HUMAN RESOURCE DEVELOPMENT:

AN INVESTIGATION INTO THE NATURE AND EXTENT OF TRAINING AND DEVELOPMENT IN THE SAUDI PRIVATE MANUFACTURING SECTOR

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Key Words: Training and Development, Learning, Medium and Large-size Organisations, Manufacturing Sector, Private Sector, Saudi Arabia.

ABSTRACT

This research explores the nature and extent of training and development (TD) provision, as well as top managers' and TD personnel's attitudes towards the TD function within the medium and large-size private manufacturing organisations of Saudi Arabia.

Extensive details of the TD situation are provided and assessed for their adequacy, covering among other elements a descriptive analysis of the main characteristics of the organisations concerned, an evaluation of their TD plans and policies, and a review of their budget allocation and funding.

The research then proceeds to describe and discuss the extent to which such organisations are applying a systems approach to TD, both in terms of its design and implementation.

Thereafter, the main factors impeding the effectiveness of TD programmes are examined, followed by a consideration of the future challenges that are likely to increase the importance of TD for the organisations in question.

The research has adopted a mainly descriptive approach and uses both quantitative and qualitative analytical methods. The required data were gathered through a combination of semi-structural interviews with a number of top managers, and survey questionnaires addressed to the persons responsible for TD within the targeted organisations. The sampling strategy was disproportional stratified random sampling. In total 16 senior executives, 132 medium-size organisations and 94 large-size organisations took part in the study.

The findings reveal that although attitudes towards the value of TD are generally favourable, in practice in the majority of cases TD is under-resourced, unplanned and patchy, hardly the ideal features of a systematic model of TD that will enable private manufacturing business to successfully meet the challenges of the future ahead.

The research ends with a number of specific and practical recommendations intended to improve the effectiveness of TD in the private manufacturing sector of the Kingdom of Saudi Arabia, as well as a number of suggestions for further research.

DEDICATION

I dedicate this piece of work to
My father,
My mother,
My wife, and my children,
For their continuous love, encouragement, and support.

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CHAPTER ONE
INTRODUCTION

1.1 Introduction

Of the three basic elements in any enterprise are materials, equipment and manpower, but the most fundamental one is manpower (Jinks, 1979). On this issue, Beardwell and Holden (1994) contend that training and development is one of the most vital variables in the field of human resource management. Brown and Read (1984), Lathard (1988) and Cascio (1992) have argued that training and development programmes have proved to be instrumental in facilitating the achievement of organisational strategic objectives.

During the second half of this century, the training and development function has grown into a major part of business strategy because of the increasing need for improved human performance in the workplace and the necessity for organisations to remain competitive in a changing marketplace (Craig, 1987). The subject of training and development has been the focus of much attention, and has been recognised as important to economic growth (King, 1969). Keep (1992) points out that research evidence suggests that training and development activities influence relative competitiveness and economic performance, both at the level of the national economy and the individual enterprise. Training and development is seen as the most important personnel function in all the major countries of Europe (Sparrow and Hiltrop, 1994). Finally, Delbridge and Turnbull (1992) quote a report published by the Japanese Institute of Labour in the early 1990s which found that 85% of Japanese respondents had identified human resource development as being the key issue of concern to modern Japanese management.

1.2 Statement of Problem

According to Lee and Stead (1998), the concept of human resource development (HRD) is a product of its era, reflecting current thinking that the modern organisation must evolve, adapt, and transform in order to develop and survive effectively. Similarly, Argyris (1994) argues that business and industry will find it hard to survive in the 21st century unless employees are adequately equipped with the skills needed to enable them to increase significantly their contribution to organisational goals and objectives.

This is not news. Most top managers understand that tougher competition will require more effective learning and greater commitment from all employees. They are also undoubtedly aware that success today and future business effectiveness to a large extent depends upon a well trained and dedicated local workforce (Argyris, 1994).

To a developing country such as Saudi Arabia, the need for better trained human resources is even more acute at a time when the government is attempting to exercise some control over the inflow of foreign skilled workers into the Kingdom. The demands of a developing economy, coupled with the increasing globalisation of the world market, growing domestic competition, and other challenges ought to make the training and development function a priority of the utmost importance for all business organisations, particularly those of the private manufacturing sector of Saudi Arabia. Yet, evidence indicates that the training deficit is showing no signs of diminishing, nor is it likely to drop in the foreseeable future, unless awareness of the need to make progress in this area is translated into concrete and determined action.

Until recently, private manufacturing organisations in Saudi Arabia had little choice but to depend on already skilled labour brought in from abroad.

The discovery of oil in the Kingdom in 1938 had a great impact on the development of a flourishing private sector, establishing new organisations that opened new unprecedented business opportunities. This led to the introduction of new job vacancies that exceeded the limit of local market capability to absorb them both quantitatively and qualitatively, forcing the organisations to look for other sources outside the country to fulfil their workforce needs. Baleela (1997) states that such policy adopted by the private sector organisations in Saudi Arabia in the early years of their development may have been successful in the past in fulfilling these needs, but that it could not be considered a long-term solution for the country. The main reason for this is that employee commitment could not be realistically expected of temporary workers from other states. Hence, for a policy to be successful in the long run it should be based on the development of an indigenous workforce that could be counted on to maintain and keep business organisations going in the future after the foreign workforce has left the country.

The widespread lack of skills in most sectors of the economy, particularly in the industrial sector, exposed a colossal need for training and development programmes. The industrial sector has received considerable attention and commitment from the Saudi government since the First Development Plan (1970-1975) to the present day. This is evident in the Sixth Development Plan document which states (1995-2000) "Successive development plans have stressed the importance of industrialisation to the achievement of the Kingdom's objectives: to diversify its economic base; to reduce its dependence on the production and export of crude oil; to increase the private sector's participation in the development process; to create new job opportunities; to develop the national manpower resources; and to establish a solid technological base" (Ministry of Planning, 1995:219). This policy of support for the

industrial sector through the offer of free interest loans, providing land at a minimal rate, exempting imported equipment and goods necessary for production from customs duties, etc., resulted in an increase in the number of productive plants from 199 plants investing around SR2.8 billions and employing 14,000 workers in 1970 (Ministry of Planning, 1995), to 2355 plants investing around SR157.4 billions and employing 209,871 workers in 1995 (Ministry of Planning, Central Department of Statistics, 1995).

Inevitably, with this increase in the number of plants and workers, the necessity grew for further development of training programmes to enhance skills and achieve organisational goals. In this context, McGehee and Thayer (1961:3) state: "Training in industry has a specific purpose. It should provide experiences which develop and modify the behaviour of employees in such a way that what the employee does at work is effective in the attainment of the goals and objectives of the organisation".

Perhaps the main reason why training and development has emerged as an important issue, generally, is the continuous change within the organisation itself and the environment surrounding it. As Cascio (1992:256) explains, "The pace of change in our society is forcing both employed and displaced workers continually to acquire new knowledge and skills. In most organisations, therefore, lifelong training is essential". Jinks (1979), too, points out that any changes in future will usually bring about training needs and that the future needs will force the company to train or retrain, for example as a result of expansion, reorganisation, new products, new equipment, new methods and changes in layout, etc. Regarding this point, Goldstein and Gilliam (1990) have identified four reasons why training and development programmes will be essential in the year 2000:

1. The entry of large numbers of unskilled and under-educated young people into the work environment;
2. The rapid change in systems of increasing technological sophistication, necessitating constant programmes of training for new recruits and retraining of the existing work force;
3. The need to integrate neglected minorities in the work force, including women and older workers, through training; and
4. The increasing international competitiveness and its impact on businesses, which call for special training.

The Saudi private sector today faces immense future challenges, most importantly the following:

1. The goal of Saudisation which the government is particularly keen to accelerate within the private sector;
2. Making an effective contribution to the government's privatisation plans;
3. Playing an effective role in helping to release the Saudi economy from dependency on oil as the main source of revenue;
4. Keeping up with increasing national and international competition; and
5. Coping with the rapid change in technology.

It is a matter of survival for the private sector to be able to meet the above-mentioned challenges, and the most effective way do it is through the careful planning and implementation of modern training and development programmes.

Human resources training and development is undoubtedly one of the greatest concerns of modern organisations, both in the public and private sectors. Yet, Alaki

(1979:268) points out that very few private sector companies in the Kingdom have a clear training and development policy and most were only recently introduced. The reason for this, he claims, is the lack of confidence and satisfaction with this process on the part of some organisations, and the high cost of training.

Abdalla and Al-Homoud (1995), who carried out a review of the literature on this issue, confirmed that there was an almost total absence of research in the training and development area in the Arab world.

Similarly, Abu-Doleh (1996) noticed this gap in the research literature and called for attention to be focused on this area of research both in his country, Jordan, and the rest of the Arab world.

Such training deficiency is felt with the same intensity in Saudi Arabia as in other Arab countries. Thus, today little is known about the nature and extent of training and development in Saudi organisations. Equally crucial is the absence of research on the kinds of problems and obstacles that make training and development less effective in the private manufacturing organisations of Saudi Arabia.

1.3 Objectives of Study

The relevance of this proposed research derives from the importance of training and development as a major influence in the production and operations of organisations for the achievement of their goals and those of the Saudi nation.

This importance springs from the need of individuals to be trained to ensure the quality of their activities whether in managerial or technical functions, or for updating and enhancing the skills and abilities required in their employment. Armstrong

(1996:529) makes this very point when he states: "Training means investing in people to enable them to perform better and to empower them to make the best use of their natural abilities".

Consequently, this research aims to achieve a number of goals that can be summed up as follows:

1. To identify the nature of training and development within private manufacturing organisations in Saudi Arabia, and the extent of that training;
2. To discover how training is implemented within such manufacturing organisations;
3. To discover how top managers* in manufacturing organisations look on training and development;
4. To discover the problems and obstacles that face training and development programmes in such organisations;
5. To identify the factors that are likely to increase the importance of training and development for these organisations in the future;
6. To contribute to and fill a gap in the research literature on training and development on developing countries; and
7. To provide decision makers of both private and public sector organisations in Saudi Arabia with scientific evidence characterising the nature of training and development accurately, and identifying the magnitude of the problems and difficulties that face them. Such information could play a positive role in the full appreciation of the issue in question and in its ultimate resolution.

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* Top manager means general manager, senior manager, managing director, chief executive, etc.

1.4 Research Questions

The following are the research questions that this study will attempt to answer:

1. What is the nature of training and development programmes in the Saudi private manufacturing organisations?
2. How is training and development implemented within the manufacturing organisations of Saudi Arabia?
3. How do top managers in the manufacturing sector in Saudi Arabia look on training and development?
4. What kinds of problems and obstacles face training and development programmes in the manufacturing organisations of Saudi Arabia?
5. How can training and development help manufacturing organisations in Saudi Arabia to face the challenges of the future?

1.5 Methodology

The method selected for this research is the field study, using primary and secondary research data. The method for obtaining primary data has been selected for the purpose of achieving an in-depth investigation of the problem. The secondary by reviewing the available literature on training and development, both in Saudi Arabia, the Middle East, other Arab countries, and in the Western World. The aim was to discover the conditions under which training and development is most effective, both in theory and practice. To this end, a questionnaire will be administered to the persons who are responsible for training and development programmes of a selected sample of private manufacturing organisations in Saudi Arabia. In conjunction with

the survey questionnaires, a semi-structured interview will also be used to gauge the views and attitudes of top managers in the Saudi private manufacturing sector on key issues related to training and development.

1.6 Limitations of Study

As is well known, every study has its own limitations. The limitations of this study are as follows:

1. Investigation will be conducted only in the manufacturing organisations of the private sector in Saudi Arabia.
2. The findings will apply to medium and large-size manufacturing organisations only. According to the Saudi Social Insurance, a medium organisation has from 60 to 199 employees and a large organisation has 200 or more employees.
3. Only organisations registered at the Ministry of Industry and Electricity will constitute the population of this study. (Section 5.5 discusses these three points in detail)

1.7 Organisation of Study

This thesis is divided into nine chapters. The first chapter provides a brief introduction, a statement of the problem, research objectives, research questions, methodology and limitations of the study. Chapter Two deals with a review of the research literature related to training and development. Chapter Three provides a general background of Saudi Arabia and its business environment.

Chapter Four gives an overview of the manufacturing sector in Saudi Arabia. Chapter Five describes the methodology used for the study, the research instruments, population and sample, data collection procedures, method used for the data analysis, and the main difficulties encountered by the researcher during fieldwork. Chapter Six presents the analysis of the interview with top managers. Chapter Seven presents an analysis of the responses obtained from the questionnaires. Chapter Eight presents the main factors that affect some important dependent variables related to the characteristics of training and development. Chapter Nine summarises the main findings of the study and offers a number of recommendations based on the findings of this investigation. Also, this chapter provides avenues for further research in the training and development field.

CHAPTER TWO
LITERATURE REVIEW

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2.1 Introduction

Recent research in human resource development has consistently emphasised the vital role of training and development and its positive impact on modern organisations in terms of effectiveness, as illustrated in the following statement:

> *" Training is expected to inculcate positive changes in knowledge, skills and attitudes. Hence, training plays a very important role within the enterprise ".*
>
> *(Stanley, 1984: 9)*

> *" Training is a collection of actions, which enables the organization to achieve its goals through enabling, empowering and developing to its fullest, the potential of the individuals within that organization".*
>
> *(Reay, 1991: 14)*

> *" Training and development are now firmly centre-stage in most organizations, if not all. Nothing unusual in that - for some organizations. They have always seen training and development as part of the heart of their business - but more and more must see it the same way".*
>
> *(Bennett, 1993: x)*

> *" Organizations get things done when people do their jobs effectively. To make this happen they need to be well trained".*
>
> *(Stout, 1993: 8)*

> *" Training and development of staff is, or should be, an integral part of the operation of any successful organization".*
>
> *(Meighan, 1995: 25)*

> *" The fundamental aim of training is to help the organisation achieve its purpose by adding value to its key resource - the people it employs ".*
>
> *(Armstrong, 1996: 529)*

> *" Evidence does indicate that training can and does influence a company's productivity and hence its competitiveness ".*
>
> *(Taylor, 1996: 263)*

> *" Organizations are beginning to recognize that the key to being a future market leader requires different things from them and their people than in the past. Many are recognizing that training is critical in helping close the gap between employees' current competencies and the competencies needed in high-performance organizations".*
>
> *(Linde et al, 1997: 20)*

The rapidly changing society in which we live today is forcing the whole world to make all possible efforts to remain in touch with these changes. Employees of all types of organisation require a high level of training and development to give them the skills necessary to perform their work efficiently. According to Rosow and Zager (1988:2), "The economic development of every country is dependent upon its human resources and the degree to which they have been educated and trained in the skills required to support business and industry". Training and development of human resources have increased in importance in recent years with the changing environment in which business and industry are conducted, the globalisation of the marketplace, and the introduction of new technology. With the intensification of competition in the marketplace, organisations in all industries have become aware of the crucial need to possess highly qualified personnel for the tasks to be done, and highly skilled management.

Similarly, Benabou (1996:91) emphasises that " Now more than ever, organisations are using human resource development as a competitive weapon to create a distinct advantage. Whether organisations are experiencing tremendous growth, restructuring, right-sizing, or changing markets and locations, they view training as an important vehicle to implement these changes". Szilagyi (1981:1) also states that " It is an accepted fact that training and development are necessary for the spirit, survival, and performance of an organisation".

The amount of training required today varies from organisation to organisation. Most have one thing in common, the need to recruit personnel with specific skills, or design training programmes that will result in developing the abilities of those within the

organisation. Training and development of human resources has become mandatory if organisations are to be successful in the highly competitive global marketplace.

This chapter has began with a few snapshots of current attitudes towards training and development in the research literature. The rest of the chapter now provides a detailed review of the literature on the subject of training and development, its importance today, the nature of the training and development function in an organisation, cultural factors affecting training, factors impeding the establishment of effective training and development programmes, and training and development in Arab countries.

2.2 Nature of Training and Development

2.2.1 Training Defined

Before presenting a specific definition, it is appropriate to ask where the term 'training' comes from. According to King (1964:125), "the verb 'to train' is derived from the Old French word *trainer*, meaning 'to drag'. Hence such English definitions may be found as: to draw along; to allure; to cause to grow in the desired manner; to prepare for performance by instruction, practice, exercise, etc.".

There are many definitions of training in the literature, but most of them focus on one of two aspects of training: changing or improving. Some writers define training as a tool to bring about desired behaviour changes in the areas of skills, knowledge and attitudes. Jinks (1979:2), for example, states that training is an "organised procedure which brings about a semi-permanent change in behaviour, for a definite purpose". He, also, indicates that there are three main areas involved in training, namely skills, knowledge and attitudes.

Other definitions do not include change of attitude as part of training, such as Wills' (1993:9) definition, which describes training as a "transfer of defined and measurable knowledge or skills". Wills did not however include change of attitude in his definition because of his belief that the environment and culture of a business that primarily determine attitude can change, but training alone can not help change anybody's long-term attitude.

Yet others have defined training in terms of developing, improving, increasing, fostering or acquiring specific areas of learning in individuals in order to perform adequately in their present or future job. According to Alziady (1993), training is a process directed towards helping trainees acquire new skills, attitudes, knowledge and concepts that help them become more productive and satisfied with the job they are doing. Equally, Goldstein (1993:3) defined training as "the systematic acquisition of skills, rules, concepts, or attitudes that result in improved performance in another environment".

One of the most commonly quoted definitions of training was provided by the Manpower Services Commission (1981:43) as follows: " A planned process to modify attitude, knowledge or skill behaviour through learning experience to achieve effective performance in an activity or range of activities. Its purpose, in the work situation, is to develop the abilities of the individual and to satisfy the current and future manpower needs of the organisation". Kenney and Reid (1986); Armstrong (1996); Osborne (1996); Beardwell and Holden (1997); and Reid and Barrington (1999) support this definition for its greater detail.

As the above definition states, training is based on a planned process which helps the acquisition of the appropriate attitude, knowledge or skills for current and future human resources needs, which are necessary to achieve the organisation goals.

There are other training definitions in the literature, but in general most of them stress the same points and characteristics of the previous definitions.

2.2.2 Training, Education and Development

The terms "training", "education", and "development" are not necessarily synonymous, although they are sometimes used interchangeably. Goad (1997:51) states that "many people have moved successfully from education to training and development by applying the same principles".

Brinkerhoff (1978) indicates that human resource development which incorporates training, development and education is meant to produce something of value to the organisation, something that will help the organisation to meet its goals better.

Nadler (1990) states that human resource development can be construed as training, education and development. Some feel that it is important to distinguish activities aimed at generating learning to enhance one's current job performance (training) from those activities aimed at preparing an employee for some future job assignment (education), and from those activities aimed at generating learning for the growth of the trainee without any direct ties to current or future job performance (development).

According to Morse (1984), the distinction between education and training continues to plague academics. The difference between the two, she argues, is that "training concentrates on the development and maintenance of the competencies to perform roles and tasks in a certain work situation. Education, however, is more concerned with the general growth and development of the individual" (p. 24).

The comparison between the training system and education system presented in Table 2.1 may help in clarifying the distinction between the two systems.

Table 2.1

Comparison between training and educational systems

Training System	Educational System
Everyone is expected to succeed.	Everyone is assumed to reach a standard matched to their natural abilities.
Those who have difficulty are given further coaching until they do succeed.	Those who have difficulty are directed to other topics.
Those who learn easily reach the standard sooner or with less help from the trainer.	Those who learn easily cover more topics in the time allowed.
The final standard is such that everyone can attain it.	The final standard is expressed as a pass mark which is based on statistical averages.
The end-of-course marks are all 100 per cent.	The end of course marks, by tradition, range from about 10 per cent to 85 per cent.

*Source: Dodd (1973:70-71).

However, both training and education are instructional processes designed to modify human behaviour. Their basic foundation is dependent upon learning and transfer processes (King, 1964).

Like the term education, the term development has not been clearly distinguished from training in some studies. Pepper (1984) states that training and development are two words frequently used side by side.

However, the distinction between training and development was drawn by Bottomley (1983:116) ".... training... relates to the acquisition of knowledge and skills, and development ... concerns changes in attitudes and behaviour". Moreover, Cascio (1992) considers that lower-level employees are "trained" while higher-level employees are "developed', yet he used training and development interchangeably in his work. McKenna and Beech (1995:156) endorse this view by pointing out that development is an activity normally associated with managers, with the future firmly in mind, while training has more immediate and practical concerns connected with improving the knowledge and skills of non-managerial employees in their current jobs. Furthermore, Sikula (1976:227) suggests that " training and development differ in four ways: "what" is learned, "who" is learning, "why" such learning takes place and "when" the learning occurs". Table 2.2 below shows these differences.

Table 2.2

Differences between notions of training and development

Learning Dimension	Training	Development
Who	Non-managers	Managers
What	Technical-mechanical operations	Theoretical-conceptual ideas
Why	Specific job-related purpose	General Knowledge
When	Short-term	Long-term

*Source: Sikula (1976:227).

However, the aim of employee training and development is to maintain or improve current and future employee performance by increasing the employee's ability to perform, usually by changing his or her attitudes and/or increasing his or her skills and knowledge in order to improve organisational effectiveness.

2.2.3 Importance and Benefits of Training and Development

The most successful businesses in today's market place are those which recognise the importance of their human resources and help them to maximise their potential through the acquisition of knowledge, information, and skills in training programmes (Goad, 1997). Moreover, since training can be expected to provide positive changes in knowledge, skills, and attitudes, it must play a very important role within the organisation (Stanley, 1984).

Chruden and Sherman (1984) emphasise that the levels of training should relate to the stages of employees' careers. Thus each employee should receive initial training in necessary basic skills, but should also have the option of training for new skills appropriate to their career advancement. The purpose of such training is the achievement of greater effectiveness by employees, who may then be advanced to higher levels of responsibility. The authors also argue that training is at present becoming even more important because: (1) some jobs will be enlarged, thereby requiring additional skills and knowledge; (2) others will require a narrower range of skills; and (3) many jobs will be replaced entirely by newly created jobs (p.186).

Recognising the importance of training in bringing about worthwhile change, Coussey and Jackson (1991:108) state that training is necessary for the following reasons:

- to raise awareness
- to get things started or give a signal that things are moving
- to get support
- to develop a strategy for changes in practices
- to impart information, knowledge and understanding
- to give new skills and enhance experience, and

- to make up for past under-achievement or lack of experience and develop confidence.

According to Denton (1995), a recent study by the U.S. Department of Labor of 155 manufacturing firms, which compared the performance of companies introducing formal training programmes with those that did not, concluded that firms with formal training programmes had a 19 per cent greater increase in productivity over a three-year period.

The Training Journal (1999) states that American organisations with 100 or more employees spent up to $62.5 billion on formal training (24% more than in 1993), indicating their recognition of the economic importance of training.

Taylor (1996) notes the difficulty of exactly identifying the outcome of training, since it is but one factor of many in the company's overall performance, some of the others being motivation, job design, equipment design, company policy, and supervision, as well as skills. Some scholars have, nevertheless, attempted to list the benefits that can be obtained by investing in training, e.g. Kenney and Donnelly (1972), Jinks (1979), Kenney and Reid (1986), McKenna and Beech (1995), Armstrong (1996), Taylor (1996), and Osborne (1996). The most comprehensive list of these benefits is provided in Kenney and Reid's list. According to them, training is perceived to have the following benefits:

1. Employees acquire job skills quickly, effectively and cost-effectively.
2. Employees improve their work performance and keep abreast of modern developments in their specialist fields, thus maintaining and improving

upon existing standards and being in a position to adapt readily to future improvements.

3. Employees increase their output, since increased expertise facilitates speed and reduces mistakes.

4. The less time management has to spend on correcting mistakes, the more time it has available for planning and development activities, and the lower the cost of effecting corrections.

5. The labour turnover, and its attendant wastage, is reduced since trained staff are more likely to be able to adapt to new challenges and to achieve a high level of job satisfaction.

6. A low labour turnover is of advantage to an organisation provided the staff skills and knowledge remain beneficial and provided they have the capacity to retain and replace obsolescent skills with new ones.

7. The staff are less likely to have accidents if they have been inducted in safe working practices, resulting in social and financial benefits to employees, employers and to society.

8. It increases the good reputation of a firm and attracts a better standard of applicants for job vacancies.

9. As the flexibility of the workforce is increased, inefficiency and loss due to staff absence are minimised, since a fully trained member of staff is more likely to have the expertise and versatility to take over temporarily another person's job.

10. It raises the general morale of an organisation by enhancing its effective organisational development, encouraging and facilitating individual employee training initiatives, both of which result in the improvement of

the organisation's ability to accept and implement change, to become more proactive and able to realise its full potential by taking advantage of new opportunities.

In addition to the benefits for the organisation, there are of course also well-understood benefits for the employees themselves (Kenney and Donnelly, 1972; Jinks, 1979; Kenney and Reid, 1986; Taylor, 1996), these being: the acquisition of new knowledge and job skills leads to an increase in their value on the labour market and a consequent rise in living standards, at the same time as job satisfaction and self-esteem are improved; and in increasing their value to the employer, they not only enhance their job security, but also the chances of obtaining other similar jobs or improved ones.

Finally, training can produce substantial benefits at a national level. Taylor (1996:277) believes that "a country's international competitiveness and economic performance is significantly influenced by its skilled work force and, as a result, its standard of living".

2.2.4 Responsibilities for Training and Development

The ultimate responsibility for an organisation's training and development programme clearly rests with the organisation's top executives who usually have the final say. Accordingly, unless top management is convinced of the importance of the training and development function, all educational programmes are doomed to failure in the long run. Utmost commitment to organisational educational plans is required as a prerequisite to all company training and development efforts. They, to a large extent,

reflect the overall company philosophy or attitude in relation to human resources education programmes in general (Sikula, 1976).

Kenney and Reid (1986:35) indicate that top management have the following four major responsibilities:

1. They bear much of the burden for creating and sustaining a positive attitude towards human resource development throughout their organisation.
2. They determine the organisation's policies for training and development and ensure that they are supported with the necessary resources.
3. To a greater extent than they often realise, top management by their personal involvement in training and by taking a consistent interest in training decisions and interventions, provide the environmental 'energy' which gives the training function much of its corporate vitality.
4. The quality of an organisation's management training and development is critically dependent on the personal commitment of its top management.

Furthermore, Christie (1983) stresses that line managers and supervisors should participate in all phases of training:

"Managers contribute to the success or failure of training programs. When they participate in the needs analysis and design of training programs, when they match performance problems to training design, and when they sell training to their subordinates, managers cause results to happen. The Human Resources staff must have input and commitment from managers in order to produce training results"(p.112).

Next to the important role of managers is the vital role of the training and development department whose tasks go beyond simply conducting training programmes. The training and development department should play the role of connecting all the small circles towards reaching the big one. Christie (1983:110) explains that "a manager may not know what skills would best develop a fast-track subordinate. A manager might not know what a course description really means. The training department should help the manager diagnose and plan for training, just as the finance department provides a structure for budgeting". More specifically, the training department staff should assist managers in identifying training needs, determining profit-producing behaviours, establishing a curriculum, selecting participants, and evaluating results. As facilitators, the training staff contribute their knowledge of group processes to the problem-solving tasks. Also, training knowledge of learning principles, course design, and pre-packaged training programmes will aid the managers in their selection of course content.

Finally, Kenney and Reid (1986) and Taylor (1996) note that the responsibilities for training in small organisations rest with the owner or manager, but in medium-sized and large organisations it is often necessary to establish a training department to provide line management with the necessary specialist service.

In summary, training is a joint responsibility. For training to be effective and productive, it has to have the support of top management, supervisors and line managers. All have to take responsibility for promoting training for their staff, and the training and development department should work jointly with all levels of the organisation concerned.

2.2.5 Training Objectives and Strategy

According to Grant and Smith (1984), there are three major objectives of training in a broad sense which can be outlined as follows:

1. To provide the knowledge and skills, and as far as is possible the attitudes, needed for individuals to undertake their present jobs more effectively, and help employees at all levels to develop their abilities and to understand the implications and significance of their roles.
2. To assist employees in becoming capable of assuming other responsibilities within an organisation, either at higher or at current levels. This objective, in other words, is concerned with developing the potential of employees.
3. To help employees to adapt to changing circumstances facing the organisation, as part of the process of organisational development.

Armstrong (1996) similarly states that it is by enhancing employees' abilities through training that organisations will be enabled to reach their goals. Thus, in his view, the three main goals of training are:

1. To increase employees' range and depth of skills and thereby promote their overall effectiveness.
2. To enable employees to develop their abilities on-the-job and thereby create the appropriate human resources for future needs within the organisation.
3. To minimise the time it takes for an employee, newly appointed to the company or moving within it, to achieve the required level of skill, and do this as economically as possible.

Moreover, Pepper (1984:99) points out that "the more training and development are given to an organisation's staff, the more readily and effectively will that organisation, in the face of economic or other environmental and technological changes, recognise and adapt to deal with its new operational requirements".

Finally, according to Armstrong (1996), training strategy must take a long-term view of what skills, knowledge and resources will be needed, as identified by long-range planning and forecasting of future needs connected to the growth and development of the organisation. Such strategy should not only include analysis of anticipated skills needed by employees, but also those of managers to meet the needs of the organisation and its changing environment.

2.2.6 Training as a Continuing Process

Training is not a one-time event in an organisation. Bryan (1988) indicates that the training function in most organisations is a continuous and never-ending demand on time. Also, Rosow and Zager (1988) stress that learning has to be continuous because organisations face continual change of products, services, processes, markets, and competition, as well as technology. They further elaborate that since everyone in an organisation is caught up in change, everyone must be involved in learning, i.e. in training. Continuous learning exists as a policy when everyone is in a permanent state of learning, through a conscious collaboration between the organisation and the employee. In this interchange, the organisation also learns. Individual employees come and go, but their knowledge and accumulated experience must be preserved and applied by those who remain. Such transfer of knowledge enables the organisation to maintain equilibrium in the face of continual change, within and without. It is the

view of Rosow and Zager that it is only a matter of time before continuous learning establishes itself as an indispensable policy for the survival of any organisation in a highly competitive economy.

Rosow and Zager (ibid) emphasise that continuous learning can be sustained only if it is institutionalised within the organisation. They explain that although training takes different forms and different types of training are designed for different classifications of personnel in the organisation, to be effective, it must become an integral part of corporate life.

Armstrong (1996) finally observes that an adequate philosophy of continuous development does not confine its objectives merely to providing a measure of training to people at the start of their employment or at occasional points in their careers. He stresses that learning should be regarded as a continuous process and that it is top management's responsibility to ensure that continuous development activity is being effectively undertaken. Most importantly, in his opinion, the learning activity must be beneficial to both the organisation and the employee.

2.2.7 Vocational Training

Vocational training arrangements differ markedly from one country to another, and their development is invariably linked with specific patterns of industrial and economic developments. Thus, in Europe and the United States, the nineteenth century ushered in an era of social legislation, and with it changes took place in organisations. One change was the need for quality training of workers, supported by

unions which gave their backing to any legislation that provided a wide range of vocational education.

In the U.S.A, as early as 1745, the Moravian Brothers established such training in Bethlehem, Pennsylvania, followed several years later by similar training at Cokesbury College in Maryland instituted by the Methodists. By 1886, a number of private manual training schools were established in Ohio, Chicago, and other major cities. By the early 1900s, vocational education was extensive throughout the U.S.A. As the years passed, and the needs of the industrial age required more skilled workers, public schools in many areas of the U.S.A offered a variety of vocationally - related technical courses during the evening. With the increase in demand, community or junior colleges also began to provide courses that would equip people with the skills that they needed to sell in the job market, (Steinmetz, 1976).

Keep (1989) indicates that in Britain, until the first half of the 19th century, vocational training was virtually equated with apprenticeship. This usually involved young, mostly male people of school-leaving age, who were attached to an individual employer for a fixed period of time in order to learn the skill. It included considerable 'on the job' experience under supervision, as well as in later years a certain amount of instruction in a further education college or centre. The most distinctive feature of this traditional model of apprenticeship is its exclusive nature, which helps to explain why few apprentices were trained, and the fact that it lacked proper structure and evaluation.

In the second half of the 19th century, the apprenticeship system continued to be perpetuated, partly because it was deeply ingrained among employers, partly because

the replacement of the craft system by mass production techniques was judged unprofitable by many businesses.

In the early part of the 20th century, employers began to realise the inadequacy of apprenticeship, but for many years did nothing to challenge it. Reform only came in 1981, when employers and unions, under the auspices of the MSC (Manpower Services Commission), agreed to replace the apprenticeship system by what was later to become a National System of Vocational Training and Education (Keep, 1989).

In Saudi Arabia, vocational education is provided by a number of public as well as private sector agencies. Some industries, such as banks, have their own training facilities. Private sector organisations have for several years been expected to voluntarily equip their workforces with the skills that they require. However, in the face of no government legislation compelling them to train, the vast majority of Saudi private employers have opted to pursue the alternative strategy of increasing the skills of their workforces by recruiting employees who have already been trained elsewhere, particularly abroad.

The Sixth Five Year Plan (1995-2000) aims to halt this phenomenon of recruiting rather than training, and begin to reverse it through Saudisation, the replacement of expatriate workforce by Saudi workers. One measure taken consists in categorising certain jobs specifically for Saudi nationals only. Another course of action has been to increase by almost tenfold the cost of the entry visas to the Kingdom that have to be paid for by employers. A third measure introduced by legislation forces private sector businesses to increase their Saudi staff by at least 5% each year (Baleela, 1997). More details about vocational education and training in Saudi Arabia are presented in Section 3.7.2.12 of Chapter Three.

2.3 Nature of Training and Development Function in the Organisation

Hyde and Shafritz (1989) report that during the 1980s decade, US organisations appeared to have rediscovered the value of training and development. Such awareness had increased significantly in both the public and private sectors. The trend could be seen in the establishment of elaborate training programmes, the hiring of greater numbers of training specialists, and mounting support for internal as well as external training and development programmes. In their view, training had for a long time been mistakenly regarded as an expendable component of the personnel and human resource management functions. As a result, it was usually the first area to be sacrificed in a tight budget.

Hyde and Shafritz (ibid) further explain that today, the situation is entirely reversed, in that training has become a top line priority in personnel management functions. Many organisations set apart a separate department for training under the title of "Human Resources Development" (HRD). The department works in close liaison with management at all levels and ensures that the organisation's current and future needs for skilled employees are met in accordance with its projected growth and expansion programmes.

Berardinelli *et al* (1995) also note that over the past thirty years or so, the function of training and development within business organisations has grown into an increasingly significant activity designed to improve human performance in the work place and their competitiveness in a changing marketplace.

2.3.1 Systematic Approach to Training

Goldstein (1980:231) claims that "there are almost as many systems approaches to training as there are authors on the subject". Also, Kenney and Reid (1986:22) argue that "there is no single 'systems' approach to training".

The Manpower Services Commission (1981:22) defined the systems approach to training as "the process of identifying inputs, outputs, components and sub-systems, and then seeking to identify the contribution that training can make to improving the operation by enhancing the contribution of the human components (people) as opposed to machinery and operational procedures. The systems approach is next applied to the training design, where the components are learning strategies and people, and the objectives are in terms of learning. Finally, the systems approach is applied to the interaction between training and the operation to produce a feedback which can be used to improve subsequent training".

According to Goldstein (1993) a systems approach is the ideal framework for training as it underlines important constituent elements and their interactions. In his view, there is good evidence that such a model is an important catalyst for the establishment of structurally sound training objectives and evaluation procedures. Hence, it is a valuable instrument for instructional programme designers as it enables them to adopt a comprehensive approach to the process of training.

Kenney and Reid (1986) share this view, observing that a systems approach is very useful to training officers for three main reasons. First, because it fosters a wider perspective in the analysis of objectives and a rational evaluation of options and strategies and their degrees of feasibility in relation to the prevailing circumstances. Secondly, because it encourages them to consider all the relevant variables connected

to the issue at hand and the relationships between them. Thirdly, because it is a flexible model that could be applied at various levels, namely at the levels of an individual, a group, an organisation, or at a national level.

2.3.2 Components of Systematic Approach to Training

In the conduct of training, there is general consensus in the literature that there are at least three phases that any successful training programme development must go through. Goldstein (1974), Robbins (1982), Chruden and Sherman (1984), Carrell and Kuzmits (1986), Cascio (1992), Zoilaf (1993), Taylor (1996), and Quinones and Ehrenstein (1997) suggest the following three major phases: the assessment phase, which includes the training needs and training objectives, the training and development phase, and the evaluation phase. This model is shown in Figure 2-1.

Other proposed models consist of four phases (Kenney and Donnelly, 1972; Goldstein, 1993; Baumgarten, 1995; Attwood and Dimmock 1996; Martin and Jackson, 1997), five phases (Kerrigan and Luke, 1987; Armstrong, 1996; Dessler, 1997) and there is another model which includes six phases (Kenney and Reid, 1986; Cole, 1988). These models may differ in the phrasing and details of the training phases and steps involved, but each basically follows a similar process that consists of three main phases:

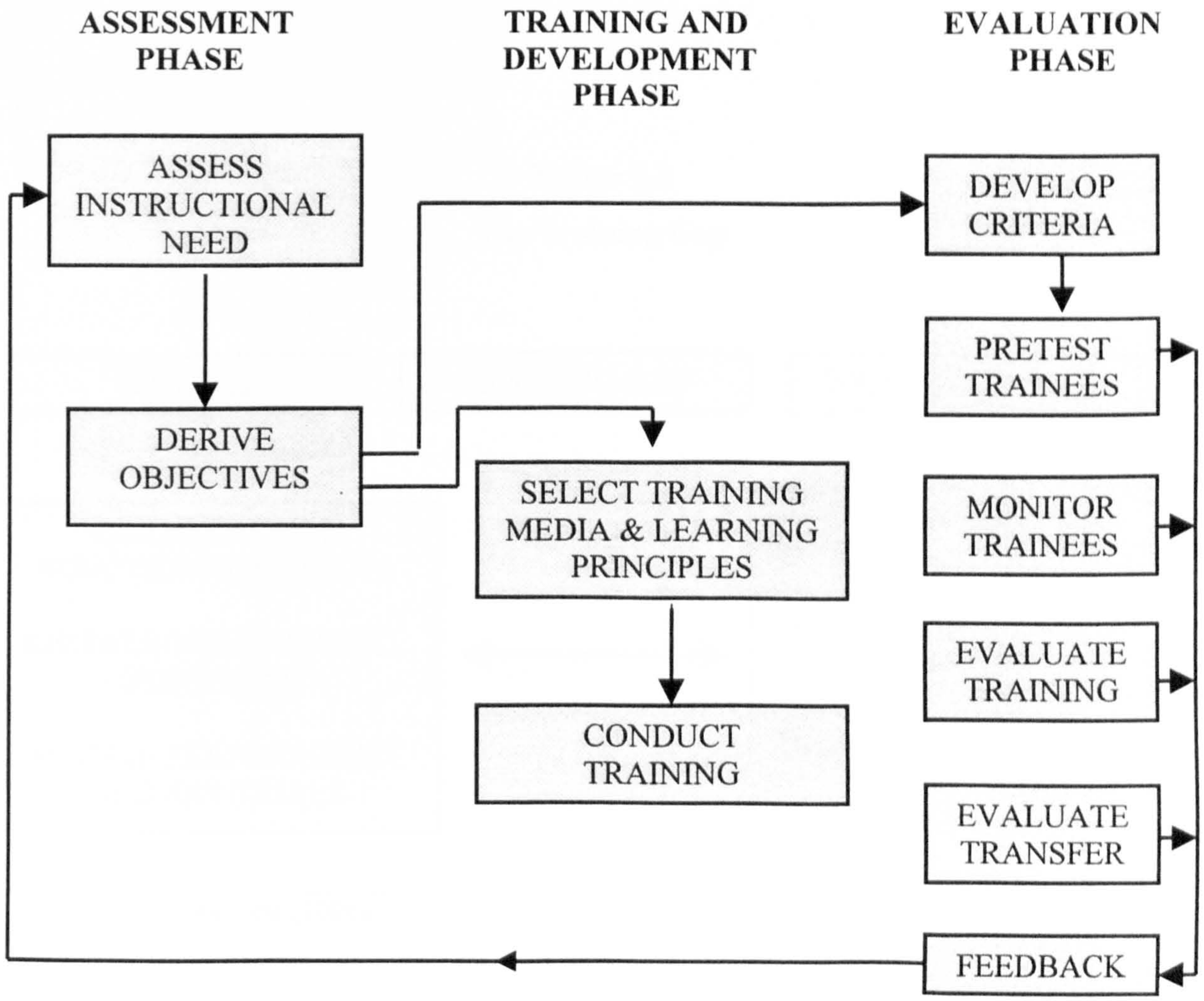
1. The assessment phase, which focuses attention on the training needs and training objectives of the organisation.
2. The training development phase, which is concerned with how the training objectives are to be achieved.
3. The evaluation phase, which attempts to answer two questions. The first is, "How far have we achieved our original training objectives?", and the second,

"How valid were our original training objectives for the needs of the organisation?"(Taylor, 1996:280).

