

# Repatriation and the Psychological Contract: A Saudi Arabian Comparative Study

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## ABSTRACT

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Studies related to psychological contracts have made significant contributions to our understanding of the exchange relationship between employees and employers. However, the influence of national/organisational culture on the psychological contract has largely been neglected. The thesis examines the influence of national and organisational culture on the way in which psychological contracts are constituted, and how they may change following international assignments and repatriation. The research examines differences in the nature, and consequences of, psychological contract fulfilment or breach across two Saudi organisations in the petroleum and petrochemicals sectors. A qualitative case study approach was adopted. The data were gathered using multiple methods, including interviews, non-participant observations and analyses of organisational documents. The findings reported in the thesis draw upon 60 semi-structured interviews with employees who had been repatriated within the previous 12 months, and 14 interviews with Human Resource (HR) managers in the two organisations, triangulated with extensive documentary analysis and observations. The research findings demonstrate the influence of strong national cultural values shaping organisational culture and HR practices in both organisations, which, in turn, influence the content of the psychological contract (i.e. expectations and obligations) at an individual level, both pre- and post-international assignment. Differences were identified between the two organisations in terms of the influence of different national cultural values on organisational culture and practices; these differences influenced individuals' perceptions of whether their psychological contract had been fulfilled or breached post-international assignment. The implications of this research are also considered.

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## CHAPTER ONE: INTRODUCTION

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### 1.1. Rationale for the Research

In today's global economy, international experience is an asset—or, conceivably, even a requirement—for employees in organisations. The most commonly practiced method for gaining this experience is through international assignments. As a result, organisations are increasingly sending their employees on assignments to learn more about applying global strategies and improving the future organisation's potential (Stroh et al., 2000). Often, management assume that, for expatriate employees, returning to their organisation in the home country is not difficult (Paik et al., 2002). Research has revealed, however, that turnover rates amongst repatriates range from 20% to 50% within the first year of return (Black et al., 1999). More recent research has also shown that in a specific context approximately 58% of Taiwanese repatriates upon returning home were seriously considering leaving their organisations (Lee and Liu, 2007). The costs to organisations as a result of losing repatriates are substantial —both economically and strategically (Stroh, 1995). Typically, a US firm spends in excess of \$1 million sending an employee abroad, providing support and returning them home (Black et al., 1999, Tung, 1998). The high turnover rate suggests the need for a critical investigation of repatriate-organisation relationships across contexts.

Saudi organisations invest heavily in sending their employees overseas in order to compete in the global market and accordingly meet the demand of the Saudi employment market (MEP, 2010). Importantly, only 10–15% of employees in the private sector are Saudi nationals (UNDP, 2010). Saudi's reliance upon expatriate workers and the increasing lack of alignment between new entrants' technical and educational qualifications and the market needs have created high levels of unemployment in Saudi Arabia (Prokop, 2003). Hence, the government

has faced a number of challenges in creating job opportunities for its citizens (Achoui, 2009). A policy referred to as the Saudisation (localisation) programme (Madhi and Barrientos, 2003) has been introduced in order to develop a trained and qualified local labour force in a planned manner (Mellahi, 2007a). To achieve Saudisation large organisations have been encouraged by the government to enhance their Saudi human capital by providing international education and training for their staff (Looney, 2004a).

This research explores repatriates' perceptions of their psychological contract with their organisation when they return to Saudi Arabia. The psychological contract is related to employees' beliefs about the exchange obligations apparent between employees and their organisation (Conway and Briner, 2005) and is defined by Rousseau (1990:391) as *'the understandings people have, whether written or unwritten, regarding the commitments made between themselves and their organisation'*. Different than employment formal contract, the psychological contract is *'inherently perceptual, and therefore one party's interpretation of the terms and conditions of the obligations within the contract may not be shared by the other'* (Rousseau, 1995b:21). Psychological contracts are completely subjective; thus, parties are inevitably going to possess, to some extent, different beliefs about what each owes the other (Robinson and Rousseau, 1994).

Existing research has investigated the process through which psychological contracts are formed and changed (Herriot and Pemberton, 1996, Parks and Schmedemann, 1994, Rousseau, 1995b), the content of the psychological contracts (Robinson et al., 1994b, McLean Parks and Van Dyne, 1995) and the perceived violations or breaches of the psychological contract and the implications of this (Morrison and Robinson, 1997a, Robinson, 1996). Interestingly, however, there appears to be no empirical research that has focused on the influence of broad national socio-cultural factors, which could potentially

affect a repatriate's perceptual evaluation of fulfilment or breach of the psychological contract following an international assignment. Existing research shares a common limitation—the portrayal of the psychological contract as a highly individual, cognitive construct, which can be analysed without due regard for socio-cultural factors. Here, the researcher argues that these influences cannot be ignored when considering many global organisations' increasing strategic emphasis on developing an international tranche of management as well as the detrimental consequences that often ensue in terms of management turnover when repatriates return to their own country and start to question taken-for-granted national cultural norms.

Exploring the effects of international assignments and the repatriation process on repatriates' psychological contract in a Saudi Arabian context is, therefore, highly novel, both because of the importance of international assignments for the country in term of the Saudisation practices and also owing to the significant cultural differences that exist when compared to Western contexts. These differences are likely to play a role in shaping the way in which expectations and obligations that constitute the psychological contracts are formed, and may have effects on the psychological contract when repatriates who have been exposed to Western cultures return home. The research aim is, therefore, to identify aspects of the expatriation and repatriation process that are shaped by national and/or organisational culture, which could impact repatriates' perception of their psychological contract upon their return.

## **1.2. Research Aims and Objectives**

The broad research aim is to bring about greater clarity to our understanding of the interrelationship between the psychological contract and national/organisational culture, with particular reference to repatriation. The research objectives are as follows:

1. To identify the key national and organisational cultural values that have shaped the repatriation process.
2. To examine the way in which national and organisational cultures have influenced the way in which psychological contracts were constituted prior to and following international assignments.
3. To empirically examine the extent to which organisational cultural differences have influenced the evaluation of the psychological contract and individuals' perceptions of whether their psychological contracts have been fulfilled or breached upon repatriation.

### **1.3. Outline of the Thesis**

The thesis is organised as follows:

- Chapter One presents the rationale of the research, the research aims and objectives, and an outline of the thesis.
- Chapter Two provides an overview of the economic and political context of the labour market in Saudi Arabia, which, to some extent, influences the way in which organisations operate. More specifically, it provides a background of the Saudi Arabian government path to localisation in an effort to highlight the employment laws underlying particular organisational practices. The chapter aims to highlight the implications of this contextual setting for the study.
- Chapter Three presents an analysis of the literature of the national culture in general and Saudi Arabia's national cultural dimensions in particular. More specifically, the chapter focuses on what are considered to be the dominant Saudi Arabian cultural values in order to identify the possible key cultural factors that may have either a positive or negative impact on the repatriation practices and repatriates' psychological contracts.

- Chapter Four offers an analysis of the literature of organisational culture with particular reference to linkages between national and organisational culture in the Saudi Arabian context. In addition, the chapter introduces Schein's model of organisational culture, which will be adopted as a framework to analyse organisational culture in this research.
- Chapter Five explores the literature and methodological approaches for studying psychological contracts. The chapter also considers the literature that has discussed the extent to which national and organisational cultures might influence repatriates' psychological contracts.
- Chapter Six: Introduces the methodological approach adopted in this research. The ontological, epistemological and methodological approach, as influenced by the interpretive philosophy position, are discussed and justified. The chapter also discusses the research design, the strategies adopted and the research process.
- Chapter Seven addresses the way in which two organisations have adopted the national programme of localisation. Specifically, it will discuss the leader's role in each organisation in implementing international assignments (education and training) as a tool to achieve the localisation goal.
- Chapter Eight analyses Oil-Co's organisational structure, policies, and practices. The chapter then analyses repatriates' perceptions of their expectations and obligations prior to and following the international assignments in the first organisation.
- Chapter Nine examines Chemo-Co's organisational structure, policies and practices. The chapter then analyses repatriates' perceptions of their expectations and obligations both prior to and following the international assignments in the second organisation.
- Chapter Ten presents a focused discussion and offers research contributions whereby the findings from the previous three analysis chapters are combined and discussed. The concluding chapter demonstrates how the aim and objectives have been met. The

discussion of the theoretical contribution is organised around the three sub-research areas: (1) the key national cultural values identified as having shaped the repatriation process in each organisation; (2) the way in which national and organisational cultural values influence the way in which psychological contracts are constituted prior to international assignments; and (3) the extent to which organisational cultural differences have influenced individuals' perceptions of whether their psychological contracts have been fulfilled or breached upon repatriation.

- Chapter Eleven: The thesis concludes with the possible limitations of the research and provides suggestions for further directions for research.

## CHAPTER TWO: BACKGROUND ON SAUDI ARABIA

---

### 2.1. Introduction

There has been increased awareness in management theory of the role that the ‘macro’ context may play in explaining individual behaviour in organisations (Johns, 2006, Roberts et al., 1978, Hitt et al., 2007, Rousseau and Fried, 2001). The context includes the broader social environments (such as national culture) (e.g., Bamberger and Biron, 2007), external labour markets (e.g., Bacharach and Bamberger, 2003) and industrial and economic characteristics (e.g., Rowley et al., 2000). Cappelli and Sherer (1991:56) define context as *‘the surroundings associated with phenomena which help to illuminate that [sic] phenomena, typically factors associated with units of analysis above those expressly under investigation’*. Along these lines, organisational attributes are classified as the setting for distinct members, whilst the setting for organisations is the external environment. Mowday and Sutton (1993:198) describe context as *‘stimuli and phenomena that surround and thus exist in the environment external to the individual, most often at a different level of analysis’*. In line with Layder’s domain theory, this research argues that it is impossible to understand organisation activities without taking into consideration the wider context in which such organisations operate. Layder (1998) emphasises that organisations should not be examined in isolation from the macro-context, which comprises a number of different facets, including economic, legal, political and socio-cultural, all of which together shape the environment of social activity.

The purpose of this chapter, therefore, is to provide an overview of the Saudi Arabian context which might explain some of the behaviours of individuals, groups and organisations. According to Rousseau and Fried (2001:1), *‘contextualisation entails linking observations to a set of relevant facts, events, or points of view that make possible research and theory that*

*form part of a larger whole*' (2001: 1). They assert that such contextualisation makes data analysis and interpretation more accurate and robust (Rousseau and Fried, 2001). Thus, in an effort to gain a comprehensive insight into organisational practices in Saudi Arabia, it is essential to understand the economic, political and social context of the country within which such organisations operate. This chapter provides a background of the Saudi Arabian government path to localisation so as to highlight the employment laws underlying particular organisational practices. More specifically, the chapter places emphasis on the consequences of drawing upon such a contextual setting.

## **2.2. Saudi Arabian Economic Development**

Today, the Kingdom of Saudi Arabia is recognised as the most large-scale producer and exporter of oil across the globe. Is one of the richest countries in the Middle East with an estimated population of 27 million (Torofdar, 2011). The economy of Saudi Arabia is founded in oil, with heavy government controls centred upon key economic actions (Mellahi, 2007b). The government of Saudi Arabia is a monarchy, founded by King Abdul-Aziz Al-Saud in 1932, based on a tribal system. Tribal structures are nomadic groups defined by patrilineal lineage that unify individuals into larger segments. Members of a tribe claim higher status and the purity of blood and origin (Al-Rasheed, 2010). Tribal tradition and the related collectivistic culture advocate mutual solidarity and support amongst extended tribe members (Abdalla and Al-Homoud, 2001). Within such societies, therefore, the self is defined in relation to tribe members (Kabasakal and Bodur, 2002), and self-interest is subordinate to the interests of the tribe. Importantly, the head of the government and head of the tribe are roles adopted by the king, who has ultimate authority in the country (Torofdar, 2011). The country's official religion is Islam and the official language is Arabic. Saudi

Arabia is considered to be unlike any other country in the world owing to its deep association with Islamic religion and its culture (Mellahi and Budhwar, 2010).

The economic development of Saudi Arabia was marked by the discovery of oil and oil-generated revenue in the country throughout the 1970s. An unexpected oil boom and the rapid increase in oil prices resulted in the creation of vast wealth (Alzalabani, 2004). This relatively sudden economic boom in Saudi Arabia had an impact on the overall structure of society at all levels. The government implemented an extensive development plan, which involved investing in hospitals, housing projects, transportation, universities, schools, airports, and other development schemes (Mellahi, 2000, Mellahi, 2007a). However, such enormous projects called for a massive labour force with technical and specific skills, which was lacking in Saudi Arabia. At this time, people in Saudi Arabia did not have the necessary skills, knowledge and technical experience, which meant that large projects relied heavily on workers from abroad (Looney, 2003). In the mid-1990s, in a country of 19 million people, approximately 7 million were non-Saudis, equivalent to at least 60% of the working population (Cooper, 1996, Budhwar and Debrah, 2004).

### **2.3. The Saudisation (Localisation/Nationalisation) Policy**

Reliance on expatriate workers and other factors, such as the increasing degree of misalignment between technical and educational skills and qualifications of the new entrants into the workforce created high levels of unemployment in Saudi Arabia (Ramady, 2013). Underemployment still exists in Saudi Arabia, and is widely recognised by the government as a critical social and economic problem, with the government centred on overcoming the significant obstacle of creating job opportunities for its citizens (House, 2012). The Saudi Arabian government does not formally publish unemployment rates. Nevertheless, the Saudi American Bank (2000) calculate approximately that unemployment rate is around 15–50%.

This statistic was assessed by using demographic data and private-sector employment figures. A more recent statistic offered by the International Monetary Fund indicated that in the second half of 2012, the unemployment rate was 12%, with as many as one in three of all younger individuals unemployed (IMF, 2013).

Whilst the unemployment rate has rapidly increased since the late 1980s, the first initiative introduced by the Saudi Arabia government to reduce unemployment amongst nationals in the mid-1990s was referred to as the Saudisation policy (Al-Dosary and Rahman, 2005). Saudisation is a localisation programme imposed by the Saudi government with the aim of reducing reliance on an expatriate workforce in the private sector (Looney, 2004b). The aim of Saudisation is to recruit and retain qualified, trained and knowledgeable labour through a well-devised plan, replacing the current expatriate labour force, which will help to create a local workforce that caters to the needs of the economy (Kamal and Al-Harbi, 1997, Mellahi and Al-Hinai, 2000). The programme incorporates three key objectives, detailed below:

- To enhance levels of employment for Saudi citizens, spanning the domestic's economy's industry as a whole.
- To decrease and overcome the issue of overdependence on foreign labour.
- To direct income and investment back into the country as opposed to the home countries of foreign labour (Looney, 2004b).

To promote Saudisation, the programme has undergone a number of different phases:

- Mid-1990s: The fees for recruiting expatriates were increased by the Saudi government, and private organisations were required to decrease the number of non-Saudi employees by 5% and accordingly increase the number of their Saudi employees.

- 2001: An objective was established by the Ministry of Labour (MOL) to achieve 25% Saudisation across the private sector, with a number of positions to be held only by Saudi citizens.
- 2003: The government started to apply the Saudisation metric to private organisations, aiming to reduce the total percentage of foreign employees to just 20% of the populace (Al-Dosary and Rahman, 2005).
- 2011: The ‘Nitaqat’ scheme was introduced by the MOL to increase the efficiency of the Saudisation policy. The ‘Nitaqat’ programme classifies organisations into two zones according to the percentage of its national workforce. When an organisation falls into the ‘red zone,’ it is allowed to obtain visas for expatriate workers, whilst organisations in the ‘green zone’ are considered satisfactory (Sadi, 2013).

A range of different penalties were also implemented in order to boost adoption by employers (Madhi and Barrientos, 2003, Al-Dosary and Rahman, 2007). Accordingly, any organisations not adhering to the stipulations could suffer the following consequences:

- All applications for the employment of additional foreign labour would be frozen.
- Applications centred on the renewal of residence permits for present foreign labour would be frozen.
- Government-facilitated financial support and tenders would no longer be offered.
- Government-provided facilities and subsidies would no longer be offered.

In practice, however, despite the laws and regulations, private sector employment amongst nationals experienced very little change. Some organisations managed to manipulate the system in an effort to avoid such punitive consequences; for example, some business owners

reached the minimal percentage of national employees set by the MOL by registering family members and relatives as staff, when they were, in fact, not real employees (Mustafa, 2013).

### **2.3.1. *Private Sector's Resistance to Saudisation***

The private sectors reluctance to Saudisation has several interconnected explanations. One reason is that new Saudi graduates entering the job market fail to meet business expectations in terms of the quality of their skills, as the present Saudi education system often leaves students lacking the skills required in the modern business world (Wapler, 2001). Studies by the International Labour Organisation (ILO) and the World Bank have suggested that the Saudi educational system is inadequate in terms of providing both men and women with the necessary skills and knowledge to secure employment, with education arguably declining, not only in terms of quality but also in economic significance (Bourland, 2002). In fact, it can be argued that there are significant mismatches between market demands and skill competencies offered by the education system, with the lack of flexibility apparent in the education system causing a significant imbalance between supply and demand. The result is that young people are often lacking the necessary skills to effectively compete for private-sector employment (Bhuian and Al-Jabri, 1996, Bhuian et al., 2001), although it can be argued that private organisations could provide in-house training and traineeship programmes for new entrants. However, for owners, it has been more practical to employ expatriate workers, as they already have all the necessary skills and qualifications. In complete contrast, however, Saudi employees rarely start working without undergoing a training programme leading to extra costs incurred if Saudis are employed (Al-Nemer, 1993).

Second, in terms of labour costs, expatriate workers' wages are considerably lower than Saudis, as they usually come from poor countries. Overall, wages are 25–50% of those that might be paid to Saudi workers. On average, non-Saudis earned 33% of what Saudi nationals

earned (Mellahi and Al-Hinai, 2000). Mellahi and Wood (2001) argue that Saudis will expect almost six times the wage a trained and skilful expatriate employee would be willing to work for, and ‘will not work as hard’. Expatriate workers from developing countries accept lower wages owing to the fact they are still paid more than would be provided in their home countries (Owen and Van Hear, 1985). Nonetheless, for Saudi employees, the high living costs in the country mean the level salaries paid by the private sector are inadequate for financing an acceptable living standard for them and their families (Atiyyah, 1996, Mellahi and Wood, 2001, Alogla, 1991) .

The third reason is centred on discipline and control. Several scholars (Atiyyah, 1996, Lumsden, 1993) argue that expatriate employees in Saudi Arabia essentially are better disciplined than Saudi employees, which may be attributed to the fact that work permits are granted in Saudi Arabia only for a period of 12 months for particular jobs in certain organisations, meaning staff are not able to leave one organisation and work for another without first garnering permission from their sponsor or employing firm. Accordingly, turnover in the domain of foreign labour is not an issue (Mellahi and Al-Hinai, 2000). This is in contrast to the high turnover amongst Saudi employees who regularly try to find better opportunities and higher salaries in other companies (Madhi and Barrientos, 2003). Moreover, if organisations are unhappy with their foreign employees, they can simply terminate their contracts; however, in the case of Saudi employees, contracts cannot be easily terminated (Looney, 2004b).

### **2.3.2. *Impact of Social and Cultural Factors on Saudisation***

The most significant factor why there is still a reliance on an expatriate workforce are social attitudes and cultural values, which have an impact on Saudi Arabia organisations’ ability to recruit and retain qualified Saudi employees (Mellahi and Wood, 2001). Many Saudi

employees will not accept any type of manual or vocational work as they only consider managerial and government jobs to be prestigious (Al-Dosary and Rahman, 2007). This is because in a high-status culture context, such as that which characterises Saudi Arabia, an individual's social status, as well as that of his/her family, depends on the work role, social interactions at work, and the sector in which an individual is employed. Generally, the whole Saudi society holds a negative image of manual jobs. Saudi nationals refuse to perform manual work because such work is associated with low-paid expatriates; thus, only a minority of poor Saudis are expected to perform such jobs. Even before the increase in expatriate numbers, such positions were assigned to those recognised as having a low social status, with a great deal of limitations imposed upon them in terms of social interaction (Atiyyah, 1996). Accordingly, a large portion of technically trained, skilled nationals do not accept positions in their particular area of specialisation because they would rather work in an office or as a manager (Madhi and Barrientos, 2003).

The limitations placed upon female staff as a result of social norms have also been pivotal in limiting their involvement in terms of employment (Hamdan, 2005). Women account for 60% of college graduates in Saudi Arabia but only 15% of the national labour force consists of women (UNDP, 2010). Moreover, holding a university degree does not guarantee employment for females. Seventy-eight percent of unemployed women are university graduates, with more than 1,000 holding a doctoral degree. In contrast, 76% of unemployed men have only secondary education or less according to data from the Central Department of Statistics & Information (CDSI, 2014). This situation may exist for a variety of reasons. The main issue is that since the female role within Saudi society has traditionally been one of a wife and mother, their slow shift to being part of the workforce has been met with scepticism, much discussion and negativity. Social traditions continue to play a role in restricting the degree to which females are employed. In addition, whilst women's rights exist, government

legislation acts as a barrier to women's participation in the workforce. One obvious example of this is the on-going need for Saudi businesswomen to have a 'wakil', which is a male guardian (Al-Ahmadi, 2011). One further limitation imposed by law is the fact that females are not permitted to drive, which creates another obstacle in pursuing a career. Whilst the Saudi economy is based on oil and gas, women's education is limited to subjects such as social science, religion, math, etc. Much dependence is placed on rote learning with inadequate attention directed towards the promotion of analysis, communication and creativity, problem-solving and skills development (Metcalf, 2007). Finally, there are no policies regarding childcare, parental leave, and other family-friendly benefits, such as flexible working hours, which means females cannot easily work full time and they become mothers (Mellahi, 2007a). All of these socio-cultural and political complexities have restricted educated women from becoming part of the workforce.

### **2.3.3. *Preference among Nationals for Public Sector Jobs***

Saudi national unwillingness to work in the private sector is one of the major difficulties associated with the success of localization in Saudi Arabia. Saudis in general find working in the public sector more attractive. There are several reasons for this. First, the working hours in the private sector are considered quite long, with eight to nine hour-days divided between morning and afternoon periods. By comparison, the public sector offers long weekends and shorter working days, which often finish at 2:00 p.m. (Madhi and Barrientos, 2003). Secondly, promotions and salary raises in the private sector are not automatic, unlike those in the public sector. Thirdly, supervision of employees is stricter in the private sector, and there is less acceptance of poor performance. Fourthly, early retirement with a pension is given in the public sector (at the age of 45 years with 20 years of service), which allows employees to exit the salaried labour force and typically own private businesses (Al-Asmari, 2008,

Alsahlawi and Gardener, 2004, Al-Salamah and Wilson, 2001). Therefore, regardless of the government's many attempts to guide young Saudis into work in the private sector and after recognising the public sector's failure to provide sufficient number of jobs, employment amongst nationals in the public sector remains the preferred option due to better conditions, and social status associated with government employment.

As noted above, the challenges were, and remain, concerned with addressing the problem of high unemployment amongst young Saudi graduates, and simultaneously re-nationalising the workforce. Although the Saudi Arabian government had initiated the Saudisation policy to address those problems, the approach was ambitious rather than practical. The unemployment rate has not change significantly since the launch of the Saudisation police. An estimate of 10.5% of nationals remained unemployed in 2013 (CIA, 2013).

#### **2.4. The Government's Initiatives for Promoting Saudisation: Reforms in Education and Training**

Recognising that Saudi citizens lack the necessary expertise to achieve the Saudisation target, many reforms in education were initiated by King Abdullah and centred on achieving the ultimate vision of Saudisation. For example, the Saudi government invests SR9 billion each year in the King Abdullah Foreign Scholarship Programme, providing full funding for 125,000 high-achieving Saudis to pursue studies in bachelors, masters or doctoral programmes abroad (MOHE, 2014). Moreover, beginning in 1999, in an effort to support the Saudisation vision, the government established a number of supporting bodies, such as the Human Resources Development Fund (HRDF) and the Co-operative Training Scheme for Saudis. These supporting bodies were established in order to provide grants for employers in the private sector to recruit and train Saudis (HRDF, 2014). However, in spite of the

substantial government contributions, recent research indicates that HRDF results have been limited (Torofdar, 2011, Achoui, 2009).

Political pressures have been associated with the unemployment of young Saudis, 60% of whom are under the age of 40. Explicit pressure has been placed on private organisations to create employment opportunities for national workers (Mellahi, 2007b, Looney, 2004b). Private organisations have been encouraged by the government to enhance their Saudi human capital of young Saudis by providing international education and training for their staff (Looney, 2004a). The Saudi government strongly believes that providing the Saudi nationals with international experience will help to build the necessary national workforce that will contribute to the country's future (Madhi and Barrientos, 2003).

## **2.5 Conclusion**

The chapter discussed the constraints facing the Saudi government's ongoing attempts to achieve Saudisation. The aim of the chapter was to highlight the wider organisational context towards improving the Saudi market entrants through international education and training. Those initiatives were introduced by the Saudi government to enhance their Saudi human capital by providing international education and training for citizens. As a result, large Saudi organisations were encouraged to invest heavily in sending their employees overseas in order to compete in the global market and accordingly meet the demand of the Saudi employment market.

## CHAPTER THREE: SAUDI ARABIAN NATIONAL CULTURE CONTEXT: THE STRUGGLE BETWEEN MODERNISATION AND CULTURAL CONSERVATION

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### 3.1. Introduction

A key macro-context element that may be essential to set the experiences of Saudi repatriates in a historical and socio-economic context are the cultural components, such as values, norms and behaviours that represent Saudi Arabian society. Layder (1998) highlights that the feature that cultural elements have in common with other macro features (political, legal, economic) is that they are part of a broader context in which activities occur and, are affected. Thus, the aim of this chapter is to present a synthesised analysis of the literature on national culture in general and Saudi Arabia's national culture in particular. More specifically, the chapter will focus on dominant Saudi Arabian cultural values in order to identify the potential key cultural dimensions that have a positive or negative impact on the repatriation process and repatriates' psychological contract.

### 3.2. National Culture

Culture is a complicated, multifaceted concept that is manifest in the values and norms governing behaviour in everyday life interactions across society. Craig and Douglas (2006) adopt the view that culture is apparent in the norms and values characterising societies. The wide-ranging nature of culture definitions available in the literature reflects the complexity of the concept. In the dated, but nonetheless, extensive review of culture by Kroeber and Kluckhohn (1952), the scholars critically list more than 160 definitions of the concept with which they were mostly dissatisfied, and accordingly they devised their own definition. Culture, according to Kroeber and Kluckhohn (1952:157), is *"a product; is historical;*

*includes ideas, patterns, and values; is selective; is learned; is based upon symbols; and is an abstraction from behaviour and the products of behaviour".*

In an ongoing debate, some scholars adopt the traditional view that culture is a 'subjective' phenomenon that can be isolated for analysis comparison (Alexander and Seidman, 1990). Hofstede (1980), for example, emphasizes this position, describing culture as a 'mental programme' and '*the collective programming of the mind which distinguishes the members of one human group from another*' (Hofstede, 1983:25). From this functionalist perspective, culture is viewed as an autonomous phenomenon with fixed and unmoving borders, which can be isolated for analysis and measurement (Alexander and Seidman, 1990). Scholars who believe in and maintain the more 'objective' measures of organisational culture tend to place emphasis on individual distinct cognitive structures and mind-sets (Yanow and Ybema, 2009).

Whilst many scholars have challenged such conceptualisations where culture is treated as a variable rather than an approach to be studied (Clifford, 1988, Ceertz, 1973), those scholars commonly implement a notably more interpretative perspective, seeking out culture expression in empirically observable behaviours and actions. For example, Tylor (1881:1) described culture as '*that complex whole which includes knowledge, belief, art, morals, law, custom and any other capabilities and habits acquired by man as a member of society*'. Prior to this, Parsons and Shils (1951:14) suggested that culture is '*a set of values, norms, and symbols that guide individual behaviour.*' Also, Herskovits (1955:305) argues that there '*is a general agreement that culture is learned; that it allows man to adapt himself to his natural and social setting; that it is greatly variable; that it is manifested in institutions, thought patterns, and material objects*'. In recent literature, Leung et al. (2005) assert that culture can

be viewed as a multi-layered concept present at several levels, including national, organisational and group cultures, all of which encompass the individual.

Whilst debates continue, in the literature there is some agreement that culture is related to a group of people who share a common understanding and interpretation of the things around them. Essentially, it is a shared system of meaning (Trompenaars and Hampden-Turner, 1998) that distinguishes members of one group from another (Hofstede, 1983). Culture, in this research, may be viewed as the way of life of social groups in terms of the shared values, beliefs, practices and symbols that have formed and been learned over a relatively long period amongst individuals belonging to a group or society. Such a perspective is relatively comparable to the interpretative perspective adopted by academics in the field, such as Clifford (1988), Geertz (1973b) and Marcus and Fischer (1999), who consider culture to be an understanding of meaning in what may be described as a culturally-founded world. This research adopts an interpretive approach to studying culture rather than a positive functionalist approach. As opposed to aiming to generate the findings, the research aims to generate situation-specific knowledge reflecting Saudi national values as well as the researcher's own interpretations and understandings of such values.

### **3.3. Approaches to the Study of Culture**

When reviewing the literature, it is clear that there is considerable disagreement amongst scholars about which beliefs, values and norms should be assessed to represent the concept of culture. There are at least six models of national cultural dimensions, which continue to be widely cited and utilised in organisational research. These include models proposed by Kluckhohn and Strodtbeck (1961), Hofstede (1983), Trompenaars and Hampden-Turner (1998), Hall and Hall (2001) and House et al. (2004). Each model highlights various different aspects of societal beliefs, norms and/or values. Most of the models have been derived from

quantitative methods that have used large-scale surveys to claim generalisation and universal applicability (Denison et al., 2003).

From this perspective, culture may be viewed as uniform phenomenon. Whilst this research rejects the unitary approach to culture, it will draw on measures in order to acknowledge the strong Saudi Arabian culture. In particular, the Hofstede and the Global Leadership and Organisational Behaviour (GLOBE) models will be discussed critically in an effort to understand the potential influence of national culture on organisations' practices and repatriation processes. These two models have been selected, because both have been studied and measured aspects of Arab national culture. GLOBE's cultural framework is deployed in this research as it offers the most recent data covering the Arab cluster. Nevertheless, Hofstede's culture model will be discussed next as the GLOBE model is an extended model grounded in Hofstede's research.

### **3.3.1. *Hofstede's Culture Module***

Hofstede's framework is acknowledged as being the most commonly utilised national cultural model in a number of different domains, including management, marketing, psychology and sociology studies (Steenkamp, 2001). Hofstede's cultural dimensions were used to discover the effects of national cultural variation. In his studies, he argued that cultures can be compared across five different dimensions, all of which are common to every country (Hofstede, 2003, Hofstede et al., 1990). The dimensions are individualism/collectivism, uncertainty avoidance, power distance, masculinity–femininity, and long-term orientation. Hofstede's five cultural dimensions are detailed in Table 3.1 (see Appendix I).

Hofstede (1980) research did not explicitly classify Saudi Arabia, but rather associated it with the Arab cluster, which consists of six countries. Although it can be argued that the Arab

region has many similarities in terms of religion, history and language, Robertson et al. (2001) assert that, amongst Arab countries, there are a number of cultural differences. In an effort to address the gap in Hofstede's research, Bjerke and Al-Meer (1993) conducted a study with Saudi MBA students and managers using Hofstede's dimensions. Table 3.2. compares Bjerke and Al-Meer's results for Saudi Arabian managers with the results for US managers, as garnered by Hofstede (1991).

Table 3.2: Comparison of Saudi and US Managers

Source: Saudi data from Bjerke and Al-Meer (1993); U.S data from Hofstede (1991)

Cultural dimension	Saudi Arabia	United States
Power distance (Range 140-11)	High Power-Distance 73	Low Power-Distance 40
Uncertainty avoidance (Range 112-8)	High Uncertainty Avoidance 74	Low Uncertainty Avoidance 46
Individualism/ Collectivism (Range 91-6)	Low Individualism 44	High Individualism 91
Masculinity/ Femininity (Range 112-8)	Low/medium Masculinity 43	High/medium Masculinity 62

When compared, it is clear that the Saudi Arabia ratio is significantly high on power distance (centralisation of authority and variation in the hierarchical structure), high on uncertainty-avoidance (preference and adherence for regulations and policies), comparably high on collectivism (loyalty and dedication to the group), and low on the masculinity dimension (i.e., its tendency towards friendly relationships and affiliation).

### 3.1.1.1. Critique of Hofstede's Framework

Since this research draws on the GLOBE cultural module developed by House et al., which is built on the foundation of Hofstede's framework, it is important to highlight the critique of Hofstede's work in order to appreciate House et al.'s attempt to overcome those limitations.

Hofstede's work has been criticised by many scholars for considering the population as homogenous in its entirety, whereas the majority of nations are recognised as groups comprising ethnic units. Importantly, it has been stated that his work has failed to consider the importance of community, and further neglects to take into account the differences of community influences (Smith, 2006, Dorfman and Howell, 1988, Jones, 2007). Nonetheless, the research is distinctive in the ways in which it proposes a mechanism through which a culture-value is attributed to particular categories of the population, as established by geographical boundaries. However, the limitation of this approach is that it does not take into consideration the subcultures and the strong internal cultural differences that could potentially exist within national geographic boundaries (Straub et al., 2002).

Furthermore, the sample utilised by Hofstede had professional experience only in the IT sector and only in one company, IBM. Therefore, it is important to consider the extent to which each IBM unit can be viewed as 'culturally characteristic' of the country in which it is based (Mead, 1998). Sivakumar and Nakata (2001) further insist that Hofstede's study is actually an organisational culture study as opposed to a study of national culture, as research utilising one organisation is not sufficient in providing data and understanding relating to national cultures as a whole.

Hofstede's empirical work on IBM took place from 1967 to 1973. The data are, therefore, potentially out-of-date, especially when taking into account the significant changes spanning the globe across organisations during recent years, including convergence, internationalisation, and globalisation. However, Soares et al. (2007) justify the validation of such dimensions by claiming that even if cultures change, this change is very slow, and relative cultural variations can persist (Soares et al., 2007).

Scholars have also criticised the process of identifying cultural dimensions, stressing that surveys are not an appropriate way of measuring cultural differences (Albers-Miller and Gelb, 1996, Lenartowicz and Roth, 1999). This may be particularly clear when the variable undergoing measurement is subjective and sensitive from a cultural perspective. This criticism is, however, addressed by Hofstede, who states that surveys were only one of several methods used (Hofstede, 2003). However, this does not justify his tendency to oversimplify complex social phenomena, as he expected that the responses to value questions in the surveys would, in fact, correspond to the operative values of managers. Even if they do, it is not clear at all whether the values held are actually manifested in behavioural outcomes. Furthermore, in itself, the bipolarised techniques are not sufficient in dealing with the complexity, diversity and dynamism associated with various cultures, nor does it give credibility to the potential effects of other variables, including official models, competitive environment, corporate cultures, and sector/industry imperatives (French, 2010). Moreover, others have called into question the overall applicability of the dimensions across all cultures, stating that *'one can conjuncture that other types of samples might yield different dimensions and order of nations'* (Schwartz, 1994:90).

A very extensive critique was developed by Baskerville-Morley (2005), who highlighted a number of further criticisms. For example, Baskerville-Morley (2005) argues that Hofstede assumed the uniformity of national culture overlooking the substantial variations within countries, but neglected to take into account such aspects as legal, social, political and economic impacts on culture. This limitation has been acknowledged in the extended literature on national culture (Alexander and Seidman, 1990, Harrison and McKinnon, 1999, McSweeney, 2002, Doupnik and Tsakumis, 2004).

Although the criticisms are sound, Hofstede's research has had a remarkable impact on academic research; i.e., the work is most useful when its limitations are respected. Baskerville (2003:14), who extensively criticises the use of Hofstede's (1980) five cultural dimensions, states, '*Researchers who utilize these dimensions successfully should be prepared to include in their application of the cultural indices a consideration of how their research addressed the problems of the concept of nations versus cultures, and the problems inherent in the universalist approach.*' As such, reviewing the critique of Hofstede's (1980a) model suggests that researchers utilising the framework should take into account its intrinsic limitations. Moreover, a great deal of the critique will perhaps hold in Western culture; however, it is likely that it will have less relevance in Eastern culture. Undoubtedly, when values that appear extremely visible to other parts of the world are the main focus, it is clear that some of the critiques would not hold.

The GLOBE cultural module and dimensions suggest that there are several other cultural dimensions explaining how societies differ, and these will be applied in this research. The GLOBE framework extends Hofstede's work. Essentially, the research provided validation for the five dimensions of Hofstede's work, but further incorporated other dimensions. It gives a more up-to-date measure of how different countries fare in regard to each of the elements. Nonetheless, it remains subject to some of the criticisms.

### **3.3.2. *Overview of the GLOBE Culture Framework***

The GLOBE research scheme was devised in an effort to conceptualise, operationalise, test and accordingly authenticate links between culture and the overall efficiency of leadership. Essentially, the GLOBE model can be defined as a programmatic research attempt centred on examining the complicated effects of culture on leadership, organisational effectiveness, societies, economic competitiveness, and the condition of members of societies under

examination. In an effort to address these issues, an extensive quantitative and qualitative study, comprised of 62 cultures, was conducted (House et al., 2004).

The underlying meta-goal of the GLOBE model was centred on building an empirically-based theory with the potential to explain, provide insight into, and estimate the effects of particular cultural dimensions on various organisational processes and the overall efficiency of such methods (House et al., 2004). Importantly, the theoretical underpinning centred on guiding the GLOBE research programme can be described as a combination of implicit motivation theory (McClelland, 1985), implicit leadership theory (Lord and Maher, 1991), structural contingency theory of organisational form and effectiveness (Hickson et al., 1974), and value/belief theory of culture (Hofstede, 1983).

Markedly, the first significant concern emphasised during the project centred on differentiating elements of organisational and societal cultures. This matter was addressed by developing 735 questionnaire items on the basis of prior literature, and accordingly integrating their theory. Respondents to the questions were middle managers in three selected industries, namely financial services, food processing and telecommunications. Data were collected from approximately 17,000 managers in 951 non-multinational organisations across the world. The analysis of the questionnaires, in conjunction with an in-depth review surrounding present organisational and cultural theory, focus groups and interviews spanning different cultures subsequently achieved the recognition and classification of nine key cultural attributes. These cultural aspects included power distance, institutional collectivism, in-group collectivism, future orientation, performance orientation, gender egalitarianism, assertiveness, uncertainty avoidance and humane orientation. Table 3.3 provides definitions of these cultural dimensions (House et al., 2004).

Table 3.3: Definitions of the GLOBE culture dimensions

Source: House et al. (2004:11)

<b>Power distance</b>	The degree to which members of an organisation or society expect and agree that power should be stratified and concentrated at higher levels of an organisation or government.
<b>Institutional collectivism (collectivism 1)</b>	The degree to which organisational and societal institutional practices encourage and reward collective distribution of resources and collective action.
<b>In-group collectivism (collectivism 2)</b>	The degree to which individuals express pride, loyalty, and cohesiveness in their organisations or families.
<b>Future orientation</b>	The degree to which individuals in organisations or societies engage in future-oriented behaviours such as planning, investing in the future and delaying individual or collective gratification.
<b>Performance orientation</b>	The degree to which an organisation or society encourages and rewards group members for performance improvement and excellence.
<b>Gender egalitarianism</b>	The degree to which an organisation or society minimises gender role differences while promoting gender equality.
<b>Assertiveness</b>	The degree to which individuals in organisations or societies are assertive, confrontational, and aggressive in social relationships.
<b>Uncertainty avoidance</b>	The extent to which members of an organisation or society strive to avoid uncertainty by relying on established social norms, rituals and bureaucratic practices.
<b>Humane orientation</b>	The degree to which individuals in organisations or societies encourage and reward individuals for being fair, altruistic, friendly, generous, caring and kind to others.

The GLOBE model offers the most recent data gathered in the Arab cluster, conducted during from 1994 to 1997. It appears to overcome some of Hofstede's model's limitations, because of its partial reliance on the use of surveys. House et al. also used various qualitative approaches in an effort to garner in-depth, rich data relating to cultural influence on organisations' processes. Importantly, qualitative culture-specific understanding relating to local behaviours, norms and practices was achieved through content analysis from data derived from both focus groups and interviews (House et al., 2004). In contrast to Hofstede, the principal research investigator, the GLOBE study was a collective attempt by a total of 170 different scholars.

In the GLOBE framework, culture is defined as: ‘*a set of shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives and are transmitted across age generations*’ (House et al., 2004:5). It was operationalised by the use of measures reflecting two types of cultural manifestations: firstly, the cohesion between collectives’ members in terms of the various psychological characteristics detailed previously; and secondly, the cohesion of both reported and observed practices of different groups, whether economic and legal systems, families, political institutions, schools and work organisations (House et al., 2004).

Accordingly, the more common cultural attributes are recognised as guides for communal modal values of collectives. Such values were communicated in relation to various questionnaire items through views and perceptions of ‘*what should be*’. Directing attention towards values increases as a result of an anthropological tradition of cultural evaluation (Kluckhohn and Strodtbeck, 1961). One further approach to modal and cultural practices was assessed through indicators centred on ‘*what is/what are*’, as well as customary behaviours, institutional practices, exclusions and prescriptions. Such an evaluation method centred on cultural stems and developed from behavioural and psychological customs through which the assumption was made that shared values are induced as a result of behaviours, policies and practices (House et al., 2002). This was achieved by asking respondents to indicate the way things are in their society, i.e., in terms of societal practices. Responses also centred on how they believed things should be in their society; this was intended to represent a proxy for their values (House et al., 2004).

The GLOBE integrated theory has a key underlying principle, which is that entities and attributes that distinguish among different cultures are prognostic of the organisation’s practices, and the behaviours and attributes of the leaders that are most widely implemented,

are thus considered effective and acceptable in such a culture. In the context of this study, it is assumed that these have some impact. Moreover, societal culture is recognised as having a direct impact on the overall culture of a firm owing to the fact that the shared meaning induced as a result of dominant cultural assumptions, beliefs, implicit motives and values all result in common implicit organisational understandings held and adopted by members of the culture (House et al., 2004).

The overall validity and appropriateness of the GLOBE cultural value dimensions remains under debate as the study is considered to be relatively recent. Some features of the research, namely the inclusion of nine dimensions, the element under examination and measurement by the GLOBE, the link between dimensions and prior research, and various other unanswered considerations associated with the methodology, remain under debate (Earley, 2006, Hofstede, 2006, Leung, 2006, Smith, 2006, Waldman et al., 2006). These will be discussed in the following section.

### **3.2.2.1. Critiques of the Globe Research**

McCrae et al. (2008) assert that the GLOBE study is very similar to other cultural comparison studies. Culture was measured using a series of self-report survey questions with Likert-type response scales, which they argue, measure somewhat groundless typecasts and categories as opposed to more objective aspects of society. Nonetheless, it is important to remember that the GLOBE's research is distinct in one critical way: it separately assesses cultural practices and values, meaning it delivers two different types of cultural indices (Taras et al., 2010). This is important owing to the fact that it has been long recognised that culture is a multi-layered construct, repeatedly symbolised by the analogy of an 'onion', with cultural values at its centre, and the outside layers represented through other elements, including artefacts, practices and traditions (for example: Hofstede, 2001).

At a methodological level, Maseland and Van Hoorn (2010) suggest that the GLOBE questionnaire assesses managerial standards as opposed to measuring cultural values. Emphasising this point, they indicate that *'we need to look at alternatives to the stated preferences approach, such as revealed preferences and experienced preferences'* (Maseland and Van Hoorn, 2010:1328). This suggests that the most commonly utilised instrument for cultural measurement, the self-reported questionnaire, has one key weakness, which is the fact that it does not have the capacity to capture essential cultural values, but rather evaluates marginal preferences. Essentially, the proposition made by Maseland and Van Hoorn creates a foundation for questioning the overall utility and validity of the majority of past studies on cultural values, especially those studies that have operationalised cultural values through self-reported questionnaires.

In response to Maseland and Van Hoorn's suggestion of using the revealed preference methodology as opposed to the conventional self-response surveys to observe values, Brewer and Venaik (2010) point out that self-report questionnaires have their limitations, as does highlighted preference methodology. They further state that the preference methodology approach is commonly utilised by mainstream economists, as they are likely to consider that basic values cannot be measured directly. In preference research, the decisions that are made by subjects are known outcomes, despite the fact that they are dependent on the subject's own viewpoints and opinions on what might or might not be seen as exact (Hensher, 1994). Accordingly, whilst the GLOBE questionnaire might have some limitations compared to use methodological approaches that purport to measure national culture, it is impossible to assess whether it is a measure of managerial rather than cultural preference unless evidence is provided to prove this. In addition to the questionnaire methodology, the GLOBE project adopts a wide range of qualitative analysis methods, including media analysis, individual and focus group interviews, archival data and unobtrusive measures in an integrated approach.

This is especially crucial owing to the fact that the archival data acted as a method of achieving construct validation concerning the dimension scales of the culture. Moreover, it also assisted in determining the relationships between the culture dimensions and important economic and human condition variables (House et al., 2006).

