits

Training was considered an imperative by one-third (33%) of the respondents. Training, according to one respondent, teaches employees new skills, cost-saving or a new computer program, and thus improves performance. Technology training was a particular benefit with the pace of change on the internet. This confirms findings by Al-Jabri and Roztocki (2010) in their study of the adoption and use of information technology in mandatory settings in Saudi Arabia, where transparency and knowledge of the business goals were instrumental in employees’ acceptance of screen-based work. Other respondents added that product-oriented courses assist employees with understanding of customers’ enquiries and hence trainees have better knowledge of products and also develop a work ethic due their achievements. Through training, error
rates are reduced and productivity rises (Blundell et al. 2005). Thus the respondents concur with McCracken and Wallace (2000) that training assists in the introduction of innovative products and quality services to meet customer or clients’ needs. This is illustrated by firms’ representatives in the retail sector, where customer service training was undertaken.

6.4.2 Skills acquisition

Surprisingly, more than half (53%) of the study respondents viewed training as irrelevant to employees’ attitudes. They argued that the cost and complexity of developing effective training outcomes were factors in their inability to change Saudis’ attitude to work which is grounded in a dense social matrix and not open to transferring allegiance to an impersonal corporate construct. A majority of participants (53%) advocated for skills training only in line with the job, and stated that development of an individual’s higher order functions such as social responsibility was not possible for an employer. This finding agrees with the recent study by Baqadir et al. (2011), who found a perceived skills gap between the needs of Saudi private sector employers and potential workers. Noting the government’s work over many years to improve vocational education, researchers find that a skills gap still exists. There is a perception among private sector employers that technical education fails Saudi graduates in reaching a job-worthy standard. Baqadir et al. stated that the factors relating to the skills gap include a work ethic, specialised knowledge and generic skills. In the current research, participants argued that the employment contract implies that the recruit has the attitude and basic skills that are of value to the employer, and that the recruit can be trained by the employer to meet the needs of the job. This researcher supports Baqadir et al., that the employer’s responsibility is to impart the unique skills and knowledge inherent in the organisation through training and development courses, and may not be able to pursue long term education such as work ethic or generic skills beyond the workplace.

The findings of this survey show that less than half (46%) of the respondents believed training and development courses could significantly improve employees’ performances, increasing sales and satisfying clients. Burrow and Berardinelli (2003) and Redshaw (2000) state that if training was to achieve its desired outcomes, then there should be first organisational commitment to that end. To achieve organisational goals, line management should assist course designers in identifying skills gaps and skill
standards so that these can be quantified and measured before and after training. Baqadir et al. (2011), Redshaw (2000) and Shandler (1996) point out issues that impact training outcomes include irrelevance of content for employees to their changing environments. This point was raised by the respondents who had negative views toward employee training, who nevertheless determined that directed training such as customer relations could be effective if it was deemed appropriate to their organisational circumstances. Therefore if a course is properly conducted, this cohort believed it would improve skills and lead to a positive working environment. Over time, training and development programs could prove their value, given reduced employee turnover and improved performance.

6.4.3 Productivity

Productivity was a concern of two-thirds (67%) of the study participants. Again, this outcome related to perceived or measured outcomes from formal training. It is well understood that productivity measurements for the firm underpin management’s perceptions of training effectiveness (Awadh & Wan Ismail 2012, Bee & Bee 1994). As noted, the call for a definition of Arab productivity raised by Al-Ghamdi et al. (2011) is highly relevant. In this study, participants also assumed employee performance was the sole key to organisational productivity, and this arguably relates to the high proportion of service sector workers in the country.

One participant pointed out that training has both direct and indirect consequences through improved employee performance and a general improvement in organisational culture. This view conforms with Saeed et al. (2010) who advised that training paradigms must be compatible with the firm’s strategic goals. Saeed et al. emphasised that close links between a firm’s human resources function and its organisational strategy are crucial for training to be successful. Managers in Islamic firms often fail in coordinating strategy with organisational processes, systems and people: ‘Where Islamic firms need to learn the art of converting their strategy into strategic action efficiently, it is also equally important to align their organizations with their strategies’ (Saeed et al. 2010, p. 2899). However, there is a case to be made for line management to follow through with training by ensuring that the course content and presentation serves the needs of the organisation, and that there is objective evaluation of acquired skills and knowledge. In this study there was little evidence of this. Agnaia
(1996) stated that Arab employees at the time were not consulted about training, thus content and approach may not be relevant to their specific needs, especially if the training is not connected to their work or that they already are at the standard required. The employees were not asked for their views and feedback in the present study, with the exception of comment on expatriate trainers’ performance.

A focus for training and development was an improved working environment which accords with improved productivity, according to the majority of interviewees in this study. This aim conforms to the views of Al Athari and Zairi (2002) and Cole (1995), who state that due to the role of training in behaviour modification, there should be improved productivity outcomes from any program. Harrison (2000) also stated that training objectives must tie into organisational objectives for progressive individual growth and organisational productivity. In this study, 80 per cent of participants indicated that in their view training complemented the quality of the firm’s goods and services. Productivity training was necessary simply to maintain competitiveness with new technology. Contrary to their views of changing employees’ attitude, two-thirds (67%) of the respondents stated that training enhanced productivity, with one interviewee (P4) claiming remarkable improvement in their productivity and standards since the introduction of training, and the participant expected further investment would maintain these standards.

Whilst training enhanced profits, it consequently contributed to productivity. A minority (47%) of respondents reported a positive impact on cost containment in that training initiatives result in higher performance, less mistakes and, in firms that are automating their operations, less staff. However, there was a high (33%) neutral response, consequently there was no clear outcome on this factor.

6.4.4 Employee satisfaction

Assessing the diverse skills needs for employees is fundamental to a training course design, and any survey of employee skills and attitudes should include job satisfaction (Beardwell & Holden 1994). Given the regulatory requirements of Nitaqat, job satisfaction standards may be taken as a measure of the organisation’s commitment to government policy. The majority (73%) of the participants reported that employees valued training and this led to job satisfaction through increased productivity. Whilst there are mixed findings on the association between performance and job satisfaction,
Wright et al. (2007) found that physical well-being, as an element of employee satisfaction, also contributes to job satisfaction and job performance. Other respondents added that training was popular with staff members since the international nature of standardised training delivered by the expatriate trainers, who were preferred over their Saudi counterparts by trainees, assists performance, fosters friendships and, by implication, global understanding.

Employee satisfaction, and thus retention, is particularly of concern in employing Saudi women, a specific objective of Nitaqat. Whilst there was little reference in the interviews to employee gender differentiation, Shehadi et al. (2011) developed a framework consisting of defining a company’s strategy in employing more GCC women; developing plans to attract, develop, evaluate, and promote skilled women; and putting in place a change management strategy to ensure success. Using a commercial approach, Shehadi et al. encapsulated the research findings in employing Saudis, men and women, and retaining them through a series of talent attraction, fostering skills and job satisfaction to retain their employment. The findings of Shehadi et al. have implications for this study.