In the next sections, we look more closely, and give a more detailed description of the three main phases of training and development mentioned above.

Figure 2.1

Training and Development Model



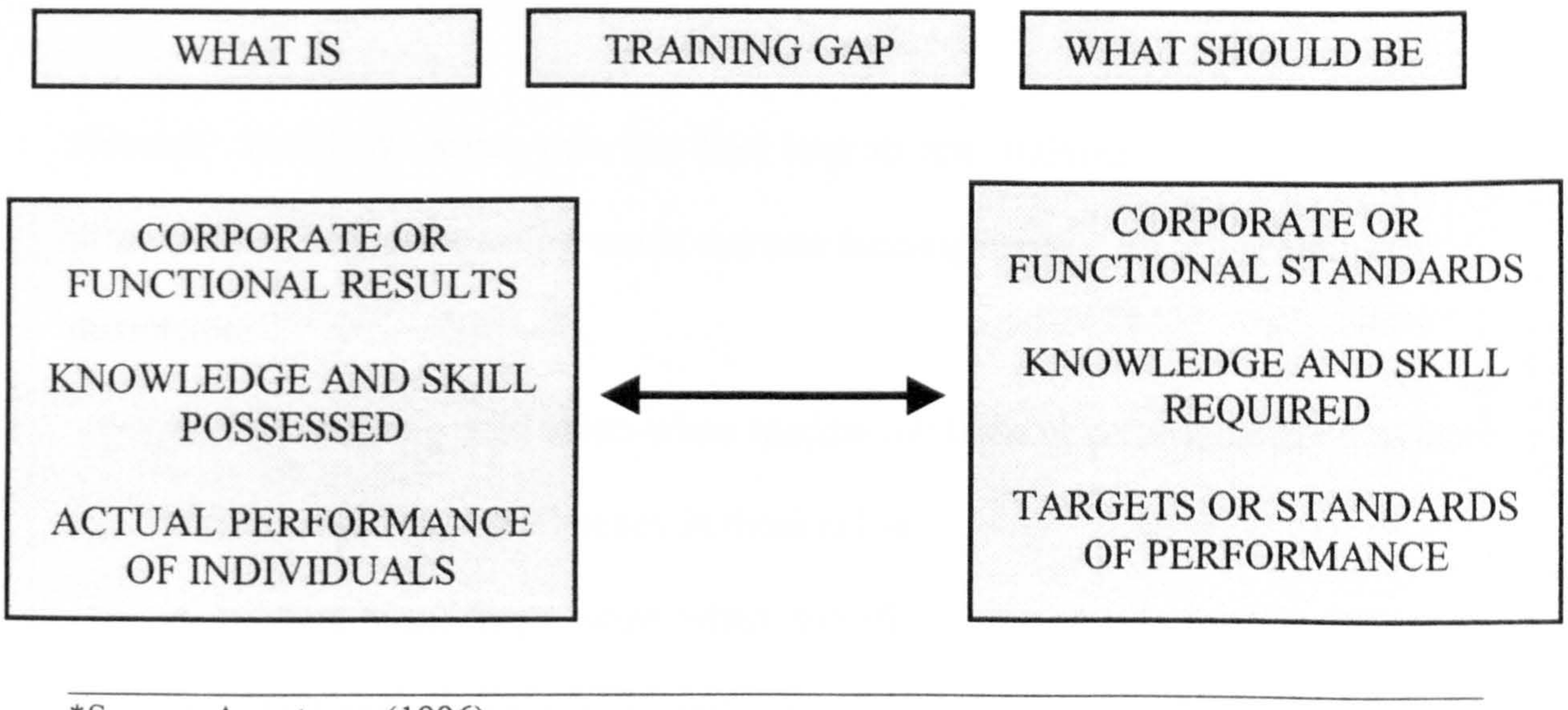
*Source: Cascio (1992:236).

2.3.2.1 Assessment Phase

2.3.2.1.1 Training Needs Assessment (TNA) is defined by Mabey and Salaman (1995:158) as a "process of collecting data which allows an organization to identify and compare its actual level with its desired level of performance". The authors also indicate that this performance could be interpreted as meaning the competencies and attitudes necessary for the staff to do the job effectively. Moreover, Armstrong (1996:536) states that "training needs assessment is partly concerned with defining the gap between what is happening and what should happen. This is what has to be filled by training". Figure 2.2 depicts this gap.

Figure 2.2

The Training Gap



*Source: Armstrong (1996).

Livy (1988) and Cascio (1992) point out that the input from assessment is essential both for the training phase and the evaluation phase, and that should the assessment phase not be accurately done, then the whole training programme is worthless.

Needs assessment is conducted to identify training needs. This is the key stage in training administration. To identify training needs correctly, the following four questions must be answered in detail:

1. What are the organisation's goals?
2. What tasks must be completed to achieve these goals?
3. What behaviours are necessary for each job holder to complete his or her assigned tasks?
4. What deficiencies, if any, do job holders have in the knowledge, skills or attitudes required to perform the necessary behaviours? (Robbins, 1982:205).

Nowack (1991:69) states that the first step in any training needs analysis is to differentiate between training wants and true training needs. He offers the following distinction:

- A true training need exists when specific job tasks or behaviours are important and an employee's proficiency in them is low.
- A training want may arise when specific job tasks or behaviours are not important and an employee's proficiency in them is low.

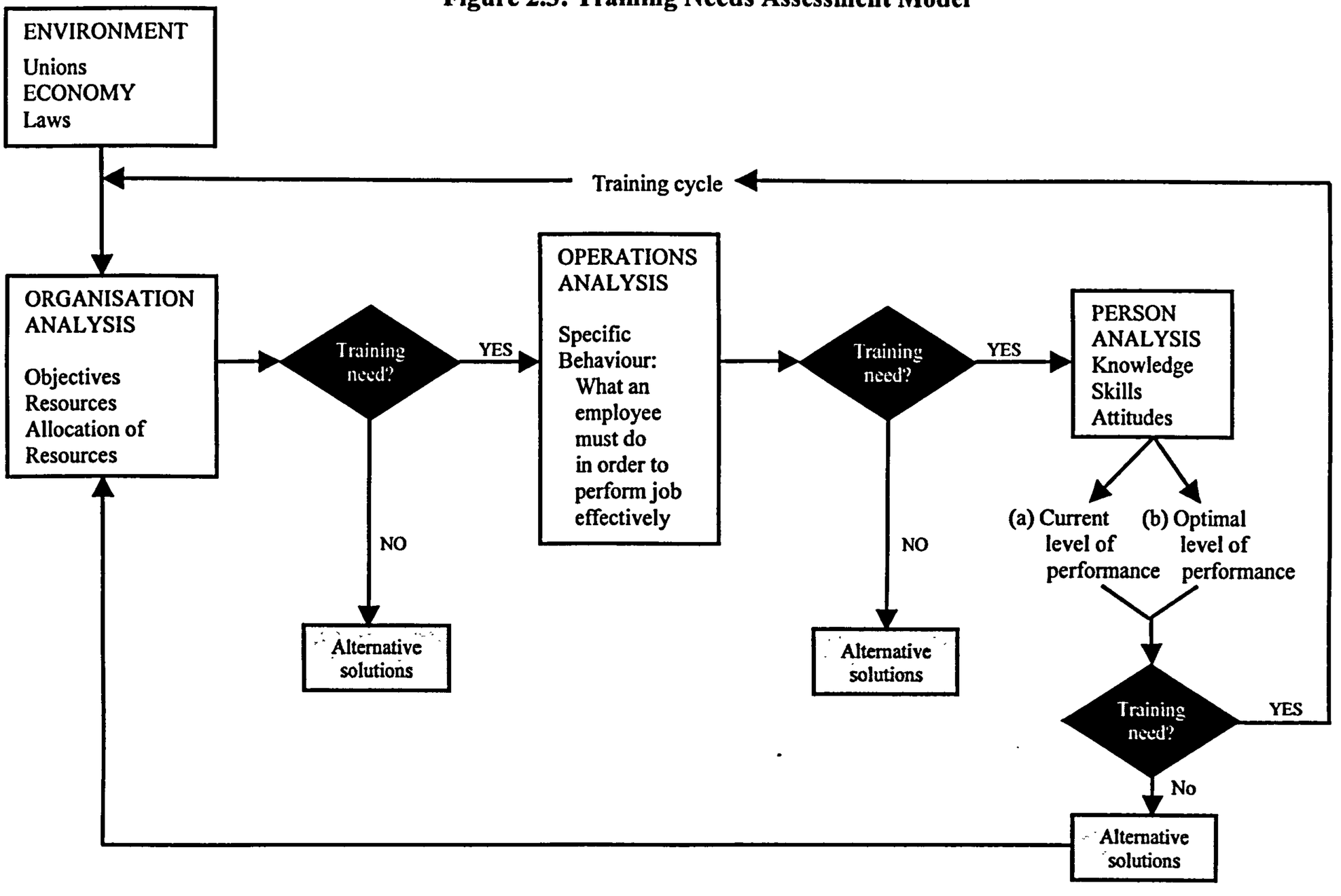
Michalak and Yager (1979) indicate that there are four reasons why a needs analysis must be done before the training programme is developed: (1) to identify specific

problems in the organisation, (2) to obtain management commitment, (3) to develop "before" data for effective evaluation, and (4) to determine the value/cost ratio of training.

The needs assessment phase consists of three major levels: organisation analysis, task analysis, and personal analysis (Wexley and Latham, 1991; Cascio, 1992; Goldstein, 1993; Taylor,1996). Figure 2-3 shows these major levels. There are interconnections and some overlap between these three levels (Armstrong, 1996; Taylor, 1996). Wexley and Latham (1991:36) consider that the objective of these three types of analysis is to answer three questions: "(1) Where is training needed in the organization? (2) What must a trainee learn in order to perform the job effectively? (3) Who needs training and of what kinds?".

Organisation analysis. The objective of organisation analysis is to identify where within the organisation training is needed. Goldstein (1993) and Schuler and Jackson (1996) note that any organisation analysis involves analysing the whole organisation, and begins with an examination of the short- and long-term objectives of the organisation. Scarpello and Ledvinka (1988) argue that there is no easy and direct method to achieve this process. However, Cascio (1992) mentions that the important question at this level is "Will training produce change in employee behaviour that will contribute to our organisation's goals?"(p.237).

Figure 2.3: Training Needs Assessment Model



Source: Cascio (1992:236).

Wexley and Latham (1991) propose that organisation analysis consists of an examination of the following factors:

1. The relationships between the organisation and its external environment so as to determine the links between external variables and the need for training and development.
2. How effective the organisation and its various sub-units are in reaching the objectives they set out to achieve.
3. The organisation's human resources, to assess current and long-term training and development requirements.
4. The organisation's internal environment, to identify those problem areas that can be tackled by means of training and development, and those which could potentially constitute unusually strong resistance to change.

The organisation needs analysis must be conducted by the managers who set the organisation goals (Cascio, 1992; Goldstein, 1993; Taylor, 1996).

Wexley and Latham (1991) and Taylor (1996) stress that the primary objective of organisation analysis is to determine whether the organisation is achieving its stated objectives. If it is not, the analysis must provide answers as to why that is the case and to what extent the deficiencies could be remedied through training and development action.

Task (Job) Analysis involves establishing what the content of the training programme should be, based on analysis of the tasks or duties involved in the job (Chruden and Sherman, 1984). Goldstein (1993:22) points out that "the first step is a job

description in behavioral terms. It is not a description of the worker. The narrative specifies the individual's duties and the special conditions under which the job is performed. The second procedure, most commonly referred to as task specification, further denotes all the tasks required on the job so that eventually the particular skills, knowledge, and attitude required to perform the job will become clear".

Moreover, Armstrong (1996:538-539) points out that for training purposes, it is important to ensure that the information obtained from this analysis specifies:

1. Any problem faced by job holders in learning the basic skills and applying them successfully
2. Any weaknesses in the performance of existing job holders arising from gaps in knowledge, lack of skill or poor motivation which need to be rectified by training
3. Any areas where competence levels are clearly not up to the standard required
4. Any areas where future changes in work processes, methods or job responsibilities indicate a learning need
5. How training is carried out at present - and how effective it is.

Armstrong (ibid) concludes that the output of the job analysis should be a training specification. Cascio (1992:238) agrees that "job analysis, performance appraisals, interviews (with jobholders, supervisors, and higher management), and analyses of operating problems (quality control, downtime reports, and customers complaints) all provide important inputs to the analysis of training needs". He also indicates that

managers who specify how the organisation's goals are going to be achieved are responsible for analysing the job analysis needs.

Individual Needs Analysis is the final step in identifying training needs and it focuses on whether the individual employees need training and, if so, of what kind (McGehee and Thayer, 1961). Cascio (1992) and Schuler and Jackson (1996) assert that the difference between desired performance and actual performance is the individual's training needs.

According to Bass and Vaughan (1966), quoted in Scarpello and Ledvinka (1988:495), the information about a person's job behaviour can be obtained by:

1. Directly observing job performance.
2. Reviewing supervisory evaluations of performance.
3. Using diagnostic tests, such as written ability tests and work samples.
4. Comparing the behaviours of well-performing employees with those of poorly performing employees.
5. Discussing with employees their individual job performance and factors that may inhibit that performance.

Scarpello and Ledvinka (ibid) also indicate that once performance deficiency is identified, the next step is to determine whether it can be remedied by training or whether it is due to other factors.

According to Wexley and Latham (1991), the personal job analysis comprises two parts: the first part relates to how well a worker effectively performs the job. This can be assessed using any of three methods: (1) observing the worker's behaviour while

performing the job; (2) recording the production rate in a given time; and (3) applying proficiency tests to measure worker performance. Other economic performance indicators include data such as workers' injuries, absenteeism, tardiness, and waste. The second part of personal analysis entails identifying the skills, knowledge, and attitudes necessary for the worker to perform the job satisfactorily.

Cascio (1992) stresses that the individual needs analysis should be carried out by managers and workers who do the work to achieve those goals.

Methods of Needs Assessment

There are many different methods of identifying training needs. Carrell and Kuzmits (1986) suggest the following eleven methods:

1. *Advisory committees* - These generally involve members representing various functions at the managerial levels of the organisation, such as production and accounting. It is the duty of the committees to establish whether a particular problem is a training problem and set training priorities.
2. *Assessment centres* - Used mostly for management development, such centres require participants to undergo a series of exercises and tests to measure their strengths and weaknesses in performing managerial tasks.
3. *Attitude surveys* - These are most effective in measuring the general level of job satisfaction, and possibly point out areas of deficiency that could be remedied through training.
4. *Group discussions* - The aim here is to involve employees who represent a specific work area in constructive debates. Their active participation in the needs assessment process often secures a high commitment on their part.

5. *Employee interviews* - This generally involves a one-to-one discussion between the trainer and the employee. However, this assessment technique is time-consuming and costly and hence is less often used compared to other methods.
6. *Exit interviews* - This method can present difficulties in its implementation and the validity of its results is to a large extent dependent on the competence and objectivity of the interviewer and on securing honest and accurate answers from the employee who is leaving.
7. *Management requests* - In some cases, an employee or employees may be requested to undergo training by the management. However, caution is advisable here to make sure that the problem is in effect a training problem and that training needs have been accurately diagnosed.
8. *Observations of behaviour* - Direct observation of employees' performance on the job by trainers or supervisors is another method of training needs assessment. However, because this method is generally confined to the assessment of technical skills and behaviours and because it is time-consuming and costly, its use is comparatively limited.
9. *Performance documents* - The use of data on employee performance, including productivity rates, absenteeism, accidents, turnover, etc, is common practice among most organisations. Such information is generally accurate and may be used to point out training needs. However, a primary drawback of this approach is that the data merely point to the existence of a problem and do little to specify its causes. Only a careful analysis of the issue will decide whether training is the appropriate answer.
10. *Questionnaires* - This technique is quick and relatively economical to administer. The employees themselves generally constitute the respondents.

The questionnaire may cover important skill areas, the importance of the skill, and the employee's perception of training need for each area.

11. *Skills test* - Gaps in necessary job skills, such as typing, computer programming, or driving, can be measured by means of skills tests. These will indicate specific training needs. However, when using skills tests for needs assessments, great care must be taken that the tests are job-related and measure those skills and abilities required for improving job performance and efficiency.

2.3.2.1.2 Training Objectives

Once training needs are identified, and before developing a training programme, the objectives of training must be set. Taylor (1996) states that before developing the training programme, training designers need to be fully aware of what the trainees already know and can do, and be very specific and accurate as to what they are expected to know and be able to do at the end of the scheme. The difference between these two sets of knowledge will determine the objectives and content of training. Scarpello and Ledvinka (1988:496) indicate that "training professionals suggest that trainee objectives should be stated explicitly and answer three questions:

1. What should the trainee be able to do after training?
2. Under what conditions should the trainee be able to perform the trained behavior?
3. How well should the trainee perform the trained behavior?"

Scarpello and Ledvinka (ibid) also point out that there are many advantages to setting out explicit training objectives. At the top of the list is that they help in establishing the criteria to be used in the evaluation of the training outcome. Training objectives and evaluation criteria combined also assist in the selection of appropriate

instructional material including customer-tailored training programme packages. The authors also argue that clear and explicit objectives help to motivate and mobilise trainees' efforts during training and provide impetus for the realisation of the set objectives.

2.3.2.2 Training - Development Phase "Training Methods"

Once the training requirements have been identified and explicit performance objectives have been specified, the next step is to develop the means and ways for achieving those objectives. An important consideration in creating a suitable training environment is the selection of the appropriate method or media of instruction that will enable the trainee to learn most effectively (Chruden and Sherman, 1984).

McKenna (1994) indicates that there are a number of test questions about the various instructional techniques. These have to do with whether the technique emphasises content (information), process (behaviours), or both; whether the training is to take place-on-site or off-site; whether the training emphasises psychomotor skills, cognitive skills, social skills, or a combination of all three, etc. Ultimately, what is crucial is to achieve the most appropriate match between the instructional methods to be used with the specified training needs.

Moreover, Stout (1993:50-51) states that the most appropriate form of training depends on the following variables:

- Your set training objective
- The skills, experience and expertise of your trainers

- Available training facilities and materials
- The learning abilities of your trainees.

2.3.2.2.1 Principles of Learning

In the previous discussion in Section 2.2.2 about training and education, training has been considered as a short period of education. Laird (1978) and Anderson (1990) argue that the success or failure of any type of training rests largely on an understanding of the learning process. However, they point out, many managers, and even some training specialists, are often oblivious of the basic concepts of learning theory.

According to Werther and Davis (1985:239) "learning principles are the guidelines to the ways in which people learn most effectively. The more these principles are included in training, the more effective training is likely to be". There are various academics who have identified a number of learning principles such as Werther and Davis (1985), Cascio (1992), Armstrong (1996), and Goad (1997). Pigors and Myers (1981) summarised the principles of learning as follows:

1. First and foremost, the learner must not be under pressure to train. Motivation to learn new skills or improving existing ones must be high.
2. The prospect of some form of reward, such as a promotion or a better job, tends to increase motivation and commitment to complete the training offered successfully.
3. Learning progress and outcomes must be monitored and checked by the teacher or trainer, who is able to explain in what respects learning is correct or incorrect.

4. Such feedback is most effectively carried out through the active involvement of the learner by doing, rather than by listening.
5. The learning material should be developed in stages, with constant feedback correction at each stage, if necessary.
6. Learning is deemed to have occurred when the learner is able to make the correct responses to the learning process. Whether such new knowledge carries over into practice can be tested periodically again by feedback.

2.3.2.2.2 Training Methods

Michalak and Yager (1979:93-96) identify a number of different methods used in training programmes. Some are used singularly, while others are used in combination with others to provide programmes that use a diversity of methods to give variety to the training programme. Below is a brief description of the twelve most widely used methods:

1. Lecture:

The lecture is the most common technique of content input. It basically is a means of providing trainees with information they need to know. Lectures are more effective if interspersed with other instructional techniques such as discussion, audiovisual aids, overhead slides, flip charts, games, simulations, etc.

Scarpello and Ledvinka (1988:497) report that "Warren (1979) analysed more than 200 training programmes, and found that well over 70 per cent of the programmes included the lecture as one method of training".

2. Conferences:

The conference method is defined as one in which group discussion techniques are used to communicate the content input. The discussion is directed either by the trainer or written discussion guidelines. Conferences are not always viewed as being an effective learning method because they require highly skilled trainers to keep the discussion focused. They also consume more time compared to the lecture method. The size of the group is usually limited to 12 to 15.

3. Films:

Films and videotapes are often excellent content input techniques. However, trainers are often misled into thinking that the film or videotape is a total package and fail to recognise that there is a need to do more than just showing films. The one advantage is that they are often inexpensive and can focus on a particular message. They are most effective when used as part of a training programme, to give it variety, and to support the messages communicated in other methods.

4. Programmed Instruction:

Programmed instruction has become popular with the increased use of the PC. This method is often referred to as self-instruction as the trainee proceeds through the programme at his or her own rate and receives feedback on the work done. These programmes are often designed in modules. When one is completed successfully, the trainee begins the next. Such programmes are not always successful as success is dependent upon the trainee's motivation to undertake a programme of "self" learning. One advantage is that the trainee can achieve the goal of completing the programme

with little or no supervision. The success of the programme is also directly related to the quality of the programme and its ability to stimulate interest in the learner.

5. Games:

Mitchell (1993) states that games can be effective teaching tools. Games can be used to test recall, recognition and skills, challenge participants under pressure to use the material taught, and introduce topics or areas for discussion. Games can encourage behaviour that increases a trainee's depth of understanding and sensitivity to problems. To be effective, however, they must be creative and relate to the training objectives. Games should not be overdone, and they must not become boring. Only one game should be used each day. At the end of the game, the experience must be tied together with the objectives of the training programme.

6. Simulations:

Mitchell (1993) defines simulations as practice exercises. Any critical incident or culminating activity that demands that the learners use what they have been taught in a realistic, lifelike setting, can be classified as a simulation. Most are related to in-basket exercises, wherein trainees are confronted with a problem that they are to work out through the simulation exercise. The situation involves any problem that the trainee may reasonably face on the job. They may be supplemented by those who face such problems on a frequent basis. Such exercises are flexible, realistic, and challenging. They can be used within the same group several times without risking boredom. Simulations are also viewed as being fun and can contribute beneficially to a training programme.

7. Interactive Videos:

Mitchell (1993) refers to interactive videos as computer-based training programmes that have become popular during the 1980s. Some programmes are designed as distance learning programmes offered by colleges and universities. These training programmes have proved to be effective because students and teacher interact through television and communication systems. When the programmes are well designed, interactive video instruction is exciting, effective, and can be conducted anywhere (office, home, education centre, libraries, classrooms, etc.) and, in most cases cost relatively little to produce.

8. On-the-job Training (OJT):

Mitchell (1993) points out that OJT is a classic and still popular training method. He maintains that today, 75 per cent of all training in the U.S. is conducted on the job. Sloman (1989) also found that at least 50 per cent of training in Britain is delivered at the normal workplace. Such training requires that the trainee works closely with an employee who is well trained and willing to give some of his/her time to train an inexperienced worker. To be effective, OJT must be standardised and monitored. The most effective method is to divide the training into steps, and implement it progressively, without expecting the trainee to become trained within a short period of time. The amount of time and training steps depend on the skills the trainee is expected to acquire.

Carr (1992:188) points out that "if well done, OJT can have several significant advantages, the most important of which is that it is inexpensive to deliver, since both

trainer and trainee are already on the payroll, and that the trainer is already expert at the job".

9. Demonstrations:

A demonstration is a method of instruction in which the trainer performs an operation, and in doing so shows the trainees how and what to do, and through explanations brings out the why, where, and when it ought to be done. Demonstrations have limitations in that they require highly skilled demonstrators and are not always viewed as being a meaningful learning experience. In some cases, trainees are likely to have a negative attitude towards the training as a result of the demonstration. The technique is also commonly referred to as 'sitting next to Nellie' (Taylor, 1996).

10. Action Learning:

Action learning is a learner-centred approach to training. It may be viewed as a variant of OJT or a more integrated extension of the traditional demonstration method. "It incorporates the belief that learning is an active process best undertaken when individuals participate in and take responsibility for their own learning" (McKenna, 1994:209). The approach encourages learners to discover solutions for themselves rather than treating them as passive recipients who need 'spoon feeding' (Torrington and Hall, 1998). Hence, there is less emphasis on the presentation of elaborate knowledge and ready made-solutions to problems, i.e. conceptualisation, and more concentration on putting knowledge into practice, i.e. experimentation.

In action learning, the trainer acts as a 'facilitator' in the learning process, who is keen to enhance the development of a greater understanding of the learning process and of

the learner's preferred approaches to learning (McKenna, 1994). The strategy involves minimum intervention and maximum learner participation and interaction. The result is an increase in learner sensitivity and continuing growth of the learner's self-awareness (Ibid).

Action learning programmes are best conducted in groups, using real work situations as a learning environment, in which members are able to learn at their own pace, and benefit from sharing a potentially large range of personal experiences and knowledge during the learning process.

Successful training through this method depends upon many factors observed by Torrington and Hall (1998), the most important of which are: the high skill and enthusiasm of the instructors; clear, specific and achievable goals; and due attention to feedback and praise, as well as to the varying trainee potentials and abilities.

11. Mentorship:

Hunt and Michael (1983) state that mentorship is an important training and development tool for upward professional progression in organisations. It is not a new concept, as for centuries senior people have offered counsel to the young. Most corporate presidents have had mentors who were vital to their success. Some organisations have formalised the mentor role and subsequently expect the mentor to suggest and advise new "fast track" recruits on career success matters. According to Hunt and Michael (ibid) the advantages of mentorship for organisations are that former proteges versus non-mentored executives are better educated, better paid, less mobile, and more satisfied with their work and career progress. Organisations generally benefit, as mentorship aids in the development of managerial talent for the

organisation. They help young professionals, men and women, learn technical knowledge and aid them in learning the organisational ropes, developing a sense of competence and effectiveness, and learning how to behave at successive management levels. At the same time, mentorship provides an opportunity for greater utility of older managerial talent. Older professionals can rejuvenate themselves by passing on the wisdom and experience they have learned through their professional careers.

12. Computer-assisted Instruction:

Computer-assisted instruction essentially adopts the same principles as programmed learning. It makes use of the substantial power and flexibility of computer technology. According to Ross (1988), such an advanced instructional tool provides solutions to modern training dilemmas with methods that do not compromise the quality of training. New software offers interactive programmes that can be adjusted to the individual learner, just as an attentive tutor would. Learning tasks are geared to meet a range of learners' needs and levels of competence. Experts claim that computer-based training and interactive videos can cut training time in half. Thus, when large companies need to reach many employees scattered across the country, teleconferencing and business-owned TV networks are rapidly becoming the method of choice. Private broadcasts enable a company's best instructor to reach all target learners at the same time.

One of the greatest merits of this training method is that it is easily accessible in the place of work and at home. Other advantages suggested by McKenna (1994:205-6) are that due to the nature of the medium, its ability to provide immediate feedback, and because it permits the learners to progress at their own pace, interest and

motivation are usually high. The method also places lower time demands on tutors and learners, thereby allowing more opportunities for interaction, repeated practice and reinforcement. Nevertheless, the method does not as yet guarantee the transfer of learning, as pointed out by McKenna (1994) and others (Goldstein, 1993; Wexley, 1984), nor does it result in significantly better achievement scores than conventional training methods, such as the lecture or the demonstration.

Having briefly outlined a selection of popular training methods, it is worth remembering that the particular training method used usually depends on considerations of time, cost, effort, availability, instructor performance, number of persons to be trained, depth of knowledge required, background of the trainees, and many other factors (Sikula, 1976).

2.3.2.3 Evaluation Phase

This is the final phase in any systematic approach to training (Taylor, 1996). Rose (1964, 204) stated that "training programs are evaluated to find out if the goals and objectives of the training have been met, and to determine if the results were meeting the needs of the organization". Rose also recommends that evaluation be made an integral part of the instructional process. The evaluation includes assessing the validity and adequacy of the training objectives, appropriateness of the content of the programme to those objectives, the instructional approach and techniques used in reaching the objectives, the material used, content of the programme, and testing procedures used. Not only is the training programme itself evaluated according to the objectives, but also the instructors and the methods used in training.

Evaluation is undertaken for several purposes. These purposes fall into two categories: to improve the training and development process, and to decide whether or not to continue it. The most specific purposes of evaluation have been presented by Phillips (1997:36-38). Evaluation is undertaken for the following reasons:

- To determine whether a programme is accomplishing its objectives.
- To identify the strengths and weaknesses in the human resource development process.
- To determine the cost/benefit ratio of any human resource development programme.
- To decide who should participate in future programmes.
- To identify which participants benefited the most or the least from the programme.
- To reinforce major points made to the participants.

- To determine if the programme was appropriate.
- To gather data to assist in marketing future programmes.

Moreover, Taylor (1996:290) argues that there are at least three reasons for evaluating any systematic approach to training: (1) evaluation indicates the overall effectiveness of training in achieving what it set out to achieve, i.e. objectives. This provides feedback for the trainees and may indicate areas for improving future training; (2) evaluation information provides data which can be used to judge the effectiveness of the training department's operations; and (3) the evaluation can influence the trainees themselves, especially if their success in learning from the content will have some influence on their future positions within the organisation.

Benabou (1996) proposes that training programmes should be measured according to business results. In a study conducted with 50 Canadian organisations, the training programme was measured according to three factors: technical competencies, management skills, and work attitudes. The benefits came in two forms: 1) increased revenues, or 2) decreased expenses. In 88 per cent of the organisations surveyed, a direct cause-and-effect relationship between training interventions and improved business results were observed. Better trained managers and supervisors resulted in reduction in direct costs and indirect costs, saved time, and change in attitudes which was directly related to higher productivity, lower turnover and absenteeism. Using cost-benefit analysis, it was found that for every $1 invested, $3 in benefits were returned.

Kirkpatrick's (1976) approach to training evaluation involves measuring the effectiveness of training and development programmes on the basis of four criteria: (1) Reaction: How well did the participants like the programme? (2) Learning: What principles, facts, and techniques were learned? (3) Behaviour: What changes in job behaviour resulted from the training? (4) Results: What were the tangible results of training programme in terms of reduced cost, improved quality, etc.?

Scarpello and Ledvinka (1988) endorse Kirkpatrick's procedure as one of the most widely known frameworks for evaluation training outcomes on four criteria:

1. ***Reaction*** involves asking trainees for their views on the training programme. This type of evaluation is mostly used to evaluate management development and other non-technical training programmes. The limitation of using this method alone is that it only determines satisfaction levels with the training programme generally, which is not to be equated with the acquisition of learning. The method does not establish whether the desired training outcome has occurred or if the training will result in changes in behaviour.
2. ***Learning*** involves determining whether training led to the intended learning. Evaluation of learning conventionally is used in technical-skill training programmes. To assess learning, the evaluation process has to flow from the training (experimental) design used in training.
3. ***Behaviour change*** involves measuring the extent to which changes in job behaviour are due to the training. This type of evaluation is applicable to all types of training programmes. Generally, evaluation of behaviour change is conducted by gathering employees' performance appraisals from the trainee,

his or her supervisor, co-workers, and subordinates after completion of training.

4. ***Results*** involves to assessing if training has resulted in organisationally relevant outcomes, for example reduction in wastage rate, increased quality or quantity of output, decreased grievance rates, and increased productivity.

There is another well known model for evaluating training programmes, Hamblin's (1974), who introduced a similar model for evaluating training effectiveness. He used Kirkpatrick's criteria but divided the fourth criterion "the results" into two parts: organisation level, where non-economic results such as employee morale can be measured, and ultimate value level, where economic results such as sales or profits can be measured.

Benabou (1996:96) observes that "almost all organisations conduct some kind of evaluation, but very few do it at the fourth level. This is because many trainers think that business results evaluation is difficult or impractical to perform...". Indeed, as noted by Taylor (1996), organisational performance can be affected by many internal as well as other factors outside the organisation, making causal relationships between training intervention and organisational success hard to establish (see Section 2.3.3, page 21).

Ralph and Stephen (1986) surveyed the human resource department in 500 Fortune companies to determine their training evaluation practices. About 86 per cent of those

responding indicated that they almost always used trainee reaction alone to evaluate their training programmes.

Pratt and Bennett (1979) mention six of the most common training evaluation methods: questionnaires, interviews, tests, observation, self-assessment and performance appraisals.

McKenna and Beech (1995:174) indicate that in evaluating training, "the organization will be looking for evidence of how the changed job behaviour influences other employees and the way the company functions. This would mean measuring changes in overall organizational functioning with respect to productivity, output and costs, but such an exercise would be difficult to undertake". Sikula (1976), Pratt and Bennett (1979), and Scarpello and Ledvinka (1988) also made the same point. Finally, McKenna (1994:212) concludes that "probably it is true to say that there is a scarcity of good training evaluation studies".

2.4 Culture as Factor Affecting Training and Development

Before discussing how culture affects training and development, it is appropriate to define what culture is. Peterson (1997:64) quotes Kluckhohn (1951), who defines culture as "patterned ways of thinking, feeling, and reacting that are acquired and transmitted mainly by symbols and that constitute the distinctive achievements of a human group".

Johnson (1991) provides an example of a lack of "fit" of Western management strategies in Third World countries. He states that most Third World countries do not support individualism. Their cultures are collectivist in nature. He suggests that though collectivism does not preclude leadership, it does suggest that training programmes for Third World countries need to be designed within the collectivist philosophy. Hofstede (1980), quoted in Weir (1996:399), observes that "Arab countries are mid-way between the highly westernised countries which rate strongly on individualism, and the Latin American societies which rank at the other extreme".

Huang (1996) supports the view that culture has to be taken into consideration when designing training programmes. He remarks that although human nature and the human brain operate in the same way the world over, people from other cultures speak different languages and behave differently. Each country has its own values, beliefs, ideas, and views of the world. If the trainer does not understand the characteristics of the trainee's culture, history, and socio-economic background, even the best programmes will not be effective.

Schermerhorn (1994) carried out an interview with Asma Abdullah, a corporate trainer in inter-cultural management. Although she conducted training programmes in Malaysia, her findings are applicable to training programmes in other countries as well. Asma Abdullah emphasises that training programmes must start with an understanding of values at the individual as well as cultural levels. The influence of ethnic values is very important in making employees acquire the appropriate skills on the job. It has to start with self-appreciation and only then can employees find meaning in what they do. To her, effective training will only occur when the person's personal and cultural values have been identified and taken into consideration. When this area is ignored, training will not be successful when only a foreign element is being introduced.

Corporate trainer Asma Abduallah was asked about the best approach to take for training in a foreign environment. She stated that the values of the participants must be affirmed, especially those which are part of their cultural heritage and are the basis of their shared practices. Once these values are identified, then one can begin to look for gaps in performance and create an awareness of what is needed. The trainer will then focus on the steps to be taken to develop new skills. For example, if the trainer wants to talk about motivating, leading, negotiating, selling or speaking, it is best to start with what the learners do well before showing some charts on Maslow's theory, Posner's leadership practices, or selling skills from some standard package that has been developed elsewhere. Many foreign trainers make grave errors because they do not consider the values and beliefs of the trainees' culture. Training must make a fit with the culture of those being trained, including the material being taught, as well as the methods being used.

Abu-Doleh (1996:2-27) reports that Al-Faleh (1987), in his study of the cultural influences on Arab management development, asserts that " a country's culture has a great influence on the individual and managerial climate, on organisational behaviour, and ultimately on the types of management development programmes offered". Furthermore, he argues that culture has its roots in a long history of traditions, in religion, and in past and present philosophical, political, or economic ideology.

Alabdlohab (1987) indicates that cultural factors can not be ignored in training programmes. To ignore these factors can make the difference between success and failure. Although Arab countries want to develop economically and modernise their cities, most do not want such progress to have a negative effect on their culture and way of life that they have lived for hundreds of years. Managers and workers should not be forced to conform to Western ways of doing business even though they may have to deal with them perhaps on a daily basis. The first step in developing training programmes in Arab countries is understanding the culture and those factors within the culture that have an influence on the life and work of the people. The second step is to recognise the fact that these countries are in the process of economic development and modernisation, and that these are to be achieved without changing the culture or significantly changing the way of their daily life. Cultural values, religion, tribal customs, and traditions, all play a major role not only in daily life but also in the way in which business is conducted. The third step is the designing of training programmes that will not compromise these values while at the same time, assist people in the development of business and industry that will promote economic growth and development within the country and give it greater participation in the international marketplace.

2.5 Factors Impeding Establishment of Effective Training and Development Programmes

Dipboye (1997) states that factors impeding the establishment of effective training and development programmes directly relate to the fact that most organisations fail to follow the instructional systems design model (ISD). As a result, training programmes that have potential merit fail because they are not related to organisational needs, are implemented inefficiently, and are never evaluated. Consequently, training programmes often become little more than fads. Dipboye recommends that training should be based on the knowledge it will impart, the skills that it will transfer, and the abilities that the trainee will acquire once the training has been completed.

Another factor pointed out by Dipboye (1997) is that training programmes often fail because there has been a mismatch between the training and the person to be trained. He recognises that not everyone has the same talents and abilities and therefore, before selecting the trainees, it is important to review the individuals, their past history, education, and job skills.

Moreover, Alzidy (1993) points out other factors that can impede the establishment of effective training and development; these are:

1. The lack of conviction on the part of the higher authorities within some organisations on the importance of training and the view that it is nothing but a waste of time and money.
2. The high costs involved in the training and development of personnel.

3. The absence of appropriate employee motivation and encouragement for attendance at training rounds, particularly when there are no promotion or financial incentives on completion of the programmes.
4. The failure to identify training needs accurately due to either the unavailability of relevant experts in the field or to intrinsic difficulties in their determination.
5. Lack of evaluation and reform resulting in enduring mistakes, and continuing deterioration and decline in employee competence and development.
6. The appointment of trainees within the organisation to other posts unrelated to their newly acquired skills, indicating failure to reap the benefits of training and engendering negative perceptions of the value and purpose of training programmes.
7. The shortage in competent trainers in various fields and specialities, which hinders training operations and reduces their effectiveness.
8. The unavailability of sufficient numbers of specialist supervisors to monitor the programmes.
9. The instability of employees in their job tasks following retraining. Many leave their organisation shortly after training for various reasons, including higher salaries, better positions, etc.

2.6 Training and Development in Arab Countries

The need for human resources in the Arab countries is tremendous if nationals are to be available to support business and industry in both the private and public sectors. The need lies, among others, at the managerial level of all sectors such as hospitals, banks, marketing, exporting, factory and production management. Because of the shortage, most Arab countries have had to recruit foreign managers temporarily for posts usually set apart for nationals, until sufficient numbers are qualified to assume those responsibilities adequately (Atiyyah, 1993).

Current training procedures used in Arab countries are shown in Table 2-3. The techniques being used, their current situation and future prospects support the view that management development could and would make significant contributions to organisations in both the public and private sectors.

One of the current problems for managers in the Arab countries is that management development programmes offered by local institutes are translated from foreign sources and not written with Arab managers in mind. Trainers are often heard complaining about textbooks, exercises, and cases having little relevance to their situation. Most films used in training are imported. Only one agency, the Saudi Arabian Institute of Public Administration, has staff actively involved in the adaptation of programmes and equipment to the local needs. Many Arab managers who learned their skills from experience on the job believe that the best way to prepare future Arab managers is on the job, rather than investing large sums of money in training programmes that do not meet their needs (Atiyyah:1993).

Table 2.3

Current training strategies and future prospects in Arab countries

Technique	Current Situation	Future Prospects
Off the job training	Utilisation is widespread. Effectiveness is low due to inadequate needs assessment and facilities, and shortage of qualified trainers.	Demand is expected to rise. Expansion of capacities and improvement of methods and facilities are needed.
In-company training	Utilisation is limited. Only large public organisations have the necessary organisational units, facilities, and personnel for its successful application.	Widespread utilisation is not expected, at least in the public sector in which training is centralised to avoid duplication of efforts and to save money.
Job rotation	This technique is well known to local MD specialists but rigid bureaucratic rules impede its widespread application in the public sector.	Forecasted changes in management attitudes and values may pave the way for its utilisation.
Mentoring/ Coaching	This technique is infrequently employed by Arab managers who generally prefer like-minded protegés and view with suspicion talented subordinates who may aspire to replace them.	Appreciable changes in the current situation are unlikely.
Career Planning	Subjective criteria, such as political affiliation, family and kinship ties and loyalty, determine the careers of some middle-level and all upper-level managers in Arab countries.	Gradual shift to professional management may encourage its utilisation.
Self-Development	Utilisation is hindered by the paucity of Arabic-language management literature directed to Arab managers (guidebooks, action-learning packages, journals) and the lack of evening classes, correspondence courses and professional associations.	Some improvements are expected.