In a recent critique, it was argued that a number of the GLOBE scales measure unsupported stereotypes instead of objective characteristics of the culture under study (McCrae et al., 2008). This is due to issues surrounding the phrasing of questions. Most researchers in the field of culture question subjects about their views, emotions, and values, and take the responses and combine them in order to characterise the culture. In contrast, GLOBE researchers '*used respondents as informants to report on the gestalt of their cultures*' (Javidan et al., 2006:900). For example, subjects were questioned as to whether, in their culture, parents share the same house as their grown-up children. Answers to such questions depend on the subjects' knowledge relating to local family traditions, as well as whether such individuals in their society are aggressive or non-aggressive. Importantly, this means that a judgment of more distinctive personality traits is carried out (Smith, 2006). Therefore, according to McCrae et al. (2008), GLOBE scales measure unsupported stereotypes, however, Wan et al. (2007) strongly argue that stereotypes can prove to be prevailing social dynamics—even if they are unsubstantiated. As Schneider (1996:432) points out, '*It is hard to escape the notion that cultures provide much of the content of stereotypes; they tell us what to think*'. Without a doubt, culture is a primary, inescapable aspect of context, which has a direct impact on the ways in which people behave, feel and think. Culture originates from a number of different features inherent in society, including demographic, ecological, economic, genetic, geographic and historical factors (Cuddy et al., 2009). Hence, specific group stereotypes vary cross-culturally. Thus, from a subjectivist's standpoint, these

particular stereotypes can be good indicators of the apparent differences between and across cultures.

### **3.2.2.2. Rationale for the Use of the GLOBE Model**

The clustering labels ultimately utilised by the GLOBE were centred on the findings achieved after conducting the GLOBE analysis, as well as previous empirical research and a number of other factors, including common language, geography, historical accounts and religion, for example, with a significant degree of input from GLOBE research (House et al., 2006). The GLOBE study is unique in one important way: the scales were devised through the application of a multistage approach in which qualitative assessments of the nine dimensions (for example, item review, Q-sorting, translation and back translation) were completed prior to a more quantitative assessment of scales' properties (for instance, multilevel confirmatory factor analysis, correlation analysis). Across the literature, it is clear that the cultural dimensions and constructs of the GLOBE research are grounded in well-defined theories, such as those offered by Kluckhohn and Strodtbeck (1961), Hofstede (1983), Schwartz (1994), Trompenaars and Hampden-Turner (1993), as the GLOBE analysis proposed an integrated theory.

No research method is perfect; nevertheless, the reviews of the way in which the study was conducted and its critiques suggest that it provided a very good attempt to study national culture and here the GLOBE research was chosen over Hofstede's. One of the main advantages of using the GLOBE models is that, whilst Hofstede's survey was conducted in the early 1980s, the GLOBE research was conducted in the early 1990s. Since cultural values might change over time, the GLOBE scores perhaps provide more recent cultural values. Furthermore, GLOBE measurements were obtained from thousands of middle managers in

different organisations (House et al., 2002), and middle managers are the focus of this research, which is similar to the research sample.

In this study, societal practices and values, as based on GLOBE's determinations for the Arab cluster (Qatar, Morocco, Turkey, Egypt and Kuwait) are equated with Saudi Arabia. Saudi Arabia and Bahrain were not involved in the GLOBE project; however, the research applies these GLOBE findings to Saudi Arabia as they are all from the same cultural cluster. The study will argue that from intensive research in the literature, nine geographic clusters have been defined: Anglo, Germanic, Nordic, Latin European, Latin American, Near East, Far East, Arabic and Independents (Ronen and Shenkar, 1985). Notably, according to Hofstede's (1994) findings, Egypt, Lebanon, Libya, Kuwait, Iraq, Saudi Arabia and the UAE can be grouped together to represent the Arab cluster (Kabasakal and Dastmalchian, 2001). Moreover, there are key resemblances in the societal and organisational cultures of Saudi Arabia, and the countries classified in the GLOBE project as belonging to the Arab cluster. They are similar in terms of language and ethnicity, and furthermore, the Islamic religion seems to be an important common element shared by the populations of these countries (Kabasakal and Dastmalchian, 2001). Due to these similarities, it is assumed that GLOBE'S findings on the Arab cluster can be applied to Saudi Arabia.

#### **3.4. Saudi Arabia National Cultural Orientations: Tribalism, Collectivism and High Power Distance**

In this section, the research will present societal practices and values based on GLOBE's dimensions for Qatar, Morocco, Turkey, Egypt and Kuwait and will further seek to compare them to Saudi societal practices that have been discussed in the literature. The Arabic cluster from the GLOBE societal culture dimensions average score for the nine culture dimensions (see Appendix II) highlight that the Arab cluster scores are particularly high on including

group and family collectivism and power distance and particularly low on future orientation and gender egalitarianism (House et al., 2004). The next section will focus on the main cultural characteristics that had a significant impact on the research findings, and will consider this in relation to other available literature of the national culture in Saudi Arabia.

### **3.4.1. High In-group and Family Collectivism**

Traditional Saudi Arabian values mandate mutual solidarity and support amongst extended family members (Abdalla and Al-Homoud, 2001, Barakat, 1993). Across such societies, it is important to recognise, therefore, that the self is often described in direct regard to family members (Kabasakal and Bodur, 2002), whereas self-interest is considered subordinate to the interests of the family. In addition, other in-group relationships, such as friends and tribal members are also very significant (Rice, 2004). Individuals are seen to show significant dedication to their relationships in a network, as friends and family are likely to have expectations of one another. Hence, taking care of others' needs and satisfying expectations is considered to be critical. In such societies, it is typical to help a family member or friend in terms of career in regard to recruitment or promotions (Javidan and House, 2002). These values promote nepotism, known locally as *wasta*. In this way individuals are able to fulfil what society dictates as being their family and tribal responsibilities (Abdalla et al., 1998).

In terms of definition, *wasta* is described as links, preferences or influences, and is a concept stemming from Arabia roots (w-s-T-), communicating the concept of 'middle'. Accordingly, a *wasta* may be defined as an individual acting as a go-between or 'middle man'. This same term, utilised as an abstract noun, concerns the adoption of intermediaries (Cunningham and Sarayrah, 1994). Furthermore, *wasta* has been defined as the involvement of a supporter in favour of an individual to achieve benefits and/or resources from a third party. The concept refers to the process whereby individual goals are achieved, often through personal links with

people in high-status positions derived from family relationships or close friendships (Cunningham and Sarayrah, 1993, Hutchings and Weir, 2006a). In the limited literature on *Wasta*, the concept has been related to Chinese concept of *guanxi* (Smith et al., 2012, Hutchings and Weir, 2006b, Hutchings and Weir, 2006a). However, *guanxi* is founded on the Confucian Theory of Ethics, which focuses on the reinforcement of collective ties (Chen et al., 2004); *wasta*, on the contrary, violates Muslim ethics, which in an organisational setting would imply that people are promoted on merit as opposed to personal connections.

*Wasta* is a way of life; its salience is taken for granted, typical of any strongly shared national cultural characteristic, and significantly influences organisational decision-making. It is implicated in many key activities that enhance careers, such as university entrance, obtaining a job or securing a promotion (Hutchings and Weir, 2006a). People with notable degrees of wealth or holding influential professional positions in either public or private organisations, utilise the *wasta* concept in order to get things accomplished (Cunningham and Sarayrah, 1993). Although *wasta* can prove to be helpful in overcoming bureaucracy, and it can enhance system legitimacy and strengthen family and friendship bonds, it also enables those with family or financial power to benefit disproportionately. More generally, it creates a mind-set of dependency. Essentially, the higher an individual's status in the family, social order or occupation, the better the chance the individual will have in achieving his or her own objectives through *wasta* (Cunningham and Sarayrah, 1993).

Therefore, *wasta* plays a significant role in terms of career success. Moreover, it is fundamental in the promotion- and recruitment-related decisions that are made in the country, meaning professional progression and security are essentially based on *wasta*, rather than management performance or technical ability per se (Rice, 2004). An individual with a strong *wasta*, even if s/he has poor qualifications, will be favoured over an individual who is more

qualified but does not have an appropriate *wasta* (Abdalla et al., 1998, Al-Saggaf and Williamson, 2006). Some commentators suggest that the widespread application of *wasta* has generated a workforce where a great proportion are unqualified and unproductive (Abdalla et al., 1998). In this vein, *wasta* may be seen as decreasing the likelihood of equality, because it confers undue advantages to groups or individuals who may not necessarily merit them. Metcalfe (2006) highlights that training and development opportunities, in addition to managerial recruitment and promotion, largely result from individual relationships and family networks as opposed to ability, in this context. The way in which *wasta* shapes HR practices, however, has not been specifically considered, which is addressed in this research.

### **3.4.2. High Power Distance**

The power distance dimension indicates the extent to which individuals in a country acknowledge and accept equal power distribution in society and organisations (Dorfman and Howell, 1988). It also reflects the degree to which a society accepts inequality between individuals and groups by classifying members in terms of authority, material possessions, power, prestige, status and wealth (Javidan and House, 2001). Societies ranking high in power of distance usually accept the gaps in power, and they often maintain that inequality is present across the globe with everyone holding a predestined position (Robertson et al., 2002). In the GLOBE ranking, the Arabian cluster was rated as high in terms of power distance (see Appendix III) owing to the high meaning attributed to family and various other in-group members associated with the relationship hierarchy (Kabasakal and Bodur, 2002). Absolute loyalty to the father is effectively a requirement for family cohesion. Buda and Elsayed-Elkhouly (1998) reveal that Saudi Arabian families display and teach values centred on respect for authority and their elders, socialising them in a hierarchy centred on familial relationships and ties. In this vein, family members are all expected to adhere to the

directions implemented and choices made by the father figure, and these should not be called into question. Norms established and adopted by the family are also applicable to other societal groups, encouraging power distance inequality acceptance in other settings such as organisations.

In an organisational context, Lee et al. (2005) suggest that managers are expected to adopt a pivotal position when making decisions, as employees both expect and accept the unbalanced power distribution across both society and in organisations. In this regard, Hofstede and his colleagues (Hofstede, 1984, Hofstede and Bond, 1988), amongst others, considered the power distance element to be a fundamental factor in the style of leadership. Essentially, those regions displaying a culture of high power distance show a preference for supervisors implementing a strong directive approach and autocratic leadership. The study carried out by Bhuian (1998) demonstrates that Saudi managers are typically autocratic and paternalistic when making decisions. Bjerke and Al-Meer (1993) attribute the high power distance characterising the country to the Muslim values surrounding respect for authority across Islamic societies, in combination with Bedouin traditions. Bjerke and Al-Meer highlight that management within Saudi Arabia are not accepting of behaviours that are not in line with Bedouin traditions and Islamic teachings. Furthermore, Ali (1993) suggests that the high power distance means a lower degree of tolerance for new concepts, as well as a low degree of initiative shown in terms of inducing change. Atiyah (1999) recognises that businesses operating in the country are, therefore, better positioned to operate like conventional entities, namely tribes or clans, where paternalistic authoritarian managers show great dependence on social leadership skills. Typically, management resort to informal approaches and adhere to social pressures prior to implementing more disciplinary actions.

### **3.4.3. High Uncertainty Avoidance**

The concept of uncertainty avoidance relates to the degree to which individuals want consistency, orderliness and structure, as well as formalised laws and regulations centred on governing their daily lives (House et al., 2004). Those societies that show high degrees of uncertainty avoidance seem to be more keenly positioned in terms of showing a preference for structured lifestyles, and are acknowledged as holding clear requirements regarding social expectations. GLOBE found that Arab nations ranked medium in terms of uncertainty avoidance (see Appendix III). However, when Bjerke and Al-Meer (1993) adopted Hofstede's taxonomy to compare Saudi Arabia with the USA (see Table 3.1), they found that Saudi management scored relatively high in terms of uncertainty avoidance.

Bjerke and Al-Meer (1993) suggest that the high uncertainty avoidance in Saudi Arabian organisations is manifest in strict adherence to rules, laws, policies and regulations. They highlight in their research that although Saudi Arabian rules are inflexible and formal, in practice the expatriate participants included in their research described their experience with Saudi organisations as '*total chaos*' and '*rules and regulations being applied about 20% of the time*' (Bjerke and Al-Meer, 1993:33). Bjerke and Al-Meer (1993) explain this paradox, by arguing that accepted (formalised) system frameworks in Saudi organisations are both elastic and fluid, and to understand how this system operates, you have to be an insider.

### **3.4.4. Low Gender Egalitarianism**

Unsurprisingly, the Arabic cluster ranked low on gender egalitarianism (see Appendix III). Populations showed a tendency to offer males in a higher social status positions of authority, while very few women held similar positions (Javidan and House, 2002). In Arab cultures, males are viewed as holding inherent characteristics that provide them with the right to adopt leadership roles. For example, by default, men are recognised as the head of the family, and

are automatically assigned the responsibility for caring for their family. Furthermore, they are assigned high-ranking positions in relation to issues such as heritage (Mellahi and Budhwar, 2010). Nonetheless, it can also be argued that women have attained more rights through Islam, with the position of women in these societies notably improved when contrasted alongside the pre-Islamic period (Moghaddam, 2003). Therefore, Syed (2010) argued that the deep-rooted inequalities in gender role in Arab societies is a reflection of norms and traditions in these societies rather than the provisions of religion.

In the Saudi Arabian context, females are recognised largely as mothers and wives, with gender segregation acknowledged as traditional—and, in some cases, legally enforced. Economic provision is one of the key responsibilities expected of males, with females awarded status only through motherhood and marriage. In this regard, the study by Metcalfe (2011) reveals that, culturally, both females and males hold the view that men are responsible for protecting and supporting the family. In addition, gender inequality is further perpetuated by families encouraging the females to spend time at home and direct their efforts towards improving home-based skills, whilst males are encouraged to take on roles outside of the home (Kabasakal and Bodur, 2002).

High masculinity cultures tend to have more sex-differentiated occupational structures. In addition in Saudi Arabia, some disciplines are not pursued by females, including engineering, architecture and medicine, for example, and any roles recognised as dangerous or difficult, including night and shift work (Metcalfe, 2011, Moghadam, 2005). Furthermore, females find it difficult to access development and training initiatives. Across most of the Gulf States, for example, the right of females to work is granted through Islamic constitutions; yet nonetheless, the interpretation of employment laws is guided by a number of elements, including cultural practice, Shari'a law and *urf* (customs), all of which come together to

highlight the need to protect women and create a moral work environment. However, it is apparent there are great limitations in employment legislation, as for example sexual discrimination is not addressed (Metcalf, 2006, Metcalf, 2007, Bierema and Cseh, 2003).

In Saudi Arabia, restrictions imposed by social norms on female employment has limited their participation in the labour market (Hamdan, 2005). Despite the relatively significant number of educated and qualified women in Saudi Arabia, only 15% of the national labour force is women (UNDP, 2010). As discussed in the previous chapter, much government legislation acts as barriers to women's participation in the workforce. The educational system within the public sector is also considered to be inadequate in terms of equipping women with appropriate skills; instead the emphasis is placed on rote learning, with inadequate attention centred on the promotion of analysis, skills development, problem-solving techniques, creativity and communication. Lastly, family-friendly policies, such as child-care facilities, flexible working hours and parental leave, amongst others, are lacking. Moreover, owing to the fact that trade unions are prohibited in the country, women are unable to fight for their rights (Mellahi, 2007a). All of these socio-cultural and political complexities have restricted educated women from significantly contributing to the workforce.

To summarise, by using the GLOBE dimensions, Saudi Arabia can be described as high on group and family collectivism and power distance, and low on future orientation and gender egalitarianism. The other cultural dimensions, including uncertainty avoidance, institutional collectivism, humane orientation, performance orientation, and assertiveness, are all rated in the mid-range. This research focuses on distinctive values that could prove relevant to the issues faced by Saudi Arabians working in the private sector upon repatriation. In the table below, the essential characteristics of Saudi Arabian society, as evidenced in the literature,

are presented with reference to and resulting from, (to some extent) the researcher's own experience.

Table 3.4: A Summary of the Cultural Characteristics of Saudi Arabian Society

<b>Power Distance (High)</b>	<ul style="list-style-type: none"> <li>- Obedience should be shown towards superiors.</li> <li>- A clear distinction should be made between those with and without status and power.</li> </ul>	<ul style="list-style-type: none"> <li>- Hierarchy.</li> <li>- Resources utilised and controlled by a select few individuals.</li> </ul>
<b>Institutional Collectivism (High)</b>	<ul style="list-style-type: none"> <li>- Collective objectives and interests are far more important than individual objectives and interests.</li> <li>- Fundamental choice should be made by groups as opposed to individuals.</li> <li>- Organisations take responsibility for employee welfare.</li> </ul>	<ul style="list-style-type: none"> <li>- Rewards design should be centred on acknowledging groups, not individuals.</li> <li>- People are driven by other members' cooperation and satisfaction rather than individual autonomy and achievement.</li> <li>- Tribal culture = <i>Wasta</i> influence on promotion.</li> </ul>
<b>In-Group Collectivism (High)</b>	<ul style="list-style-type: none"> <li>- Belonging to an in-group is essential to people.</li> <li>- Close friends and family members have significant expectations of one another.</li> </ul>	<ul style="list-style-type: none"> <li>- Ensuring the fulfilment of their needs and expectations is fundamental to each individual.</li> <li>- Favouritism is directed towards friends and family when recruiting or promoting.</li> </ul>
<b>Uncertainty Avoidance (High)</b>	<ul style="list-style-type: none"> <li>- There is a preference towards consistency and orderliness, as well as structured lifestyles.</li> <li>- There are well-defined social expectations.</li> <li>- Employees prefer guidance.</li> </ul>	<ul style="list-style-type: none"> <li>- Clear rules and laws to cover arrange of situations.</li> <li>- Preference for stability.</li> <li>- A strong commitment to the organisations.</li> </ul>
<b>Gender Egalitarianism (Low)</b>	<ul style="list-style-type: none"> <li>- Masculinity cluster.</li> <li>- Men are held in higher social positions, with very few women afforded positions of authority.</li> </ul>	<ul style="list-style-type: none"> <li>- Managerial position show clear gender differences.</li> <li>- Families promote gender differences.</li> <li>- Economic provision held by men</li> </ul>

### 3.4. Conclusion

It has been recognised that the cultural values and social norms of a country such as Saudi Arabia are quite unique compared to the rest of the world (Badawy, 1979, Mellahi and Wbod, 2001, Anastos et al., 1980, At-Twajjri, 1989, Yavas and Yasin, 1999). Saudi Arabian national cultural values and norms are embedded within Islamic and tribal history, with such values

and norms, at least in theory, central to Saudis' perception of employment. Such values can be seen across a number of life dimensions, including occupational pursuits, styles of living, ground occupancy systems, and inheritance and succession rules, all of which contribute to the establishment of a distinct, nationally accepted culture. This research assumes that contemporary cultural and social characteristics have an influence on organisational practices in general, and the development of the employees' psychological contract. However, before discussing the extent to which national culture might influence individuals' psychological contract within the organisation, the relationship that might exist between organisational culture and national culture will be discussed in detail. The next chapter will present the literature review of organisation culture.

## CHAPTER FOUR: ORGANISATIONAL CULTURE

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### 4.1. Introduction

It has been suggested that organisational culture can provide a degree of coherence and cohesiveness across organisations (Schneider, 1988). The issue as to whether or not organisational culture can be managed has occupied practitioners and academics alike since the early 1980s, sparked by Hofstede's (1983) empirical study. Alternatively, other scholars, such as Waterman and Peters (1982) and Deal and Kennedy (2000), for example, espoused the positive effect of (a managed) strong organisational culture on business performance. Over the past twenty years, the culture management debate has been ongoing. However, the majority of the extensive literature largely argues that there is a relationship between national and organisational cultures (Schein, 1992, Alvesson, 2002, Nelson and Gopalan, 2003, Harris and Ogbonna, 2002).

Considering the significance of organisational culture on management practices and work-related behaviours (Altman and Baruch, 1998), the absence of studies exploring the impact of organisational culture on the repatriation process and repatriates' psychological contracts constitutes an important gap in knowledge. A significant amount of research has been directed at the relationship between organisational and national cultures (Altman and Baruch, 1998, Alvesson, 2002, Deshpande and Farley, 1999, Nelson and Gopalan, 2003, Ogbonna and Harris, 2000, Schein, 1985b). Nonetheless, the human resource management literature that has focused upon psychological contracts rarely refers to organisational or national culture. Essentially, this limitation is likely to become more pertinent as the significance of the turnover phenomenon amongst repatriates is better explored and documented. Addressing this gap requires investigating culture at both the national and organisational levels and examining the relation between them. Four aspects of the organisational culture debate are

presented in this chapter: (1) the way in which organisational culture is variously defined; (2) Schein's model of organisational culture; (3) the links between national and organisational culture; and (4) organisational culture in Saudi Arabia.

## **4.2. Definition of Organisational Culture**

Organisation culture has often been referred to as '*how we do things around here*' (Deal and Kennedy, 1982a, Quinn, 1988). It is a concept with numerous definitions in the social science literature. Cooke and Rousseau's (1988) work, for example, is particularly useful in terms of summarising the debate of the way in which culture was conceptualised. These definitions commonly share the perspective that culture comprises various combinations of artefacts, symbols, beliefs and values, and underpinning assumptions that are shared by organisational members relating to what is deemed suitable behaviour (Cooke and Rousseau, 1988, Gordon and DiTomaso, 1992, Rossman et al., 1988, Schwartz and Davis, 1981, Schein, 1985c). The belief that such shared conceptions guide behaviour has encouraged the notion that it is the 'social glue' within organisations (Smircich, 1983). Despite ongoing debates, there is no universally accepted definition of culture. However, there is some agreement surrounding the view that organisational culture is holistic, historically shaped, and socially constructed; it encompasses behaviours and beliefs, exists on a variety of levels, and manifests itself through various aspects of organisational life (Deal and Kennedy, 1982a, Deshpande and Farley, 1999, Jones, 1983, Schein, 1985b, Heskett and Kotter, 1992, Pheysey, 1993).

### **4.2.1. *Contrasting Perspectives on Organisational Culture***

In the literature, organisational culture has been studied from two very different perspectives. The first, a functionalist approach, views culture as a tool, much like strategy and structure, and is considered to be a powerful lever to support organisation ideology, strategies and

goals. The majority of scholars associated with this approach offer an instrumental perspective of culture that can be achieved by management and accordingly lead to organisation success and to successful transform (Barley et al., 1988, Frost et al., 1991, Pettigrew and Whipp, 1991). They view 'cooperate culture' as an instrument utilised by management to control staff and accordingly enhance the overall effectiveness of the firm via the implementation and maintenance of 'stronger' cultures, making the assumption that organisations encompass a unity culture and are subject to control executives and upper level management (Deal and Kennedy, 1982b, Peters and Waterman, 1982, Ouchi, 1981). However, Yanow and Ybema (2009) argue that this particular idea of culture as a number of properties is considerably oversimplified, static, and offers an inadequate view of the organisation. This approach views culture as unitary and does not reflect the subcultures that might exist within a signal organisation, such as occupational groups, race, ethnic and gender differentiation.

Alternatively, driven from interpretive approaches, organisations have been perceived as cultures emerging from a group's history; therefore, structure, strategy and power relations in the organisation are viewed as manifestations of culture (Smircich, 1983, Hatch, 1993, Maanen and Barley, 1983). Consistent with this interpretive perspective is Schein's (1985) developmental approach to organisational culture, which is defined as, '*a pattern of shared basic assumptions learned by a group as it solved problems of external adaption and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems*' (Schein, 1985c:18). Similarly, Smircich et al. (1985) propose that organisations exist as a system of meanings, beliefs and taken-for-granted ideas that are shared, to a large extent, by members of groups. Alvesson (2012), however, adds that organisational culture also includes values and assumptions relating to social reality, arguing that culture is best understood by

looking at the deep-level, non-conscious sets of meanings, ideas and symbolism that may be contradictory and shared by a collective social group (Alvesson, 2012). This position is in line with the view largely shared by many organisational researchers, notably Nelson and Winter (1973:17), who stated the following in regard to organisational culture: *'Talking about organisational culture seems to mean talking about the importance for people of symbolism—of rituals, myths, stories and legend—and about the interpretation of events, idea, and experiences that are influenced and shaped by groups within which they live'*. From an interpretive perspective, as Waring and Glendon (1998) observe, culture may offer an analogy concerning how organisations work and why they behave and react in certain ways when faced with various environmental influences. Thus, from this standpoint, culture is recognised as a system of associated common symbols and meanings with less emphasis placed on value.

A conclusive comment made by Smircich (1983:134) concerning the overall nature of organisational culture, indicated, *'The fundamental choice a researcher makes is between conceptualizing culture as a set of properties that an organisation **has**, and conceptualising culture as something an organisation **is**'*. Markedly, the first approach views culture as comprising a number of different characteristics and attributes that may be detailed and accordingly summarised as weak or strong, as recognised by (Yanow and Ybema, 2009). The other approach, recognised as more wide-ranging and in-depth, considers culture as a complicated set of material and symbolic relationships contributing to the creation of an organisation. This research is in agreement with the view of Smircich, viewing it as better positioned to generate more valuable understanding of the organisational culture. Accordingly, this research will argue that an interpretive perspective on culture is more appropriate as a way of attempting to understand behaviours and cognitions associated with repatriates' psychological contracts and many aspects of organisational life.

### **4.3. Schein's Model of Organisational Culture**

Schein (1985) offers an organisational culture model as a useful tool in helping researchers explain what they observe and experience in an organisation's daily operations, which might otherwise seem incomprehensible or unfamiliar. If researchers understand the dynamics of culture, they will have a deeper understanding of why people in organisations or organisations can be so different (Schein, 1985c). Schein examined the different dynamics perceived to be associated with 'organisational culture', and in his definition of culture places emphasis on the mutual learning experiences that can result in the taken-for-granted, simple, shared assumptions embraced by members of a firm or group.

Whilst Schein's framework has been applied widely by many researchers (Pedersen and Sørensen, 1989, Hatch, 1993, Solberg and Ringer, 2011, Kong, 2003a, Schraeder et al., 2005), others have challenged his approach. For example, scholars have argued that Schein's assumption, which states that organisational cultures are unitary, has failed to take into consideration the subcultures that might exist in an organisations (Barley, 1983, Gregory, 1983, Young, 1989). Other researchers, whose work focuses on symbols and symbolic behaviours in organisations and who interpret these phenomena in a variety of ways, have pursued viewpoints that Schein ignored (Alvesson, 2012, Alvesson, 1987, Kreiner, 1989, Smircich, 1983, Smircich and Morgan, 1982). Nonetheless, in spite of all these approaches to understanding organisational culture, as well as some of the discrepancies concerning various elements of Schein's work, his framework is very useful in order to understand and analyse organisational cultures.

While theoretical models of organisational culture have been criticised heavily on the basis that they overgeneralise complicated phenomena, Schein's (1985) model plays a significant role in terms of guiding empirical research. The researcher's own choice to draw on Schein's

model is a decision centred on its ability to elucidate the various ‘layers’ of culture, the basis of which is centred on the unconscious, unintentional mutual assumptions and beliefs of organisation members that guide behaviour. In the view of Schein, culture can be identified at three different levels: artefacts are present at the surface level; values are at the secondary level; and basic assumptions are at the core. These three levels of organisational culture are depicted in Figure 4.1.

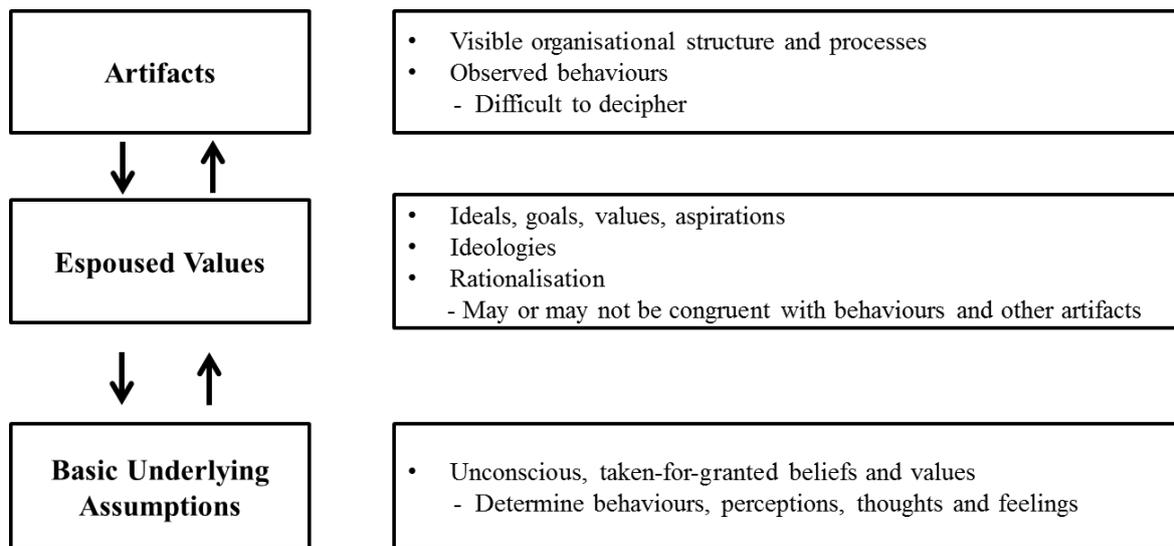


Figure 4.1.: Schein’s Three Levels of Culture

**Level One: Artefacts.** When entering an organisation, the easiest cultural level to observe is the artefacts, which consist of what can be seen, heard and felt when exposed to a new group in an unfamiliar culture. Artefacts include the organisation design, language, clothing and technology, stories told about the organisation, formal procedures, ceremonies, and published values and missions. However, although this level of culture is relatively simple to observe, it is very difficult to decipher without talking to insiders who can explain what things represent in a given group (Schein, 1985c). Gagliardi (1990) believes that amongst the artefacts significant symbols are grounded in the organisational culture’s deeper assumptions. He also argues that symbols are ambiguous, and can only be understood by talking to insiders to

recognise the espoused values and norms that they represent. This takes us to the next deeper level of culture.

***Level Two: Espoused Values.*** Schein (1985c) points out that an organisation's espoused values are the 'reasons' an organisational insider would give for the existence of artefacts. Essentially, espoused values commonly comprise the firm's official perspectives, including their views in relation to mission statements, strategy and other documents, all of which provide insight into the firm's ethics, policies, principles, values and visions. Schlienger and Teufel (2003) also propose that espoused values are, in some regards, partly visible across the firm and essentially highlight a certain group's values.

***Level Three: Shared Tacit Assumptions.*** Schein (1985c) emphasises that in order to understand the deepest level of organisational culture, researchers need to consider the history of the organisation. According to Schein, throughout the early years of an organisation, the leader's values, beliefs and assumptions, which are likely to have contributed to the organisation success, will gradually come to be shared and taken for granted. These shared assumptions result from the learning process of what beliefs have been drawn upon and implemented so as to overcome difficulties and problems. If the organisation continues to be successful, these beliefs become tacit assumptions and are taken for granted by organisational members. In this sense, basic assumptions are related to what Argyris and Schein recognise as 'theories-in-use', which may be defined as, *'the implicit assumptions that actually guide behaviours, that tell group members how to perceive, think about things'* (Argyris and Schön, 1996). Nevertheless, tacit assumptions are often largely instinctive. Moreover, they are often unconscious assumptions, which deal with more in-depth assumptions relating to the nature of time and space, human nature and activities, and human relationships (Schein, 1985c).

Schein stresses that the essence of the culture lies in the pattern of shared basic underlying assumptions. These taken-for-granted shared basic assumptions form the patterns of reasoning, perception and feelings, as demonstrated by members of a group. Whilst the core of the culture of a group may be recognised as its pattern of shared taken-for-granted assumptions, the culture, on the other hand, is only recognisable in terms of identifiable artefacts and shared norms, rules of behaviour and values. In the view of Schein, if a researcher deciphers the pattern of basic assumptions that may be operating in the organisation, he or she will, as far as possible, be able to interpret and understand the other surface levels of culture, namely artefacts, as the espoused beliefs and values (Schein, 1985c).

It is important to recognise the *content* aspect of the culture of a given organisation, which might differ significantly in terms of the content dimensions that are most relevant to understanding the culture. For instance, in order to assess a particular organisation's culture, it might be important to identify *authority relationships* (a basic dimension of the culture), i.e., whether it is more authoritarian or egalitarian in terms of how it operates (the position along that dimension) (Schein, 1985c). According to Schein (1985c), the best approach for identifying the content dimensions of organisational culture derives from trying to understand not only existing cultures but also the process of an organisation's growth and culture formation, as culture develops from group members' learning experience as the organisation evolves. Simultaneously, considering that groups and organisations are created by a founder or leaders, it is important to examine the issues that leaders have had to face in their organisations. Schein (1985c) demonstrates that leaders start the culture-formation process in an organisation by embedding their assumptions and visions upon their followers. From Schein's perspective, leaders begin the culture creation process by enforcing processes, structure and systems; if the organisation succeeds, they will be taken for granted as the way

of doing things, and will become shared elements of the organisation's culture. Hence, in Schein's view culture is established, and developed and largely manipulated by leaders. This has been called into question (Barley, 1983, Gregory, 1983, Young, 1989); however, in Saudi Arabia, leaders have significant influential roles in shaping organisational culture. In high-power distance cultures, such as that adopted in Saudi Arabia, leaders or managers tended to adopt an authoritarian management style and have significant influence in shaping organisation structures and policies and practices (Bjerke and Al-Meer, 1993, Mellahi, 2007a).

The way in which founders and leaders might impose their assumptions and values can be summarised by considering the various mechanisms described in Table 4.1. The six primary embedding mechanisms are the key 'tools' leaders can use to instruct members of an organisation in the way in which they should perceive, think, and behave, as grounded in their own beliefs. The secondary articulation mechanisms, such as architecture, design structure, stories, ritual and formal statements, all come to support and reinforce these. When such secondary mechanisms are consistent with primary mechanisms, organisational ideologies develop and subsequently reinforce much of what is informally learned at the outset (Schein, 1985c).

Table 4.1: Embedding Mechanisms

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**Primary Embedding Mechanisms**

- What leaders pay attention to, measure, and control on a regular basis
- How leaders react to critical incidents and organisational crises
- How leaders allocate resources
- Deliberate role modelling, teaching, and coaching
- How leaders allocate rewards and status
- How leaders recruit, select, promote, and communicate

**Secondary Articulation and Reinforcement Mechanisms**

- Organisational design and structure
  - Organisational systems and procedures
  - Rites and rituals of the organisation
  - Design of physical space, facades, and building
  - Stories about important events and people
  - Formal statement of organisational philosophy, creeds, and charters
- 

Organisational culture cannot really be understood without also looking at the macro-cultural context in which organisations exist. According to Schein (1985), in order to fully understand what goes on inside the organisation, it is essential to understand the macro-culture, because much of what is observed merely mirrors the national culture (Schein, 1985c). Therefore, it is not only crucial to define which of the cultural dimensions are mostly related to understanding organisations, but it is also important to define which dimensions help the researcher to recognise and better understand the relationship between macro-culture, organisational culture and micro-cultures.

Organisations exist in a national context, and culture at this macro-level reflects assumptions about the nature of truth, time, space, human nature and human relationships (Schein, 1985c). This view is in line with Alvesson (2012), who posits that organisations are the products of macro-level culture (society, class, etc.), with some of the social and cultural variations within organisations sometimes related to similar variations on a societal level. Thus, it is

important to consider the interplay between organisations and the ‘macro-culture’ in the production of cultural manifestations (Alvesson, 2012, Hofstede, 2001a, House et al., 2004). According to Alvesson (2012), various remarkable cultural aspects of organisations are not, in fact, unique but are, to some extent, shaped in deeper and broader patterns by societal culture. Organisational culture is not independent of the national culture’s forces external to organisations (Kong, 2003b); therefore, instead of conceptualising an organisation as a ‘cultural island’ or a ‘mini-society’, it is far more useful to define organisational culture as a nexus where broader societal dimensions of culture converge (Meyerson and Martin, 1987).

In this study, the organisation is considered a purposeful social system. More specifically, the model of culture proposed by Schein (1985c) is adopted as a framework to analyse organisational culture. This research is premised upon the fact that there are common deep-rooted norms across organisations in a particular region, which are influenced by aspects of the national culture.

#### **4.3. The Inter-relationship between Organisational and National Culture**

It appears pointless to consider cultural variations among organisations without taking into account the national culture within which such differences evolve. Previous research has demonstrated that even with large international organisations recognised for their strong organisational culture (for example, Hofstede’s findings for IBM), national differences remain dominant (Schneider, 1988). More importantly, a method centred on corporate culture alone results in the devising and expansion of anti-national theories, which are relatively valueless beyond the borders of the USA. In a rare reference to both levels of the construct, Adler and Jelinek (1986:74) suggested that *‘culture, whether organisational or national, is frequently defined as a set of taken-for-granted assumptions, expectations or rules for being in the world,’* and that *‘the culture concept emphasizes the shared cognitive approaches to*

*reality that distinguish a given group from others*'. In this way, scholars of organisational culture (e.g. Schein, 1992, Weber et al., 1996) recognise the concept in terms of the values and beliefs held by senior management in relation to the most suitable business practices.

The most dominant literature on both national and organisational culture seems to exist in significant isolation. Thirty years ago Roberts and Boyacigiller (1983) highlighted that no research on international management incorporated people within organisations and organisations within their surrounding context. In an effort to link national and organisational culture, Laurent (1986) suggests that organisational culture might influence artefacts and values, which are the first two levels in Schein's (1985) model, but not the underlying assumptions, since this is derived from national culture. Moreover, the earlier works of Laurent (1983) observed that national differences in beliefs in terms of organisational practices in a single multinational sample were notably more significant than in multi-organisations.

On a broader theoretical level, the national culture/organisational culture relationship highlights a fundamental tension in organisations. Whilst it seems clear that there is a relationship between national and organisational culture, the exact nature of this relationship, as well as how it should be explored empirically, is not obvious. There are numerous arguments in the literature regarding the degree to which organisational cultures diverge from national cultures and the way in which they diverge. Research has acknowledged the vast external pressures, which require organisations to match their environments. Literature also argues that both organisational culture and management practices reflect or are otherwise restricted by national culture (Gerhart, 2009). A study by Naor et al. (2010) recognises that national culture has the potential to impact organisational culture owing to the various managerial assumptions held concerning the behaviour and nature of employment, which

were derived from national culture. Research carried out by Aycan et al. (1999) centred on cultural fit provides further reinforcement of this view, with scholars recognising that a number of different aspects of national culture have an impact on organisational culture. For instance, national-scale uncertainty avoidance and power distance induce a low degree of autonomy in the business sphere. Furthermore, the national cultural dimensions of paternalism, community loyalty and the degree of self-reliance all have an impact on the expectations and suppositions held by management in regard to employee reactivity and responsibilities towards others. Similarly, the work of Schneider (1988) suggests that both management and staff bring their own cultural background into the organisational environment.

Furthermore, Johns (2006:396) indicates that '*national culture constrains variation in organisational cultures*'. His claims depends mainly on the empirical work done by Hofstede (1980, 2001) as well as the work of Chatman and Jehn (1994), which stated that industry goes a long way to describe a fundamental degree of the variance apparent across organisational cultures. As a result, Johns states (2006:396) that '*the contextual imperative suggested by these findings stands in sharp contrast to the common view that cultures are shaped essentially through internal processes*'. However, there are several issues with Johns' conclusion. One of the main concerns is that research demonstrates substantial differences across organisational approaches and cultures in other regions, including China (Krug and Hendrischke, 2008, Tsui et al., 2006), with the assertion that in practice there is greater flexibility for managerial discretion. Johns (2006) argues that various restrictions, including national culture, are a 'contextual imperative'; they are responsible for restricting and limiting the discretion of internal managers. Here he differs and contradicts the models detailed in the strategy literature, including the resource-based view (Barney, 1991) and various associated human resources management perspectives (Barney and Wright, 1997).

These are key considerations utilised by organisations to create value and to distinguish themselves from others.

In contrast, a number of studies imply that regardless of environmental restrictions, there is much room for organisations to distinguish themselves in relation to organisational culture in order to attain a competitive edge (Dastmalchian et al., 2000, Van Muijen and Koopman, 1994, Gerhart, 2009). Such research adopts the perspective that individuals become involved in firms as flexible, impressionable resources, which can be directed by management in such a way so as to affect the culture of the firm. To some extent individuals are able to implement whatever behaviours they choose; therefore, perhaps they are, in fact, well-positioned to erase the effects of national culture (Adler and Jelinek, 1986). Organisations can develop cultures that counter national values. Several authors imply that certain organisational advantages can be drawn from resisting and challenging some features of traditional customs, values and norms. This form of differentiation is referred to as ‘reciprocated opposition’, and has the potential to provide an organisation with exclusive advantages by challenging societal norms, which can bring about creativeness but also isolation from cultural values, of which not all society may approve (Reed & Suresh, 2003). However, if organisations were able to develop such cultures, what effects would this have on employees? To date literature has not really considered cases in which employees work in organisations that deviate considerably from their national culture.

#### **4.5. Organisational Culture in Saudi Arabia**

It has been argued that organisation are embedded within national cultures, with the latter being a persistent influence upon organisational employees and managers with regards to the values and beliefs they convey in the work environment (Hofstede, 2001b). Very little of the literature has examined organisational culture in an Arab context. The limited literature in

this area has highlighted conventional collective beliefs and practices in Arab societies, acting as predilection for personalised affiliation, with a strong impact on in-group members (Mimouni and Metcalfe, 2012). Managerial approaches are considered to be profoundly shaped by tribal traditions, and managers are likely to perform the role of tribal leader. Typically, tribal leaders make all decisions, adopting a highly centralised authority style (Abdalla and Al-Homoud, 2001, Ali, 1990). Besides the impact of tribalistic norms of behaviour, work approaches and managerial styles are characterised by the Arab bureaucracy (Abdalla and Al-Homoud, 2001). Therefore, the existent Saudi Arabian national managerial style is a combination of bureaucratic and traditional tribal approaches.

Additionally, and largely attributable to the collectivist values, individuals appear to attach their goals to those of the in-group; thus, nepotism and favouritism are fairly widespread (Hutchings et al., 2010). Research reveals that these can have a negative influence on organisational practices, such as recruitment and promotion systems (Idris, 2007). Moreover, it is noted that newly assigned managers often hire their own people, and distance or even remove the in-group of their predecessors. Consequently, it is common to find a significant number of employees with the same tribal names as those of their senior managers (Barakat, 1985).

The limited research on managerial practices in Saudi Arabia recognises various challenges in Saudi organisations that have been linked directly to the national and social culture, such as centralisation of control and power, decision making ineffectiveness, (bureaucratic) decision unpredictability, and a lack of meaningful and maintainable approaches to both empowerment and representation across those organisations directly linked to the national and social cultures (Abdel-Halim, 1983, Ali, 1998, AlKahtani, 2000, Alsahlawi and Gardener, 2004, Al-Yahya and Vengroff, 2004, Bjerke and Al-Meer, 1993). This research

confirms that the national culture across Saudi Arabia continues to be a key obstacle for organisations looking to develop their employees and achieve a competitive advantage. On the surface, those practices seem to be largely recognised and taken for granted by employees. Nonetheless, this environment is often experienced as overpowering to the majority—specifically those who are highly educated. The work environment is not conducive to generate organisations' commitment, with many Arab intellectuals immigrating to other countries (Abdalla and Al-Homoud, 2001).

#### **4.6. Conclusion**

The review of the characteristics of organisational and national culture and society in Saudi Arabia illuminates the complexity of the beliefs and actions encompassed within the Saudi culture, which are likely to be manifest to a very large extent in organisations. Little—arguably no—research has attempted to conceptualise the effect of both national and organisational culture on the individual psychological contract within the organisation. The question raised here centres on the extent to which the national culture has shaped organisational practices in Saudi Arabia. In particular, the research aims to identify aspects of the expatriation and repatriation processes that are shaped by both national and/or organisational culture, which could impact repatriates' perceptions of their psychological contract upon their return.

## CHAPTER FIVE: REPATRIATES' PSYCHOLOGICAL CONTRACT

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### 5.1. Introduction

This chapter will discuss the literature that has considered the extent to which national and organisational cultures influence repatriates' psychological contract. There is limited research conceptualising the effect of both national and organisational culture on the individual psychological contract within the organisation. As such, this chapter will explore the literature and approaches to studying the psychological contract. Five general issues in the literature will be discussed: (1) the definitions and the historical development of the psychological contract concept; (2) the role organisational practices play in shaping the psychological contract; (3) the possible effects of national norms on the psychological contract; (4) the breach and fulfilment of the psychological contract; and (5) the literature concerning the relationship between repatriation and the psychological contract.

### 5.2. The Development of the Psychological Contract Concept

Over the last twenty years, the psychological contract concept has received considerable attention in an effort to understand employment relationships (Conway and Briner, 2009). Whilst this research flow is rather recent, considerable work has been conducted regarding the psychological contract in the context of organisational research. Notably, the term 'psychological work contract' was used by Argyris back in 1960. However, even before this, various works inspired the development of the concept. The concept centres on whether an implicit exchange relationship can be found and stems back to Menninger's analysis (1958) of the patient-therapist relationship. The concept also considers the more generalised ideas of the employer-employee exchange inherent in the inducement-contribution model of March

and Simon (1958). It can even be traced back to the earlier works of Barnard (1938) in the equilibrium model, despite the fact that the concept was not directly considered.

Considering the history of the development of the psychological contract, it is predictable that there have been numbers of different definitions offered. In this regard, Argyris utilised 'psychological work contract' in reference to the implicit agreement established between employees and their superiors. In his work, psychological contract is defined as follows:

*Since the foremen realize the employees in this system will tend to produce optimally under passive leadership, and since the employees agree, a relationship may be hypothesized to evolve between the employees and the foremen which might be called 'psychological work contact' (Argyris, 1960:97).*

Levinson et al. (1962) provide another definition of the psychological contract, which emphasises that expectations are mostly implicit and unspoken.