6.4.5 Competitive position

Training and development programs should be directed at correcting organisations’ existing or potential weaknesses (Sidani & Thornbury 2010, Stone 2002, Walton 1999, Werther & Davis 1996). Whilst the participants did not agree that employee attitude could be changed through training, employee attitude and performance is fundamental to a firm’s standing in its industry. In Arab countries, Sidani and Thornbury (2010) studied the implications for firms if they fostered a positive work ethic and maintained an energetic and committed workforce; however, they found that in many cases, the existing Arab work ethic was not conducive to development and change for the employer. The authors sought the antecedents of this situation: the potential role of religion in a value system that is not conducive to growth and development, and Arab family dynamics and the impact of family structures on personal and group development. Sidani and Thornbury then studied the Arab educational system to identify factors that lead to lasting impressions on power dynamics in Arab societies. Last, they considered Arab power and leadership relationships in business, and how social or business groups actually function. They
concluded that each of these antecedents contributed to the Arab employee’s attitude to his or her employer. In this environment, a firm’s industry reputation resided in the ability of management to change that belief system, and this is implicit in the Nitaqat mandate imposed by the Saudi government on all firms.

6.4.6 Globalisation

Globalisation and rapid technological innovation require a proactive approach to training, rather than merely reacting to past change (McCracken & Wallace 2000). Nearly three-quarters (73%) of the managers in this survey said they were trading as international corporations and using industry standards of the global market. The remaining (27%) respondents stated they represented national or more localised organisations and international relations or indeed expansion were not important to them. Alvesson (2004) argued that traditional organisational structures have lost the ground to alternative models of businesses that concentrate on greater adaptability and flexibility. In this environment, the human resource function is crucial in changing attitudes towards the adoption of new business models. However, corporate goals are the responsibility of the executive, who must lead and drive change.

Writers on globalisation describe a business environment that is rapidly changing, driven by the growth of specialist firms and technological innovation (cf. Menipaz & Menipaz 2011). Asia contributed to global manufacturing capacity over the past half-century, commencing with Japan and Korea, and now through India and conspicuously, China (Rose & Kumar 2006). For the firms represented in this study, the issues for their commercial environment include accessing skilled resources, competing with multinationals and accessing knowledge. It is a matter of strategy, sourcing and implementation to meet the requirements of Nitaqat and to maintain their competitive positions.

6.4.7 Discussion of issues

The participants in this study, Saudi human relations managers, were committed to engaging a skilled Saudi employee base, and in their reflections, to maintain a change management focus. This is in accord with the localisation program, Nitaqat, with its particular emphasis on attracting women into the private Saudi labour market. Continued training is necessary due to perceptions that the social environment and
strong family controls impinge on the characteristics of individuals that are of value to employers. The government is supporting employers in attaining work for the millions of young Saudis who will join the labour market in the next few years. The attitude depicted by a low work ethic and lack of generic skills cannot be easily addressed by employers, especially when there is a high turnover of nationals. However, participants noted that if the basic social and work skills can be imbued, then the recruit can be trained by the employer to meet the needs of the job.

Training outcomes tied to corporate objectives were a concern for the respondents as there were few measured outcomes from formal training which could establish training effectiveness. It was noted from the research that Al-Ghamdi et al. (2011) questioned the measurement of corporate productivity for Saudi Arabia, finding differing relationships among the variables. Thus this study supports Al-Ghamdi et al.’s call for further research on measuring productivity gains in Saudi corporations. However, a high majority of participants expressed opinions that employee training improved productivity, with one interviewee claiming remarkable improvement in their products. A majority of interviewees (73%) reported that employees valued training and this led to job satisfaction.

On the factors of local or international recognition, such as best employer, the interviewees were ambivalent; they did not claim international recognition for an employee initiative. This matter cannot be pursued, given anonymity of the firms’ representatives in this study. There was certainly praise from the interviewees for effective outcomes of training within manufacturing, where automation introduced new skills levels for the operators. Further, as the results show, respondents were positive in their support for training foreign workers in Arabic and Islamic culture, especially when dealing with the nuances of social engagement required with customer service, and this extended to individual training or instruction regarding individual differences. Arguably, this latter instance could be on-the-job training undertaken by the supervisor.

6.5 Workplace outcomes

The previous sections considered the nature of employee training and development and the immediate inputs and outcomes from courses on induction, introduction of new technology, and changes to the working and industry environments.
Skills and knowledge acquisition should, however, form the nucleus of further learning, so that there is opportunity for the employee to integrate and build on the learning experience. These matters are considered in this section.

6.5.1 Post-training outcomes

Increased competition, different business models and technology are change agents for businesses. Whilst evaluation of training was found to be unsatisfactory, a majority (73%) of respondents reported some follow-up or assessment of training: increase in production, better customer relations, or improved keyboard skills. The findings of this study are that Arab businesses are generally ill-prepared to cope with the pace and the nature of change. Further, research shows that Arab managers need to connect more with their employees and to engage them in the overall objectives of the firm (Al Qurashi 2009, Al Raisi et al. 2011b). There is little evidence from this research that the primary means of gaining commitment, training and communication, are well understood by the firms or that their interventions were otherwise adequate to the task.

A majority (47%) of the firms represented in the study did not request feedback from trainees regarding their views on a recently completed course of training. This was reported as a matter for the trainees’ managers to note once the employees returned to work and commenced using their new-found skills. According to Bulut and Culha (2010), Arab training and development interventions need a thorough re-evaluation, particularly as management’s lack of commitment in the majority of cases reflects on employees’ motivation to attend training, acquire knowledge and skills, and then apply these in their work. The findings from this study are that a substantial proportion of Saudi managers conform to Bulut and Culha’s observations and they are therefore placing their organisation at risk in a volatile economic and commercial international environment.

A minority (26%) of managers obtained feedback from trainees after attendance at a training course that included relevance to their work, type of training, training environment and standard of training materials. This method of obtaining feedback from employees is supported by Al Athari and Saidi (2002) who found that the majority of organisations in Kuwait, in government and private sectors, rarely evaluate the impact of training, and when this occurred, it was usually by trainee questionnaires as part of the course design. In this study, 13 per cent of the respondents reported using
questionnaires for feedback whilst the remaining 13 per cent who collected results did so in the form of certification of successful course completion. This indicates that the type of training undertaken was either not readily quantifiable or reportable, or, arguably, there were tests within the course design which were not collected at the end of the course by the trainer. This raises the question of the type of formal training that is usually performed by Saudi organisations; for example, induction training concerns information regarding the organisation, perhaps introductions of section managers and their remarks on working conditions and the organisational calendar. Such information would not be tested by feedback. Due to rapid turnover of Saudis, the individual responses may not be considered relevant to the organisational objectives. On the other hand, online software training is structured so that it is difficult to proceed without becoming proficient at each step; therefore completion of the course constitutes competency whether or not this is recorded on the employee’s file. Professional development through discussions or workshops may be noted, but would not be considered as a measurable outcome of the training apart from the employee’s attendance.

The literature shows various means of evaluating traditional training, including CIRO (content, input, reaction, outcome), and Kirkpatrick’s model (reaction, training, performance, results) which is most commonly used (Hale 2003, McCracken & Wallace 2000). The latter model, Kirkpatrick and Kirkpatrick (2006), determines subject content, needs and objectives, considers selection of trainer, participants, technology, resources and schedules. The model design then includes administration of the course and finally evaluation of its outcomes. However, the four levels form a series of steps that are subject to rapid organisational change and are time-consuming (Kaufman 2004). The restraints of time, resources and measurements significantly impact managements’ ability and indeed intention, to monitor training. The high Saudi dependence on expatriate trainers is a significant factor in any attempt by line management to monitor employee improvement, or to assess training outcomes as the information to do so in many cases does not exist. This is an issue that could be pursued in future research.