*Source: Atiyyah (1993:9).

According to Atiyyah (ibid), the prospects for increased demand for management development in Arab countries are good if the training is designed to meet the needs in human resources within the country's ethical and moral standards, and identifies

the managerial problems they are facing today as well as the need for certain skills that good training programmes could provide.

Two specific examples of training and development practice are those of Kuwait and Jordan. Abdalla and Al-Homoud (1996) conducted a survey in 1990, aiming to identify the training needs, programmes currently being used, their evaluation, and future trends in the large Kuwaiti organisations in the government, private and joint-venture sectors. The survey, involving 69 organisations, was conducted two months before the Iraqi invasion. The questionnaires were handed to a personnel head officer or an assistant manager responsible for personnel activities in each organisation.

The results showed that at the time of the study there were no specific practices or procedures for determining the training and educational needs of Kuwaiti managerial personnel. Training programmes consisted mainly of on-the-job training. Educational programmes as used in the West were virtually non-existent. The main reason for this gap is believed to be the shortage in management education packages adapted to the Arab culture.

The survey also found that some 93 per cent of the training programmes being used had no specific follow-up procedures for evaluating their effectiveness. Because of this, no data were available regarding the benefits of the programme nor was information available as to what type of training programmes were needed in the future. As to future directions, the survey identified four main areas in which training was needed, namely in decision making, planning and follow-up, performance appraisal, and new management concepts. As for training needs at the lower

management levels, they were found to be mainly technical, such as report writing, computer use, and new management concepts.

Abdalla and Al-Homoud (1996) concluded that in most organisations, training was viewed as a "stand alone" process with no ties or links to other parts of the total development system, such as selection procedures, performance appraisal and reward systems. Linking management training activities with other activities would put training activities in perspective and give the trainees an incentive to learn and apply the new knowledge presented to them.

The second example of training and development practice is that of Jordan. Abu-Doleh (1996) studied 28 Jordanian organisations. His objective was to unveil the current policies and practices of management training and development within Jordanian financial and manufacturing organisations. He interviewed and distributed questionnaires to 105 top managers in both sectors.

One of the findings of the study was that the majority of the organisations investigated do not have a formal management training development system. Management training development programmes were still carried out on a piecemeal basis rather than on a long-term policy. The study also pointed to the absence of organisational training needs analysis, the predominance of outdated training methods, the lack of effective procedures for management training development programmes, and formal systems of organisation (rules and regulations). The findings were common among the majority of the organisations approached.

However, the study found that most of the top managers questioned perceived themselves as being motivated for change, committed and supportive to their management training development function. Despite this encouraging view, most of them held a low perception of the congruence between their corporate formal systems and the nature of the existing management training development programmes. Significantly, most senior managers were found to hold a positive attitude towards the usefulness of management training development programmes.

2.7 Summary

The literature review has established the following points:

1. Training and development is an essential element for the survival and success of any organisation.
2. Training and development presents opportunities for the enhancement of employee knowledge, skills and attitudes which can improve the performance of organisations.
3. There are differences between the notions of training, education and development.
4. The benefits from training and development can extend to all individuals, to organisations as well as to the nation as a whole.
5. Top management, supervisors, employees, and the training and development department are responsible for the training and development function.
6. Training and development objectives can be for current jobs, future jobs, or to adapt to change.
7. Training strategies for the growth and development of organisations must take a long-term view in their schemes.
8. Training and development has to be continuous, if organisations are to keep up with the continual change of products, services, processes, market competition and technology.
9. The model provided by the systematic approach to training is an important impetus for the establishment of objectives and evaluation procedures.
10. Any successful training and development programme must go through three phases: (1) the assessment phase which includes training needs assessment and

training objectives, (2) the training and development phase, and (3) the evaluation phase.

11. To identify training needs adequately, it is vital to include three elements in the analysis: the organisation, the job and the individual.

12. There are many different methods of identifying training needs, such as assessment centres, group discussions, performance document, observation and management request, etc.

13. There are many methods and techniques used widely in employee training, such as the lecture, conferences, games, simulation, on-the-job training and demonstrations, etc. Choice depends on considerations of time, cost, effort, availability, number of persons to be trained, etc.

14. Training depends on an understanding of the basic concepts of learning theory.

15. Training and development can be evaluated under four categories: reaction, learning, behaviour, and results.

16. Training and development programmes are influenced by cultural factors. For this reason, any programme must start with an understanding of the values of the individual as well as cultural levels.

17. The establishment of effective training and development programmes can be impeded by sceptical attitudes of top management as to the importance and efficacy of training programmes. They are also hindered by the high costs involved, the relative instability of personnel they create within the organisation, the difficulty in identifying training needs accurately, the lack of professional trainers, and the absence of systematic evaluation of past and ongoing training and development programmes.

18. All countries, both in the developed and developing world, need a high level of training and development programmes for their employees nowadays. The literature review shows that there is an acute lack of training and development programmes in some Arab countries such as Kuwait and Jordan.

CHAPTER THREE
BUSINESS ENVIRONMENT IN SAUDI ARABIA

CHAPTER THREE

BUSINESS ENVIRONMENT IN SAUDI ARABIA

3.1 Introduction

Prior to 1932 the Kingdom of Saudi Arabia was thought of as one of the least developed countries in the Arab World. The traditional tribal system was dominant, where each tribe had its own leadership, its own land, but no formal education. Modern Saudi Arabia, however, has gone through a very rapid process of development and progress that have put an end to poverty, deprivation, illiteracy and poor health. Two major factors led to these changes. First, the unification of the Kingdom of Saudi Arabia in 1932 under the leadership of King Abdul-Aziz Ibn Saud which resulted in the integration of the various tribes into a single national political structure. Second, the discovery of oil in 1938 and increase in wealth from crude oil exports which since then has become the major source of capital for the national development programmes (Alqahtani, 1996). According to Barclays Country Report (1998), Saudi Arabia is the world's largest oil producer and has proven reserves estimated in 1997 at over 25% of total world reserves.

In order to have a full understanding of the concerns of this investigation, some general background about Saudi Arabia will be given. Such information will be presented in two parts. The first part provides brief highlights of the country's geography, climate, population, and language and religion. The second part outlines the most important strategic objectives set in a succession of five-year Saudi development plans in relation to education, training and private sector development. Finally, the most prominent future challenges facing the private sector in Saudi Arabia will be discussed.

3.1 Geographical considerations

Saudi Arabia is situated at the cross-roads of two continents: Asia and Africa. It is located in the south-west of Asia. The Kingdom covers an area of about 2,240,000 square kilometres (approx. 1,400,000 square miles) and makes up about 80% of the total area of the Arabian Peninsula (Ministry of Information, 1992). That is nearly six times the size of the British Isles, four times the size of France, and about one third of the size of the United States of America.

The Kingdom shares common borders to the North with Jordan, Iraq and Kuwait; to the South with Yemen and the Sultanate of Oman. To the East with the Arabian Gulf, Qatar, Bahrain and the United Arab Emirates, and looks onto the Red Sea to the West (see Figure 3.1). The Eastern coast of Saudi Arabia on the Arabian Gulf extends to about 610 km (380 miles), while the Red Sea coast is 1,800 km (1,100 miles) long (Ministry of Information, 1992).

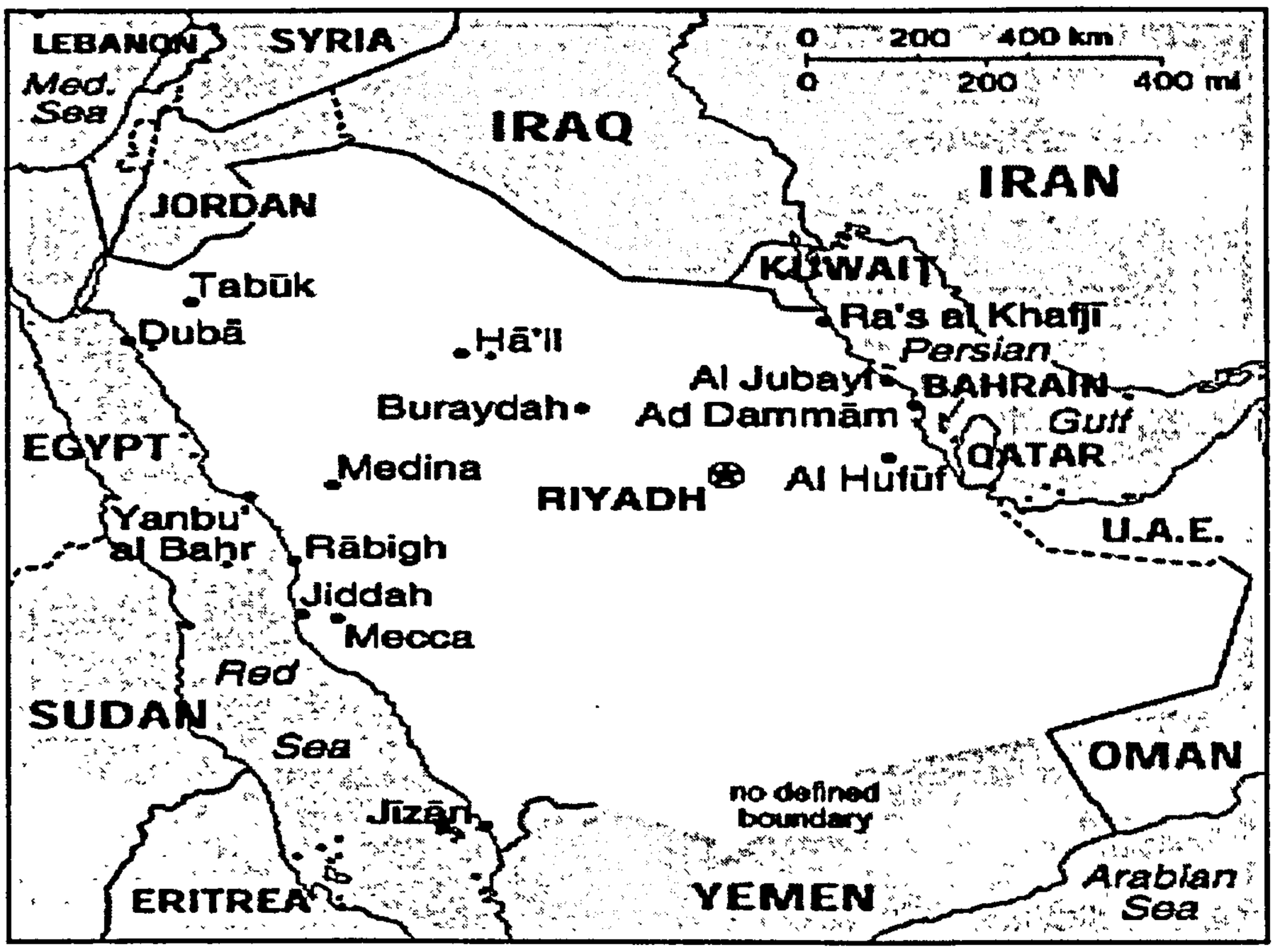
Al-Farsy (1992) indicates that the potential importance of Saudi Arabia's geographical position is quickly apparent: it is strategically located between Africa and mainland Asia, lies close to the Suez Canal, and has frontiers on both the Red Sea and the Arabian Gulf. In addition to the importance of its geographical position, Saudi Arabia lies at the heart of all Moslem countries since it houses the two Holy Mosques situated in Mecca and Medina. A further factor to account for the importance of Saudi Arabia as a country is the fact that it possesses huge oil reserves which form the main financial resource of the country.

Saudi Arabia is divided into five geographical regions:

1. The Central Region (Najed). This is located in the heart of the country, it includes Riyadh, the capital of the whole country, which is situated in this region and is an administrative and diplomatic centre. Also, this region includes Al-Qasim Province which is considered as the largest farming area in the country.
2. The Western Region (Al-Hijaz). This region is the narrow coastal plain adjacent to the Red Sea. Its width varies, and it extends south from the Gulf of Aqaba to Asir. The main cities in this region are the two Holiest cities of Islam, Mecca and Medina; Jeddah, the main commercial centre and seaport; Taif, a summer resort; and Yanbu, the new industrial city on the Red Sea.
3. The Eastern Region (Al-Hasa). This region lies along the Arabic Gulf and contains the largest oil field in the country. The main cities in this region are: Dammam, which is the main seaport in the Arabian Gulf; Dhahran, which has the headquarters of the Arabian American Oil Company (ARAMCO); Al-Khobar and Hofof; and Jubail, which is the largest industrial city in the country.
4. The Southern Region (Asir). The major cities in this region are: Abah, which is the capital and main summer resort; Najran; Jizan; and Al-Bahah.
5. The Northern Region. This region has frontiers with Jordan and Iraq. The main cities in this region are Tobuk and Arar. This region has the largest percentage of nomads (mainly Bedouin tribesmen) whose numbers were until recently indeterminate (Alhazzaa, 1992).

Figure 3.1

Map of Saudi Arabia



3.2 Climate

Saudi Arabia's climate is one of the hottest in the world. In general, it is hot and dry, but relatively mild in the winter period. Temperatures can reach a high 50°C (129 F). However, because of the size of the country, the climate varies from one region to another. Humidity of 100% is not unusual on the coasts, and overnight temperature variations may be exceedingly high. Annual rainfall is less than 50 mm. on average, except for mountainous areas which receive up to 300mm.

3.3 Population of Saudi Arabia

The last official census, conducted in September 1992, recorded the total population of the Kingdom as being 16,929,294, of which 12,304,835 were Saudis representing 72.7% of the total population. The split between the sexes was 6,211,213 males, representing 50.5% of the total Saudi population, and 6,093,622 females, representing 49.5% of the total Saudi population. Non-Saudis accounted for 4,624,459, which represented 27.3% of the total population, the split being 3,255,328 males and 1,369,131 females (Ministry of Finance and National Economy, Central Department of Statistics, 1993). Table 3.1 shows the population in the Kingdom of Saudi Arabia in 1992.

The annual growth of the Saudi population is 3.2%; this means that in the year 2000 the Saudi population will be 23.1 million.

Table 3.1

Population of Saudi Arabia

Category	Saudi	Non-Saudi	Total
Male	6,211,213	3,255,328	9,466,541
Female	6,093,622	1,369,131	7,462,753
Total	12,304,835	4,624,459	16,929,294

Source: Ministry of Finance and National Economy, Central Department of Statistics (1993).

3.4 Language and Religion in Saudi Arabia

The official language of Saudi Arabia is Arabic. Most correspondence with the government is conducted in Arabic. However, English is also used in the kingdom, most commonly within the business community.

Islam is the religion of the state and people of Saudi Arabia. In fact, Islam in Saudi Arabia is not only a faith, but it embraces almost every aspect of life in Saudi society. The people of the Kingdom are strong believers in Allah (God) and their lives are dominated by His rules which are spelt out in the Koran.

Helms (1981:77) points out that Islam plays a major role in Saudi government. Unlike other religions, it is a system of theology and divine law. Islamic law called the Shari'a is based on the Koran and the Sunnah (the teachings of the Prophet Muhammad).

Moreover, Al-Awaji (1971:53) states that "Islam is the source of political legitimacy, the judicial system and the moral code of the society. Islam is the primary political and social form of reference, on the one hand, it is the formal religion of the State and therefore, its principles are the supreme authority. On the other hand, it is a social and cultural institution whose system of social conduct and spiritual forces penetrates every aspect of Muslim life".

3.5 Business Environment in Saudi Arabia

The dominant work environment before the discovery of oil in the Kingdom of Saudi Arabia was generally based on three main economic activities: pasture, agriculture, and some trade. Employment age for these activities was early, as these kinds of jobs do not require a high level of education nor special training, because of the simplicity of the work (Al-Dakheel, 1995).

However, the picture began to change after the discovery of oil in 1938. During the early years after the discovery, many foreign companies and skilled workers flocked to the Kingdom, especially in areas directly related to the oil industry and other supporting industries.

With the increase in oil production, the Saudi revenue increased from US $4 million 1944 to US $85 million in 1945 (Al-Gaith and Al-Mashooq, 1996). The economy started to flourish and both public and private sector companies became increasingly more active.

With the growth of the economy and social welfare needs of the population, the first development plan for the Kingdom was introduced in 1970. The need for qualified labour to move the development plan forward at the required speed and in the planned direction became more and more pronounced. This resulted in the kingdom opening its doors for a large number of foreign workers, reaching 42.89% of the total work force by the end of the second development plan in 1980 (Kamel, 1995).

King Faisal described this problem in 1965 in the following terms: "Our country, like other developing countries, has its own problems. Our problem is the lack of human resources and this is not an easy problem, for establishing a plant is easier than training people to be qualified to manage it, hence making those who are capable of managing and leading requires some time." (Shalabi, 1980: 65).

All development plans since 1970 have worked towards developing human resources by giving extra attention to education and training. This has helped to fulfil a major part of the Kingdom's needs for human resources to assist its progress. The next section presents brief highlights of the Saudi Development Plans.

3.6 Saudi Development Plans

The development process took its first steps in the Kingdom of Saudi Arabia in 1970, when the national income from oil production sales provided the necessary funds for improving the economic and social state of the nation. In order to direct these development plans to their objectives, the Kingdom has adopted a comprehensive planning strategy beginning in 1970 with the introduction of the first of six development plans, as follows:

First	5 - year plan	1970 – 1975
Second	5 - year plan	1975 – 1980
Third	5 - year plan	1980 – 1985
Fourth	5 - year plan	1985 – 1990
Fifth	5 - year plan	1990 – 1995
Sixth	5 - year plan	1995 – 2000

The long-term strategic objectives of the development plans essentially remain the same till the present day plan. All five-year plans focus on the following main points:

1. Diversifying the economic base and reducing dependence on oil exports.
2. Improving the standard of living of the citizens.

3. Ensuring a steady growth of the economy.
4. Encouraging regional development, by allowing regions total control and management of their resources.
5. Supporting the role of the private sector in the national economy.
6. Developing human resources, through the improvement of education at all levels both quantitatively and qualitatively (Ministry of Planning, 1995).

Within the wide framework of the long-term strategic objectives, each of the plans has its own field to concentrate upon towards achieving the necessary development.

Table 3.2 shows some of the important achievements of the development plans from 1970 to 1994.

Table 3.2

Important achievements of Saudi development plans

(US $ 1 = 3.75 Saudi Riyal)

Field	Achievements
Income and Expenditure	State income from petrol and other sources increased from SR 5.7 billions in 1970 (percentage income from sources other than petrol 9.7%), to SR 169.2 billions in 1993 (percentage income from sources other than petrol 23.2%),
	Government expenditure increased from SR 6.1 billions in 1970 to SR 197.0 billions in 1993.
Petrol	Production of crude oil increased from 3.8 million barrels in 1970 to 8.1 million barrels in 1991.
	Petrol reserves increased from 138.7 billion barrels in 1970 to 261.2 billion barrels in 1991.

Education and Training	Pupils at the primary stage of education increased from 397 thousands in 1970 to 2.2 millions in 1994.
	Pupil numbers in middle and secondary schools increased from 77 thousands to 1262 thousands in 1994.
	Students at universities increased from 7 thousands in 1970 to 170 thousands in 1994.
	Teachers at all levels of public education increased from 23.1 thousands in 1970 to 271.5 thousands in 1994.
	State schools and colleges increased from 3283 in 1970 to 21,284 in 1994.
	Students enrolment in technical school and institutes increased from 840 in 1970 to 29,242 in 1994.
	Graduates of various programmes at the Institute of Public Administration increased from 997 in 1970 to 15,233 in 1994.
Industrial Sector	Factories in public and private sectors increased from 199 factories with around 14 thousand employees and investing SR 2.8 billions in 1970, to 2234 factories with more than 196 thousand employees and investing SR 151.2 billions in 1994.
	Industrial loans from government increased from SR 35 millions in 1970 to SR 1.3 billions in 1994.
Agricultural Sector	Total area used for agriculture increased from 0.5 million hectares in 1970 to 1.4 million hectares in 1993.
	Wheat production increased from 26 thousand tons in 1970 to around 779 thousand tons in 1993.
	Production of chicken meat increased from 7 thousand tons in 1970 to 307 thousand tons in 1994.
	Production of eggs increased from 5 thousand tons in 1970 to 126 thousand tons in 1994.

	Agricultural loans granted by government increased from SR 16.6 millions in 197 to SR 671 millions in 1994.
Properties Sector	Cement production increased from 667 thousand tons in 1970 to 17 million tons in 1994
	Loans given by government to this sector increased from SR 4.1 billions in 1986 to SR 4.8 billions in 1994.

*Sources: Ministry of Planning (1995), Achievements of Development Plans (1970 – 1995).

3.7 Education and Training Systems in Saudi Arabia

3.7.1 Education System

Education in the Kingdom is free at all levels. In addition, there are a number of private schools. The education system in the Kingdom is divided into four levels, Primary, Middle and Secondary and Higher education. Nursery places for children under school age exist for up to two years, but attendance is not compulsory, nor is it a condition for acceptance in the primary schools.

1. Primary Schools

Children enrol at these schools at the age of six. There, they attend six years of schooling before progressing to the next level.

2. Middle Schools

Pupils are transferred to this stage of education after successfully completing primary school. Here, they study for three years before transferring to the next stage.

3. Secondary Schools

After successfully completing middle school, pupils are transferred to secondary schools in which they spend another three years. In the second year, pupils choose between pure sciences or social sciences options, based on their abilities, preferences, and taking into consideration their possible future careers.

4. Higher Education

Finally comes higher education (university level). There are eight universities in the Kingdom: King Saud University, King Abdulaziz University, King Faisal University, King Fahd University of Petroleum and Minerals, King Kalid University, The Islamic University, Umul-Qura University and the University of Imam Muhammad Bin Sa'ood. All these universities teach a variety of pure science and social science subjects. Also there are special colleges for women only, as well as institutions for preparing teachers.

The government offers generous grants to students at this level (SR 1000 per month), in addition to free accommodation to those who come from outside the region of the university. Postgraduate studies (Master and Ph.D. levels) are available at these universities in several fields of study (Alssaloom, 1980).

3.7.2 Training System

The main objectives of training are to improve the efficiency and skills of employees and to give them the practical experience and knowledge necessary for various types of jobs and tasks needed to support the development plans of the Kingdom. This gives the training function special importance as a key element in the development strategy of human resources (Ministry of Planning, 1995).

There are many institutions that offer training in the public and private sectors of the Kingdom. The following is a brief description of these institutions.

3.7.2.1 Training in Public Sector

Al-Abdilqader (1980:233) indicates that within the civil service the training policy of the Kingdom of Saudi Arabia concentrates on:

- Preparing the employee to take a vacant job or a place currently occupied by a foreign worker.
- Improving the efficiency of staff and the managerial environment in public organisations through the betterment of work systems and procedures.
- Preparing staff to follow a new work policy or use new equipment.
- Re-training or preparing those needed to be directed to new jobs due to changes in work circumstances or staff.

The Civil Service Charter states that training is part of the responsibility of the public sector. In Article 79, it emphasises the importance of training and considers it part of a routine responsibility for all organisations, whether it occurs within the hours of work or outside those hours. It also makes it mandatory for all ministries and public

organisations to train their staff each in their field, and to provide leave for the duration of the training course when necessary. The Charter also stipulates that all government organisations must train at least 5% of their staff each year.

There are three main types of institutions for training available for the public sector: the Institute of Public Administration, the Technical Education and Vocational Training Centres, and other training centres available within government organisations.

1. Institute of Public Administration

Until 1961, when this institution was established, there were no formal management training programmes. The introduction of these reflected the formal recognition of the need for training as a necessity for the development of supervisors and managers within the work force (Al-Abdulqader, 1980).

The Institute of Public Administration carries out various training programmes in three major cities in the Kingdom, in the capital city Riyadh, in Jeddah (the main city in the west), and Dammam (the main city in the east). The Institute aims to achieve the following goals:

- To participate in the development and preparation of human resources necessary for the Civil Service in general.
- To provide training capabilities in the fields of industrial and financial management, in order to fulfil the needs of the Kingdom in high calibre manages for both public and private sectors.
- To provide training capabilities before and during service in areas related to general management.
- To provide services and consultancy to public sector organisations in areas of management and organisation (Idris, 1987).

The government sets an annual training plan for public sector staff, which is used as a guideline for institutions to plan their training programmes accordingly. This is usually based on a thorough investigation of training needs, training programmes required, various levels of training, and preparation of those who will undertake the training courses (Al-Qablan, 1992).

Table 3.3 shows the most important training programmes provided by the Institute of Public Administration.

Table 3.3

Training programmes provided by Institute of Public Administration

	Programme	Description
1	High Level Programmes	Aim to develop the skills of high level management in the Kingdom, improve their capabilities through provision of latest developments in management sciences, discuss the managerial problems facing them, and try to resolve them.
2	In-service Training Programmes	Provided for government staff working at all levels of organisations, aiming to develop their skills and improve efficiency, and develop positive attitudes and behaviour at work.
3	Preparatory Programmes	Provided for graduates of middle, secondary schools and universities aiming to prepare job skills for management and related areas. Trainees get a Diploma after completing a particular programme.

4	Special Programmes	Aim to fulfil training needs in specific areas (not provided by other programmes offered by the Institute). Provision depends on needs. They are carried out either before or during service, depending on the government department requesting the training.
5	English Language Courses	Offered to members of staff whose work demands skills in English language. Courses are also offered to candidates intending to complete their studies at universities in English speaking countries.

Source: Al-Qablan (1992).

2. Technical Education and Vocational Training Centres

The General Institution for Technical Education and Vocational Training offers a general industrial preparation through its programmes. These programmes extend for three years after Middle School, with attendance at the Secondary Industrial, Commercial, or Agricultural Institutes. Other programmes can be taken for two years after secondary school education at Technical Colleges. Finally, short training programmes for a period up to 18 months can be taken at the vocational training centres for individuals who leave school early (Chamber of Commerce and Industry, Research Centre, 1985).

Technical colleges offer a very high level of education and training in science and technology. There are six technical colleges in the Kingdom, covering a variety of technical specialities (e.g. mechanical engineering, electrical engineering, motor mechanics, computering, electronics, etc.) (General Organisation for Technical Education and Vocational Training, 1991). In 1998 the number of technical colleges increased to 10 colleges.

3. Training Centres at Ministries and Governmental Organisations

Some ministries and governmental organisations provide special training centres to fulfil their needs in specialised training. For example, the Ministry of Health provides and supervises Health Institutions for men and women in several cities around the Kingdom. Also, there are radio and wireless communication training institutions, and postal service secondary training institutions supervised by the Ministry of Telex, Post and Telephone (Idris, 1987).

3.7.2.2. Training in Private Sector

Article 44 of the Saudi Work and Labour Law states that "All business owners employing 100 or more employees should train at least 5% of the total number of their employees annually".

The private sector usually provides training programmes to employees within the organisation through training centres available at the Chambers of Commerce and Industry, or through private training centres.

1. Training within the organisation

Many large and some medium-size organisations organise their own in-house training programmes for their employees. However, small and some medium-size organisations do not usually have training facilities due to their small number of employees and the high cost of establishing such programmes (Chamber of Commerce and Industry, Research Centre, 1983).

2. Training Centres at Chambers of Commerce and Industry.

Within the 19 chambers of commerce and industry available in the main cities of the Kingdom, there are special training centres to provide training to employees of the private sector. These centres try to achieve several objectives, among which are the following:

- Provide training to employees of Saudi organisations in different managerial areas.
- Increase Saudi managers' awareness of the significance of training.
- Develop and improve the efficiency of human resources working in Saudi organisations, to achieve the global goals of the national development plans.
- Create the necessary conditions for increasing production by all organisations (Chamber of Commerce and Industry, Training and Development Centre, 1995).

However, training at such chambers is not free of charge, and the demand for training far exceeds the supply (Al-Ali, 1997)

3. Private Training Centres

A number of independent training centres offering various training courses have been established in recent years in Saudi Arabia. Their numbers are growing steadily due to increasing demand for their services, particularly by private sector organisations.

3.8 Development of Human Resources in Sixth Development Plan

The Sixth Development Plan (1995-2000) lays great emphasis on the development of national human resources. One of its priority goals is to replace a large proportion of foreign workers by trained Saudi nationals. This is to reduce the Kingdom's dependency on foreign labour. The plan has several objectives that can be summed up in the following points:

1. Primary school education is to be compulsory for all children.
2. All school and other training programmes must undergo continuous evaluation and updating.
3. Industrial education and training are to be promoted and encouraged.
4. Training schemes must be congruent with the actual needs of the economy, with emphasis on quality and level of output.
5. The private sector is to be encouraged to widen specialist training opportunities for Saudi employees at all levels, including supervisory and managerial positions.
6. Efforts will be made so that due attention is paid to training in areas relating to modern technological developments (Ministry of Planning, 1995).

3.9 Private Sector in Saudi Arabia

The economic boom era which began in the 1970s was a strong factor in establishing many private companies in the Kingdom. The Saudi government has ever since strongly supported the growth of the private sector through special deals and incentives. The greatest share of such support was directed toward the industrial, agricultural and building contracts sectors.

1. Industrial Sector

Government support for the industrial sector took the following forms:

- Industrial projects were allowed to obtain industrial estate land at a minimal rate (around SR 1 per 12.5 m^2).
- Services such as electricity, water, fuel, etc. were provided at reduced costs.
- Exemption was given from customs taxation for goods used in production, including equipment, tools, spare parts and raw materials.
- The Saudi Industrial Development Bank provided loans for industrial projects with values up to 50% of the total cost of projects, to be paid back interest-free within 5 to 10 years, starting after one or two years from the commencement of production.
- Exemption from other company taxes.
- Government support for the purchase of national goods rather than foreign goods, even though they may be of lower quality.
- Provision of support for training Saudi employees in companies employing more than 100 Saudi nationals.
- Customs and excise protection, by limiting the quantity of similar goods imported, or higher taxation on imported goods.

2. Agricultural Sector

State support for this sector of the economy was initiated through the following measures:

- Distributing land free of charge for agricultural use.
- Financial support: The Saudi Arab Agricultural Bank offers interest-free loans to finance investment activities.
- Provision of generous subsidies, namely:
- 50% of the cost of pesticides and animal food.
- 30% of the cost of equipment used for farming and dairy production.
- 50% of the cost of water pumps and machinery.
- 100% of cost for the transport of cows by air.

3. Building Contracts Sector

State support in this area was enacted through the following means:

- The building of roads, small and medium-size bridges and buildings are to be the exclusive domain of Saudi contractors.
- All foreign contractors involved in large-scale projects must by law subcontract 30% of their activities to Saudi contractors.
- Up to 50% of the building cost (maximum limit approx. US $2.7 million) for housing and investment estates can be accessed by Saudi entrepreneurs, interest free, through the Building Development Bank (Chamber of Commerce and Industry, Research Centre, 1994).

The private sector capitalised on this favourable environment to increase its role in the economic activities of the Kingdom at all levels. As a result, the number of private sector organisations has grown dramatically. Table 3.4 shows this development. The size of such organisations, and the scale and complexity of their

operations have also increased in order to face the challenges of rising demand in the production of goods and services. Consequently, new machinery and methods of work have been introduced as well as new managerial approaches. The increase in number and size of Saudi organisations has inevitably led to a substantial demand for skilled workforce. To meet this demand, a large number of private sector organisations have had to import qualified foreign workers. Table 3.5 shows the development of the work force in the Saudi private sector.

Table 3.4

Number of private sector organisations in Saudi Arabia (1979, 1985-1991)

Year	Total Number of Organisations x1000
1979	78.8
1985	267.2
1986	283.7
1987	297.3
1988	288.9
1989	309.7
1990	335.7
1991	367.9

Source: Chamber of Commerce and Industry, Research Centre (1994).

Figure 3.2
Development of private organisations in Saudi Arabia (1979, 1985-1991)

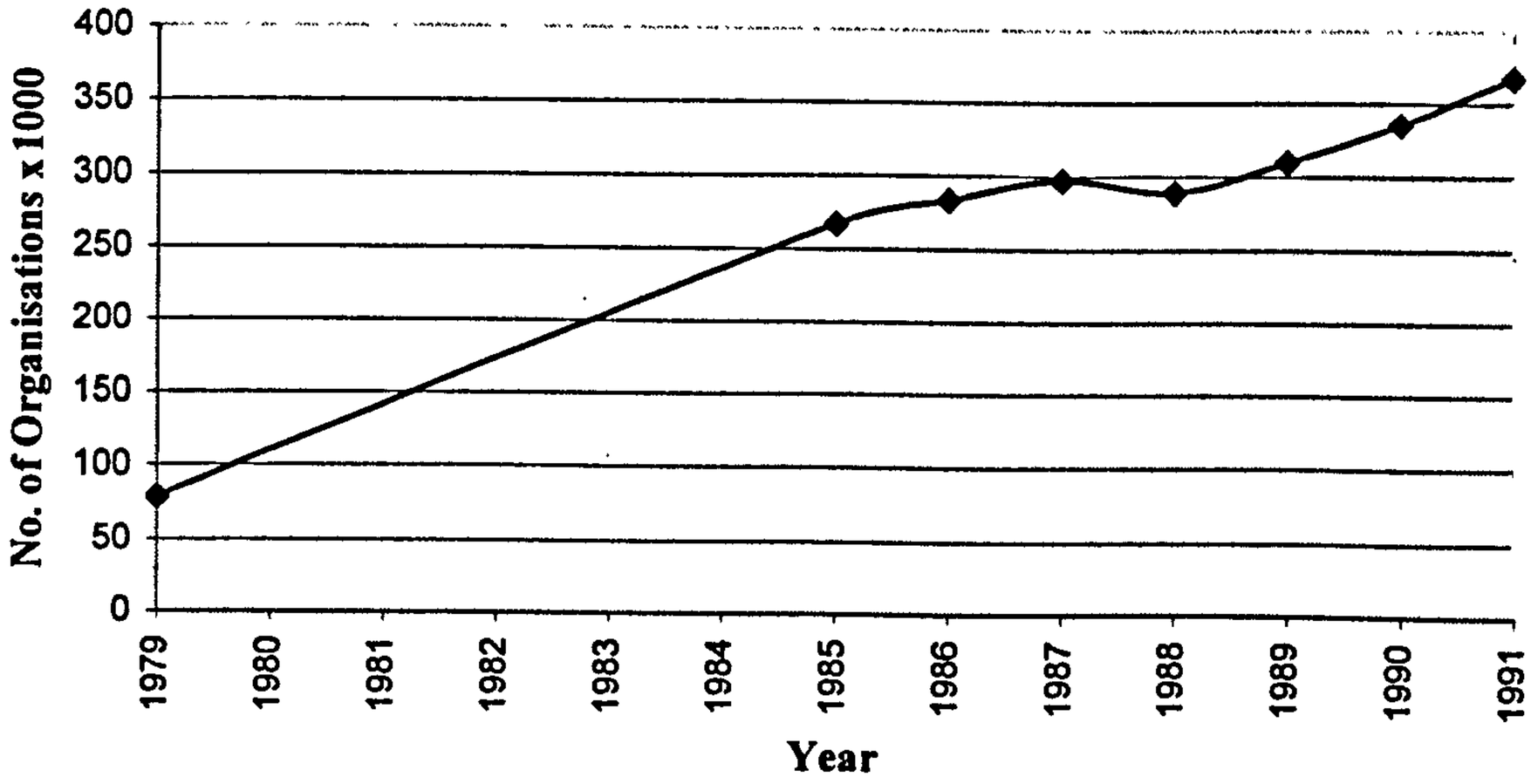


Table 3.5

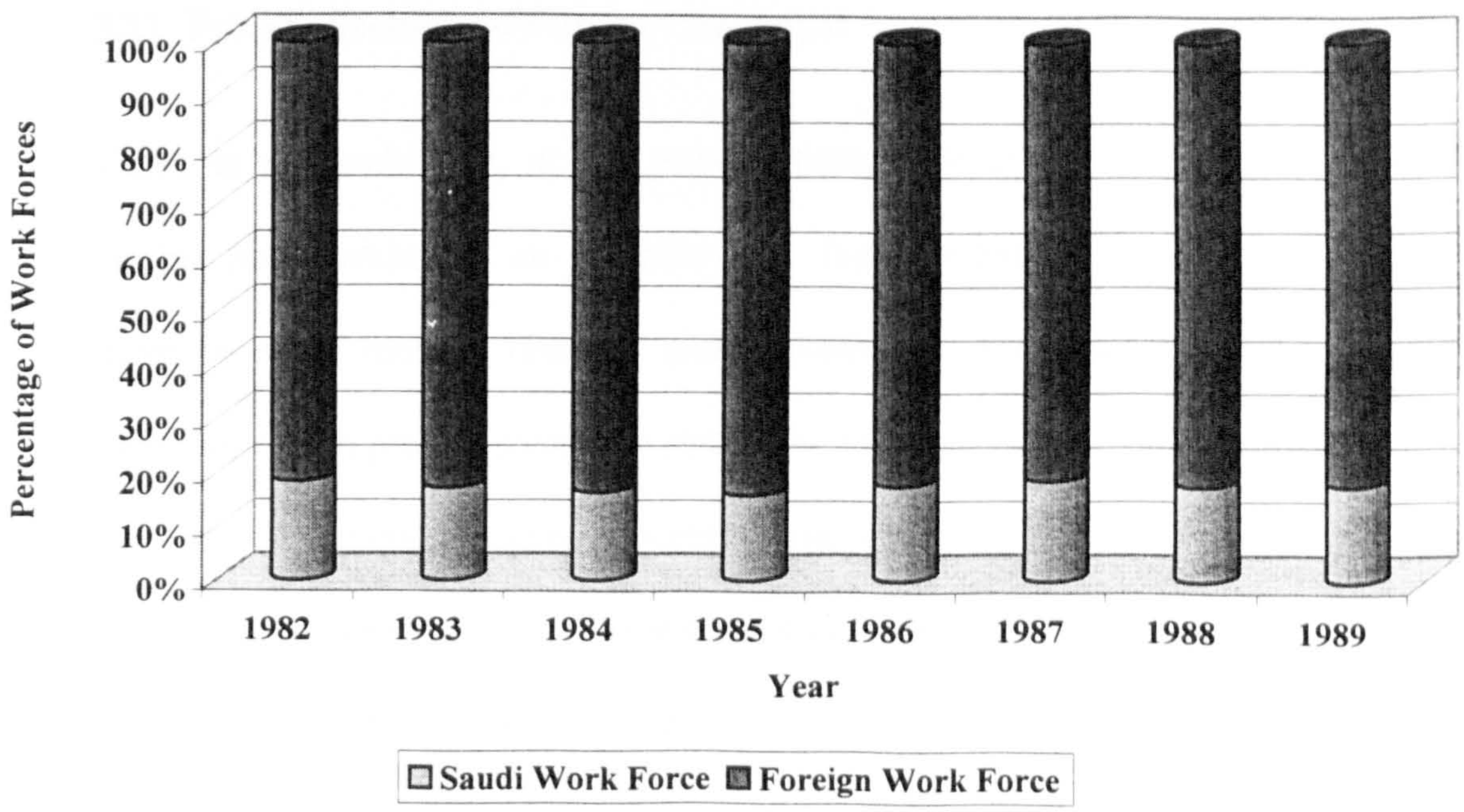
Distribution of national and foreign labour employed by Saudi private sector (1982-1989)

Year	Saudi Labour		Foreign Labour		Total	
	Number	Ratio to Total %	Number	Ratio to Total %	Number	Ratio to Total %
1982	223,187	18.5	982,612	81.5	1,205,799	100
1983	210,171	17.3	1,005,439	82.7	1,215,751	100
1984	230,421	16.6	1,160,962	83.4	1,391,383	100
1985	264,804	16.0	1,389,371	84.0	1,654,175	100
1986	289,188	17.6	1,335,072	82.4	1,618,250	100
1987	289,411	18.8	1,251,587	81.2	1,540,998	100
1988	328,262	17.6	1,536,283	82.4	1,864,545	100
1989	338,572	17.8	1,566,523	82.2	1,905,095	100

Source: Chamber of Commerce and Industry, Research Centre (1994).

Figure 3.3

Development of workforce in Saudi private sector (1982-1989)



3.10 Private Sector in Sixth Development Plan

The Sixth Development Plan (1995-2000) expects the private sector to play a major role in government efforts to build a diversified base for the national economy. It is useful in creating new job opportunities for the Saudi work force, and encouraging private enterprise and investment. Various forms of incentives, including financial, demonstrate the government's determination to involve private organisations in many sectors of the national economy for which it was once solely responsible. The government policy today is that if the private sector is capable of running any particular economic activity that is in the national interest, and it can do it efficiently, then it would happily step out of the way and support it in its endeavour. The policy also encourages investment partnerships with the government, the use of local raw materials and human resources. Thus, some government projects are entirely left for the private sector to carry out, backed by special deals with the government and commercial banks.