*A series of mutual expectations of which parties to the relationship may not themselves be dimly aware but which nonetheless govern their relationship to each other (Levinson et al., 1962:21).*

Scheni's work (1965, 1980), which built on the work of Argyris (1960) and Levinson et al. (1962), places greater importance on gaining insight into the work relationship whilst considering both the employer's and the employee's standpoint. In Schein's view, the psychological contract comprises two different spheres, namely organisational and individual, with Schein further stating that, despite the fact that the psychological contract is unwritten, it remains a fundamental determinant of behaviour across organisations. Schein views the psychological contract as follows:

*The notion of a psychological contract implies that there is an unwritten set of expectations operating at all times between every member of an organisation and the various managers and others in that organisation (Schein, 1965:22).*

Whilst previous definitions—or, as Herriot (1955) labels them, ‘classic definitions’, tend to place emphasis on the organisation and employees’ different perceptions of the mutual obligations, contemporary work in the psychological contract tends to direct more emphasis towards individuals’ beliefs about promises and obligations. Herriot (1995) stresses that a psychological contract is constituted in the mind of the employee alone; therefore, in line with this position, Morrison & Robison (1997) view the psychological contract as:

*An employee’s belief about the reciprocal obligations between that employee and his or her organisation, where these obligations are based on perceived promises and are not necessarily recognised by agents of the organisation ((Morrison and Robison, 1997a:229).*

The different definitions of a psychological contract reflect how the meaning of the concept has changed and developed over time. Nevertheless, the most significantly recognised definition of the psychological contract is the one suggested by Rousseau (1989), which is the one that will be used here. Rousseau’s work distinguishes itself by assigning a larger weight to the exchange feature of the psychological contract, whilst recognising employees’ individual subjective interpretation of its terms. Rousseau’s own interpretation of the psychological contract highlights the implicit and explicit nature of promises, which shape expectations and obligations, and which accordingly shift our understanding of the way in which the psychological contract can be investigated. In particular, Rousseau emphasises that the psychological contract is related to employees’ beliefs about the exchange of obligations that exist between employees and their organisation: *‘the understandings people have,*

*whether written or unwritten, regarding the commitments made between themselves and their organisation'* (Rousseau, 1990:391). Rousseau (1989) sees the psychological contract as highly subjective. Importantly, however, it is management practices that deliver the context in which psychological contracts develop.

To summarise, definitions of the psychological contract recognise the beliefs and views of employee regarding the mutual obligations between the individual and their employer. Importantly, such beliefs and views may be either implicit or explicit. Regardless, these are centred on the individual's own viewpoints concerning the way in which the other party behaves concerning that which is exchanged between the employer and the employee (Rousseau 1995).

### **5.3. The Role of Organisations in Shaping the Psychological Contract**

The psychological contract is recognised as individual beliefs relating to the terms of an reciprocal agreement between a person and the organisation (Sparrow, 1996, Rousseau, 1995b). Research has argued that the beliefs embedded in the psychological contract are shaped by pre-employment factors; such as inner motivation and personal values (Schein, 1965), work experience; such as through socialisation and observation (Rousseau, 1995b); and a broader social context (Westwood et al., 2001). Amongst such multilevel factors, organisational practices, norms, and policies specifically play a key role in establishing and shaping psychological contracts (Conway and Briner, 2005, Herriot et al., 1997, Guest, 1998, Rousseau, 1995b). Rousseau (1995b) points out that, within the organisation, employees derive the terms of their psychological contracts in three main ways:

(1) Mutual obligations are specifically articulated by others, such as during the recruitment process, for example. Once hired, employees are then likely to be influenced by their

colleagues and superiors, who may have different opinions about the obligations between employees and the organisation.

(2) Employees watch and observe the way in which managers and colleagues act and how the organisation treats them. Such observations provide the individual with a number of social indicators that subsequently have a direct impact on the development of the employees' obligations and expectations.

(3) The organisation delivers a number of structural signals, which are predominantly centred on HR processes, e.g. performance reviews, benefits and compensation systems, and organisational documents, all of which are known to have a key role in shaping employees' perceptions of mutual obligations (Rousseau, 1990, Rousseau, 1995b).

In addition, Rousseau (1995b) establishes a more expansive distinction between the role of people (e.g. recruiters, managers, co-workers, mentors) and organisational structure (e.g. the human resource practices) in shaping the psychological contract within the organisation. Both are seen to play key roles in conveying to employees the explicit and implicit promises which shape the psychological contract. Conway and Briner (2005) further explain that explicit forms of communication might include organisation statements, emails, announcements or public documents. Implicit forms of communication, however, are equally influential but more complex and indirect. For instance, how managers react to specific employee behaviours probably has a fundamental role in the way in which a contract's content is developed (Conway and Briner, 2005).

Within the organisation, psychological contracts are shaped within formal and informal communication between the employee and the organisations agents, mostly managers (Westwood et al., 2001). Through such interaction, employees interpret what is expected of them and what they can expect to receive in return (Guest and Conway, 2002). Moreover, a

significant body of research argues that human resource management policy and practices have the most profound impact on the formation and shaping of the psychological contract (Guest, 1998, Rousseau and Greller, 1994, Guzzo and Noonan, 1994, Sparrow, 1998b). Rousseau (1995b) stresses this point, arguing, '*HR practices send strong messages to individuals regarding what the organisation expects of them and what they can expect in return*' (1995:162). HR practices and policies, such as training, compensation, performance appraisal, recruitment, and promotion, all communicate promises in the name of the organisation (Rousseau, 1995b). In other words, employees perceive such practices as promises, which have developed over time to mental schema, which accordingly map out personal understanding of the employment relationship (Rousseau, 1995b, Sparrow, 1996).

#### **5.4. Cultural Norms and Psychological Contracts**

The psychological contract is idiosyncratic in nature, implying that individuals vary in the ways in which they perceive their expectations and obligations in their organisation. The process of the formation of the psychological contract takes place within organisational and wider social contexts. Recent research by Rousseau and Schalk (2000b) demonstrates that in order to fully understand the complex dynamics underlying the psychological contract, there is a need to understand the role of social context in shaping employment relationships.

In each society, there are different dominant social norms relating to employment relationships, all of which frame to some extent the expectations and obligations constituting the psychological contract. These are likely to differ from one society to another in terms of occupational division, labour market segregations and demographic boundaries (Westwood et al., 2001). In this regard, Sparrow (1998a) highlights that national culture, systems and institutions have influenced the way in which psychological contracts are shaped. In his research, some of the possible cultural influences were examined by deploying Hofstede's

(1983) cultural dimensions. Sparrow's research found that national values will impact the way in which employees interpret and process information concerning the content of their psychological contracts. Moreover, this suggests that employees will also have different predispositions and motivations that vary across countries.

There has been some current research surrounding a number of social and cultural elements in which countries may differ in their beliefs and values; these may impact the development and perceptions of the psychological contract. For example, Shah (2000) research in psychological contract violation in India revealed that the prevailing national culture in India had a direct impact on employer-employee relationship. His research stressed the unique national characteristics that shaped and violated the psychological contract in that context, such as the caste system and the presence of favouritism. Other research on the psychological contract has been conducted by Cadin (2000) in France, Morishima (2000) in Japan, and Diaz-Saenz and Witherspoon (2000) in Mexico. All of this research examined the societal influences on the psychological contract.

Whilst national cultural differences have been acknowledged in limited literature, most of the available studies have been carried out in the West. Sparrow (1996) argues, '*By placing contract management into the US organisational science literature and arguing that the content of contracts is wholly phenomenological and in the eye of the beholder, [research] avoids the need to detail cross-cultural questions about the contract formation process*' (Sparrow, 1996:483). Westwood et al. (2001) argue that, in Western contexts, ways of showing that a deal has been made is relatively easy. A number of different socio-cognitive elements inherent in the contracting process may be expected to be applicable in other contexts outside of the UK and the USA. More recently, Rousseau and Schalk (2000a:280) concurred that '*cross-cultural differences exist in contracts but aren't well understood*' (p.

680). Moreover, limited research has considered the effects for both national and organisational culture on the way in which employees come to understand the mutual expectations and obligations that comprise the psychological contract, which will be addressed in this research.

### **5.5. The Nature of Repatriates' Psychological Contracts**

Typically, the psychological contract will be reinforced by repeated interactions over time, and there is also likely to be convergence between the employer and employee concerning their overall understanding of the nature of this informal contract (Stiles et al., 1997, Rousseau, 1990). However, research demonstrates that, in the case of repatriates, following extended periods of time in another country, previous understanding of mutual expectations and obligations are often questioned. It is not uncommon, for example, for repatriates to have particularly high expectations in terms of career prospects on their return, particularly where individuals are identified as high-potential employees, which is likely to have been the basis for them being asked to take on international assignments (Stahl and Caligiuri, 2005). Research points out that career development in organisations will usually implicitly imply that the selected employees will be afforded opportunities of accelerated career progression upon their return, typical of the informal promises which are considered to influence the psychological contract (Schell and Solomon, 1997). Furthermore, the repatriation literature suggests that the unspoken potential to achieve career-related benefits are not usually fulfilled, such as in instances where promotions are not assigned and/or international experience is recognised by the organisation as lacking in value (Feldman and Thomas, 1992, Harvey, 1989).

Upon their return, repatriates typically compare their expectations of the rewards and recognition the organisation provides for have taken on the assignment with the sacrifices and

contributions made during the assignment (Andreason and Kinneer, 2005). The greater the perceived fairness, the greater the possibility that employees will stay with the organisation upon repatriation (Rousseau, 2001a). This suggests a review of the psychological contract between repatriates and their organisations upon their return. During the course of the employment relationship, Rousseau (2001a) suggests that psychological contracts are regularly revised and developed across several phases. Haslberger and Brewster (2009) also emphasise that the psychological contract affects the entire process of international assignment, from the first point when a candidate has been selected to the final stage of repatriating to the home organisation, suggesting the expectations and obligations are eventually revised.

Since psychological contracts are founded on mental schemas of perceived promises and mutual agreement (Rousseau, 2001a), international experience can alter this schema, causing incongruence between an individual's expectations and those of the organisation (Stahl and Caligiuri, 2005). As psychological contracts are, by definition, voluntary, subjective, dynamic and informal, it is virtually impossible to spell out all the details at the time of a contract's creation; rather, people fill in the blanks along the way, and sometimes do so inconsistently (Rousseau, 2001b).

The repatriation literature argues that repatriates commonly encounter different types of uncertainty upon returning, including significant transformation of income and lifestyle (Suutari and Brewster, 2003), adjustment upon return to the home organisation (Baruch and Altman, 2002), and often reverse culture shock (Hurn, 1999). These uncertainties and the process of adjustment are the points at which the psychological contract will become highly salient (Haslberger and Brewster, 2009). The high turnover rates amongst repatriates in some studies (Baruch et al., 2002, Yan et al., 2002) have been explained as indicators of the failure

of organisations in effectively managing employees' expectations, thus leading to their perceptions that the organisation has failed to deliver its part of the deal. More specifically, Yan et al. (2002) model of agency relationship and the psychological contract suggest that any mismatch between the assignee's and the organisation's expectations leads to assignment failure with undesirable outcomes, such as repatriate turnover. Their research has noted that the psychological contract can evolve and change over time; however, it does not address the complexities surrounding the evolution and transformation of the psychological contract and its context. The shift of the psychological contract may involve many different dynamics, such as national culture, organisational culture, and individual perception of expectations and obligations, which will be addressed in this research.

#### **5.6. Perceived Psychological Contract Fulfilment or Breach**

Psychological contracts have many implications on both individuals and organisations. Individuals evaluate their responsibilities towards the organisation compared to the organisation's responsibilities towards them, and employees will naturally amend their behaviour in line with critical outcomes (Anderson and Schalk, 1998, Shore and Tetrick, 1994, Rousseau, 1990). One key line of enquiry in psychological contract studies has been investigations into the perceived contract breach or fulfilment. Importantly, when employees perceive that their psychological contract has been fulfilled, research suggests that they experience greater job satisfaction, intend to stay with the organisation, and trust management (Robinson, 1996, Turnley and Feldman, 1999, Turnley and Feldman, 2000, Tekleab and Taylor, 2003). If employees perceive that the organisation has failed to fulfil one or more obligations, however, a breach is considered to have occurred, which can lead to employees experiencing feelings of betrayal of trust and unfairness. This can limit their intention to

remain in the organisation (Ho et al., 2004, Lee et al., 2011, Kickul and Lester, 2001, Robinson and Rousseau, 1994).

Previous research conceptualised psychological contract fulfilment as employees' perceptions of organisational support (Guzzo et al., 1994). This includes any element that may be exchanged between the individual and their organisation (e.g. training, pay, promotion, career advancement, in exchange for commitment and performance) (Eisenberger et al., 2001). When obligations associated with the psychological contract are not fulfilled, it signals to the employees that their contributions are not valued or there is a lack organisational support (Coyle-Shapiro and Conway, 2005, Robinson and Morrison, 1995). Alternatively, when the organisation fulfils such obligations, employees perceive that they are committed and value their contributions (Coyle-Shapiro and Conway, 2005).

Breach was defined as *'employee perceptions that their organisation failed to meet one or more obligations associated with perceived mutual promises'* (Robinson and Morrison, 2000:526). Literature has argued extensively on the negative effects of employee perceptions of breach (Chao et al., 2011, Conway and Briner, 2002a, Gakovic and Tetrick, 2003, Robinson, 1996). Rousseau (1989:129) argues that an employee's reaction to contract breach *'is directly attributable not only to unmet expectations of specific rewards or benefits, but also to more general beliefs about respect of persons, codes of conduct and other patterns of behaviour associated with relationships involving trust'*. Moreover, employees views of the psychological contract breach could weaken and destabilise the feelings of the individual in regard to whether or not they are valued by the organisation, especially if the employee recognises the factors behind the breach as being the responsibility of the organisation as opposed to other factors outside of the firm's control (Coyle-Shapiro and Conway, 2005).

The subjectivity of the psychological contract means that an employee can have a unique understanding concerning his or her exchange relationship with the organisation. Research has argued that the individual perception of the breach of their psychological contract is fundamentally a subjective phenomenon (Kickul et al., 2004a). As shown through various examples, this can stem from a 'real' breach of contract. In other cases, however, it is not possible to determine whether or not a promise was actually broken—or even whether or not an obligation was ever established (Robinson and Wolfe Morrison, 2000, Robinson and Morrison, 2000). Furthermore, studies reveal that, over time, employees' perceptions of the organisation's obligation change, and there is likely to be inconsistency between employer and employee concerning their overall understanding of the nature of this informal contract (Robinson et al., 1994a, Coyle-Shapiro and Kessler, 2002).

The limited literature around what causes the breach of the psychological contract suggests that this could be related to the insufficient human resource management practices (Guest et al., 2004), perceiving a lack of organisational support (Tekleab et al., 2005), and employees' perception of unfairness when comparing their arrangements with those of other employees (Conway and Briner, 2002b). In a theoretical model devised by Morrison and Robinson (1997a), two basic causes of perceived psychological contract breach were proposed, namely *reneging* and *incongruence*. Reneging is when an agent or agents of the organisation know that an obligation exists but knowingly fails to meet them or breaks a promise to the employee. Incongruence occurs when the employee and the organisation have a different understanding of a promise. This usually occurs when the employee has views relating to a particular responsibility that differs from those held by the organisation's agents. As a result of these different perceptions, the organisation might unintentionally fail to act in a way that meets the employee's expectations. Incongruence according to Morrison and Robinson (1997a:241) can developed when '*an obligation is first established, or it can develop over*

*time as the psychological contract evolves or as perceptions of promises decay or become distorted in memory.*' According to Morrison and Robinson (1997a), three main factors have a major role in determining incongruence: the extent to which employees and organisations bring different cognitive representations of the situation, the intricacy or vagueness of the obligations between the two parties, and a lack of communication. To conclude, much empirical research focuses on the consequences of breach, whilst very limited research focuses on the cause of the breach.

### **5.7. Conclusion and Implications from the Literature**

Literature in the domain of psychological contracts has proven valuable in terms of developing insight and understanding the processes through which psychological contracts are established and developed (Guest and Conway, 2002, Tietze and Nadin, 2011, Parks and Schmedemann, 1994, Herriot and Pemberton, 1997). Research has also been conducted in regard to content (Stiles et al., 1997), management (Collins et al., 2012, Hubbard and Purcell, 2001), and perceived violations or breaches of the psychological contract and the implications of such (Zagenczyk et al., 2009, Martin et al., 1998). Some research has suggested that national culture, systems and institutions substantially influence the way in which psychological contracts are shaped (Hui et al., 2004, Rousseau and Schalk, 2000b, Kickul et al., 2004b, Restubog et al., 2007) and highlight that psychological contracts have characteristics that are both *unique* and *generalisable* across countries. This means, therefore, that the contract is both an individual and culturally subjective phenomenon. However, previous research has been largely limited to Western countries, and has not specifically considered the implications of Arab cultures, which have some particularly strong cultural characteristics, which are known to affect the employment relationship (Mellahi, 2007a).

This review, therefore, has identified a gap in the existing empirical research in that few studies have explicitly examined the effects that national and organisational culture may have on shaping expectation and obligations constituting the psychological contract. Consequently, this research acknowledge the need for more cross-cultural investigations of repatriates' psychological contracts by locating and describing the possible national and organisational cultural issues potentially shaping the psychological contract, employee attitudes and behaviours. Following repatriation, individuals perceive that the psychological contract has been either fulfilled or breached based on these issues. More specifically, the research will aim to examine the influence of cultural differences on the content of the psychological contract in term of expectations and obligations. The aim of this study is to contribute to the growing literature on psychological contracts by investigating the role that cultural norms and values play in regard to employees' interpretations of, and responses to, change in their psychological contract. In an effort to address the research question, three major areas in the literature have been identified and linked: national culture, organisational culture and psychological contract.

This research is centred on exploring the way in which the promises and obligations comprising the psychological contract are conveyed and interpreted in this cultural context prior to international assignment and following repatriation. Recognising that cultural values might affect the psychological contract perceptions shaped by employees, the aim of this research is centred on highlighting the possible effects of national and organisational culture on the psychological contract. It will further examine the extent to which Saudi repatriates perceive that their psychological contracts have been fulfilled (or breached) upon returning to their home country. To a limited extent it will consider their behavioural responses to a psychological contract breach.

## CHAPTER SIX: RESEARCH PHILOSOPHY AND METHODOLOGY

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### 6.1. Introduction

The literature points to many philosophical paradigms and many different ways of looking at the social world that underpins organisational research. This chapter clearly defines the researcher's philosophical position, the methodology utilised in this study, and the method employed. Primarily, this chapter will explain the researcher's ontological, epistemological and methodological position adopted in this thesis. Next, a discussion and justification of the choice of sectors and organisations, the methods of data collection and data analysis will be offered. Lastly, the chapter concludes with a self-reflexive account of the research process.

### 6.2. The Researcher's Philosophical Position

In an effort to understand the psychological contract from the point of view of repatriates and to explore the meaning of such individuals' experiences, a subjective interpretivist ontological and epistemological position has been adopted in this research. It is believed that this position will present the individuals' subjective understanding of their situation, experience and expectations (Denzin and Lincoln, 2009, Hatch, 2012, Yanow and Ybema, 2009). In other words, the study provides a particular perspective on social reality as opposed to a view that may be considered to be conclusive. Knowledge from this position is viewed as indeterminate (Yanow and Ybema, 2009).

Drawing on Burrell and Morgan (1979), four paradigms (functionalist/interpretative/radical humanist/radical structuralist), interpretative paradigm sit on the subjectivist ontological assumptions on the nature of reality. Unlike the functionalist and the radical structuralist paradigms, which hold an objective ontological position, the interpretative paradigm views an organisation as a socially constructed phenomenon. This paradigm seeks to understand

organisations from the point view of the individuals' who are directly involved in it (Bryman and Bell, 2007a). Interpretivism has been defined as the '*systematic analysis of socially meaningful action through the direct detailed observation of people in natural settings in order to arrive at understandings and interpretations of how people create and maintain their social world*' (Neuman, 2000:71). Importantly, the interpretive approach suggests that there is a link between artefacts and their underlying meaning. The approach also includes a number of more standardised, unspoken, but nonetheless, tangible governing features accepted and shared by members of communities, all seeking to make sense of more literal texts (Yanow and Ybema, 2009). Through adopting this view, organisations can be understood in regard to hermeneutic, phenomenological factors as opposed to more external, objective and sense-based observations, which can be achieved through the application of ethnographic, participant-observer and other interpretative approaches in nature (Berger and Luckmann, 1991).

Throughout the course of this research, the underlying epistemological assumption is that the nature of knowledge is subjective, and the construction of knowledge is subject to individual interpretation in a context in which an interaction with others takes place. Moreover, it is argued that the knowledge of the world is not fixed, but rather, it is continuously revised by individuals as they interact with the world, such as whenever there is a change of social, economic, cultural and political factors in a context. Therefore, it is important to understand and make sense of such meanings, alongside the various contextual features known to impact and influence the interpretations concluded by different groups and individuals.

### **6.2.1.            *The Dominance of a Functionalist Paradigm on the Study of Psychological Contracts***

Research on the psychological contract has been dominated by a functionalist paradigm informed by positivist epistemology that holds the view of the existence of a single objective reality ‘out there’ that needs to be identified (Yanow and Ybema, 2009). Positivistic paradigms are concerned with producing a precise representation of reality—notably unbiased and value-free (Buchanan and Bryman, 2009). Psychological contract scholars operate under the epistemological understanding that the ‘psychological contract’ is definable and measurable (Kickul and Lester, 2001, Coyle-Shapiro and Kessler, 2002, Guest, 2004, Morrison and Robinson, 1997a). This research was driven by the earlier works in organisational behaviour literature on psychological contracts, before Rousseau’s re-conceptualisation of the concept in the 1990s, at which time the psychological contract began to be viewed as entirely individually constructed. It also assumes that the content of the contract can be managed. Accordingly, in order to understand it, positivist research attempts to demonstrate a causal relationship between variables to systematically uncover the development of psychological contract violation, breach or fulfilment. Robinson and Morrison (2000) model of the development and determinate of the breach and violation of the psychological contract is an example. In this model, employees’ perception of the breach of their psychological contract is influenced by several factors, such as renegeing and incongruence (Robinson and Morrison’s model has been explained in Chapter 6, p. 87). From this perspective, the research attempts to determine under what condition breach or violation occur and generate a model that can be used as tool to better manage employment relationships. However, following this approach dismisses the broader organisational, economic, and social settings within which the psychological contract is formed, shaped and breached. Additionally, it does not allow for the exploration of the psychological contract as a

dynamic and evolving concept, and instead views it as a static and finite object-like notion. Guba and Lincoln (1994) highlighted that neglecting the surrounding context of the phenomena and attempting to study it independently to generate a universal principle, is one of the major weaknesses of the positivist approach.

Research framed within positivism tends to rely on an observable and testable knowledge base (Blustein et al., 2012). Consequently, it has a tendency to view psychological contracts only as tool to manage the state of the complex employment relationship in the organisation. For example, Rousseau (1990) early work suggested that the psychological contract is a systematic tool for understanding the compound changes that evolve in the organisation when new employment policies are introduced. Her research investigated the beliefs concerning employment obligations among 224 MBA students who were newly hired. The findings of this research suggest that obligations fall into two main categories: (1) high salary in exchange for hard work, which Rousseau identifies as transactional obligations, and (2) employment security in exchange for commitment, which Rousseau identifies as rational obligations. Although Rousseau's research contributes to the literature by distinguishing between transactional and relational contracts, it has been criticised as being based on a one-sided sample. Guest et al. (2010) argue that Rousseau's work did not take into consideration both employees' and employers' perspectives; only the employee's perceptions were included. While Rousseau's research has made an important contribution to our understanding of both psychological contracts and employment relationships, this research seems to dismiss the investigation of the psychological contract as socially constructed phenomena.

Other researchers have attempted to identify the basic dynamics of the psychological contracts (Rousseau and Tijoriwala, 1998, Rousseau, 1990). They have investigated the

features of the contract that are associated with organisational commitment (McInnis et al., 2009) and turnover intention (Millward and Hopkins, 1998, Turnley and Feldman, 2000). Furthermore, they have examined how organisations can attempt to create beneficial psychological contracts (Coyle-Shapiro and Kessler, 2000). The main commonality in this research is the need to conform or nullify the hypothesis as an attempt to measure or evaluate the psychological contract. This prescriptive nature of the positivist approach offers insight into how psychological contracts would function in an ideal environment. Nonetheless, the belief that an ideal environment does exist is challenged by the interpretivist approach. This challenge manifestly restricts the possible success of positivism to the extent that variables within a particular context match the ideal. Furthermore, the interpretivist approach argues that the psychological contract develops and changes in complex and often mystifying ways and that most of these variables might be unchangeable in an ideal way. Therefore, understanding the way in which psychological contracts evolve and change by taking into consideration particular contextual and individual processes is an important aim of interpretivism.

### ***6.2.1. An Interpretive Approach to the Study of Psychological Contracts***

Psychological contracts, like interpretivism, is based on the subjective perception of the complex work relationship, meaning that the same events or practices may be interpreted in different ways by different people (Freese and Schalk, 1996). In this sense, an interpretive approach is clearly a suitable approach that can be adopted. Moreover, it is recognised that interpretive studies seek to develop understanding through establishing the meanings assigned to phenomena by study participants. Importantly, in this regard, the focus is directed towards the complexity associated with human sense-making as circumstances come to light (Yanow and Ybema, 2009). In line with the interpretive approach, this research aims

to understand a psychological contract from the repatriates' point of view and to further explore the meaning of their experiences.

For those few scholars known to have adopted an interpretive approach when researching the psychological contract, the view is that there is no such thing as a 'good' psychological contract that can be defined, identified and measured in terms of employees' behaviours (Morgan and Finniear, 2009, Rousseau and Tijoriwala, 1996, Herriot and Pemberton, 1997). Instead it is argued that a psychological contract is a 'highly subjective construct' (Rousseau and Tijoriwala, 1998), and, as such, recognises the individual's own role in the social construction of reality. For example, Millward (2006) researched pregnant women's experiences of motherhood within an organisational context. In her research, women expressed their feelings of exclusion during pregnancy in the organisation, which was interpreted as a form of psychological contract violation. In her research, no singular objective reality that was measureable was assumed; instead the research argued that in an organisational context, the experiences of shifting to maternity are individually constructed through dynamic sense making, which mainly occurs in the course of interacting with others. Therefore, the research portrayed women as making sense of their experience by encouraging them to talk about these experiences. By presenting women's own sense making in relation to their transition experience and representing how such sense making consists of reevaluating the psychological contract, the research contributes to our understanding of the dynamics and nature of the psychological contract.

In this research, an interpretive approach has been adopted to develop an understanding as to how repatriates make sense of their international assignment experience in an organisational context. The emphasis will be placed on the '*actor's definition of the situation and their understanding of specific circumstances*' (Schwandt, 1997:17). This approach allows the

researcher to explore individual subjective meanings of psychological contract breach or fulfilment, and explore the complexities surrounding the evolution/ transformation of the psychological contract and its context. The research will also examine how employees come to perceive certain organisational practices as obligations and how employees perceive the meaning of their experience as a 'lack of promotion' and 'lack of career advancement'. This research by adopting an interpretative approach intends to focus on the employees' perception of their psychological contract without having an influence on the research participants or the discussion by imposing existing theoretical knowledge.

### ***6.2.2. An Interpretive Approach to the Study of Organisational Culture***

Organisational culture studies have been dominated by two contrasting approaches: functionalist and interpretive (Waring and Glendon, 1998). The functionalist approach views organisational culture as a 'tool' that can be deployed to promote management strategies and goals (Yanow and Ybema, 2009). This notion is driven by the assumption of the unity of organisational culture and the subjectivity of management control. Scholars operating from a functionalist approach assume that organisational culture can be reduced to simple variables aiming to measure outcomes (Deal and Kennedy, 1982b, Peters and Waterman, 1982, Ouchi, 1981, Sypher et al., 1985). For example, some functionalist scholars view organisational culture as a main factor in facilitating organisational performance (Sørensen, 2002, Marcoulides and Heck, 1993), commitment (Wilkins and Ouchi, 1983, Lok and Crawford, 2004) and job satisfaction (Egan et al., 2004, Roodt et al., 2002). However, these studies view organisational culture as an internal variable that can be measured and controlled. The functionalist approach overlooked the 'subjective' nature of organisations and fails to portray a complete picture of organisational life (Martin, 2002).

Alternatively, the interpretive standpoint views organisational culture as a 'root metaphor' or 'something an organisation is', rather than the functionalist perspective, which views organisational culture as 'something an organisation has' (Smircich, 1983). Smircich (1983) argues that culture presents a metaphor for comprehending how organisations operate and why they react in specific approaches to the surrounding environment. Furthermore, the interpretive approach assumes that the organisational culture serves as a key means for all of the organisation's members to interpret their shared identity and values (Eisenberg, 2001). Kilmann et al. (1985:351) suggested that interpretive approaches "travel below the charts, rulebooks, machines, and buildings into the underground world of corporate culture". Interpretive scholars had conceptualised organisational culture as shared rituals (O'Donnell-Trujillo and Pacanowsky, 1983), symbols (Hatch, 1993), myths and legends (Koprowski, 1983, Broms and Gahmberg, 1983). All this research is grounded in an analysis of the significance of meaning in social action to understand organisational dynamics. In line with this view Barley et al. (1988:32) argue that "organisations can be conceived as socially constructed systems of meaning' and noted that the 'intersubjective realities' could heavily influence organisational dynamics.

Treating culture from an interpretive perspective, this research draws upon Schein (1990b) approach to organisational culture. Schein's research views culture as "a pattern of assumptions developed by a group as it learns to adapt to its environment". With the aim of gaining a deeper understanding of the organisational culture, this research will attempt to identify the different levels of culture as classified by Schein (1985c): artifacts, espoused beliefs, and basic underlying assumptions. The research will aim to interpret the organisational symbols as well as formal and informal norms and practices. Moreover, espoused values will be compared to the enacted values to ultimately understand the underlying assumptions that guide behaviours within the organisation. Thus this research will

argue that an interpretive approach in studying organisational culture is more appropriate than a functional approach to understand behaviours, meaning the values and beliefs in an organisation.

### **6.3. Qualitative Approach**

In this research, a qualitative case study approach will be implemented, which derives from the interpretative method, the aim of which is to establish understanding regarding the meaning of various occupational and societal groups (Johnson and Duberley, 2000). Importantly, the implementation of a qualitative approach is in line with the epistemological standpoint, which maintains that valuable explanations of organisational experiences requires the identification of researcher-established categories, with emphasis directed towards individuals' own words (Morgan and Smircich, 1980). Qualitative methodologies seek to capture the unfiltered perspective of individuals (Rousseau and Tijoriwala, 1998) and allow a detailed analysis of the 'how' and 'why' of phenomena, with the focus centred on gleaning participants' attitudes, opinions and 'lived meanings' (Denzin and Lincoln, 2009). In order to understand possible dynamics associated with employees' psychological contracts and the possible effect of organisational and national cultures on the evaluation of the psychological contract, a primarily qualitative paradigm, therefore, seems to be the most appropriate.

As highlighted in the literature review, this research has delved into issues that have remained relatively unexplored. Across the methodological literature, there is strong agreement that qualitative methods are particularly suited to examining unexplored or under-explored environments (Ghuri and Grønhaug, 2005, Cavana et al., 2001). More specifically, Cavanaugh et al. (2001, p. 134) argue that qualitative research '*sees the world as complex and interconnected and therefore a rich and fertile ground for understanding the nature of humanity*'. As such, it is perceived that behaviour can only be understood in context; people

personally involved in a situation are, therefore, best positioned to analyse and describe their 'reality' in their own words. Pursuing a qualitative paradigm embraces the exploration of attitudes and opinions, which is required in this study.

### **6.3.1. *Qualitative Approach to Research Psychological Contract***

In assessing the research literature on psychological contracts, the empirical research in the field has been dominated by cross-sectional questionnaire surveys, which measure the content of the psychological contract (Guest, 2000, Guzzo and Noonan, 1994), the breaches of the psychological contract (Robinson and Rousseau, 1994, Kickul et al., 2002, Conway and Briner, 2002b), and the outcome of violations of the psychological contract (Coyle-Shapiro and Kessler, 2000, Morrison and Robinson, 1997b, Turnley and Feldman, 1999). In Conway and Briner (2005) study, through a critical evaluation of theory and research on the psychological contract, they indicated that 90% of the empirical studies in the psychological contract field utilise questionnaire surveys. Whilst these studies provide a considerable contribution to the field, Conway and Briner (2005) argue that reciprocal exchange aspects of the psychological contract are far too complex and cannot be sufficiently understood through the use of surveys. An over-reliance on surveys led Taylor and Tekleab (2004:279) to state, '*Psychological contract research has fallen into a methodological rut*'. Consequently, there has been a call for adopting different research methods to offer more convincing and reliable results (Conway and Briner, 2005). This research responds to this critique and addresses the need for more in-depth exploration of psychological contracts that Conway and Briner were proposing by adopting a qualitative research approach. The aim is to empirically examine the interrelationship between the psychological contract and the national and organisational culture with regard to the repatriation process across two Saudi Arabian organisations in the private sector.

In this research I will argue that the qualitative approach is more appropriate for settings where radical shifts in the employment relationship occur as we might expect in terms of expatriation and subsequent repatriation. In particular, this research argues that it would be very difficult for participants to recall their expectations and organisational obligations pre- and post-assignment in a survey. Therefore, closed questioning and probing was required to identify potentially suitable challenges in some instances. In investigating Saudi Arabian repatriates, it is assumed a priori that change will have occurred, such that a qualitative assessment is not only necessary, but perhaps the only realistic source of data regarding the contract. Research by Herriot and Pemberton (1997) used a qualitative methodology to investigate the changes in culture and employment relationships at a British bank following several years of escalating competitive pressure and downsizing. In their research through a focus group methodology, they established that managers and employees held widely divergent views of what the new psychological contract was to be. The perceptual asymmetries revealed at this bank suggest an unstable or transitional employment relationship, which could have given rise to conflict in the future, based on divergent interpretations of the contract. Similarly the work by Morgan and Finniear (2009) also adopted an interpretive approach and qualitative method as a means of inquiry to explore the nature and salience of the psychological contract by investigating participants' experiences of work. In line with these, the position adopted here views the psychological contract as idiosyncratic and context-dependent, which requires exploration through a qualitative methodology.

### ***6.3.2. Qualitative Approach to Research in an Organisational Culture***

Maintaining consistency with the interpretive view of organisational culture, this research will view culture as an approach rather than as a variable to be measured. Unlike large-scale

survey research (Hofstede, 2005, Henderson et al., 2010, Parker and Bradley, 2000, Cooke and Rousseau, 1988), which aims to endorse broader, more generalisable findings, this research is concerned with situation-specific and meaning-focused research. Thus, the qualitative approach is more appropriate for understanding the multiple possible meanings that could exist and be interpreted from organisational symbols, artefacts, espoused values, and enacted values.

The most important aspect is that organisational culture, similar to various social phenomena, cannot simply be articulated by using quantitative objective instruments. The analysis of the literature of organisational culture in Chapter 4 highlighted that culture include values, beliefs and unconscious assumptions (Schein, 1985c). Some of those assumptions are taken-for-granted and impossible to capture by asking several questions and assuming the answers will reveal these assumptions (Martin, 2002). Qualitative research instead aims to interpret organisational culture by analysing the behaviours and perceptions of organisational members (Yanow and Ybema, 2009). Stressing the importance of qualitative research in studying organisational culture, Bartunek and Seo (2002:240) state, *“Qualitative research is very helpful, and sometimes necessary, for exploring local meanings of phenomena and the interactions that create these meanings. Such exploration offers the possibility of stimulating the development of new understandings, about the variety and depth with which organisational members experience important organisational phenomena”*. In line with this, the research attempts to capture in-depth behaviours, meaning, values and beliefs in an organisation. This research will adopt a qualitative approach using interviews, observations, and documents analysis to understand shared norms and expectations in the organisational culture.

The use of qualitative methods is consistent with the epistemological perspective being adopted; this research will also necessitate the development of researcher-derived categories, with focus directed towards individual respondents' own words. The primary aim of this research is to inquire into individual perspectives (thoughts and feelings) with regard to their own repatriation experience and to interpret such findings in the context of academic literature on national culture, organisational culture and psychological contracts. In summary, a qualitative methodology is well-suited to the interpretive paradigm adopted in this research, as it is concerned with what emerges as opposed to generalised contexts.

#### **6.4. Research Strategy and Design**

This section establishes a relationship between methodological and philosophical principles of a study approach, and examines the research process as a whole. Moreover, it examines the way in which the study strategy and design have been devised in order to provide answers to the research questions. The three different layers of reality – micro, meso and macro level – will be discussed in detail in this section.

Literature on HR management and the psychological contract explicitly recognise the need to implement a more integrative technique in order to develop insight into the nature of the social exchanges in the employment relationship (Aggarwal and Bhargava, 2009). This is in line with the need to utilise a multilevel approach in order to develop greater insight into the organisational phenomena, as highlighted by the literature (Klein and Kozlowski, 2000, Tetrick, 2004). This research is designed in such a way so as to examine the various layers of reality and social action potentially affecting repatriates' psychological contract. The research will focus on different levels—micro, meso and macro. This is in agreement with the argument presented by Layder (1998), who suggests that it is impossible to understand organisational activities without first taking into consideration the wider context in which

those organisations operate. Instead of viewing the psychological contract as an isolated phenomenon, the research will take into consideration the possible influence of the organisational and nation in the way in which psychological contracts are shaped, breached and fulfilled. By recognising this, three levels are presented in this research: national culture as the macro level, organisation characteristic or culture as the meso level, and individual as the micro level. The relationship between the three research elements, the aims and the objective, and the methods utilised are detailed in Table 6.1.

Table 6.1: Research design

Research Element	Research Objectives	Key Methods
<b>MACRO</b> (Saudi Arabian national culture)	To set the experiences of Saudi repatriates in a historical and socio-economic context.	<ul style="list-style-type: none"> <li>• Systematic literature review.</li> <li>• The Global Leadership and Organisational Behaviour Effectiveness (GLOBE) cultural dimensions framework will be deployed in order to understand and make sense of Saudi national culture.</li> </ul>
<b>MESO</b> (Saudi Arabian organisational culture)	To uncover inter-relationships between organisational and national culture, and to identify the possible key cultural dimensions that have a positive or negative impact on the repatriation process and repatriates' psychological contract.	<ul style="list-style-type: none"> <li>• Review of organisation policy and documents.</li> <li>• Drawing upon Schein's (1992) anthropological model to analyse culture.</li> <li>• 14 semi-structured interviews with HR managers.</li> <li>• Observation of the work environment.</li> </ul>
<b>MICRO</b> (Saudi repatriates)	To understand a psychological contract from the subjects' point of view, and to explore the meaning of their experiences. The examination of the influence of cultural differences on the perceived importance of various psychological contract obligations.	<ul style="list-style-type: none"> <li>• 60 semi-structured interviews with Saudi repatriates conducted within one year of repatriation.</li> </ul>

#### **6.4.1.            *Macro Level (Saudi Arabian National Culture)***

The macro level in this research focuses on the Saudi Arabian national culture. The objective was to set the experiences of Saudi repatriates in a historical and socio-economic context. The national culture component such as values, norms, and behaviours that represent the traditional structure of Saudi Arabian society is highlighted in this research. This is achieved through a systematic literature review and also by examining the findings from GLOBE cultural dimensions framework as discussed in Chapter 3. Contextualising national culture is crucial in understanding the factors that shape the psychological contract as well as other factors, such as the economic and labour market. Hence, this research argues that psychological contracts evolve within the macro context of the national culture.

#### **6.4.2.            *Meso Level (Organisational Culture)***

At the meso level, the key research focus is directed towards making sense of the organisational culture. Two organisations are studied, the aim of which is to uncover inter-relationships between organisational and national culture, and accordingly identify the possible key cultural dimensions that have a positive or negative impact on the repatriation process and repatriates' psychological contracts. This is achieved through the completion of a review of organisation policy and documents, semi-structured interviews with HR managers, and general observations of the work environment. Schein's (1984) anthropological model for analysing culture will be applied to develop an analysis of the three levels of culture in each firm. The method and level of observation will be discussed in the observation section.

#### **6.4.3.            *Micro Level (Saudi Repatriates)***

At the micro level, the main focus is on participants' experience and thoughts concerning their pre- and post-international assignment experience. One of the main objectives of this

study is to understand a psychological contract from the subjects' point of view, and to explore the meaning of their experiences. This is done through the completion of 60 semi-structured interviews with Saudi repatriates, all of which were conducted within one year of repatriation.

For the contextual and setting element, the data garnered by House et al. is valuable in terms of highlighting the main characteristics shaping national culture in Saudi Arabia. In terms of understanding organisational culture, qualitative data is essential. Influenced by the interpretative approach and the aim of understanding psychological contract from the point of view of repatriate, the key method employed is the semi-structured interview. This methodological approach aims to examine the interplay between the three levels (macro, meso and micro) in order to understand the way in which psychological contracts form and particularly change prior to and following international assignments.

#### **6.4. The Two Case Studies**

The research will examine differences in the nature and the numerous consequences associated with psychological contract fulfilment or breach across two major Saudi Arabian organisations. A small number of studies in the psychological contract field have adopted a case study approach (Conway and Briner, 2005) with such studies largely utilising a single organisational setting (Grant, 1999, Greene et al., 2001). This study will include groups of repatriates from two different organisations, all of whom are dealing with the repatriation process in their home organisations. This will follow an overview of the two organisations, Oil-Co and Chemo-Co.

#### **6.4.1            *Overview of the First Case Study (Oil-Co)***

Oil-Co's headquarters are located in Dhahran, although there are many subsidiaries located throughout the KSA and around the world in China, Japan, India, the Netherlands, the Republic of Korea, Singapore, the United Arab Emirates, the UK and the US. The company has been in operation for 47 years. Initially, Oil-Co was US-owned, but the Saudi Arabian government took full control in 1980. After Oil-Co's transition from a privately held consortium to a pivotal national monopoly, it was necessary to integrate Saudisation within the organisation, and accordingly, King Abdullah encouraged senior management to take an active role in the internationalisation of its workforce so that the company could rely less on foreign workers.

Nevertheless, the organisation has remained fairly autonomous, and many Western management practices have prevailed. The company functions as a state within a state, operating under its own set of laws and standards and maintaining a remarkable level of freedom from the fundamentalist Islamic clergy, which dominates the rest of Saudi society. The differences between this company and organisations' across the rest of the KSA are significant. For example, the corporation has its own print and broadcast media, as well as its own intelligence services and security force. Strikingly, the 1,000 women employed in Oil-Co are afforded considerable status and freedom, driving cars within the confines of the sites, working largely unsegregated from men, and holding senior positions in key divisions, such as petroleum engineering.

Throughout Oil-Co's history, there has been emphasis on developing what was referred to as 'world-class' learning programmes to equip employees with knowledge and skills. Today, the company makes massive investments in training and development—equal to more than \$10,000 per employee annually—and this extends across employees' careers. Emphasis has

been placed on sponsoring employees to pursue university degrees at leading Saudi universities and top-tier education institutions in the US, Europe, China, the Far East and Australia.

Out-of-company assignments are another tool used to develop leadership and technical skills within the company. The organisation collaborates with its association partners throughout the world to position Saudi employees in their firms, exposing them to global practices and diverse technologies. In addition, the company also depends on approximately 12% of its workforce who are non-Saudi professionals from around the world to assist in knowledge transfer around new technologies and management practices.

#### **6.4.2. *Overview of the Second Case Study (Chemo-Co)***

Chemo-Co is a Saudi petrochemical company established in 1976 by royal declaration under the authority of the Ministry of Industry and Electricity with the objective to diversify the country's economic resources as opposed to relying on oil as its sole economic resource. It was founded as a public shareholding company, with 70% of the shares owned by the Saudi government and 30% owned by private investors in Saudi Arabia and the Gulf. Foreign investors were not allowed to take ownership of Chemo-Co. The strategy was to turn underexploited natural gas into beneficial petrochemical products. This has been achieved through significant investments within the country and acquiring different business partnerships in Europe, the US and the Far East (Source: Chemo-Co's official website).

Chemo-Co headquarters are based in the capital city, Riyadh, with the main industrial operations centred in the industrial cities of Al-Jubail and Yanbu. The organisation has six different interlinked business units: basic chemicals, intermediates, polymers, fertilisers, metals and specialty products. Its operations and sales offices are located in over 40 countries with 33,500 employees across the world (Source: Chemo-Co's official website).

Chemo-Co's long term objective is to expand its global network and double sales by 2020. In order to achieve this ambitious vision, the company is investing heavily in training Saudi employees to attain the technical and managerial skills that will enable them to compete in the multinational market. Since the company was founded in 1970s, Saudi Arabian employees have been provided training in the USA. The company receives subsidised feedstock from the Saudi Arabian government to support Saudisation. The percentage of Saudi employees in the company has increased sharply over recent years, reaching 81% of the total workforce. The company also awards scholarships to Saudi employees in support of the Saudi government's goal of reducing dependence on foreign workers in all fields of knowledge and expertise. This has helped the organisation gain popularity amongst Saudi college graduates, as the organisation provides career opportunities in several fields inside and outside of the country (Source: Chemo-Co's official website).

## **6.5 Data Sources**

Following the philosophical underpinning and the research strategy for this study, this section will describe the research methods adopted. In this section, the research data collection techniques, namely interviews, observations, examination of organisation documents and the researcher's field diary, will be discussed in detail.