The majority of respondents expressed their views that training courses should be more appropriately evaluated. Rigorous evaluation would allow courses to be priority rated and thus reduce waste in time and costs. Abdalla and Al Homoud (1995) and Garavan et al. (1999) viewed training evaluation as critical; however, it was not fully
implemented because training was then viewed by organisations as a liability rather than an investment. The respondents voiced a concern that there was need for follow up in evaluation, and this concern reflected the findings of Al Athari and Sairi (2002) in Kuwait where few companies evaluated their training and development programs using performance records or questionnaires. One respondent in this study mentioned that monitoring employees during their courses by mobile technology could be useful as a means of communication and support for employees by their supervisors.

6.5.2 Post-training issues

Whilst employee training was acceptable to the study respondents, there was little agreement on the nature of course content. Figliolini et al. (2008) advised that training is critical for an organisation’s growth, particularly in this period of technological development and changing innovation and information. Ramady (2010) asserted that good training outcomes assisted profit margins, and greater customer loyalty with higher levels of customer satisfaction. Yun (2008) noted that it is necessary to ensure training outcomes were integral to key business activities and decisions. As a performance component and a human resource function training and professional development interventions should be connected to selection and recruitment, career planning and pay and performance appraisal systems. This skills growth gains increased flexibility through internal transfer, an emphasis on identified skills for future operations, and leadership and management development strategies. Specialised skills required, according to one interviewee, included sales techniques and strategies of sales management; however, the majority of respondents noted that the courses on offer were of a generic nature. These generic courses may ultimately be of use to the trainee, but they were not targeted to the firm’s needs.

A majority of the respondents in this survey indicated that their training courses lack a high profile in the organisation. Due to their rapid turnover of staff, respondents said that there was an organisational apathy about training from both employees and decision-makers. If employers required a new skill, that was a matter of hiring another person, predominantly and expatriate already experienced in the required skill, a particular employer stance that Nitaqat was implemented to address. There was little incentive for employers to embark on job design, needs analyses, training design and elaborate assessment of outcomes, given the pace of change and the transient nature of
the workforce. The fact that most Saudis do not last on one job for a long time ruled out training for most of the respondents. One of the participant managers in fact observed that hiring expatriates offered fewer issues than employing Saudis.

Employee training includes induction which is used to introduce the organisation to recruits. In this study, 53 per cent of the respondents reported a high rate of attrition after training, and a further 20 per cent agreed that employees sometimes left after training. A minority, 20 per cent, disagreed that newly-skilled staff resigned from their jobs. Mankin (2009) explained that organisations that have good resources including technology, and flexible business models are attractive to skilled employees. In this case, training is a generic term, so that there may not be a direct relationship between learning and leaving. In Saudi Arabia there is a high turnover of nationals in the private sector, as they tend to take a job to gain experience, waiting for an appropriate public sector position (Ramady 2010). Therefore if a firm trains its employees but does not provide a conducive working environment it may experience a high attrition rate by nationals. Expatriates, however, are bound to their contracts for an average of two years. Al-Dosary and Rahman (2009) state that Saudisation (now Nitaqat) was aimed at training nationals and giving them work experience opportunities so that they could remain in the private sector workforce and successfully replace expatriate skilled workers. The responses from the participants are of concern, as it appears that this strategy of training and development is unsuccessful at retaining nationals.

6.6 Chapter summary

The findings from this study are that executives from the firms researched are committed to the policy of training and development as organisational objectives and a large majority of the firms provided employees with formal training. Under Nitaqat, training is undertaken with government financial and practical support in dedicated training facilities using both agency and inhose trainers. Saudi Arabia’s rapid development was gained through cost-efficient skilled labour imported on the basis of need, thus effectively closing unskilled Saudis out of the labour force.

Both national and international trainers had limitations: competency for the former and insensitivity for the latter. There were differences between management’s expectations of improved performances and the trainees’ attitudes which were reflected
in their lack of engagement with their employers, including training initiatives. This attitude was reciprocated; managers did not become involved with training interventions and trainees’ individual or team needs were not generally considered for training. However, management is not convinced that the existing training interventions are satisfactory and meet their diverse objectives.

Formal training programs comprised lectures and workshops with case studies, focus and forms of discussion groups, and conferences. The findings are mixed relating to the objective or subjective evaluation of training courses and the long-term outcomes from these. On balance, there appears to be few Saudi firms that undertake objective assessment of skills acquisition through training.

Perhaps a predictable outcome from a general lack of rigour in training and development administration and practices are that these initiatives are largely unsuccessful, as Saudis stay for the minimum time before leaving employment. Participants argued that the employment contract implies that the recruit has the attitude and basic skills necessary to accept and benefit from training to meet the needs of the job, thus enabling Saudis to assume jobs now held by expatriates. This supports Baqadir et al. (2011) that the employer’s responsibility is to impart specialised knowledge of the organisation through training and development courses, not long term education such as work ethic or generic social skills. To focus on specialised Arab needs, this study also supports Al-Ghamdi et al. (2011) and their call for further research to establish variables that account for Arab culture in determining productivity and measuring gains in GCC corporations. The fact that Saudi Arabia has a unique culture works against its companies rolling out of training and development programs because its society is collectivist and upholds the separation of people based on their gender. This, together with the hierarchical administrative structures in Saudi organizations, is a critical barrier to its economic development. The last chapter summarises the thesis, taking regard of its benefits and limitations, conclusions and recommendations. It also offers further research opportunities.
Chapter 7 Conclusions and Recommendations

This dissertation explored the research problem, which concerns the existence, frequency and efficacy of employee training in Saudi firms. This provides under-qualified and inexperienced university and technical institute graduates and school-leavers with knowledge of the workplace environment and job task competency to enable them to become engaged and cooperative at work. Previous research is predominantly concerned with the employability of young Saudis, and there has been little attention to date with regard to the importance of training Saudi employees once they are recruited. Lack of skills in employees impacts Saudi firms’ productivity; however, identifying and addressing the skills issue has not been adequately addressed.

Whilst the Saudi government is investing substantial resources and strengthening its regulations to skill up its workforce, a reciprocal response is required by employers to achieve this goal. This research on the training practices of the business sector leaders in Jeddah, the location of this research, shows a mixed response by employers to that aim. In this research, company representatives cite many impediments to achieving their aim of productivity and to the government’s aim of work skills acquisition.

7.1 Issues in employee training

Training is fundamental to the Saudi government’s human capital strategy. The government continues to spend about a quarter of its annual budget on providing training opportunities for Saudi citizens. Yet there appears no discernible improvement in the rate of take-up of jobs by Saudi nationals, and this is common with the majority of GCC countries (Baqadir 2011, Ramady 2010). In a report for the Kuwait Program on Development, Governance and Globalisation in the Gulf States, Baldwin-Edwards (2011) estimated that (53%) of the Saudi labour force in 2008 were expatriates, with a long-term effect of downward pressure on unskilled, semi-skilled and even skilled pay rates. With privileged public sector employment for nationals, this division in the labour force created a structural impasse such that the private sector is neither willing nor able to absorb the growing Saudi labour force. Nevertheless, Saudi Arabia is the only GCC country that has so far succeeded in reducing the percentage of foreign workers from the
estimated 80 per cent of the labour force. The low Saudi participation rate has doubled since 2000, although in 2008 this resulted in a male participation rate of 61 per cent and a female rate of 11.5 per cent. Further, the lack of investment in industry and new technology and its accompanying training and education led to substantial declines in productivity over the last decade (Baldwin-Edwards 2011). This conforms to the incorrect national assumption that productivity is entirely human resource-related; productivity derives from a range of capital: human, social, financial and physical.