3.11 Private Sector and Future Challenges

There is no doubt that, at the present time, private sector organisations in Saudi Arabia are working in an unstable and fast-changing environment, which requires them to make internal changes and adjustments. From an economic point of view, there have been price increases in materials, in wages, and intense competition. These factors drive management to concentrate on improving production efficiency, product quality, and cost reduction. These goals cannot be achieved without adequate training and development of the work force.

The huge advances in modern technology and the increase in knowledge that accompanies them, have brought about an increase in required skills and expertise. Thus, to replace old practices with new ones, training and development of employees has become a necessity for organisations. Indeed, if private organisations are to widen their market potential, improve their products, enhance their services, survive competition, and generally deal with the changing environment successfully, they must develop and update their workforce skills and abilities accordingly.

Private sector organisations in Saudi Arabia currently face a number of significant challenges in the wake of the new millennium. Their resolution can only be achieved through training and development programmes. Among the most important of these challenges are:

3.11.1 Saudisation

Saudisation means replacing the foreign workforce by Saudi employees (Al-Dakheel, 1995:2). The development process initially has necessitated bringing millions of foreign workers to cover for the shortage in human resources and skills in Saudi Arabia. The private sector is a major employer of overseas workers. In 1989 there were more than 1.5 million foreign workers in the Kingdom. As the number of Saudi graduates from universities, colleges, and technical centres increased, it was hoped that dependency on foreign labour would decrease. Unfortunately, this did not quite happen because most private sector companies appear to prefer employing foreign workers to Saudi nationals. This is due to several reasons; according to Baleela (1997), most of all because of the widespread perception among Saudi employers that foreign workers are more productive, less costly, more disciplined, and because they can be recruited selectively, they usually need less training.

This issue of Saudisation is a matter of great concern for the Kingdom. It is a matter that needs to be dealt with because of its powerful impacts on the economy, the security of the state and the citizens, as well as on Saudi society as a whole.

- *Social impact and security:* Saudisation is vital for the protection of society from unemployment and its consequences such as crime and poverty. The presence of a large number of contractual workforce with distinct cultural backgrounds and for whom financial gains is the main concern is also viewed as a burden, and a potential threat to social cohesion. Estimates put the total number of crimes committed by foreigners from 1986 to 1995 at around 163,974 (Ministry of the Interior, 1996).

- *Economic Impact:* The regular transfer of hard currency by foreigners to their families back home is another burden on the national economy. Table 3.6 shows an estimate of the amount of money transferred abroad by foreigners working in Saudi Arabia in the years 1980-1995. As the table shows, the total amount transferred from 1980 to the first half of 1995 amounted to US $133,492 millions (Ministry of the Interior, 1996).

Many Saudi economists think that if this money had been kept within the Kingdom, it would have had a major positive effect on the Saudi economy.

Table 3.6

Estimates of foreign currency transfer by non-Saudi workers outside Kingdom of Saudi Arabia (1980-1995)

Year	Transfer in Million US Dollars
1980	4093
1981	5349
1982	5348
1983	5235
1984	5285
1985	5199
1986	4803
1987	4934
1988	6511
1989	8543
1990	11,237
1991	13,747
1992	13,397
1993	15,717
1994	15,268
First half of 1995	8826
Total	**133,492**

Source: Ministry of the Interior (1996).

The Sixth Development Plan (1995-2000) predicts that the number of Saudi workers is to increase to 659.9 thousands within the period of the plan. Government plans are that such workers ought to be employed in the 340.4 thousand job opportunities that are to become available to Saudis, replacing foreign employees with Saudis in 319.5 thousand places. By law, the private sector is expected to take 95% of this workforce (Ministry of Planning, 1995).

The plan emphasises the importance of Saudisation by the private sector and urges its managers to give opportunities to local people willing to work. To enforce this, in 1996 a Royal communiqué made it mandatory for all organisations employing 20 people or more to increase their Saudi work force by at least 5% of its total work force annually (Baleela, 1997:70).

To implement Saudisation in the private sector forces organisations to observe their training programmes carefully and strive to overcome the shortage of skills within the Saudi work force.

3.11.2 Privatisation

Privatisation has been defined by Waznah (1996:165) as "a process, brought about by a political decision, which involves the transfer of some or all of the responsibility, control and/or ownership from the public sector (in its wider sense) to the private sector". The Sixth Plan (1995-2000) made provisions for private sector organisations to take up governmental projects, meaning that there will be relatively less government involvement in economic activities. This move towards privatisation is intended to increase investment and private sector participation in the economic affairs of the Kingdom. This, in turn, will require a more qualified work force to be able to achieve success in these projects. In this context, the NCB Economist (1996;1) commented, "The coming few years will provide a window of opportunity for the region's private sectors. Private institutions will have the chance to step forward and provide the kind of goods and services that has so far been the domain of the public sector. Those who are willing and able to address the challenge could reap ample returns".

3.11.3 Diversifying Economic Base

Diversifying the economic base of a national economy is an important objective for the achievement of long-term development plans. The Sixth Plan stipulates that the private sector would participate in achieving this objective. To enable it to play this role, the government is determined to strengthen the private sector's potentials and capabilities in order for it to be able to make use of the available opportunities. Thus, special deals and incentives have been offered to it by the government. The long-term aim is to foster the development of a strong, dynamic private sector that will in time be capable to invest in and spearhead productive projects. Without good employee skills, this goal will be difficult to achieve.

3.11.4 Increase in National and International Competition

Zairi (1996:409) states that "Modern competitiveness has to be equated with commitment to quality and the belief in continuously striving for better standards of performance". The strength of organisations will depend to a large extent on their ability to seize the new investment opportunities and successfully operate within a highly competitive environment. The private sector faces national and international competition. The former is represented by an increase in the number of organisations nationally, which means fewer opportunities, while the latter stems from imported goods of high quality and low cost. All these will put pressure on all organisations to make a serious investment in their employee skills through training and development programmes. Finegold and Mason (1997:85) state that "Increased investment in education and training is now widely regarded as a key to success in a global economy characterised by accelerating development

of new technologies and increasing competitive pressures in international product markets".

3.11.5 Rapid Change in Technology

Nowadays, with the rapid change in technology, new tools must be used, old methods must be updated, new materials must be worked with, and marketing requirements and quality standards must be changed. All of these require the development of knowledge, the acquisition of skills, the changing of attitudes, and the development of new habits. This shows the importance and the need for training and development in business and industry. Pantazis (1999:53) indicates that "The sweep of digital technologies and the transformation to a knowledge-based economy have created a robust demand for highly skilled workers". Moreover, Greenhalgh and Mavrotas (1996:131) point out that "rapid rates of technological change, whether in manufacturing or in services, are accompanied by changing skill needs. Firms recruit and train new workers, or retrain existing workers to meet these needs". Finally, Goad (1997:3) states that "The rapid change in technology is one of the greatest challenges facing everyone today, from the top to the bottom of organisations".

3.12 Summary

This chapter has provided some background information on Saudi Arabia and its business environment. It briefly reported on the main strategic objectives and achievements of the six five-year development plans, and outlined the main features and goals of the existing education and training systems in the Kingdom.

Moreover, the chapter revealed that government emphasis on the development of local human resources is now greater than it has ever been and is reflected in the prominence it is given in the latest, sixth development plan.

The final sections of this chapter highlight the government's view of the role of the private sector in the Saudi economy and how it is provided with numerous forms of support, generous incentives and special deals to facilitate its growth and ensure its success. The chapter concludes with a review of the main challenges facing the private sector in the years to come.

CHAPTER FOUR

MANUFACTURING SECTOR IN SAUDI ARABIA

CHAPTER FOUR

MANUFACTURING SECTOR IN SAUDI ARABIA

4.1 Introduction

In the previous chapter, the main features of the business environment in Saudi Arabia were highlighted. Also, the role expected to be played by private sector manufacturing organisations in the national economy was specified. In this chapter, the chief characteristics of the manufacturing sector in question as well as its objectives and general policies will be described. The chapter begins with a historical background and goes on to outline the principal objectives of the manufacturing sector, basic principles of industrial policy of the Kingdom, and a brief overview of the most prominent industrial estates. Next, the chapter focuses on the growth of the industrial sector, its investment sources, and the human resources on which it depends for its survival. Finally, the chapter concludes with a summary of problems and obstacles that face the manufacturing sector in Saudi Arabia.

As mentioned in the preceding chapter, the Kingdom of Saudi Arabia has opted for placing a strong emphasis on the development of a viable industrial sector to secure future prosperity. Such a choice is evident in all its six successive five-year plans (1970-2000). The policy aims to diversify the economic base and reduce dependence on crude oil as the sole source of national income. This strategy is in fact explicitly stated in the Sixth Development Plan (1995-2000): " Successive development plans

have stressed the importance of industrialisation to the achievement of the Kingdom's objectives: to diversify its economic base; to reduce its dependence on the production and export of crude oil; to increase the private sector's participation in the development process; to create new job opportunities; to develop the national manpower resources; and to establish a solid technological base" (Ministry of Planning, 1995:219).

4.2 History of Industrial Development in Saudi Arabia

Thirty-five years ago, the Kingdom of Saudi Arabia possessed no industrial basis to speak of. Technical and industrial skills were scarce and trained human resources were very limited. Government priorities initially concentrated on establishing essential social services and basic utilities which were generally lacking throughout the Kingdom at the time. Such ambitious social programmes absorbed a large part of the financial resources available for several years.

However, as Saudi Arabia began to emerge as a major oil-producing country, revenues from crude oil exports started to generate sufficient capital to finance a national plan of industrialisation. One of the main achievements of this plan was the establishment of the Saudi Basic Industries Corporation (SABIC) in 1976.

The second achievement in this context was the establishment of the "Royal Organisation for Jubail and Yanbu'a" in 1976, giving it the authority to build these two industrial estates. Later they became centres of attraction for industrial investment due to the abundant availability of crude oil and its derivatives and provision of essential services and incentives for building the foundations of industry. In addition to such developments, the Industrial Development Trust was established to help in financing industries through loans. The incentives provided for this sector helped greatly in its development both quantitatively and qualitatively. Hence, the number of productive industries reached 2716 industries in 1997, with a total budget of 212.9 billion Saudi Riyals, and employing 254,233 workers.

It is estimated that the annual industrial growth index for the fifth development plan (1990-1995) was 4.3% and that non-petroleum industrial production was 13.1% (Ministry of Planning, 1995:239).

Domingo Siazon, general manager of industrial development at the United Nations, evaluated the industrial progress in Saudi Arabia in these terms: "The Kingdom of Saudi Arabia is top of all the developing countries in terms of the size of its industrial development. It is now becoming the largest industrial power in the Middle Eastern region" (Khalaf-ullah, 1990:78).

4.3 Objectives of Industrial Development in Saudi Arabia

The development of the Saudi economy has long been linked with the long-term objective to develop a strong national industrial sector. The aim is to diversify the industrial basis of the Kingdom, achieve self-sufficiency economically, and reduce dependency on foreign imports. This is in addition to achieving the linkup between the industrial sector and other economic sectors, increasing the production efficiency of the workers, providing new employment opportunities and increasing the participation of the industrial sector in diversifying exports (Chamber of Commerce and Industry, Research Centre, 1996).

The Saudi Government is convinced that the future of the Saudi economy lies in the development of its industry. Other sectors, such as agriculture and services that could be looked upon as alternatives to lead the process of development for the Kingdom, proved to be less promising than industry. The agricultural sector faces several major obstacles on the way of its development, most particularly the very hot local weather of the Kingdom and the acute shortage in water supplies. Regarding the service sector, it is well known that this sector can not flourish without establishing a merchandise production sector. Trade, transport, communications, financial activities,

and maintenance activities, all depend upon the availability of goods that require those services. In sum, almost all Saudi economists have a united view that the industrial sector is the promising sector that can be depended upon to achieve long-term prosperity in the Kingdom.

The economic policy of Saudi Arabia aims for the diversification of its economic base through a reduction of its dependence on crude oil export revenues. Such is the rationale behind the development of the various industries. The main objectives behind the development of an industrial sector in Saudi Arabia can be summarised in the following points:

1. To increase productivity and quality of home-produced goods at competitive prices locally and internationally.
2. To take full advantage of the many unique opportunities available for industrial development in the Kingdom, such as low cost electricity, and abundance of oil-based raw materials and industrial derivatives.
3. To achieve a balanced regional industrial development.
4. To reduce the industry's dependence on non-Saudi workers through the improvement of skills and industrial training at the work place.
5. To increase the extent of co-operation and integration among the various existing industries.
6. To catch up with modern technology (Saudi Consulting House, 1995).

4.4 Basic Principles of Industrial Policy in Saudi Arabia

One of the basic tenets of Saudi industrial policy is to encourage and widen investment opportunities. The Saudi government issued a statement in 1974 defining the principles of industrial policy followed by the Kingdom to achieve the desired level of industrial development. These are:

1. Widening investment opportunities to finance industries that are likely to contribute to the national income, provide jobs, and diversify the economic base of the country, and thereby improve the standard of living of the individuals and society.
2. Encouraging free competition between the commercial and industrial organisations.
3. The government considers that competition ultimately aims to benefit the consumers, as the best means to encourage private organisations to take on industrial projects which are profitable and capable of absorbing the demands of the market.
4. The government regularly publishes information related to viable projects that can be invested in, to encourage businessmen to choose, carry out and manage feasible industrial projects successfully.
5. Government policy, with regard to large-size industrial projects that cannot be accomplished by the private sector alone, aims to offer wide opportunities for the private sector to participate as much as possible in the execution of such projects (Saudi Consulting House, 1990:53).

The Saudi government provides various incentives for those organisations participating in the development and improvement of the industrial sector (see Section 3.9 for details). In order to promote the growth of the industrial sector, the government has undertaken a number of steps, most important of which are the development of the industrial estates, the establishment of the Royal Institution for Jubail and Yanb'u, the establishment of SABIC company, the Saudi Consulting House, and the Saudi Fund for Industrial Development (Deputy Ministry for Industrial Affairs, 1999).

4.4.1 Industrial Estates in Saudi Arabia

In order to move the industrial wheel forward, the Saudi government helped establish a number of industrial estates and provided them with financial and other essential material backing. These estates allow project organisations willing to enter the industrial field the opportunity to lease land and develop their industries for a minimal annual rent of SR0.08 per square metre (£1=6.5 SR).

The industry in turn benefits the national economy and the public in at least two respects:

1. Laying the foundations for new industries and strengthening the existing ones.
2. Enhancing co-operation and competition between various sections of the industry, both private and public (Saudi Consulting House, 1996).

The industrial estates in question were first established in 1970, beginning with three estates in Riyadh, Jeddah and Dammam. Their number has now increased to eleven, two in Riyadh, two in Jeddah, two in Dammam, and one in each of Mecca, Al-

Qaseem, Al-Ihsa'a, Aseer, Ha'il, and Al-Medina. Such estates were all established outside residential areas for environmental and public health reasons (Ba-Junaid, 1998).

The estates are provided with all the necessary public utilities, such as water, sanitation, electricity, communication grids, and surfaced and lit roads, as well as basic services, such as banks, post offices, police stations, health centres, mosques and civil defence centres.

4.4.2. Royal Institution for Jubail and Yanb'u

The Royal Institution for Jubail and Yanb'u was established in 1976, as an extension to the effort made by the Saudi government in achieving its industrial development plans. The objective behind establishing this institution was to develop the necessary equipment needed for the basic, secondary, supportive and light industries. Jubail and Yanb'u are considered among the most advanced and well developed industrial cities in the world (Saudi Consulting House, 1990). The following are brief descriptions of Jubail and Yanb'u industrial estates.

4.4.2.1 Jubail Industrial Estate

Jubail Industrial Estate is situated on the Eastern coast of the Arabian Peninsula at the heart of the oil production area of the Kingdom. There are around 40,000 people living and working in this estate. It is divided into two areas, residential and industrial. The estate comprises fifteen industries considered among the largest in the

Kingdom. They include an oil refinery, iron and steel industry and five industrial complexes for petrochemicals, and methanol, pesticide, sulphur and gas. These industries, in addition to the secondary, auxiliary and light industries, represent the bedrocks for the comprehensive industrial programme in the Kingdom.

4.4.2.2 Yanb'u Industrial Estate

Yanb'u Industrial Estate is situated in the North East of the Kingdom, near the Red Sea coast. It represents the final station for the 1170 kilometres-long oil and natural liquid gas pipelines which cross the Kingdom from East to West. Because of its situation at the West of the Suez Canal, Yanb'u Industrial Estate has grown into an international centre for the exports of crude oil, refined petrol and petrochemical products.

Yanb'u comprises three large oil refineries and a petrochemical complex, in addition to a number of secondary, auxiliary and light industries.

4.4.3. Saudi Basic Industries Corporation (SABIC)

The Saudi Basic Industries Corporation was established in 1976 to develop and run the basic industries that depend on local hydrocarbon and mineral resources and other integral and auxiliary industries, and to market their products. It has been allocated a budget of 10,000 million Saudi Riyals.

SABIC is today considered one of the fastest growing industrial companies in the world, with its 16 industrial companies applying the most advanced technology

available in the world scene. Most of these industries are partnership projects with other leading international companies. The achievements of SABIC are recognised regionally and internationally with well-established advanced industrial complexes supported by an international marketing network, fulfilling the demands of agents in more than 75 countries around the world in the fields of petrochemical products, chemicals, pesticides, and minerals. It also satisfies the demands in industrial gases for the industrial complexes of Jubail Industrial Estates (Saudi Basic Industries Corporation, 1996).

SABIC consists of 16 industrial complexes and participates in three other industrial complexes in Bahrain. It has a special marketing company called "SABIC Marketing Company", established in 1983 to distribute its various products. This marketing company has business subsidiaries in 18 countries in Europe, North and South America, the Far East, South Eastern Asia and Africa. SABIC Marketing Company is one of the biggest marketing companies in the world and the biggest marketing and industrial business company in the Middle East (Saudi Basic Industries Corporation, 1998:13).

In 1994, SABIC established a research and development unit in Saudi Arabia with an investment budget of SR250 millions (Saudi Basic Industries Corporation, 1995:5). It also opened the first technical centre outside Saudi Arabia, specialised in research and development, in Houston, United States of America (Saudi Basic Industries Corporation, 1998:31). From its establishment, SABIC followed a principle of partnership projects for its industries and chose its partners from among the most successful and most technologically advanced international companies in the world. Clearly, SABIC has contributed enormously to the transfer of modern technology into

the Kingdom. Its concern for the growth of local skills and expertise prompted it to impose a condition upon its partners to train Saudi staff in order to enable them to master and use modern technology and apply it to industry (Saudi Consulting House, 1990). According to the 1998 SABIC Annual Report, there are 15951 staff working for SABIC, among whom 71% are Saudi nationals (Saudi Basic Industries Corporation, 1999:13). SABIC organise training programmes for its employees within the Kingdom and abroad in order to increase their efficiency.

SABIC achieved a net profit of SR2.02 billion, in 1998, that is the equivalent of $537 millions with a decline of 56% from 1997 profits (SR4.6 billion, or $1.23 billion). Figure 4.1 shows net SABIC profits in the years 1993-1998 (Saudi Basic Industries Corporation, 1999:8).

Figure 4.1

Net SABIC profits (in billion SRs) (1993-1998)

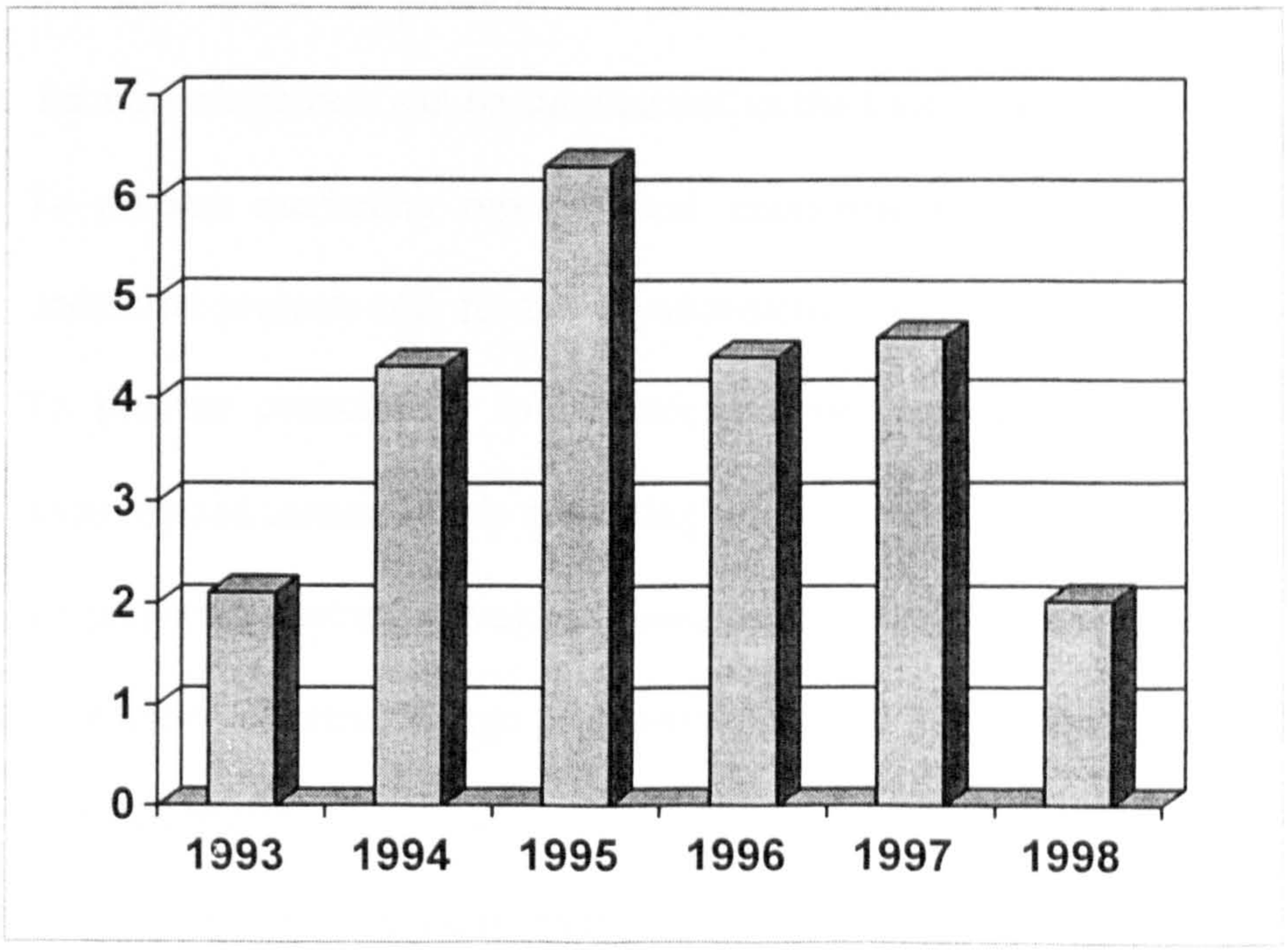


Figure 4.1 shows that SABIC achieved its highest net profit in 1995, amounting to SR6.3 billion, falling to SR4.4 billion in 1996, increasing slightly by 4.5% to reach SR4.6 billion in 1997, and falling again to SR2.2 billions in 1998. Mohamad Al-Mady, former vice-chairman and managing director of SABIC, attributes the fall in net profit to the slump in oil prices in the international market and the knock-on effect on the revenues from basic chemical exports which represent the main activity of SABIC. The reduction in profits is also explained by the increase in international competition which he also attributes to the Asian economic crisis that has reduced the prospects for global economic growth on which the Asian economies had a substantial impact on (Saudi Basic Industries Corporation, 1999).

4.4.4 Saudi Consulting House

The Saudi Consulting House was established in 1979. It is a governmental establishment that aims to promote and facilitate industrial development in the Kingdom. Its main objectives can be summarised in the following points:.

1. To prepare marketing research and economic feasibility studies for new industrial projects and for the advancement of existing ones.
2. To provide consultancy to industries in order to enhance their managerial systems and increase their marketing efficiency.
3. To prepare industrial surveys and analyse various industrial data.
4. To review industrial design proposals presented to the Ministry of Industry and Electricity.
5. To help industries develop, improve or introduce new products.
6. To establish a national industrial database.

7. To identify potentially useful sources of technology worldwide for possible applications in local industries.
8. To promote promising investment opportunities in the industrial field and support investors who seize them (Saudi Consulting House, 1996: 35-36).

4.4.5 Saudi Industrial Development Fund

The Saudi Industrial Development Fund was established in 1974. It is an independent financial organisation entirely funded by the Saudi Government. A capital of SR7,000 million is allocated for this fund. Its purpose is to support and promote industrial development in the private sector of Saudi Arabia through the following means:

1. Providing medium and long-term loans to new industrial organisations.
2. Providing medium and long-term loans to existing industrial organisations to expand their activities, replace or renew their equipment.
3. Providing economic, technical or managerial consultancy to the industrial organisations in the Kingdom (Saudi Consulting House, 1990).

4.5. Development of Industrial Sector in Saudi Arabia

The incentives provided by the Saudi Government have greatly helped in developing the industrial sector qualitatively and quantitatively. The availability of large national oil reserves and abundant revenues generated from its sales have also made it possible to provide the necessary financial backing for the development of this sector. Table

4.1 and Figure 4.2 show a steady growth in the development of industries over the past 15 years. It can be seen in the Table that in less than 10 years, the number of Saudi industries has leapt from 1078 industries in 1982 to 1897 productive industries in 1990, that is, an increase of over 800 new industries. By the end of 1997, the number of industries reached 2716 productive industries in the Kingdom. This means that the number of industries had risen from 1078 in 1982 to 2716 in 1997, i.e. an increase of 160%.

Table 4.1

Development of productive industries in Saudi Arabia (1982-1997)

Year	No. of Industries
1982	1078
1983	1196
1984	1298
1985	1401
1986	1496
1987	1583
1988	1676
1989	1800
1990	1897
1991	2013
1992	2153
1993	2296
1994	2419
1995	2476
1996*1	2688
1997*2	2716

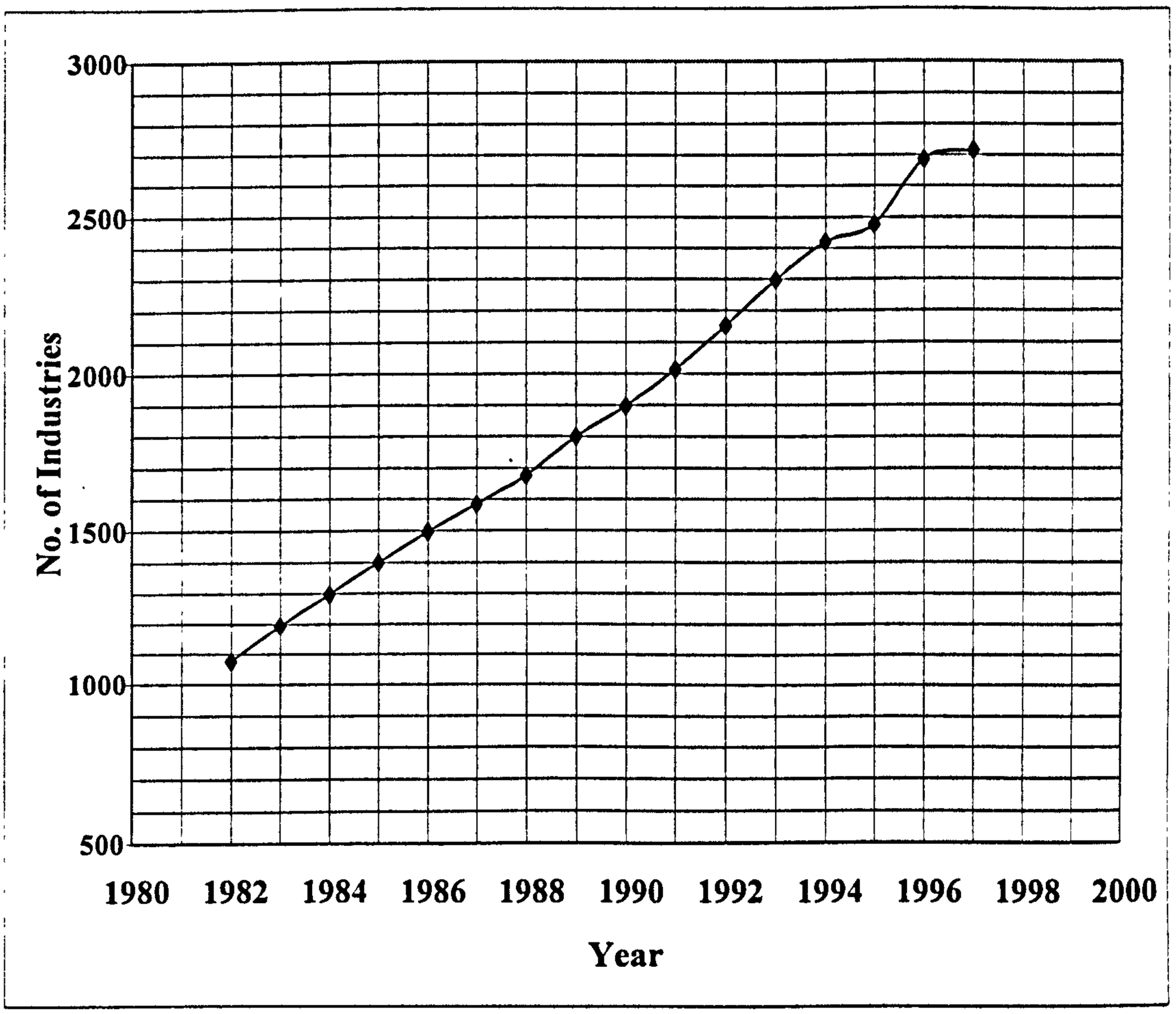
Source: Ministry of Industry and Electricity, Management of Industrial Statistics (1995).

*1 - Ministry of Industry and Electricity, Management of Industrial Statistics (1996).

*2 - Ministry of Industry and Electricity, Management of Industrial Statistics (1997).

Figure 4.2

Development of productive industries in Saudi Arabia (1982-1997)



The latest published Industrial Statistical Bulletin (1997) indicates that the total number of productive industries in Saudi Arabia reached 2716 in 1997, and that the total budget to finance them amounted to SR212.9 billion. Table 4.2 shows the current number of productive industries in Saudi Arabia, categorised by type of activity and showing the respective capital investments for each activity.

Looking at the table, a number of observations can be made:

1. The metal industry comes first on the list in terms of the number of productive industries which total 746 industries. This represents 27.5% of

the total number of productive industries. However, it comes third on the list in terms of its financing, amounting to SR17.9 billion. This represents 8.3% of the total budget invested in the whole industry.

2. The chemical industries and plastics come second on the list numerically, with 523 industries. This represents 19.3% of the total number of productive industries. The total amount of finance allocated to this sector reached over SR141.8 billion. This represents 66.6% of the total budget for all the productive industries. The reason for this is because a large chunk of the investment is absorbed by the giant SABIC and PETROMIN companies.

3. Construction materials manufacture comes third on the list in terms of number of industries, with 496 industries. This represents 18.3% of the total number of productive industries. Their total budget share is over SR24.3 billion. This represents 11.4% of the gross budget for all the productive industries, ranking second on the list in terms of finances.

4. Food industry comes fourth in terms of number of industries, with 431 industries. This represents 15.9% of the total number of productive industries. Total budget share is over SR13.2 billion. This represents 6.2% of the overall budget for all productive industries.

5. The rest of the activities, such as paper, furniture and textile industries come last on the list in terms of number and budget allocation.

Table 4.2

Productive industries in Kingdom of Saudi Arabia by type of activity and capital investment (1997)

Industrial Activity	No. of Industries	Total Finance (in Riyals)
Food stuffs and beverages	431	13,172,096,182
Textiles, wearing apparel & leather	121	3,157,793,00
Wood, wood products, furniture	124	1,809,223,112
Paper products, printing and publishing	178	5,179,336,000
Chemical, petroleum, coal rubber and plastic	523	141,837,121,248
Construction materials, chinaware, ceramic and glass	496	24,315,560,651
Basic metals	13	4,389,101,000
Fabricated metal products, machinery & equipment	746	17,913,417,080
Other various industries	84	1,214,375,000
TOTAL	**2716**	**212,988,023,273**

Source: Ministry of Industry and Electricity, Management of Industrial Statistics (1997).

The latest published Industrial Statistical Bulletin (1997) shows that most Saudi industries (85.5%) are concentrated in three geographical areas. The largest one is in Riyadh, with 929 industries, that is, 34.2% of the total number of industries. Then comes Mecca (which includes Jeddah), second with 738 industries, that is, 27.1% of the total. Finally comes the Eastern region, with 657 industries, i.e. 24.2% of the total number of industries.

As for capital investment, the Eastern region comes first, with SR106.5 billion, representing 50% of the total finance for all productive industries in all regions. Al-Medina Al-Munawara comes second with SR40.9 billion capital investment, representing 19.2% of the total finance for all regions. Mecca comes third with SR34.3 billion capital investment, representing 16.8% of the total finance for all

regions. It is noteworthy that a large proportion of money is invested in both the Eastern and Al-Medina regions. This is due to the presence of Al-Jubayl Industrial Estate in the Eastern region and Yanbu'u Industrial Estate in Al-Medina Al-Munawara.

4.6 Foreign Investment in Industrial Sector in Saudi Arabia

Like many developing countries, Saudi Arabia is keen to attract foreign investments in order to achieve its national development objectives. These are:

1. The transfer and application of new technology.
2. The support and diversification of its industrial base.
3. To provide new employment opportunities and increase efficiency.
4. To acquire advanced management and marketing techniques.
5. To participate in increasing industrial exports (Al-Feryan, 1998).

The Saudi Government, realising the importance of attracting foreign investment, has made special provisions for foreign capital investment in the Kingdom by promulgating the Foreign Capital Investment Act. The act "covers currencies, financial and commercial papers, equipment, machinery, spare parts, raw materials, products, transportation means, patent rights, and trademarks, provided that they are officially recognised". The Act also indicates that foreign investments in the oil and mineral sectors are subject to a special act laid down by the Ministry of Petroleum and Mineral Resources (Committee for Foreign Capital Investment, 1995). To enjoy the concessions stipulated in the Foreign Capital Investment Act, foreign investment should meet three conditions:

1. The planned investment should be a project consistent with the development plan, or projects of similar nature already existing in the Kingdom.
2. It should involve technical expertise.
3. It should obtain an industrial licence from the Ministry of Industry and Electricity, upon recommendation of the Foreign Capital Investment Committee (Al-Feryan, 1998).

Table 4.3 below shows the development of productive industries licensed under the Foreign Capital Investment Act during the period 1982 - 1997.

Table 4.3

Development of productive industries licensed under Foreign Capital Investment Act (1982-1997)

Years	Total No. of Industries	Capital Investment (in billion SRs)
1982	185	17325,40
1983	205	32958,833
1984	224	42397,99
1985	247	72097,40
1986	267	72909,09
1987	283	73384,16
1988	292	73644,83
1989	305	87059,53
1990	317	87633,30
1991	325	87992,80
1992	329	88038,80
1993	337	88351,20
1994	342	88601,84
1995	344	88809,84
1996	362	119,276,70
1997	366	123,200,000

Source: Ministry of Industry and Electricity, Management of Industrial Statistics (1997).

As can be seen in Table 4.3 above, the number of industries under the foreign capital investment plan reached 366 in 1997 with a total investment of SR123.2 billions, and 54,790 staff members. The report also shows that the mineral industries come first on the list in terms of number of industries, with 135 industries, representing 36.8% of the total number. 4.1 billion SRs are invested in such industries, representing 3.3% of the total budget. Chemical and plastic industries come second in terms of number of industries, with 101 industries, representing 27.6% of the total number of industries. The capital investment for these industries is SR108.9 billion, representing 88.4% of the total budget. Hence, chemical and plastic industries take the largest share of the budget due to the presence of SABIC industries. This means that chemical, plastic and mineral industries represent 64.5% of the total industries and absorb approximately 91.7% of the total budget.

4.7 Human Resources in Industrial Sector

As explained earlier in Chapters One and Three, Saudi Arabia faced a significant shortage of labour in the early years of its development as a modern state. This led many industries to bring in foreign workers to cover the shortfall in labour. Although state education gradually reduced the shortage, in the latest industrial survey carried out by the Saudi Consulting House in 1992, it was found that of the total number of workers in the industry, that is 143,673, the number of Saudi employees only amounts to 19,936, that is 13.9% of total workforce in the industrial sector. The rest of the employees (123,737) are non-Saudis, representing 86.1% of the total workforce. The survey also showed that the percentage of Saudi workforce in the ARAMCO refineries is 75.5%. SABIC comes next with a percentage of 60.4%. However, this

percentage of Saudi workforce only represents 7.6% of the total workforce in the whole private industrial sector, most of whom are employed in administration and management jobs. The survey also showed that the concentration of the Saudi workforce in the industrial sector was restricted to the major factories only (Consulting Centre for Investment and Finance, 1994).

The concentration of a relatively large proportion of Saudi workforce in ARAMCO and SABIC can be attributed to several factors, chief of which are the following:

- The commitment to carry out government instructions relative to the Saudisation of employment. This is due to significant government involvement in the capital of those companies.
- The active support provided and incentives to ensure effective training and development of Saudi employees.

As for the shortfall in national workforce in the remaining industries, these are generally attributed to:

- The high cost of Saudi workforce compared to foreign workforce.
- The lack of well-trained, technical Saudi workforce.
- The low technical expertise locally (Consulting Centre for Investment and Finance, 1994).

Al-Ruwaythni (1987) contends that the lack of Saudi workforce in the industrial sector may also be partly due to the lack of interest and unwillingness to work in the industrial business world of many people in Saudi Arabia.

4.7.1 Growth of Workforce in Industrial Sector of Saudi Arabia

As pointed out in Section 4.5, the number of industries in Saudi Arabia has increased from 1078 in 1982 to 2716 in 1997. It is natural that this increase was followed by an increase in the number of employees. Table 4.4 shows the growth in workforce from 1982 to 1997.

Table 4.4

Workforce growth in industrial sector in Saudi Arabia (1982–1997)

Years	Total Number of Employees
1982	122665
1983	133368
1984	145299
1985	155567
1986	163689
1987	168010
1988	174723
1989	183011
1990	189737
1991	197355
1992	204405
1993	213039
1994	221070
1995	224877
1996	251219
1997	254223

Source: Ministry of Industry and Electricity, Management of Industrial Statistics (1997).

Table 4.5 below also shows the distribution of industrial workforce by activity in 1997. It can be noticed from the table that the machine tools and metal manufacturing industry has the biggest stake at 65,163, that is 25.6%, which is the highest percentage. The chemical and plastic products industry comes second with 60,006 employees, that is 23.6% of the total workforce. Building materials, china and glassware industries come third in rank with 44,087 employees, that is 17.4% of the total workforce. In the fourth place come the food and drink industries with 35,675 employees, representing 14% of the total workforce. Textile, clothes and leather industries come fifth with 15,028 employees, that is 5.9% of the total workforce. The remaining four industries have almost the same percentages, with 34,264 employees, that is 13.5% of the total workforce.

Table 4.5

Distribution of workforce by industrial activity (1997)

Type of Activity	Total Number of Employees	%
Fabricated metal products, machinery & equipment	65163	25.6
Chemical, petroleum, coal, rubber and plastic	60006	23.6
Construction materials, chinaware, ceramic and glass	44087	17.4
Food stuffs and beverages	35675	14
Textiles, wearing apparel & leather	15028	5.9
Paper products, printing and publishing	13985	5.5
Wood, wood products, furniture	10395	4.1
Basic metals	3725	1.5
Other Products	6159	2.4
Total	**254223**	**100**

Source: Ministry of Industry and Electricity, Management of Industrial Statistics (1997).

4.8 Problems and Obstacles Facing Industrial Sector in Saudi Arabia

Despite the relative success which the Saudi industrial sector has met in building its infrastructure, the fact remains that it still suffers from a number of severe weaknesses, more particularly problems of poor marketing, still inadequate funding, slow technological transfer, and insufficiently trained national workforce. Al-Dakheel (1994) and Amer (1995) have identified such difficulties and described them in detail. These are now briefly outlined below.

First: Marketing of Industrial Products

The main problem facing the Saudi industry is its inability to sell its manufactured products despite the production power it possesses (tools, equipment, machines, buildings, workforce, etc.). This has a very damaging effect on the industry which has to bear its running costs, whether it is effective in selling its products or not. In addition, local products face strong competition from foreign imports. Despite the support provided by the Saudi government to industries, foreign competition remains an obstacle to the development of Saudi industry. The solution lies in an emphasis on vigorous marketing. However, marketing can involve high costs that some of the industries in Saudi Arabia are either unable or unwilling to pay for.