### **6.5.1. *Gaining Access and the Participant Recruitment Process***

Gaining access to an organization is an important step and as negotiations for entry are often time-consuming, it should be done as early as possible (Morse, 1999). The researcher began negotiating access around the end of the first year (2011), after the research topic was narrowed down from the broad area of repatriation to the nature of repatriates' psychological contracts. Despite the wide variation between Middle East countries in their openness to

academic research, personal connections play a major role in gaining access to organisations in such countries (Zahra, 2011). Ironically, *wasta* was important in facilitating access (The researcher's standing in the local community and family connections facilitated access, and the problems of dealing with official gatekeepers was avoided). As Easterby-Smith and Malina (1999) emphasise, in practice, official gatekeepers often only enable limited access, selecting only individuals and parts of the organisation they wish to showcase. In this research, local connections enabled access across a one-month period without the intermediation of gatekeepers, which was typical in each firm.

Participation in the study was voluntary. A list of all repatriates who fulfilled the selection criteria was provided, and those willing to participate responded by email. In order to ensure the anonymity and confidentiality of research participants, information about the research was circulated in a way that invited participants to contact the researcher directly, ensuring that nobody else knew who was actually participating.

International assignments in each organisation ranged from 18 months to 6 years; only those employees who had been repatriated within the previous 12 months were invited to be part of the study, thus ensuring the perceptions of their expectations and obligations with regard to the psychological contract, both pre- and post-international assignment, would be relatively easy to articulate. It was considered that events and feelings would be recent, attempting to avoid post-hoc rationalisation and bias.

### **6.5.2.           *Semi-structured Interviews***

In qualitative research, interviews are the most commonly adopted method for collecting data. Here, semi-structured interviews were used. According to Robson (2002a), these are distinguished as having a set of questions functioning more as a guide rather than as a restraint. Moreover, Robson (2002a) highlights that the sequence in which questions are

posed can be changed in line with the interviewer's perceptions of what may be deemed most suitable at the time. Accordingly, questions were changed and adapted, with explanations provided when necessary.

The interview schedule was organised around major themes derived from the literature review, such as repatriates' expectations before going on an international assignment, the repatriation process, and the organisation's obligations. The objective was to carry out a reflexive and flexible approach, which would facilitate the researcher in adopting, including, and posing questions that emerge from the interviews whilst maintaining focus on the outlined questions and key themes. Overall, the interviews lasted between 45–60 minutes. Interviews were conducted with both repatriates and human resource managers with the aim of drawing comparison amongst repatriates' perceived expectations and what management perceive as the organisation's obligations following repatriation. In addition, HR managers' interviews were geared towards gaining an understanding of the organisation's culture and history, and identifying the organisation's repatriation process and policies.

#### **6.5.2.1. Interviews with Repatriates**

One of the key aims of this study was to gather understanding of the experiences and viewpoints of repatriates in the Saudi Arabian context. The sample was comprised of 60 employees. The interviews aimed to understand the psychological contract from the perspectives of the participants as well as to develop the inherent meaning in their experiences. Agreeing with Conway and Briner (2005), the researcher maintains that the interviews provided rich data for individual interpretation of the psychological contract. Such data are also viewed as being in line with the treatment of a psychological contract as a highly individualised subjective construct (Rousseau and Tijoriwala, 1998).

Prior to beginning the interviews, a consent form (see Appendix 4) was signed by the subjects, as detailed as required by the Queen Mary Research Ethics Committee requirement. Participants were also given an information sheet (see Appendix 5), which explained the purpose of the research and provided written assurances of confidentiality. Moreover, the researcher also explained to participants that the recordings would be transcribed for the purpose of analysis, and that the transcript could be sent to them if they requested this. In so doing, participants were given the opportunity to revise their stories if they desired.

In opening the interview, the participants were asked to complete a biographical information sheet (See Appendix 6). The biographical information sheets offered the researcher basic demographic data and information that would be useful in gathering first impressions of the repatriate's life situation. It also ensured that sensitive questions were not posed.

The interview schedule was designed with the aim of eliciting what interviewees considered to be mutual expectations and obligations in terms of their psychological contract, including views on what employees recognised as reasonable to expect following repatriation as well as how their expectations might have evolved on their return. Interviews questions were clustered around three themes:

- repatriates' expectations before going on an international assignment;
- the organisational support they received when repatriated; and
- the consequence of international assignment experience in their career (See Appendix 7 for the interview questions).

During the interview, the researcher was open to any new unexpected phenomena and new insight. Following the completion of the first five interviews, two dominant themes emerged: employees' frustration at the lack of promotion (in the first organisation), and the role of *wasta* in the selection for international assignment and promotion. Accordingly, the following

questions were incorporated within the interview guide: What selection criteria were used for appointing you for your international assignment? Have you ever felt that you have an advantage or disadvantage in the selection process? If so, how? What do you think about your position or the role offered to you after your return? Were you promoted upon your return?

### **6.5.2.2. Interviews with HR Managers**

Interviews with HR managers centred on two key aims: primarily, to capture employer insights into the psychological contract concept and to evaluate the extent to which mutuality can be identified between the two employers and the employee in the exchange relationship (Scheel et al., 2013). Importantly, management were recognised as organisational agents, and were, therefore, considered to be in a position to convey promises or future commitments to employees as actions of the organisation itself (Kotter, 1973). Such a method is in agreement with Rousseau (1995b:60), who states that organisations *'become party to psychological contracts as principals who directly express their own terms or through agents who represent them'*. Secondly, emphasis was placed on identifying the possible key cultural dimensions that could induce either negative or positive effects on the repatriation process, thus shaping repatriates' psychological contract. Interviews questions were clustered around three themes:

- The organisation's motivation to send their employees for international assignment
- The organisation's policies concerning design and plans for international assignments
- The organisation's repatriation process and support practices (see Appendix 8 for the interview schedule).

Interviews with HR managers were conducted after interviewing 20 repatriates. Since one theme that emerged was a lack of planning for international assignments, an additional question was added: What is your view of the company's policies of sending employees to other countries to obtain qualifications but then offering nothing in return?

Interviews were conducted from April through August of 2012, and lasted 40–60 minutes. All information was recorded and transcribed. The dialogue was transcribed verbatim, a time-consuming task carried out by the researcher, with each of the interviews necessitating approximately six to eight hours' transcription. However, completing this task facilitated insight into the most important points made, which could then be used to provide a foundation for coding. Interviews carried out in Arabic were translated into English. Some parts of the English transcriptions were then translated back into Arabic, and then back into English in order to ensure that the meaning after translation had not changed.

### **6.5.3            *Observations***

The role of the observer in the setting or in the life of the people being studied is a subject that has received a lot of attention in social science literature (Bryman and Bell, 2007b). Robson (2002b) argues that observations might prove valuable as an additional or supplementary approach to gathering data, and could prove complementary when comparing the data gathered through other approaches. In this research, as influenced by Schein's (1992) anthropological model, non-participant observations with each of the organisations provided further data to understand the organisational culture. Employees were observed carrying out the tasks and responsibilities assigned to them on a daily basis.

Across both of the organisations, the researcher was afforded the opportunity to observe the actions and everyday practices of the individuals in their work contexts. The researcher was also given the opportunity to use an office to conduct interviews and transcribe field notes and observations. I spent a month in Oil-Co and two weeks in Chemo-Co. During this time I arrived in the office at 7 a.m. and stayed until 4 p.m. (the official working hours in Saudi Arabia). This offered the opportunity to talk informally to people, observe their daily activities, observe the work setting and their interactions with other staff, and consider the

researcher's own treatment as an outside investigator. Such reflexive observation can be utilised alongside other data in an effort to achieve greater insight into the setting and organisational culture (Johnson and Turner, 2003).

Having the advantage of appropriate cultural, linguistic and social skills, the researcher went largely unnoticed when on site. Such skills also provided a degree of analytical insight not available to Western researchers. However, for the duration of the fieldwork, the author was simultaneously an insider and an outsider: insider status was conferred by the fact that the researcher is Saudi Arabian and has lived most of her life in Saudi Arabia until pursuing an academic career in the United Kingdom. Having lived outside of Saudi Arabia for this length of time, the researcher was better able to frame her research—particularly around cultural issues—in such a way as to mitigate the problem of not noticing that which is too familiar, a problem commonly experienced by indigenous researchers (Bartunek and Louis, 1996). A combination of youth, gender and occupational status (as a graduate student) also helped to create the impression that the researcher was non-threatening, which aided extensive day-to-day observation.

### **6.5.3            *The Researcher's Diary and Field Notes***

The field diary is a personal chronicle of how non-participant observers feel about the social situation in the workplace. According to Bryman and Bell (2007b), it is important that such observations are detailed in terms of behaviours and events. Moreover, it is important for the notes to outline fundamental dimensions of what is seen and heard. By recording reflective notes about what the researcher saw and observed the credibility of the qualitative data was enhanced, and meanings emerged from the data that were documented (Denzin and Lincoln, 2009).

In this study the researcher compiled field notes at the end of each working day, including information regarding location, those observed, date and time of the day, and social and culture settings. Moreover, the research diary was also used both during and following the completion of the interviews in order to record details of the atmosphere of the interactions, participants' body language, posture, tone of voice and facial expressions as well as any additionally striking issues. Furthermore, notes were taken after the completion of each interview in order to ensure the researcher's own reflections and initial thoughts were captured, and to facilitate analysis. Importantly, the research diary provided additional information that exceeded the boundaries of what was discussed in the interviews. Usually, people tend to talk in a more informal manner after the digital recorder is turned off. Accordingly, the diary was recognised as fundamental to the study, as it could potentially deliver insights and understanding not otherwise garnered through the interview.

#### **6.5.4            *Publicly Available Documents***

Organisational documents are recognised as an important source, not only for identifying possible gaps between policy and practice (Saunders et al., 2011), but also for specifying the organisational espoused values, which are essential to understanding the organisational culture (Schein, 1985c). This research includes an extensive analyses of the policies of Oil-Co and Chemo-Co, as well as the procedures for the recruitment and repatriation processes in an effort to garner a wide-ranging understanding of the company culture. Access was provided to numerous company documents pertaining to the organisation's internationalisation strategy and HR policies, which were supplemented with background materials (annual reports, mission statements, reports for shareholders, and transcripts of chief executives' speeches, press releases, advertisements, and public relations materials). Such documentation provides an important source of secondary data relating to the formal international assignment

policies. Moreover, these documents were used to build a description of the organisations and their respective histories.

To sum up, information has been gathered through the completion of interviews and observations and the review of company documents. This combination of different techniques, such as participant observations and interviews, is referred to as method triangulation, and is based on the assumption that there is no single method that can adequately discover and validate all aspects of the research issues (Denzin and Lincoln, 2009). Although triangulation is recognised as a valuable research tool—with the researcher convinced that the observation will contribute to richer and more insightful analyses—it remains that the key focus of this study and the main qualitative data source of the research is the semi-structured interviews.

## **6.6. The Data Analysis Process**

Driven from interpretive approach, one of the important aims of data analysis is to search for meaning through the researcher interpretation of what is observed in addition to what is perceived and described by the participants. Thus, through the analysis process the researcher worked with the data to investigate relationships among patterns, concepts, themes and meanings. In the beginning of the data analysis process, the researcher focused on the data as a whole, and then attempted to look at it as different parts and restructure it more meaningfully. Grouping the data in this way helped the researcher to compare and contrast patterns, and reflect deeply on particular patterns and attempts to makes sense of them. The overall data analysis process is described below.

### **6.6.1. *Qualitative Data Analysis Programs***

The semi-structured interviews, the organisational documents, the field notes, and the observations combined resulted in a wealth of data. In this regard, NVivo software was

essential in the organisation and coding of this data. The use of such software was believed to enhance the analysis process in two ways: firstly, the code and retrieval method was recognised as invaluable in managing the mass of available data; and secondly, it was acknowledged as having the potential to highlight the underlying structure of the data (Richards, 1999). Importantly, the use of Nvivo software also facilitated the replication of the analytic procedures across the two organisations. It further facilitated the indexing of portions of the text in line with certain themes, as well as the completion of complicated search and retrieval functions, and the simple linking between research notes and coding.

### **6.6.2. *Inductive Analysis***

In the process of the data analysis, the research adopted an inductive approach, which is concerned with the collective data surrounding a particular subject, and allows for the emergence of meaning (Silverman, 2000). According to the interpretive paradigm that underpinned this research, “Inductive analysis means that the patterns, themes, and categories of analysis that come from the data; they emerge out of the data rather than being imposed on them prior to data collection and analysis” (Patton, 2002:437). Accordingly, the analysis was first initiated throughout the data collection stage; this was continuous throughout the researcher’s efforts to draw meaning from the data during the interview process. New themes emerging during the fieldwork were taken into consideration with interview questions adjusted accordingly: for example, the emerging links between organisational symbolism and the way in which psychological contracts were formed and shaped. When completing the inductive analysis, a number of codes were generated by the researcher, all of which represented themes in the textual data. Some of the codes were defined a priori upon the conduction of the literature review, taking the interview schedule as a guide, whereas other codes emerged following the completion of data analysis and subsequent interpretation (Miles and Huberman, 1994). The data coding process is described below.

### 6.6.2 *Coding Process*

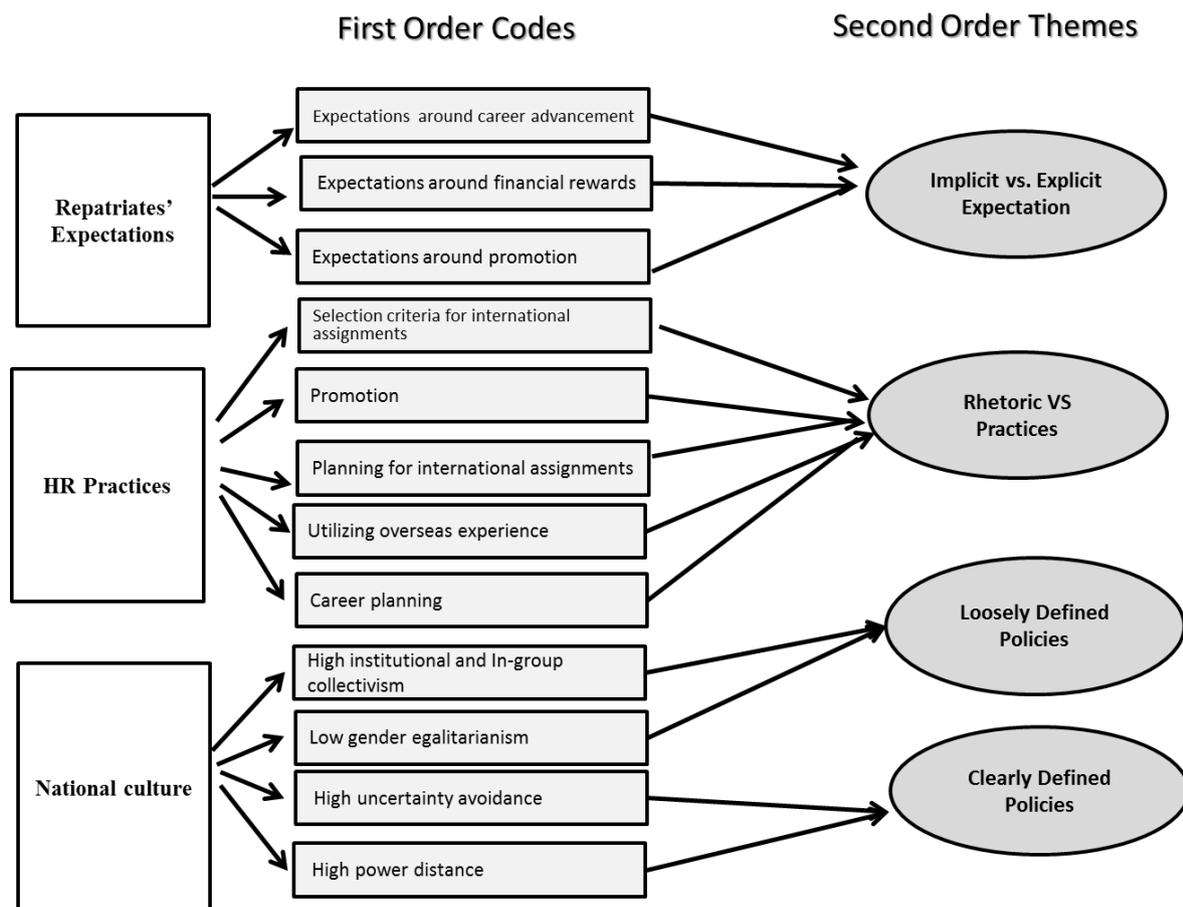
Interview transcriptions, organisational documents, field notes, and the researcher-written observations were reviewed to identify the themes suggested by the data. During this process, dominant themes and key concepts were accordingly categorised. These categories converted to codes with which the data was interpreted and meanings were extracted (Miles and Huberman, 1994). In this research, coding gradually developed through ongoing reading of the transcriptions to create logical links between the data and what was studied throughout the primary literature review. Moreover, coding was carried out in a three-stage process, as suggested in the work by Strauss and Corbin (1990).

The first stage of coding was identified based on the themes that emerged in the literature. For example, following the work by House et al. (2004), all seven dominant cultural descriptions of Saudi Arabia were included in the first coding plan. In the second stage of coding, only those dominant cultural characteristics observed in the case studies were included (e.g. high uncertainty avoidance and high collectivism). This process was adopted in order to break down the data into more manageable concepts, thus creating a broad range of cultural categories for subsequent and more detailed reduction.

In the third stage of analysis, axial coding was performed, which has been defined as *'a set of procedures whereby data are put back together in new ways after open coding, by making connections between categories'* (Strauss and Corbin, 1990:96) (see Figure 6.1). This process comprises core category selection, which centres on the category of data that accounts for the majority of the variations across the central phenomenon under examination, and around which the various other groups are integrated (Kendall, 1999). As a result, the researcher selected a number of codes recognised as the most relevant and wide-ranging. As shown in Figure 1, for example, repatriates' expectations in relation to 'career advancement', 'financial

rewards’ and ‘promotion’ were all grouped together into the theme of ‘implicit or explicit expectation’. Referring back to the literature and the interpretation of the psychological contract provided by Rousseau, which stresses the implicit and explicit nature of promises shaping expectation and obligations, it was important to understand how such expectations were formed, i.e. implicitly or explicitly.

Figure 6.1: First Order Code and Second Order Themes



Accordingly, the coding process as a whole spanned downwards, ensuring data were both combined and accordingly reduced. When completing code labelling, caution was ensured, with labels assigned only when they were considered to be a sound fit with the conceptual content of the codes. Accordingly, the researcher’s own interpretations of the content were responsible for the labelling.

## 6.7. Research Evaluation: Credibility

Generally, positivist research, which aims to ensure that the study measures or tests what is essentially intended, tends to question the trustworthiness of qualitative research (Shenton, 2004). Nonetheless, several scholars on research methods (Guba and Lincoln, 1994, Silverman, 2011, Merriam, 2002), have demonstrated how interpretative researchers can achieve credible and truthful findings in their own qualitative studies. According to Lincoln and Guba (1990), one of the crucial features in achieving trustworthiness is ensuring credibility. Credibility, which refers to the “*adequate representation of the constructions of the social world under study*” (Bradley, 1993:436), was addressed in this research by carefully designing the data collection and data analysis procedures to accurately present the phenomena under study. In this research, to address concerns of representativeness and credibility of the qualitative research findings, the following strategy has been used:

- Triangulation of methods, which means using multiple sources through different methods, was applied to investigate the social phenomena (Lincoln and Guba, 1990). In this research, data were collected from interviews, observations, organisational documents review, and field notes. While the researcher recognised the possible limitation of each methodological technique, Brewer and Hunter (1989) stress that using multiple methods compensates for their limitations and strengthens the credibility of the research. With the convergence of data from multiple resources, the interpretation of results will have more credibility than when it is grounded on merely one source or method (Patton, 2002, Jick, 1979). The supplementary data in this research, which were obtained from organisational official documents as well as observation and filed notes, were essential in analysing the organisational culture (e.g. organisational vision, mission, and CEO statements) and assist in interpreting the behaviours of management and employees under study. In addition,

since there was a variety of information from different sources, individuals' viewpoints were verified against others to offer a complete picture of the findings. For example, employees' repatriation experiences were verified against what human resources classifies in the interviews as repatriation procedures. Thus, the integration of data sources enhanced the researcher's understanding of the participants' context as well as the organisational culture, and enriched the credibility of the interpretation of the findings.

- Site triangulation was achieved in this research by collecting data from two organisations. According to Shenton (2004), site triangulation strengthens the credibility of the findings and reduces the influence of researching specific limited features that are idiosyncratic to a single organisation.
- The credibility of the research was also ensured by designing a three-stage process for coding. According to Weber (1990), presenting detailed coding definitions and clear coding processes has a significant impact on the credibility of research results. In this research, inductive analysis was used to recognise the emerging themes from the interview transcripts. The categories were classified in participants' own words as they emerged in the interviews. The credibility of the coding was also established on the basis that the majority of themes were stated by more than one participant.
- Credibility was ensured in the research analysis by the researcher's attempts to achieve a balance between her own interpretation and supporting quotations from participants. In line with Denzin and Lincoln (2009) suggestion, the researcher aimed to provide a rich description of the context to allow the reader to understand the basis for interpretation.

## **6.8. Reflexivity**

With the development of social sciences, there is growing recognition that even the most objective researchers bring themselves, their prior awareness and their personal histories into

the creation of knowledge (Etherington, 2004). From this researcher's viewpoint, reflective ability is a process that gradually evolves whilst developing as a researcher, throughout the course of a PhD, for example. As a PhD student, the researcher's own reflective understanding is limited. Reflexivity or synthetic criticism, whilst typical in the West, is not something the researcher has been encouraged to do. Synthetic criticism at the level required is vital; however, this does not come naturally. When reflecting upon or otherwise criticising respected or widely recognised beliefs, as a Saudi researcher, the researcher experiences great difficulty. Having been raised in a culture where tradition is the basis of authority and the dictates of those in authority are expected to be obeyed without question, engaging in critical analysis is not encouraged. Drawing one's own conclusions and critically reflecting on the views held by dominant groups or those in authority is rarely practiced. However, by adopting an interpretive approach, the researcher learnt to continuously reflect during the fieldwork, offering a personal interpretation of the particular social phenomenon.

The researcher holds the same view as Moghissi (1999:209), who states that *'being away from 'home' sometimes may be the only way one can look at 'home' critically'*. Being away from the home country has caused the researcher to begin to question many aspects of the Saudi Arabian national culture and organisational culture. Although the researcher does not look at things as better or worse, rather, attempts are made to accept the home culture as an entity that can be considered from an outsider's perspective.

In this study, the researcher was able to relate to the participants for different reasons. First, only those who live within a national culture can fully understand it. Moreover, as a PhD student studying abroad who will be repatriated to her home country, the researcher is able to relate to the repatriates' experiences. Coming home is much more of a challenge than going to a foreign culture: the researcher recognises that some of the most difficult times are yet to

come, such as when dealing with being bored at home. Gradually, it becomes very difficult to adapt back to a situation that now seems less ideal. The researcher is expected to be much the same person she was before going to the UK; however, people change, meaning there is the paradox of the difference between the lived experience of repatriation to Saudi Arabia and the general understanding amongst Western researchers of the repatriation phenomenon, which often fails to recognise the cultural differences that may influence the process in Eastern cultures.

As a Saudi Arabian student who will eventually be repatriated back home, the researcher acknowledges the subjectivity of this study. An interpretivist position needs to take into account the researcher's own position. Although the researcher is, in a way, part of the phenomenon under study, her privileged position in this regard should also be acknowledged, as well her own cultural biases that can affect the way in which interviewees' realities are perceived. By ensuring awareness of this and reflectively engaging in the research process, the researcher seeks to largely avoid essentialism, and can then start addressing the importance of religion, history, national culture and various other forms of inclusion and exclusion from an interpretivist position. According to Guillemin and Gillam (2004), the ultimate goal of reflexivity should target enhancing the overall quality and validity of the research, and identifying the limitations of the knowledge that is produced, which leads to more robust research. The researcher's own reflexive, insider-outsider position as a Saudi Arabian living in the West will, therefore, guide and inform this research endeavour.

The researcher had the advantage of having appropriate cultural, linguistic and social skills, which also provided a degree of analytical insight not available to Western researchers. However, for the duration of the fieldwork, the position of an insider and an outsider was adopted. Insider status was conferred by the fact that the researcher is Saudi Arabian and has

lived most of her life in Saudi Arabia until pursuing an academic career in the United Kingdom. Having lived outside Saudi Arabia for this length of time (seven years), the researcher was able to frame the research, particularly around cultural issues, in such a way as to mitigate the problem of not noticing that which is too familiar—a problem indigenous researchers often face (Bartunek and Louis, 1996).

Whilst the researcher's insider/outsider position might have afforded greater leverage than the cultural norm, it remains that the unequal power distribution between genders is a key issue. During the fieldwork, the researcher was required to overlook various incidents that might be regarded as sexist. For example, the researcher's unmarried status encouraged some of the male participants to try to cross boundaries; however, such people were not alien to the researcher, with their mentality and methods of reasoning understood. Being a member of this society, the researcher was well prepared to deal with this and its consequences. Moreover, sometimes paternalistic control was masked as support. For example, rather than issuing a permit, the HR manager advised that he could be called from the gate whenever the need arose to enter the organisation. As Altorki and El-Solh (1988) highlight, in the Middle Eastern context, a woman's sexuality is assumed. With this noted, during this time, the researcher's only choice was to behave in the most appropriate way and keep boundaries in the given context.

Although most of the available literature suggests that gender may be an imposed restriction in terms of access for female researcher in societies characterised by a high degree of sex segregation (Papanek, 1964, Pettigrew, 1981, Pastner, 1982, Altorki and El-Solh, 1988), this appears to be less true in the case of this research. I argue that as a Saudi Arabian and as a woman, I was able to gain access to important male-dominated organisations in Saudi Arabia. However, in this study, the researcher identified a practical advantage in the combination of

youth, gender and occupational status (as a graduate student), which helped to create the impression that the researcher was non-threatening and naïve. Subsequently, this helped to alleviate interviewees' initial anxieties concerning the discussion of sensitive issues relating to their psychological contract. Most participants viewed the researcher as merely a student in need of help and support to complete her PhD. This also aided in extensive observation of day-to-day working.

## **6.9. Conclusion**

This chapter has outlined the research philosophical and methodological approach of this study. The chapter began by describing the ontological, epistemological and methodological influences on this research. Influenced by interpretivist epistemology, a qualitative approach, notably adopting semi-structured in-depth interviews, was chosen as the key strategy. Finally, the research strategy in terms of research questions and objectives, research design, data analysis and reflexivity was described.

## **CHAPTER SEVEN: SUPPORT OF THE NATIONAL PROGRAMME OF SAUDISATION BY OIL-CO AND CHEMO-CO.**

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### **7.1. Introduction**

Since Saudi Arabia's wealth is derived from the export of raw materials (oil and petrochemical) through Oil-Co and Chemo-Co, the government has taken full control over these organisations. The government's top-down authoritative approach was evident in the implantation of Saudisation in Oil-Co and Chemo-Co. Certain Saudisation quotas were set for both organisations, and political pressure was put on them to staff specific jobs, such as managerial positions, with Saudi nationals. Since the government adopted the Saudisation policy, unprecedented pressure has been exercised on large companies, such as Oil-Co and Chemo-Co, to increase their annual percentages of Saudi nationals and retain their current Saudi workforce. However, recognising that Saudi citizens lack the required expertise to achieve the Saudisation target, the government encouraged organisations to enhance their human capital of young Saudis by providing educational and vocational training. The objective of this chapter is to discuss how Oil-Co and Chemo-Co have adapted to this national programme of Saudisation. Specifically, it will discuss the leaders' roles in implementing international assignments (education and training) as a tool to achieve the Saudisation goal. The contextual settings are particularly important, as they can explain the success or failure of implementing international assignments as a tool for achieving Saudisation in general and repatriation in particular.

### **7.2. Oil-Co**

Saudisation has been active at Oil-Co for a longer period of time than most other organisations in Saudi Arabia. As result, today 87 per cent of Oil-Co employees are Saudi, and 99 per cent of managers are Saudi nationals. Oil-Co has contributed to the establishment

of Saudisation by recruiting and training locals. According to Oil-Co's fifth annual report on Saudisation, the employment rate of Saudis increased by 65 per cent from 2012 to 2013. However, those initiatives were coerced by Saudi Arabia's King in 2003, who specifically stated that Oil-Co "*shall employ Saudi nationals as far as is practical, and in so far as the company can find suitable Saudi employees, it will not employ other nationals*" (Smith, 2003 ). This royal declaration was followed by the Shura Council's instructions for Oil-Co to apply Saudisation metrics to organisations that were directly owned by Oil-Co in Saudi Arabia and to the contractors' implementing Oil-Co projects. Moreover, the contractors' Saudisation rate was required in the annual performance reports that the organisation submitted to the ministry of petroleum.

The political involvement of the Saudi Arabian government plays a substantial role in Oil-Co. The organisation is financed by the government; consequently, many of the organisational strategies were regularly shaped by government regulations, rules and other socio-political needs. Oil-Co's CEO had no choice other than to take the Saudisation on board and undertake several steps to guarantee that the process was carried out. The CEO pressured contractors to recruit more Saudi nationals by applying a quota system. In order for contractors to sign a contract with Oil-Co, the Saudisation percentage had to be 35 per cent for construction corporations, 50 per cent for services corporations and 60 per cent for retailers, manufacturers and engineering organisations. The CEO took further steps to advocate Saudisation by forming the Contractor Saudisation Committee. This committee consisted of more than 160 contractor companies and Oil-Co officials who met to discuss strategies and plans for implementing Saudisation. Moreover, Oil-Co founded a training centre for coaching contractors with specific oil industry skills, especially in the fields of drilling and oil conservation.

On several occasions the CEO stated that Oil-Co has always been regarded as a role-model for the Saudisation programme and it has engaged in many initiatives to support the Saudi government in overcoming the employment crisis in the country. In a 2010 speech, Oil-Co's CEO said,

*The challenge to accelerate the creation of high-quality jobs in the Kingdom is tremendous. Six of every ten Saudi citizens are under 25 years old. To absorb the influx of young people entering the labour market, Saudi Arabia will need to create nearly four million jobs over the next ten years. Oil-Co is well aware of this challenge, and is making a variety of efforts to do our part to prepare the Kingdom's young people to be responsible participants in a future knowledge economy... We have not only focused on Saudisation within the Company but have developed a robust programme to steadily increase Saudisation in the workforces of our contractors. We are also working with the private sector to help train Saudi workers for contractor jobs. (CEO Speech about Oil-Co Role in Saudi Arabia's Present and Future, Riyadh, Saudi Arabia, 04-Jul-2011).*

Oil-Co's CEO paid considerable attention to the implementation of the government policies in relation to the Saudisation of the workforce. Formal organisational policy was placed in action to ensure that sufficient numbers of employees could be persuaded to take on an international assignment in line with the Saudisation policy. According to the company website, the organisation allocated \$1 billion per year to human resource programmes to train, recruit and develop human capital; this includes sponsoring more than 2000 employees in educational assignments in different universities throughout the world. The company runs college foundation programmes, which provide Saudi high-school graduates with the skills that help them to succeed in international universities. The company also operates a

community college that trains thousands of young Saudis in the technical skills that they need for employment. Moreover, the company encourages their employees to continue developing professionally by providing different programmes, such as support for college degrees, advanced degree assignments, advanced medical training programmes, medical professional development programmes, professional development, management training, technical training, and international work assignments.

In 2012, the company introduced its Accelerated Transformation Programme with the aim of becoming the world's top incorporated energy and chemicals company by 2020. One of the main aims of this programme is to develop Saudi expertise within the company and “unlock the company's full human potential”. The CEO emphasised that in order to achieve this goal, the company had to invest in the Kingdom's youth education. He announced that the company would be launching a new youth programme and sponsoring two million young Saudis in essential training areas by 2020. He stated on the website,

*Speaking today as a father, an employer and a citizen committed to our nation's future, I want to emphasise that the rote style of education — stuffing young minds with information — won't create a capable, adaptive workforce.* He stated that the company is fully committed to doubling their workforce in science and technology.

The CEO's budgeting and allocation of resources clearly revealed his belief in developing talent as one of the organisation's key strategies. The huge budget that was allocated for professional growth served to reinforce the importance placed on individual development, and purported value placed on international assignments. However, it is important to highlight that the government intransigence performed a major part in enabling rapid policy adjustments among organisations, which were rammed into a top-down style by the

management. Thus the application of Saudisation through international assignments in Oil-Co was clearly a top-down approach under conditions of government pressure.

### **7.3. Chemo-Co**

Chemo-Co was founded as an attempt to diversify the country's economic resources after the Saudi government realised that they were totally dependent on oil as their only economic income. The government was concerned about the future of the country's economy and what would happen when Saudi Arabia start running out of oil. This situation led the government to invest more than SR 187 billion in Chemo-Co to build up their petrochemical industrial city. Thus, the organisation was established as Parastatal, a partially government-owned corporation, under the guidance of the government but, at least in theory, separate and independent from the government. Chemo-Co is accountable through the board of directors to the government and the general public. Furthermore, Chemo-Co is subject to direct regulation by the Saudi government in relation to matters concerning national interest, such as unemployment. The government exercises tight autocratic control of the organisation through the chairman, who was appointed by the Saudi government and is a member of the royal family. Unlike private organisations, where a board of directors decides what the organisational objectives are, in Chemo-Co the chairman is in charge of setting those goals. The Chemo-Co board must answer to the chairman who is, in turn, accountable to the government. Basically the responsibility of the directors is restricted solely to the financial performance of the organisation.

Chemo-Co's chairman undertakes extra provisions to guarantee that the firm act in the interests of the government and in line with state policies. In a keynote speech Chemo-Co's Vice Chairman and CEO emphasised that Chemo-Co's strategies are profoundly implanted in alignment with the economic plans of Saudi Arabian government. He said,

*Chemo-CO has always taken a proactive approach to align with the policies of the government to ensure the desired responsiveness to the needs of the country and its people (Seventh MIT Pan Arab Conference, January 21, 2013).*

The chairman has demonstrated considerable commitment to strategically promoting Saudisation by localising employees since the introduction of the policy. In 2013 the CEO proudly announced that nearly 90 per cent of the employees were Saudi nationals, and 99 per cent of management positions were occupied by Saudis. Moreover, Chemo-Co displayed a strong commitment in localising its engineering department. After relying for years on foreign expertise to manage its mega projects, currently most projects are led by Saudis. Saudi engineers were encouraged to engage and learn from international experts, until they acquired the necessary skills to be able to manage and lead key engineering projects themselves. However, localising engineering expertise was also influenced by pressure from the Saudi government practices at Chemo-Co. The Chemo-Co CEO stated,

*Localising engineering expertise was a strategic decision made by the Saudi government. We encouraged Saudi engineers to work on important projects with major contractors at the engineering and design stage, particularly when they are deputed overseas. We also provided Saudi engineers all the required facilities and built their confidence with empowerment and trust. This went a long way in ensuring proficiency in key areas and building productivity levels. I am proud to say that the Saudisation percentage at the Engineering & Project Management Department has now reached 71 per cent (06 May 2013, a keynote speech at a Conference in Dubai).*

The organisation takes a leading role in strategically facilitating job creation in Saudi Arabia. In an interview with the HR manager, he stressed that one of the key aims of establishing

Chemo-Co was the further development of Saudi manpower. Thus, leaders demonstrate commitment to the development of its human capital. As the HR manager indicated,

*Our higher management's, the CEO and the head of HR, main focus is to invest in human capital, so investing in human capital is a strategic plan from the company to develop its businesses and to contribute in developing the Saudi community.*

Those statements highlight the way in which significant emphasis has been placed on following the policies that have been set by the government. To achieve Saudisation, Chemo-Co offers different training programmes to their employees. The aim of these training programmes is to develop a pool of talent that is capable of meeting ambitious business needs. The company stresses the importance of education and vocational training in creating jobs for Saudi nationals. Thus, the company offers in-house technical training programmes for their employees to perform complicated manufacturing tasks. Chemo-Co also recruits high school graduates annually and trains them comprehensively in manufacturing operations before positioning them in the organisation's factories in Saudi Arabia.

Chemo-Co has a sponsorship programme for high school graduates. Currently the programme sponsors 699 students at top ranking universities around the globe. The scholarship programme sponsors high school graduates each year to specialise in specific fields of study specified by Chemo-Co. On several occasions, the CEO has stated in the media that education is rooted in the organisation's organisation social responsibility approach as part of their in-progress attempt to invest in the future of the Kingdom. He said:

*The philosophy that drives Chemo-Co's scholarship programme and its success is one I am very proud of. It is one shining example of corporate social responsibility within*

*Chemo-Co and the Kingdom” (International Exhibition and Conference on Higher Education, Tuesday 23 April 2013)*

The CEO further stressed that graduation from a university and working should not be the end of education:

*We feel very strongly about the need for continuous education at Chemical-Co. It is part of a culture of learning in our company” (Arab News, Tuesday 23 April 2013)*

In early 2012, the company introduced their newly established Chemo-Co Academy in Riyadh. The academy offers training and development classes in collaboration with leaders and experts from different parts of the world. It hosts guest lecturers and trainers from top educational institutes to help managers and employees find innovative solutions to business challenges. The academy’s main learning programme concentrates on three key areas: core business skills training, leadership development, and functional skills enhancement. This step taken by Chemo-Co highlights their commitment to the Saudi government’s plan to create a pool of human resources that is able to cater to the needs of the Saudi economy.

Out-of-company assignments are another key tool used to develop leadership and technical skills in the company. Official data of the organisation indicates that in 2011 the number of assignees was 330. The total assignment costs including taxes was approximately USD 85 million, and the average cost per assignee per year was USD 250 thousand. In 2012, there were 295 assignees working in 27 countries around the world.

Moreover, part of Chemo-Co’s strategy to attract and retain Saudis is to offer a competitive reward and benefits program. In 2012, the organisation introduced a global scheme to improve their reward strategy and practices. This scheme launched several strategic changes, such as:

- *The establishment of one unified, global grade and title structure for professional jobs across Chemical-Co.*
- *The adoption of a common methodology for evaluation of jobs and processes for pay administration.*
- *The pursuit of opportunities to harmonise pay and benefit practices in each country wherever possible.*
- *The development of a clear strategy in each country to determine the target level for total pay and implement plans to drive towards these goals (Source: organisation official website).*

In Chemo-Co there is an on-going approach to paying generous benefits to employees, especially employees who are assigned to international assignments. As the HR manager explained:

*When you send a Saudi employee outside the Kingdom, especially if it's his first time, he will be concerned about his family, his children's education, the cost of housing and work permit visas. To provide a remedy for these issues the company has vendors that research every case in order to give him payments and benefits based on a certain policy to make sure that the employee lives abroad with the same standards as here in Saudi Arabia, and he must be able to save money.*

Moreover, Chemo-Co persistently monitors the compensation schemes of the industry in each country to guarantee that they do not lose expatriates to competitors. The HR manager explained,

*The benefits that we provide are different from one country to another; they also differ from city to city. For example in the UK, London is different from other cities. We're dealing with a global data provider that gives us the living costs for each city so we can*

*apply it to each criterion. Also, we include the family size, grade, basic salary that he gets in Saudi Arabia, and in this way we make sure we give him a package that is fair to the company and at the same time satisfies the employee.*

The organisation's budgeting and allocation of resources clearly reveals Chemo-Co's commitment to developing a national work force capable of taking over management and technical positions in the future. The organisation's culture, which emphasises building the national workforce through educational and work assignments, is reinforced by the rewards system that offers substantial salaries to those employees while they are on assignment. The generous benefits provided for undertaking the assignment highlights the value placed on Saudisation as one of the organisation's key corporate strategies.

#### **7.4. Conclusion**

The organisational structure at Oil-Co and Chemo-Co were grounded on hierarchy, where the Saudi Arabian government is firmly positioned at the top. The government practices fully integrated control into the organisation's policies, often trailing under the flag of corporate social responsibility. Largely, it can be said that Oil-Co and Chemo-Co are organisations that operate for their major stake holder, the Saudi government. Since these organisations are largely owned by the Saudi Arabian government, maximising the profit might entail contending with other governmentally authorised targets. Some of the organisations strategic objectives were in line with the government's agenda, such as job creation for the citizens, and general economic development of the country. Both firms were encouraged by the government, or maybe forced, to implement Saudisation as a strategic plan. As a result of the government drive for Saudisation, the organisation's leaders adopted a more nationalistic and less corporate approach. The top-down implementation of Saudisation through the CEOs indicated a very high level of centralisation. Since Saudi nationals lack the required skills, the

CEOs were under pressure to maximise the development of employees through international assignments in order to meet the Saudisation goals.

## CHAPTER EIGHT: OIL-CO

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### **8.1. Introduction**

The previous chapter described Oil-Co and Chemical-Co's path to localisation and highlighted the employment laws that underlie the organisational practices. In particular the chapter demonstrated the important role of leaders in translating the government policies and regulations into organisational practices. A central undertaking of this research is to understand the interrelationships among the repatriates' perceptions, national and organisational culture. Therefore, the next two chapters return to the meso- and micro-levels, providing an in-depth analysis of the organisational culture and repatriates' perceptions and experiences of the organisation practices before and after their international assignments. By providing a descriptive analysis of the organisational practices, the research will offer a contextual setting of repatriates' experiences in order to better understand their perceptions. It will also highlight the influence of the strong Saudi Arabian national cultural norms in shaping organisational culture and practices. This chapter starts with an analysis of organisational structure, policies and practices. Next, the chapter will analyse repatriates' perceptions of their expectations and obligations of their international assignments.

### **8.2. Organisation Structure: Overview of the Approach to Organising**

In general, there has been an uneasy tension between the need to try to adopt and maintain Western standards of professionalism in order to avoid outdated bureaucracies on one hand, and the effect of strong national cultural on management practices on the other. In effect, a struggle exists between national traditional values that are consistently the dominant values, and imposed Western values that the organisation has attempted to reinforce. Oil-Co's organisational structure was isomorphic in regard to the myths of Westernisation, which is in

contrast to organisations that were primarily structured by the demands of bureaucracy and the traditional hierarchy.

### ***8.2.1. The Western Organisational Facade***

Over the years, Oil-Co has built up a very positive image of its organisational practices, presenting itself as a modern and Western organisation, in contrast to most of the traditional organisations in Saudi Arabia that are hierarchical, rule-governed and bureaucratic. Through positive appraisal by the media, Oil-Co had come to symbolise how a Saudi organisation could rival the practices of most developed multinational organisations in the world. At first sight, the physical and temporal setting was particularly sympathetic to the image presented. When I visited the company, it was hard not to recognise the radical contrast between life on the campus—where there are no religious police and women are unveiled—and the situation in the rest of the city only ten minutes away. The differences within the company and the rest of Saudi Arabia are significant. Laws in the compound are also different from the rest of Saudi Arabia, and implementation of law is mostly the internal responsibility of the company. For example, women are permitted to drive within the compound while it is a criminal offence in the rest of the Kingdom. Also, although celebrating Christmas and Halloween are strictly prohibited nationwide, Oil-Co organises celebrations every year for non-Muslim families. It appears that the laws of Saudi Arabia end at the borders of Oil-Co's compound.

Oil-Co was deliberately designed to be isolated from the rest of the country. There were many aspects of the organisation's design and structure that reinforced and reflected its American business image and practices. For example, the organisation has its own fenced-in residential compound with over 9,700 residents. It was built by the company for its employees and their families. Within the compound itself, the company operates an elementary and middle school. These schools draw on the American-based curriculum in

teaching multinational students. Oil-Co has its own private publishing division and television broadcasting stations, in addition to its own intelligence services and security forces. It also has an in-camp radio station that plays American pop and American country music. Residents of this compound enjoy a relatively Western-style, liberal environment, which means it is possible for employees to avoid the strict cultural restrictions outside the gates. The company compound had been built to attract Western expatriates to work in the country. There are many entertainment activities within the compound, so if an employee does not wish to leave the compound, they never need to. Moreover, the company offers many benefits to attract expatriates, such as American ranch style houses, free health care at the organisation's private hospital, free private education for children, and almost 40 days of holiday per year. Although nowadays there are more than 54,000 Saudi employees in the company, the formal language remains English, because communication is easier for the 6,600 expatriates who work for Oil-Co.. The compound symbolises a Western lifestyle where completely different social norms and practices apply in Saudi Arabia.

The organisation attempts to present an image of equal opportunity for men and women. The 1000 women who are employed in Oil-Co were afforded considerable status and freedom, working largely unsegregated from men and holding senior positions in key departments such as petroleum engineering. The organisation has also portrayed itself as “the motor of change” in the country's social development, and provides crucial support for women's development. For example, in 2013, Oil-Co financed 250 women to run small-scale projects across the country. Part of this project is to provide training to help women acquire technical and other skills to ensure their projects are sustainable. The organisation's CEO repeatedly indicated that promoting women's projects and supporting them with jobs within the organisation was the company's social responsibility. Moreover, Oil-Co was the first organisation in Saudi

Arabia to appoint a female employee as a board member. She was appointed as the first Saudi general manager of the company's training and career development in 2009.

On the face of it, this seems to be positive and radical, but my observations suggest that in practice, the operations are totally different. As is usually the case, the devil is in the detail. Most of the females that I interviewed, whether they were HR managers or repatriates, stated that they were being 'used' to portray an image of the organisation as progressive. For example, when there were presentations to royals or Western media, it was mostly female employees who gave the presentation and hosted the receptions. Notably, the women who were chosen did not wear an abaya (the robe-like dress worn by Saudi women to cover the body); rather, they wore Western-style business clothing. Such requirements reflect wider gender inequalities in the organisation and reinforce the negative stereotypes that women who wear an abaya are less qualified than women who do not.

Oil-Co's informal attempt to advertise that they were eager to advance women was not wholly successful in my opinion. Women were recruited mostly in support services, rarely in the core operations of the organisation. Women were accepted in secondary positions, such as administrators and office assistants, for whom the organisation provided minimum career development opportunities. Overall, in the organisation there seemed to be general gendered perceptions of different functions. For example, women graduate engineers were perceived as "not fit" to go into the field, and hence most of them worked in offices.