In Saudi Arabia, Al-Yahya (2008) studied the gap between the availability of human capital, given the large numbers of Arab professionals in the country, and their inability to gain work, a similar study to Baldwin-Edwards’ (2011) observation that some 60 per cent of Saudi unemployed women in 2007 (as assessed through job applicants) were university graduates. Al-Yahya (2008) stated that for Saudi Arabia, competency development focused on personal skills and technical aspects of the discipline or job, with the government’s expectation that the resultant skills and knowledge met the needs of the employer. The imbalance between the individual’s narrow skill base and the ability to work together as a productive team represents a serious challenge to sustainable development in the private sector. Al-Yahya then stated that management development programs require direct one-on-one mentoring to support the individual within his or her position. Al-Yahya concluded that a major weakness in employee training and development interventions was integrating the new skills into the workflow serve organisational and social goals. Therefore the problem for many Arab firms may not be the lack of skills and capabilities, but the absence of appropriate organisational structures through policies and practices to utilise such skills. This is especially concerning, given that Al Raisi et al. (2011a,b) also documented similar issues that should be taken into consideration by Arab organisations in addressing training for their employees.

7.2 Findings and recommendations

The data for this research were obtained during the government’s implementation of Nitaqat, so that there was a general awareness of the new policy although not of its full implications which are still emerging (August 2012) as the stages of the policy progress. The recommendations for this study are therefore aligned to meet these implications, and concern three dimensions of the training and development
paradigm. These are structural at a national level, at the organisational level, and at the level of the training function itself. These are presented in turn.

To address the policy aims of Nitaqat, educational authorities and the labour ministries should develop strategies to engage the private sector in sharing information to educate Saudis to meet existing job specifications. This meets in part the acquisition of ‘soft skills’, where undergraduates spend time in the workplace to learn social engagement with co-workers, managers, customers and suppliers. The use of realistic job specifications leads to analysis of the knowledge and skills required for the work, which could then be met through employment programs and career advice to students. This requires the authorities to implement continuous research and development programs to produce bridging courses for competency improvements, skills enhancement and attitude change for existing employees and the unemployed in that sector. If the higher education system is not yet committed to graduate employment, there is a framework available in the technical and vocational system.

A finding of this study is that training courses may not be sufficiently aligned to the needs of the organisation. Whilst generic training is delivered through both public and private providers, the courses are not evidence-based. Training courses should achieve quality and standards similar to Australia’s technical and further educational framework to ensure that the curriculum is sound, facilities are adequate, and that trainers are qualified and socially acceptable to the audience. This framework includes assessment, follow-up training and long-term competency tests. Whilst the vocational structures exist in Saudi Arabia, titles and skills should be reassessed to bring them into the 21st century and provide a more attractive environment for school leavers.

A mixed finding on management involvement occurred in this research. Whilst a minority of firms support training interventions more than once each year, the majority do not. At the decision-making level, management should undergo their own awareness training such as conferences or workshops to understand training and, arguably, the effects of their own attitude on employees’ outcomes. The government could encourage management awareness interventions through Nitaqat as part of the firm’s commitment to the program. As there are adequate resources available for needs analysis and training, a quality approach to training such as Australia’s technical and administration educational framework could be used for employees to gain credible qualifications that are transportable within the industry. This would assist in some way to reducing
This conclusion refers to findings in this study that show training interventions fail if they are delivered in a haphazard manner and without achieving a longer-term objective. In this model, line management would then be aware of the training purpose attributed of the firm’s objectives and involved in the needs analysis and design of course content to ensure relevance to those goals.

A finding of this research is that industry leaders should have clearly defined human resource development policies and practices, reflected in organisational objectives and a strategy before any training is implemented. Training needs assessment is also imperative to ensure that the training objectives address known deficiencies in work attitudes and competency standards.

It was a finding of this research that career development was rarely nurtured in the Saudi private sector. At the staff level, training and development interventions should form a competence framework embedded in the organisation where individuals can see a clear pathway towards a planned career. Thus various training certifications can assist the firm in gaining flexibility in skilled workers who can be employed laterally throughout the organisation, and the individual can be exposed to different workplace challenges and experiences. Within a quality competence framework, types of training can comprise online courses, physical attendances, workshops, conferences, focus groups, in-house investigative studies or social interaction, such as supervised mixed gender groups for customer relations and teamwork.

To accomplish Nitaqat at an intra-organisational level, a dedicated training and development group within the human resources function should have ultimate responsibility for the quality, performance, resources and competency of all stakeholders of the training and development outcomes. A dedicated training group should administer all organisational training using budget resources that are accessible by line management. The training group therefore can implement organisational objectives as training and development policy, thus setting design and implementation standards for physical training, and monitoring attendances for professional development at conferences, workshops and other learning interventions. Line management applications for employee training should be addressed to the training manager, individuals seeking training should apply through their supervisor to the training and development group. The aim is to ensure transparency, place priorities on
the needs of the organisation for use of training and development resources, and to
dissuade wasata.

The structural change that is the aim of Nitaqat requires the raised profile of
training and development in the organisation. This would in turn address the finding of
this study regarding lack of executive commitment, instil a positive corporate culture,
prevent the use of unqualified or inappropriate trainers, enhance cost minimisation, and
employ quality control for evaluation. An emphasis on a funded training and
development group also takes regard of the stated need for objectivity in evaluation:
assessment data, appropriate evaluation techniques, costing and time minimisation,
language standards, and record-keeping. Notably all types of training should include
both English and Arabic components to ensure understanding of the content and fluency
in the delivery, as the interviewees advised. To meet the findings of this study that there
are perceptions of inadequacy in Saudi trainers and lack of sensitivity in expatriate
trainers, the training group can assess trainers for competence, subject experience,
bilingualism, knowledge of the organisation and its employees’ culture, awareness of
Islamic practices, and labour economics. Further, as the training request is initiated by
line management, then the immediate needs of the affected group are addressed as part
of the training group’s response. To embed structural change, the organisation’s
executive directs and resources the training group to undertake awareness training for
all managers and employees.

Given organisational training and development policy and practices are
administered by a dedicated group within the human resources function, line
management has an opportunity to access a range of training and professional
development interventions to gain employee accreditation and experience. There are a
number of implications for the executive that respond to findings of this study. The first,
cost amelioration recognises that resources are available from the government under
Nitaqat, which also assists towards raising training quality standards. Next, the
executive has a functional tool in its training group in addressing staff awareness of
organisational objectives relating to internal policies and practices and the effects of
technological and socioeconomic change, and pressures of external stakeholders such as
customers and suppliers, as well as industry competitors and globalisation. As line
management is now resourced to improve both the quantity and quality of the group’s
outputs through training, the objectives of company performance is considered. The line
manager can thus be accountable for performance targets; similarly, line management can impose performance targets on teams and individuals. Professional development which leads towards the firm’s objectives can be undertaken by individual staff members, that is, managers and employees, through use of both the individual and the organisation’s shared time and cost commitments. Improved performance, transparency in organisational practices, adherence to policy and a level playing field may improve staff satisfaction, and importantly, retention.