Second: Industrial Funding

Despite the fact that the Saudi government provides loans for industrial investments of up to 50% of total project costs, private manufacturers claim that they face enormous difficulties and 'red tape' when applying for loans from the Industrial Development Fund. Among those difficulties are the following:

1. The long time it takes for the Fund to agree to the loan.
2. The short repayment period for the loan, which leads to high value settlements, hence negatively affecting the industry currency and financing of production processes.
3. On many occasions, the fund would only agree to loans that are significantly lower than the requested sums. This usually forces businessmen to approach commercial banks to borrow additional money, which creates delays and other difficulties.
4. The inability of many industries to market their products, resulting in a shortage of currency and leading to difficulties in continuing to operate.

Third: Transfer of Technology

Saudi industries depend for their production mainly on technology imported from abroad. However, the process of transfer of technology is made difficult, for various reasons:

- Monopolisation of technological know-how by international companies which impose conditions to protect or forbid the spread of information and expertise.
- The high cost of obtaining the technology.
- The difficulty in testing imported technology, due to the lack of full understanding of its technical and economic impacts.
- Just as difficult is judging it for its suitability to the Saudi environment.
- And finally, companies exporting this technology often fail to provide adequate training to users.

Fourth: Human Resources

The industrial workforce in Saudi Arabia is severely inadequate, both in terms of quantity and quality. There are many reason for this, the most important of which are:

- The exasperating reluctance of the Saudi elite to take an interest and engage in technical and craft-related employment, preferring tertiary and managerial jobs.
- The relative incongruence between the education and training programmes and the needs of the industries in terms of skills and expertise.
- The length of time it takes to prepare and train a sufficient number of recruits.
- The excessive mobility of the workforce and the inability of their employers to offer incentives to retain them, especially when they have gained valuable job experience.
- Non-Saudi workers provide a valuable contribution to industry but at a heavy cost, not only in terms of currency for the Kingdom, but also for the social reasons discussed in Chapter Three. Additionally, few of them remain in the country long enough to provide long-term loyalty and commitment.

4.9 Summary

The preceding outline of the industrial sector in Saudi Arabia demonstrates clearly that the Saudi government is extremely keen to build a strong and competitive industrial infrastructure. This is shown by the exceptionally generous subsidies it offers and the many encouragements and incentives it provides to existing and new industrial projects. The development of the industrial sector in Saudi Arabia has been described as a long-term strategic necessity for the country, particularly in view of the importance of reducing dependence of the national economy on oil sale revenues and the desirability of diversifying its economic base. To achieve this objective the government has taken a number of policy measures, which can be summarised as follows:

1. The establishment of eleven industrial estates and providing them with all the basic necessities and services.
2. The establishment of the Royal Organisation for Jubail and Yanbu'u, which took the initiative to develop highly modern industrial estates both in Jubail and Yanbu'u.
3. The establishment of the SABIC Company, which is presently considered as one of the fastest growing companies in the world, whose net profit reached SR6.3 billion in 1995, and currently employs more than 15,900 employees.
4. The establishment of the Saudi Consulting House with a mission to provide industrial advice ranging from feasibility studies to project plans and various industrial information.
5. The establishment of the Saudi Industrial Development Fund to provide medium and long-term loans to industrial institutions.

As a result of these steps, the number of Saudi industries rose to 2716 in 1997 investing SR212.9 billion and employing 250 thousand workers.

However, it is apparent from the content of this chapter that the industrial sector in Saudi Arabia continues to experience difficulties in securing and keeping adequately trained and committed human resources.

CHAPTER FIVE

RESEARCH METHODOLOGY

CHAPTER FIVE
RESEARCH METHODOLOGY

5.1 Introduction

As was discussed in Chapter One, the objective of this study is to examine the current status of training and development programmes in the Saudi private manufacturing sector, specifically in medium and large-size organisations.

The purpose of this chapter is to present the methodological procedures that were employed to collect the data during the field research conducted in Saudi Arabia. Ghauri *et al* (1995:83) indicate that "research methods refer to the systematic, focused and orderly collection of data for the purpose of obtaining information from it, to solve/answer our research problems or questions". The terms 'method' and 'technique' are differentiated. Jankowicz (1995:172) defines methods as " a systematic and orderly approach taken towards the collection of data so that information can be obtained from those data", while characterising techniques as "particular, step-by-step procedures which you can follow in order to gather data, and analyse them for the information they contain".

The chapter begins with an outline of the principal social research designs available and a justification of the chosen approach for this study. Next, the precise methodology used in this research is discussed by briefly reviewing and comparing the salient strengths and weaknesses of two contrasting orientations to research,

quantitative and qualitative. Details of the data collection tools used are then presented, followed by the limitations of the study. The chapter then addresses the issues of sampling, and identifies the precise sampling strategy and procedures followed to select a suitable sample size for the study.

Attention is next turned to the data collection procedure, starting with details of how the questionnaire was constructed, developed, translated into Arabic, piloted and administered, along with the steps taken to enhance response rates. The nature and purpose of the interviews conducted for this study are also discussed.

Finally, the chapter ends with an indication of the method to be used for the data analysis, and concludes with highlights of the main difficulties encountered by the researcher during fieldwork.

5.2 Research Designs

There are several types of research design available in social research. Researchers are expected to select the most appropriate design for their own research in order to achieve their stated research goals. According to Burns and Bush (1995), every research must define its chosen research design, because without it, there is no clear direction as to what and why data are collected, costs will run high, and the researcher may not be able to solve the problem under investigation. Davis and Cosenza (1985:90) state that "research design can be thought of as the road map for researchers...". Similarly, Nachmias and Nachmias (1996:99) define the purpose of the research design as "the program that guides the investigator in the process of collecting, analysing, and interpreting observations".

Many other definitions of research design have been suggested but, according to Cooper and Schindler (1998), none embraces all the important aspects of the concept. However, Zikmund (1997:49) succinctly defines research design as "a master plan specifying the methods and procedures for collecting and analysing the needed information". In other words, a research design is a framework of the research plan of action. It contains the objective of the study, which is determined during the early stages of the research, the sources of information, the design technique (survey or experiment, for example), the sampling methodology, and the cost of the research, so that the information gathered is appropriate for solving the research problem.

Jankowicz (1995:172) indicates that there are four main research designs:

1. Archival methods, in which you direct your questions at people and at written sources, concerning issues and events in the past in order to understand the

present and predict the future, using either historical review or biographical analysis.

2. The case-study, in which you explore issues both in the present and in the past, as they affect a relatively complete organisational unit (single case study) or group of organisational units (comparative case study), and in which you look to the future by means of the recommendations you make.
3. The survey, in which you direct your questions at a relatively large group of people, in order to explore issues largely in the present.
4. The field experiment, in which you identify the relative importance of one or more variables in situations (and these are limited in business project work).

There are several research approaches in the field of social sciences. According to Sekaran (1992), Ghauri *et al* (1995), and Zikmund (1997), there are three approaches to research: exploratory study, descriptive study and causal study (hypothesis testing).

1. Exploratory research is undertaken when we do not know much about the situation at hand, or when we have no information on how similar problems or research issues have been solved in the past.

2. Descriptive research is undertaken when we try to describe certain characteristics of the phenomena we are interested in knowing about. Cooper and Schindler (1998) and Zikmund (1997:37) indicate that "descriptive research seeks to determine the answers to who, what, when, where and how questions".

3. Causal research (hypothesis testing) is undertaken when we try to explain the nature of certain relationships or the independence of two or more factors in a

situation. Cooper and Schindler (1998) state that a causal study is concerned with learning why one variable produces changes in another.

Given the above definitions, the most appropriate approach for the present research is mainly the descriptive survey. It has been chosen for this study because it will enable the researcher to portray the state of a current situation and existing conditions, with the hope to identify areas where improvements can be made in the future. Sekaran (1992:97) indicates that "descriptive studies that present data in a meaningful form thus help to (1) understand the characteristics of a group in a situation of interest, (2) aid in thinking systematically about aspects in a given situation, (3) offer ideas for further probing and research, and/or (4) help make certain simple decisions". Also, Best (1981:93) points out " A descriptive study describes and interprets what is. It is concerned with conditions or relationships that exist, opinions that are held, processes that are going on, effects that are evident, or trends that are developing". Moreover, according to Isaac and Michael (1974), the purpose of descriptive research is literally "to describe situations or events. It is the accumulation of a data base that is solely descriptive - it does not necessarily seek or explain relationships, or test hypotheses...". Although this study is primarily descriptive, it will however attempt to point out possible relationships and trends in training and development programmes in the private manufacturing sector in Saudi Arabia.

5.3 Methodology Used in this Research

Before defining the methodology used in this research, it is useful to review the two major research methods in social science: quantitative and qualitative.

5.3.1 Quantitative Method

Quantitative research methods are often primarily associated with survey research methods and the two terms are sometimes used interchangeably (Burns and Bush, 1995). Quantitative research has a rich tradition and has contributed a substantial portion of the knowledge in human resource development (Burnett and Holton, 1997).

According to Jankowicz (1995:175), a quantitative approach is characterised by the following features:

- Involving the research in concentrated attention on a limited number of variables and constants which are important to the researcher and which are usually expressed in the language of the investigation.
- A search for the significance of relative proportions, in order to identify what is more important or significant and what is less so in the issue which the researcher is exploring.
- An attempt to understand the ways in which selected factors in a situation are structured or interrelated, in terms of importance or precedence.
- Abstraction from repeated single observations, in which the meaning or significance of data arises from some aggregation, average, range, or comparison, rather than from the individual data points themselves.

5.3.2 Qualitative Method

Qualitative research, in contrast, is usually small scale and aims at eliciting a richness of detail rather than statistical generalisations. It also aims for a detailed description and understanding of the phenomenon under investigation by way of observation and involvement (Aker *et al*, 1995). Hakim (1987) observes that qualitative research tends to be used most heavily in disciplines where the emphasis is on description and explanation (such as psychology, sociology) rather than on prediction (as in economics). A qualitative approach has the following features:

- It depends on a deep familiarisation with a normal or typical real-life situation.
- It involves you in the search for significant themes running through disparate sources.
- It results in a holistic understanding of the situation of the factors involved and how they interrelate, identifying the less obvious issues as well as those which initially grab your attention.
- It demands that you take your informants seriously in their own language, and from their own point of view, suspending your personal and project-related preconceptions while you are gathering data, no matter how legitimate those preconceptions might be.
- It seeks to discover how people understand the situation or issue you are investigating, and how that understanding guides their actions.
- It seeks to develop knowledge by linking the accounts people give to an underlying body of theory (Jankowicz, 1995:175).

Easterby-Smith *et al* (1991) mention the primary techniques that are associated with qualitative methods as interviews, observation, and diary methods.

5.3.3 Choosing Between Quantitative and Qualitative Methods

As maintained by Cooper and Schindler (1998), the choice of research method is not as complicated as it might first appear. By comparing the research objectives with the strengths and weaknesses of each method, the researcher will be able to choose one that is best suited to his/her own needs.

Such a choice is arguably one of the most important and perhaps most debated decisions in connection with the selected research design. As Al-Alwnah (1996) points out, when deciding on which methodology to choose, a researcher must realise that there is no one best methodology, only that some are more or less useful, depending on the nature of the research project. Many other scholars, such as Downey and Ireland (1983), Ghauri *et al* (1995), and Jankowicz (1995), agree with this view, emphasising that the choice of method ultimately depends upon the research problem, the research design, and the purpose of the research.

Simon (1969:4) elaborates this point, stating that "there is never a single, standard, correct method of carrying out a piece of research. Do not wait to start your research until you find out the proper approach, because there are many ways to tackle a problem - some good, some bad, but probably several good ways. There is no single perfect design. A research method for a given problem is not like the solution to a problem in algebra. It is more like a recipe for beef Stroganoff; there is no one best recipe".

This being said, according to Jankowicz (1995) there are several different methods that are commonly used in business and management project work. Choice would vary according to the nature and scope of topic and thesis, the sources of the data used, the purposes of data gathering, and the amount of control the researcher wishes to exercise over them during the analysis.

Both quantitative and qualitative methods have their strengths and weaknesses. These are summarised in Table 5.1 below.

Table 5.1

Strengths and weaknesses of quantitative and qualitative methods

	Quantitative	Qualitative
Strength	• Higher level of accuracy • Provides factual information • Results more significant and focused, both as to information gathered and target audience used • Margin of error can be calculated • Generalisations possible	• Can be cheaper than quantitative if small scale • Can be simpler to undertake • Offers useful overview • Helpful as prelude to quantitative research
Weaknesses	• Slower than qualitative • Not so simple to undertake • Often requires computer analysis facility • Low response rates • Some risk of bias	• Findings more subjective, calling for higher level of interpretative skill • Smaller sample size reducing statistical accuracy levels • Greater chance of bias from respondent and through interpretation • Difficulty to generalise from limited cases

Source: Based on March (1988) and Ghauri *et al* (1995).

In research practice, the distinction between qualitative and quantitative techniques is not always clear. The interview instrument, for example, can be used to gather data in either a quantitative or qualitative way. Similarly, a single piece of data, such as an interview transcript, can be analysed in either way (Easterby-Smith *et al,* 1991).

There is clearly no straightforward decision rule which allows the researcher to choose one method for one set of circumstances, and another method for another set of circumstances. This is because there are many different factors which influence the choice of method, such as the kinds of questions asked, in the sort of environment and the sort of thesis advocated. Not only that, but the researcher often finds himself / herself using more than one method in combination, either because the chosen design calls for it, or because he/she wishes to corroborate the results from one method with the results from another, an approach known as 'triangulation' (Jankowicz, 1995).

Jick (1979), quoted in Demirbag (1994:142), defines triangulation as a combination of methods used to investigate the same phenomenon. Triangulation increases validity, because it ensures that variable variance is attributed to the trait of the subject examined rather than to the method used for investigation. In short, triangulation consists in cross-checking data for internal consistency and external validity, which are matters of concern for this study too.

There are two major advantages to adopting a multiple method approach in the same study, according to Jankowicz (1995). First, he notes different methods can be used for different purposes of the study. Secondly, multiple methods enable triangulation to take place.

This research relied on the descriptive technique for gathering data, using both quantitative and qualitative methods. For the quantitative aspects of the data, a questionnaire was used. For the qualitative aspects, the interview was the most appropriate instrument to use. Both methods were viewed as complementary rather than in competition with each other (Sayer, 1992).

A discussion of both instruments, the questionnaire and the interview, which were used in this study, follows in the next section.

5.4 Data Collection Tools

5.4.1 Questionnaire

Sekaran (1992) defines the questionnaire as a preformatted written set of questions in which respondents record their answers, usually within rather closely defined alternatives. Also, he points out that a questionnaire is an efficient data-collection instrument when the researcher knows exactly what type of information is required and how to measure it.

De Vaus (1996) considers that the questionnaire is probably the most widely used data collection technique. Questionnaires can be completed by the informants and returned to the researcher or administered by interviewers. The questionnaire is a highly structured data collection technique in which respondents are usually asked the same set of questions. For this reason, questionnaires provide a very convenient and efficient way of creating a variable by case matrix for a large sample.

Similarly, Saunders *et al* (1997) regard the questionnaire as one of the most popular data collection techniques among researchers. Because each respondent is asked to answer the same set of questions, they note, it provides an efficient way of collecting responses from a large sample before subjecting them to quantitative analysis.

According to Ackroyd and Hughes (1992), questionnaires tease out quantitative information about how many people, within a specific 'social-cum-geographical area', share certain views or opinions about issues, events or individuals, do certain activities, share the same concerns, etc.

In summary, the objective of any questionnaire is to gather information about a current situation, phenomenon, or practices, and to assess existing attitudes and opinions on the subject under investigation (Lovell and Lawson, 1970). Questionnaires can be sent by post or personally administered. The main advantage of a mail questionnaire is that a wide geographical area can be covered in the survey (Sekaran, 1992). On the other hand, personally administered questionnaires are more suitable for cases where participating organisations are located in proximity to each other and targeted informants can be conveniently assembled in the company's conference (or other) rooms to complete the questionnaires under supervision, to ensure that all questions can be answered (ibid). A good questionnaire must however be characterised by clarity and explicitness. Only then can it produce accurate and relevant information which is suitable for processing by the researcher (Good and Hart, 1952; Oppenheim, 1992).

The questionnaire, like the rest of data collection techniques, has its own advantages and disadvantages. Oppenheim (1992:102) summarised the main advantages and disadvantages of the questionnaire method in comparison to the interview method. The main advantages are:

1. Low cost of data collection.
2. Low cost of process.
3. Avoidance of interviewer bias.
4. Ability to reach respondents who live at widely dispersed addresses or abroad.

The main disadvantages of the questionnaire are:

1. Generally low response rates, and consequent bias.
2. Unsuitability for respondents of poor literacy, for the visually handicapped, the very old or for children below the age of, say ten; often unsuitable for people with language difficulties.
3. No opportunity to correct misunderstandings, or to probe, or to offer explanation or help.
4. No control over the order in which question are answered, no check on incomplete responses, incomplete questionnaires, or the passing-on of questionnaires to others.

5.4.2 Interview

This is perhaps the second most widely used method of data collection. This technique has been described by Wise *et al* (1967) as an interaction in which the interviewer is primarily seeking information and the interviewee is primarily giving it. Maccoby and Maccoby (1954:499) also defined the interview as "an unusual verbal communication process, in which one person, the interviewer, attempts to elicit information or expressions of opinions or belief from another person or persons." Likewise, Hussey *et al* (1997) note that the interview is a method of collecting data in which selected participants are asked questions in order to find out what they do, think or feel.

Researchers are advised to guard against interviewer bias which may influence the respondents by means of facial expression, intonation, by pausing at certain points, by probing with leading questions, or various subtle cues (Oppenheim, 1992). Bias can also creep in through the researcher's subjective tendencies to record data that agree with his/her own personal convictions (Good and Hart, 1952).

Moreover, interviews can be conducted either face-to-face or by telephone. Interviews can be structured, where the interviewer asks each respondent a series of questions which have been carefully constructed, or semi-structured, which involves the interviewer in asking structured questions as well as open-ended ones, in order to get more complete data. Interview questions are usually pre-tested on a number of people to check for ambiguity and make necessary amendments.

In sharp contrast to both structured and semi-structured interviews, the unstructured or informal interview is one in which the interviewer does not follow a rigid interview

structure but works according to a general plan, asking questions within areas of interest rather than specific ones, and allowing the direction of the interview to be flexible (Burroughs, 1971).

As with other methods, there are advantages and disadvantages to the interview in comparison with other techniques. Among the advantages of the interview are the following:

1. Respondents are allowed greater freedom to express themselves, thereby eliciting a rich database.

2. It allows some control over the response rate.

3. It offers greater opportunities for clarifying the purpose of the study more convincingly, to clarify issues and avoid any misunderstandings related to the questions or concepts used.

4. It is a flexible method that allows the interviewer some freedom to adjust or modify the questions to suit the situation. This means that unlike other methods, the interview offers the chance to probe for more information in areas of interest that may emerge during the interview, whereas other methods, such as the questionnaire, for example, are confined to the set questions (Oppenheim, 1992; Robson, 1993).

The disadvantages of using interviews are to some extent a reflection of their advantages. The rich data resulting from unstructured interviews in particular can be extremely difficult to tabulate and analyse, and therefore require skill and patience. Another problem associated with the interview method is the potentially high cost of conducting interviews, especially if the population covered is dispersed

geographically. Interviewing can also be time-consuming and resource intensive from the preparation stage to the conclusion of the process.

5.4.3 Combining Techniques

In this study, both questionnaire and interview instruments have been used. The reason for using both of these tools was to derive the greatest possible amount of information to help realise the objectives of this study. The multiple method approach is recommended by many social researchers such as Sekaran (1992), Jankowicz (1995), and Saunders *et al* (1997). However, for the purpose of this study, the questionnaire is the main instrument used. The researcher designed it so as to extract information from the persons responsible for training and development programmes in the manufacturing organisations in Saudi Arabia. The main objective of the questionnaire was to identify the nature of training and development, to discover how training is implemented, and uncover the problems and obstacles facing training and development programmes in the manufacturing organisations in question (Section 5.7.1 discusses the use of this instrument in detail).

The second instrument used is the interview. The researcher conducted face-to-face semi-structured interviews with 16 top managers in the manufacturing organisations. The main objective of the interview was to discover how top managers in manufacturing organisations look on training and development programmes, whether they are going to increase the amount of training and development programmes to face the future challenges (discussed in Section 3.11), and what problems and obstacles they believe hinder such programmes (Section 5.7.2 discusses the use of this instrument).

5.5 Limitations of Study

As is the case with any research project, there are limitations to the scope and aims of this study. This is due to the nature of the problem and the limited time available for completing it. Thus, this study has the following limitations:

1. The results of this investigation apply only to the manufacturing organisations in the private sector in the Kingdom of Saudi Arabia.
2. The conclusions drawn only apply to medium and large-size manufacturing organisations. In this study, an organisation with 60 to 199 employees is considered a medium-size organisation, and any organisation with 200 employees and over is considered a large-size organisation. This concords with the Saudi Social Insurance categorisation of organisations[1]. Many researchers in Saudi Arabia use this division (e.g. Al-Srian, 1991 and Al-Gaith and Al-Mashooq, 1996).

   The reason for targeting medium and large-size organisations for this study is to ensure that the organisation is large enough to have TD programmes. According to Taylor (1996) and Reid and Barrington (1999), medium and large-size organisations often require the establishment of training and development programmes to provide the specialist service they need.

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[1] Storey (1994) indicates that there is no single definition of a size of organisation, because each country has its own definition, and he gave an example showing that the UK definition is different from other major developed countries' definitions. According to Storey, the European Commission defined the size of organisations as micro-enterprises (0-9 employees), small enterprises (10-99), and medium enterprises (100-499). Moreover, Weiss (1998) states that most definitions of size of organisations focus on number of workers employed in organisations. He defined the size of organisations as micro-organisations (0-9), small-organisations (10-49), medium-organisations (50-99) and large-organisations (above 100 employees). However, since this study is conducted in Saudi Arabia, the researcher prefers to use the Saudi definitions.

Moreover, Sud (1997) states that large organisations often have the capabilities and resources to train their own workers. But a manufacturer with 20 or 30 employees usually lacks the resources for basic training. Also in this context, Chamber of Commerce and Industry, Research Centre (1983) confirms that smaller organisations do not usually have training centres due to the small number of employees and the high cost of establishing special training centres.

3. Participant organisations are selected from the population sample of industrial organisations that are registered at the Ministry of Industry and Electricity in the Kingdom of Saudi Arabia. This criterion was used because to make sense of the analysis, the firm must have manufacturing activities. Moreover, this criterion was also chosen to ensure that the sample consisted of medium and large-size organisations whose activities are mainly in manufacturing.

5.6 Population and Sample

The target population of this study consists of all large and medium-size manufacturing organisations located in Saudi Arabia. Sekaran (1992) states that population refers to the entire group of items of interest that the researcher wishes to investigate. The term refers to all members in the group that happen to be the focus of the study.

Sampling, as defined by Zikmund (1997:413), is "the process of using a small number of items or parts of a whole population to make conclusions regarding the whole population". Likewise, Sudman (1976:11) describes it as "the process of selecting a

sufficient number of items from the population so that by studying the sample, and understanding the properties or characteristics of the sample subjects, we will be able to generalise the properties or characteristics to the population elements".

Sampling is a necessary and valuable technique for conducting scientific research. A survey based on a sample, rather than a census, is a more realistic and achievable goal, especially when there are constraints of time, cost, access and effort involved. Properly conducted, the results from such studies can be taken to be a valid and reliable reflection of the characteristics of the whole population they represent (Black, 1994; Ghauri *et al* 1995; Bouma and Atkinson, 1995; Bryman and Cramer, 1997; Zikmund, 1997). Moreover, some researchers such as Saunders *et al* (1997:125) argue that the use of sampling in research "enables a higher overall accuracy than does a census", essentially because more time, energy and resources can be concentrated on studying fewer cases in greater detail.

5.6.1 Selecting Sampling Strategy

According to Hussey and Hussey (1997), an efficient sampling design is one that yields results from the sample that can be taken to be true for the whole population; in other words, one that will allow generalisations to be made from the results. The decision to sample involves a significant number of judgements and choice decisions to be made by the researcher. Resource constraints often dictate many of the crucial decisions which are made about whom to study and how to sample in order to ensure that the study will meet its stated objectives (Davis and Cosenza, 1985).

Zikmund (1997) also points out that a researcher who must make a decision concerning the most appropriate sample design for a specific project will identify a

number of sampling criteria and evaluate the relative importance of each criterion before selecting a sampling design. The most common criteria are accuracy requirements, resources available, time constraints, knowledge availability, and analytical requirements.

Stratified random sampling was used for this study to ensure representativeness of the sample and for generalisability. Sekaran (1992:233) mentions that "stratified random sampling involves stratifying the elements along meaningful lines and taking a proportionate or disproportionate sample from the strata. This sampling design is more efficient than the simple random sampling design because, for the same sample size, we get more representativeness from each important segment of the population and obtain more valuable and differentiated information with respect to each group." Moreover, Zikmund (1997) indicates that stratified sampling is a probability sampling procedure in which subsamples are drawn from samples within different strata that are more or less equal on some characteristic.

The precise sampling strategy chosen by the researcher is 'disproportionate stratified random sampling'. A disproportionate stratified sample is a stratified sample in which the sample size for each stratum is allocated according to analytical considerations (Zikmund, 1997).

The process of probability sampling is divided by Saunders *et al* (1997) into three main stages:

- Identifying a suitable sampling frame.
- Deciding on a suitable sample size.
- Selecting the most suitable technique and sample.

Identifying suitable sampling frame

A published directory listing all the names of manufacturing organisations in Saudi Arabia was used as a basis for compiling a sampling frame. The population total (medium and large-size organisations) is 868 organisations (Ministry of Industry and Electricity, 1997).

Deciding on suitable sample size

Because response rates generally tend to be low, especially with postal questionnaires, a target of 35 per cent (304 units) has been chosen as a suitable sample size. Many scholars such as Ghauri *et al* (1995), Hussey and Hussey (1997), and Saunders *et al* (1997:127-8), consider that "the larger the sample size, the lower the likely error in generalising to the population"

Roscoe (1975) suggested that sample sizes larger than 30 are appropriate for any research. Also, he indicated that where a sample is to be broken into subsamples, a minimum sample size of 30 for each category is necessary. According to Ghauri *et al* (1995), there is no lower limit to the size of a sample that can be useful. A sample of, say, 100 can often give interesting and valuable results.

Sekaran (1992) and Saunders *et al* (1997) state that researchers normally work to a 95 per cent level of certainty. The authors provide a table for the sample sizes required for different population sizes at the 95 per cent level of certainty. In this table, when the population is 850, the sample size is 265; and when the population is 900, the sample size is 269; and even when the population is 1000, the sample size is 278. In this study, the population is 868, and the sample size is 378.

Selecting most appropriate sampling technique and sample

As already argued, stratified random sampling is the chosen sampling strategy. The decision to stratify the sample is based on knowledge of the composition of the population frame, which can be broken down into two categories: medium-sized organisations (60-199 employees): 656, and large-sized organisations (200 and over employees): 212.

Proportional stratification is clearly not suitable in this case, due to the disproportionately large number of medium-sized organisations compared to the large-sized ones, which could result in a biased sample. A disproportional stratified sample will however ensure that an adequate number of sample units from both strata is included in the sample. Saunders *et al* (1997:138) suggest that "in some instances the relative sizes of different strata mean that in order to have sufficient data for analysis you need to select larger samples from the strata with smaller populations." Because there are fewer large-size organisations (212) than medium-size (656), the researcher decided to double the sample size for the large-size organisations. Thus, a target 35 per cent has been chosen as a sample size for the medium-size organisations (230 units), and a target 70 per cent for the large-size organisations (148 units). Sampling in this way, that is, more heavily in the large organisation category than its relative population warrants, is not a problem according to Zikmund (1997:434), because "the primary purpose of the research is to estimate some characteristic separately from each stratum".

Grouping together all organisations under 'large' or 'medium' size is a first step in the stratification process. Next, the sample for medium and large-size organisations was randomly selected from the table of random sampling numbers, each organisation having an equal probability of being included. Table 5.2 shows the total population and sample sizes used in this study.

Table 5.2

Total population and target sample sizes for this study

Size of Organisations	Population *N*	Sample Size	Sample n
Medium-size	656	35%	230
Large-Size	212	70%	148
Total	**868**	**44%**	**378**

5.7 Data Collection Procedures

The process of data collection started in July 1998, soon after the researcher obtained permission from the Saudi Education Mission in London to begin the field study.

This action was taken after the researcher's supervisor had sent a letter to them that he was ready to start his field study.

In this section, the two methods that were used for this study, questionnaire and interview, will be discussed.

5.7.1 Construction of Questionnaire

The main objective of the questionnaire was to gather data that would enable the researcher to answer the research questions addressed by this study. The questionnaire was designed to extract information from the persons responsible for training and development programmes in the manufacturing organisations in both large and medium-size organisations. The procedure of construction was as follows:

5.7.1.1 Developing Questionnaire

The first step in developing the questionnaire started with a review of the literature and a number of questionnaires used in previous related studies. Some of the items for the first draft of the questionnaire were selected on the basis of their clarity and relevance from a number of different studies (e.g. Christiananta, 1986; Jaaffer, 1990; Al-Handy, 1993; Des Reis, 1993; Zubi, 1994; Abu-Doleh, 1996; Al-Qahtany, 1996). The researcher made changes to adapt the questions to the Saudi training and development context.

Once the first draft of the questionnaire was completed, copies were distributed to selected staff members and a group of Ph.D. students who are specialists in the field

of human resources in the Management Centre of the University of Bradford*. The purpose of this step was to make sure that the questionnaire covered all the important aspects and would answer the research questions. Some changes were made as a result of comments and suggestions offered. Also, some questions were added, and others were deleted.

Following this, the researcher gave copies of the second draft to another group of staff and a number of postgraduate Arab students*. The objective of this step was to invite them to evaluate the questionnaire by answering the following questions:

1. Is the questionnaire clear?
2. It is easy to understand all the questions?
3. Are the scales easy to complete and meaningful?
4. Is the questionnaire too long?
5. Are any parts of the questionnaire repetitive?
6. Is the layout of the questionnaire adequate?
7. Are there any comments or suggestions that you wish to add?

Finally, the researcher gave copies of the questionnaire to two members of the staff in the Management Centre who are experts in SPSS (Statistical Package for the Social Sciences)*. The objective of this step was to ensure that analysis of all the questions would be possible through the SPSS package, since the researcher had decided to use this software.

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5.7.1.2 Translation of Questionnaire

Once the questionnaire design had been evaluated by a number of staff and Ph.D. students, and provisionally approved by the researcher's supervisor, it was necessary to translate it into Arabic. This is because the population of this study are speakers of Arabic, and many of them may not understand English sufficiently for the questionnaire to be administered in English.

Translation of the questionnaire from English into Arabic is a very important step. It is in fact a delicate issue in cross-cultural methodology. Bulmer and Warwick (1993) have discussed this problem in relation to developing societies. They stressed that great care must be taken in rendering a questionnaire from one language into another, so that the translation does not affect its concepts and meaning. 'Back-translation' technique, they suggest, can iron-out errors and distortions. "The interview (questionnaire) schedule is thus first translated from the original language to the local language. It is then translated independently by another translator back from the local language into the original language. The result is then compared with the original version to identify and correct semantic errors in translation" (p.152).

Similarly, Iyenger (1993:174) suggests that " validity thus requires that questions in one language be translated into another language in each way so as to retain their meaning". Validity is therefore determined simply by the accuracy of the translation. Accordingly, and to ensure uniformity, the questionnaire was first translated into Arabic by the researcher, then it was given to two expert translators to check the translation. Subsequently, the researcher gave the Arabic questionnaire to two other

expert translators to render the Arabic questionnaire into English. In the final step of this phase, the researcher submitted both the English and Arabic questionnaires to a professor in the Department of Management and Marketing at King Fahd University of Petroleum and Minerals. The person in question is acknowledged as an authority in business administration vocabulary, therefore his evaluation and comments were deemed valuable. The aim of this step was to ensure that changing the language of the instruments did not affect the concepts and meanings of the questions.

5.7.1.3 Pilot Testing

Pilot testing is one of the most important steps in any research. Litwin (1995) and Saunders *et al* (1997) recommend that a questionnaire should be pilot tested before administering it definitively. The purpose of the pilot test is to refine the questionnaire, and remove any left-over difficulties so that it is perfectly intelligible and suitable for collecting the desired data. Piloting also enables the researcher to obtain some assessment of the questions' validity and the reliability for the data collected. De Vaus (1996:54) advises that "it is wise to assess the reliability and validity of indicators before carrying out the actual study. This is called pilot testing and is done by administering the questions to a similar but smaller sample to that to be used in the actual study".

Henerson *et al* (1978) state that there are three objectives behind pilot testing:

1. To ensure clarity of the questionnaires.
2. To estimate the initial reliability and validity of the questionnaires.
3. To eliminate items that do not help to discriminate between subjects.

Accordingly, to ensure that the data obtained from the questionnaire are valid and reliable, the researcher conducted a pilot study in Saudi Arabia. Bell (1993) and De Vaus (1996) advise that, ideally, the pilot questionnaire should be sent to people who are similar to the selected sample. The number of organisations involved (16) was compatible with Fink's (1995) minimum recommended number for piloting (10). The opportunity was also taken by the researcher to check that all important aspects of the questionnaire had been covered by asking all 16 organisations if there were any questions they believed to be important that had not been included. Hence, the following questions were asked in the pilot study:

- How long did the questionnaire take you to complete?
- Are the instructions clear enough?
- Which, if any, questions are unclear or ambiguous?
- Which, if any, questions did you feel uneasy about answering?
- Are there, in your opinion, any significant topic omissions?
- Will you please add any comments or suggestions?

On completion of the pilot study phase, the researcher decided to add one question to the questionnaire (No. 25, Appendix A), as a direct result of the suggestions and observations made by the participants.

5.7.1.4 Postal Questionnaire

On Thursday, 10 September 1998, the researcher posted the questionnaires to the 378 sample organisations. The intention was to time the posting of the questionnaires so

that it would arrive by the beginning of the week, since the weekend starts on Thursday afternoon for most private organisations in Saudi Arabia. According to Saunders *et al* (1997), postal surveys should reach the recipients when they are likely to be receptive. The authors observe that for most organisations, weekends and days surrounding major public holidays have been shown to be poor timing.

Each questionnaire envelope included the following items:

- Covering letter containing the researcher's particulars, purpose of the questionnaire, promise that answers would be confidential to encourage participation, offer to send a copy of the findings after completion of the study, request to provide address and telephone/fax number in case they are needed for further clarification.
- Small pink slip asking participants if they would like to answer the questionnaire in English, in case the person responsible for training and development programmes does not speak Arabic.
- Letter from the head of public relations, Ministry of Industry and Electricity, asking all industrial organisations to assist the researcher in collecting the information needed for the study.
- Letter from the researcher's supervisor requesting organisations to help the researcher and emphasising his academic purpose.
- Two stamped, addressed envelopes, one large for returning the completed questionnaire, and a small one for requests for a copy of the results. Questionnaire and requests for a copy of the research results were kept separate to preserve complete anonymity both for the person filling the questionnaire and the organisation.

The questionnaire was divided into six sections and begins with background questions about the participating organisations and the persons responsible for training and development programmes. The reason for starting with this section is because it is easy to complete and does not contain sensitive questions. According to Clover and Balsley (1984) and Bell (1993) it is preferable for questionnaires to begin with the more straightforward easy-to-complete questions and then move on to the more complex topics. Likewise, Saunders *et al* (1997) state that complex questions and topics are best placed in the middle of the questionnaire, when the respondents feels more confident and co-operative in completing the questionnaire.

The questionnaire contains 64 questions eliciting:

1. Information about the manufacturing organisations (10 questions), and personal information about the person responsible for training and development (8 questions).
2. Training and development: plan and policy (12 questions).
3. Training and development budget (8 questions).
4. Information related to how training and development is implemented. This section includes three parts: training needs assessment (8 questions), training methods (8 questions), and training evaluation (5 questions).
5. Problems and obstacles that impede the implementation of training and development programmes (3 questions).
6. Future challenges that may increase the need for training and development (1 question).

5.7.1.5 Response Rates

The research literature often underlines that the biggest problem with mail questionnaires is the low rate of response. Bourque and Fielder (1995) observe that this is the most serious and most mentioned drawback associated with mail questionnaires. A 20% response rate is probably the best you can expect from a sample of the general community, particularly if no incentives are incorporated.

In view of the fact that response rates from self-administered questionnaires can be as low as 10 per cent (Williamson *et al.*, 1977), a fact supported by the experience of several social science researchers who used this technique, the researcher, as indicated earlier, had enlarged his sample so that in the event of a low response rate, the number of responses received would still be reasonably high.

Babbie (1991:182) points out that " a response rate of at least 50 per cent is generally considered adequate for analysis and reporting. A response rate of at least 60 per cent is considered good, and a response rate of 70 per cent or more is very good". Also Zikmund (1997:247) quotes Erdos (1970), who states "no mail survey can be considered reliable unless it has a minimum of 50 per cent response, or unless it demonstrates with some form of verification that the non-respondents are similar to the respondents".

The researcher took several measures to improve the response rate. Follow-up communication is the main tactic to increase the response rate. According to Berdie *et al* (1986:58) follow-ups are an essential phase of any mail questionnaire study. They consider that the use of follow-ups or reminders, is undoubtedly "the most

potent technique yet discovered for increasing the response rate". Also, Cooper and Schindler (1998) state that follow-ups, or reminders, are very successful in increasing response rates. Moreover, Bailey (1978) cites evidence suggesting that response rates may be increased by as much as 20 to 30 per cent over those expected when no follow-up is involved.

Accordingly, the researcher carried out three follow-ups to increase the response rate. The first follow-up took place 14 days after the questionnaire was first sent. This involved sending letters to 265 organisations. The second follow-up took place 17 days after the first follow-up. Phone call and fax messages were sent to 189 organisations reminding them to complete and send the questionnaire and offering to send them another copy of the questionnaire if they wished. 21 organisations subsequently requested another questionnaire. The third follow-up was carried out after 11 days from the second follow-up. This final reminder was sent by registered mail to 164 organisations, urging them to assist the researcher in his fieldwork which was about to conclude very shortly. The offer to send another copy of the questionnaire was yet again repeated. 9 organisations eventually did request another questionnaire. Each time a follow-up was sent, the researcher made sure that it would arrive by the beginning of the week. Table 5.2 summarises the three follow-ups and questionnaire returns.

Table 5.3

Follow-ups and questionnaire returns

Responses	Number of Organisations	Percent of Sample
First mailing	378	100%
First follow-up reminder (by mail)	265	70.1%
Second follow-up reminder (by phone and fax)	189	50%
Third follow-up reminder (by registered mail)	165	43.7%

As explained in the sampling procedures (Section 5.7), the researcher distributed 378 questionnaires to 378 organisations. A total of 237 questionnaires were returned, representing a 62.7 % response rate for this study. This can be considered a high response rate. According to Owen and Junes (1990), for postal surveys, a response rate of approximately 30 per cent is reasonable. Saunders *et al* (1997:131) also observe, "Our examination of response rates to recent business surveys reveals rates as low as 15 to 20 per cent for postal surveys". Factors such as three follow-ups, reminders, good questionnaire design and printing, and inclusion of stamped envelopes, possibly explain the good response rate obtained. According to Jobber and

O'Reilly (1998), "There does appear to be a tendency for stamped return envelopes to result in higher returns than business reply envelopes". An additional reason for the high response can be attributed to the considerable interest shown for the research topic by the participating organisations. Positive feedback was expressed during the pilot study and the second follow-up, when the researcher contacted some organisations by phone. This was also reflected in their written comments and suggestions in the questionnaire and their insistence on receiving a copy of the findings (96.2% of the returned questionnaires).

The major reasons for the non-responses were explained to the researcher as being due to the fact that the persons responsible for training and development programmes were very busy, or they had gone on holiday when the questionnaires were distributed.

Once the questionnaires had been received, the researcher checked them for non-responses and/or incomplete answers. 11 questionnaires, 8 from medium-size organisations and 3 from large-size organisations, were excluded for being incomplete or for having unusable responses. Thus, a total of 226 questionnaires were considered usable for this study. This dropped the response rate from 62.7% to a 59.8% usable completion rate. Of this response rate, 57.4% represented responses of medium-size organisations (132 questionnaires from 230), and 63.5% represented the responses of the large-size organisations (94 questionnaires from 148). Table 5.2 shows the number of questionnaires distributed, the number of usable questionnaires that were returned, and the response rate for both medium and large-size organisations.