The main barrier facing female employees was prejudice, which was deeply rooted in the national culture and Oil-Co's organisational culture. Oil-Co's organisational culture has been influenced by traditional Saudi society, where women's roles are typically stereotyped. Family responsibilities are not shared and are assumed to be solely a female's duty. Women are not expected to be breadwinners. Therefore, when it comes to promotion or selection for

international assignment, men are prioritised. Many of the female employees that I met in the organisation told me that women were rarely promoted. Usually managers promoted males as they are expected to be the primary earners. A young female MBA graduate, who was intelligent and a hard worker, recounted a story where she went to her manager with a business proposal. The manager's response was:

*You are funny. At the end of the day you are a girl. Do you believe that one day you will be a CEO? No way, forget about it. A piece of advice...you are a girl; work from 7 to 4 (official working hours); meet the minimum requirements in your appraisal. You are guaranteed a salary of 6000 or 7000 RY per month which is more than enough. Don't show any initiative, because you will never reach a senior management position.*

Unfortunately in Saudi society, this attitude is prevalent. Men effectively view women as subordinate, and this is also reflected in the organisation's culture. It was highlighted that men do not accept a female supervisor readily. For example, a female HR manager indicated that when her division head was on leave and they needed someone to cover his job temporarily, she was never considered to be a viable candidate, although she had a PhD and more than 20 years' experience in the organisation. Management brought in a male from another department to cover for him. Thus, despite Oil-CO's progressive claims, the organisational culture has been influenced by Saudi traditional society, where women's roles are usually subordinate. This reveals that the beliefs and values of Oil-Co were more traditional than claimed and closely aligned to some of the key dimensions of the Saudi national culture.

### **8.2.2. A traditional Hierarchy**

In terms of management structure, there are three levels of organisational hierarchy: CEO and VPs, middle managers, and employees. These differences were most noticeable between the

top and bottom of the hierarchy, with middle management usually caught in the middle delivering unquestionable strategic objectives that had been established by the CEO and his VPs. Members of the leadership team were concerned with strategically implementing Saudisation via the internationalisation of their workforce through international assignments. Middle managers (HR managers, and employees' direct managers) mostly acted as a bridge to operationalising the vision, designing and managing the strategies allied with accomplishing the executive level goals. In this respect they fulfilled the basic requirements of management by nominating, selecting, and sending sufficient numbers of employees on international assignments. The nature of Oil-Co's traditional hierarchy meant that most repatriates did not have direct contact with top managers and only a small percentage interacted directly with their department managers. The narrow span of control that characterises the organisation resulted in communication difficulties and excessive distance between the top management and the employees in the organisation.

There was a clear top-down management structure within a high degree of control, which everyone acknowledged and adhered to in working life, recognising that initiatives and policy directions only came from the top levels. There were formal procedures, policies and rules governing many aspects of daily working life. For example, the process of preparing presentations to be given to the CEO or VPs involved a long process of preparation. First the employee had to present it to the supervisor, then to his direct manager, next to the department manager and finally to the division head. Once it was approved by all those mentioned, and modifications were made to the presentation according to their comments, only then was it presented to the CEO. A lot of time tends to be wasted during the day on discussing and preparing those presentations. In fact, the majority of participants in the research implied that management control touches every aspect of the business. Employees have little or no control over their work processes, policies and procedures. This ritual of

preparing presentations is a symbolic manifestation of the control that characterises the organisation.

The bureaucratic organisational structures makes it difficult to do anything not defined by the rules, which seems to create a work condition where employees felt frustrated and are predisposed towards learned helplessness, as indicated in the interviewee quoted below:

*There is a lack of professionalism in the organisation. You do stuff here only to please your manager. You change stuff just because it doesn't go along with his style (presentation, report). They are not task-oriented; they don't look at the outcome. They are so focused on the process; managers want us to follow the process that they created.*

Managerial control is rooted in hierarchical control either through direction and supervision or through regulations. This centralised management approach has contributed to creating norms of behaviour regarding how employees should conduct their work. During the period of this research, I observed employees consulting their supervisors on a wide variety of issues, even very small matters. Employees expect to be told what to do by their superiors, and they wait for approval before moving forward with an idea. I observed employees sitting for hours in the office doing nothing until their supervisors assigned a task to them. A more explicit example occurred during my research. While I was in the office, I observed the HR manager discussing with her direct manager what she should include or not include in an email that was to be sent to a senior manager. Her direct manager asked her to draft the email and send it to him first. Once he had approved it, she could email it to the senior manager. Questions regarding manager control were answered with the assertion that “*my direct manager will be angry if I do anything behind his back.*” Subsequently, employees are hesitant to make any decisions without first going to their direct managers for fear of the outcomes of doing it incorrectly. There was a strong tendency to move decision-making to

the top of the organisational structure. The work rituals symbolise and support the hierarchical system of the organisation where only managers make independent decisions and are encouraged to show personal initiative.

In general, new ideas, for example innovations are not encouraged among employees. Work and tasks are based on the rules and procedures, and this was reflected in the following interview with a repatriate.

*You come back with a lot of ideas, but when you come back, there are a lot of constraints. For me those constraints are artificial. It's the way they are used to doing business.*

This need to have a single source of authority has created a highly centralised organisation. Undeniably the very experience of such centralisation of authority was interpreted as symptomatic of the incompetence and unproductiveness of Oil-Co systems and staff who continued a paternalistic tradition of management control. The organisational structure conflicted sharply with the progressive image that the organisation attempted to present. There was a sharp distinction between the structure of Oil-Co and its actual day-to-day work activities.

### **8.3. Organisational Formal Statements**

Organisation formal statements explicitly assert what the leader values and what the assumptions are. Usually these statements bring to light only a small part of the leader's assumptions, that part which the leader believes is valuable in publishing the ideology or the focus of the organisation (Schein, 1985c). The organisation's official mission statement is stated below:

- **Mission:** *To ensure a sustainable, competent Oil-Co workforce by providing effective and efficient professional development for all employees.*
- **Vision:** *Oil-Co will be the industry leader in training and development.*
- **Values:** *Our organisation upholds the values of learning, growing, and developing technical expertise to meet the future challenges of long-term energy solutions. As the energy needs of the world change, so must we.*

The organisation's formal mission, vision and values statements reflect the degree to which the leader places emphasis on unlocking employees' potential through training and development. Emphasis is placed on sponsoring employees to pursue university degrees overseas and out-of-company international work assignments. Although the organisation plays a major role in the oil industry, their mission statement emphasises the building of a national force rather than a focus on profit. However, as highlighted in the previous chapter, those leader initiatives were the result of pressure from the Saudi government to meet the Saudisation goals. As a result of the government drive for Saudisation, the organisation's leaders adopted a more nationalistic and less corporate approach.

#### **8.4. Training and Development Systems and Policies**

The next part of the analysis will discuss the organisation's policies regarding design and plans for international assignments, selection for international assignment, pre-assignment cultural training, and promotion policies.

##### **8.4.1 Selection for International Assignment**

In Oil-Co, the formal written criteria for nominating and recruiting employees for international assignments are precise.

- Employees' grade codes must be 11 or higher

- Employees latest performance rating should be “E” or better (the organisation has a five-category rating scale ranging from “S”, significantly exceeds requirements ; “E+”, exceeds most requirements ; “E” exceeds some requirements ; “M”, meets requirements; and “D”, dissatisfactory performance.
- Employees’ maximum age cannot exceed 35 at the time of programme entry.
- Employees should not have more than three children
- Employees’ minimum cumulative grade point average (GPA) must be 2.5.
- Employees’ minimum major GPA must be 3.0.
- Employees should have a minimum of two years’ experience in the company or a subsidiary company.
- PhD candidates must have completed a master’s degree in a related field
- Previous ADP graduates cannot be nominated for another degree at the same level (i.e., a second MS degree).

While these selection criteria, in theory, are justifiable and reasonable, they were perceived by internals as largely rhetorical. In reality, actual involvement and influence in the selection process was controlled by the managers. In practice, it was primarily an individual’s connections or “wasta” that dominated the selection process. For example, several of the repatriates that had been interviewed considered that selection for the international assignment was totally determined by wasta. They indicated that many individuals have been sent on international assignments mainly because of their wasta. Repatriates repeatedly referred to the ‘fact’ that “*who you know is more important than what you actually know*” in order to excel in the organisation. A common response was:

*In the selection process, the priority is for the employees who have wasta to nominate people who are well-connected first, and then, if there is an extra slot, they pass it to*

*the rest. I don't think getting a job at the company involved any wasta, but once you are in the company you need wasta. Once you are in, to be honest, if you have wasta you are better off. If you are supported by someone high up, you escalate within the organisation.*

Another repatriate described a similar experience:

*Wasta and connections exist in the selection process, for example, I had applied for the educational assignment three times and I got it in the third year, the main reason was wasta, they give priority to the people who have connections.*

Notably a number of the HR managers also discussed the way in which wasta was used by individuals in order to be nominated for international assignments. They freely acknowledged that many employees were selected for international assignments mainly because of their wasta. An HR manager stated when asked about the selection process for international assignments,

*The selection criteria according to the company policies are: GPA comes first, the performance category comes next, and years of services comes third. We can say that the fourth selection criterion is wasta, because some people didn't meet the three criteria and have been sent on an international assignment. As an HR manager, I can't do anything about it, because we are simply dictated what to do. For example, there is a candidate, who is good, but he joined the company from the UK. He graduated in February 2012. I made the nominations in April 2012. How can I put his name forward? He has been in the company for less than two months. Apparently, he shows very good signs of being a competent person. However, I can't nominate him too soon. Then I was told you have to nominate him; his father is a manager. Even if the guy is good, this behaviour will not give him any credit. Even if he progresses in this company,*

*everybody will remember it was because his father is a manager. This guy is really good; I saw his C.V., and he shows very good promise. Why we don't we give him a year to work in the organisation? What is more, the policy of the organisation indicates that for anyone who doesn't meet the criteria, the nomination is taken automatically out of the process and you have to justify it. How can you justify it?*

While the official selection policy was supposed to offer a legitimate method of selecting employees for international assignments, actual practice reinforced notions of hierarchy and the importance of status. HR managers were instructed by the CEO or their managers, and they were not allowed to question any commands or policies. When an employee does not meet the selection criteria for an international assignment and he/she had been recommended by the VPs, the human resource manager cannot question that, as they are not the decision makers. HR practices were used as an active alternative to bureaucratic control rather than as a justification for unfair employment policies. That is, in Oil-Co there was a traditional hierarchical “command and control” and bureaucratic organisational structure, heavily dominated by *wasta* that could overrule regulations and procedures. Thus, the notion of professionalism yields to *wasta* in the selection process, and the process is perceived as rhetoric by the majority of the interviewees.

#### **8.4.2. *Design and Plan of the International Assignments***

The company has two types of international assignments: educational assignments and work assignments. The design and the plan for each type of the assignments will be discussed in the next sections.

##### **8.4.2.1. Educational Assignment**

In terms of the educational assignment, every year Oil-Co sends many employees to attend graduate programs overseas. The organisation will pay tuition and all expenses in addition to

the employees' regular salary. HR managers claim that those assignments are designed to fill significant places in their organisation. They also believe that while attending graduate school, the Saudi employees gain a better understanding of the broad functioning of foreign business and societies. An HR manager further explained:

*Usually Oil-Co will send somebody based on their business needs, so the person who is sent on an international assignment aims to fulfil a gap or business need. They will specify for you, if you're a postgraduate, what the topic of the thesis is. They will evaluate for you the programme before you go, because they want a specific programme that will cater to their needs.*

Another HR manager stressed that the organisation has an inclusive plan for international assignment. She claimed that assignments were designed to meet specific objectives and requirements to achieve long-term goals of the organisation. She said,

*We don't send anyone to study for an advanced degree without a very clear career plan. We usually send employees in a very explicit speciality related to his department's needs. So everyone going on an international assignment goes with justification from the department indicating what they will work on when they come back and when they come back, which department they will be working in, and even the name of the project that they will be working on.*

However, simply having a policy for international assignment does not mean that practices are implemented as they should be. The interviews with repatriates suggested that human resources and repatriates do not share the same view about the designing and the planning of those international assignments. The majority of employees who were sent on educational assignment indicate that they had been sent to specialise in a field that actually was not relevant to their job. For example, a repatriate stated,

*They sent me to do a master's in geophysics, although I am an IT specialist. I thought they would move me to a different department when I came back. I came back to the same job. This is because my department doesn't need geophysics. They just sent me to fill the available slot that was assigned to the department, and you can't change the field. Once I came back, I became very frustrated. I wondered why they had wasted two years of my life if I was to come back to the same job and not apply what I had studied.*

Another repatriate shared the same concerns:

*We are in computer support for petroleum engineering. I was nominated to go for the master's degree in petroleum engineering. So I had the expectation that I would go on the assignment to the department that was relevant to my master's degree, and I am still trying to move there, but my manager is not willing to move me, as they need me in my current department. They send us to do a degree for the sake of doing the degree. We don't utilise what we have learned, and they don't care.*

These quotes suggest that despite the rhetoric around HR managers designing assignments to meet the organisation's business needs, the education assignments were poorly planned. It seems that there is a mismatch between what is claimed by HR managers and what is perceived by employees. The majority of employees observed a gap between what was required by HR practices and what was actually executed.

Yet, when the HR managers were asked their views on the organisational system to send their employees abroad for qualification that were not relevant to their current job and probably will not be relevant to their future job, the HR manager responded,

*Let's go back and ask the employees this question: "Why did you accept an assignment in an area that you knew you would not be working in?" I am not forcing any employees to go. When an employee is nominated to go on an educational assignment,*

*we don't threaten them; we don't force them; and it is like "Do you want to go and study finance?" Even though their work is not related to finance, they accept.*

This highlights that what HR managers paid attention to was limited to fulfilling the basic requirements of management: nominating, selecting, and sending sufficient numbers of employees on international assignments. Repatriates have suggested that human resource managers' goals were disconnected from concerns about developing a talented workforce of internationally trained managers. HR managers' focuses were limited to delivering programmes in line with the Saudisation goal that had been set by the CEO. This is reflected in the high command and control structure that characterises Oil-Co.

#### **8.4.2.2. Work Assignment**

The second type of appointment was for work assignments. This involved 18 months of overseas training. During that time period, the trainee is exposed to factual information about how Oil-Co's business partners operate their businesses. As trainees, their primary mission was to observe closely and, hence, learn about the company's foreign partners. HR managers claimed that the work assignment had been thoroughly studied, carefully planned, and well-structured to meet the business gaps and needs. As an HR employee stated,

*Before we send the employees on an international assignment, which involves working for 18 months or more with different services companies around the world, we plan the assignment very carefully to make sure that everything is in line with the business goals, and that the employees get the maximum benefits. So we work with the managers to understand what they need, and then we work with the service companies to make sure that they are going to provide this. We request the service company to give us as detailed an outline as possible of where the employees are going to go, what exactly they are going to do, etc.*

However, it became clear from the interviews that repatriates found their international assistance was limited in scope and poorly designed. Results indicated that 90% of the respondents interviewed in this study stated that were very dissatisfied with the way the organisation designed their overseas working assignment. For example, one repatriate noted,

*Before I left, I was expecting this programme to have been thought through enough, and that it would be designed in a way that would boost my knowledge. I thought that when I went to a company like X (service company), which is very well known for its strong training, they would expedite my training. I thought by the time the training was finished I would have learned what was equal to three or four years of what I would have learned if I had stayed in my department and not gone on the international assignment. However, when I went to the U.S. Company, no one knew why we had been sent. X Company is like Oil-Co, a very big corporation, with many different departments and areas. The department they sent me to had nothing to do with my current work or my future job. I was really disappointed. There were no objectives for the whole programme. When I asked my direct manager in Saudi Arabia what is the objective of this training programme, he responded by saying, "Do your best". There were no clear objectives of what the expectations are of when you come back. It was a frustrating experience, because the programme was not well developed. It took my company a whole year to plan this programme, so they should have known better.*

Several repatriates indicated that HR managers were eager to impress senior managers by rapidly putting the training plan into action instead of sufficiently planning international assignments to meet the business needs. One repatriate stated,

*Here, they train people just to prove that they have a great training programme. The image is great, but they haven't made sure that whatever we've learned is applicable*

*to whatever they are going to do in the future. They don't care; they only care about whether (1) they have successfully sent this number of trainees, (2) everything went fine, and everybody came home and learned something. The objectives are limited to this. They sent me on a programme just for the sake of sending me. We don't use this technology or this system. They were trying to fill the slot regardless of the business needs. The general attitude was just go there, and try to learn how they run a business. Whenever someone went to complain, they argued that they were getting paid well; they were living abroad; let it go. For me, it is a training programme. If I don't train myself it is a waste of the company's money. They don't care about the company's money.*

This quote and other comments suggested the managers were more concerned with impressing the upper management than designing a programme that developed the assignee skills. One repatriate argued that according to the norms at Oil-Co, the managers were actively seeking to impress the high management. He said,

*The culture in this company is that they try to show off by showing that they have an accurate plan for developing researchers to impress the higher managers, but they don't apply those plans. The main aim of the plans is to make an impression that we are developing our researchers and employees to impress the higher management.*

This statement suggested that managers often merely ignored the problems associated with the poor design of the international work assignment. This situation also highlights managers' desires to avoid personal responsibility for decision making. According to the repatriates, nobody in management took these issues seriously, including their direct manager and HR who designed the programme. The repatriates indicated that HR managers know what is going on, and they choose to ignore it, because it helps them to achieve a better position.

Respondents also indicated that HR managers can be selective in reporting to the senior managers, and they do not report the repatriates' dissatisfaction with their training programme. At present, communication between managers and employees is very limited. Many repatriates objected to the lack of bottom-up communication and opportunities to articulate their views to the management. As one HR manager indicated,

*The main problem is that senior management are not aware of the weakness of the programme. The people who are responsible for the programme are not communicating the right image to senior management. When I had a meeting with my direct manager, I gave him the feedback that I got from the participants. He was shocked, and said that as far as they knew, the programme was excellent and everyone was satisfied.*

In the interviews with repatriates and management it was clear that the majority of employees were dissatisfied with the way their organisation managed their international assignments. For example, one HR manager cited the following case:

*Last year, we had a situation where one employee came back because the programme that he was assigned to in the services company was completely unrelated to his work experience. He was one of the employees with the highest potential in the company. He scored 'S' for the last three years in his appraisals. He was really disappointed with the programme. He approached our department, and they tried to change the programme to meet his needs, but it didn't work out. The service companies are very flexible. They are paid huge amounts of money to train our employees. The main problem stems from the person who designed the training programme. In this particular case, the employee who was a geologist was assigned to wash and maintain some tools in the field. He didn't mind doing it for two or three*

*weeks but not for the 18 months of the assignment. What kind of experience would he have gained from that? So he decided to come back. His supervisor was not helpful at all. He told him he should appreciate that he had been selected for this programme and that a lot of employees dream of going on such an assignment. So he refused to change the programme and asked him to come back. His return affected his career negatively, so when he came back he worked for couple of months and then resigned from the company.*

As a consequence, employees appeared to have become more reluctant to accept the offer of an international assignment. HR managers stated that they had started to find it more difficult to persuade employees to accept expatriate work assignments. The HR departments were falling behind in nominating the target numbers of employees for the assignments. Senior managers started to question the departments that failed to nominate and recruit employees for international assignments. As one HR manager explained,

*I had to go through the list of qualified employees one by one to convince them to go; no one agreed to go. In the end our department decided not to send anyone. As a result of that, we were approached by senior management. They asked why we hadn't nominated anyone from our department for the work assignment. I explained to the managers that the programme needed to be modified according to the employees' needs. However, they rejected the idea of changing the programme. They said that those were the guidelines received from senior management, and we had to accept the programme as it was, without any changes. I told them it was not a holy book that we couldn't change; we could still change it.*

This showed that considerable attention was given to divisions that were failing to meet the organisation's strategic target of nominating sufficient numbers of employees for

international assignment, rather than simply addressing the problem with the design of the foreign assignments. This approach highlighted the way in which significantly more emphasis was placed on following the policies that were mandated by the CEO than addressing why employees rejected taking on those assignments. Prioritising the strategic aim of the company in such a way to coincide with those of senior management was highly symbolic. This reflection of the predominance of hierarchy and bureaucracy that permeated the organisation provided the initiatives and policy directions, which could not be delineated from the top levels.

#### **8.4.4. Pre-assignment Cultural Training**

It is important to note that the managers did not perceive the need to have pre-expatriate cultural training for their employees. Human resources managers appear to believe that such training is not really necessary because of the cultural similarities between Oil-Co and any Western company. One senior human resource manager stated the following, when she was asked why Oil-Co did not provide the training:

*We don't provide pre-departure and cross-cultural training before employees go on international assignments, because Oil-Co is a very diverse organisation. In the department you have employees from all around the world. So already our employees are well prepared for dealing with different cultures.*

The HR manager also had a rather deterministic view, which corresponds to the belief that “our employees can fit anywhere”. Another HR manager commented in a similar fashion,

*We don't provide pre-assignment cultural training for the people who are sent to do master's and PhDs. We assume that they already have learned a lot of things while they are working in Oil-Co environment. Oil-Co's environment is really multicultural.*

Pre-assignment training was a neglected item in the human resource systems of the companies. This symbolises the way Oil-Co perceives itself to be progressive and Western, as well as the dominant belief that Oil-Co's employees can fit anywhere. Managerial arrogance is indicated by a presumption that their employees are superior and thus would not need any cultural training before the international assignment.

### **8.5. Promotions**

In Oil-Co, the operation of promotional policies and practices is an area which has an unclear set of attached criteria. The interviews with HR managers suggested the absence of clear and structured promotional policy in this organisation. An HR manager, when questioned about the promotional policies, said,

*There isn't a clear policy about promotion; there are only guidelines. The only clear part is when you screen the candidate according to the GPA, years of service with the company, and appraisal categories. Even those criteria have leeway, which are outside policy. As I mentioned earlier, we don't have a clear policy, only guidelines.*

The HR manager acknowledged the absence of clearly structured promotional policies in the organisation. This suggests that rather than having formal, explicit policies for promotion, the policies were loosely defined. The lack of clear policies around promotion raised questions of fair treatment among employees. The majority of the employees perceived that promotional policies were unfair, unclear or misleading. Several different comments in the interviews referred to the organisational policies and top management ambiguity regarding the promotional criteria. For example, one employee stated,

*There should be more transparency in the promotion system to show people their options. If the system is clear, it will be my option to decide to stay in the field or go*

*abroad to get a degree. Some people are not even interested in the PhD; they went only for the grade code, and in the end, they didn't get it.*

Another repatriate said,

*The company rules about promotion are not clear. There are no clear rules about when you are entitled to promotion. Some people think it is after three years; others believe it's after four years. There is no transparency. They like to keep the rules ambiguous. Promotion goes back to the manager, which is one of Oil-Co's biggest problems. The person who controls your career is your direct manager. What if he doesn't like you? One of our problems as Saudis is we don't separate our personal feelings from our job. There is no fairness.*

The ambiguities about the requirements for promotion lead employees to rely on their direct managers' support when actively pursuing a promotion. HR managers also confirmed that promotions depend on the immediate manager:

*There is a clear policy about promotion. It tells you that it's up to the department to nominate while the candidate is in an advance degree programme. There are some departments who never do, as they argue that promotion is related to performance and the assignment is related to academia. Promotion depends on the manager; if I want to promote you while you are on the assignment as a manager, I have this authority. Some managers will argue that he is studying, and he shouldn't get promoted, while others will argue that he should be promoted.*

This suggests that the lack of a clearly defined promotional process allows for subjectivity to influence the process with high management given substantial scope for decisions. This leads to what repatriates view as biased decision making. As one repatriate noted,

*I didn't get promoted when I came back. I shared my concerns with my manager about the promotion, and I was given the usual answer: "It's something coming from up", Who is that "up"? No one knows. Your manager nominates you; who approves it, is someone else. I don't think it's fair.*

The loosely defined policies around the promotional criteria and processes seem to enable the use of waste. Wasta was perceived by the majority of the respondents as more important than qualifications and work experience. The majority of employees stated that in order to be promoted, you needed to have a family member or friends in high places. One repatriate stated,

*There are many parts of the company where we know that you don't get promoted by merit; you get promoted by who you are, or how you are related to others or to whoever is in charge of promotion. That sort of thing is extremely de-motivating. Personally I know some people who quit the company mostly because they either can't handle the thick layers of bureaucracy or they feel that they have to do things that they wouldn't necessarily do on their own merit, such as pleasing your boss instead of having the true interest of the company at heart.*

Some of the employees interviewed consider wasta as a social norm and associate it with values, such as solidarity and loyalty to family, tribe, or friends and closely linked to the Saudi national values. For example, one repatriate argued that wasta is not something new, and has always been common practice in Saudi Arabia, an almost inescapable aspect of daily life. Wasta is, therefore, an integral part of Oil-Co's culture. He said,

*The personal aspects that get you flying anywhere are there in the company. It's not only professional aspects that make you excel in your career. Your relationship with the*

*manager, VP and who you are play a major role in your career. The Saudi mind-set is here in Oil-Co.*

The majority of employees were concerned with the fairness of managerial promotional practices. One repatriate stated,

*In some cases it feels like it's who you know, not what you know. You meet people who are brilliant, but they're in a position that does not do them any justice. It's only because they are not very friendly with those who are around them.*

In Oil-Co it seems that the lack of well-defined promotional processes and lack of information about the criteria cause employees to perceive that there were biased in the promotional decisions. The majority of respondents, including HR managers, highlighted that promotions depend on “who you know”. The combination of ambiguity regarding promotion policies, and the absence of clearly written promotion polices enables *wasta* to heavily interact. Oil-Co’s notions of professionalism are contradicted by the approach adopted towards promotion. The organisation’s espoused values were disconnected from practices.

## **8.6. Repatriates’ Psychological Contracts**

This part of the analysis will focus on employees’ perception of their expectations and obligation before their international assignment, and employees’ perception of their expectation and perceived obligations after the international assignment.

### **8.6.1. Expectations and Obligations Pre-assignment**

The motivation of employees to undertake an assignment was twofold. Firstly, the novelty of living in a different country, and secondly, more importantly, employees believed that an international assignment would assist their career progression. However, it appears that

employees' expectations were largely shaped by management rhetoric and unclear understanding of the organisational practices, which will be discussed next.

#### **8.6.1.1. Accepting an Assignment to Advance Career**

The majority of interviewees assumed, largely implicitly, that undertaking an international assignment would be rewarded with promotion, believing that the company “*owed them for their overseas service*”. Repatriates expected to be rewarded with high-level job prospects, and expectations to employ their skills learned while overseas. An exploration system analyst, who had been expatriated to Canada for two years on an educational assignment, stated,

*I had the expectation that if someone finishes a master's degree, it is logical that he will get promoted when he comes back.*

Many repatriates believed that completing an international assignment would lead to career advancement and other accolades. One simulation engineer, who had been expatriated to the UK for 18 months on a work assignment, commented,

*Before I went on an international assignment, I thought the international experience would help me to excel in my career. I thought when I came back they would change the nature of my work.*

Many of the repatriated accepted the international assignment believing that it might increase their career opportunities (c.f. Suutari and Brewster, 2003). Other comments included:

*I had the expectation that going on an international assignment would improve my career in the future; I thought it would give me more opportunities in the company than before.*

*I thought international experience would add something extra that differentiated me from my peers. I thought that in the future, if I am a manager and I have two employees working under me, and I have one place for a division head and they are equal, but one has international experience, I would probably choose him.*

During interviews it became evident how expatriates' expectations of career advancement were formed through a combination of company policies that suggested only those with high potential and positive meetings with HR managers would be sent on international assignments. As one HR manager stated,

*During the past year, our company has launched their Accelerated Transformation Programme to unlock the company's full human potential. In order to do that, the company is trying to develop their human capital in order to compete with other international companies. How are they doing that? By sending high potential employees to work with different service companies around the world for a period of time.*

Company documents, which focused upon 'unlocking human potential', recruiting, developing and retaining talent, were claimed to be key strategies, but policy documents were very vague regarding how careers would be practically managed after assignments. The CEO reinforced the value of talent in the organisation and linked it to rewards on several occasions. For example, in his public speech at MIT Club of Saudi Arabia in Riyadh on 19 April 2010, the CEO stated,

*Talent thrives only in an environment that rewards excellence, effort and achievement. Throughout its history, the company has maintained a corporate culture which encourages individuals and teams to excel; where advancement is based on merit, skill*

*and work ethic; and where employees have the opportunity to go as far as their expertise and drive will take them.*

Clearly, human resource policies and practices send strong message to employees regarding what they can expect from the organisation. They influence the kinds of relational expectations employees develop and are the formal channels that employees use to understand the terms of their employment. HR managers also highlighted the opportunities the company offers for those repatriates to develop their skills and career within the organisation.

*Employees who are selected to go on international assignment are the cream of the cream; they were chosen from 300 employees in one department to be sent abroad. They must be special. I am telling you the fact that they are being promoted while they are away. They are special. The fact that they are sent and request to extend their stay for one year extra to finish either a master's or PhD and they get approved, they are special. The fact they come back and they have a place or position reserved for them, they are special.*

Supervisors and co-workers with whom employees interacted before going abroad also generated high expectations (c.f. Rousseau, 1989). Many of the repatriates indicated that their expectations were based on what they believed had been the experiences of other co-workers. One repatriate indicated,

*When I started working in the department, it was a new department for research, so they were aiming to have plans for everyone to make it different. There were only two Saudis in the department, so they were encouraging people to do a master's and PhD. I saw that people who went for a master's got a grade, and when they went for a PhD, they got another grade, so my expectations were based on what I had seen.*

Another repatriate stated that he was convinced to take an international assignment by his colleague.

*At first when I was nominated for the international assignment, I hesitated, but I talked to one of my colleagues and he told me you get a good opportunity. Try to think about your future. Once you get the degree and come back, you might get a promotion. They might move you onto the management track.*

In Oil-Co, the majority of participants believed that international assignment would enhance their career progression with the organisation and enrich their self-development. There was an underlying assumption that undertaking an international assignment would be rewarded with some form of salary increase or promotion. These career advancement expectations were a symbolic manifestation of the 'value' placed on international assignments.

#### **8.6.1.2. Expectations and Obligations Shaped by Organisational Rhetoric**

Importantly, many employees stated that there were no explicit promises made by management prior to the international assignment. Several repatriates explained that their management did not promise them anything before the international assignment.

*The manager tries to avoid any promises in terms of career planning. This is because people here are always afraid to commit themselves. Because you can't come back and tell me "you told me in 5 years this would happen and it's never happened". Who is going to rectify this situation?*

*According to the norm, usually employees get promoted. We can say that 75% of the employees who came back from an international assignment get promoted in one to three years. However, your manager will never promise anything, because it is against the policies. If you achieve something exceptional or work hard, you will get promoted.*

However, many employees stated that they did not have a clear understanding of the organisation's policies, and, therefore, their expectations were based largely upon their perceptions of the organisation's common practices,

*I wasn't familiar with the policy, as most of the policies are not clear. I heard rumours here and there that once you came back from an international assignment, you would get promoted and moved to a different department. This is what raised my expectations and gave me hope.*

*Usually it goes with it. You do well in your master's, you come back, you show them that you can apply what you have learned, and you get promoted. But there is nothing in the GI which says that you if you get a degree, you are promoted. Usually when people come back and have three or four years' experience and a master's degree, they get promoted; this is the norm in the organisation.*

The research findings, therefore, suggest that repatriates had high expectations that following their international assignment they would experience career advancement. However, these expectations were largely grounded in assumptions that they had made, rather than explicit promises made by management.

It is important to note that there were extensive interests among Saudis to join the company because of the scholarships that were awarded to Saudi employees in several fields inside and outside the country. For example one employee said,

*The whole purpose for me in joining Oil-Co was to get a better education out of the Kingdom, so I had expectations early, much earlier than joining the company.*

The majority of the employees indicated that prior to the international assignment they felt strongly that this organisation was unique, partially because of the positive image the

organisation has developed over the years as being the motor of change in the country's social development, and partially because of the range of training that the company offers to their employees to develop Saudi expertise. One of the employees stressed,

*This is the beauty about Oil-Co. You go and develop yourself and whenever you come back, you start where you left. They will appreciate that you went there, and you had your master's, but still your performance is the only thing that will affect your career. At the end of the day, this is a big company. It's not going to stop because one guy resigns or doesn't want to work. It's going to work; it is a well-structured company. You will add to the company, but it depends on your performance.*

Another employee said,

*The main advantage of Oil-Co is that the educational package is great. They pay your tuition, and they still pay you a big percentage of your salary (75%). You will not find another company that will do that for you. Some organisations might pay your tuition, but they will not pay you your salary. So the education package is great. However, although I am getting more responsibilities in my job, but unfortunately the payment didn't increase.*

Most of the interviewees expressed the feeling of being special or different to be part of Oil-Co. This suggested that employees were sold on the organisation's espoused values and believed that the organisation was progressive and hence very attractive. In Oil-Co, symbolism plays a significant role that represents the organisations and its members, the organisational espoused values, and HR practices and policies, which continually shape employees' expectations and reinforce the way people behave and think.

### **8.6.2. *Expectation and Obligation Post-assignment***

Since international assignments usually take several years, mutual expectations and obligations must be established before the assignment can evolve or change (Yan et al., 2002). This part of the analysis will focus on the way in which repatriates interpreted what they perceived to be organisational obligations towards them after completing the assignment.

#### **8.6.2.1. Perception of Lack of Supportive HR Practices**

It is evident that after working abroad for some time many repatriates had high expectations around more interesting job opportunities, higher financial rewards, payments, etc. on their return. However, their repatriation experiences were often perceived as a challenging transition, as they were faced with unanticipated situations and a gap between their expectations and reality. Repatriates were largely very dissatisfied with the way the organisation managed them upon their return and had a number of concerns including salary, lack of professional development opportunities, unchallenging tasks, and inadequate performance recognition as highlighted by one repatriate.

*They train people just to prove that they have a great training programme. The image is great, but they didn't make sure that whatever we learned would be applicable to whatever we are going to do in the future. They don't care. They care only about whether (1) they have successfully sent this number of trainees, (2) everything went fine, and everybody came home and learned something. The objectives are limited to this.*

Repatriates believed that a successful international assignment was an accomplishment that deserved recognition. Naturally they wanted to put their new skills and knowledge to use and

were often dissatisfied both by the indifferent approach at the home organisation towards their return and by their new jobs. The majority of repatriates felt a considerable degree of frustration with both the process and outcome of repatriation. Considerable frustration in relation to repatriation was linked to the lack of acknowledgment for undertaking international assignments, which is demonstrated in the next comments:

*When you appreciate your people, your people will give you more. When you don't appreciate what the people are doing, people will start to lose interest in being motivated. Whatever kind of job they are doing, they will start doing the job with the minimum level of quality.*

*Appreciation is very important. We have been uprooted from our country to another country for the sake of the organisation. We worked in very tough operational conditions, so the least they could do is appreciate our work.*

The majority of repatriates faced unmet expectations upon returning to their home organisations, and some of these expectations were related to skill utilisation. One frustration was expressed by a repatriate:

*The company considered my educational assignment as a self-development experience. They don't try to utilise your experience. It's frustrating that they don't appreciate your international experience.*

In general, the company was very good at helping with the practical aspects of the repatriation process, for example, moving employees back home. However, repatriation includes far more than just shipping 'goods' back to Saudi Arabia, organising visas and finding an apartment for an employee. Naturally repatriates expected management to value their experiences and what they had learned. Additionally, to some extent, they expected

career advancement and a better qualified position. However, it appeared in Oil-Co that there was little long-term planning concerning repatriates' career. Despite having high expectations before they left, employees were sent abroad without knowing the effect on their long-term career or to what role they would return. Because of what seemed to be inadequate advanced planning, it was often difficult to find a suitable job for the repatriates where their knowledge and experience could be utilised. Although overseas assignments placed employees in specific positions abroad, there was usually no provision on their return to a pre-specified position once an international assignment was completed. Repatriates felt that the company did not really know where to place them once they returned. Many of the repatriates interviewed had returned to their pre-assignment position where they did not utilise the skills and the experiences they had acquired overseas. One repatriate noted,

*I did my PhD in geophysics, I came back to the same department, same team, same everything. I expected that I would be able to move a little bit after the PhD. The work I am doing now doesn't need a PhD degree; they should move me to a more advanced department where I can apply my knowledge.*

Repatriates were dissatisfied with their work on their return. These individuals generally felt that their current jobs were not what they expected and that the talents and skills they gained abroad were not being adequately used. Some of the negative evaluations taken from the interviews offer more details:

*The department rarely uses the repatriates' experiences in developing research or anything whatsoever. My department doesn't know anything about the research or the projects I did in the USA, except the title names. Although my research is very relevant to my work, they never ask me to apply anything. Before we left, they emphasised that the research should be relevant to our job, but when we came back we never applied*

*anything that we had learned. It's just a matter of ticking the box. They never follow up and never check.*

Furthermore, of the 40 repatriates interviewed, only three who evaluated their current jobs favorably perceived a direct relationship between career enhancement and their international experiences. Most of the repatriates indicated that overseas work did not advance their careers. One surprise for some was that they were not always able to use the skills they had acquired abroad in their new jobs. Again, this created considerable dissatisfaction with respondents' perceptions of their career opportunities after their international assignments as highlighted below:

*They use very little of my experience. I can say that you don't need a master's for the job I am doing. If they sent anyone for a one month, of course, he/she would be able to do the job.*

While participants were in the international assignments, they were primarily in higher level positions and offered more challenging tasks, so they were disappointed when they returned to their previous job. This is in line with (Yan et al., 2002) findings that indicated that repatriates usually experienced a feeling of frustration when they returned to their previous job.

Some repatriates expressed concern that their international experiences actually detracted from their career development. These individuals seemed to believe that they would have fared better had they remained in Saudi Arabia. Not surprisingly, all those employees who expressed dissatisfaction about their current positions felt that the overseas assignments did not enhance their careers. Compounding these feelings of lack of professional development opportunities were perceptions of inequity in relation to promotions. Repatriates were not at

all aware of specific risks that were associated with overseas assignments, including returning to find that colleagues had been promoted to positions above them as stated here:

*If I compare myself with somebody, who didn't make it into the master's degree programme, when I came back, he was promoted, but I wasn't.*

This seems to suggest that some of the repatriates felt that their opportunities to progress in the organisations would be much better if they had stayed in the home country. Moreover, the majority of repatriates reflected negatively on the lack of explicit HR policies. Participants in this research argued that the policies were loosely defined, and there was no transparency; hence employees did not have a clear understanding of the consequence of the assignment on their careers. The interviews suggested that HR's role was viewed by repatriates as limited to handling relocation and signing paperwork. The majority of repatriates indicated that there were no written or clear repatriation policies. All of the participants believed that human resource management was disorganised, unprepared, and not well thought-out.

#### **8.6.2.2. Incongruences between Repatriates' Perception of the Organisation and Organisational Practices**

Responses to international assignments were extremely positive with all of those interviewed stating how much they had enjoyed them and how they had developed professionally. Many were surprised at how well they had adapted, and the benefits they had gained had exceeded their expectations. On this basis, repatriates found returning back to the home organisation rather difficult, as highlighted in the following quote:

*Coming back was really challenging. It's like when you come back from Disneyland, for a few days you only talk about Disneyland; we saw this and that, and you come back*

*with a certain level of excitement. The real challenge is that you have come back to your real life; you have come back to earth. What you have seen, you have to forget and turn another page. Whatever you have seen there it will take so many years for it to be reflected here in Saudi Arabia. You come with this level of excitement that you want to make the changes now, and you want to change everybody around you.*

Most repatriates were sure they had gained a lot of new skills and knowledge, but had not been given the chance to apply it. Managers' resistance to change was acknowledged by the repatriates as being a fundamental block for applying the knowledge or the skills that they gained abroad. Some of the comments included:

*When you leave to study for your master's, you start thinking out of the box. When you come back to work, they want to put you inside the box...so many barriers.*

*Before we went on the assignment, they enrolled all candidates in a course called Global Business. As we would be sent abroad, they wanted to make sure that we would be compatible with the new working environment. The truth is, it was much easier to blend in there than come back. I wish that this course was offered after the assignment. It is a course that explains that you are going to meet different people now and what you will experience now is different. Forget about everything you saw there; just click delete!!*

*During my first week back, they assigned me to work on a proposal. So I explained to my manager that we should do this and that. This is my area of expertise; I know what I am doing. My manager told me that this was not the USA, and it doesn't work like that here. Let's do it our way. I asked him why he had sent me to the States then, if he didn't like the way they handled business there. Why had he spent all that money, if in the end*

*we did things as before. If you don't want changes, you shouldn't have sent us there to begin with, and then we come back disappointed.*

This suggested that after the international assignment, repatriates started to reflect negatively on organisation practices. Repatriates seemed started to release the mismatch between their perception of the organisation's practices and reality. Repatriates also discussed what they saw as profound differences between the way in which employees were appraised and promoted whilst on international assignments, which led them to question Oil-Co's policies and practices:

*Everything was clear and open there; you knew exactly what you were doing and what was expected from you. You knew the promotion policies and appraisal systems clearly. Here, although they have objectives and aims that you should meet in order to get promoted, in the end the promotion and the appraisal depends on your manager's impression of you.*

It was clear from the interviews that during international assignment repatriates largely assimilated to overseas cultures. The experience of living and working abroad had quite a profound effect and changed their behavioural routines, creating difficulties around readjustment on their return. For many repatriates national/organisational norms started to seem less familiar on their return as highlighted in the quotes below:

*After my international assignment experience, I have now something to compare it to. I started feeling that the hierarchy of the system is hindering our development.*

*You come back with a lot of ideas, but when you come back, there are a lot of constraints. For me those constraints are artificial. It's the way they are used to doing business. I learned in the USA not to accept things without questioning it. I am not going to be guided without being convinced.*

Repatriates seem to start to reflect negatively on the influence of national culture on the organisation practices, which they did not acknowledge prior to the overseas assignment One repatriate stated,

*Returning home after living abroad made me start to notice negative things clearly, like wasta.*

Clearly wasta was not a new concept and has always been common practice in Saudi Arabia, an almost inescapable aspect of daily life. Yet, international assignments appeared to have strongly influenced employees' perceptions and their future career aspirations. The different attitudes, knowledge, and behaviours they acquired had a lasting impact on them. Several comments during the interviews highlighted the way in which the significance of wasta and its role in career development and progression within the organisation was now uppermost in repatriates' minds.

In interviews many repatriates' spoke out against the corruption and double standards of their managers in the use of the wasta system for securing employment. The sense of dissatisfaction for most employees returning to Saudi Arabia is described below:

*Wasta is in everything; since I came back I noticed that we need wasta in every situation. Maybe because wasta is not found abroad, I started to feel that wasta plays a major role in everything.*

This suggests that following international assignment repatriates started to question the organisation espoused values and realised the mismatch between what claimed and the practices. Repatriates started to perceive organisational practices which were shaped by national culture as problematic.

### 8.6.2.3. Perceived Breach of Psychological Contract

If repatriates do not feel recognised and rewarded for taking on international assignments, it is likely to have an impact upon their intention to remain with the organisation. Most of the repatriates were frustrated to the point where they actually had thought about leaving the company because they felt their experience was not being valued by their managers. Eighty percent of those interviewed stated that they were thinking about leaving their company. One international HR manager stated,

*Unfortunately many expats leave the company upon return, because it is so hard to offer them a good job that suits their needs and matches their new abilities. Very frequently, it is just not possible to find something for them.*

Some repatriates were also offered posts whilst working abroad by the host company:

*When I was in the States my direct manager told me that he knew that they had a contract with my company and they shouldn't give me an offer, but if I went back and worked for a month or so and then quit the company, they had a great position for me wherever I went to the States. I know I am not exceptional, but I am like everybody else who went on the assignment and got a job offer. We are talented. I was approached three times with job offers there.*

Repatriates suggested that they received different external offers from other organisations upon returning from the international assignment. Typically, international experience enhances the value of repatriates in the employment market, since they have developed new skills, language, and international experience (c.f. Lazarova and Tarique, 2005). For example, one repatriate indicated that competitors in the same industry had offered him a better position. He stated,

*When I came back from my PhD I got an offer of twice my salary. Some of the offers were a 250% increase.*

This suggested that upon repatriation, employees started to search or evaluate and compare alternative jobs in the market. Repatriates appear to go through this process of evaluating their expectations and their job and the support they perceived upon returning. They begin to reconsider whether they should stay or leave the organisation. The feeling of unmet expectation seems to raise frustration among participants. Thirty-six repatriates interviewed were frustrated to the point where they actually were thinking of leaving the company, because they felt their international experience was not valued. One repatriate commented,

*I don't see my future in this company. I will work here for three years to pay my debt.*

*Then if they send me on an international working assignment as they promised, I will work until I finish the assignment. Then I will leave.*

These and many other comments made by repatriates suggested that they perceived that management had breached their psychological contract by not adequately fulfilling their obligations.

## **8.7. Summary**

The analysis suggested that there was a sharp distinction between the proclaimed structure of Oil-Co and its actual day-to-day work activities. Despite Oil-Co's progressive claims, the organisational culture has been shaped by Saudi traditional culture. The significant national cultural dimension, which appeared to considerably affect the organisation's formal and informal practices and policies, was high collectivism manifest in an emphasis of the importance of *wasta*. As highlighted by the majority of interviewees, most HR practices, including the selection criteria for assignments, promotion opportunities, and career advancement were largely influenced by *wasta* practices.