This training and development policy may also counter entrenched privileges of seniority, early pension benefits and retention bonuses. These policies can stand beside performance as assessment for existing staff, and be removed for new staff, that is, the old policies have a timeline for cut-off. Organisational commitment is now incorporated into the job description; commitment is not a personal ‘cost’ for the individual, but an ‘investment’. Commitment reduces staff intention to leave and improves the working environment; importantly, management performance is now based on their commitment towards their employees. Organisational needs therefore underpin the creation of a learning organisation. The next section moves to the thesis itself, and considers limitations and achievements of this study.

In summary, the model and theoretical development for this thesis concern three dimensions of the training and development paradigm, structured to address the national level, the organisational level, and human capital acquisition. To address the policy aims of Nitaqat, educational authorities and the labour ministries could engage with the private sector in sharing information with the aim of educating Saudi students towards meeting existing job specifications. At the organisational level, Nitaqat could be used as a resource for management development, including leadership, teamwork and competencies to achieve the firm’s objectives. Human capital acquisition through professional development towards the firm’s objectives can be undertaken through time and cost commitments shared between the firm and the staff member. In this model, the line manager can then be accountable for performance targets and can impose performance targets on teams and individuals. Improved performance, transparency in organisational practices, adherence to policy and a level playing field for women may improve staff satisfaction and retention. In all, this study contributes to management theory and human capital theory.
7.3 Limitations and benefits

The limitations of this study include the exploratory scope of the study. As the research moves into an untested field, that of identifying the characteristics of employer-delivered training in Saudi Arabia, it was guided by previous studies, particularly GCC studies with their focus on rich yet emerging economies with large cohorts of graduates and school leavers emerging on to the labour market each year. The limitations therefore include the passage of time and its effect on the findings of this study, which may itself have an effect on the attitudes of the business sector leaders in their ruminations on the interview questions. There is also a limitation in the sample; although these corporations are representative of national and global firms, the selection of different firms may present different findings, although the trend of the research concurs with the available literature. There is also an issue with generalisation of the findings and recommendations to other Saudi organisations that reflect different values and experience varied needs; further, Saudi commerce is unique with its Arabic and Islamic environment.

The benefits of the study relate to its focus, that of exploring the issues and the opportunities inherent in improving the prospects for future Saudi cohorts emerging from the education system and into the labour force. Identifying the major impediments to a skilled and cooperative Saudi labour force is the first step in assessing the priorities for these factors and setting up dialogue between the relevant government agencies, employers, and the tertiary educational institutes in Saudi Arabia to address them. A further benefit of the study is in providing opportunities for researchers to provide Saudi decision-makers with the information they need and to add to the body of knowledge.

7.4 Future research

Opportunities for future research directions are in four parts: education, skills acquisition, gender studies and employee satisfaction. In education, more research is required in the emerging field of graduate relevance to employers and the dialogue between government agencies and the private sector in that regard. Educationalists should also be interested in the gap between the Saudi tertiary and skills-based education system and the employee training practices of business sector leaders. In skills acquisition, there is scope to pursue an Arab version of employee training, where
the didactic model is being replaced in the education system with student-directed learning. New graduates will be familiar with forging their own approaches to learning opportunities, so that online and workshop models could be explored by researchers to identify more efficient practices for Saudi Arabia. The very low labour participation rates of women in Arab countries could be explored in line with the trainer opportunities, especially for highly qualified women. Issues that impede women’s workforce participation are of government concern, and there are opportunities in this regard.

Finally, employee satisfaction has not been extensively modelled in Saudi Arabia, and there is little research on the effects of Nitaqat. There are extensive research opportunities here: in the business sectors targeted by Nitaqat, in the employment available in urbanised and regional environments, in the societal restraints, and in the effects of technological change. Thus this exploratory study has fulfilled its research aim of opening up this new branch for theoretical and empirical research.
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Appendixes

Appendix 1 Covering letter in English and Arabic

INFORMATION TO PARTICIPANTS INVOLVED IN RESEARCH

You are invited to participate

You are invited to participate in a research project entitled *Workforce Training for Increased Productivity in Saudi Arabia*.

I have obtained your organizations’ contact information from the list of registered organizations in the Saudi Chamber of Commerce and Industry’s database available online. You have been approached for this interview because you are considered as one of the large organizations in Saudi Arabia. As such, I would like to invite you to be part of this study.

This project is being conducted by a student researcher Saleh Essam Kattuah as part of a Doctorate in Business Administration (DBA study at Victoria University under the supervision of Dr. Mario J Miranda from the School of International Business in the Faculty of Business and Law.

Project explanation

The overall aim of this research proposes is to examine the effects of culture and language in employee training and development programs in large and multinational companies (MNC) in Saudi Arabia. At present training and development programs are designed and delivered by English speaking, foreign consultants on a fly-in/fly-out basis. Lack of understanding of the culture and language has affected the transfer of skills and knowledge.

Although the Kingdom of Saudi Arabia has achieved significant socio-economic reform over the last generation, stresses occur through mismatch of employment policy and the realities of the labour market.

The benefits of this research will be to identify factors that affect the transfer of learning and to develop recommendations on strategies to design and deliver training and development programs that match global requirements as well as being culturally appropriate for Saudi
Arabia. This research will contribute to the knowledge in the field of employee development, in particular the transfer of skills and knowledge in the Middle East.

**What will I be asked to do?**

You will be asked to participate in a one to two hour structured interview, to take place in your organisation. If you give permission, the interview will be audio recorded. During the interview you will be asked questions about training and development programs in your organisation, who conducts the training, how the training is evaluated and whether transfer of learning occurs. You will also be asked how the culture and language of the training program providers affect the learning outcomes.

Prior to the interview you will be required to sign a consent form.

**What will I gain from participating?**

Through interviews I aim to inquire about the training history, practice and experience, where the human resource training worked and where it did not work. Moreover, the interview will seek a better understanding of the impact of culture and language on the design and delivery of training programs in the Saudi workplace. Your contribution in this interview is valuable because the findings from this project will assist in understanding ways to improve employee training and development in Saudi Arabia.

There will be no direct benefit to you from the participation in this research. Your participation in this research is voluntary. As a participant, you have the right to:

- to withdraw your participation at any time, without prejudice.
- to have any unprocessed data withdrawn and destroyed, provided it can be reliably identified, and provided that so doing does not increase the risk for you.
- to have any questions answered at any time.
- to request that audio recording be terminated at any stage during the interview

**How will the information I give be used?**

All information obtained from the interview will be used for research purposes, in meeting the requirements for a Doctorate of Business Administration (DBA) degree. The data and findings from this study might be published in a thesis and academic journals. The names of participants will not be mentioned in any publication and will be kept confidential, with the researchers conducting the study and mentioned in this information sheet being the only people able to access the data and findings.
What are the potential risks of participating in this project?

Personal identifying information collected in this interview will be kept confidential and no identifying data will be published. Thus, the privacy of you and your organization will be kept absolutely confidential. All information obtained from the interview will be used for research purposes, and will be stored in the locked cabinet in my supervisor’s office for five years as prescribed by Victoria University regulations. Any electronic data will be password protected. Only my supervisors and I will have access to this data. Any personal information that you provide can be disclosed only with your approval.