Table 5.4

Response rates by size of organisation

Size of Organisation	Number of Questionnaires Distributed	Number of Questionnaires Returned	Response Rate
Medium-Size	230	132	57.4%
Large-Size	148	94	63.5%
Total	**378**	**226**	**59.8%**

5.7.2 Research Interview

Research interviews took place in Saudi Arabia during the field work period. The researcher conducted semi-structured face-to-face interviews with top managers of 16 manufacturing organisations. The duration of each interview varied from 30 to 75 minutes, depending on the depth and requirements of the discussions.

However, since the interviews were semi-structured, some questions were added during the interview; a degree of flexibility was essential to exploit emerging issues fully, particularly when the managers were keen on discussing them. The major reason for these interviews was to see how top managers of manufacturing organisations look on training and development programmes, and to appreciate what kind of problems and obstacles such programmes face.

The interview procedure was very similar to that of the questionnaire. Thus, the researcher initiated the interviews by:

- Introducing himself and giving details about himself, the university of origin, etc.
- Presenting his identity card at the beginning of the visit.
- Describing the purpose of the study.
- Offering to send a copy of the findings when the research is completed, if requested; this gesture was intended to encourage the respondents to answer all the questions in full, and as a way of thanking them.
- Emphasising to the respondents that all the information would be handled confidentially and for research use only, promising complete anonymity for respondents and their organisations.

5.8 Data Analysis

As discussed in Section 5.4.3, two instruments have been used to achieve the objectives of this study; these are the semi-structured interview and the questionnaire. In the next chapter, the findings from the interview instrument will be presented. Descriptive statistical techniques, namely frequencies, were used due to the nature of the data, and because of the small number of interviews with top managers (16). As for the questionnaire instrument, the Statistical Package for the Social Sciences (SPSS) was used to analyse the data. SPSS is most commonly used in social sciences research for the variety of statistical programmes it contains. According to Allan and Skinner (1991), SPSS is a widely used package, and is very useful for the routine management and analysis of survey data. The PC version is particularly easy to use. One of its advantages is that it can cope with most kinds of data. However, the raw data have been transformed through the use of a coding process for use with SPSS. Descriptive statistical techniques such as frequencies, percentages and cross-tabulations have been used. To test the difference between the two sizes of organisation, both parametric and non-parametric tests have been used. The parametric t-test was used for the numerical (interval) data, while the non-parametric test using both Chi-square for nominal data and Mann-Whitney U test for ordinal data have been used. Bryman and Cramer (1997), Cramer (1998) and Kinnear and Gray (1999) discuss the different tests for comparing the averages of two or more samples, and they point out that with two independent samples, which is the case for this study, for interval data t-test should be used, while for ordinal data Mann-Whitney test is more appropriate. Finally, the authors indicate that for nominal data the Chi-square test should be used.

The logistic regression model has also been used to find out the kind of factors (the independent variables) that affect some important dependent variables related to the characteristics of training and development. These dependent variables are: (1) training and development department, (2) training and development planning, (3) training and development budget, (4) training need assessment, (5) off-the-job training, and (5) training evaluation. In Chapter Eight (Section 8.2), the purposes of, and reasons why logistic regression was used in this study will be explained.

5.9 Difficulties

No research can be done without some difficulty or obstacle. This research faced some problems which were dealt with appropriately. The most serious of the difficulties encountered were the following:

1. Postal problems: The researcher discovered after the first follow-up that 47 organisations (12.4 % of the total sample) had not received their questionnaires. A meeting with the Eastern Province post office manager intended to derive some explanation for the lost questionnaires produced no results. Eventually, a decision was made to send further copies of the questionnaire to all 47 organisations. Despite the costs and extra waiting time which extended the period of fieldwork beyond the planned time limit, a good response justified the efforts.

2. Access problems: Without some form of personal relationships or influence,

the researcher found access to organisations and people managing them slow, and at times very difficult. To arrange interviews, friends and relatives who knew someone who knew someone else, through networking, on a few occasions facilitated first contacts and eased the process. Al-Qahtain (1996:216-17) experienced the same problem during his fieldwork. He reports that "in Saudi society, personal relationships and connections are vital". If the researcher does not establish a good personal relationship with the company and its management before starting the data collection process, his efforts may be doomed to failure.

3. Delays and interruptions: Delayed and postponed appointments required patience. Because of frequent interruptions (phone calls, etc), meetings sometimes were extended for up to an hour and a quarter. Top managers are very busy people.

4. Sampling: Because no convenient listing of all Saudi large and medium-size manufacturing organisations was available, the researcher was compelled to draw up his own population list from four directories of names and details of all known manufacturing organisations in Saudi Arabia, published by the Ministry of Industry and Electricity. This required a great deal of effort, but was essential to secure the validity of the sample and allow generalisations to be made to the target population.

5.10 Summary

The objective of this chapter was to describe and explain the methods and procedures that were used to investigate the current practices, policies, and attitudes towards training and development programmes in the private manufacturing sector in Saudi Arabia.

In this chapter, the researcher examined different approaches and methods of data collection, their advantages and disadvantages, and the reasons and criteria for the selection of the methods and techniques used in this study. The study was identified as mainly a descriptive survey. Both questionnaire and interview methods were used. The questionnaire was intended for the persons responsible for training and development programmes, and the face-to-face interview was conducted with the top managers of organisations. It was specified that this study was limited to medium and large-size organisations in Saudi Arabia. The total population was 868 organisations. Stratified random sampling was the chosen sampling strategy, broken down into two categories: medium-size organisations (60-199 employees): 656, and large-size organisations (200 and over employees): 212. Because there are fewer large-size organisations, disproportional stratification was chosen for analytic purposes. A target 35 per cent was chosen as a sample size for the medium-size organisations (230 units), and a target 70 per cent for the large-size organisations (148 units). This meant a total sample size of 378 organisations, that is, 44 per cent of the total population.

Also, this chapter described the questionnaire construction and the pilot study.

Implementation of the survey and interviews was then discussed. Measures to increase the response rate to a total 62.7 per cent were described. Finally, the difficulties and obstacles that the researcher faced and overcame during fieldwork were revealed.

CHAPTER SIX

INTERVIEW DATA FINDINGS AND ANALYSIS

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6.1 Introduction

In the previous chapter, the rationale for the choice of research instruments was presented. It was explained that to achieve the objectives of this study, two instruments were used, namely the survey questionnaire and the interview.

The aim of this chapter is to present the findings from the interview instrument. As discussed in Chapter Five on Research Methodology (Sections 5.4.3 and 5.7.2), the researcher conducted semi-structured, face-to-face interviews with 16 top managers of Saudi manufacturing organisations: eight from medium-size organisations and eight from large-size organisations. The objective of the interview was to discover how top managers in manufacturing organisations in Saudi Arabia look on training and development (TD) programmes, whether they are going to increase the amount of TD in view of the future challenges discussed in Chapter Three (Section 3.7), and to discover what kind of problems and obstacles they believe hinder such programmes.

A descriptive analysis, using the statistical technique of frequency distribution, is used to present the findings from these interviews and, where appropriate, some vivid statements are quoted from the interviews to illustrate relevant points. The chapter includes five main sections. These are: a brief profile of the top managers, their views on the importance of TD to their organisations, the kinds of difficulties and obstacles that hinder their perceptions of TD programmes, and the factors perceived by them as those that are likely to increase the need for more TD within their organisations in the future. The chapter concludes with a summary and discussion.

6.2 Profile of Top Managers Interviewed and their Organisations

Interview participants were secured by personal contact, possibly the best approach in the context of Saudi Arabia. Initially, 20 top managers were contacted, of whom 16 responded favourably. The 4 managers who declined to take part in the study stated that they were too busy. Once the purpose of the investigation was explained, managers expressed genuine interest in the subject and willingness to take part in the study. In all, eight top managers of large-size organisations and an equal number of top managers of medium-size organisations volunteered to cooperate. As for the characteristics of the organisations they are running, these are similar in features to those organisations selected for the survey questionnaire (see Section 5.5).

6.3 Managers' Views on Status and Impacts of TD in Relation to their Organisations

6.3.1 Importance of TD for Success of Organisations

Q1 Do you believe that TD programmes are important for the success of organisations?

Table 6.1

Managers' perception of importance of TD for success of organisations

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Yes	8	8
No	-	-
Total	8	8

Table 6.1 shows that managers' responses to this question were emphatically positive. Indeed, all subjects questioned recognised the vital role of TD for the very survival of any organisation, be it medium or large-size. One interviewee elaborated on the long-term benefits of TD underlying their potential "impacts on productivity, product quality, the organisation's ability to keep up with technological developments, and in enhancing the employees' sense of creativity in their jobs".

Other managers reiterated much the same points, adding justifications for the significance of TD in the modern Kingdom of Saudi Arabia. One reason given is "the necessity for organisations to compete with local and foreign companies in Saudi Arabia". Another reason given is the recognition that "a large proportion of Saudi workforce is currently inadequately equipped in specialist industrial skills, making the process of Saudisation difficult and slow".

Another interviewee commented: "Western organisations have long realised the significance of employee TD and the benefits that ensue from such provision for the organisation. Unfortunately, Saudi organisations lag behind in this respect. We simply failed to see the long-term beneficial effects of training schemes, and the extent to which they are vital for the success and survival of organisations in the modern business environment".

While another manager made the following pertinent observation: "You see, one has to remember that successful organisations with their own provision for TD do not spend large sums of money on such programmes, unless they are certain they will somehow achieve higher returns on the money invested in the future".

Managers' consensus with regard to this central question is clearly indicative of a high level of awareness of the issue of TD, the topic of this thesis. In this context, Denton (1995) states that a study by the U.S. Department of Labor of 155 manufacturing organisations found that organisations introducing formal training programmes had a 19% greater increase in productivity over a three-year period than those that did not provide training.

6.3.2 Top Managers' Assessment of Impact of TD Programmes on Certain Organisational Characteristics and Performance

Q2 What is your assessment of the impact of TD programmes in relation to the following dimensions?

6.3.2.1 Financial Turnover of Organisation

Table 6.2
Managers' perception of impact of TD on financial turnover of organisation

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
High impact	5	7
Low impact	3	1
Do not know	-	-
No impact	-	-
Total	8	8

On this point, Table 6.2 shows that two-thirds of the managers questioned (12 out of 16) stated that when TD is carefully planned and implemented, it could play a very decisive role in increasing the financial turnover of organisations. However, 4 out of 16 managers, that is a quarter of them, rated it low in terms of importance when

compared with other factors such as the place of the organisations in the competitive market and supply and demand.

6.3.2.2 Impact of TD on Quality of Goods and Services Produced

Table 6.3
Managers' perception of impact of TD on quality of goods and services produced

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
High impact	8	8
Low impact	-	-
Do not know	-	-
No impact	-	-
Total	8	8

Table 6.3 shows that there is 100% consensus among all mangers interviewed for this study on the fact that TD has a strong positive impact on the quality of goods and services produced. This confirms Kenney and Reid's (1986) findings that investment in TD increases employee expertise, thereby raising both performance and economic output.

As an illustration of managers' certitude on this issue, one manager stated: "There is no doubt that product quality is largely contingent upon the skills of the employees. If their skills are high, the goods they produce will be in line with their high skills. If their skills are deficient or poor, the goods or services they offer will be poor. The link is clear, therefore it makes economic sense to take the necessary measures to improve performance through training schemes".

6.3.2.3 Impact of TD on Reputation of Organisation

Table 6.4

Managers' perception of impact of TD on reputation of organisation

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
High impact	1	3
Low impact	7	5
Do not know	-	-
No impact	-	-
Total	8	8

Kenney and Reid's (1986) claim that TD enhances the reputation of organisations has met with a lukewarm reaction by the interview subjects. Thus, three-quarters of managers interviewed rated it low in terms of impact. On a closer look at Table 6.4 however, it is clear that only one out of eight managers of medium-size organisations rated it high, compared to three managers of large-size organisations. Although it is difficult to generalise on the basis of such small numbers, the results give at least some indication of a trend among medium-size organisations, that is, a tendency to underrate TD's value, particularly with regard to its impact on the reputation of organisations. One can also tentatively speculate that managers of large-size organisations are more inclined to recognise the potential link between TD and organisational image, i. e. as a place where employee skills and career development are valued.

One manager who thinks that there is a strong correlation between TD and organisational image had this to say on the subject: "An organisation that is renowned for the opportunities it offers to its employees in terms of TD is an attractive organisation for high quality applicants. Obviously, this provides it with an edge over other organisations and enables it to choose the best employees".

Evidence from British research seems to support the latter forward-looking view of the impact of TD on the reputation of organisations. For example, the works of Killingly (1989) and Hawkins and Barclay (1989), quoted in Taylor (1996), have demonstrated that engineering graduates ranked structured training as one of their four topmost deciding criteria in their choice of job and organisation. In fact, the authors found that structured training had become the ultimate deciding factor for those graduates with more than one job offer.

In another study, Jones and Goss (1990) found that high training firms that emphasised the development of human resources, as opposed to those that provided basic training only, were less likely to be affected by skills shortages. Low training firms, they noted, gradually lose their attractiveness to employees and potential applicants, and tend to find it more and more difficult to attract and retain the high quality employees they need.

6.3.2.4 Impact of TD on Reduction of Industrial Accidents

Table 6.5

Managers' perception of impact of TD on reduction of industrial accidents

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
High impact	8	8
Low impact	-	-
Do not know	-	-
No impact	-	-
Total	8	8

Managers' perception of the impact of TD on the level of industrial accidents unsurprisingly yielded 100% consensus among the subjects interviewed (Table 6.5). None of them hesitated in assessing the impact of TD on this dimension, and all rated it 'high'. This is because in Saudi Arabia, as anywhere else, few people would deny the educational value of TD. Mention has already been made (Section 2.2.3) that when employees are inducted in safe working practices, the result is that they are likely to be involved in fewer accidents, hence fewer fatalities, not to mention fewer legal and financial implications.

Interviewees needed no further evidence to convince them of the link between TD and the level of industrial accidents in organisations. One manager made this statement on this point: "A trained employee is well acquainted with security and safety measures. An employee knows how to act when an accident takes place. Thus, a trained employee is generally less susceptible to hazards".

Similarly, another manager stated: "Training reduces the mistakes employees make. It increases their awareness, and as such they would be less likely to have accidents". The link between training and the reduction of industrial accidents has been established by researchers such as Kenny and Reid (1986), as already indicated in Chapter Two (Section 2.2.3). Dobbs *et al* (1999), point out that "work is not risk-free". In 1997, there were 5,100 fatal accidents on the job in the US. This number however decreased by 90% from 1933 to 1997. The authors state that one factor behind the dip in workplace fatalities is training.

6.3.2.5 Impact of TD on Raising Employee Morale

Table 6.6

Managers' perception of impact of TD on raising employee morale

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
High impact	6	6
Low impact	2	2
Do not know	-	-
No impact	-	-
Total	8	8

On the question of whether TD has an impact on employee morale, as Table 6.6 shows, 12 out of 16 managers saw that there was a strong link between the two variables. The remaining four managers, while not denying the possible impact of TD on staff morale and commitment, were of the opinion that other factors might have a stronger causal effect on boosting employee morale. As one manager put it succinctly:

"Of course training can boost employee confidence and morale, but if my aim is to boost employee morale, I am sure that financial incentives can have a quicker and stronger impact on employee morale than anything else. I have tried it !".

The fact remains that two-thirds of managers questioned did acknowledge that there was a strong link between TD and employee morale. As previously indicated (Section 2.2.3), TD increases awareness, job skills, job satisfaction, self-esteem, as well as the employees' perception of their self-worth and value to the employer. As a result, employee job security and morale are likely to be enhanced. Said one of the managers:

"It is always the case that employees who are well trained feel more confident in the work they are doing. They have high spirits because of the improved skills they have acquired, and they feel confident and optimistic about their career prospects. This can only be good for their morale".

6.3.2.6 Impact of TD on Employees' Job Stability in their Organisations

Table 6.7

Managers' perception of impact of TD on employees' job stability in their organisations

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
High impact	5	6
Low impact	2	2
Do not know	1	-
No impact	-	-
Total	8	8

A glance at Table 6.7 showing managers' judgement of the impact of TD on employee job stability reveals that despite the absence of complete agreement of views on this question, the dominant opinion is still positive. Thus, altogether 11 out of 16 managers rated TD's impact on job security as 'high', while 4 rated it 'low', and one 'do not know'. Again, caution must prevail in attempting to generalise, since the number of interviews conducted is small (16), but the proportion of managers who appear to be unconvinced that TD increases job stability is of some concern (5 out of 16). One such manager justified his scepticism, stating:

"Sadly, training sometimes has the reverse effect than that desired by the organisation. We have in the past trained people who decided to leave us shortly after they had acquired skills and become more qualified. However, we now know that training should be accompanied by some form of promotion and/or financial incentives, if we are to retain those workers".

Olesen (1999) reports a study on staff loyalty after training which concludes that even if the employees in question received the training they wanted, 12% of them would leave their current company anyway. Interestingly, however, she also found that if they did not get the training, 41% of them would leave. Dolton and Kidd (1991) also examined the influence of training on staff mobility and found that training actually reduces mobility, rather than increases it.

6.3.3 Top Managers' Views on TD Status, Resources, Distribution, and Two Conditions of Success

Q3 To what extent do you agree with the following statements?

6.3.3.1 It is Very Important for Every Organisation to Have Separate Department for TD Activities

Table 6.8

Managers' opinions on importance of having separate department for TD activities

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	4	7
Neither agree nor disagree	-	-
Disagree	4	1
Total	8	8

Hyde and Shafritz (1989) state that training has become a top line priority in personnel management functions. Many organisations set apart a separate department for training. The department works in close liaison with management at all levels and ensures that the organisation's current and future needs in skilled employees are met in accordance with its projected growth and expansion programmes.

As Table 6.8 above shows, managers' views on the importance of the provision of a separate department for TD appear to be linked to the size of the organisation. Indeed, 7 out of 8 managers of large-size organisations unequivocally agree with the proposition, except one who expressed reservations.

Managers of medium-size organisations are however divided in the middle on this question: half of them see that a separate TD department would benefit the organisation, particularly for long-term planning purposes, while the other half feel that such a structure is unnecessary and unaffordable by their organisations. The latter group of organisations further emphasise that their employee numbers are relatively small, so staffing issues can be adequately handled either by the human resources department, or individually by each department.

The manager of a large-size organisation who seems unconvinced that all organisations ought to have a separate TD department justified his stand in these terms:

"Staff training needs are best identified and dealt with by each department individually. A separate TD department will tend to impose unrealistic plans, cause disruption, and constitute a drain on our resources. To us, it is a recruitment problem. As for the shortage of skilled Saudi workforce, this is a nationwide problem, a national issue that can only be resolved with government intervention and support".

The preceding sentiments may be arguably defensible up to a point; they could serve as a cautious warning against inefficient TD structures and procedures, and be seen as a call for government assistance. However, in the researcher's view, the manager in question appears to underestimate the importance of a central planning structure whose primary function would be to listen, co-ordinate and respond to the current needs of all departments, as well as those pertaining to the future requirements of the organisation as a whole. Without a central structure, it is difficult to see how a coherent TD strategy would be articulated and effectively implemented.

6.3.3.2 Training is Waste of Time and Money

Table 6.9

Managers' opinions on TD programmes being a waste of time and money

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	-	-
Neither agree nor disagree	-	-
Disagree	8	8
Total	8	8

Table 6.9 shows 100% consensus among all managers interviewed from both medium and large-size organisations that the suggestion that TD is a waste of time and money is flawed. However, during the interviews a number of managers qualified their responses with cautionary notes such as the following:

"Of course training and development - if it can be afforded - must be well planned and monitored. You also have to find a way to retain those employees once their skills have been improved, otherwise it would indeed be a waste of time and money for the organisation".

Another manager added:

"If training needs are assessed accurately, appropriate schemes are implemented, and the right people are selected for training, then I do not see how this could be a waste of time and resources. Quite the opposite; I think it would be a long-term investment for the organisation, provided that the funds are available".

A third manager explained:

"At the moment, it seems more convenient to advertise at home and abroad to recruit the manpower needed for the organisation than train employees. But, if we are to employ more and more of our own people in future, then the skills must partially come from us through training and development. That is investing, not wasting money".

6.3.3.3 TD Ought to be Available to All Employees at All Levels

Table 6.10

Managers' opinions on providing TD to all employees

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	4	5
Neither agree nor disagree	-	-
Disagree	4	3
Total	8	8

According to Chruden and Sherman (1984), Bramham (1989), Taylor (1996), and Swanson and Falkman (1997), an organisation that values its human resources, strives to retain its employees and maintains a high morale among them, does not typically restrict TD to particular sections or categories of staff. Instead, it will endeavour to attend to the skills and career needs of all its employees. In doing so, it will improve the competence of its workforce, increase the adaptability of the organisation, which

allows it to become better placed to defend or increase its success in the competitive environment in which it operates.

Table 6.10 shows that just over half of all Saudi managers questioned agree with the principle that TD opportunities ought to be made available to all the employees of an organisation. 7 out of 16 managers who deviate from this view justify their position on the grounds that the costs involved would be too prohibitive to extend TD provisions to all members of staff. Said one manager:

"Where are we going to find the time and money to train all the employees? The reality is that training is only carried out when there is a pressing need for it, and because costs matter, training must be targeted to those people who really need it, either for performance or safety reasons, or when new machinery is introduced'.

6.3.3.4 Current Level of TD Activities is Sufficient

Table 6.11

Managers' assessment of adequacy of current TD provision

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Adequate	2	4
Uncertain	-	-
Inadequate	6	4
Total	8	8

From Table 6.11, it can be seen that, overall, under half of all managers interviewed believe that their current level of TD provision is adequate for the needs of their

organisations. Details of the findings reveal that only a quarter of managers of medium-size organisations are satisfied with the level of TD provided in their firm, while for large-size organisations, half the managers expressed satisfaction with their present level of TD provision.

It is worth noting, however, that all managers interviewed without exception repeatedly mentioned the matter of costs involved and the issue of staff loyalty which, in their view, inhibit long-term planning and investment in TD programmes.

As for the quality and variety of TD programmes, again, all managers of both categories of organisation are in agreement that efforts should be made to improve them. Such action is crucial, some managers commented, to move confidently towards Saudisation, without fear of failure in an increasingly competitive business environment. Table 6.12 below summarises the managers' views on this aspect of TD.

Table 6.12

Managers' views on need to improve quality and variety of TD provision

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	8	8
Neither agree nor disagree	-	-
Disagree	-	-
Total	8	8

6.3.3.5 TD Programmes Must be Linked to Promotion and Financial Incentives to be Successful

Table 6.13

Managers' opinions on need to link TD programmes to promotion and other incentives

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	4	6
Neither agree nor disagree	1	-
Disagree	3	2
Total	8	8

Alzidy (1993) states that the absence of appropriate employee motivation and encouragement for attendance at training programmes can impede the success of such programmes.

Table 6.13 shows that 10 out of 16 managers agreed with the above proposition. Managers of large-size organisations tend to be more inclined to agree that promotion and incentives can make the difference between the success and failure of a training programme than managers of medium-size organisations. One manager in favour of linking TD with financial incentives and promotion stated:

"Our experience tells us that the most successful TD schemes are those that promise and deliver rewards to trainees who achieve the goals set for them. Without incentives, trainee motivation to learn cannot be guaranteed, attendance tends to fluctuate, and the whole programme may indeed be a waste of time and money".

Another manager, who felt he could not agree that trainees should be given incentives to undergo training said:

"Being selected for training is already an advantage over others who have not been offered this opportunity to improve themselves. However, if the employee proves his capabilities and shows outstanding improvement in his performance, then promotion and financial incentives will be considered on grounds of merit".

As a matter of fact, none of the managers interviewed vehemently disagreed with the theory that incentives generally improve training outcomes. Where they truly diverged was on whether incentives should be given to all trainees at the outset of the programmes, or whether they should be conditional on subsequent positive change in performance or behaviour.

6.3.3.6 More Financial Support from Government Needed to Improve Quality and Quantity of TD Programmes

Table 6.14

Managers' opinions on more government support being needed to improve quality and quantity of TD programmes

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	8	8
Neither agree nor disagree	-	-
Disagree	-	-
Total	8	8

On this perennial problem, there is unsurprisingly a unanimity of views. All managers of both types of organisation unreservedly support the suggestion that TD is a joint responsibility between organisations and central government (see Table 6.14 above). One manager captured the general feeling on this issue in these terms:

"Training costs are the number one concern for organisations. Without government aid in this area, TD will remain limited to fulfilling immediate and short-term requirements to the detriment of long-term planning. With government support, on the other hand, TD can be extended to include provision for all employees to improve and update their skills for now and for the future".

Taylor (1996) indicates that state influence can be exercised, for example, through a system of levies and grants aimed at encouraging and funding TD activities. Governments can also, according to Keep (1989:192), reduce employers' training costs through tax concessions and compensations for staff 'poaching'. Another idea from Germany, quoted by Keep (ibid), consists in offering organisations "individual training credits" which would give them entitlement to training in either state-run or private training institutions.

6.3.3.7 Training Employees Internally within the Organisation is Preferable to Training them Externally

Table 6.15

Managers' choice between internal/external training

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Internal training	7	5
External training	1	3
Total	8	8

Managers' viewpoints on internal/external training shows a definite preference by three-quarters of them (12/16) for training employees internally. On a closer look, however, the figures reveal that managers of medium-size organisations appear to have a stronger bias towards training staff internally than managers of large-size organisations, that is 7 out of 8, against 5 out of 8, respectively. Interview data link this primarily to their concern with costs, but other reasons were given, such as the following by one manager:

"Apart from costs, we feel that training employees within the same environment in which they are to perform their newly acquired skills has a clear advantage over training them outside the organisation".

Another manager added:

"Our training needs are usually very specific and practical, so only we are capable of devising the appropriate training for our employees. So-called 'tailor-made programmes' are often a myth. We know this from experience. So, in order to retain some control over the content, timing and delivery of training programmes, we organise our own programmes, without of course precluding external expert advice or help, particularly when innovation is involved".

The small group of managers (4 out of 16) who felt that training staff outside their organisation was preferable, almost without exception qualified their viewpoint as applying to "an ideal situation" and "where costs allow it". Their main defence of this position is that training employees externally offers them an opportunity to experience work in a new environment. As one manager put it:

"It gives workers a break and a chance to mix with other people and other organisations. It is also an opportunity for us to gain access to the best practices of other similar organisations".

Having covered managers' reactions towards several issues connected with the importance of TD programmes, the conditions under which they are best designed and implemented, the interviews then went on to identify the factors which, in managers' views, impede progress in this area. Six main reasons singled out during the pilot study were therefore assessed. These are discussed next.

6.4 Top Managers' Perceptions of Obstacles that Currently Impede TD Progress Within their Organisations

Q4 Managers' perceptions of obstacles that impede TD progress within their organisations

6.4.1 High Cost of TD Programmes

Table 6.16

Managers' judgement on view that costs constitute obstacle to TD progress

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	8	8
Neither agree nor disagree	-	-
Disagree	-	-
Total	8	8

No single issue related to TD was more forcefully emphasised by all managers of both categories of organisation than that of the financial implications of TD programmes. In this context, Alzidy (1993) describes the high costs involved in the TD programmes as one of the main factors that impede the establishment of many TD programmes.

Table 6.16 shows 100% unanimity on this question. All shortcomings tend to be rightly or wrongly attributed to "the recession", "the slump in oil prices" of the eighties and mid-nineties, and "the huge national debts" resulting from the Gulf War. TD is regarded by the vast majority of managers as an inevitable casualty of finite resources and limited government support in this area.

6.4.2 Employee Mobility

Table 6.17

Managers' judgement on view that employee mobility jeopardises TD effectiveness and progress

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	8	6
Neither agree nor disagree	-	-
Disagree	-	2
Total	8	8

As Table 6.17 shows, nearly all managers interviewed, that is 14 out of 16 managers, are of the opinion that employee loyalty following training is an element of considerable uncertainty. Many leave the organisation shortly after they have acquired new skills. This is felt by managers as a serious blow to their organisations and deters them from investing in future training programmes. Medium-size organisations seem to be worse hit by this phenomenon than large-size organisations, as all managers of medium-size organisations interviewed agreed without hesitation that this was the case. Said one manager:

"Employee mobility is one of the biggest problems faced by the manufacturing organisations in Saudi Arabia. Often, it represents a threat to our own survival as the best of our employees are invariably poached by our market competitors".

Another manager pointed out:

"This is not an easy problem to solve. Once employees hand in their resignations, it is very difficult to reverse their decisions. Forcing them to stay is counter-productive.

You have already lost their commitment to the organisation, so the sensible thing to do is to let them go".

Two managers of large-size organisations who expressed reservations, without denying the existence of the problem, noted that the issue is less critical in organisations that value and reward the employee for his achievements and contributions to the organisations concerned. It seems that there is at least a hint here that good human resources management, plus better funds, probably explains why large-size organisations generally experience the same problem of employee loyalty with a marginally lower severity than smaller organisations.

6.4.3 Lack of Private Training Centres

Table 6.18

Managers' judgement on view that lack of private training centres impedes TD effectiveness and progress

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	8	8
Neither agree nor disagree	-	-
Disagree	-	-
Total	8	8

Table 6.18 shows full unanimity among all managers questioned that the shortage of both private and state-run private training centres exacerbates the skills shortage in the business and industry sectors, and that this puts enormous pressure on organisations to

bear most of the responsibility and costs of training provision. This, compounded with an educational system which has traditionally emphasised academic rather than technical or vocational subjects, seriously hampers training and development progress.

Managers pointed out that the present educational system is too academically oriented and insufficiently responsive to the needs of business and industry. The system, they suggested, ought to be reviewed and reformed to encourage pre-vocational and vocational education, if the alarming nation-wide shortage in vocational qualifications is to be reduced.

As for private training provision by the limited number of existing centres, this was described by one manager as follows:

"The few training centres that do exist provide courses in computer studies and administration only and virtually nothing in terms of technical or vocational training".

Another manager added:

"Private training centres are scarce and extremely expensive. As a result, we actually looked into the feasibility of establishing and running our own centre, but we quickly abandoned the idea due to the high costs involved. Instead, we opted for the more affordable on-the-job training alternative".

6.4.4 Difficulty in Evaluating TD Programme Outputs

Table 6.19

Managers' judgement on view that TD output evaluation difficulties hamper TD progress

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	6	4
Neither agree nor disagree	-	-
Disagree	2	4
Total	8	8

TD output evaluation is a well known problem. It may be focused on specific knowledge, skills, or attitudes, all more or less amenable to formal or informal measurements. But the hardest of all aspects of TD evaluation is undoubtedly the assessment of the impact of given programmes on the performance of the organisation as a whole (Hackett, 1997).

More than half of all managers interviewed acknowledged this to be a problem (Table 6.19). However, four managers of large-size organisations as opposed to two managers of medium-size organisations rejected the suggestion that such difficulty constituted a serious obstacle to TD deployment and progress in Saudi Arabia. For these managers, provided that training needs assessment is performed correctly, all forms of training are worthwhile. As one manager put it:

"Training is a long-term investment. Its full outcome is unlikely to emerge immediately after training. Meanwhile, it shows that you value and care about your employees..."

6.4.5 Low Employee Motivation for TD

Table 6.20

Managers' views on low employee motivation hindering TD progress

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	3	2
Neither agree nor disagree	-	-
Disagree	5	6
Total	8	8

Table 6.20 shows that only 5 out of 16 managers agree that Saudi workers are poorly motivated when it comes to TD. This group of managers complain that TD is often seen as "a holiday from work", particularly off-the-job TD.

According to them, some employees fail to see its value and even perceive it as "a judgement of their incompetence at work". However, a majority of 11 out of a total 16 managers take the opposite view, stressing that such a phenomenon may have been true in the past, but nowadays employees are better educated and more aware of the benefits of TD, at least for their own careers.

To avoid any misunderstandings about the purposes of TD, Taylor (1996) suggests that training activities should be closely linked to organisational goals. The link must be clearly understood by trainees who are then more likely to develop commitment and motivation for the TD schemes, since the skills they are expected to learn will be seen as valuable for their organisation.

6.4.6 Cultural Difficulties

Table 6.21

Managers' opinions on cultural difficulties possibly hampering TD progress

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	5	3
Neither agree nor disagree	-	-
Disagree	3	5
Total	8	8

No consensus was obtained on this issue, although overall, half of all the top managers interviewed are in agreement with the opinion that the cultural dimension is a pertinent aspect of TD that cannot be ignored when drawing plans for training schemes and procuring staff and teaching resources.

Curiously, a relatively larger number of top managers of medium-size organisations than top managers of large-size organisations consider this matter to be of some concern for the effective operation of TD. The personal backgrounds of the individual top managers (education, travel abroad, etc) may conceal the reasons for these differences of opinion.

Nevertheless, the research literature is littered with evidence of the importance of considering the "cultural fit" of TD schemes, particularly when foreign elements of knowledge or behaviour are being introduced in a host country. Thus, if TD programmes are to be successfully implemented, they must be subjected to a cultural scrutiny to rid them of all potentially built-in assumptions and prejudices, in order to make them acceptable to their target customers.

6.5 Top Managers' Perceptions of Factors Likely to Increase Need for More TD Within their Organisations in Future

Q5 Managers' perceptions of factors likely to increase need for more TD within their organisations in future

6.5.1 Saudisation Policy

Table 6.22

Managers' perceptions of role of Saudisation in increasing need for more TD provision

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	8	8
Neither agree nor disagree	-	-
Disagree	-	-
Total	8	8

The data from Table 6.22 show that none of the managers of both types of organisation disagree that the policy of Saudisation introduced by the government in 1996 will increase the need for more TD provision for their present and future employees. As mentioned in Section 3.11.1, the legislation makes it mandatory for all private organisations with 20 employees or more to substitute at least 5% of their expatriate workforce by Saudi workers annually. This measure in effect signals the beginning of the end of the attitude that TD is a voluntary activity which private manufacturing organisations can opt out of.

Several managers indicated that the process of Saudisation was already under way. Some claim to have established a special management team, referred to as "the Back to Basics Management Team" to look into matters of recruitment and training, and to ensure compliance with government legislation.

6.5.2 Privatisation Policy

Table 6.23

Managers' perception of role of privatisation in increasing need for more TD provision

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	6	7
Neither agree nor disagree	1	-
Disagree	1	1
Total	8	8

As discussed in Section 3.11.1, the Sixth Development Plan (1995-2000) describes privatisation as "a window of opportunity" for private manufacturing organisations in Saudi Arabia. To seize such opportunity and reap the benefits from it, private manufacturing organisations are expected to demonstrate their competence in supplying high quality goods and services that have hitherto been the sphere of influence of the public sector. This means that investment in TD must be increased both in terms of quantity and quality.

Table 6.23 shows that a majority of 13 out of 16 managers interviewed agree with this view. The rest, that is 3 managers, either disagree or are undecided on the subject, arguing that privatisation is unlikely to affect their business, due to the nature of their activities which have traditionally been the domain of the private sector anyway.

6.5.3 Rapid Change in Technology

Table 6.24

Managers' perception of role of new technology in increasing need for more TD provision

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	8	8
Neither agree nor disagree	-	-
Disagree	-	-
Total	8	8

Table 6.24 shows that all the managers interviewed unreservedly agree that the only way to keep up with the rapid progress in modern technology is through a sustained effort to increase TD provision in their organisations. New tools, machinery, work practices and attitudes are constantly being introduced in the world market, increasing the effectiveness of organisations and competition. Managers emphasised their awareness of such developments and of the challenge they present.

6.5.4 Internal Competition

Table 6.25

Managers' perception of role of internal competition in increasing need for more TD provision

Size of organisation	Medium-size	Large-size
	Frequency	Frequency
Agree	8	6
Neither agree nor disagree	-	-
Disagree	-	2
Total	8	8

Table 5.25 shows that 14 out of 16 managers interviewed recognised that internal market competition stimulates the need for better skilled, more adaptable, and more creative workforce. One manager made this statement in this regard:

"Every day new organisations enter the internal market, and others go bust. To stay afloat, organisations like ours have to maintain high quality of products and services, and that can only be achieved through TD".

The two managers of large-size organisations who could not agree with this view revealed that they felt no threat from internal competition, as they were the only producers of such products in the Kingdom.

6.5.5 External Competition

Table 6.26

Managers' perception of role of external competition in increasing need for more TD provision

	Size of organisation	
	Medium-size	Large-size
	Frequency	Frequency
Agree	8	8
Neither agree nor disagree	-	-
Disagree	-	-
Total	8	8

Table 6.26 reveals that all managers interviewed fully concede that international competition, which is expected to play a wider role in the Saudi market upon the implementation of the WTO agreements, represents a serious challenge to the very existence of many private manufacturing organisations including their own. Managers expressed fears that unless employee skills and performance are raised up to international standards, they would find it very difficult to remain in business in future. For these reasons, attention to TD is no longer a matter of choice, but a vital necessity.

6.6 Summary and Discussion

This chapter has been based on the premise held by numerous researchers (e.g. Sikula, 1976; Pettigrew *et al,* 1988; Harrison, 1988; Wexley and Latham, 1991; Mullins, 1991; Torraco and Swanson, 1995; Taylor, 1996; and Kubr and Abell, 1998) that top managers' positive attitude and commitment to TD is a major critical factor in determining the nature of an organisation's TD strategy. For this reason, an attempt has been made in this chapter to capture a comprehensive picture of the beliefs and assumptions of a group of top managers representing medium and large-size organisations concerning the importance of TD in general, and its status within their organisations in particular.

The assessment began with their perceptions of the importance of TD for organisations and of its potential impacts on various aspects of organisational performance and characteristics. In this respect, all managers interviewed acknowledged its vital importance and significance in the context of modern Saudi Arabia. Its impacts on the financial turnover of the organisation, the quality of its goods and services, the reduction of industrial accidents, the level of employee morale, and employee job stability were judged to be generally high to very high by most managers taking part in this study. Doubts about the link between TD and employee morale were expressed by a quarter of the managers, while the impact of TD on the reputation of an organisation was curiously rated low by three-quarters of all managers interviewed.

Because a positive attitude to TD is not sufficient in itself, managers were tested for their views on the importance for organisations to have the necessary structures for TD activities, ideally a separate TD department. The replies show a split of opinions, with fewer managers of medium-size organisations supporting the idea than managers of large-size organisations, mainly for reasons of costs and resources. However, none of the managers perceived TD activities as a waste of time and money. All saw them as an investment, when they could be afforded.

The chapter showed that managers' viewpoints on some issues were motivated by pragmatic considerations, such as on the question of whether TD provision should be extended to all employees without distinction, and whether TD ought to be linked to promotion and other incentives. Thus, just over half of the participants lent their support for such suggestions, while the rest again noted concern for the cost implications were such a policy to be implemented. The matter of costs also appears to explain why more managers of medium-size organisations feel that current TD provision within their organisations is decidedly inadequate. Problems of staff loyalty after training was also quoted as a serious inhibiting factor for future investment in TD.

Furthermore, reactions to the view that TD is in urgent need of improvement in terms of quality and quantity were overwhelmingly favourable. Managers were also in no doubt that great strides towards this goal could be achieved with the help of government funds.

As for managers' preferences with regard to internal/external staff training, here again, managers' views were influenced by financial considerations, prompting the majority of them to opt for on-the-job training. However, the desire to retain control over TD programme content and delivery was also mentioned as a choice factor.

Apart from financial prudence and excessive staff mobility, managers also stressed the acute lack of private training centres as a contributing factor to poor TD provision. Progress in this area is also hampered by the difficulty to evaluate TD output in concrete terms, a view shared by more than half of all managers questioned on this issue, particularly those heading medium-size organisations.

The widespread perception that Saudi workers are often poorly motivated for training was not convincingly borne out by the interview data. Still, just over a quarter of managers viewed this as a relevant problem impeding TD progress.

Cultural difficulties, including linguistic, resulting from the use of imported training programmes and experts were confirmed by half of all the managers interviewed.

Finally, the interview data show that there is an almost overwhelming consensus that the policies of Saudisation and privatisation of recent years, as well as the increasing internal and external market competitions, not forgetting the rapid change in modern technology, are all important factors that are likely to increase the need for more and better TD provision for Saudi private manufacturing organisations in the future.

CHAPTER SEVEN

SURVEY DATA FINDINGS AND ANALYSIS

CHAPTER SEVEN
SURVEY DATA FINDINGS AND ANALYSIS

7.1 Introduction

In Chapter Six, the findings from the interview instrument were presented and analysed. This chapter now relates the results obtained through the main instrument of this study, namely the questionnaire. As indicated in Chapter Five (Section 5.4.3), the questionnaire was designed to extract information from the persons responsible for TD programmes of both medium and large-size manufacturing organisations in Saudi Arabia. It was also stated in Section 5.7.1.5 that the total number of questionnaires returned was 226, representing 59.8% of the total population sample. Of the 226 responses, 132 were from medium-size organisations, and 94 from large-size organisations.