Prior to accepting an international assignment, there was an expectation that it would be recompensed with a salary increase or promotion. These career advancement expectations were a symbolic manifestation of the value placed on international assignments rather than explicit promises. Symbolism plays a significant role in developing employees' expectations prior to the assignment, and reinforcing organisational espoused values, as highlighted in the analysis. Moreover, prior to the assignment most employees were sold on the organisation's espoused values and believed that the organisation was progressive and hence very attractive.

Upon repatriation, as highlighted in the summary of the interview findings (see Appendix 8), most of the repatriates argued that the skills they developed while abroad were underutilised. Repatriates felt that the organisation did not meet their expectation in terms of career support. They started to reflect negatively upon, and question the role of *wasta* in shaping HR practices within the organisation. Repatriates appear to go through this process of evaluating their expectations and the job and the support they perceived upon returning and reconsidering if they should stay or leave the organisation. The feeling of unmet expectation seems to raise frustration among participants.

## CHAPTER NINE: CHEMO-CO

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### **9.1. Introduction**

The previous chapter presented the analysis of Oil-Co's organisational practices and norms, and the role organisational culture plays in developing the expectations and obligations that constitute repatriates' psychological contract before and after their international assignments. The nature of this research is comparative in that it enables an in-depth comparison of different organisations operating within the same country. By adopting two case studies this research will allow for a deeper and richer comparison and contrast between the two organisations. The base of the comparison is that the research aims to highlight the interplay between national and organisational culture and the role they play in developing the expectations and obligations that constitute the psychological contract. This chapter intends to further explore the influence of both national and organisational cultures on repatriates' psychological contracts. Accordingly, this chapter starts by providing an overview of Chemo-Co's main organisational structure to illustrate how the repatriation process is managed and to identify the different aspects of Saudi Arabian national culture that have significantly influenced the organisational practices, norms, values and assumptions. Next, the chapter will provide an analysis of repatriates' perceptions of their expectations and obligations that constitute the psychological contract prior and post international assignment.

### **9.2. Organisational Structure: Overview of the Approach to Organising**

Chemo-Co has many of the characteristics of a typical hierarchical traditional Saudi Arabian organisational culture. The two main features of Chemo-Co's organisational structure were: the over-emphasis on rules and procedures, and high command and control where decisions only coming from the top management.

### **9.2.1. Functional Organisation**

Chemo-Co is divided into functionally organised departments. Each department is assigned specific responsibilities, which were in theory planned to contribute to the organisation's overall aims, and they were accountable to the senior management for fulfilling those tasks. The organisation has two departments that deal with international assignments: talent management (TM), and global mobility (GMC). Talent management's role involves the identification, selection and approval of employees to fill key roles on global assignments in any of the following four regions: the Middle East, Europe, America, and Asia-Pacific. The TM team is responsible for identifying and selecting repatriation opportunities across the organisation. GMC is involved in managing the movement of Chemo-Co assignees from one global location to another. The team aims to administer a smooth transition for employees relocating globally and supporting their professional and personal experience. Guidance on travel plans, housing, education, and other needs is provided from the initial transition to the eventual repatriation to one's home country. GMC teams are involved in the three expatriations stages: pre-departure and relocation, on-assignment, and repatriation. The scope of services they provide is detailed in Table 9.1.

**Table 9.1.:** Global mobility scope of services

<b>Pre-Departure and Relocation</b>	<b>On-Assignment</b>	<b>Repatriation and End of Assignment</b>
Assignment initiation (includes cost projection and balance sheet) Accumulation of demographic and assignment information Tax planning Identify and address corporate exposure Immigration/legal Tax briefing Assignment briefing Payroll initiation Initiation of services through relocation service vendors Home/host country relocation and destination services	Maintenance of demographic and assignment information Updates to balance sheet One-time payments Compensation tracking and reporting Annual tax year services and process Assignment and visa extensions Expense management Monitor compliance Assignee feedback	Relocation services Tax Services Termination of benefits in host Country Exit interview – collect feedback from assignee/ host country Tracking of talent for future deployments Completion of assignment and repatriation administrative requirements

Departments were assigned for an explicit set of functions, but focus only on their area of responsibility and do not support the functions of other departments. Because of the functional orientation of Chemo-Co, each department had minimal direct communication and team coherence. At the time of the research, I observed these departments failing to communicate with one another and working at cross-purposes. For example, when I asked the head of GMC if they had records of repatriates who had left the organisation, he said,

*No we don't, the reason for not having such records is that we have three different departments which are managed separately (HR, global mobility, and talent management) and there is no communication between them.. Only talent management has such data. Our job finishes when the assignee gets back home. We don't get*

*involved with the employee when he comes back. Once the assignee finally arrives back home and his assignment finishes, frankly speaking, our role is finished.*

Similarly, the GMC manager noted,

*From a GMC perspective, managing repatriates' overseas experiences is out of our control, because it not our role or scope of responsibility. It is talent management's responsibility. Talent management has to decide what to do with these assignees; they need to speak to the home manager and with the department. If GMC and TM were one department, then I can assure you that we would talk to the manager to make sure he has a job designed for the repatriate, but unfortunately, the way the organisation has been structured, our job finishes when the assignee goes back to his home location.*

This situation demonstrates that the organisation was divided into isolated divisions to accomplish certain business functions. Each department focuses on a single area of responsibility and their functions are less collaborative and communicative (functional silos). Hence the expatriation and repatriation processes are implemented within functional silos that are not integrated with other functions. Departments focus merely on their functional objectives without recognising the organisation's overall purpose of the international assignment. Departments are divided and function in isolation with a lack of communication and information sharing between them. Managers and supervisors in each department focus solely on matters related to their department with minimum interactions with members of other departments. For example, one of the repatriates argued that the fragmentation of the organisation created norms in which managers focused on meeting their department goals instead of the organisation's overall goal, as indicated in the interview quoted below:

*I worked on a big project, but I didn't like the way work was done, so I went to the TNI manager to complain about the performance. TNI is the research department in*

*Riyadh, so the manager asked me to ignore the situation, because it wasn't under our department's management. We can't ignore something that is being done in the wrong way because it is not our department's responsibility. I told him if we did it in this way, the project might fail. He said "Why do you care? It's our responsibility; it's the Innovation Department's".*

In this sense, departments formed artificial boundaries that restrained communication, sharing of information, team coherence, and active coordination with other divisions of the organisation. Overall, the organisation is characterised by complex levels of responsibility with defined reporting procedures for very detailed information. In each department employees were assigned specific tasks and told what to do with little input into policies and procedures. Each department was run as a mini-empire with several layers of management. A tall hierarchy had developed in each department with specific task evaluation methods. This was reflected in the way in which leaders paid explicit attention to monitoring business processes and clearly defining responsibilities for each department.

Chemo-Co's strict adherence to regulations and policies was reflected in the way in which the CEO paid considerable attention to highly structuring the organisation in a way that procedures were predictable and clear to interpret. Policies and rules for acting and deciding were explicitly defined for each department to avoid the undesirable consequences of uncertain situations. The high uncertainty avoidance was reflected in the organisation's strict adherence to policies and rules and the management's attempt to minimise any ambiguity or unstructured conditions or situations. This is typical of a high uncertainty avoidance society or, as explained by Hofstede, "*uncertainty-avoidance cultures shun ambiguity*" (Hofstede, 1980, p.148). An organisation with high uncertainty avoidance culture strives for a structured system where procedures are well-defined and clearly interpreted (Achua and Lussier, 2010). In Chemo-Co, the CEO appeared to have little tolerance for risk, avoided the unknown, and

preferred a well-structured and predictable system where the future is relatively easy to anticipate.

### **9.2.1 Centralisation of Power**

There was an evident top-down management structure within an intense corporate structure of basic businesses and departments, all of whom acknowledged, recognised and strictly adhered to work practices. The hierarchy and bureaucracy that permeated the organisation consisted of the initiatives and policy directions that only came from the top levels. Employees were ranked in the hierarchy, directed over clear lines of authority, and reported eventually to the top management. Work in carrying out policies was done at the lower levels within the guidelines set from above. There were formal processes, guidelines and rules controlling various parts of daily working life. For instance, one repatriate stated,

*The management here is organised hierarchically, so the manager gives you instructions that you must follow. But when I was working in Europe, work is open and you were doing the same job as your manager was doing. In addition to that, you discussed everything with the manager.*

The interviews with the HR manager highlighted that employees' direct managers had the ultimate say when it came to any of the following: career development, selection or nominating for international assignment, and promotion. He stated,

*According to the company's philosophy, it is the line manager who is responsible for career development for his staff. As the HR department, we only play a supporting role to support line managers' decisions; at the end of the day it is the line manager's responsibility to manage his staff.*

The prevailing organisational structure in which managers make all the decisions reinforces the centralisation of power in Chemo-Co. This clear centralisation of power is commonly referred to as a high level of power distance, which characterises the Saudi Arabian culture. In countries with high power distance, such as Saudi Arabia, managers are given ultimate authority in decision-making. This characteristic of the organisation culture is closely aligned to the traditional Saudi national culture. Managers work in an authoritarian manner, being highly rule-bound, and have a control-oriented approach (House et al., 2004). The leadership style creates an organisational culture that is run similarly to the military, where initiatives and policy directions only come from the top levels.

Adopting this management style has created organisational norms where employees throughout the organisation needed to impress their direct managers in order to advance in the organisation. For example, one repatriate recognised that impression management was a common practice in his organisation.

*In terms of work, I liked the professionalism in people and professionalism at work in Europe. We have a problem here, which is respect towards work. Our respect towards work depends on our respect for the manager. If the manager stays until 9 p.m., then I must stay with him until 9. It is like we are aligned with him.*

Another repatriate indicated that the only reason he was selected for an international assignment was because he managed to leave a good impression on the senior managers. He said,

*I applied many times for the Master's in Engineering but they didn't accept me, because it was very hard since there wasn't somebody to cover my place. Then, I did a technical presentation for the clients in the presence of senior managers, so after they noticed*

*that I am good presenter, they decided to send me abroad. When I did the presentation, I was lucky because the senior manager was there.*

The high centralised structure of the organisation, endowed managers with power over their employees' promotional opportunities and career advancement at work. This created organisation norms where employees believe that establishing a favorable impression on their superiors is considered to be fundamental to excelling in the organisation. One repatriate highlighted that impressing managers would likely lead to desired outcomes. He said,

*If the management is satisfied with an employee, they will give him much more than he expects. I am optimistic because I have good relations with the managers, and we don't have problems, so I think the future will be bright in this company.*

In summary, the interviews suggested that Chemo-Co's structure is highly centralised. The high control and command are manifest in a tall hierarchical structure and a high level of formalisation in relation to job description and the allocation of authority. The organisational structure is governed by managerial values aimed at reinforcing the structural hierarchy of adherence of routine, predetermined roles and work procedures in addition to the power position of management. These organisational norms create a tendency among employees to stay within the boundaries of the work description. This strongly depends on their managers, which, in turn, creates an orientation towards attempting to impress management.

Chemo-Co's organisational structure is associated with a traditional bureaucratic organisation, e.g. hierarchical management, chain of command, comprehensive rules and guidelines, and a strict distribution of responsibilities. The authoritarian approach, which characterises managerial behaviour at Chemo-Co, is not atypical in Saudi society; but rather, it is reflected in the strong national culture. The high power distance and uncertainty avoidance that are dominant features in Saudi Arabia, generate a norm in which leaders

distinguish themselves from the group, reinforcing authority by issuing comprehensive and detailed commands, exercising ultimate power and emphasising control as required without options for democracy.

### ***9.2.3. No Women Recruited in the Organisation***

The characteristics of the organisation indicate that beliefs and values are traditional and long-held, and closely aligned to the traditional Saudi national culture. For example, while there has been considerable progress in the participation rate of females in the Saudi workforce, Chemo-Co still does not recruit women. The company remains a traditional male-dominated organisation in the petrochemical industry. At the World Economic Forum on 26 May 2013, Chemo-Co's CEO spoke on a discussion panel together with Saudi Arabia's Princess, one of Saudi Arabia's most outspoken women, when it comes to female rights. Predictably, the issue of women's employment in the Kingdom came up. When the princess challenged the CEO to explain why his company had not "*opened the door*" to Saudi women, he defended the company by saying it had employed 50 women, but the audience laughed when it was revealed Chemical-Co had 20,000 employees. The CEO responded and said,

*We have been slow for sure. It was not really by design that we want to be against women or anything, but we want to achieve the best practice in Saudi Arabia because many mistakes have happened and it really gives a bad name for the employees and the employers. Now we're in a position to get the best practices and do it in our company, so you will see a big change* (Source: Arabian Business and Al-Arabiya.net., 26 May 2013).

While the CEO claimed that there have been attempts to recruit women, this seems questionable if we take into consideration that most of Chemo-Co's plants are in the Eastern Region, where women have been employed in mechanical roles by Oil-Co. The lack of

female participants in Chemo-Co reflects the male dominant power structure that characterises the organisation and is derived from the national traditional Saudi culture.

### **9.3. Organisational Formal Statements**

The organisation's formal statements assert what the leader values and what the assumptions are (Schein, 1992). Chemo-Co's organisational vision statement, for example, states the importance of investing in human capital to achieve the organisation's goal to be a world-class company:

*OUR STANDARDS: We will use our natural resources and human talent to their best advantage by innovating, educating and using the latest technology. This care for people and natural resources is reflective of our standards.*

Chemo-Co's vision and mission statements clearly reflect the organisation's goal to achieve a competitive position within the labour market by enhancing Chemo-Co's human capital. In particular, the organisation emphasises the importance of human resource management to support the organisation's mission and vision. The company's official website indicates:

*To support the company's mission and vision to be a world-class company, Chemo-Co's Human Resources executed several tactical plans in 2005. Human Resources went before senior management with recommendations for new initiatives to include a revised compensation program based on market surveys to ensure a competitive position within the labour market; a new stock participation plan for employees as an incentive for better performance and retention; a new employee performance management process to enhance the Chemo-Co culture around individual performance; and a blueprint for a corporate learning centre based on the best practices in the*

*Corporate University field to enhance Chemo-Co as a learning and knowledge-centric organisation.*

The statement highlights that the leader believes that investing in human resource management will maximise the employees' capabilities and potential to accomplish the organisation's strategic and tactical plans. It further indicates that Chemo-Co recognises the importance of human resources and its key role in enhancing the organisation's potential to grow and implement organisational strategy.

Moreover, the assessment of several statements made by the CEO reflects the degree to which the organisation places emphasis on developing a national workforce by training and development. In an interview the CEO said,

*Chemo-Co's people are our most important resource. It is their ingenuity and dedication that is at the heart of our competitive advantage. We're particularly proud in 2012 to have formally opened the Chemo-Co Academy in Riyadh. Equipped to develop employees' management skills as well as technical expertise, it is further, concrete evidence of our commitment to people. More broadly, for all employees we offer on-the-job training, which incorporates professional certifications, team building, project management and coaching. Chemo-Co people have the opportunity to attend courses, seminars and conferences, both inside and outside the company. We work with Saudi Arabian and international universities to both find and develop future talent, and run courses for our employees.*

Chemo-Co places matters of training and development at the forefront and itemises the professional development impact on the industry. The CEO's statements highlight the way in which significant emphasis has been placed on following the policies that have been set by

the government. To achieve Saudisation, Chemo-Co offered different training programmes to their employees. The aim of these training programmes was to develop a pool of talent that was capable of meeting ambitious business needs. The company stresses the importance of education and vocational training in creating jobs for Saudi nationals. The formal statements reveal that Chemo-Co's chairman undertakes extra provisions to guarantee that the firm acts in the interests of the government and in line with state policies.

#### **9.4. Training and Development Systems and Policies**

As highlighted in the previous section, the high certainty avoidance was manifested in the way the organisation enforced explicit regulations and has developed a system and procedure for almost every aspect of the organization. The next part of the analysis will discuss the organisation's policies regarding design and plans for international assignments, selection for international assignment, pre-assignment cultural training and promotion policies.

##### **9.4.1. Designs and Plans for the International Assignment**

The company has four types of international assignments, as indicated by the acting manager of global mobility in an interview. They are:

1. **Special project assignments.** This kind of assignment involves sending 15-20 assignees from Chemical-Co abroad to work with international contractors to build new factories or to expand existing plants. Employees work side by side with the contractor during the construction design and commissioning, and afterwards, they shift the plant to Saudi Arabia. The aim of the assignment is to give those assignees experience and knowledge of how the plant or the factory was built, how it operates, and how to deal with any complications in the future. Moreover, the assignees will be

in charge of training local employees to work in those factories or plants when they return.

2. **Career development assignment.** The second designation is a career development assignment involving sending high potential employees abroad for on-the-job training programmes. The aim of this assignment is to expose those employees to other cultures and prepare them for managerial positions within the company when they return. The duration of the assignment depends on the business requirements, but it usually lasts between two to four years.
3. **Critical roles assignment.** The third type of appointment involves sending managers from the headquarters in Saudi Arabia to the company branch abroad in order to follow the business and to ensure that everything has been done to a high standard. Those assignees are usually sent for at least two to four years. This type of assignment follows a certain process, and assignees usually have special treatment in terms of compensation.
4. **Higher education assignment.** The fourth type of assignment involves sponsoring engineers and high-potential people at top-tier universities around the world for a master's degree, PhD or both.

These assignments were designed to build a competitive national workforce that is able to meet the business needs in line with the policy of Saudisation. Chemo-Co paid particular attention to their employees gaining skills and experience through international assignments. Each type of assignment involved specific well-defined objectives and goals, such as training, coaching, and technical classroom training. The acting manager at Global Mobility stressed, *“Each type of assignment has a certain process, and has special financial benefits”*.

The manager also explained that each type of assignment had a specific set of objectives that are allied with the business needs; for example, he explained the objective of the special project assignment:

*Employees who were selected for special project assignments will be sent as a group, approximately fifteen or twenty, it depends on the requirements; they will work with contractors in Spain, America, or China. They will be over there during the period of building the factory; they will be there during the construction design and commissioning; and after that they shift the plant to Saudi Arabia. Sending these employees on such assignments will make them gain the experience and knowledge regarding how the plant was built, and how to deal with it, and then they start training our local employees to operate the plan.*

It seems that Chemo-Co developed a formal blueprint structure for each assignment, which includes objectives, financial rewards, and the repatriation process. These elements were linked by explicit goals and policies that were introduced by the CEO to develop a pool of national talent and create jobs for Saudi nationals in line with the Saudisation policy. The values assigned to international assignments were constantly reinforced by the organisation's leaders and embedded in management practices that placed critical emphasis on developing and planning well-structured assignments in line with the business needs.

#### **9.4.2. Selection for International Assignments**

Chemo-Co claimed that they created a very successful systematic international assignment selection procedure to select the right person for the right task. The selection criteria included prior performance appraisal, work-related skills, willingness to live abroad and length of experience in the company. Moreover, the talent manager indicated that a specific

performance matrix had been developed to nominate the best candidate for the assignment.

He said,

*We selected employees for international assignments according to the performance evaluation matrix. The matrix evaluates WHAT employees achieved this year, and HOW the employees achieved those objectives. HOW has five categories: exceptional performance, exceeded expectations, met expectations, below expectations, or failed to meet expectations. Based on this matrix we ended up having fifteen blocks. We plotted people in these boxes, and whoever scored the highest was ranked as outstanding. The matrix helped us to identify the high potential employees and those people are selected for international assignments.*

Despite the official internal rules governing the selection process, several HR managers highlighted that it is the direct managers who had an essential role in nominating employees for international assignments. One HR employee stated,

*The direct manager aligned with the HR business partner decides who is going on the international assignment. The first step is that the manager recommends a certain employee to the HR department. Then the HR partner contacts talent management, and then the employee will be interviewed by talent management to make sure he is okay!*

This seems to suggest neither the matrix nor the selection criteria has much value in selecting a candidate. The line managers make the majority of the decisions when it comes to the selection and nomination of candidates for international assignments. This might be the outcome of high levels of authority and control that characterises the organisational structure, which forms part of the corporate culture. Another HR manager indicated,

*Nomination for international assignment starts from the employee's direct manager to all the way up. For example, when the direct manager nominates someone, HR will raise this person's name with senior management until it reaches the executive vice president.*

Since the managers were given the ultimate power to decide who goes on international assignments, there was a tendency to select family or tribal members. Similar to Oil-Co, several comments during the interviews indicated that the process of *wasta* again permeated the fabric of Chemical-Co, with many of the respondents highlighting the significance of *wasta* and the role it played in the selection process for international assignments. Respondents perceived that many of their managers felt obligated to give favourable treatment to friends and relatives, perceptions reflecting the fact that Saudi society is very much a family-oriented society in which individual loyalty to the family is much more highly valued than loyalty to the organisation. This issue is highlighted in the following comment:

*The manger's son, he was sent on an international assignment immediately after he joined the company. He didn't have to serve the company for four years; he had only been here for one year. Our policy states that priority shall be given to those who have served the company for four years!*

Although many of those interviewed acknowledged the existence of *wasta* practices within their organisation, few employees see it as a problem. One employee stated,

*We don't live in a perfect world! These criteria must be met by the majority of the employees, but there are some exceptions that are made. People exaggerate a lot about these exceptional cases and this has led to the impression in which everybody thinks these cases are found in large numbers, but actually there are only five exceptional cases for every one hundred. *Wasta* in general is there all the time, but it*

*doesn't affect work a lot because it is only 5% or 10 % of the cases, so it is not a big deal.*

Employees considered *wasta* as a social norm and associate it with values, such as solidarity and loyalty to family, tribe, or friends, and, therefore, it was seen as an acceptable form of behaviour. However, it is imaginably doubtful that the employees would be unfavourable towards selection practices that resulted in their own selection.

Many of the repatriates interviewed indicated that they used *wasta* to accelerate processes mostly because they believed it is rational for them to exploit this advantage. As one repatriate indicated, *"I am used to relying on my connections and relations with my colleagues in order to get things done"*. Likewise, repatriates confirmed that the main motive for using *wasta* was to help them avoid long, complicated bureaucratic procedures in their organisation or even for getting around rules and regulations. For example, here an employee stated that he was able to acquire confidential information from the organisation on the business to conduct his research:

*Research takes a long time here and there is some bureaucracy in systems. It is these systems that are holding us back, and this is the main problem. When I was doing my master's, the university asked us to research certain problems in the department. When I told management that I wanted to do a thesis project about the company, they refused and they said that it is a confidential manner. So I used my connections to get access to the data and the information.*

What is surprising is that there is general acceptance among employees interviewed on the practices of *wasta*. As one PhD holder who had expatriated to the UK for five years stated,

*In any professional career networking is very important because you might need help in establishing a project team in Chemical-Co and if you don't have a network of people that you can rely on, then it will be extremely difficult for you. With networking, life is easier and the people you trust are your mirror, because when something goes wrong, these people will warn me. I take wasta positively because it's part of our culture, and I am comfortable with my culture, It is like what the Westerners refer to as "happy in your skin".*

Although it might have been expected that those educated abroad may have started to consider Western values and approaches and, therefore, be more likely to adopt a consultative or democratic style, this was not the case in Chemo-Co. The Saudi traditional values that placed emphasis on supporting family and tribe members seem to affect everyone in Chemo-Co, from the most highly educated to the least educated employees.

In Chemical-Co, while the selection procedures on paper seem to mirror those selection processes used in the West, in reality personal relationships play a significant role in regards to selection for international assignments. This may be the outcome of the Saudi Arabian culture, where wasta is seen as an accepted pattern of social interaction in the organisation. It might also be related to the high uncertainty avoidance that characterised the organisational culture. However, it might be argued that uncertainty avoidance influences the organisation to use more structured selection practices. Nevertheless, Ryan et al. (1999) found that in high uncertainty avoidance culture, there were less extensive selection procedures and less use of structure. Dipboye and Johnson (2007) justify this finding by arguing that in high uncertainty cultures there is more confidence in using social networks and relationships in evaluating candidates rather than systematically legalised and objective selection processes.

### **9.4.3. Pre-assignment Cultural Training**

Chemical-Co offers cross-cultural training aimed at introducing their expatriates to the host country's appropriate norms and behaviours. The organisation encouraged their expatriate candidates to visit the assignment country with their wives before assignment for familiarisation purposes. As the director of global mobility stated,

*After the employee agrees to take the international assignment, he will be given a five-day business trip with his wife to visit the city which he is going to live in. We want to make sure that everything is okay in terms of housing, education, and workplace.*

Upon arrival in a foreign country, the expatriates attend cultural awareness programmes and specific country briefings. These programmes are generally attended by both husbands and wives and offered by a vendor with whom Chemo-Co has contracted. The programme focuses on the specific region or country to which the individual will be sent. Over the course of the programme, the trainee is introduced to realistic information about the host country. The objective is to familiarise the employees, in a very practical way, with the work environment and the lifestyle in the host country. The human resource manager further explained,

*We provide cross-culture training before employees go on international assignments. This type of training is done by a third-party company that Chemo-Co has a contract with. After he moves abroad, he will take two days, based on the global mobility policy. He will be given a tour of the city with his wife for two days. They will show him the safe areas, dangerous areas, how to shop, and how to deal with other religions. The vendor that we work with knows the Saudi culture. We asked the vendor specifically to select a female to give this training, so it can be easier and more convenient for the employee's wife. They will be given training on how his wife can shop from the market,*

*the whereabouts of the schools, the education system for her children, how to use the transportation system and how to deal with children abroad. Saudis here might hit their child if they make a mistake, but if you do this in America, you could go to jail, but we are aware of this, so we educate our employees in order to make them aware of all the regulations and the systems in the host country. When the employee leaves for his assignment, he will be very comfortable.*

The cultural training programme also includes optional language training for the expatriate and his wife. As the HR manager stated,

*In addition to that, the assignee and his wife are given 100 hours of training depending on the country they are going to. They take language training. They take English language or the country's language like Dutch.*

Given Chemo-Co's high investment in expatriation, the organisation attempted to guarantee the expatriate's success by decreasing any obstacles in adapting to a foreign culture. The organisation provides many types of cross-cultural training: pre-assignment training, cross-cultural awareness, specific country briefing, language training and repatriation training. As the director of GM stated,

*The company isn't only giving them cultural training, but also training when they repatriate. We have the orientation session where we provide three orientation sessions in different phases; one orientation when the assignee starts the assignment; the second one when he's on the assignment; and the third when he comes back.*

Furthermore, the analysis indicated that the organisation kept communication channels open between the expatriate and the home organisation to avoid the so-called "out of sight-out of mind" phenomenon. The global manager explained,

*The assignee will be assigned to a buddy in the home location before he goes on his assignment. He can be his colleague or his friend in the same department. This buddy will communicate with the assignee about the changes that are taking place in the home department in order to make the assignee feel that he's a part of the team. It will make him think that he has his team here, and he will feel he's in the host country for a temporary period of time.*

The organisation has given considerable attention to addressing the uncertainties that the expatriates might typically face when they move to a foreign culture by providing different cross-cultural training. This was reflected in the high uncertainty avoidance that characterised the organisational culture manifested in the management intolerance of risk. The management produced a blueprint cultural training programme to ensure the success of the expatriation and repatriation process.

## **9.5. Promotions**

Given the functional nature of Chemo-Co, the organisation has a well-defined promotional route as well as policies and procedures particularly intended for employees who were repatriated from international assignments. Managers claimed that the organisation had a transparent defined promotion system for employees upon repatriation. Before employees went on the international assignment, the management explicitly informed them that they would get promoted upon returning. The HR manager, for example, made it quite clear that all repatriates get promoted when they return:

*Normally, when Chemo-Co invests in a person he will be promoted to a higher position when he comes back in recognition of his degree (if he was sent on an educational assignment), his knowledge, and his experience. Typically an employee will get*

*promoted directly when he returns.*

The HR manager asserted that the organisation had transparent official regulations and mechanisms for determining promotions. He said,

*Employees who go on educational assignments have a clear promotion process. For example, employees get certain benefits and grades when they come back holding a master's degree. Also they have different benefits and grades. They come back having a PhD degree. The organisation has a clear defined ladder when for employees who go on educational assignments.*

The same applied for employees who were sent on training assignments:

*Experience is also considered as an investment. When he comes back, he will not hold the same job or a lesser one; by default he will get a higher position. We have the talent management team, which works intensively on this subject. They have a plan to make sure that the employee knows what he will get when he comes back. Before an employee goes on the assignment, he will receive a formal document indicating which job he will get when he comes back. It's part of the documents that he needs to sign before he leaves.*

Employees, who were on the managerial track indicated that they thought there was a well-defined promotion path for managers:

*I knew that taking the assignment would make me excel to the higher level of the organisation. This means it would open an opportunity for promotions, and that's what happened.*

However, many employees who were on the technical track argued that criteria necessary to obtain a promotion differed between the managerial route and the technical route. There was widespread dissatisfaction with limited promotional opportunities for employees on the technical ladder. As one repatriate explained,

*In this company there is something called a technical ladder in the research department, where an employee can't hold a managerial position. Currently I am a lead scientist; on the technical ladder you begin as an Engineer 1, Engineer 2, researcher, scientist, lead scientist, staff scientist, chief scientist and then finally fellow scientist. You get a raise each time you get promoted according to this technical ladder, so it is very tempting for one to stay in the research department, but the price you have to pay for these benefits is that you're not allowed to hold managerial positions. I believe the technical ladder here is distorted. They must encourage Saudis to work in the research field. Working in the research department is hard, and they don't try to convince or encourage Saudis to work in this field. The system seems very nice, but on paper only. It is not activated in the company. The employees who work in management in the other building of Chemical-Co offices get promoted easily; they get promoted every four years.*

There was also dissatisfaction with the complexity of the promotion process for employees on the technical ladder. As one repatriate explained,

*The promotion system on the technical ladder changed. Everybody here has to face a committee before getting promoted; it is like a grand jury. A researcher stands in front of a group of experts, and they give him about half an hour to give a presentation about his work from day one in the company. They ask for his accomplishments and everything that he has done. After he finishes the committee starts to ask him questions. It's exactly like doing a PhD, and then they start discussing with each other*

*whether he deserves to be promoted. This entire process is just to get promoted, while other people get promoted when they are just sitting at their desks on the managerial track and they get promoted every four years.*

Chemo-Co had very different patterns of promotion for technical and managerial ladders after repatriation. The technical ladder promotion involves a highly complex process. In contrast employees on the managerial ladder secure promotion directly without going through any process. This is reflected in the organisational cultural value that attaches high importance to managerial advancement. It also could be related to the size of Chemo-Co, where there are limited hierarchical levels in the technical ladder compared to the managerial ladder. Therefore, in Chemo-Co the promotional dynamics within management and technical ladders are shaped by fundamentally different mechanisms, both structural (i.e., limited managerial positions) and informal (i.e., organisational culture that prioritises managerial promotions).

## **9.6. Repatriates' Psychological Contract**

This part of the analysis focuses on two themes: employees' expectations and obligations before their international assignment; and employees' expectations and perceived obligations after the international assignment.

### **9.6.1. *Expectations and Obligations Pre-assignment***

To understand repatriates' psychological contracts, it is essential to examine the way in which expectations are constructed and shaped prior to the international assignment. In Chemo-Co employees' expectations were formed under: (1) instrumental motivation for undertaking the assignment; and (2) explicit understanding of the human resource practices. This will be discussed in the next section.

### **9.6.1.1. Instrumental Motivation for Undertaking the Assignment**

To understand the repatriates' psychological contract, it is necessary to recognise employees' motives for taking the international assignment in the first place. Like Oil-Co, the general motives for many of the employees at Chemo-Co for undertaking the international assignments were cultural exploration, self-development, career development and adventure. However, what was different in Chemo-Co's case was that financial benefits were a significant factor that affected an employee's willingness to undertake the international assignment. The majority of employees indicated that the attractive benefits played an important role in their willingness to accept the expatriate assignment. Several benefits were offered during international assignments such as living allowance, hardship compensations, medical insurance, child educational allowance, cars, free annual return flights, etc. These all have a significant impact on assignment acceptance. As one repatriate commented,

*My motivation for going on the international assignment was purely financial. Our company pays double the salary when you are sent on an international assignment. If you make 15000 SR they will pay you 30000 SR. They call this a hardship allowance so imagine the money that you can make if you were sent for one year for a master's and four years for a PhD. It means that you will be getting a double salary for five years.*

Another repatriate said,

*Taking this assignment benefited my career in terms of knowledge and money-wise, in addition to that it helped me to become more qualified.*

The motivation to undertake the international assignment varied from employees expatriated for work assignments as compared to those expatriated for educational assignments. Most of the employees who went on work assignments mentioned that they took the international

assignments to support their career path and indicated that they had the intention of climbing the managerial ladder, as the following comments attest:

*Gaining good experience...the experience you gain from overseas assignments is essential here. As far as I know, most of Chemo-Co's senior executive managers went on international projects and worked outside the Kingdom. To excel on the managerial ladder you need international experience. This is important because Chemo-Co is a global company. It is not only a Saudi company, it is a global company (Mega Project Leader, 35 years old, had been expatriated to UK, Italy, Singapore, America, and Taiwan for five years on a work assignment).*

In terms of employees who decided to embark on educational assignments, their main motive was internal career-related motivations, especially the possibilities of being able to move from the technical ladder to the sought after managerial ladder. For example, one repatriate said,

*I wanted to transfer from the technical side to business, because I believed that my technical experience had reached its limit. It was impossible for me to transfer from technical to business without having to go abroad to get a degree in business, so after I came back with an MBA certificate, they transferred me immediately. That was my main motivation (Lead Scientist, Material Development, 38 years old, expatriated to the UK for four years on an educational assignment).*

Most of the repatriates on the technical ladder were more attracted to managerial positions, given the prestige and power associated with these jobs. This is deeply rooted in the Saudi national culture, which considers technical jobs as socially unappealing and attaches high prestige to managerial positions (Mellahi, 2007b, Robertson et al., 2001). These national values were reinforced by Chemo-Co's promotion system. The existing structure to reward

employees on the technical ladder was not attractive, and more value and significance was placed on employees on the managerial ladder. It seems that in Chemo-Co the technical ladder positions were perceived as less important than its allegedly equivalent management counterpart. Consequently, the majority of employees on the technical ladder were thinking about sooner or later attaining a management position. The combination of bureaucratic regulations regarding the promotional criteria and the absence of an attractive structure to reward employees on the technical ladder within the firm seemed to make repatriates more attracted to the managerial positions. This was also reinforced by the national culture where managerial positions are seen to be more prestigious.

Overall, the tangible rewards associated with undertaking the international assignment appeared to play a significant role in shaping the employees' psychological contracts. However, Chemo-Co's organisational culture that sharply distinguished between the management and technical role created expectations that undertaking the assignment would help employees to move across to the managerial ladder. Although Chemo-Co's base is petrochemical and chemical engineering, the firm still reinforced a cycle of value that associated managerial positions with power and authority. This cultural bias towards the technical positions is reflected in the Saudi national culture.

#### **9.6.1.2. Explicit Understanding of Human Resource Practices**

The role of HR was the most significant in shaping organisational expectations and obligations prior to the international assignment. Chemo-Co developed a range of different expatriation and repatriation support practices, such as pre-departure career discussion, training and repatriation job planning, which possibly helped assignees to develop a realistic picture of the repatriation process and outcomes. As the director of global mobility explained,

*There is one more thing related to pre-departure and orientation. While moving forward we make sure that each of those assignees and their home manager will have a specific discussion on the objectives of the assignment. During the discussion with the manager and the assignee, all expectations should be discussed as well as the objectives that have to be met during the assignment, so during the period of the assignment everything will be clear. This way his expectations will be managed and hence any over-expectations coming from the assignees will be avoided.*

The talent management director indicated,

*Assignees will be given a career plan and an objective before they are sent abroad in order to be clear about the position that he will obtain upon his return.*

The organisation paid considerable attention to making sure assignees understood the possible outcome of the repatriation by offering a realistic view of what to anticipate after they returned from the international assignment. A HR business partner emphasised,

*We try to develop a very realistic plan for the assignee before he goes on the assignment. We don't want to end up with an employee that is very capable but believes that the career plan didn't match his expectation, as that will completely demotivate the employee.*

The acting manager of global mobility also added,

*Management realises that repatriates might get attractive offers from the competition in the market when they return. Even if they are loyal and committed to Chemo-Co, they might choose to be quiet. So before the assignment the talent management team work hard in order to emphasise to the assignee that Chemo-Co will guarantee a bright future for them when they come back. We let them know that Chemo-Co will continue to*

*provide them with the best when they come back. TM has a process which they are working on in order to make the employee aware of their position, grade and situation before they leave on the assignment.*

It appears that employees might have more realistic expectation if they know in advance what the possible outcome of the international assignment will mean for their future, as the following comments attest:

*They were honest from the beginning; they said that they haven't promised anything and told us by accepting this assignment we would improve our skills.*

The messages emanating from the organisational system influenced the formation of employees' expectations prior to the international assignment. As one repatriate stated,

*I didn't expect to be promoted upon return, because it was clear that it was only an assignment. They told me that I shouldn't be concerned about getting promoted, but I got promoted without having any expectations.*

While repatriates were given no promises upon repatriation, they believed that the organisation would take care of them. One explanation for the perception of the repatriates was that there was an understood norm that Chemo-Co has supported everyone previously on assignments and thus Chemo-Co would look after the current repatriate and find him a new position.

Prior to the international assignment, the HR management formed realistic previews of the outcome of the international assignment to help assignees develop realistic expectations. Employees' expectations were formed under the explicitly defined organisational practices and processes of the international assignment. In Chemo-Co HR practices shaped the nature of the psychological contract that existed between the organisation and the employees.

Employees understand the terms and the conditions of their employment through human resource management practices (c.f. Rousseau, 1995). The extensive use of rules and procedures that are related to the national attribute of high uncertainty avoidance transfers to HR practices, which, in turn, shape employee's expectations and obligations prior to the international assignment.

### **9.6.2. *Expectation and Obligations Post-assignment***

In the case of repatriates, following extended periods of time in another country, the previous understanding of mutual expectations and obligations are often reevaluated (f.c. Stahl & Caligiuri, 2005). This part of the analysis will focus on the way in which repatriates interpreted what they perceived to be organisational obligations towards them post-assignment.

#### **9.6.2.1. *Perception of Supportive HR Practices***

Upon their return, most of the repatriates were assigned to a job that matched their international assignment experience. Eighty-five per cent of the repatriates in the sample indicated that they had been placed in a position in which they have an opportunity to use the knowledge, skills, and abilities they acquired during the overseas assignment. One repatriate noted,

*I think we have very smart management, and they can use everybody to their fullest.*

*They offered me my current job five months before my return. It's very relevant to both my international experience and my previous experience in supply chain management.*

When the few repatriates who were not assigned to a job that matched their international experience asked the management to transfer them to another department, which would be more relevant to their experience, the management directly accepted. The organisation seemed to have a very flexible approach that met the expectations of their repatriates. It also

means that the organisation was working on understanding how their repatriates could use the knowledge, insights and the experience they have acquired while working or studying abroad in their future position. Some examples would be:

*I came back to the same position. Nothing had changed and this is what I expected. Nonetheless, I created a job for myself after I talked to the manager convincing him that we must have simulations in the department.*

*I expected the company would have a position in a certain field for me to work in which is related to my educational background. One other thing is that I expected the company to benefit from my potential, but this wasn't the case when I came back and that forced me to find the best position for me. I thought the company would put me in the right place. It is a good challenge for me because I'm searching for the best place that suits my background, so I had to fight for it. I convinced them that I am able to provide. Yes, there is an advantage in Chemo-Co in which employees aren't forced to stay in the research department. I thought my company would prepare something for me when I come back To be honest, they prepared something for me but it didn't meet my expectations.*

It was evident from the previous statements that human resource management maintained open communication with repatriates to prevent any misinterpretations or unrealistic expectations. Only one repatriate interviewee perceived that he had a problem with the re-entry position. However, he indicated that he was not promised anything before he left, so he did not have high expectations. He stated,

*After you came back, I still have the same job in the same department with the same manager. However, I expected this because they didn't promise me anything when I came back, so it wasn't a big shock for me and I didn't have a problem at all (Specialist*

Development, 32 years old, expatriated to the USA for two years on a working assignment).

Unlike Oil-Co where very often the repatriates' concerns over promotion had not been met, in Chemo-Co 95% (19 out of 20) of the repatriates in this sample did gain promotion upon return. Repatriates felt appreciated by their organisation. Although they had not been promised a promotion, almost everyone got promoted upon return. Repatriates stated:

*Management told me that I shouldn't be concerned about getting promoted, but I got promoted without having any expectations. I succeeded in my assignment there and I was promoted from engineer to a global manager.*

*There will be a financial jump in terms of the basic salary when you come back with a degree. This is clear in the policy. There could be an employee who's not aware of it, but he can ask. This is already clear in the policy; you get a certain degree when you get a grade. Chemical-Co policy states if you have a certain degree, then you should be on a certain grade. If that hadn't happened when I came back, I could've negotiated it with my manager and it would have been implemented immediately.*

Moreover, many repatriates indicated that their organisation had a very "transparent" predictable promotion system for repatriated employees. So employees knew exactly what they should expect from the organisation when they come back. As one repatriate indicated,

*Whenever an employee comes back from an international assignment, he will get a grade; this is a rule in the company.*

Most of the respondents in general had a positive view of the organisation's repatriation process. Repatriates suggested that they had a positive repatriation experience and the

organisation provided them with what is perceived to be appropriate support in regards to repatriation.

*Repatriation processes were excellent; we have TRP “talent review process” and the “HR partner”. They schedule meetings with the employees every year. Their goal is to record the individual’s weak points, and after that they plan training courses for him in order to strengthen his weaknesses. My thesis was in talent management. TRP is an excellent idea.*

All of the repatriates felt welcomed when they came back to their home organisation. They described the readjustment back to their home organisation as very smooth.

*I didn’t face any challenges when I came back. It was the opposite; everybody welcomed me when I came back, and management even started taking my ideas seriously. I was promoted not long after my return.*

It was evident in the interviews that repatriates have a clear understanding of HR practices and what they can expect upon repatriation. Most of the repatriates interviewed felt that the organisation lived up to their expectations and met its obligation towards them in terms of promotion and new assignment responsibilities.

#### **9.6.2.2. Values Congruence**

As discussed earlier, Chemo-Co was a very typical traditional Saudi Arabian organisation. However, the analysis reveals that there was a match between people’s values and those of the organisation. There seemed to be congruence between repatriates and organisational goals, repatriates preferences and organisational structure, and repatriates personality and organisational culture. For instance, one of the repatriates believed that Chemo-Co’s work organisation is more structured and less complex. He said,

*I was assigned to work in an American company so there are no similarities in the work environment between our company and them. Our way of work is more clearly defined than theirs. The work environment there wasn't the best one.*

This implies that Chemo-Co employees preferred the bureaucratic control of Chemo-Co and were more satisfied with the hierarchical structure of the company compared to modern Western work structures. Several repatriates favoured the authority/status hierarchy that characterised Chemo-Co. One example was given by an employee:

*There is a big difference between my organisation here and the organisation abroad. I prefer working here. I feel more powerful and more important here.*

Repatriates appeared to value the power and status that was associated with their position in the local company. Chemo-Co's structure within authority and status hierarchies was strictly observed. This linked to Saudi Arabia's culture that has a high level of acceptance of authority. Members with high power of distance are accepting of and contented with structured authority relationships (c.f. Hofstede). Organisational and national culture in this sense was a powerful force that shaped and influenced the cognitions of the employees.

The experiences at Chemo-Co are in sharp contrast to Oil-Co repatriates, who largely assimilated into overseas cultures, and started to question national and organisational norms upon their return. Chemical-Co repatriates had an easier experience in readapting to their home cultures and home organisations. Actually some of the repatriates indicated that they found it very difficult when they moved from their home culture, which was a very conservative culture with stricter social rules and expectations, to a liberal host culture. The following statement is from a repatriate who had been expatriated to the USA for two years on an educational assignment:

*We come from a conservative society, so it is a big problem if you plan to raise your children there, but it was fine for me because my children were very young at that time. It is a big problem when your daughter or sister goes to high school, musical classes, or to parties at the end of the week. So the fear starts from this point, because you will lose your religious identity especially for girls who have the right to do whatever they want and they make their own decisions. Unfortunately, I met Saudi men who were completely lost in the foreign culture; they drank alcohol, slept with girls and smoked marijuana.*

In another example a repatriate who had expatriated for four years to the Netherlands on a work assignment noted.

*I felt home-sick all the time. People in the Netherlands aren't friendly and they aren't sociable. They only have one or two friends at the most...they are closed. People over there aren't comfortable around Muslims. You can feel that they are uncomfortable with us when you are working with the Dutch. That makes you feel that they keep their distance from you; they are closed.*

One interpretation of these findings is that there is congruence between those personal values of the employees and the values of Chemo-Co. Another possible explanation is that individuals might have self-selected organisations that have similar cultural values to their own.

### **9.6.2.3. Perceived Fulfilment of the Psychological Contract**

In general, it can be said that the data from the interviews implied that the returning repatriates got a job that fulfilled their expectations in relation to promotions and newly assigned jobs. It also suggested that the repatriate's acquired international knowledge is valued in the home organisation and the repatriate had a chance to utilise that knowledge in

the current position. It is important to note that there was not a gap between repatriates' expectations and reality. The analysis indicated that the respondents' expectations were met upon repatriation.