How will this project be conducted?

A series of interviews in international training firms on the one hand, and medium to large Saudi firms on the other will be undertaken to determine the effects of culture and language on employee training and development programs and the subsequent transfer of learning.

The qualitative data will be analysed to identify categories, code incidents, and organize the data. As themes begin to emerge, constant comparison will be employed and hypotheses about the effects of culture and language on employee training and development will be formed.

Who is conducting the study?

The Principal Researcher is my supervisor, Dr. Mario Miranda, who can be contacted by phone on +61-3-99195004 or by e-mail Mario.Miranda@vu.edu.au

The Student Researcher is Saleh Essam Kattuah, who will be conducting the interviews, can be contacted by phone on +61413763135 or by e-mail salehessam.kattuah@live.vu.edu.au.

Any queries about your participation in this project may be directed to the Principal Researcher listed above.

If you have any queries or complaints about the way you have been treated, you may contact the Ethics and Biosafety Coordinator, Victoria University Human Research Ethics Committee, Victoria University, PO Box 14428, Melbourne, VIC, 8001 phone (03) 9919 4148.
رسالة دعوة للمشاركة في بحث مع شرح لمشروع البحث

عنوان مشروع البحث

تطوير الموارد البشرية بدراسة تدريب القوى العاملة لزيادة الإنتاجية في السعودية

الباحثون

الباحث: صالح عصام صالح كتوه، درجة الدكتوراه

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School of International Business

المشرف على البحث: الدكتور ماريو ميرندا،

Mario.Miranda@vu.edu.au، +61-99195004

عزيزي المشارك

السلام عليكم ورحمة الله وبركاته

أفيد سعادتك أن طالب صاحب كتبوه، المبتعث من وزارة التعليم العالي لتحضير درجة الدكتوراه في تطوير الموارد البشرية من جامعة فيكتوريا (Victoria) بـ مدينة ملبورن بولاية فيكتوريا بأستراليا. وحنوان بحث وهو ( تطوير الموارد البشرية بدراسة تدريب القوى العاملة لزيادة الإنتاجية في السعودية). يشرف على البحث الدكتور ماريو ميرندا. تهدف هذه الدراسة إلى اختبار تأثير الثقافة واللغة على تدريب الموظفين وتطوير البرامج في الشركات، كانت العربية السعودية. وسوف أقوم بجمع المعلومات بمشيئة الله من خلال إجراء بعض المقابلات الشخصية مع المسؤولين بشأن الموارد البشرية والتطوير في الشركات، والمؤسسات الخاصة بـ: تحديث.

يسعني دعوتكم المشاركة في هذه الدراسة من خلال مشاركتكم في إجراء المقابلات الشخصية الخاصة بالبحث. والتي تهدف إلى استكشاف الآفاق والتجارب والخبرات للمسؤولين ومن له علاقة بموضوع البحث ومتعلقاته. حيث سيتم القيام بهذه المقابلات مع حوالي 15 مسؤول في جهات أخرى ذات علاقة بالبحث على مدار السنة، و incentن السؤال الرئيسي للبحث وهو: ما هي أثار الثقافة واللغة على نقل المهارات والمعرفة في برامج تدريب وتطوير الموظفين في السعودية؟

قد تم الحصول على معلوماتكم من موقع المعرفة التجارية لجدة على الإنترنت. وتم اختياركم بصفتكم أحد المنظمات الكبرى والمعروفة في السعودية. إذا فإن سعادتك في البحث من خلال مشاركتكم في البحث، ستع-log مسؤولي، مثل لجنة المتابعة أو المكتبة، على سبيل المثال. إذا كنا نتزايد من (60 دقيقة)، وسنحتاج إلى تقديم مساعدة سوف تساعد في فهم الأدوات التي تؤدي إلى إثراء المحتوى العلمي وعملية التدريس، كما أننا نحتفل بسعة الأسلحة لن تقبل أي إيجاد أو مقياس محتأمة لكم. أما بالنسبة للاختيار من المقابلات سوف نستخدم لأغراض البحث العلمي فقط. وسنطلب منها سوي البحوث والمشرفين على البحث. وسن تخزينها لمدة لا تقل عن خمس سنوات، ومن ثم إدراجها طبقاً لائحة جامعة (Victoria) في حالة نشر نتائج هذه الدراسة سوف يتم المحافظة على سرية المعلومات الشخصية بحيث تضمن عدم ذكر (الاسم، الالوان، اسم الجهة) في نتائج الدراسة.
Any queries about your participation in this project may be directed to the Principal Researcher listed above. If you have any queries or complaints about the way you have been treated, you may contact the Ethics and Biosafety Coordinator, Victoria University Human Research Ethics Committee, Victoria University, PO Box 14428, Melbourne, VIC, 8001 phone (03) 9919 4148.
Appendix 2 Consent form in English and Arabic

CONSENT FORM
FOR PARTICIPANTS
INVOLVED IN RESEARCH

INFORMATION TO PARTICIPANTS:
Thank you for your agreeing to participate in the interview about your experiences regarding human resources training and development.

At present training and development programs in Saudi Arabia are designed and delivered by English speaking, foreign consultants on a fly-in/fly-out basis. The overall aim of this research proposes is to examine the effects of culture and language on the outcomes of employee training and development programs in large and multinational companies (MNC) in Saudi Arabia.

CERTIFICATION BY SUBJECT

I, __________________________ of __________________________

Certify that I am at least 18 years old* and that I am voluntarily giving my consent to participate in the study:
“What are the effects of culture and language on the transfer of skills and knowledge in employee training and development programs in Saudi Arabia?” Being conducted at Victoria University by: Dr. Mario Miranda; from the School of International Business and Ms. Penny Bassett; from the School of Management and Information Systems.

I certify that the objectives of the study, together with any risks and safeguards associated with the procedures listed hereunder to be carried out in the research, have been fully explained to me by the researcher, and that I freely consent to participation in an interview of approximately 60-120 minutes. I understand that the interview will be recorded and if I do not consent to have the interview recorded I allow the researcher to write notes about this interview to be able later used in his research. Also, I understand that data collected from this interview and findings from this data may be published in a thesis or academic journals but that the data published from this interview will be anonymous and my name will not be mentioned in any publication. Further, I understand that only the researchers conducting the study and mentioned in the information sheet will be able to access this interview.

I certify that I have had the opportunity to have any questions answered and that I understand that I can withdraw from this study at any time and that this withdrawal will not jeopardise me in
any way. I can also decline to answer any particular question and I am not required to disclose any confidential or commercially-sensitive information.

I consent / do not consent to having the interview recorded.

Signed:

Date:

Any queries about your participation in this project may be directed to the researcher, please contact my Senior Supervisor Dr. Mario Miranda, on +61-3-99195004 or E-mail Mario.Miranda@vu.edu.au; you also can contact my Co-supervisor Ms. Penny Bassett, on +61-3-99191465 or E-mail Penny.Bassett@vu.edu.au.