This chapter begins with a presentation of the characteristics of the research participants and their organisations, and then goes on to uncover and analyse the empirical findings pertaining to the provision of TD within the organisations concerned.

The chapter contains six main sections, these are: information related to the organisations that took part in the survey, as well as the persons responsible for TD in those organisations; TD plan and policy; TD budget; TD implementation (including training needs assessment, training methods, and training evaluation); problems and obstacles that tend to impede the implementation of TD programmes; the challenges that are likely to increase the need for TD in future with regard to the manufacturing organisations that constitute the population of this study; and finally, the chapter concludes with a summary and discussion.

7.2 Descriptive Analysis of Participant Organisations and TD Personnel

The aim of this section, which relates to Section One of the questionnaire, is to present the characteristics of the participant organisations and persons responsible for TD in private manufacturing organisations in Saudi Arabia. The profile includes sixteen variables described in detail below (Sections 7.2.1 to 7.2.16).

7.2.1 Type of Manufacturing Organisation

Table 7.2.1

Distribution of manufacturing organisations by product

Products	Size of organisation			
	Medium (N=132)		Large (N=94)	
	Frequency	Per cent	Frequency	Per cent
Foodstuffs and beverages	24	18.2	8	8.5
Textiles, wearing apparel & leather	5	3.8	2	2.1
Wood, wood products, furniture	14	10.6	4	4.3
Paper products, printing and publishing	2	1.5	4	4.3
Chemical, petroleum, coal rubber and plastic	26	19.7	23	24.5
Construction materials, chinaware, ceramic and glass	21	15.9	12	12.8
Basic metals	13	9.8	12	12.8
Fabricated metal products, machinery & equipment	27	20.5	26	27.7
Other (gold)	-	-	3	3.2
Total	132	100	94	100

Table 7.2.1 above clearly shows that the most prominent type of manufacturing industry in Saudi Arabia is the fabricated metal products, machinery and equipment, for both medium and large manufacturing organisations, at 20.5% and 27.7%, respectively. In the second position comes petro-chemical and energy-related industries, with 19.7% of the medium organisations and 24.5% of the large organisations. Since Saudi Arabia is a major oil producer, it is not surprising that such industries are at the top of the league (discussed in Chapter Four). The least prominent type of business is gold. This industry has no presence in the medium organisations, and represents only 3.2% of the large organisation activities.

7.2.2 Geographic Distribution of Manufacturing Organisations

Table 7.2.2

Geographic distribution of manufacturing organisations

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Region	Frequency	Per cent	Frequency	Per cent
Middle Province	47	35.6	35	37.2
East Province	37	28	32	34
West Province	45	34.1	27	28.7
North Province	2	1.5	-	-
South Province	1	.8	-	-
Total	132	100	94	100

Table 7.2.2 shows that the most heavily industrialised area in Saudi Arabia is the Middle Province, featuring 35.6% of all medium organisations, and 37.2% of all large organisations. The geographic distribution pattern of the Saudi Arabian industry

shows a concentration of industries in the central band of the country from the Western Province with 34.1% of all medium organisations, and 28.7% of all large organisations, to the Eastern Province with 28% of all medium organisations and 34% of all large organisations. In sharp contrast, there is very little industrial activity (2.3% of all medium-size organisations and no large-size organisations) in the North and South Provinces. The reasons for this distribution pattern, as discussed in Sections 3.1 and 4.4.1, are attributed to the fact that the main three cities in Saudi Arabia are located in these three provinces, and most of the industrial estates (9 out of 11) are located in these provinces.

7.2.3 Age of Organisations

Table 7.2.3

Distribution of organisations by age

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Years in business	Frequency	Per cent	Frequency	Per cent
Less than 5	12	9.1	1	1.1
5 to 9	15	11.4	10	10.6
10 to 14	38	28.8	14	14.9
15 to 19	35	26.5	27	28.7
20 to 24	24	18.2	23	24.5
25 to 29	6	4.5	8	8.5
30 to 34	-	-	2	2.1
35 years and more	2	1.5	9	9.6
Total	132	100	94	100

Table 7.2.3 shows that almost three-quarters of all medium-size manufacturing organisations in Saudi Arabia (73.5%), and more than two-thirds of all large-size

organisations (68.1%) have been in business for a period of 10-24 years. Also, the Table shows that just over 1% of all large-size organisations have been in business for less than 5 years, and 9.1% of all medium-size organisations have been in business for less than 5 years. Moreover, 9.6% of all large organisations have been in business for more than 35 years, compared to just 1.5% of all medium-size organisations.

Table 7.2.3.1
Average age of organisations

Size of organisation	No. of Organisations	Minimum age	Maximum age	Mean	Std. deviation
Medium	132	1	40	14.6	6.86
Large	94	4	48	19.9	9.04

The data in Table 7.2.3.1 show that the youngest organisation in the medium-size category has been running for just 1 year, while the oldest organisation has been running for 40 years. The average age for this category is 14.6 years. In comparison, the youngest organisation among the large-size organisations has only been running for 4 years, while the oldest organisation has been running for 48 years, the average age being 19.9 years. The t-test for the difference between the means shows that there are statistically significant differences between the two categories of organisation (t = 4.220, df = 224, p < 0.01). Finally, two observations can be made from Table 7.2.3.1: first, large organisations are significantly older than medium-size organisations; and second, the manufacturing businesses in Saudi Arabia are still very young in terms of the average number of years they have been in operation compared to Europe or American organisations.

7.2.4 Number of Employees

Table 7.2.4
Distribution of organisations by number of employees

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Number of employees	Frequency	Per cent	Frequency	Per cent
60 to 99	51	38.6	-	-
100 to 199	81	61.4	-	-
200 to 299	-	-	25	26.6
300 to 399	-	-	20	21.3
400 to 499	-	-	11	11.7
500 to 599	-	-	10	10.6
600 to 699	-	-	6	6.4
700 to 799	-	-	9	9.6
800 plus	-	-	13	13.8
Total	132	100	94	100

As mentioned in Chapter Five (Section 5.5), this study focuses on medium-size organisations (60-199 employees) and large-size organisations (200 employees and over). Table 7.2.4 shows that 61.4% of all medium organisations in the Saudi manufacturing sector have between 100 and 199 employees, while 38.6% of them have between 60 and 99 employees. In the large-size category nearly half (47.9%) of all the organisations have between 200 and 399 employees. A further 38.3% range from 400 to 799 employees, and the remaining ones, only 13.8%, have 800 plus employees.

The raw data show that the maximum number of employees in the sample organisations is 1800. The average number of employees for medium-size organisations is 123.33, while for large-size organisations it is 499.49.

7.2.5 Size of Organisational Capital

Table 7.2.5
Distribution of organisations by size of capital

	Size of organisation			
	Medium (N=132)		Large (N=93)	
Capital in million S.A. Riyals	Frequency	Per cent	Frequency	Per cent
Less than 20	51	38.6	-	-
20 to 39.99	47	35.6	5	5.4
40 to 59.99	23	17.4	16	17.2
60 to 79.99	8	6.1	11	11.8
80 to 99.99	2	1.5	14	15.1
100 to 119.99	-	-	13	14
120 to 139.99	-	-	7	7.5
140 to 159.99	-	-	5	5.4
160 and over	1	.8	22	23.7
Total	132	100	93	100

Table 7.2.5 reveals that none of the large-size manufacturing organisations have a total capital of less than SR20 million, compared to the majority of medium-size organisations (38.6%) which have a total capital of less than SR20 million. On the other hand, the majority of large-size organisations (23.7%) have a total capital of SR160+ million, whereas less than 1% of all medium-size organisations have a total capital of SR160+ million.

The raw data show that the minimum capital for the medium-size organisation is SR8 million and the maximum is SR170 million, with an average of SR30 million. As for the large-size organisations, the minimum capital is SR28 million and the maximum capital is SR1000 million, with an average of SR160 million. This shows that the size of the company strongly correlates with its capital.

7.2.6 Responsibility for Running Organisation

Table 7.2.6

Distribution of responsibility for running organisation

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Responsibility	Frequency	Per cent	Frequency	Per cent
Owner alone	29	22	13	13.8
Owner with his family	55	41.7	21	22.3
Saudi board of directors	33	25	37	39.4
Non-Saudi board of directors	-	-	-	-
Mix of Saudi and non-Saudi board of directors	15	11.4	23	24.5
Total	132	100	94	100

Table 7.2.6 shows that the majority of the sample from medium-size organisations (41.7%) reported that the responsibility for running their organisation was held by the owner of the organisation with his family, while the majority of large-size organisations (39.4%) were being run by a Saudi board of directors. Table 7.2.6 also shows that more than 60% of all medium-size organisations are run by their owners with their families, or by the owners alone, compared to only 35% for large-size organisations. This can be attributed to the fact that the capital of medium-size organisations is generally not as big as that of large-size organisations. The Chi-square test shows that there is a significant difference between medium and large-size organisations in terms of who holds the responsibility for running the firm ($\chi^2 = 17.319$, df = 3, $p < 0.01$).

7.2.7 Training and Development Unit

Table 7.2.7

Distribution of organisations by provision of TD unit

	Size of organisation			
	Medium (N=132)		Large (N=94)	
TD unit	Frequency	Per cent	Frequency	Per cent
Yes	23	17.4	39	41.5
No	109	82.6	55	58.5
Total	132	100	94	100

As discussed in Section 2.3, many organisations set a separate department for TD to help the organisation to meet its current and future needs in skilled employees (Hyde and Shafritz, 1989).

Table 7.2.7 shows that out of 226 participating organisations, only 62 responded positively when asked if they had a formal TD unit within their organisational structure. Large-size organisations fared best with 41.5% provision, compared to only 17.4% for medium-size organisations. Nevertheless, the figures are disappointing, particularly for large-size organisations, where nearly 6 out 10 organisations possess no TD unit. As for medium-size organisations, the situation may be described as critical, considering that only 23 out of a total of 132 organisations appear to have a TD unit. The Chi-square test shows that there is a significant difference between the medium and large-size organisations in terms of TD provision ($\chi^2 = 15.972$, df = 1, $p < 0.01$) favouring large-size organisations. In relation to this issue, Mackay and Torrington (1986), in their study of UK organisations, found that 66% of their respondents had a training department/ training officer. Abu-Doleh (1996) found that

84.6% of Jordanian manufacturing organisations had TD unit/department, and 63.3% of them had been established for less than four years.

7.2.8 Age Distribution of TD Units

Table 7.2.8

Age distribution of TD units

	Size of organisation			
	Medium (N=23)		Large (N=39)	
Number of years TD was established	Frequency	Per cent	Frequency	Per cent
Less than 5 years	8	34.8	10	25.6
5 to 9	12	52.2	15	38.5
10 to 14	3	13	9	23.1
15 to 19	-	-	4	10.3
20 years or more	-	-	1	2.6
Total	23	100	39	100

Note: This question is not applicable for 109 medium-size organisations and 55 large-size organisations since they do not have a special TD unit

Table 7.2.8 shows that over a third of all existing TD units within medium-size organisations have been operational for a period of less than 5 years. Just over half of the organisations in this category had been established 5 to 9 years ago at the time of the study, while only 13% of them had been in existence for 10 to 14 years at the most. In contrast, almost two-thirds of TD units within large-size organisations have been in existence for 5-14 years. Only a few (2.6%) were established 20 years ago or more.

The raw data show that the minimum age for medium-size organisations is one year and the maximum age is 11 years, the mean being 5.26 and std. deviation 2.63. For

the large-size organisations, the minimum age is one year and the maximum age is 21 years, with a mean of 8 years and std. deviation 4.99. The t-test shows that there is a statistically significant difference between the two sizes of organisation for the age of TD units ($t = 2.435$, df = 60, $p < 0.05$), favouring large-size organisations.

What is worth noting here is that the vast majority of organisation TD units have been in existence for a period not exceeding 10 years. In other words, most of them were established in the late-1980s and early-to-mid-1990s. This, together with their relatively low number, suggests that modern human resources development is still at its infancy in the manufacturing sector of Saudi Arabia.

7.2.9 Responsibility for TD in Organisations without TD Unit

Table 7.2.9

Distribution of responsibility for TD

	Organisation			
	Medium (N=109)		Large (N=55)	
Responsibility for TD	Frequency	Per cent	Frequency	Per cent
Human resources manager	68	62.4	39	70.9
Senior manager	31	28.4	12	21.8
Others	10	9.2	4	7.3
Total	109	100	55	100

Note: This question not applicable for 23 medium-size organisations and 39 large-size organisations, since they have special TD unit

For those organisations that do not have a special TD unit, Table 7.2.9 shows that responsibility for TD in both large and medium-size organisations in Saudi Arabia is for the most part (65.2%) held by human resources managers. In 26% of cases, such

responsibility is taken on by the senior manager of the organisation, while in the remaining 8.5% cases, responsibility for this task is assumed by some other member of staff, such as the production manager, total quality manager, or assistant manager.

7.2.10 Number of Staff in TD Units

Table 7.2.10
Distribution of staff in TD unit

	Size of organisation			
	Medium (N=23)		Large (N=39)	
Number of staff	Frequency	Per cent	Frequency	Per cent
1	13	56.5	5	12.8
2	10	43.5	16	41
3	-	-	12	30.8
4	-	-	4	10.3
5	-	-	2	5.1
Total	23	100	39	100

Note: This question is not applicable for 109 medium-size organisations and 55 large-size organisations, since they do not have special TD unit.

Table 7.2.10 shows that of the 62 organisations that reported having a special TD unit, none of them said they had over 5 people involved in TD activities. All medium-size organisations said that their unit consisted of 1 or 2 staff members only. In contrast, most large-size organisations claimed that their TD units were manned by 2-3 employees, while a small number of them, just over 15%, said that they employed 4-5 people in their TD units.

7.2.11 Nationality of Persons Responsible for TD

Table 7.2.11
Distribution of nationality of persons responsible for TD

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Nationality	Frequency	Per cent	Frequency	Per cent
Saudi	49	37.1	44	46.8
Non-Saudi	83	62.9	50	53.2
Total	132	100	94	100

Regarding the national origin of the persons responsible for TD, Table 7.2.11 reveals that over half (58.8%) of the staff in that position of responsibility in both types of organisation are non-Saudi nationals. Indeed, only 37.1% of them are indigenous to Saudi Arabia in medium-size organisations. It is of some concern that less than half (41.2%) of all the persons responsible for TD in the manufacturing organisations surveyed are Saudi nationals. This finding is also confirmed by Al-Sultan (1998) who found that in total there are 6.4 millions employees in the private sector, 70% of them non-Saudi and only 30% Saudis. There are many reasons for this situation, as discussed in Section 3.11.1.

7.2.12 Age of Persons Responsible for TD

Table 7.2.12
Distribution of persons responsible for TD by age group

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Age	Frequency	Per cent	Frequency	Per cent
25-29	3	2.3	-	-
30-34	20	15.2	13	13.8
35-39	32	24.2	30	31.9
40-44	36	27.3	23	24.5
45-49	30	22.7	15	16
50-54	3	2.3	11	11.7
55-59	5	3.8	1	1.1
60 years or more	3	2.3	1	1.1
Total	132	100	94	100

As for the age of the persons responsible for TD, Table 7.2.12 indicates that the vast majority of them, that is 74.2% in all medium-size organisations, and 72.4% in all large-size organisations, are aged between 35 and 49 years. Only 24 persons (10.6%) from a sample of 226 are aged 50 years or over, and remarkably, 3 (1.3%) are 25-29 years of age.

The raw data show that the minimum age for medium-size organisations is 27 years, and the maximum age is 65 years, with mean and std. deviation of 41.30 and 7.06. For the large-size organisations, the minimum age is 30 years and the maximum age is 62 years, with mean and std. deviation of 41.13 and 6.53. The t-test for the difference between means shows that there is no statistically significant difference between the two sizes of organisation in terms of the age of the persons responsible for TD ($t = -.182$, $df = 224$, $p > 0.05$).

7.2.13 Gender of Training Personnel

Table 7.2.13

Distribution of training personnel by gender

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Gender	Frequency	Per cent	Frequency	Per cent
Male	132	100	94	100
Female	-	-	-	-
Total	132	100	94	100

Table 7.2.13 shows that 100% of all training personnel in both categories of organisation are male. This result reflects a cultural norm in Saudi Arabia where, as a rule, women are not expected to participate in activities dominated by men. Aba-Alkhail (1988:154) states that "the idea of segregation is not only a religious issue, but rather involves other cultural constraints and social patterns of seclusion and exclusion that are restrictive to women".

7.2.14 Level of Education of Training Personnel

Table 7.2.14
Distribution of training personnel by level of education

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Educational achievements	Frequency	Per cent	Frequency	Per cent
Lower high school	2	1.5	-	-
High school	6	4.5	1	1.1
Diploma	23	17.4	1	1.1
University Bachelor's degree	90	68.2	71	75.5
P. G. diploma	4	3	7	7.4
Master's degree	7	5.3	13	13.8
Doctorate	-	-	1	1.1
Total	132	100	94	100

Table 7.2.14 shows that more than two-thirds (71.2%) of all training personnel involved in this study hold a University Bachelor's degree, that is 68.2% in all medium-size organisations and 75.5% in all large-size organisations. Overall, just over 13% hold a higher University degree, and only one holds a doctorate. A minority of participants (4%), most of whom were employed in medium-size organisations, admitted to possessing no more than high school formal education.

The Chi-square test shows that there is a significant difference between the persons responsible for TD programmes in medium-size organisations and the persons responsible for TD programmes in large-size organisations ($\chi^2 = 25.943$, df $= 6$, $p < 0.05$), favouring large-size organisations.

7.2.15 Training Personnel Total Length of Work Experience

Table 7.2.15
Distribution of training personnel by total length of work experience

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Years of experience	Frequency	Per cent	Frequency	Per cent
Less than 10	11	8.3	9	9.6
10-19	70	53	53	56.4
20-29	39	29.5	19	20.2
30-39	9	6.8	12	12.8
40 or more	3	2.3	1	1.1
Total	132	100	94	100

Tables 7.2.15, showing the extent of training personnel's total length of work experience, indicates that over half of them possess 10-19 years of work experience. Also, 29.5% and 20.2% have 20-29 years' work experience, in medium and large-size organisations, respectively. In both cases, less than 10% of training personnel have less than 10 years' work experience. Overall, training personnel in the manufacturing organisations surveyed appear to have accumulated an impressive amount of work experience. Also, the raw data show that training personnel's minimum work experience for medium-size organisations is 3 years, and the maximum work experience is 48 years, with mean and std. deviation of 18.62 and 8.22, respectively. Comparatively, for the large-size organisations, the minimum work experience is 5 years and the maximum work experience is 43 years, with a mean and std. deviation of 17.93 and 7.63. The t-test for the difference between means shows that there is no statistically significant difference between the two sizes of organisation for the total length of work experience of training personnel ($t = -.646$, $df = 224$, $p > 0.05$).

7.2.16 Training Personnel Work Experience in TD

Table 7.2.16
Distribution of training personnel by length of work experience in TD

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Years of experience	Frequency	Per cent	Frequency	Per cent
Less than 5	53	40.2	14	14.9
5-9	52	39.4	40	42.6
10-14	15	11.4	29	30.9
15-19	10	7.6	7	7.4
20 and More	2	1.5	4	4.3
Total	132	100	94	100

Concerning TD personnel's experience in TD, Table 7.2.16 clearly reveals that the largest percentage of TD personnel employed in medium-size organisations (40.2%) have been involved in this activity for a period of under 5 years. In contrast, 42.6% of TD personnel working for large-size organisations have in fact been involved in this activity for 5 - 9 years. Furthermore, the second largest percentage of TD personnel of large-size organisations (30.9%) have 10 - 14 years' experience in TD, as opposed to only 11.4% of TD personnel in medium-size organisations. The mean number of years of TD personnel work experience for medium-size organisations is 6.55 and the std. deviation is 4.29, while for the large-size organisations the mean is 9.05 and the std. deviation is 4.64. T-test for the difference between means shows that there are statistically significant differences between medium and large-size organisations in terms of average number of years of TD experience ($t = 4.158$, df = 221, $p < 0.05$), favouring large-size organisations.

7.3 Analysis of Results Related to TD Plan and Policy

This section, relating to Section Two of the questionnaire, presents the empirical findings on issues connected with TD plans and policies. Nine variables (Sections 7.3.1 to 7.3.7) were considered, ranging from the extent to which such provisions exist, their nature, the degree to which they are implemented, whether the organisations receive any form of support or not, as well as other associated concerns such as attitudes towards such provisions.

7.3.1 TD plan and Time Horizon

Table 7.3.1

Distribution of organisations by provision of TD plan

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Organisation has ongoing TD plan	Frequency	Per cent	Frequency	Per cent
Yes	53	40.2	55	58.5
No	79	59.8	39	41.5
Total	132	100	94	100

Table 7.3.1.1

Distribution of organisations by TD plan time horizon

	Size of organisation			
	Medium (N=53)		Large (N=55)	
TD time horizon	Frequency	Per cent	Frequency	Per cent
Long-term (over 3 years)	-	-	7	12.7
Medium-term (1 – 3 years)	8	15.1	16	29.1
Short-term (less than one year)	45	84.9	32	58.2
Total	53	100	55	100

Note: Question not applicable for 79 medium-size organisations and 39 large-size organisations, since they do not have TD plan.

A training plan, according to Stout (1993) and Wills (1993), is a practical document that takes into account identified employee training needs, and outlines specific training programmes and methods and resources to meet those needs. Its purpose is to raise the performance of the organisation as a whole and contribute to the achievement of its goals. Questions about whether participating organisations in the study had an existing TD plan and about its time horizon produced the results displayed in Tables 7.3.1 and 7.3.1.1. An important finding here is that slightly under 60% of all medium-size organisations surveyed stated that they had no TD plan at all. And, of the 40.2% remaining organisations that claimed to have a TD plan, that is 53 organisations, 84.9% of them said that their plans spanned a short period of less than one year.

In contrast, just under 60% of all large-size organisations surveyed asserted that they had a TD plan, but again, well over half of them (58.2%) extended over a short-term horizon not exceeding one year. The striking results to remember here are that over 40% of all large-size organisations admitted to having no TD plan for their employees, while the corresponding percentage for medium-size organisations is almost 60%. Short-termism is evident. The Chi-square test shows that there is a statistically significant difference between the provision of a TD plan in medium-size organisations and in large-size organisations ($\chi^2 = 7.417$, df = 1, $p < 0.01$), favouring large-size organisations. Also, the Mann-Whitney U-test shows that there is a statistically significant difference between the two sizes of organisation regarding the TD plan time horizon ($U = 1040$, $p < 0.01$), favouring large-size organisations.

The survey asked those organisations that did not have a TD plan to explain why this was the case. Most put forward one or more of the following reasons: Some top managers do not value TD as a corporate investment; also, some organisations are more concerned with cutting costs than with spending money on TD; employee mobility acts as a disincentive too; and finally, many Saudi organisations have little or no motivation to train staff when they are still able to recruit fully trained people from abroad.

7.3.2 Nature of TD Policy

Table 7.3.2

Distribution of organisations by nature of TD policy

	Size of organisation			
	Medium (N=53)		Large (N=55)	
Nature of policy	Frequency	Per cent	Frequency	Per cent
Formal (written)	39	73.6	42	76.4
Informal (unwritten)	14	26.4	13	23.6
Total	53	100	55	100

Note: Question not applicable for 79 medium-size organisations and 39 large-size organisations, since they do not have TD plan.

Organisations which claimed to possess a TD plan for their organisation were also questioned as to whether the related TD policy was formal (written) or informal (unwritten).

A training policy, it has to be remembered, spells out how training will achieve its objectives, as well as delineating the focus of activities within the organisation, down to the details of which staff are to be trained, why, and how the programme is to be implemented (Stout, 1993).

As Table 7.3.2 above shows, approximately three-quarters of all organisations surveyed in both categories, medium and large, reported having a written policy. However, this still leaves a significant minority of about a quarter of the organisations in both categories with unwritten TD policies, possibly reflecting a lesser degree of commitment than those with written policies. The Chi-square test shows that there is no a statistically significant difference between the two sizes of organisation regarding the nature of existing TD policies ($\chi^2 = .111$, df = 1, $p < 0.74$).

7.3.3 Responsibility for Formulating TD Plan and Policy

Table 7.3.3

Distribution of organisations by locus of responsibility for formulating TD plan and policy

	Size of organisation			
	Medium (N=53)		Large (N=55)	
Responsibility for TD plan and policy	Frequency	Per cent	Frequency	Per cent
Board level	8	15.1	8	14.6
Senior management	21	39.6	12	21.8
Human resources department	6	11.3	12	21.8
TD department/ unit	11	20.8	21	38.2
Other (i.e. each department has own TD plan, production manger, total quality manger)	7	13.2	2	3.6
Total	53	100	55	100

Note: Question not applicable for 79 medium-size organisations and 39 large-size organisations, since they do not have TD plan.

Asked about who has the primary responsibility for formulating the TD plan and policy, participating organisations which had an ongoing TD plan varied substantially in their responses. Table 7.3.3 above shows that the largest percentage for medium-

size organisations (39.6%) said that such responsibility was assumed by the senior manager, while only 20.8% of them indicated that such a role was carried out by the TD department/unit within the organisation. For large-size organisations, senior management only accounts for 21.8% when it comes to responsibility for the formulation of TD plans and policies. 38.2% of this responsibility rests with the TD department/unit. Although, on the whole, responsibility for this task is widely dispersed in both cases, one major fact stands out clearly: more managers in medium-size organisations tend to assume responsibility for formulating TD plans and policies than large-size organisation managers, who prefer to delegate the primary responsibility for this task to the TD department/unit.

7.3.4 Expected Percentage of TD Plan Implementation

Table 7.3.4

Distribution of organisations by expected percentage of TD plan implementation

	Size of organisation			
	Medium (N=53)		Large (N=55)	
Expected percentage to be implemented	Frequency	Per cent	Frequency	Per cent
Less than 30%	1	1.9	3	5.6
30 - 49%	3	5.6	8	14.8
50 - 69%	10	18.9	21	38.8
70 - 89%	38	71.7	19	35.2
90 -100%	1	1.9	3	5.6
Total	53	100	54	100

Note: Question not applicable for 79 medium-size organisations and 39 large-size organisations, since they do not have TD plan.

Perceptions of the extent to which TD plans can be reasonably expected to be implemented also varied substantially. Table 7.3.4 shows that a very high 71.7% of all medium-size organisations that claimed to have a TD plan estimated that 70-89% of it was expected to be implemented. Another 18.9% of such organisations also expected 50-69% of the plan to be implemented. In comparison, only 35.2% of all large-size organisations predicted a possible 70-89% implementation of their TD plans. A little higher percentage (38.9%) saw that 50-69% of their plans could be implemented. Overall, both categories of organisation are highly optimistic as to the extent to which they expect their TD plans to be implemented, particularly medium-size organisations, where 71.7%, that is just over twice the percentage of large-size organisations, confidently predicted 70-89% implementation of their TD programmes. This may well be due to the fact that training costs are likely to be higher for large organisations because of the much larger numbers of trainees involved.

7.3.5 Extent of TD Provision for Saudi and Non-Saudi Employees

Table 7.3.5

Distribution of organisations by extent of TD provision to Saudi and non-Saudi employees

	Size of organisation							
	Medium (N=131)				Large (N=94)			
Extent of TD provision	N	L	M	H	N	L	M	H
Saudi	-	30 (22.9)	68 (51.9)	33 (25.2)	-	16 (17)	46 (48.9)	32 (34.1)
Non-Saudi	2 (1.5)	89 (67.9)	37 (28.3)	3 (2,3)	-	42 (44.7)	44 (46.8)	8 (8.5)

Note: - N = None, L = Low Amount, M= Medium Amount, H = High Amount.
- Brackets ( ) represent percentage.

With regard to the amount of TD provided for Saudi and non-Saudi staff, Table 7.3.5 reveals that just over half (51.9%) of all medium-size organisations questioned claimed to offer a medium amount of TD for Saudi employees, and 25.2% professed to offer them a great deal of TD. Similarly, just under half (48.9%) of all large-size organisations asserted that they offered a medium amount of TD to their Saudi employees, while a higher 34.1% maintained that they offered them a higher level of TD.

The situation is distinctly different concerning non-Saudi staff. Indeed, 67.9% of all medium-size organisations admitted to offering a low amount of TD, and 1.5% none at all. A lower, but still high percentage (44.7%) of all large-size organisations stated that they only offered a low amount of TD to their non-Saudi nationals, although a comparable percentage (46.8%) did claim to offer a medium amount of TD to them. Some (8.5%) even professed to offer a high amount of training to their non-Saudi employees. In general, both medium and large-size organisations appear to target much of their TD efforts on their indigenous employees, with large-size organisations being more generous with TD opportunities for foreign employees. The Mann-Whitney U-test shows that there is no statistically significant difference between medium and large-size organisations regarding the amount of TD provided for Saudi employees ($U = 5466.0, p < 0.12$), while the same test finds that there is a statistically significant difference between the two sizes of organisation regarding the amount of TD provided for non-Saudi employees (($U = 4507.0, p < 0.001$), favouring large-size organisations.

The most likely explanation for the disparity in the provision of TD between Saudi and non-Saudi employees is that non-Saudis are usually subject to stringent

recruitment criteria, requiring them to be fully skilled before they enter the Kingdom, while their Saudi counterparts are often employed, then given opportunities to train or retrain to fill vacant positions. Training the indigenous workforce is also a necessity created by the policy of Saudisation; thus, it is no wonder that priority and resources are focused on raising the skills of Saudi nationals.

7.3.6 TD Provision Among Staff

Table 7.3.6

Distribution of TD provision among various levels of staff

	Size of organisation							
	Medium (N=131)				Large (N=94)			
Extent of TD provision	N	L	M	H	N	L	M	H
Senior management	28 (21.4)	87 (66.4)	16 (12.2)	-	6 (6.4)	43 (45.7)	37 (39.4)	8 (8.5)
Middle management	16 (21.2)	83 (63.4)	32 (24.4)	-	-	25 (26.6)	50 (53.2)	19 (20.2)
Lower management & supervisory level	16 (12.2)	83 (63.4)	32 (24.4)	-	-	25 (26.6)	50 (53.2)	19 (20.2)
Technical level	-	23 (17.6)	90 (68.7)	18 (13.7)	-	11 (11.7)	46 (48.9)	37 (39.4)

Note: N = None, L = Low Amount, M= Medium Amount, H = High Amount.
- Brackets ( ) represent percentage.

As we discussed in Section 6.3.3.3, many researchers (e.g. Chruden and Sherman, 1984; Bramham, 1989; Taylor, 1996; and Swanson and Falkman, 1997) emphasise that the availability of TD to all employees is important for all organisations.

Table 7.3.6 shows the manner in which TD provision is distributed among the organisation staff. Clear differences are evident among medium and large-size organisations. Medium-size organisations appear to focus most of their resources and

efforts on training their technical staff. Thus 68.7% of them said that this is where they provided a medium amount of TD, and another 13.7% claimed that they provided a high amount of TD for this staff category. Over 60% of lower, middle and senior management receive a low amount of TD. Some (12.2% - 21.4%) receive no TD at all.

Percentages are more evenly distributed regarding the provision of TD within large-size organisations. Here, approximately 40-50% of staff of all categories are offered a medium amount of TD, and 8-40% receive a high amount of TD. Interestingly, 6.4% of large organisation senior staff receive no training at all. The Mann-Whitney U-test has been used to find out whether there is a statistically significant difference between the two sizes of organisation regarding the extent of TD provision for the four staff levels considered. As Table 7.3.6.1 below shows, there is a statistically significant difference between the medium and large-size organisations.

Table 7.3.6.1
Mann-Whitney U-test result

Staff level	M-W	P
Senior management	3556.5	.00
Middle management	2637.5	.00
Lower management & supervisory	3862.0	.00
Technical	4545.5	.00

7.3.7 TD Centre Provision

Table 7.3.7

Distribution of organisations by provision of TD centre

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Organisation TD centre	Frequency	Per cent	Frequency	Per cent
Yes	1	0.8	16	17
No	131	99.2	78	83
Total	132	100	94	100

Earlier, in Section 7.2.7, it was revealed that well over 80% of all medium-size organisations and over 60% of all large-size manufacturing organisations in Saudi Arabia had no TD unit. The survey did however enquire also whether participating organisations in the study possessed a TD centre or not. Predictably, only one medium-size organisation (0.8%) responded positively to the question, compared to a similarly very low 17% of all large-size organisations surveyed (see Table 7.3.7). According to Barry (1988:4), the availability of training centres is far from being universal and does not suit all companies' needs, even those of large prosperous firms. Running costs have to be considered, and although a company centre presents the obvious advantage of convenience as "it is always there" when needed, the centre has to be used heavily to make economic sense.

7.3.8 Provision of Technical Assistance from Professional TD Organisations

Table 7.3.8

Distribution of organisations by provision of technical assistance from professional TD organisations

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Technical assistance from professional TD organisations	Frequency	Per cent	Frequency	Per cent
Always	-	-	3	3.2
Sometimes	15	11.8	32	34.0
Never	112	88.2	59	62.8
Total	127	100	94	100

In response to the question of whether the organisations received any training support from professional TD organisations, Table 7.3.8 shows that 88.2% of all medium-size organisations replied "never", and only 11.8% of them said that they "sometimes" did. On the other hand, 62.8% of all large-size organisations stated that they never benefited from such provision, while 34% said that support was "sometimes" offered to them through professional TD organisations. A few (3.2%) claimed to receive regular assistance from them.

7.3.9 Employee Reactions towards Current TD Programmes

Table 7.3.9

Distribution of organisations by employee reactions towards current TD programmes

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Degree of satisfaction with TD programmes	Frequency	Per cent	Frequency	Per cent
Very dissatisfied	10	7.8	5	5.4
Dissatisfied	56	43.8	25	27.2
Neutral	29	22.6	12	13
Satisfied	31	24.2	38	41.3
Very satisfied	2	1.6	12	13.1
Total	128	100	92	100

Note: 4 (3%) cases of missing data regarding medium-size organisations, and 2 (2.1%) for large-size organisations.

Table 7.3.9.1

Distribution of organisations by reasons for employee dissatisfaction with current TD programmes

	Size of organisation			
	Medium (N=66)		Large (N=30)	
Reason for dissatisfaction	Disagree	Agree	Disagree	Agree
Insufficient availability of TD programmes	-	66 (100.0)	-	30 (100.0)
Deficiency in TD programme quality	11 (16.7)	55 (83.3)	1 (3.3)	29 (96.7)
Incongruence between TD programmes and job skills needs	54 (81.8)	18 (18.2)	21 (70.0)	9 (30.0)
Absence of clear TD policy	19 (28.8)	47 (71.2)	11 (36.7)	19 (63.3)

Note: Brackets ( ) represent percentage.

A close look at Table 7.3.9 above reveals that employees of medium-size organisations are by far (51.6%) more dissatisfied with their current TD programmes in their organisations than their counterparts in large-size organisations (32.6%). Only 24.2% in the former organisations appear to be "satisfied", and a mere 1.6% are "very satisfied" with their present arrangements. The percentage of large-size organisations that indicated their satisfaction with their TD programmes is substantially higher (41.3%) than that of medium-size organisations, as is the proportion of organisations that claimed to be very satisfied with their current programmes (13.1%). In both cases, some organisations preferred not to disclose their views on the issue, that is, 22.6% for medium-size organisations and 13% for large-size ones; also, there are 4 (3%) cases of missing data from medium-size organisations and 2 (2.1) from large-size organisations.

As to the main reasons for employee dissatisfaction with their current TD programmes, Table 7.3.9.1 above shows that responses from both types of organisation scored a unanimous 100% agreement on the fact that current provision is insufficient. Equally, an overwhelming majority of organisations on both sides agreed that the TD programmes in question are of sub-quality, i.e., 83.3% of all medium-size organisations, and 96.7% of all large-size organisations. Substantial consensus is also noted on the issue of lack of clear TD policy, i.e., 71.2% in medium-size organisations and 63.3% in large-size organisations. A small proportion, that is, 18.2% of all medium-size organisations and 30% of all large-size organisations, consider that there is a gap between TD programmes and the job skills needed by their employees.

7.4 Analysis of Results Related to TD Budget Allocation and Funding

This section relating to Section Three of the questionnaire includes details on issues of budget allocation, distribution, and assistance. An assessment of its adequacy is also included here.

7.4.1 TD Budget

Table 7.4.1

Distribution of organisations by provision of TD budget

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Organisation has a separate TD budget	Frequency	Per cent	Frequency	Per cent
Yes	28	21.2	55	58.5
No	104	78.8	39	41.5
Total	132	100	94	100

Table 7.4.2

Percentage of TD budget in relation to total budget

	Medium (N=28)		Large (N=55)	
Percentage of TD budget in relation to total budget	Frequency	Per cent	Frequency	Per cent
Less than 0.10	3	11.1	5	9.1
0.10 to 0.19	11	40.8	21	38.2
0.20 to 0.29	9	33.3	22	40.0
0.30 to 0.39	3	11.1	2	2.7
0.40 or more	1	3.7	-	-
Total	27	100	55	100

Note: - Question not applicable for 104 medium-size organisations and 39 large- size organisations, since they do not have separate budget for TD programmes.
- There is one case (3.7%) of missing data from a medium-size organisation.

The extent of serious commitment to TD is nowhere more evident than in the way the scheme is resourced and supported in terms of finances. The survey sought to discover whether participant organisations had a fixed separate budget, specifically allocated for TD programmes, and what percentage it represented in relation to the total organisation budget. Tables 7.4.1 and 7.4.2 show that an overwhelming 78.8% of all medium-size organisations and a corresponding 41.5% of all large-size organisations have no such provision. This is not surprising since, as previously indicated (Section 7.3.1), none of the medium-size organisations surveyed has a long-term TD plan, compared to a mere 12.7% for large-size organisations.

Regarding the size of the TD budget, as Table 7.4.2 shows, the vast majority of medium-size organisations (74.1%) which stated that they had a separate TD budget, devote 0.10 - 0.29% of their overall organisation budget to TD, a percentage that is unlikely to exceed the value of SR400,000 (see Table 7.4.3 below). For large-size organisations, of the 55 that claimed to have a separate TD budget, 78.2% also maintained that it represented 0.10 - 0.29% of their total firm budget. Only 27.3% of these organisations spent over SR600,000 on TD schemes (see Table 7.4.3 below). The Chi-square test shows that there is a statistically significant difference between the two sizes of organisation regarding the provision of a separate TD budget ($\chi^2 = 32.868$, df = 1, $p < 0.001$), favouring large-size organisations.

The raw data show that the minimum amount of money spent on TD programmes for medium-size organisations is SR30,000, and the maximum amount is SR 250,000, the mean being SR77,174 and std. deviation 45,821.44. For the large-size organisations, the minimum amount of money spent on TD programmes is SR 60,000 and the maximum amount is SR1,500,000, with a mean of SR350,962 and std. deviation

383,735.56. The t-test for the difference between means shows that there is a statistically significant difference between the two sizes of organisation for the amount of money spent on TD programmes (t = - .646, df = 224, $p > 0.05$), favouring large-size organisations.

Table 7.4.3

Distribution of organisations by amount of money spent on TD programmes

	Size of organisation			
	Medium (N=28)		Large (N=55)	
Amount of money spent on TD	Frequency	Per cent	Frequency	Per cent
Less than SR200,000	23	85.2	26	47.3
200,000 to 399,999	4	14.8	8	14.5
400,000 to 599,999	-	-	6	10.9
600,000 to 799,999	-	-	7	12.7
800,000 to 999,999	-	-	4	7.3
1,000,000 or more	-	-	4	7.3
Total	27	100	55	100

Note: - Question not applicable for 104 medium-size organisations and 39 large-size organisations, since they do not have budget for TD programmes.
- There is one case (3.7%) of missing data from a medium-size organisation.

Compared with the previous year's budget, 67.8% of all medium-size organisations, and 52.7% of all large-size organisations that had a fixed budget for TD said that their present TD budget was higher, although disappointingly, 14.3% and 18.2% of them, respectively, admitted to its being currently lower (see Table 7.4.4 below). The Mann-Whitney U-test found that there is no statistically significant difference between the two sizes of organisation regarding the current TD budget and the previous year's budget provision (U = 660.5, $p < 0.23$). Those organisations that have

experienced an increase in TD budget are clearly demonstrating their recognition of the growing importance of TD.