If repatriates feel recognised and rewarded for taking on international assignments, it is likely that it will have a positive impact on their intention to remain with the organisation. Ninety per cent of those interviewed stated that they had a strong intention to remain in the organisation for the rest of their careers. Repatriates' experienced strong feelings of loyalty and commitment to the organisation. As some of the repatriates stated:

*I am loyal to Chemical-Co. I think Chemical-Co is the best company in Saudi Arabia in terms of developing its employees, because you meet people of all different nationalities, and work on different products. You have to work under extreme pressure. You wouldn't have this high exposure if you worked in a local small company (Product Executive, 28 years old, expatriated for four years to the Netherlands on a work assignment).*

*Chemical-Co invests a lot in training courses whether inside the country or abroad, and you are also allowed to publish or participate in conferences. I don't think you will find such a company in the country. I have a lot of friends who work in ARAMCO and in universities but there is no place like Chemical-Co (Lead Scientist, 40 years old, had been expatriated to the UK for six years on an educational assignment).*

Moreover, many of the repatriates indicate that Chemical-Co had recently gone through major restructuring plans aims to improve the competitive position of the organisation's operations around the world. Repatriates seem to believe that those plans will have potential positive impact on their career path. Some of the repatriates' comments are:

*Chemo-Co is an expanding organisation, and it is not the same as it was five or six years ago; it wasn't like this when I joined. The company is growing very fast, and it will provide many good opportunities. You might ask me why not join Oil-Co, which is also doing the same thing, but there aren't much opportunities in Oil-Co as in Chemical-Co in order to grow in the organisation. This is the reason why I am staying (General manager, 35 years old, was expatriated to Brazil and then London, Korea, America, and Taiwan for five years and half on work assignment)*

*I believe that I have a future in this company, and I will have an effect on it in the future, especially after I got the MBA certificate. Now I feel more active after my return. There are a lot of learning investments in the company and this is the right time for me to benefit from these investments (PET Product Specialist, 37 years old, Expatriate for two years to the UK on educational assignment)*

Repatriates mentioned that one of the strong motivational reasons for staying in the organisation is the informal and friendly workplace culture.

*The work environment here is good and everybody is well-treated. I hear from a lot of people who work in banks complaining about the bank's work environment, and they say that employees want to take each other down. Other people who work in small organisations complain about working long hours and not making good money. In Chemo-Co, everybody gets his rights to the fullest and the work is well distributed. You can add to that the large number of employees in Chemo-Co, so if you had to take leave or a vacation there will always be somebody to cover for you. There is another thing that started a year ago, and it is making me want to stay in the company. That is the accommodations. They are building a high-class compound in Riyadh for Chemo-Co's employees. This is a great benefit.*

Among other factors that affected repatriation, one reason for staying in the organisation was job security. As one repatriate stated,

*What excites me about continuing to work for this organisation is long-term security. I believe that big companies like Chemo-Co provide long-term security, so instead of going to X Group where they could pay me double my current salary; I prefer to stay in Chemo-Co.*

A much smaller percentage of repatriates (2 out of 20) were concerned about the various aspects of their repatriation, and were frustrated to the point where they actually had thought about leaving the company because they felt their experience was not being valued by their organisation. However, those two repatriates were reluctant to make their decision and leave the organisation. Their hesitation and confusion was highlighted in the following statement:

*Chemo-Co is growing very fast. Maybe with time there will be acquisitions and new companies, so this could lead to making Chemo-Co a bigger company, which will create more opportunities. I would seriously consider leaving if I got an offer that pays 50% or 60% more than what I currently make. (Scientist, Polymers Material Development, 30 years old, had been expatriated to the USA for two years on an educational assignment).*

*I keep telling myself to wait because something good might happen. It is a matter of being patient. Sometimes I only work hard because Chemo-Co invested a lot in training me, so this makes me feel that I am repaying Chemo-Co. This is the only fact that is preventing me from quitting Chemo-Co (Researcher, 34 years old, had been expatriated to the UK for four years on an educational assignment).*

These and many other comments made by repatriates suggested that they perceived that the organisation/management had fulfilled their psychological contract. It appears that Chemo-Co has lived up to the employees' expectations. Thus, employees perceive that their organisation treated them fairly and met its contractual obligations to them under the psychological contract.

Overall, it seems that some of the critiques of organisational practice were well founded even among those repatriates who were satisfied. However, compared to Oil-Co, it seems that the repatriates in Chemo-Co were more satisfied with their career progression and organisation support since repatriation. The extent of satisfaction displayed by interviews infers that at some level, their psychological contract expectations were being met.

### **9.7. Summary**

The analysis suggested that Chemo-Co had many of the characteristics of a typical hierarchical traditional Saudi Arabian organisational culture. However, the most dominant national culture characteristic that played a key role in shaping organisational practices and policies was high uncertainty avoidance. The high uncertainty avoidance was reflected in the organisation's strict adherence to policies and rules, and the management's attempt to minimise any ambiguity or unstructured conditions or situations. This national value was constantly reinforced by the organisation's leader and embedded in management practices that placed critical emphasis on developing and planning well-structured assignments in line with the business needs. The organisation paid considerable attention to addressing the uncertainties that the expatriates might usually face when they move to a foreign culture by providing different cross-cultural training prior to the assignment and transparent promotional policies.

Prior to the assignment employees' expectations were formed under instrumental motivation for undertaking the assignment as well as an explicit understanding of the human resource practices. Particularly, HR management formed realistic previews of the outcome of the international assignment to help assignees develop realistic expectations. Employees' expectations were formed under the explicitly defined organisational practices and processes of the international assignment. The extensive use of rules and procedures that related to the national attribute of high uncertainty avoidance transferred to HR practices, which, in turn, shaped employee's expectations and obligations prior to the international assignment.

Upon repatriation employees perceived that the organisation offered supportive practices and valued their international experience. As highlighted in the summary of the interview findings (see Appendix 9), most of the repatriates interviewed in this research felt that the organisation lived up to their expectations and met its obligations towards them in terms of promotion, career planning, and assigned responsibilities. Even the few repatriates who had not been promoted or perceived that the organisation did not provide clear career planning, felt that the organisation would take care of them in the future. Overall, there was a general perception among repatriates who Chemo-Co lived up to its espoused values.

## CHAPTER TEN: DISCUSSION AND CONTRIBUTION

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### 10.1 Introduction

The effects of international assignments and the repatriation process on repatriates' psychological contracts in a Saudi Arabian context have, as yet, not been sufficiently investigated. Exploring this issue is novel because of the significant cultural differences that exist, compared to Western contexts. Consequently, this study responds to the call for more cross-cultural examinations of psychological contracts and repatriation, and a comparative empirical examination was conducted across two Saudi Arabian organisations.

Specifically this research has sought to contribute to the literature on the formation of the psychological contract and perception of breaches by examining the influence of national and organisational culture on the way in which psychological contracts are constituted and change following international assignments and repatriation. The main research aim was to empirically examine the interrelationship between the psychological contract, national and organisational culture, with respect to the repatriation process in Saudi Arabian organisations. This chapter demonstrates how the aim and the objectives have been met by discussing the major contribution of this research to the existing research and literature with reference to the findings from the three empirical chapters. The discussion of the theoretical contribution is organised around the three sub-research areas: (1) the key cultural values that shaped the repatriation process in each organisation; (2) the way in which national and organisational culture influenced the way in which the psychological contract was constituted prior to international assignments; and (3) the extent to which organisational cultural differences influenced the evaluation of the psychological contract and individual's perceptions of whether their psychological contract had been fulfilled or breached upon repatriation.

## **10.2. The Key National Cultural Values that Shaped the Repatriation Process in Each Organisation**

An important starting point in understanding how psychological contracts are constituted and might change following repatriation is to make sense of repatriates' perceptions of each organisation's practices. This study highlights the influence of strong Saudi Arabian national cultural values in shaping organisational culture and practices in both organisations, which is in line with previous literature (Rice, 2004, Mellahi, 2007a, Idris, 2007, Bjerke and Al-Meer, 1993, Bhuian and Al-Jabri, 1996, Metcalfe and Mimouni, 2011). Moreover, this supports the view held by Schein (1985) that organisational culture is typically embedded in the national culture in which an organisation operates. Schein's (1985) research also demonstrated the interconnection between the concept of leadership, and organisational as well as national culture. There has been a lot of criticism of Schein's view that the founder actively shapes/influences the development of organisational culture (see for example, (Barley, 1983, Gregory, 1983, Young, 1989). Nevertheless in this research, it did emerge that the founder/leader can have an important role in translating and interpreting particular national cultural values and embedding aspects of the organisations' assumptions, policies, practices and norms. It was evident that the leaders of each firm had embedded their interpretation of national culture values into their organisations, and these values were enacted in ways that played a crucial role in shaping the organisation structure, policies, practices, and culture. As a result, national cultural values unfolded differently in each of the firms. Importantly the findings suggest that specific and different national cultural norms significantly influenced the organisational practices, norms and values in each firm. Those differences between the two organisations were largely grounded in the history of the company and the beliefs and values of their founder or leaders (c.f. Schein, 1985), which will be discussed next.

### **10.2.1. High Collectivism and Wasta**

In Oil-Co, the key national cultural dimension, which appears to significantly influence the organisation's formal and informal practices and policies, was high collectivism (manifest societally as an emphasis on the importance of strong tribal culture). High collectivism was manifest in a way in which wasta shaped the HR practices of the organisation (i.e. the selection criteria for assignments, promotion and career advancement). The dominance of wasta in Oil-Co's culture effectively emphasised the informality of work relations. In Oil-Co the implicit assumptions about work relationships are contradictory. On the one hand, the espoused values promoted the idea that Oil-Co was 'Western', 'modern' and 'professional', which meant that the majority of the interviewees had assumed that progressive HR practices were embedded in this organisation. On the other hand, they shared a common belief around the predominance of wasta, a highly conservative aspect of Saudi culture, and its effect on the organisation's practices. This generated an implicit understanding of the importance of establishing informal relations with influential individuals to facilitate career development and promotion in the organisation. Thus, there is considerable evidence of a substantial gap between espoused practices and everyday reality in the minds of interviewees.

The research highlighted that rather than having formal explicit HR policies for promotion or selection for international assignments, the policies were loosely defined, apparently in order to apply wasta. Few HR practices were formalised and transparent, enabling those employees who benefitted from wasta to rise in a sphere of anonymity. In theory recruitment to international assignments may be available to the majority of employees based on a merit system. However, in reality the selection process was governed by tribal relationships and wasta rather than by clear rules or judgements. The policies were, therefore, only loosely adhered to and lacked transparency, which, in turn, enabled wasta, not only in terms of

selection for international assignments but more importantly, for promotion after the assignments were completed. The lack of policies creates a space where rules can be interpreted to enable favouritism or *wasta*. The tightening of rules and policies counteracts that. Thus, notions of HR professionalism were contradicted by the approach adopted towards the international assignment

The analysis revealed the way in which the predominance of *wasta* leads to high levels of ambiguity around policies and practices. The organisational ambiguity that exists in Oil-Co was reflected in repatriates' inconsistent and contradictory understandings of repatriation policies and practices. Several comments in interviews referred to the policies around international assignments and repatriation as being unclear or misleading. In this type of environment, even HR managers acknowledged the absence of clear and structured promotion policy in the organisation. Moreover, with the lack of visible drives for the rules, employees tended to speculate on organisational intentions.

Regardless of the professional image that management attempted to present, the research findings suggest that *wasta* is an important aspect of Oil-Co's culture shaping practices and is strongly reflected in the influence of Saudi Arabian national culture. Previous studies have labelled *wasta* as 'nepotism' and a negative business practice underscores a belief in the importance of establishing informal relations with important individuals to assist recruitment and promotion in the workplace (Ali, 2008, Hutchings and Weir, 2006a, Tlaiss and Kauser, 2011, Cunningham and Sarayrah, 1993, Metcalfe, 2006). Previous research has not, however, examined the influence of *wasta* in shaping organisational culture and its effects on the expectations and obligations that constitute the psychological contracts. This research demonstrated the way in which *wasta* shaped organisational norms and HR practices in Oil-Co. in terms of influencing how psychological contracts developed between employees and

their organisation; how employees' expectations form; and how breaches of the contract are considered to have occurred within the context of international assignments and repatriation.

### **10.2.2. *High Uncertainty Avoidance and the Blueprint Process***

In Chemo-Co, the analysis highlighted that the organisation culture was influenced by many Saudi Arabian national cultural values. The espoused organisational values and deep assumptions including explicit emphasis on rules and regulations were strongly shaped by national culture and translated into specific management and organisational practices, which, in turn, reinforced the national values. This finding has some support in the literature on Saudi Arabia management practices (Ali, 2008, Ali and Al-Shakis, 1985, Idris, 2007, Bjerke and Al-Meer, 1993), which argue that generally national culture is one of the key factors that shape management policies and practices in Saudi Arabia. Chemo-Co's organisational structure supports these findings. In Chemo-Co the national culture is profoundly reflected in the organisation's values and deeper assumptions, including a collectivist orientation, bureaucracy, high rule orientation, respect for authority, a strong sense of obligation to friends and family and an emphasis on top clear hierarchical communication. Compared to Oil-Co, Chemo-Co appears, therefore, to be a far more 'typical' traditional Saudi organisation as discussed in the existing literature.

A close examination of the organisational dynamics that exist within Chemo-Co highlighted that the key cultural dimension, which significantly influenced international assignment practices and repatriation practices/policies, was high uncertainty avoidance (manifest generally in an intolerance of risk, and hence an emphasis on rules and procedures). High uncertainty avoidance was manifest in the way the organisation enforced explicit regulations, and developed well designed systems and procedures for almost every aspect of the business. In particular, as international assignments were seen as the main means for achieving

Saudisation, two building blocks were seen to be vital for actualising this objective. The first was to begin the initiative by producing a suitable 'blueprint programme' for systematically identifying, recruiting and selecting high potential employees for international training or education. The second was to operationalise the initiative through fostering and developing those selected, then carefully monitoring their development and suitability to stay within the talent management programme. The organisation had a well-structured and highly rational explicit HRM system for international assignment selection, promotion, and repatriation planning. Notably after international assignments all employees acquired a promotion.

Stability, formality, and rule-orientation, are well recognised features of bureaucracies. Decision making was centralised; employees were expected to follow policies and rules, and to do only what they were told. This led to the creation of an environment where strict adherence to rules and policies, nurturing, obedience, compliance and respect for authority, were considered the cultural norms. The organisation was thus built on an assumption that the appropriate way to perform one's tasks was to follow the rules and regulations. This was reflected in the way in which management paid explicit attention to carefully planning the international assignment, and clearly defining its objectives. This does not mean that the other Saudi Arabian national cultural attributes, including *wasta*, affiliation and good interpersonal relationships were not evident in the organisation. However, high uncertainty avoidance appeared to be a predominant characteristic in Chemo-Co, since it seemed to have significant influence on the organisational practices and policies. Chemo-Co was, therefore, characterised by predictability, and the rules of the game were clearly defined, a priori, and provide a reliable base for interaction and little space for opportunism.

### **10.2.3.            *National Cultural Values Progressed Differently in Each of the Firms***

The two case studies demonstrate that national culture influences the development of organisational culture since it is clear that managerial assumptions about the employment relationship in both organisations were influenced by national norms. These findings support previous literature (Hofstede, 2001b, House et al., 2004, Bjerke and Al-Meer, 1993, Hall and Hall, 2001, Robertson et al., 2002, Schein, 1985b), which indicates that national cultural values shape managerial practices and behaviours. Although these findings concur with the extant literature (Schein, 1992, Alvesson, 2002, Nelson and Gopalan, 2003, Harris and Ogbonna, 2002, Hofstede, 1983), they challenge the assumptions that organisations in the same country are typically shaped by the same national cultural values. The research has identified how national cultural values predominated and had more influence on organisational practices, norms, values and assumptions in some organisation than others. Hence specific national cultural values developed differently in each of the organisations. One explanation for these differences is that these organisational values and assumptions are likely to have been strongly influenced by the co-founder's background and the organisational history. In line with Schein (1992), this research found that the founders had a key influence on shaping organisational culture. Founders do likely form organisational culture throughout an organisation's early developmental years, and likewise, founders perform significant roles in embedding the culture over time within the organisation. An organisational culture begins to grow when the organisation is new, and early cultural manifestations typically mirror the vision and values of the founder. Over time, cultural values and beliefs become embedded in the formal and informal policies of the organisation (Schein, 1985c).

Oil-Co was formed in the 1940s by oil executives from the United States. The co-founders were the major ideological force in the company during the organisation's formative years and continued to embed their (US) assumptions within the organisation until it was nationalised in 1976. The early American co-founders' values were the guiding principles by which Oil-Co achieved its distinctiveness in comparison to other Saudi Arabian organisations. In Oil-Co American business practices still persist although the top executives are now Saudis. The American co-founders' primary mission was to develop a unique, progressive and distinctive organisation. The founder aimed to develop a largely autonomous, self-regulating, professional and prestigious institution that works in developing a knowledgeable workforce. This later was reflected in Oil-Co policies and was reinforced by management practices to some extent. Following the founder's retirement, the basic philosophy of how to run the organisation was thoroughly embedded and continued under the new Saudi Arabian CEOs. Under the Saudi Arabian CEO's leadership some of the original underlying assumptions began to evolve. The cultures that successive Saudi CEOs brought in to the organisation were naturally derived from some of their own national culture beliefs, values, and assumptions. As it transpired, those assumptions varied a great deal. Strong Saudi Arabian traditional values, such as group-collectivism, solidarity, *wasta* and interpersonal harmony began to embed and co-exist with the modern and Western norms that Oil-Co still claimed to have. As the organisation expanded, some of the paradoxes and the inconsistencies across these very different assumptions/values emerged.

Ownership of Chemo-Co has always been Saudi. The company was founded in the mid-1970s by royal decree. The CEOs of the organisation have always been Saudi Arabian nationals. The first CEO of the company, who was subsequently chosen soon after by the Saudi government to be a minister, played a key role in building and developing the organisational culture. The CEO established a traditional hierarchical management structure

that eventually led to the culture described in the previous chapter. From the outset, the founder placed substantial consideration on control, direction, and the development of regular working processes. Every detail of each task is planned cautiously in advance and carried out in a highly routinised style. The founder managed to build an organisational structure that was stable, centralised, with a clear top-down chain of command. Employees had minimum freedom of choice and were observed and controlled. Chemo-Co is now remarkably hierarchical, a reflection of the leader's overarching concern with control. All CEOs that have followed the founder, appeared to be aware of the organisation's norms, and have accepted and adopted the values promoted by the founder.

Comparing these research findings has highlighted how founders influence culture and can have a profound impact on the organisation. The differences across the two firms appear to have developed because of the founder's background and each organisation's heritage. This highlights an important point in so far as some of the arguments in the literature regarding the consistency of Saudi Arabian organisational values are open to debate. Polk (1980), for instance, has claimed that in spite of educational, economical, and political differences in an Arab context, Arabs generally have similar organisational values. This research contributes to the available literature regarding national culture by revealing that value differences do exist even within certain organisations in the same demographic region. Moreover, the research points to the important role of organisational culture as a mediator between national culture, policies and practices and individuals' values, and thereby is important for understanding the complex dynamics that shape the employment relationship.

### **10.3. National and Organisational Culture Influences on the Way in which the Psychological Contract is Constituted Prior to International Assignments**

The research attempts to address the origins of the expectations that constituted psychological contracts and how they were formed. While addressing how employees' perceptions of the reciprocal promises developed are of vital significance in understanding the psychological contract, it should be recognised that there is minimal research on which to draw. Therefore, one of the main objectives of this study was to undertake an investigation of repatriates' psychological contract by examining the influence of national and organisational culture on the way in which the psychological contract is constructed and shaped before and after international assignment. While recent research (Thomas et al., 2003, Rousseau and Schalk, 2000b, Sparrow, 1998b) has assessed the broad national culture influence on the formation of the psychological contract, only limited research has taken into consideration the possible impact of the organisational culture. The psychological contract literature has largely overlooked the influence of culture that may serve in employees' constructions of their psychological exchange relationship. This research suggests that both the organisational culture and the national culture perform an essential role in employees' interpretations of their psychological contracts. Specifically this research contributes to the literature by illustrating the moderating role that organisational culture plays in the way in which employees come to understand the mutual expectations and obligations that comprise the psychological contract.

In the context of two very different Saudi Arabia organisations, this research illustrates that different cultural values influenced perceptions around expectations and obligations that constitute the employees' psychological contract in an organisation. Based on qualitative data from repatriates and HR managers, it has been illustrated that employees' expectations prior and post-international assignment are often strongly influenced by organisational values,

norms and underlying assumptions. This alerts us to the fact that an organisational culture can, in turn, shape individuals' values and expectations and recast their sense of reality of what seems to be natural, unchallengeable and taken for granted.

### ***10.3.1. The Psychological Contract under the Progressiveness Myth in Oil-Co: The Role of Rhetoric***

In Oil-Co, prior to international assignment, perhaps unsurprisingly, employees bought into the organisation's espoused values that manifest themselves through the management use of positive images, various symbols, and symbolic activities. Symbolism was relied upon heavily to reinforce the organisation's espoused values, and the mission of the organisation. Symbolically Oil-Co has continued to present itself as a progressive company. Oil-Co strives to differentiate itself from other Saudi Arabian organisations as being 'progressive' and hence, in principle, an attractive employer to potentially high performance candidates. It openly advocates the adoption of Western values and management practices, many of which are in contrast to the Saudi culture where high power distance and low gender egalitarianism are prevalent. Progressiveness and Westernisation is largely expressed symbolically in the relative freedom afforded to female employees. As highlighted earlier, women are allowed to drive within the organisation's compound and work unsegregated from men. Both of these practices are considered highly unusual and extreme in Saudi Arabia. These practices are strategically used to symbolise progressiveness and promote the Western image that management is attempting to portray.

The strategic use of symbols and symbolic activity created a positive attitude towards the organisation, both internally (prior to the international assignment largely) and externally. Previous literature (Alvesson and Robertson, 2006, Alvesson, 1987, Alvesson, 1991a, Bergami and Bagozzi, 2000, Pfeffer, 1981, Peters, 1978) has demonstrated that through

organisational symbols, management can develop a shared system of values and beliefs, leading employees to strongly identify with the organisation. Alvesson, in particular, has extensively discussed the role of symbolism in generating feelings of pride, commitment and loyalty (Alvesson, 1998, Alvesson, 1991b, Alvesson, 2004). In Oil-Co's case this approach seems to have worked very well. Prior to the international assignment the analysis has demonstrated that the organisation was idealised and glorified by its employees.

The organisation's image was expressed in a range of strategic symbolic mechanisms that have been deployed by senior management to construct a 'progressiveness' myth. Management was also very anxious to promote a positive image of the company in the media. The organisation has received considerable media coverage because of its distinctive compound that symbolically expresses the Western image that the management is trying to present. In this study, the organisation's image was reinforced by its reputation of being a very distinct, unique and professional organisation.

Figure 10.1. A schematic representation of the level of cultures in Oil-Co

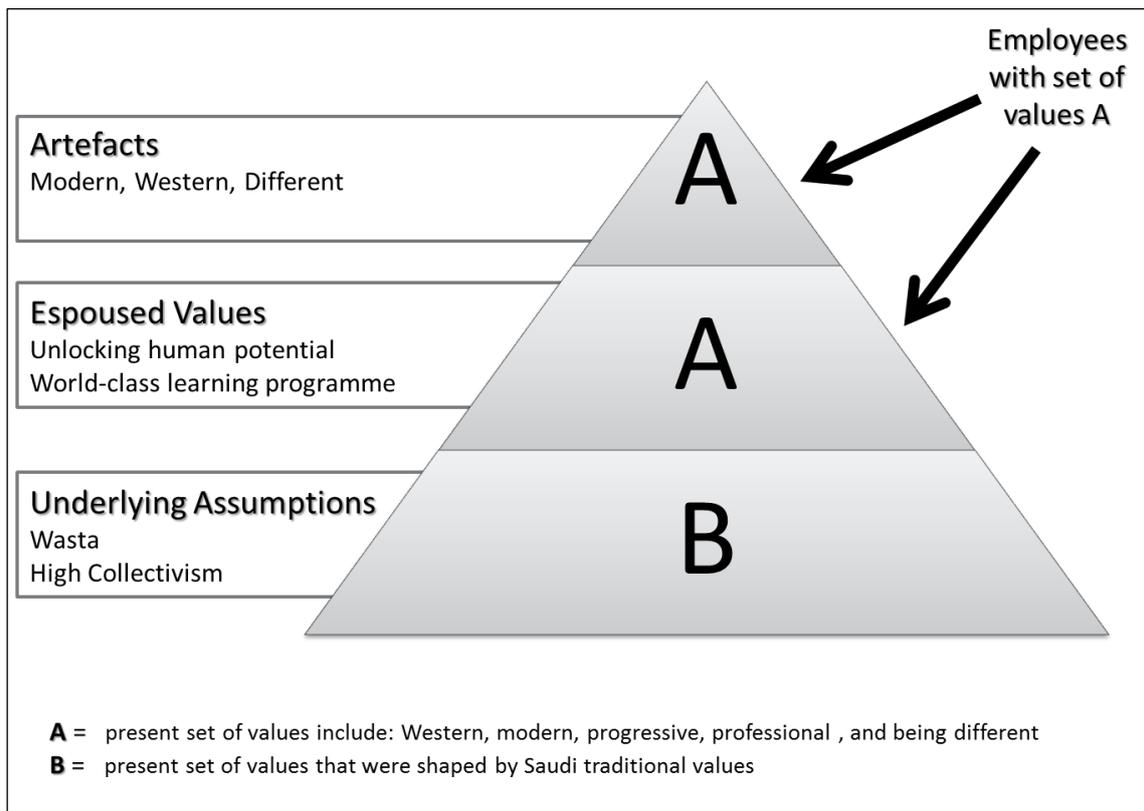


Figure 1 aims to demonstrate that prior to assignment employees believed that they held similar values to those in the organisation, and were attracted by some of the organisational artefacts, symbols and espoused values. To some extent it appears as if employees had been seduced by Oil-Co management rhetoric. Employees felt strongly that the organisation was unique, partially because of the positive image the organisation has developed over the years as being “the motor of change” in the country’s social development, and partially because of the range of training that the company offered to develop Saudi expertise. In particular, there was extensive interest among Saudis in the company’s academic opportunities that were awarded to Saudi employees in several fields inside and outside the country. Most of the interviewees expressed the feeling of being “special” or “different” as a member of Oil-Co. There were strong feelings of corporate pride amongst the employees. Interviewees saw the organisation as progressive and modern, in contrast to other companies in Saudi Arabia.

Moreover, expressions of “being acknowledged and valued” were frequently deemed by the interviewees as a positive aspect of being selected for international assignments. Figure 1 suggests that prior to the international assignment Oil-Co was seen by members as a ‘modern’ and ‘Western’ organisation with significant resources to invest in employees that focus upon developing human potential by creating what was referred to as a ‘world-class’ learning programme. The resources that the organisation has invested in international assignments served as a powerful symbolic manifestation of this.

The research revealed how expectations were shaped by management rhetoric. In constructing a rhetoric that places an emphasis on being “different” from other organisations, and very “progressive”, management created a set of expectations among employees that had a significant impact on the development of their psychological contracts. Participants in this research had high expectations that international assignment would enhance their career progression with the company and enrich their self-development. There was an underlying assumption that agreeing to an international assignment would be rewarded with some form of salary increase or promotion. However, it is important to note that these expectations were largely grounded in assumptions that they had made, rather than any explicit promises made by management or formal HR policies. These career advancement expectations were a symbolic manifestation of the ‘value’ placed on international assignments. In line with psychological contract theory (Rousseau, 1989, Shore and Tetrick, 1994, Robinson and Morrison, 1995), promises are not limited to verbal or written obligations but also perceived by implication made in the course of everyday interactions. Psychological contract theory focuses not only an explicit contract, but also any construction arising from interpretations concerning employee and employer behaviour, which is clearly evident here.

To summarise, the history of Oil-Co and the empirical research into organisational culture and employees’ expectations prior to the international assignments suggest that the “typical”

psychological contract in the organisation has been shaped by an unconscious idealisation of the organisation reinforced by organisational myths and symbols emphasising its differences from a traditional Saudi Arabian organisation.

**10.3.2. *Shaping the Psychological Contract under Explicit Understanding of the Organisational Culture***

In Chemo-Co employees’ understanding of the organisational norms and culture were clear. The organisation was characterised by predictability and consistency, which meant that formalised rules were offered in every aspect of employment. The rules of the game are clearly defined a prior international assignment and thus offer a reliable basis for action, which leaves very little space for opportunism.

Figure 10.2. A schematic representation of level of cultures in Chemo-Co

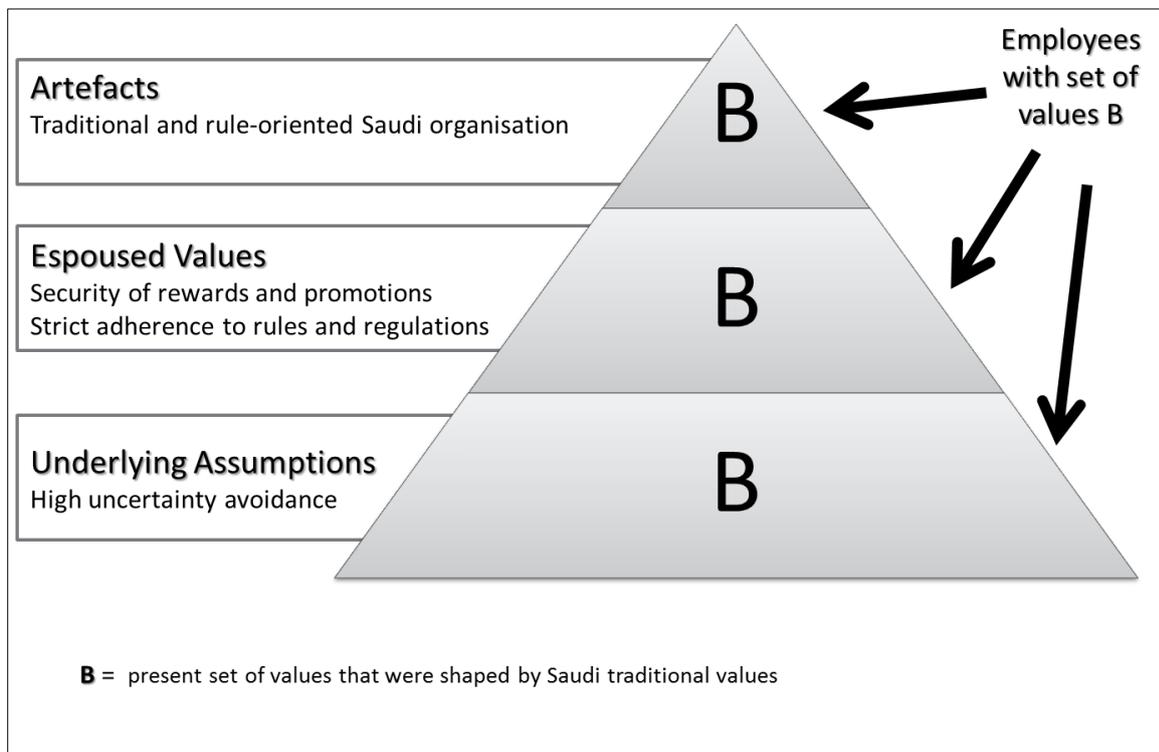


Figure 2 aims to demonstrate that there was congruence across the artefacts, symbols, espoused values and underlying assumptions in Chemo-Co. As discussed in the previous

section, the predominance of high uncertainty avoidance shaped the culture such that the norms of strictly adhering to rules and regulations were controlled. Prior to the international assignment, over the years of employment employees had learned that in order to progress in the organisation, they needed to follow the rules. In line with previous literature (Cooke and Rousseau, 1988, Smircich, 1983, Geertz, 1973a, Schein, 1990a) this research has highlighted that individuals learn how to behave in an organisation through socialisation and formal organisational policies and practices. Employees come to realise the values that predominate and expected behaviours that are essential in developing their careers in the company. Since organisational culture performs an essential role in establishing the norms for employees' behaviour, it can be argued that it also has a direct impact on developing employees' expectations and understanding of their obligations in related to the psychological contract.

The empirical chapter demonstrates that employees had a relatively instrumental motivation to undertake the international assignment. Prior to the international assignment, employees had strong expectations that international assignments were associated with high prestige and comparatively high financial rewards. Clear indications were given from management of what they would receive in return for undertaking the assignments. While Chemo-Co.'s organisational culture is entirely bureaucratic, underpinned by values of traditional forms of authority, control and strong rule-orientation, it also includes elements of predictability and stability. Employees knew exactly what the outcome from the international assignment would be. The organisation's culture is characterised by formal contractual relationships between the organisation and its employees and well-defined obligations for each party, whereby certain rewards are promised for a specific level of performance. Rewards and promotions are explicitly offered by the organisation, and this is taken for granted by the employees. Management has linked the assignments to contingent rewards and positive organisational outcomes. This is in line with the previous literature (Kelman, 1958, Howell and Avolio,

1993, Barbuto, 2005) that demonstrates that instrumental rewards can motivate employees when they perceive their work leads to specific extrinsic tangible outcomes such as pay, promotions, bonuses, etc. As indicated in the analysis, employees reported that Chemo-Co offered the prospect of a very rewarding career for repatriates, and, in turn, they understood their obligation to undertake those assignments. As such, the organisation has made explicit promises of career development to those who accepted the assignments.

However, there were certain distinctive dynamics at play in this organisation. Employees' expectations about their working life after the international assignment fell into two categories: employees on the technical ladder who embraced the assignment for the possibility of being able to move from the technical ladder to the managerial ladder, and those who were already on the managerial ladder and believed the assignment would support their career path to climb the managerial ladder. Chemo-Co has clearly defined the management role and distinguished this sharply from technical roles. Historically, this too is linked to the Saudi national culture, where the majority of Saudis prefer to work in administrative and managerial positions. Previous literature (Achoui, 2009, Al-Kibsi et al., 2007, Madhi and Barrientos, 2003, Mellahi and Wbod, 2001) argued that Saudis are primarily motivated by position and status, which explains a preference for a clearly defined managerial path. Being on a managerial ladder reinforces a sense of elitism, status and power in Saudi Arabia. Furthermore, expectations that international assignments would facilitate entry into a new role, particularly on the managerial ladder, were widely recognised in the organisation. The search for exclusivity and status within the Chemo-Co community was a broadly shared value. This is symbolically reinforced by the organisational structure in Chemo-Co, which was not designed for employees on to the technical ladder. Interviewees often reported that promotion inducements and salary ranges on the technical ladder were not as attractive as those for managerial tracks. Although the organisation suffers from a shortage

of technical staff, the prevailing organisational structure places greater emphasis on the managerial ladder and the culture reinforces this. Thus, a large number of employees on the technical ladder undertook the international assignments with the expectation of moving across to the management ladder.

In terms of employees already on the managerial ladder, the general approach taken by the majority of those interviewed was that completing the assignment was a further bureaucratic tick-box process that would increase their chances of promotion. It was clear from the analysis that international assignments were seen by participants, not as learning experiences per se but as part of their general career development plan. The international assignment was viewed by participants, therefore, as part of a wider process which affirms the identity of the person as a manager and enhances their status within the organisation.

The tangibility of these rewards associated with undertaking the international assignments' mechanisms appear to play a significant role in shaping the employees' psychological contract. Psychological contracts in Chemo-Co seem to be driven by high status and power, strong financial rewards and a culture of adherence to rules and regulations. Adherence to rules and acceptance of authority are a key characteristic of the work relationship at Chemo-Co. This reflects the GLOBE's dimensions of 'power distance' and 'uncertainty avoidance'. In both dimensions the Arab cluster ranked relatively high. The acceptance of authority is a strong cultural value in Chemo-Co. Employees highly respected authority and were prepared to do as they were told even in fairly senior technical and management roles. In the work environment, employees find it natural that differences in hierarchical positions should correspond to differences in status. Moreover, the extensive use of rules and regulations is accepted as common work practice in the organisation. Those national attributes transfer to HR practices, which, in turn, shape employees' interpretation of their psychological contract.

In line with previous literature (Rousseau and Wade-Benzoni, 1994, Peel and Inkson, 2000, Rousseau, 1995a), HR practices shape the nature of the psychological contract that exists between organisations and their employees. In particular, Rousseau (1995b) argued one of the key mechanisms through which employees come to understand the terms and condition of their employment is human resource management practices. In Chemo-Co reward management systems and the trend towards focusing on international assignments convey messages that impact the formation of psychological contracts.

To sum up, the two case studies reveal that there are significant differences across the two organisations in regards to the prevailing norms and expectations/obligations that shape employees psychological contracts. The organisational culture in each firm shapes the ways in which employees build their expectations/obligations prior to the international assignment. While national culture affects organisational culture in both firms, specific and different national cultural norms play significant roles in each organisation. These differences arise in part from the different organisational structure and culture that are part of each organisation's historical background. This research demonstrates that organisational culture plays an important role in forming and shaping the psychological contract. In view of this, it is astonishing that such a small amount of research has been conducted in this area There has been some speculation, most notably by Guest (1998) and Rousseau (1995b), about who in the organisation is apt to shape contracts with employees. However, most of this research assumes that there is homogenisation of organisational culture within the same geographical region. This research contributes to the psychological contract literature by illustrating the moderating role that organisational culture plays in the way in which employees come to understand the mutual expectations and obligations that comprise the psychological contract.

#### **10.4. Organisational Cultural Differences Influencing Individual's Perceptions**

The main aim of this research was to examine the influence of national and organisational culture on the ways in which repatriates perceived that their psychological contract had been either fulfilled or breached post-international assignment. This research provides evidence of the impact of organisational culture on the way in which repatriates interpreted what they perceived to be their expectations around organisational obligations prior to and post-international assignment. Repatriates' understanding of the effect of the international assignment on their career and the way in which they expected to be treated upon repatriation was evidently moderated by the organisational culture of each firm. Each organisation fosters quite distinctive beliefs about the way they manage international assignments, repatriation, and work relationships, which influence employees' perceptions of whether their psychological contract had been fulfilled or breached post-international assignment.

The dominant research in the field tends to conceptualise the breach or fulfilment of the psychological contract at the individual level without taking into consideration the impact of organisational culture and the broader national culture context on the development of these perceptions (Tekleab et al., 2005, Coyle-Shapiro and Kessler, 2000). A few studies have examined the influence of a national context on the breach of the psychological contract. These include: Lo and Aryee (2003), who examined the breach of the psychological contract in China; and Kickul et al. (2004b), who compared the United States and Hong Kong in the outcomes of psychological contract breach. While this research made important contributions to our understanding of the development of breach of the psychological contracts, these studies attempt to generalise a causal relationship between variables to systematically uncover the development of psychological contract violation, breach, or fulfilment. The findings of this research contribute to the available literature on the breach of the psychological contract by demonstrating that employees' perceptions of breach or fulfilment

is far more complex and influenced by several dynamics, such as national culture, organisational culture, individual expectations and perceived obligations. Specifically, the research argues that incongruence between organisational culture and practices leads to development of the breach, and alternatively, congruence between organisational culture and practices leads to perception of fulfilment of the psychological contract. These perceptions, in turn, are shaped by a wider range of organisational and socio-cultural features.

#### ***10.4.1. Discrepancies between Repatriates' Perceptions of the Organisation's Culture and Practices: The breach of the Psychological Contract***

Prior to the international assignment at Oil-Co, employees appear to a large extent to have internalised the organisation's espoused values that were manifest through management's use of positive images and symbols. Furthermore, employees seem to have developed a Western perception and consider themselves to be superior to employees in other Saudi Arabian organisations. Prior to the assignment participants found the organisational culture attractive; they believed the company provided them with the best opportunities for career development as compared to other Saudi Arabian organisations. However, after the international assignment, employees started to realise there was a mismatch between their perceptions of the organisation's practices and the practical reality. At that point, they noticed a discrepancy between the organisation's espoused values and the basic assumptions held by most organisational members, including senior management about the way in which the organisation actually operated. This recognition or awareness arose when repatriates realised that the organisation was not satisfying their expectations that had developed pre-assignment.

Upon repatriation, employees started to recognise that the differences between the espoused values and the organisational practices were rooted in the Saudi national culture. What was claimed was not fully consistent with what was observed. When repatriates perceived a gap

between the enacted values and those espoused by the organisation, they started to rethink and question what were in practice largely informal policies and practices that had been shaped by national culture and implicitly taken for granted and therefore never challenged. Wasta, for example, was only implicitly acknowledged as having some influence on the selection criteria for assignments. However, following the international assignment repatriates started to perceive wasta as problematic. When discussing their lack of career advancement and opportunities upon their return to Oil-Co, they emphasised the importance of wasta far outweighing qualifications and skills that they had developed whilst on their international assignment. Upon return, they started to reflect negatively upon and question the role of wasta in shaping HR practices in the organisation.

Repatriates also began to question the progressive image that the organisation has attempted to promote, which reinforced the organisation's espoused values. They realised that many aspects of the organisational mission statement, such as unlocking the company's full human potential, in practice meant very little. Repatriates started to view the international assignment rather like an organisational ritual from a managerial perspective, rather than a significant learning experience and fundamental part of professional development. The aim of developing a trained and qualified labour force through international assignments was largely perceived as management rhetoric by the majority of participants in this research. Post-assignment, despite Oil-Co's many attempts to promote a progressive image, the organisation was viewed as embedded in traditional practices.

In line with the previous literature (Argyris and Schon, 1974, Howell et al., 2012, Kwantes et al., 2007), this research argues that the realisation of the mismatch between organisational 'espoused values' and 'enacted values' had many negative consequences for both the organisation and the employees. Previous research (Buch and Wetzel, 2001, Proost et al., 2012) reveals that employees' realisation of the disparity between initial perceptions of an

organisation's culture and reality can cause a variety of negative consequences in the employment relationship, such as lack of commitment, demotivation and frustration. Moreover, the literature argues that the realisation of this discrepancy can be manifest in employee turnover. As Schneider (1987 : p. 442) stated, "*People who do not fit an environment well will tend to leave it*". However, the available literature did not consider the possible influence of the employees' realisation of the mismatch on the psychological contract. This research has illustrated that the incongruity in expectations between the organisational culture of espoused values and basic assumptions has an adverse impact on employees' psychological contract. This finding contributes to the psychological contract literature by suggesting that breach of the psychological contract occurred when employees perceived a mismatch between the organisation's espoused values and practice.

Consistent with prior empirical research findings (Robinson and Rousseau, 1994, Robinson, 1996, Conway and Briner, 2002a, Kickul et al., 2004a), it has been shown that psychological contract breach has various negative consequences on work behaviours. In particular, Chiu and Peng (2008) argue that breach of the psychological contract causes employees to feel frustrated or dissatisfied, develop a cynical view of managers, and experience cognitive dissonance. Cognitive dissonance theory suggests that individuals are driven to eliminate or at least reduce the imbalance (Festinger, 1962). To reduce this cognitive dissonance and achieve consonance in the employment relationship, the employee is motivated to change his attitude or behaviour (Festinger, 1962, Burnes and James, 1995). In addition, employees would most likely reduce their positive contribution to the organisation (Uhl-Bien and Maslyn, 2003) or even display negative behaviours (e.g. withdrawal behaviour) (Chiu and Peng, 2008). In some cases the tension created by dissonance motivates individuals to either change their values and opinions or leave the organisation in an attempt to reduce the dissonance (Maertz Jr et al., 2009). Participants from Oil-Co chose one of two actions. Some

repatriates had expected that their situation would eventually improve and decided to wait it out. Those who decided to wait indicated that there were very few other practical options available in the country. This was because, regardless of the rhetoric, Oil-Co was relatively less tradition-bound, offering something similar to Western working lifestyles, and hence more progressive compared to other Saudi Arabian organisations. These repatriates believed, therefore, it was the safer option. It is also important to highlight that those who decided to stay indicated in the interviews that they had changed their working attitude with some of them stating that they did “just enough” to make it through the working hours, and they do not take any initiative. This aligns with dissonance theory.

The vast majority, however, went through the process of evaluating the situation and started the procedure of considering a new job outside the organisation. Findings also support the notion that perceived breaches of the psychological contract may be taken as a plausible explanation for the high turnover rate of repatriates (Eugenia Sánchez Vidal et al., 2007, Suutari and Brewster, 2003, Stahl et al., 2009). However, as highlighted in the analysis chapter, repatriates who decided to remain in the organisation had to learn to compartmentalise or dissociate the discourse around progressiveness and professionalism and actual organisational practice. The literature implies that individuals often react to this type of situation by accepting it and by minimising their acknowledgment and observation of any incongruity between their words and their actions (Proost et al., 2012). Likewise Argyris (1999) suggests that employees in a surrounding where espoused values are not aligned with the actions will ‘talk’ the espoused values, whereas behaviourally following this recognition, they would protectively have a tendency to avoid self-reflectivity.

The research findings explicitly demonstrate how recognition of the incongruence between organisational culture and practices following international assignments, contributes to the reformation and changing dynamics associated with the psychological contract. This finding

contributes to the psychological contract literature by highlighting the complex dynamic associated with the breach. This research additionally suggests that reverse culture shock is one of the dynamics associated with the breach of the psychological contract. Previous research on international assignment consistently highlights that reverse culture shock is a recurring problems for repatriates (Black and Gregersen, 1991, Black and Mendenhall, 1991, Adler, 1981, Harvey and Novicevic, 2006). However, in the available literature regarding psychological contracts, there is little evidence of the relationship between reverse culture shock and the repatriation perception of the breach or fulfilment of their psychological contract.

#### ***10.4.2. Consonance between the Organisational Espoused Values and the Values in Practice: Fulfilment of the Psychological Contract***

In Chemo-Co, prior to and upon repatriation employees perceived that the organisation offered supportive HR policies and practices. What seemed to signal the repatriates' perception that the organisation valued their contribution was the perceived fair rewards and promotions that the organisation offers upon returning. This finding is in line with the previous literature (Eisenberger et al., 1990, Wayne et al., 1997, Eisenberger et al., 2002, Rhoades et al., 2001) that argued that employees who perceive support from their organisation would more possibly feel obligated to "pay back" the organisation. Based on social exchange theory, a pattern of reciprocity develops over time between an employee and their organisation, and the more employees perceive organisational support, the more they feel obligated and attached to the organisation (Rousseau, 1990, Blau, 1964, Shore and Wayne, 1993). Most of the repatriates interviewed in Chemo-Co felt that the organisation matched their expectations and met its obligations towards them in terms of promotion and

new assigned responsibilities. In exchange, repatriates appeared to experience strong feelings of loyalty and commitment to the organisation.