If you have any queries or complaints about the way you have been treated, you may contact the Ethics & Biosafety Coordinator, Victoria University Human Research Ethics Committee, Victoria University, PO Box 14428, Melbourne, VIC, 8001 phone (03) 9919 4148.
استمارة موافقة على المشاركة في المقابلة الشخصية لمشروع بحث

عنوان الدراسة: تطوير الموارد البشرية بدراسة تدريب القوى العاملة لزيادة الانتاجية في السعودية

أوافق إذا الموقع إسمي أداً، على المشاركة في مشروع البحث المقدم من الباحث/ صالح عصام صالح كنوع من جامعة فيكتوريا بمدينة ملبورن بأستراليا حيث أن مشروع البحث قد تم شرجه لي من الباحث وقرات الرسالة التوضيحية للبحث والتي احتفظت بنسخة منها في مجلتي، كما وإنني أعرف بأن هذا البحث يهدف إلى تطوير الموارد البشرية بدراسة تدريب القوى العاملة لزيادة الانتاجية في السعودية. مع العلم أن هذا المشروع تحت إشراف الدكتور/ ماريو ميرندا. من قسم الأعمال التجارية الدولية، والสาย/ بيني بابي. من قسم الإدارة ونظم المعلومات بجامعة فيكتوريا.

كما أنني على دراية كاملة بأن موافقتني على المشاركة في هذا البحث تعني:

1. أنني فوق سن 18 سنة.
2. أنني تلقيت رسالة دعوة للمشاركة في مقابلة خاصة بدراسة البحث، وأوافق على ما ذكر فيها.
3. استعدادي لمقابلة شخصية لمدة تتراوح بين ستون دقيقة إلى مائة وعشرون دقيقة.
4. موافقتني على تسجيل المقابلة صوتياً: □ نعم أوافق، □ لا أوافق.
5. المعلومات سوف تستخدم لمشروع هذا البحث فقط.
6. أنني أعطي الصلاحية لاستخدام أسمي أو اسم منشئي: □ نعم أوافق، □ لا أوافق.
7. موافقتني على التالي:

أ) أقرت تعليمات التعريف بالبحث، وأوافق على ما جاء فيها بشكل عام.
ب) إن مشاركتي تطوعية وبإمكان الاحذاب من المقابلة بدون أي التزامات تترتب على ذلك.
(أ) ليس لي مصلحة مباشرة من مشروع البحث.
(ب) البيانات المستخلصة سوف تعامل بسرية تامة مع عدم ذكر أي بيانات تشير إلى هوية المشارك.
(د) الإدارة التي يتبعها في حالة نشر نتائج الدراسة.
(ق) أي من المعلومات الشخصية لن تستخدم أو يفضح عنها إلا لو أعطيت ترخيص مسبق بذلك (كما في الفقرة 4).

اسم:.........................................................

توقيع:.........................................................

وفي حالة الرغبة للتقديم بشكوى حول كيفية إدارة المقابلة الشخصية أمل الاتصال على اللجنة الدائمة لأخلاقيات

البحث على العنوان التالي:
If you have any queries or complaints about the way you have been treated, you may contact the Ethics & Biosafety Coordinator, Victoria University Human Research Ethics Committee, Victoria University, PO Box 14428, Melbourne, VIC, 8001 phone (03) 9919 4148.
Appendix 3 Interview questions in English and Arabic

Semi-Structured Interview Guide Questions
For Human Resource and Training Managers

Demographic Questions

Name of Participant:
Age:
Position:
Company Name:
Number of Employees:
Number of Branches:
Type of Industry:
When organization established:

i. Training and development in the organisation

1. How important do you think training is to your organisation?
   Very Important
   Training importance
   .....5.....  .....4.....  .....3.....  .....2.....  .....1.....
   Less important

2. Is employee training a part of your organisation’s business strategy?
   a. Yes ☐  b. No ☐  c. Unsure ☐

3. Are the training programs in your organisation delivered in:
   a. Arabic ☐  b. English ☐  c. Both Arabic and English ☐  d. Other language ☐
   f. If other, please specify ☐

4. Does a management representative attend courses to emphasise the importance of skills and knowledge acquisition?
   a. Yes ☐  b. No ☐  c. Unsure ☐

5. Does your firm offer staff formal training programs?
   a. Yes ☐  b. No ☐  c. Unsure ☐, If yes, in which areas?

6. How many times do your employees receive training each year?
   a. ☐ More than three times
   b. ☐ two or three times
   c. ☐ once
   d. ☐ about every two years
   e. ☐ less frequently
7. Do you have a dedicated training person or team, or is your training outsourced?
   a. □ Dedicated
   b. □ Outsourced
   If outsourced, who is it outsourced to?

8. Has your organization increased the entry level of education qualification for staff during the last 10 years?
   a. Yes □  b. No □, If yes, How?

9. How does your organisation determine employee training needs? (Comment)

10. Do you consider the overall level of training in your organisation?

<table>
<thead>
<tr>
<th>Very Satisfactory</th>
<th>Satisfactory</th>
<th>Neutral</th>
<th>Unsatisfactory</th>
<th>Very Unsatisfactory</th>
</tr>
</thead>
<tbody>
<tr>
<td>......5.....</td>
<td>......4.....</td>
<td>......3....</td>
<td>......2.....</td>
<td>......1.....</td>
</tr>
</tbody>
</table>

11. Which type of training techniques are used in your organization?
    a. □ Case studies
    b. □ Workshop
    c. □ Lecturing
    d. □ others (mention)

12. What is the role of internet in delivering training in your organisation? (Comment).

13. Do you believe that your organisation is part of an international community?
    a. Yes □  b. No □, if yes, How?

14. How does employee training and development relate to globalisation in your organisation?

ii. Training and development outcomes

1. How do you evaluate your training and development programs?

2. Please give me your view on: How training and development is able to improve the skills and attitude of your employees?

3. Please give me an example of some outcomes of your training programs?

4. How does training and development contribute to improving specialist skills?

5. Indicate the influence of training and development in the following areas:
<table>
<thead>
<tr>
<th>Impact Level</th>
<th>Profitability</th>
<th>Productivity</th>
<th>Employee Satisfaction</th>
<th>Reputation of the Organisation</th>
<th>Quality of goods &amp; services</th>
<th>Cost containment</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Impact</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neutral Impact</td>
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<tr>
<td>Least Impact</td>
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<tr>
<td>Don’t know</td>
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### iii. Training Issues

1. What are the **major issues relating** to training in your organisation? Please explain.

2. What **incentives** (if any) do you use to motivate employee to attend a training program?
   - a. □ Work time off
   - b. □ Training allowance
   - c. □ Free meal
   - d. □ None
   - e. □ Others (mention)

3. Please discuss one or more of the following factors relating to the delivery of the training programs.
   - a. □ Trainees and their comfort with or feelings about the **language** used in training.
   - b. □ Trainees understanding relating to the **accent** of the trainer.
   - c. □ Trainees comfort with or feelings about the **background** and **nationality** of the trainer.
   - d. □ Trainees satisfaction with the trainer’s **presentation** style.
   - e. □ Trainees’ feelings about their ability to **interact** with the trainer and how they are treated by the trainer.

4. How do any of the following issues affect training programs conducted in your organisation?
   - a. □ Dress code
   - b. □ Training time with reference to meal breaks.
   - c. □ Training time with reference to prayer time.
   - d. □ Scheduling training programs during the period of fast like Ramadan.
   - e. □ Others (mention).