How repatriates interpreted Chemo-Co's HRM practices (i.e. rewards, promotions, etc.) influenced the way in which they evaluated the psychological contract (i.e. the organisation's obligation towards them). This finding is consistent with the literature that argues that the impact of HRM practices on employees' psychological contract is likely to rely on how those practices are perceived and interpreted by employees (Rousseau and Wade-Benzoni, 1994). This research argues that HR practices have a central role in the complex chain linking an organisation's espoused and enacted values. However, employee perceptions of the values that characterise their organisation and its possible effect on the psychological contract remain poorly understood.

In the case of Chemo-Co, there was a degree of consonance between the organisational espoused values and the values in practice. Many of the repatriates who were interviewed in this study believed that their organisation lived up to its espoused values. Unlike Oil-Co, there seems to be congruence between the norms, espoused values and basic assumptions of the organisation. Previous literature (Argyris and Schon, 1978, Ostroff et al., 2003, Schein, 1985a) argues that when an organisation's espoused values are relatively consistent with the organisation's enacted values, this can bring the group together by reinforcing the organisational culture, in addition to performing as a basis of identity. This congruence between the enacted and espoused values can lead to harmony between patterns of organisational values (i.e., the organisation's culture) and patterns of individual values (i.e., what an individual values in an organisation). Previous literature (Verquer et al., 2003, Arthur Jr et al., 2006, Piasentin and Chapman, 2006, Kristof-Brown et al., 2005, Hoffman and Woehr, 2006) has examined employees' perceptions of the organisation's enacted values and organisational outcomes. These research studies demonstrate positive outcomes for both

individuals and organisations when there are similarities. Positive outcomes include job satisfaction, organisational commitment, attendance, performance, citizenship and retention.

In particular, Finegan's (2000) empirical research highlights the silent role organisational values (espoused or enacted ) play in organisational affective commitment. Meir and Hasson (1982) also argue that when individuals' values and priorities match the values and priorities of a particular organisation, individuals are more likely to stay with that organisation. Although those theories of person-organisation fit have been advanced, no research has focused on the possible effect of the congruence between patterns of organisational values and patterns of individual values in relation to the psychological contract, however clearly there are implicit links. The finding of this research contributes to the psychological contract literature on fulfilment of the psychological contract. In this research it was evident that employee's perceptions of levels of consonance between the organisational espoused and enacted values leads to fulfilment of the psychological contract upon repatriation, which, in turn, fosters high commitment among employees. The organisational values affect and guide employees to understand the terms and conditions of the employment relationship. The vast majority of those interviewed in Chemo-Co stated that they had a strong intention to remain in the organisation for the rest of their careers. Here it appeared that repatriates experienced strong feelings of loyalty and commitment to the organisation following repatriation.

#### ***10.4.3. Dynamics Associated with Perceived Breach or Fulfilment of Psychological Contract Following Repatriation***

This research provides evidence of the impact that national and organisational culture have on the way in which repatriates perceive organisational obligations towards them prior and post-international assignment. The research also highlights the influence of a predominate national culture shaping organisational practices and norms in each firm, which influenced

the repatriates' perception that their psychological contract had been either fulfilled or breached post-international assignment. Importantly the two case studies demonstrated that specific and different national cultural norms significantly influenced the organisational practices, norms and assumptions in each firm and hence the influence of that the national culture played in each organisation.

### 10.4.3.1. Dynamics Associated with Perceived Breach of Psychological Contract Following Repatriation

In Oil-Co the key cultural dimension, which significantly influences the organisation's formal and informal practices, is high collectivism manifested in the predomination of *wasta* practices.

Figure 10.3 offers a schematic representation of Oil-Co dynamics

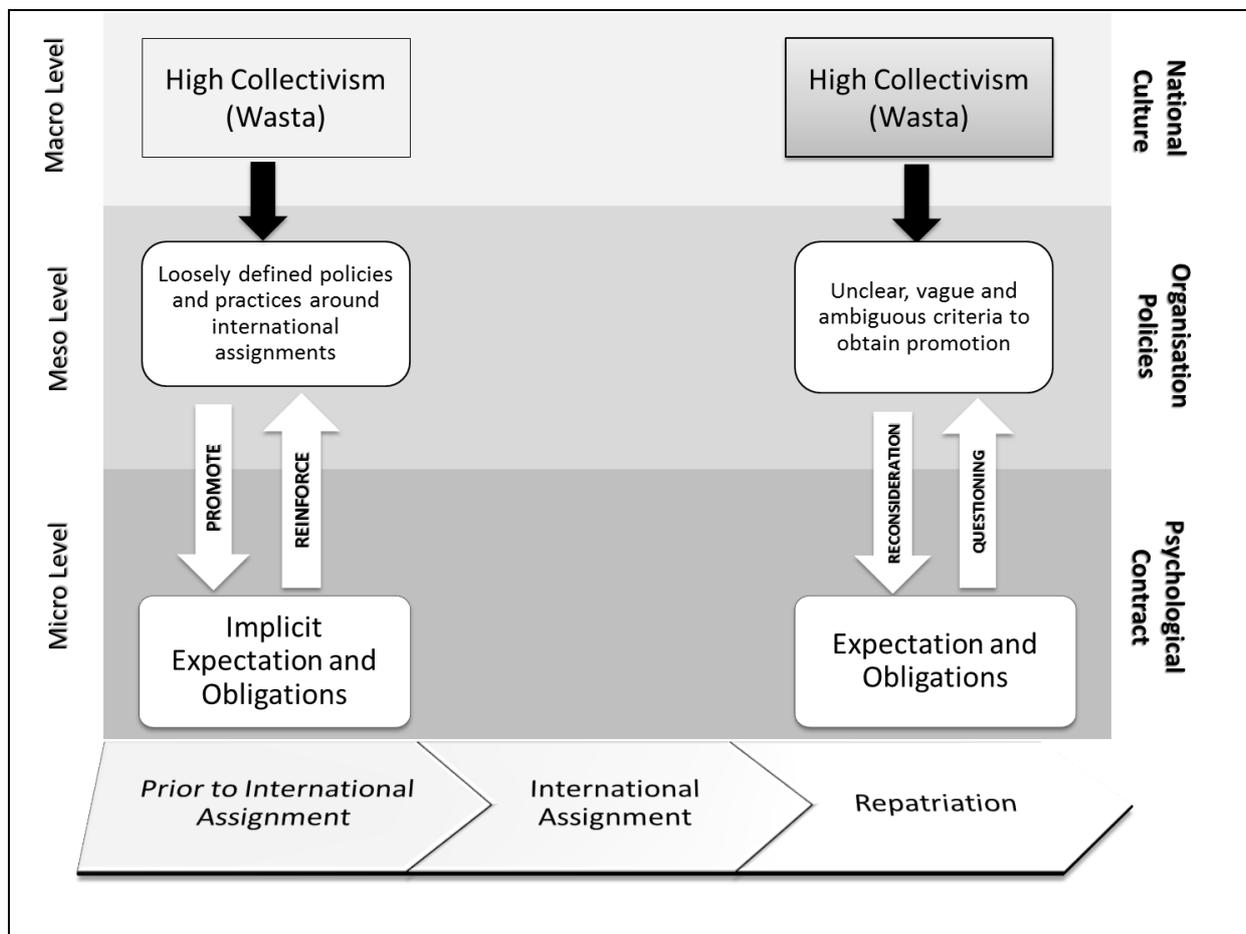


Figure 1 shows that prior to international assignment repatriates largely took *wasta* for granted at Oil-Co, and only implicitly acknowledged that it had some influence on the selection criteria for the assignments. Whilst some of those sent on assignments were likely to have been selected based on their *wasta* connections, as was highlighted by some HR managers, others were clearly selected on merit. However, employees did not appear to reflect upon which route they had taken. Hence prior to the international assignment, *wasta* was back-grounded, implicitly influencing expectations and shaping obligations, particularly for those where *wasta* had played a role in their selection. Simultaneously, however, this strong national cultural norm is reinforced: *wasta* as a way of life shapes societal and working practices.

The other important aspect of the psychological contract in Oil-Co is that explicit promise-making seldom takes place. The implicit promises based on employee understanding of the organisation's norms and other such communications lead to specific expectations. Thus, employees understanding of reciprocal obligations are extremely general and underspecified. Because terms are only generally specified, details are worked out as circumstances change over time, leading to high levels of ambiguity. Details were also subject to constant reinterpretation, while employees were living and working abroad.

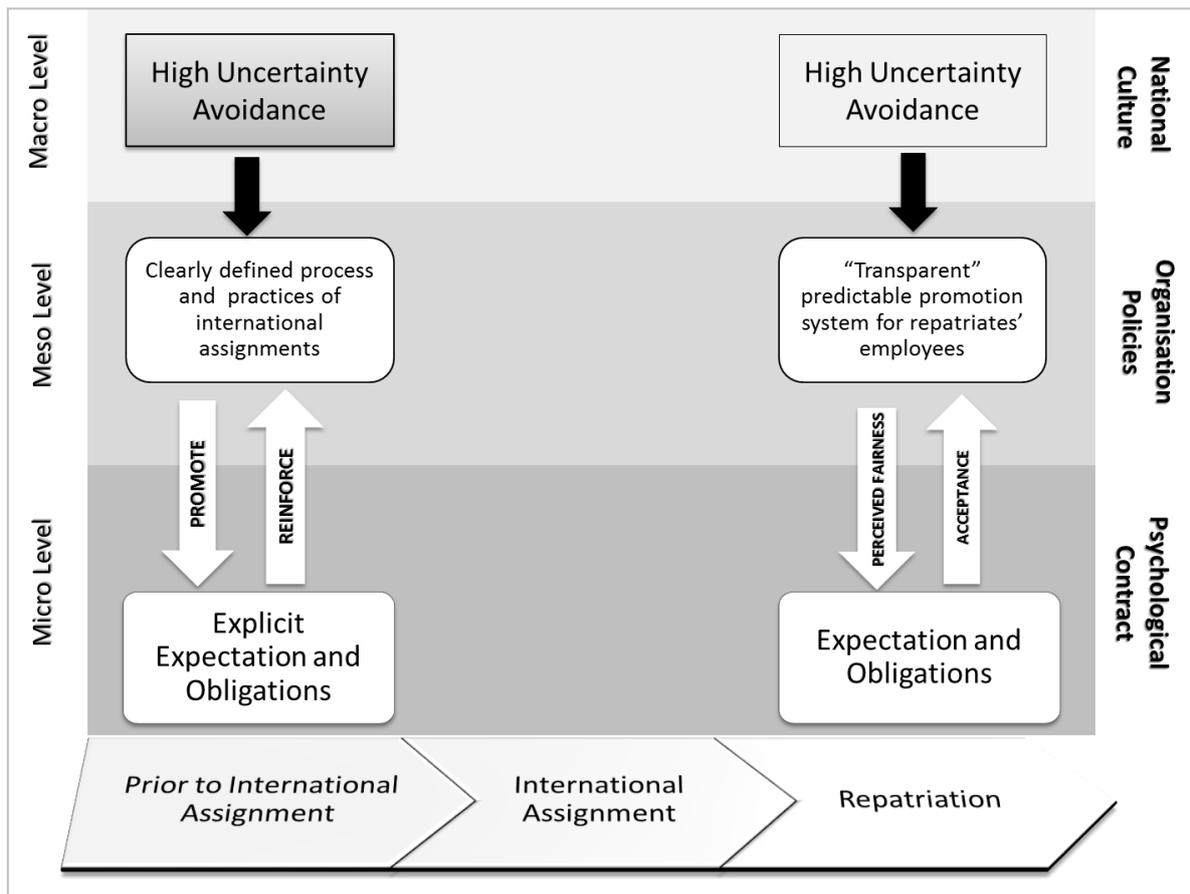
Following international assignment and repatriation, the research findings highlight the way in which *wasta* had begun to be perceived as problematic by repatriates and was perceptually fore-grounded and no longer taken-for-granted. When discussing their lack of career advancement and opportunities upon their return, they emphasised that *wasta* was far more important than the qualifications and the skills they had developed whilst on international assignments in securing a new role and/or promotion in Oil-Co.

Upon return, they had, therefore, started to reflect negatively upon, and question the role of *wasta* in shaping (informal) HR practices in the organisation. From their perspective they had expanded their skills, knowledge base and international networks in ways not possible had they not gone on international assignment. However on their return they found that many of those who had not undertaken overseas assignments, were promoted solely because of their *wasta*. This sense of injustice and inequity significantly contributed to their perceptions that the psychological contract had been breached, influencing their intention to leave. Thus, this research argues that a more conscious (rather than implicit) awareness of the prevalence of *wasta* in securing career advancement is likely to have served to exacerbate the extent to which interviewees perceived their psychological contract to have been breached, and explains why so many repatriates intended to leave Oil-Co. Importantly this research has highlighted that expectations change once employees take on an international assignments, and employees assume that their careers will advance largely based on merit, i.e. based on the skills they have acquired whilst on assignment, rather than based on their *wasta*. When these expectations are not met upon their return, they start to question the predominance of *wasta* in determining career advancement and this contributes to their perception that their psychological contract has been breached, influencing their intentions to leave the organisation.

#### **10.4.3.2. Dynamics Associated with Perceived Breach or Fulfilment of Psychological Contract Following Repatriation**

In Chemo-Co, the key cultural dimension, which significantly influences the way international assignments were managed and repatriation practices/policies, is high uncertainty avoidance. The high uncertainty avoidance is manifest in the way the organisation enforces explicit regulations, and has developed well designed systems, and procedures for almost all aspects of the organisation.

Figure 10.4. Offers a schematic representation of Chemo-Co dynamics



As Figure 2 shows prior to international assignments repatriates had an explicit understanding of the organisation’s norms and culture. Over the years of employment, repatriates had learned that the road to career development in the organisation was through following the rules. It had become taken for granted that this was the best way to secure a high-flying career in the organisation. Prior to the assignment, the security of rewards is explicitly offered by the organisation, and it is taken for granted by employees. Employees knew exactly what the outcome from the international assignment would be. Human resource management and organisation culture signal employees’ expectations of the employment relationship, and the reward schemes of international assignments shaped the basis of the psychological contracts in Chemo-Co. Prior to the international assignment, the organisation’s highly formal system

of policies and practices, gave the employees an explicit understanding that the development of organisation-specific skills would be rewarded throughout an employee's career.

Following international assignments and repatriation, the empirical chapters highlighted that repatriates' perceived fairness. Repatriates' perception of fairness about their employment relationship were influenced by individual needs (i.e. rewards), and a clear understanding of the organisational culture. Repatriates had expressed a high level of acceptance in the ways in which Chemo-Co structured the assignment to meet organisational goals, since reciprocal expectations involved in the psychological contract imply that one party believes his or her actions are bound to those of another. Repatriates in this research experienced strong feelings of loyalty and commitment to the organisation. Ninety per cent of those interviewed in Chemo-Co stated that they had a strong intention to remain in the organisation for the rest of their careers.

This research argues that psychological contracts in Chemo-Co have been shaped by concerns over predictability and security, an emphasis on strict adherence to rules and authority, strong reward orientation as a driving motivator and a culture of compensation grounded in regulations. The organisation values affect and guide employees to understand the terms and conditions of the employment relationship.

## **10.5. Summary of the Contribution**

The main theoretical contribution of this research is its exploration of the moderating role that organisational culture plays in the way in which employees come to understand the mutual expectations and obligations that comprise the psychological contract. While the available literature has highlighted that organisation practices (such as: recruiting, training, reward and performance review) play an significant role as message senders, shaping terms of the psychological contract (Rousseau and Greller, 1994, Rousseau, 1995a, Guzzo and Noonan,

1994), only limited research has taken into consideration the possible impact of organisational culture on the psychological contract. The research findings demonstrate that a unique organisational culture can shape individuals' values and expectations/obligations and recast their sense of reality of what appears to be natural, immutable, unchallengeable and taken for granted. Thus, organisational values can affect and guide employees to understand the terms and conditions of the employment relationship.

Furthermore, the research challenges the general assumptions that individuals derive the terms of their psychological contract mainly by pre-employment factors (Schein, 1965), through socialisation and observation in the organisation context (Rousseau, 1995b), or a broader social context (Westwood et al., 2001). It was evident in this research that employees' psychological contracts were developed through both explicit and implicit organisational norms. In a context where organisational cultural values place an emphasis of making explicit rules and regulations, employees' psychological contracts were shaped under a clear understanding of the importance of following the rules. In different contexts where the organisational culture implicitly emphasises the important of *wasta*, psychological contracts were shaped under the perception of the importance of establishing informal relations. Hence psychological contract were formed under either implicit or explicit understanding of organisation norms while factors, such as formal socialisation, which was usually associated with formation of the psychological contract in the available literature, were back-grounded.

This research additionally highlights the importance of examining the psychological contract during changes to the employment relationship. Since international assignments generally take several years, during this period of time previous expectations change, or sometime rise, to the extent that repatriates perceived a gap between their expectation and their perceived organisational obligations. This research demonstrates that through the repatriation period

mutual obligations surface. Transition, such as that from expatriation to repatriation, triggers individuals to reflect on their expectation and perceived obligations. Those beliefs related to the psychological contract may not be salient anymore. Accordingly, this research argues that psychological contracts offer a very valuable framework for investigating the sense-making processes, which employees go through during a shift in the employment environment.

Furthermore, as the analysis illustrates, employees enter the process of international assignment with a certain psychological contract. During the period of the international assignment, the expectation/obligations change and evolve. Previous research has noted that psychological contracts can evolve and change over time (Yan et al., 2002, Rousseau, 1995b). However, this research demonstrates the complexities surrounding the evolution and transformation of psychological contract and its context. The shift of the psychological contract involved many different dynamics, such as national culture, organisational culture, and individual perception of expectation and obligations. This research demonstrates that the psychological contract is a more dynamic construct than just an evolving, object-like notion as presented in the literature so far. The implication of the psychological contract as a dynamic construct implies more than its evolution over time; it draws our attention to multiple levels and complexities that impact the psychological contract. It goes beyond the individual versus organisational (employee-employer) relationship and includes national levels/cultures, the complexities and nature of organisational cultures and subcultures as well as the interrelationship among all of these. By linking repatriation to the psychological contract, this research contributes to the literature by highlighting the process in which individual's psychological contracts evolve and change during expatriation and repatriation.

This research has demonstrated the ways in which national cultural values shape organisational norms and HR practices. This has an influence on how psychological contracts

are constituted between employees and their organisation, how employees' expectations form, and how breaches of the contract are considered to have occurred within the context of international assignments and repatriation in an organisation embedded in an Arab culture. Previous research has suggested that cultural values do indeed influence the promise-obligation exchange in contracts. Sparrow (1998a) and (Rousseau and Schalk, 2000c) have also highlighted how the psychological contract is construed differently in different national contexts. However by specifically focusing upon a Saudi Arabian context, this study contributes to, and extends research in this area of international HRM.

Psychological contract theory has been widely studied in the West, but Middle Eastern scholars to date have been silent on the subject. The existing literature on psychological contracts is predominantly marked by studies conducted in the US and UK, and this research limits the possibility of generalising conclusions because of the very different cultural values and norms that exist. Although in recent years some researchers have examined psychological contracts in countries such as Hong Kong, Japan, India and Singapore (Lee et al., 2000, Shah et al., 2000, Koh et al., 2004, Morishima, 2000), there has been a call for more investigation in a broader range of countries. Given the distinctive nature of Arab culture and its possible influence on employer-employee relationships, the exploration of psychological contracts within the Saudi Arabian context is not only desirable but also necessary for understanding the broader national/organisational influence on the formation and maintenance of the psychological contract of employment, as well as changes that occur in those contracts over time.

### **11.1. Introduction**

The aim of this research has been to examine the interrelationship between the psychological contract and national/organisational culture, with a particular emphasis on repatriation. Only limited research has focused on repatriates' psychological contract, especially within developing countries such as Saudi Arabia, and investigating this rich subject provides a valuable contribution to knowledge. This research not only highlights the importance of studying the dynamics of the formation and maintenance of the psychological contract within the Saudi Arabian context but, more importantly, also indicates the need to evaluate and understand the construct in the specific national context in which it is being studied more generally. The previous chapter presented the main findings and contributions of this study. In drawing conclusions, the researcher will consider the potential limitations of the research and prospective additional areas of research that build on the outcomes of this study.

### **11.2. Implications for further research**

While there has been empirical research related to conceptualizing psychological contracts, and the content and effects of psychological contracts, there is still much to be done to further explore the dynamic changes in psychological contracts. This research highlighted the complexities surrounding the evolution and transformation of psychological contracts and their context. The research particularly demonstrated that the shift of the psychological contract involved many different dynamic such as national culture, organisational culture, and individual perception of expectation and obligations. Instead of viewing a psychological contract only as an employee/employer relationship, an object-like notion presented in the literature thus far, psychological contract research can benefit from a more careful

consideration of the dynamics associated with the evolving nature of the psychological contract.

This research enables a deep understanding of some of the socio-cultural values that might be crucial to the constituted, developed, and breached or fulfilled psychological contract in the Saudi Arabian context. The findings of this research contribute to the literature by showing that national and organisational cultural values influence how psychological contracts are constituted between employees and their organisation, how employees' expectations form, and how breaches of the contract are considered to have occurred, within the context of two organisations embedded in Arab culture. Since variations resulting from different cultural and social backgrounds are predictable, it will be useful to extend this research to other cultural settings.

Relatedly, this research has demonstrated the way in which the mismatch between espoused values and deep assumptions can play a critical role in shaping perceived breaches of the psychological contract following repatriation. The available literature did not consider the possible influence of the employees' realization of the mismatch on the psychological contract. This research has illustrated that the incongruity in expectations between the organisational culture of espoused values and basic assumptions has an adverse impact on employees' psychological contracts. Although the research findings contribute to the psychological contract literature, the study focused mainly on repatriates' employees who experienced significant cultural shifts and transformation experiences following international assignments. It could be argued that the breach was not necessarily the result of repatriation and would occur in other employees too. It would be interesting for future research to examine the extent to which employees who do not receive international assignments recognize the gap between the organisational espoused values and enacted values. Research

that focuses on employees' realization of the mismatch between the enacted practices and reality is expected to contribute to the organisational culture research and the psychological contract literature.

Lastly, additional research is needed that focuses on the role that organisational culture potentially plays in the repatriates' perceptions of the breach or fulfilment of the psychological contract. Theoretical models (e.g., Aycan, 1997, Black and Mendenhall, 1991), along with empirical findings (Feldman and Thomas, 1992, Bonache, 2005, Lazarova and Caligiuri, 2001, Stroh et al., 1998) on repatriation, suggest that different coping methods of repatriates could be improved or restrained by organisational features, including the degree of control mechanisms, the extent to which the firm implements rule formalisation and centralisation, and overall organisational culture. Accordingly, future studies would be able to closely examine the organisational culture role in the way in which employees begin to understand the mutual expectations and obligations that comprise the psychological contract.

### **11.3. Challenges and limitations**

This research provides a number of new insights into repatriation and psychological contract literature; however, the researcher acknowledges various limitations, and additionally highlights some of the possible implications for further research. The research aimed to examine repatriates' perceptions of their expectation and obligations prior to, and following, international assignments in two Saudi Arabian organisations. One limitation is that when investigating repatriates' expectations prior to the assignment, repatriates had to reflect on their feelings, which could induce recall bias. Nevertheless, international assignment is an eventful and life-changing experience (Lazarova and Cerdin, 2007); thus, repatriates' retrospection of their experiences was likely to be consistent and a relatively accurate reflection. Furthermore, repatriates were asked to report their current perceptions of their

expectations before they left to take up their international assignment, as well as whether or not such expectations had been fulfilled; therefore, they were not asked to recall how they felt at the time. In order to deal with recall bias this, only those employees who had been repatriated within the previous 12 months were invited to be interviewed to try to ensure as much as possible that their perceptions of their expectations and obligations, with regard to the psychological contract both pre- and post-international assignment, would be relatively easy to recall and articulate. This attempt was made to avoid post hoc rationalisation and bias.

While one of the aims of this research was to investigate the possible effect of the repatriation process in repatriates' turnover intentions, the research merely focused on repatriates still employed by their organisations, and accordingly excluded those who had already left their organisation following their international assignment. Hence, some of the repatriates who had perceived a breach of the psychological contract might have already left their organisations. A possible suggestion for future research would be to extend the sample by interviewing both repatriates who remain with the organisation and those who have already left in order to understand the differences between those who intended to leave and those who in fact had already resigned.

The research also recognises that there might be some degree of sensitivity in repatriates' answers about their intentions to leave their organisation. A natural sense of uncertainty developed when asking repatriates about their intent to leave or remain with the organisation; thus, repatriates might not have been completely candid in their responses. There is also the possibility that some of the repatriates were dissatisfied with the organisation and had considered leaving before the international assignment. Employees also might use the assignment as a tactic to gain experience in order to move to another job with another firm upon return. Further longitudinal design research centred on comparing employees' intention

to leave prior to and after the international assignment would also be a further useful research direction. Longitudinal design research was not possible in the case of the current study, owing to time restrictions; however, it is recommended for future research.

International assignments may also last for few years, and there is a time gap between expatriation and repatriation. The research findings presented here have been reported from data where collection took place at one point in time. While the qualitative data, namely interviews and observations, generated significant insights, it is worthy to note the limitations of this approach. Given the complexity and the dynamics that characterise psychological contracts, the changing processes in the employees' psychological contract were not captured. In this regards, a longitudinal design over a longer period of time, encompassing multiple points of data collection, might capture the changing process and offer deeper insight into the evolving dynamics of psychological contracts. Nevertheless, unfortunately the restriction of time and resource available made this study design impossible.

Lastly, an additional challenge is related to adopting a three-layer perspective (national culture at the macro level, organisation characteristic or culture at the meso level, and individual micro level) to examine psychological contract. The process of collecting and analysing the data from those three perspectives was both engaging and challenging. Adopting a three-layer perspective involved to a great extent analytical enquiry to capture the influence of national culture on the organisational practices, particularly since the organisational culture was often expressed implicitly in symbols, rituals, norms and everyday enacted activities when the researcher was unfamiliar with the organisation. Above all, the strong contradictory findings on the two organisation values required high analytical and interpretation effort from the researcher to verify.

#### **10.4. Concluding Remarks**

The in-depth study of repatriates' psychological contracts draws attention to a number of theoretical implications, as discussed in the previous chapter. Such implications relate to national culture, organisational culture, psychological contract, and the interrelationship between the three concepts. The two cases studies offered a 'native view' perception of national and organisational culture that were rich in detail without eliminating symbols, rituals, norms and everyday enacted activities. The study is unique in terms of exploring psychological contract from the macro (national culture), meso (organisational culture), and micro (repatriates) levels. The research demonstrates support for an interrelation between the three levels by examining the influence of national and organisational culture on the way in which psychological contracts are constituted and change following international assignments and repatriation.

This research is novel in its examination of the antecedents of the repatriates' turnover intention, with a particular focus on highly qualified, Saudi professionals. It also reveals the challenges facing human resource management in Saudi Arabia, a setting characterised by strong cultural norms of collectivism, uncertainty avoidance and power distance. This influence on HR practices cannot be overestimated, despite there being no acknowledgement of its influence on formal HR policies. The findings of this research therefore have several implications for organisations in Saudi Arabia in general and for human resource management in particular. First, the study calls for more research of the turnover phenomena among repatriates by empirically evaluating key practices of human resources. Second, the research provides one of the first examinations of the complex dynamics of the employment relationship in the Saudi Arabian context. In this regard, the study offers insights about better understanding employees' expectations before and after an international assignment. This

finding is specifically significant in light of the high level of repatriate turnover in countries looking to invest heavily to develop international human capacity.

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## APPENDIX

### Appendix I: Hofstede's cultural dimensions

HOFSTEDE'S DIMENSION	DEFINITION
Uncertainty avoidance (UA)	Focuses on the level of tolerance for uncertainty and ambiguity within the society. High UA indicates a structured, rule-oriented society that institutes rules, regulations, and controls in order to reduce the amount of uncertainty.
Power distance (PD)	Focuses on the degree of equality, or inequality, between people in the country's society. High PD indicates that inequalities of power and wealth are accepted practices and have been allowed to grow.
Masculinity (MAS)	Masculinity measures the degree to which "masculine" values like assertiveness, performance, success and competition prevail over "feminine" values like quality of life, maintaining warm personal relationships, service, caring, and solidarity
Individualism (IDV)	Focuses on the degree the society reinforces individual or collective achievement and interpersonal relationships. Low IDV typifies societies of a more collectivist nature with close ties between individuals. These cultures reinforce collectives where everyone takes responsibility for fellow members of their group.
Long-term orientation or Confucian dynamism (LTO)	Cultures typified by a long-term orientation are oriented towards future rewards, in particular perseverance and thrift, while a short-term orientation is characterised by values relating to both the past and present, in particular, the respect for tradition, preservation of "face" and the fulfilment of social obligations

**Source:** Hofstede et al. (1997) *Cultures and organisations: Software of the Mind* (Revised and expanded, New York: McGraw-Hill)

## Appendix II: Arabic cluster form GLOBE Societal Culture Dimensions

		Egypt	Kuwait	Morocco	Qatar	Turkey	Cluster	Contrast with Other Nine Clusters
<b>As Is</b>	Uncertainty Avoidance	4.06	4.21	3.65	3.99	3.63	3.91	-0.421
	Future Orientation	3.86	3.26	3.26	3.78	3.74	3.58	-0.369
	Power Distance	4.92	5.12	5.80	4.73	5.57	5.23	0.118
	Institutional Collectivism	4.50	4.49	3.87	4.50	4.03	4.28	-0.034
	Human Orientation	4.73	4.52	4.19	4.42	3.94	4.36	0.281
	Performance Orientation	4.27	3.95	3.99	3.45	3.83	3.90	-0.245
	Group and Family Collectivism	5.64	5.80	5.87	4.71	5.88	5.58	0.616
	Gender Egalitarianism	2.81	2.58	2.84	3.63	2.89	2.95	-0.447
	Assertiveness	3.91	3.63	4.52	4.11	4.53	4.14	0.026
<b>Should Be</b>	Uncertainty Avoidance	5.36	4.77	4.32	4.82	4.67	4.99	0.492
	Future Orientation	5.8	5.74	5.85	5.92	5.83	5.83	0.426
	Power Distance	3.24	3.17	3.11	3.23	2.41	3.03	0.305
	Institutional Collectivism	4.85	5.15	5	5.13	5.26	5.08	0.447
	Human Orientation	5.17	5.06	5.51	5.3	4.52	5.71	-0.135
	Performance Orientation	5.9	6.03	5.76	5.96	5.39	5.81	-0.021
	Group and Family Collectivism	5.56	5.43	5.68	5.6	5.77	5.61	-0.021
	Gender Egalitarianism	3.18	3.45	3.74	3.38	4.5	3.65	-0.924
	Assertiveness	3.28	3.76	3.44	3.8	2.66	3.39	-0.470

Adopted from (Kabasakal, H. & Bodur, M. 2002; House *et al.*, 2002; and Smith *et al.* 2007)

### Appendix III: GLOBE findings on the Arab cluster

**Table 2.6:** Country Rankings In group/collectivism

Least Family Collective Countries in GLOBE	Medium Family Collective Countries in GLOBE	Most Family Collective Countries in GLOBE
Denmark 3.53 Sweden 3.66 New Zealand 3.67 Netherlands 3.70 Finland 4.07	Japan 4.63 Israel 4.70 Austria 4.85 Italy 4.94	Egypt 5.64 <b>Arab 5.58</b> India 5.92 Iran 6.03

Source: adopted from House, R.J., Hanges, et al. (2004) 'Culture, Leadership and Organisations: The GLOBE Study of 62 Societies', Sage

**Table 2.7:** Country Rankings in Power Distance

Lowest Power Distance Countries in GLOBE	Highest Power Distance Countries in GLOBE
Denmark 3.89 Netherlands 4.11 South Africa (Black sample) 4.11 Costa Rica 4.74	<b>Arab 5.23</b> Russia 5.52 Spain 5.52 Thailand 5.63 Argentina 5.64

Source: adopted from House, R.J., Hanges, et al. (2004) 'Culture, Leadership and Organisations: The GLOBE Study of 62 Societies', Sage

**Table 2.8:** Country Rankings in Future Orientation

Least Future-Oriented Countries in GLOBE	Medium Future-Oriented Countries in GLOBE	Most Future-Oriented Countries in GLOBE
Russia 2.88 Argentina 3.08 Poland 3.11 Italy 3.25 <b>Arab 3.58</b>	Ireland 3.98 Australia 4.09 India 4.19	Denmark 4.44 Canada 4.44 Netherlands 4.61 Switzerland 4.73 Singapore 5.07

Source: adopted from House, R.J., Hanges, et al. (2004) 'Culture, Leadership and Organisations: The GLOBE Study of 62 Societies', Sage

**Table 2.9:** Country Rankings in Gender Differentiation

Most Gender-Differentiated Countries in GLOBE	Medium Gender-Differentiated Countries in GLOBE	Least Gender-Differentiated Countries in GLOBE
Egypt 2.81 Morocco 2.84 India 2.90 <b>Arab 2.95</b> China 3.05	Italy 3.24 Brazil 3.31 Argentina 3.49 Netherlands 3.50	Sweden 3.84 Denmark 3.93 Slovenia 3.96 Poland 4.02 Hungary 4.08

Source: adopted from House, R.J., Hanges, et al. (2004) 'Culture, Leadership and Organisations: The GLOBE Study of 62 Societies', Sage

**Table 2.10:** Country Rankings in Uncertainty Avoidance

Lowest Uncertainty-Avoidance Countries in GLOBE	Medium Uncertainty-Avoidance Countries in GLOBE	Highest Uncertainty-Avoidance Countries in GLOBE
Russia 2.88 Hungary 3.12 Bolivia 3.35 Greece 3.39 Venezuela 3.44	<b>Arab 3.91</b> U.S. 4.15 Mexico 4.18 Ireland 4.30	Austria 5.16 Denmark 5.22 German (former Westt 5.22 Sweden 5.32

Source: adopted from House, R.J., Hanges, et al. (2004) 'Culture, Leadership and Organisations: The GLOBE Study of 62 Societies', Sage

## Appendix IV: Consent Form



### CONSENT FORM

Please complete this form after you have read the Information Sheet and/or listened to an explanation about the research.

Title of Study: The Effects of Repatriation on the Psychological Contract: A Saudi Arabian Comparative Study. Queen Mary Research Ethics Committee Ref: QMREC2012/19

- Thank you for considering taking part in this research. The person organising the research must explain the project to you before you agree to take part.
- If you have any questions arising from the Information Sheet or explanation already given to you, please ask the researcher before you decide whether to join in. You will be given a copy of this Consent Form to keep and refer to at any time.
- *I understand that if I decide at any other time during the research that I no longer wish to participate in this project, I can notify the researchers involved and be withdrawn from it immediately.*
- *I consent to the processing of my personal information for the purposes of this research study. I understand that such information will be treated as strictly confidential and handled in accordance with the provisions of the Data Protection Act 1998.*

#### **Participant's Statement:**

I \_\_\_\_\_ agree that the research project named above has been explained to me to my satisfaction and I agree to take part in the study. I have read both the notes written above and the Information Sheet about the project, and understand what the research study involves.

Signed:

Date:

#### **Investigator's Statement:**

I *Maryam Aldossari* confirm that I have carefully explained the nature, demands and any foreseeable risks (where applicable) of the proposed research to the volunteer.

Signed:

Date:

## Appendix V: Information sheet



### **Information sheet**

#### **Research study: The Effects of Repatriation on the Psychological Contract: A Saudi Arabian Comparative Study.**

We would like to invite you to be part of this research project. You should only agree to take part if you want to; it is entirely up to you. If you choose not to take part you will not be in any way disadvantaged.

Please read the following information carefully before you decide to take part; this will tell you why the research is being done and what you will be asked to do if you take part. Please ask if there is anything that is not clear or if you would like more information.

It is up to you to decide whether or not to take part. If you do decide to take part you will be given this information sheet to keep and be asked to sign a consent form. You are, of course still free to withdraw at any time and without giving a reason.

#### **About the research:**

##### ***The research***

I would be interested to hear the experiences of repatriates employed in Saudi Arabian private organisations in order to identify aspects of the repatriation process that are shaped by both the national and organisational culture which may affect the nature of the psychological contract of Saudi Arabian repatriates on their return in order to improve our understanding of the impact of the repatriation process on turnover intentions. This research is part of a PhD thesis that I am undertaking at Queen Mary, University of London.

##### ***Taking part***

Interviews will be conducted in person and will last approximately one hour. The identity of all who will take part, as well as the names of their employers, will remain anonymous, and participation in the research will be confidential. This means that any comments used in the thesis or other published reports will not reveal anyone's identity. In this respect I am following the ethical guidelines of Queen Mary, University of London, which has given

ethical approval for this research. Interviews will take place between January and April 2012. The exact time and location will be arranged individually and upon participant's needs and wishes.

If you are interested in taking part in this research, or just finding out more information, I would really like to hear from you:

Maryam Al-Dossari, PhD researcher

Queen Mary, University of London

School of Business and Management

Telephone: UK: 07950611107      KSA: +996563389990

E-mail: [m.aldossary@qmul.ac.uk](mailto:m.aldossary@qmul.ac.uk)

**Note: It is up to you to decide whether or not to take part. If you do decide to take part you will be given this information sheet to keep and be asked to sign a consent form.**

## Appendix VI: Biographical information sheet

- **Interview number :**
- **Name:**
- **Age:**
- **Marital Status:**      Single               Married
- **Children:**
- **Sector:**
- **Job title:**
- **Year of experience**
- **Highest Level Qualification:**
- **Worked/ studies abroad:**
- **Email:**
- **Number:**

## Appendix VII: Interview schedule

### Interview schedule for Repatriates

Themes	Questions	Following up questions
<p><b>International Assignment</b> <b>/ Expectation</b></p>	<p>How many times have you been to international assignment? And where about?</p> <p>What selection criteria were used for appointment you for international assignment?</p> <p>What tempted you to go for international assignments? (Expectation).</p> <p>What were your general expectations before going on an international assignment?</p> <p>Do you think the company understood your expectations?</p> <p>Were any promises made before you went on the international assignment? Were you given the promise of a job to come back to?</p> <p>How did you in general experience living in a foreign country? How was that for your family?</p> <p>Has your self-perception changed in any way with this experience? Do you see yourself of your home any differently as before?</p>	<p>How you ever felt that you have advantage or disadvantages in the selection process? How?</p> <p>What factors other than purely career related affected your decision? eg, adventure , foreign travel ...etc</p> <p>When and how did these expectations arise (e.g. before you joined the organisation, at the interview, from other people, from material you read)?</p> <p>Did you discuss these expectations with your manager or vice versa?</p> <p>Are these expectations influenced by outside factors (e.g. family, friends, and previous employment)?</p> <p>Have these expectations been met?</p> <p>Did your employer keep to these promises?</p> <p>If no, what action have you taken regarding those promises your employer did not keep?</p> <p>What did you like/dislike about living in a different society/culture?</p>
<p><b>Repatriation</b> <b>/ Expectation</b></p>	<p>What were some challenges you faced upon returning? How did you handle these challenges?</p>	

	<p>Did you get any support from your organization upon returning?</p> <p>How did the organisation use your expertise experience after re-entry?</p> <p>Do you consider your time abroad valuable for your career development?</p> <p>Did you learn any valuable lessons abroad for work and life in general?</p> <p>What in your view could be improved in terms of the way in which repatriation is handled?</p> <p>Would you accept another assignment? Why?</p>	<p>Have you ever felt your organisation was not providing enough support upon returning? How did you handle this situation?</p> <p>Has your organisation provided any support with non-work responsibilities, for example, childcare facilities; flexible hours; financial planning and legal services? Could you explain?</p> <p>What did you think about the position/role that was offered/that you took up on return from the international work?</p> <p>How effective was your organisation in terms of your career planning upon returning?</p> <p>How does it impact your career?</p> <p>Can you give an example of a situation in which you had to deal with a complex repatriation politics?</p>
<b>Obligation</b>	<p>In which ways does the company assist you in advancing your career ambitions?</p> <p>Do you feel you are fairly paid for the work you do?</p> <p>Are people recognised and rewarded for the work they do at your organisation?</p> <p>Whose role is it to meet your expectations?</p>	<p>Do you feel your salary meets your expectation in relation to your job demands and responsibilities?</p> <p>How does the company recognise your contribution?</p> <p>How do they affect your view of the company?</p>
<b>Consequences</b>	<p>How do you envisage your future in the company?</p> <p>What are your expectations for your future in this company?</p> <p>How interesting does you find your work? Do you enjoy working here?</p> <p>What excites you to continue working at this organisation?</p> <p>How long do you intend working here?</p>	<p>Do you expect to be promoted/would you like to be?</p> <p>What are your future plans? Where do you see yourself in the next ten years?</p>

## Interview schedule with Human Resource Manager

Themes	Questions	Sub- questions
<b>International Assignment</b>	<p>What value does your company derive from sending employees on international assignments?</p> <p>What selection criteria are used to decide which employee is suitable for international assignment?</p> <p>Does repatriates get promoted? Salary increase.. etc</p>	<p>What are those criteria? Does it apply to everyone? Is there any exceptions?</p>
<b>Expatriate preparation</b>	<p>Do you provide any pre-departure and cross culture training before employees goes to international assignment? What kind?</p> <p>How well usually expatriates fit into the new organizational culture?</p> <p>In general, what are the risks, what is the potential for success? What is the cost of early repatriation to the company?</p>	<p>How well usually expatriates fit into broader national culture?</p>
<b>Repatriation career management/ assistance</b>	<p>How does the organisation manage repatriates' overseas experience?</p> <p>Does your organization mentoring before, during and after the assignment?</p> <p>Does the organization insure a comparable job upon re-entry?</p> <p>How do you motivate your employees?</p> <p>Do you have particular strategies for promoting retention?</p> <p>In general how does your company use the skills or knowledge that people gained by working and living in a different environment?</p>	<p>Describe training process?</p> <p>How to measure effectiveness of job that had been chosen and the satisfaction of the employee?</p> <p>Give me an example of when you successfully motivated your staff .</p> <p>Do you have any further comments?</p>

**Appendix VIII: Summary of Oil-Co interviews findings**

	N.	Sent to relevant assignment	Promotion	Utilize international experience	Career Planning	Frustration	Turnover Intention
<b>Educational Assignment</b>	1	Y	N	Y	N	N	Y
	2	Y	Y	N	N	N	U
	3	Y	Y	N	N	N	Y
	4	Y	Y	N	N	N	N
	5	Y	N	Y	N	Y	Y
	6	Y	Y	N	Y	Y	Y
	7	Y	Y	N	N	N	N
	8	Y	N	N	N	N	Y
	9	N	N	N	N	Y	Y
	10	Y	N	N	N	Y	Y
	11	N	N	N	N	Y	Y
	12	N	N	N	N	Y	Y
	13	Y	Y	Y	Y	N	N
	14	N	N	N	N	Y	Y
	15	N	N	N	N	Y	Y
	16	Y	N	N	N	Y	Y
	17	Y	N	Y	N	Y	Y
	18	Y	N	N	N	Y	Y
	19	Y	Y	Y	Y	N	N
	20	N	N	N	N	Y	Y
	21	Y	N	U	Y	N	Y
	22	Y	N	N	N	Y	Y
	23	N	N	N	Y	N	Y
	24	Y	Y	Y	Y	U	U
	25	Y	Y	U	U	N	N
	26	Y	N	N	N	N	U
	27	Y	N	Y	N	N	U
	28	N	N	N	N	N	N
	29	Y	N	N	N	Y	Y
<b>Work Assignment</b>	30	N	N	N	N	Y	Y
	31	N	Y	N	N	Y	U
	32	Y	N	N	N	Y	Y
	33	Y	N	N	N	Y	Y
	34	Y	Y	N	Y	N	Y
	35	Y	Y	N	N	N	N
	36	N	N	N	N	Y	Y
	37	N	N	N	N	Y	Y
	38	N	Y	N	N	Y	Y
	39	N	N	N	N	Y	Y
	40	N	N	N	N	Y	N

Y: Yes

N: No

U: Uncertainty

## Appendix IX: Summary of Chemo-Co interviews findings

	N.	Sent to relevant assignment	Promotion	Assign to suitable job	Career Planning	Frustration	Turnover Intention
<b>Educational Assignment</b>	1	Y	Y	U	Y	N	N
	2	Y	Y	Y	Y	N	N
	3	Y	Y	U	N	N	N
	4	Y	Y	Y	Y	N	N
	5	Y	Y	Y	N	Y	U
	6	Y	Y	Y	N	N	N
	7	Y	Y	Y	Y	N	N
	8	Y	Y	Y	Y	N	N
	9	Y	N	Y	Y	Y	U
	10	Y	Y	Y	Y	N	N
<b>Work Assignment</b>	11	Y	N	N	N	N	N
	12	Y	Y	Y	Y	N	N
	13	Y	Y	Y	Y	N	N
	14	Y	Y	Y	Y	N	N
	15	Y	Y	Y	Y	N	N
	16	Y	Y	Y	N	N	N
	17	Y	Y	Y	Y	N	N
	18	Y	Y	Y	Y	N	N
	19	Y	Y	Y	N	N	N
	20	Y	Y	Y	Y	N	N

Y: Yes

N: No

U: Uncertainty