5. When you are appointing the trainer do you consider matching the education profile of the trainer with that of the trainees.
6. The following factors may constitute issues for the training function in your firm. Could you please rate and describe your response to each factor in terms of:

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>High cost of training.</td>
<td>...........</td>
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<td>b.</td>
<td>Newly skilled staff leave the organisation after training.</td>
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<td>c.</td>
<td>Organisation training facilities are inadequate.</td>
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<td>d.</td>
<td>Organisation’s training staff are inexperienced.</td>
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<td>e.</td>
<td>There are difficulties in measuring training outcomes.</td>
<td>...........</td>
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<td>f.</td>
<td>Off-the shelf courses are not appropriate to the firm’s needs.</td>
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</tbody>
</table>

7. What are the positive aspects of employee training and development in your organisation?

**iv. Transferring skills and knowledge**

1. In your opinion, do employees generally apply the skills and knowledge they have learned during training in their work?
   a. Yes □
   b. No □, if yes, How? If no, why not?

2. How do you evaluate this? *(Comment)*

3. How do trainers assess whether trainees have acquired the relevant knowledge, skills, attitudes and behaviour?

4. How do you collect the feedback from trainees regarding their experience in the training program?
   a. □ Questionnaire
   b. □ Personal interview
   c. □ E-mail
   d. □ No feedback
e. □ Others (mention)

5. In your opinion, what efforts are needed in your organisation to improve training activities? (Comment)

Do you have any other comments about employee training and development in your organisation?
استمارة عمامة

اسم المشارك:

الوظيفة:

العمر:

الشركة:

عدد الفروع:

نوع المنظمة:

سنة التأسيس:

1. هل تؤمن بأن التدريب فعال لتحقيق أهداف منظمتك وتنمية وتطوير مهارات وكفاءاتك?

هل تدريب الموظفين جزء من استراتيجية عمل المنظمة؟

1. نعم □ لا □

ماهي لغة برامج التدريب المستخدمة لدى منظمتك:

أ. العربية □ ب. الإنجليزية □

1. اللغة الأخرى □

تحضر ممثلي الإدارة الدورات التدريبية لياكدوا على أهمية اكتساب المهارات والمعرفة:

1. نعم □ لا □

هل منظمتك توفر برامج التدريب الاحترافية بشكل رسمي؟

1. نعم □ لا □، إذا نعم في أي المجالات؟

كم مرة في السنة غالباً ما تتوفر منظمتك برنامج تدريب للموظف:

1. أكثر من ثلاث مرات □
2. التنان إلى ثلاث مرات □
3. مرة واحدة □
4. كل ستينات تقريرا □
5. توفر أقل □

هل لديكم مدرس أو فريق تدريب متخصص، أو يتم الاستعانة بمصادر تدريب خارجية؟

1. مدرس أو فريق متخصص □ ب. مصادر خارجية □

هل زادت منظمتك مستوى تأهيل التعليم لدى الموظفين خلال 10 سنوات الماضية؟

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1. نعم  □  لا □، إذا نعم كيف؟

كيف يتم تحديد الاحتياجات التدريبية للموظف داخل منظمتك؟ (ناقش)

2. كيف ترون المستوى العام للتدريب في منظمتك:

مرضي جداً  مرضي  طبيعي  غير مرضي  جدًا غير مرضي

3. ما هو دور التقنية والاتصالات لدى منظمتك؟ (ناقش)

نتائج التدريب والتطوير

من وجوه نظرك: ما هي امكانيات التدريب والتطوير على تحسين مهارات موظفك؟

من فضلك اعطي مثال على بعض نتائج البرامج التدريبية لديك؟

كيف ساهم التدريب على تحسين المهارات المتخصصة؟

ما هي أهمية تأثير التدريب والتطوير فيما يتعلق بالمجالات التالية:

1=تأثير عالي  2=تأثير متوسط  3=تأثير منخفض  4=لا تعلم  5=ليس لها تأثير

( ) الرحبية
( ) الانتاجية
( ) رضا الموظفين
( ) سمعة المنظمة
( ) جودة السلع والمنتجات
( ) خلف التكاليف

مشاكل و عقبات التدريب والتطوير

ما هو السبب الرئيسي لمشاكل التدريب والتطوير لدى منظمتك؟ (وضح).

ما هي الحوافز (إن وجد) والتي تستخدم لتعزيز الموظفين لحضور الدورات التدريبية؟

( ) التغيير عن العمل
( ) بدل تدريب
( ) وجهات مجانية
( ) لا شيء
( ) أخرى (حدد)

الرجاء تحديد واحدة أو أكثر من الامور التالية في تقديم برامج التدريب المتعلقة بلغة التدريب:
1. اغلب المتدربيين ليسو مراجحين مع اللغة المستخدمة في البرنامج التدريب.
2. المتدربيين ليسو مراجحين من طرق نطق الكلمات من قبل المدرب
3. المتدربيين ليسو مراجحين من طرق تدريب المدرب
   هناك صعوبة في تطبيق أو فهم المدرب
4. المتدربيين ليسو مراجحين من أسلوب المدرب
الرجاء تحديد واحدة أو أكثر من الأمور التالية المتعلقة ببرامج التدريب والتي لها علاقة بالثقافة السعودية:
الملاحظات.
1. وقت التدريب مع اللاحات إلي الاوقات المناسبة
2. وقت التدريب مع اللاحات إلي الاوقات الصلاة
3. جدول برامج التدريب أثناء فترة الصيام
4. أخرى (حدد)
أ. إذا تم اختيار المدرب هل يتم الوضع في الاعتبار المستوى التعليمي بين المدرب والمدراء
ب. بعض الأحيان ليست بالمعاد
5. دائماً

إلى أي مدى يمكنك ان تتفق او تختلف مع الأساليب التالية التي قد تؤول دون تقدم أنشطة التدريب و التدريب داخل منظمتك. 1= اوافق بشدة. 2= اوافق. 3= لا أؤمل. 4= لا أؤمل. 5= لا اوافق بشدة؟
أ. التكلفة المرتبة لبرامج التدريب و التدريب.
ب. ( مغادرة الموظفين المتدربيين منظمة بعد التدريب.
ج. ) عقد وجود مركز حضري فعال.
د. ) عدم وجود قسم تدريب وتطوير منفصل.
ه. ) افتقار الخبرة لدى موظفين التدريب.
و. ) صعوبة قياس مخرجات التدريب وتطوير.
ح. ) الدورات غير مناسبة لاحتياجات الموظفين.
vi. نقل المهارات و المعرفة
من وجهة نظركم هل يقوم الموظفين لديكم بتطبيق المهارات و المعرفة التي تعلموها من برامج التدريب؟
1. نعم  □  لا □ ، إذا نعم كيف؟
ما هي استنتاجكم في تطبيق البرامج التدريبية بعد الانتهاء من الدورة؟
1. استبيان ( )
2. مقابلة شخصية ( )
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من هي التقنيات المستخدمة في منظمتك عادة؟

1. دراسة حالات ( )
2. ورشة عمل ( )
3. محاضرات ( )
4. أخرى (حدد) ( )

من وجهة نظركم ما هو الجهد المطلوب من منظمتك لتحسين البرامج التدريبية؟ (ناقش)

هل تؤمنون بانكم جزء من المجتمع الدولي؟ كيف؟

هل لديكم أي إضافات أخرى و التي تعتقد انها قد تفيد هذا البحث؟