Table 7.4.4

Comparison of current TD budget provision with previous year's budget

	Size of organisation			
	Medium (N=28)		Large (N=55)	
Spending on TD compared with previous year's budget	Frequency	Per cent	Frequency	Per cent
Higher	19	67.8	29	52.7
Same	5	17.9	16	29.1
Lower	4	14.3	10	18.2
Total	28	100	55	100

Notes: - Question not applicable for 104 medium-size organisations and 39 large-size organisations, since they do not have budget for TD programmes

7.4.2 Adequacy of TD Budget and Support

Table 7.4.5

Distribution of organisations by perceptions of adequacy of TD budget

	Size of organisation			
	Medium (N=28)		Large (N=55)	
Adequacy of TD budget	Frequency	Per cent	Frequency	Per cent
Very inadequate	1	3.7	1	1.82
Inadequate	15	55.6	25	45.5
Don't Know	5	18.5	1	1.8
Adequate	6	22.2	26	47.3
Very adequate	-	-	2	3.6
Total	27	100	55	100

Notes: - Question not applicable for 104 medium-size organisations and 39 large-size organisations, since they do not have budget for TD programmes.
- There is one case (3.7%) of missing data from medium-size organisation.

Table 7.4.5.1
Distribution of organisations by provision of government support

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Organisation receives government support	Frequency	Per cent	Frequency	Per cent
Yes	-	-	-	-
No	132	100	94	100
Total	132	100	94	100

Asked to comment on whether current TD budget provisions are adequate, and whether the firms received any form of government support for such schemes, 59.3% of all medium-size organisations replied that current TD budgets are inadequate or very inadequate, and that they received no government support whatsoever in this area. Equally, just under a half of all large-size organisations stated that present budget provisions are inadequate, and that they received no financial assistance at all for such schemes either.

7.5 Analysis of Results Related to Training Implementation

This section, relating to Section Four of the questionnaire, presents and analyses the findings regarding how training is implemented in the private manufacturing organisations in Saudi Arabia. Three parts are included here: training needs assessment (Sections 7.5.1 to 7.5.6), training methods (Sections 7.5.7 to 7.5.12), and training evaluation (Sections 7.5.13 to 7.5.17).

7.5.1 Training Needs Assessment (TNA)

Table 7.5.1

Distribution of organisations by whether or not TNA is conducted

	Size of organisation			
	Medium (N=132)		Large (N=94)	
TNA conducted	Frequency	Per cent	Frequency	Per cent
Always	38	28.8	39	41.5
Sometimes	94	71.2	55	58.5
Never	-	-	-	-
Total	132	100	94	100

As indicated in Chapter Two (Section 2.3.2), a systematic approach to TD necessarily begins with TNA. The survey therefore first sought to elicit the extent to which participating organisations carried out a TNA in accordance with their objectives and projected growth. It was found that less than 30% of all medium-size organisations surveyed conducted regular appraisals of their training needs. The rest, just over 71%, only occasionally conducted TNA. For large-size organisations, again, almost 60% of them carried out TNA whenever the situation required it, but not on a regular, systematic basis. As Table 7.5.1 above shows, the percentage of large-size organisations that regularly conduct TNA is 41.5%, relatively more than medium-size

organisations, but still disappointingly less than half of all organisations in this category. The table also shows that none of the organisations surveyed totally ignores this issue. The Chi-square test shows that there is a statistically significant difference between medium and large-size organisations with regard to whether they conduct TNA or not ($\chi^2 = 3.943$, df = 1, $p < 0.04$) favouring large-size organisations. In this context, Saari *et al* (1988) found that 27% of their responding organisations have practices or procedures for TNA, while Abu-Doleh (1996) reports that 69.2% of Jordanian manufacturing organisations carry out TNA on a regular basis.

Among the most frequent justifications given by the organisations that do not systematically analyse their training needs are the following: long-term employee instability, absence of a clear TD plan and policy, absence of managerial commitment to TD, non-provision of TD department/unit to organise and run the schemes, and difficulty to determine the training needs of all employees in the organisation.

The combination of inhibiting factors to TD just has the effect of driving organisations to view TD as a burden, to be carried out only when immediate needs require it. Medium and long-range training needs and objectives are as a result neglected, as already stressed in Section 7.3.1.

7.5.2 Methods Used for TNA

Table 7.5.2

Distribution of organisations by TNA methods used

	Size of organisation									
	Medium (N=132)					Large (N=94)				
TNA methods	**N**	**AN**	**ST**	**AA**	**A**	**N**	**AN**	**ST**	**AA**	**A**
Questionnaire*	130 (100.)	-	-	-	-	93 (98.9)	-	1 (1.1)	-	-
Personal interview*	97 (74.6)	21 (16.1)	11 (8.5)	1 (0.8)	-	62 (66.0)	22 (23.4)	10 (10.6)	-	-
Direct observation	1 (0.8)	-	-	27 (20.5)	104 (78.7)	-	-	1 (1.1)	8 (8.5)	85 (90.4)
Special training committee*	117 (90.0)	5 (3.8)	8 (6.2)	-	-	63 (67.0)	14 (14.8)	15 (16.0)	1 (1.1)	1 (1.1)
Performance appraisal report*	43 (33.1)	12 (9.2)	40 (30.8)	13 (10.0)	22 (16.9)	12 (12.8)	2 (2.1)	30 (31.9)	22 (23.4)	28 (29.8)

Note: - N = Never, AN = Almost Never, ST = Sometimes, AA = Almost Always, A = Always.
- Brackets ( ) represent percentage.
- * There are two cases (1.5%) of missing data from medium-size organisations.

The next question asked was 'Which methods are relied upon most to determine training needs by the organisation?'. Table 7.5.2 above shows that of all the methods cited in the survey, the direct observation method is by far the most popular method of assessing employee training needs, with the formal performance appraisal report coming second in ranking order, but with a much lower frequency of use. Indeed, approximately 99% of all organisations of both categories indicated that direct observation was their preferred TNA method. On the other hand, 85.1% of all large-size organisations said that they used the performance appraisal report for TNA, with fewer, but still over half, medium-size organisations (57.7%) claiming to rely on this

method for TNA, too. The least used methods are the questionnaire, followed by the personal interview and the special training committee.

7.5.3 Provision of Job Descriptions

Table 7.5.3

Distribution of organisations by provision of job descriptions

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Organisation has job descriptions	Frequency	Per cent	Frequency	Per cent
Yes	94	71.8	91	96.8
No	37	28.2	3	3.2
Total	131	100	94	100

Lassey (1998) states that a job description is simply a way of illustrating the purpose, duties, authority and responsibility of the job-holder, and as such acts as the key terms of reference for the employee. A job description is helpful in the task of analysis when determining training needs (Dessler, 1997).

Table 7.5.3 above reveals that 71.8% of all medium-size organisations and 96.8% of all large-size organisations claim to have job descriptions for all employment posts. Only 3.2% of all large-size organisations admitted to not having job descriptions, compared to 28.2% of all medium-size organisations.

7.5.4 Provision of Performance Efficiency System (PES)

Table 7.5.4

Distribution of organisations by provision of PES

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Organisation has a PES	Frequency	Per cent	Frequency	Per cent
Yes	86	65.6	84	89.4
No	45	34.4	10	10.6
Total	131	100	94	100

A similar pattern to the previous results was obtained concerning whether the organisations possessed and made use of a performance efficiency system or not. Thus, 65.6% of all medium-size organisations and 89.4% of all large-size organisations surveyed asserted that they had a performance efficiency system. On the other hand, 34.4% of all medium-size organisations and a lower 10.6% of all large-size organisations conceded to not having one.

7.5.5 Circumstances under which TD Is Provided

Table 7.5.5

Distribution of organisations by circumstances under which TD is provided

	Size of organisation									
	Medium (N=132)					Large (N=94)				
TD provided	**N**	**AN**	**ST**	**AA**	**A**	**N**	**AN**	**ST**	**AA**	**A**
When employees are newly recruited	-	19 (14.4)	58 (43.9)	44 (33.3)	11 (8.3)	-	2 (2.1)	29 (30.9)	44 (46.8)	19 (20.2)
When employees need training on new equipment or new working methods	-	-	36 (27.3)	54 (40.9)	42 (31.8)	-	-	31 (33.0)	33 (35.1)	30 (31.9)
When performance efficiency assessments are made*	43 (33.1)	9 (6.9)	42 (32.3)	19 (14.6)	17 (13.1)	11 (11.7)	1 (1.1)	31 (33.0)	31 (33.0)	20 (21.2)
When employees are upgraded to fill vacant positions	21 (15.9)	57 (43.2)	44 (33.3)	10 (7.6)	-	5 (5.3)	37 (39.4)	35 (37.2)	14 (14.9)	3 (3.2)
When department requests it	-	-	-	36 (27.3)	96 (72.7)	-	-	-	16 (17.0)	78 (83.0)
When employees request it	36 (27.3)	69 (52.3)	27 (20.4)	-	-	8 (8.5)	42 (44.7)	42 (44.7)	2 (2.1)	-

Note: - N = Never, AN = Almost Never, ST = Sometimes, AA = Almost Always A = Always.
- Brackets ( ) represent percentage.
- * There are two cases (1.5%) of missing data from medium-size organisations.

In view of the importance of TD for organisations, and the often considerable resources involved in its planning and implementation, one question that needed investigating was the circumstances under which TD was provided for employees.

Table 7.5.5. reveals that there is total agreement among medium and large-size organisations that TD is first and foremost provided when a department within the organisation requests it. The second and third situations that call for TD to be implemented are when employees are newly recruited, and when new equipment or working methods are introduced. The fourth and fifth situations when TD is provided are when performance efficiency assessments are made, and when employees are upgraded to fill vacant positions. Last of all situations is when employees request to undergo TD.

It is worth noting that of all large-size organisations which rated the performance efficiency assessment situation fourth in rank order, 12.8% stated that TD was never or almost never implemented following its outcome. In comparison, of all medium-size organisations which rated performance efficiency assessment fourth in rank order, 40% of them admitted that TD never, or almost never, followed an assessment report.

7.5.6 Evaluation of Current TNA Methods

Table 7.5.6

Distribution of organisations by reactions to present TNA methods

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Evaluation of present TNA methods	Frequency	Per cent	Frequency	Per cent
Very poor	6	4.8	-	-
Poor	27	21.8	17	18.5
Good	70	56.5	40	43.5
Very good	21	16.9	29	31.5
Excellent	-	-	6	6.5
Total	124	100	92	100

Note: - There are 8 cases (6%) of missing data from medium-size organisations and 2 cases (2.1%) from large-size organisations.

When questioned about their own evaluation of the TNA methods currently used within their organisations, 73.4% of respondents from medium-size organisations rated them "good" or "very good", while 33% of them rated them "poor" or "very poor", indicating that approximately a third of them were dissatisfied with the methods presently used for TNA.

In contrast, a large majority of large-size organisations thought that the methods they used for TNA were "good" to "excellent", with only 18.5% rating them "poor", reflecting a higher degree of satisfaction with their prevailing TNA practices (see Table 7.5.6 above).

The main reasons given by those organisations that expressed dissatisfaction with the prevailing TNA methods within their organisations are: First, the absence of a clear

vision and objectives within existing plans and programmes; secondly, the interference of personal relationships and interests which often determine who is selected for training and who is not; thirdly, the absence of management structure to run the schemes and follow them up; fourthly, the tendency to concentrate efforts and resources on the immediate needs of the organisation to the detriment of long-term needs; and finally, the perception that recent TNA decisions depend on the individual judgements of department managers rather that on a systematic and coherent organisational TNA plan.

7.5.7 Training Approach Used

Table 7.5.7

Distribution of organisations by training approaches used

	Size of organisation									
	Medium (N=132)					Large (N=94)				
Training approach used	N	AN	ST	AA	A	N	AN	ST	AA	A
On-the-job-training	-	-	3 (2.3)	16 (12.1)	113 (85.6)	-	-	11 (11.7)	20 (21.3)	63 (67.0)
Off-the-job training (within organisation)	120 (90.9)	10 (7.5)	1 (0.8)	1 (0.8)	-	61 (64.9)	16 (17.0)	1 (1.1)	14 (14.9)	2 (2.1)
Off-the-job training (outside organisation)	9 (6.8)	76 (57.6)	46 (34.8)	1 (0.8)	-	-	39 (41.5)	55 (58.5)	-	-

Note: - N = Never, AN = Almost Never, ST = Sometimes, AA = Almost Always A = Always.
- Brackets ( ) represent percentage.

Concerning the training approach used by participating organisations, Table 7.5.7 shows that on-the-job training is unquestionably the most frequently used mode of training by both categories of organisation. Thus, an overwhelming 97.7% of medium-size organisations and 88.3% of large-size organisations reported that, as a rule, this was the approach they relied upon most, although off-the-job training was sometimes resorted to, but that in general it was a rare event. Still, for some reason, fewer medium-size organisations (35.6%) than large-size organisations (58.5%) appear to make use of training opportunities outside their units. In this context, Taylor (1996) points out that most training is performed on the job. Also, Mitchell (1993) reports that 75% of all training in the U.S. is conducted on the job. The Mann-Whitney U-test has been used to find out whether there is a statistically significant difference between the two sizes of organisation regarding the training approach used. As Table 7.5.7.1 below shows, there is in fact a statistically significant difference between the medium and large-size organisations.

Table 7.5.7.1

Mann-Whitney U-test result

Level of staff	M-W	P
On-the-job-training	4993.0	.00
Off-the-job training (within organisation)	4512.5	.00
Off-the-job training (out side organisation)	4635.0	.00

Out of the ten on-the-job methods of training cited, the demonstration emerged on top of the list as the technique most frequently used by both medium and large-size organisations, as is evidenced by the results in Table 7.5.8. Armstrong (1998) reports that the demonstration is the most commonly used training method for employees. This is then followed by the case study, group discussion and the lecture. The least

used methods are computer-based techniques and games, which scored only 0.8% and 2.3% frequency of use, respectively, by medium-size organisations, and a relatively higher 14.9% and 4.3%, respectively, by large-size organisations.

The interactive video method, as well as the seminar/conference, is used by less than 10% of all organisations of both types, while individual projects are only occasionally used by 14.4% of all medium-size organisations and 17% of all large-size organisations.

7.5.8 Methods Used for On-the-job Training

Table 7.5.8

Distribution of organisations by methods used for on-the-job training

Methods used	Size of organisation					
	Medium (N=132)			Large (N=94)		
	Never	Some-times	Always	Never	Some-times	Always
Lectures	107 (81.1)	25 (18.9)	-	59 (62.8)	33 (35.1)	2 (2.1)
Seminars/conferences	128 (97.0)	4 (3.0)	-	88 (93.6)	6 (6.4)	-
Group work (discussion)	79 (59.8)	52 (39.4)	1 (.8)	46 (48.9)	44 (46.8)	4 (4.3)
Individual projects	113 (85.6)	19 (14.4)	-	78 (83.0)	16 (17.0)	-
Role playing	106 (80.3)	26 (19.7)	-	63 (67.0)	31 (33.0)	-
Games	129 (97.7)	3 (2.3)	-	90 (95.7)	4 (4.3)	-
Demonstration	13 (9.8)	100 (75.8)	19 (14.4)	4 (4.3)	64 (68.1)	26 (27.6)
Case studies	23 (17.4)	100 (75.8)	9 (6.8)	14 (14.9)	69 (73.4)	11 (11.7)
Computer programmes	131 (99.2)	1 (0.8)	-	80 (85.1)	14 (14.9)	-
Interactive videos	124 (93.9)	8 (6.1)	-	69 (73.4)	25 (26.6)	-

Note: Brackets ( ) represent percentage.

Of all the organisations surveyed that stated that they did employ off-the-job training, 89.5% of medium-size organisations and 77.7% of large-size organisations said that they never, or almost never, sent any of their employees abroad for training, presumably because it is more practical and cheaper to use home facilities.

However, on the rare occasions when it was necessary to send staff overseas to gain new skills, it is clear from Table 7.5.9 below, and from the percentages just mentioned, that large-size organisations tend to send proportionately more, 23.3% as opposed to 10.6%, of their employees abroad for training.

7.5.9 Location for Off-the-job Training

Table 7.5.9

Distribution of organisations by location where off-the-job training is carried out

	Size of organisation									
	Medium (N=132)					Large (N=94)				
Location for off-the-job training	N	AN	ST	AA	A	N	AN	ST	AA	A
Inside Saudi Arabia	-	-	1 (0.8)	75 (61.0)	47 (38.2)	-	-	3 (3.2)	27 (28.7)	64 (68.1)
Outside Saudi Arabia	98 (79.7)	12 (9.8)	13 (10.6)	-	-	43 (45.8)	30 (31.9)	21 (23.3)	-	-

Note: - N = Never, AN = Almost Never, ST = Sometimes, AA = Almost Always A = Always.
- Brackets ( ) represent percentage.
- Question not applicable for 9 cases of medium-size organisations, since they do not use off-the-job training.

Techniques used by external training providers include, according to participant medium-size organisations, the seminar/conference as the preferred method, followed by the demonstration and the lecture. The least popular methods, with only 0.8% frequency of use, are role playing, games and the interactive video. Computer-based techniques are however more common here than with local training providers in Saudi Arabia, with 21.3% frequency of use compared to 0.8%, respectively (see Table 7.5.10 below).

Comparatively, little difference is observed in the results obtained from large-size organisations, which rate the lecture method, seminar/conference and the demonstration as the three techniques most frequently used by external training providers. The least popular methods are identical to those mentioned by medium-size organisations, that is games, role playing, and the interactive video, in order of unpopularity.

7.5.10 Methods Used for Off-the-job Training

Table 7.5.10

Distribution of organisations by methods used for off-the-job training

Training methods used	Size of organisation					
	Medium (N=132)			Large (N=94)		
	Never	Some-times	Always	Never	Some-times	Always
Lectures	94 (76.4)	29 (23.6)	-	18 (19.1)	72 (76.6)	4 (4.3)
Seminars/conferences	13 (10.6)	109 (88.6)	1 (0.8)	21 (22.3)	73 (77.7)	-
Group work (discussion)	100 (81.3)	23 (18.7)	-	83 (88.3)	11 (11.7)	-
Individual projects *	106 (86.9)	16 (13.1)	-	80 (85.1)	14 (14.9)	-
Role playing*	121 (99.2)	1 (0.8)	-	91 (96.8)	3 (3.2)	-
Games**	120 (99.2)	1 (0.8)	-	92 (100.0)	-	-
Demonstration*	59 (48.4)	62 (50.8)	1 (0.8)	43 (45.7)	50 (53.2)	1 (1.1)
Case studies*	118 (96.7)	4 (3.3)	-	77 (81.9)	17 (18.1)	-
Computer based*	96 (78.7)	26 (21.3)	-	67 (71.3)	27 (28.7)	-
Interactive video***	119 (99.2)	1 (0.8)	-	90 (95.7)	4 (4.3)	-
Others	-	4	-	-	5	1

Note: - Question not applicable for 9 cases of medium-size organisations, since they do not offer off-the-job training
- Brackets ( ) represent percentage.
- * There is one case of missing data from a medium-size organisation.
- ** There are two cases of missing data from both medium and large-size organisations.
- *** There are three cases of missing data from medium-size organisations.

7.5.11 Places where Employees Are Trained inside Saudi Arabia

Table 7.5.11

Distribution of organisations by the places where employees are trained in Saudi Arabia

	Size of organisation									
	Medium (N=132)					Large (N=94)				
Training institution	N	AN	ST	AA	A	N	AN	ST	AA	A
Universities*	88 (73.3)	22 (18.3)	9 (7.5)	1 (0.8)	-	65 (69.1)	11 (11.7)	18 (19.1)	-	-
Technical** colleges	118 (97.5)	3 (2.5)	-	-	-	73 (77.7)	12 (12.8)	9 (9.6)	-	-
Vocational* centres	120 (100.)	-	-	-	-	120 (100.)	-	-	-	-
Institutes of Public Administrati-on**	120 (99.2)	-	1 (0.8)			84 (89.4)	5 (5.3)	5 (4.3)	-	-
Private training centres	31 (25.2)	44 (35.8)	48 (39.0)	-	-	4 (4.3)	37 (39.4)	52 (55.3)	1 (1.1)	-
Chambers of Commerce and Industry	1 (.08)	55 (44.7)	56 (52.8)	2 (1.6)	-	6 (6.4)	15 (16.0)	50 (53.2)	23 (24.5)	-

Note: - N = Never, AN = Almost Never, ST = Sometimes, AA = Almost Always A = Always.
- Brackets ( ) represent percentage.
- * There are three cases (1.3%) of missing data from medium-size organisations.
- * * There are two cases (1.5%) of missing data from medium-size organisations.

When it comes to training employees inside the Kingdom, which as indicated above is the rule rather than the exception, for both medium and large-size organisations, the overall trend is towards the diffusion of reliance on various institutions of training rather than any one in particular for their needs, with one exception, the Saudi Chamber of Commerce and Industry. Indeed, just over 50% of all organisations of both types stated that they "sometimes" looked to the Saudi Chamber of Commerce and Industry for their training needs. This result is consistent with the organisations'

claim in Section 7.3.8. that support from professional TD organisations is limited and insufficient.

Having said that, for large-size organisations, the second most used venue for staff training is the private training centre. Universities, technical colleges, and institutes of public administration come next in order of importance, with a much lower frequency of use, ranging from 4.3% to 9.6% and 19.1%, respectively. Vocational centres are apparently never used by these organisations for their training needs.

As for medium-size organisations, apart from the Saudi Chamber of Commerce, the second place of choice for training their staff is the specialist private training centre (39%). Similarly to the pattern for large-size organisations, universities and institutes of public administration are used in less than 10% of cases, while vocational centres are never resorted to for staff training purposes.

7.5.12 Places where Employees Are Trained outside Saudi Arabia

Table 7.5.12

Distribution of organisations by places where employees are trained outside Saudi Arabia

	Size of organisation									
	Medium (N=25)					Large (N=51)				
Places where employees are trained	1	2	3	4	Total	1	2	3	4	Total
United Kingdom	4	5	1	-	10 (17.2)	9	10	5	1	25 (23.8)
America	7	6	2	1	16 (27.6)	17	15	3	-	35 (33.3)
Egypt	3	2	1	-	6 (10.3)	3	2	4	1	10 (9.5)
Other (i.e. Emirates, Bahrain, France, Germany, Japan,)	11	7	5	3	26 (44.8)	22	9	4	-	35 (33.3)
Total	25	20	9	4	58	51	36	16	2	105 (100.0)

Note: - 1= most frequent 4 = less frequent
- Brackets ( ) represent percentage.
- Question not applicable for 107 cases of medium-size organisations and 43 large-size organisations, since they do not train their employees outside Saudi Arabia.

Regarding which countries trainees are sent to, for both medium and large-size organisations, America and Britain are the first destinations, with 27.6 % and 17.2 % for medium-size, and 33.3 % and 23.8 % for large-size organisations, respectively. Egypt comes a close third country of choice for staff training abroad, followed by other destinations, including the Arab Emirates, Bahrain, and other European countries such as France, Germany, Italy, and Denmark, and Asian countries such as Japan, Singapore, and India.

Organisations were asked why they trained their employees outside Saudi Arabia. Most of them revealed the reasons to be one or more of the following: shortage of specialist training centres inside the Kingdom; availability of excellent training skills, facilities and know-how abroad; opportunity to benefit from the experiences of other countries; and advantages presented in training with the licence holders.

7.5.13 Evaluation of Present Training Methods

Table 7.5.13

Distribution of organisations by reactions to present training methods

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Evaluation of present training methods	Frequency	Per cent	Frequency	Per cent
Very poor	9	7.4	-	-
Poor	24	19.8	15	16.5
Good	74	61.2	51	56.0
Very good	13	10.7	21	23.1
Excellent	1	0.8	4	4.4
Total	121	100.0	91	100.0

Note: - 11 cases (8.3%) of missing data (medium-size organisations) and 3 cases (3.2%) (large-size organisations)

Asked what they thought of current methods used for training their employees, approximately three-quarters of all medium-size organisations evaluated them as "good" to "very good", with one organisation rating them as "excellent". The rest (27.2%) judged them as "poor" or "very poor".

In comparison, just over four-fifths of all large-size organisations showed their approval of present training methods, with 4.4% finding them "excellent", and 16.5% as sub-standard or "poor", but none thought that they were "very poor".

Organisations that evaluated their training methods as "poor" or "very poor" were asked to specify the reasons for their judgement. Among the principal reasons given are the following: shortage of skilled trainers to implement training schemes; over-reliance on on-the-job training, sometimes leading to a perpetuation of mistakes; organisations' inability to absorb innovation in terms of training approaches, techniques and content; and lastly, lack of resources, particularly funding.

7.5.14 Evaluation of Training Programmes

Evidence of the success or failure of any TD programme can only be established accurately through evaluation. It is therefore unsurprising that so many authors in the field of human resources have described it as a vital and integral part of any systematic TD process (Rose, 1964; Hamblin, 1974; Kirkpatrick, 1976; Sikula, 1976; Pratt and Bennett, 1979; Ralph and Steven, 1986; Scapello and Levinka, 1988; McKenna, 1994; McKenna and Beech, 1995; Benabou, 1996; and Taylor, 1996). This is because, without it, the overall impact of the TD programme would remain obscure and difficult to judge with any precision.

The purposes of evaluation were previously set out in detail in Chapter Two (Section 2.3.2.3). Briefly, what evaluation does is measure the effectiveness of the programme after its completion, and determine whether the efforts and investments expended were worthwhile for the organisation or not.

According to Benabou (1996), virtually all organisations do, or ought to, conduct TD evaluation in some form or another. Hence, this survey sought to establish the extent to which participating organisations conformed with this requirement. Results obtained for this aspect of TD are shown in Table 7.5.14 below.

Table 7.5.14

Distribution of organisations by whether or not they conduct TD evaluations

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Training programmes evaluation	Frequency	Per cent	Frequency	Per cent
Always	12	9.1	29	30.9
Sometimes	120	90.9	65	69.1
Never	-	-	-	-
Total	132	100	94	100

What is clear from the table is that this phase of the training process is not given the attention and importance it deserves by a very substantial proportion of the organisations participating in this study. Thus, only 9.1% of all medium-size organisations surveyed, as opposed to 30.9% of all large-size organisations in the sample, claimed to carry out TD evaluation on a regular basis. The remaining astonishing 90% of medium-size organisations, and 69.1% of large-size organisations, conceded that they only "sometimes" carried out TD evaluation. This means that it is not inconceivable that many such organisations rarely - if at all - conduct TD evaluation. It is therefore difficult to conclude that these organisations take TD objectives seriously, or that they are following a systematic approach to the process of training. The Chi-square test found that there is a statistically significant difference between the medium and large-size organisations regarding whether or not they conduct TD evaluation ($\chi^2 = 17.506$, df = 1, $p < 0.001$), favouring large-size organisations. In this context, Werther and Davis (1985:249) state that "the lack of evaluation may be the most serious flaw in most TD efforts. Easterby-Smith and Tanton (1985:25) report that "all but one of the 15 organisations (studied) conducted some of evaluation on a regular basis, and invariably this consisted of an end-of-

course questionnaire". Moreover, Abdalla and Al-Homoud (1995) found that 90% of the organisations they studied had no specific procedures for evaluating their training programmes.

When asked to justify this marked unconcern for the evaluation phase of TD programmes, organisations that admitted failing to carry it out regularly attributed it essentially to seven main reasons. The results are summarised in Table 7.5.15, which shows a remarkable basic agreement between medium and large organisations on the main reasons suggested, except for "Absence of job descriptions", which is strongly refuted by over 90% of large-size organisations surveyed.

Difficulty in measuring trainee behaviour within the limited period of training is advanced as the primary reason by well over 97% of all organisations in the study sample. The second reason given is associated with the costs involved in the process. This is reported by 72.7% of all medium-size organisations and 46.9% of all large-size organisations. This is followed by the organisations' apparent inability to identify and operationalise specific and measurable objectives. 51.3% of all medium-size organisations and 30.8% of all large-size organisations admitted this to be the case as far as they were concerned. The fourth reason mentioned relates to what is referred to as the difficulty in assessing results, particularly in terms of improvement of worker performance. 43.3% of all medium-size organisations stated this as a special difficulty, as opposed to 24.6% of all large-size organisations. The fifth justification given by 35.1% of all medium-size organisations and 11.1% of all large-size organisations pertains to the absence of clear tools and precedents dealing with efficiency performance.

The last two marginal reasons suggested for not conducting evaluation are the absence of job description, mentioned by only 5.3% of all medium-size organisations, and the somewhat odd excuse that "evaluation processes take time to show results", therefore they can be somehow dispensed with.

7.5.15 Reasons for Not Regularly Evaluating Training Programmes

Table 7.5.15

Distribution of organisations by reasons given for not regularly evaluating training programmes

	Size of organisation									
	Medium (N=120)					Large (N=65)				
Reasons given	SD	D	NO	A	SA	SD	D	NO	A	SA
Difficulties in measuring performance improvement	-	10 (8.3)	58 (48.3)	52 (43.3)	-	-	9 (13.8)	40 (61.5)	16 (24.6)	-
Difficulties in measuring trainee behaviour in short period of time	-	-	3 (2.5)	30 (25.0)	87 (72.5)	-	1 (1.5)	-	29 (44.6)	35 (53.8)
Absence of job descriptions	70 (61.4)	16 (14.0)	22 (19.3)	6 (5.3)	-	59 (93.7)	1 (1.6)	3 (4.8)	-	-
Absence of efficiency performance reports	54 (47.4)	15 (13.2)	5 (4.4)	8 (7.0)	32 (28.1)	50 (79.4)	3 (4.8)	3 (4.8)	7 (11.1)	-
High cost of evaluating training methods	2 (1.7)	19 (16.2)	11 (9.4)	71 (60.7)	14 (12.0)	1 (1.6)	20 (31.3)	13 (20.3)	30 (46.9)	-
Objectives of TD programmes not always clear	8 (6.8)	46 (39.3)	3 (2.6)	46 (39.3)	14 (12.0)	11 (16.9)	33 (50.8)	1 (1.5)	17 (26.2)	3 (4.6)

Note: - SD = Strongly Disagree, D = Disagree, NO = No Opinion, A = Agree, SA = Strongly Agree.
- Brackets ( ) represent percentage.
- Question not applicable for 12 cases of medium-size and 29 cases of large-size organisation, since they always evaluate their training programmes.

7.5.16 Methods Used to Evaluate Training Programmes

Table 7.5.16

Distribution of organisations by methods used to evaluate TD programmes

	Size of organisation									
	Medium (N=132)					Large (N=94)				
Methods used to evaluate TD programmes	N	AN	ST	AA	A	N	AN	ST	AA	A
Assessing trainees' learning	125 (97.7)	2 (1.6)	1 (0.8)	-	-	79 (85.9)	10 (10.9)	3 (3.3)	-	-
Asking trainees to fill questionnaire after completion of programme	119 (93.0)	-	6 (4.7)	3 (2.3)	-	69 (74.2)	1 (1.1)	5 (5.4)	14 (15.1)	4 (4.3)
Interviewing trainees after completion of programme	88 (68.8)	31 (24.2)	9 (7.0)	-	-	27 (29.3)	34 (37.0)	29 (31.5)	1 (1.1)	1 (1.1)
Asking manager/super-visor for assessment of trainees' learning	4 (3.1)	13 (9.9)	88 (67.2)	26 (19.8)	-	-	-	30 (31.9)	56 (59.6)	8 (8.5)
Comparing trainees' output before and after programme	34 (26.4)	41 (31.8)	41 (31.8)	13 (10.1)	-	5 (5.3)	45 (47.9)	38 (40.4)	5 (5.3)	1 (1.1)

Notes: - N = Never, AN = Almost Never, ST = Sometimes, AA = Almost Always A = Always;
- Brackets ( ) represent percentage.
- * Two cases (1.5%) of missing data (medium-size organisations).

Earlier, it was reported that the sample of organisations taking part in this study had all disclosed that they - at least from time to time - carried out some form of TD evaluation. To probe further into this issue, it was decided to enquire into the types of methods they used for evaluating TD programmes. The question asked in the survey suggested five main types of evaluation based on Kirkpatrick's (1976) training outcome criteria (see Table 7.5.16 above).

Overall, it was found that both medium and large-size organisations relied first and foremost on the trainee manager / supervisor to provide a report on the learning outcomes, a method preferred by 87% of all medium-size organisations surveyed and 100% of large-size organisations. The second most frequently used technique consists in comparing the trainee's output or performance / behaviour before and after each training programme. This is claimed to be adopted to some degree by 41.9% of all medium-size organisations and 46.8% of all large-size organisations, although this is a common practice only for little more than 10% of all medium-size organisations and 6% of all large-size organisations.

Independent assessment of the trainees' learning is carried out by only an astonishing 0.8% of all medium-size organisations and 3.3% of all large-size organisations. Just as surprising is the use of questionnaires distributed to the trainees after completion of the programme, which proved to be a rarity. Indeed, only 7% of all medium-size organisations claim to use them, compared to 24.8% of all large-size organisations.

Lastly, the personal interview assessment is seldom used either. Thus, only 7% of all medium-size organisations reported using it, while a relatively higher 31.5% of all

large-size organisations stated that they sometimes used it, with no more than 2.2% regularly or almost regularly using it.

The general picture from the above results, it appears, is that employee input and independent assessment of TD outcomes are seriously underestimated by both medium and large-size organisations.

7.5.17 Opinions on Training Evaluation Methods

Table 7.5.17

Distribution of organisations by opinions on training evaluation methods

	Size of organisation			
	Medium (N=132)		Large (N=94)	
Evaluation	Frequency	Per cent	Frequency	Per cent
Very poor	7	5.9	2	2.2
Poor	29	24.4	24	26.4
Good	69	57.9	40	43.9
Very good	13	10.9	24	26.4
Excellent	1	0.8	1	1.1
Total	119	100.0	91	100.0

Note: There are 13 cases (9.8%) of missing data from medium-size organisations and 3 cases (3.2%) from large-size organisations.

Having established that the majority of organisations questioned showed a pronounced bias towards the more tangible evaluation methods, that is the fourth and fifth ones mentioned in Table 7.5.16, namely asking managers / supervisors for an assessment of trainees' learning, or comparing performance before and after the programme, it is now apposite to verify the extent of their confidence in all the methods they use for evaluation.

Table 7.5.17 reveals that approximately three-quarters of all organisations of both types surveyed rated them as "good" or "very good", with approximately 1% on both sides rating them decidedly "excellent". However, almost a third of all organisations, both medium and large, felt they were not satisfactory, and consequently rated them "poor" or "very poor". It can be said, therefore, that however confident most organisations surveyed in this study are with the training evaluation methods they use, the fact is that a significant third of them are unquestionably dissatisfied with them. This finding suggests that it may be worth evaluating the evaluation techniques employed for TD by some medium and large-size Saudi manufacturing organisations.

Organisations that rated their training evaluation methods as "poor" or "very poor" were asked to explain their judgements. Their reasons can be summarised in the following: absence of a systematic plan and policy; absence of efficiency performance reports; lack of confidence in the accuracy of the methods used to measure performance; and perceived lack of conviction on the part of some managers that the evaluation step is a necessary phase of the training process once TNA and training methods have been carried out adequately.

7.6 Factors Impeding Effectiveness of TD Programmes

This section relating to Section Five of the questionnaire presents and analyses the findings concerning the factors that can potentially impede the effectiveness of TD programmes.

Table 7.6.1

Distribution of organisations by perceptions of factors impeding effectiveness of TD programmes

	Size of organisation									
	Medium (N=132)					Large (N=94)				
Impediments	SD	D	NO	A	SA	SD	D	NO	A	SA
Senior managers' scepticism about TD benefits	3 (2.3)	39 (29.5)	-	48 (36.4)	42 (31.8)	19 (20.2)	21 (22.3)	-	28 (29.8)	26 (27.7)
Absence of clear and specific job descriptions	97 (73.5)	11 (8.3)	13 (9.8)	11 (8.3)	-	87 (92.6)	4 (4.3)	2 (2.1)	1 (1.1)	-
Absence of performance efficiency system	82 (62.1)	8 (6.1)	9 (6.8)	30 (22.7)	3 (2.3)	81 (86.2)	4 (4.3)	-	8 (8.5)	1 (1.1)
Absence of clearly stated TD policy	15 (11.4)	59 (44.7)	10 (7.6)	46 (34.8)	2 (1.5)	16 (17.0)	30 (31.9)	19 (20.2)	29 (30.9)	-
Lack of long-term plan for human resources development	4 (3.0)	21 (15.9)	1 (0.8)	85 (64.4)	21 (15.9)	3 (3.2)	6 (6.4)	2 (2.1)	60 (63.8)	23 (24.5)
High costs involved	-	3 (2.3)	1 (0.8)	13 (9.8)	115 (87.1)	-	7 (7.4)	-	11 (11.7)	76 (80.9)
Difficulty in determining training needs	15 (11.4)	88 (66.7)	1 (0.8)	28 (21.2)	-	16 (17.0)	68 (72.3)	-	10 (10.6)	-
Lack of private training centres	3 (2.3)	9 (6.8)	4 (3.0)	75 (56.8)	41 (31.1)	-	4 (4.3)	1 (1.1)	68 (72.3)	21 (22.3)

Table 7.6.1 (Continued)

	Size of organisation									
	Medium (N=132)					Large (N=94)				
Impediments	SD	D	NO	A	SA	SD	D	NO	A	SA
Difficulty in evaluating TD output	10 (7.6)	69 (52.3)	2 (1.5)	49 (37.1)	2 (1.5)	10 (10.6)	55 (58.5)	-	29 (30.9)	-
Poor co-operation and co-ordination between departments	27 (20.5)	60 (45.5)		35 (26.5)	10 (7.6)	16 (17.0)	53 (56.4)	-	17 (18.1)	8 (8.5)
Dearth of TD professionals	17 (12.9)	42 (31.8)	25 (18.9)	40 (30.3)	8 (6.1)	12 (12.8)	30 (31.9)	18 (19.1)	33 (35.1)	1 (1.1)
Employees leave organisation after training	2 (1.5)	10 (7.6)	-	52 (39.4)	68 (51.5)	3 (3.2)	12 (12.8)	-	50 (53.2)	29 (30.9)
Low trainee motivation through lack of support	39 (29.5)	62 (47.0)	18 (13.6)	11 (8.3)	2 (1.5)	24 (25.5)	45 (47.9)	18 (19.1)	7 (7.4)	-

Note: - SD = Strongly Disagree, D = Disagree, NO = No Opinion, A = Agree, SA = Strongly Agree.
- Brackets ( ) represent percentage.

Taking into account the main factors that can impede the effectiveness of TD programmes generally (see Section 2.5), and those that are more specific to Arab countries, particularly the Middle East (see Section 2.6), the present survey then attempted to assess the extent to which thirteen main variables were applicable or not to participant organisations in Saudi Arabia's context.

Results summarised in Table 7.6.1 exhibit at least five major sources of difficulty that frequently hinder the success of TD programmes within medium and large manufacturing organisations in the Kingdom. These are in order of severity:

(1) The high costs involved in TD programmes and the lack of government support in this area. This factor meets with 96.9% agreement/strong agreement on the part of all medium-size organisations and 92.6% of all large-size organisations.

(2) The lack of specialist independent training centres, a factor that is emphasised or strongly emphasised by 87.9% and 94.6% of all medium and large-size organisations, respectively.

(3) The instability of trainees after programme completion who tend to desert their organisations for more lucrative jobs elsewhere. This variable is strongly endorsed by 90.9% and 84.1% of all medium and large-size organisations, respectively.

(4) The lack of long-term plans for human resources development, a point underlined by 80.3% of all medium-size organisations and 88.3% of all large size organisations.

(5) A fifth serious impediment to TD programme success is the perception that some senior managers are generally sceptical about the benefits of training schemes. As indicated in Chapter Two (Sections 2.2.4 and 2.2.5), many of them remain unconvinced that there is a direct link between training and improved worker performance and benefits to the organisation as a whole. 68.2% of all medium-size organisations agree or strongly agree this to be the case, compared to 57.5% of all large-size organisations surveyed.

A second group of variables suggested to affect adversely TD effectiveness finds reasonable support from approximately a third of all organisations surveyed:

(6) The dearth of TD professionals within TD departments or units is confirmed by 36.4% of all medium-size organisations and 36.2% of all large-size organisations.

(7) Following that, the apparently pervasive difficulty in evaluating TD outputs, both tangibles and intangibles, is borne out by 38.6% and 30.9% of all medium and large-size organisations surveyed, respectively.

(8) The claim that there is an absence of clear TD policies is validated by 36.3% and 30.9% of all medium and large-size organisations, respectively.

(9) Poor co-operation and co-ordination between the various organisational departments and the TD departments or units is corroborated by 34.1% and 26.6% of all medium and large-size organisations, respectively.

The last set of variables have gathered approximately 10-20% support among the manufacturing organisations surveyed:

(10) Ahead in this group is the unfortunate lack of reliable and tested performance efficiency systems related to TD. Here, however, the problem is felt by a quarter of all medium-size organisations, as opposed to just under 10% of all large-size organisations surveyed.

(11) Difficulty in determining training needs to design appropriate TD programmes is a factor substantiated by 21.2% of all medium-size organisations, and by only 10.6% of all large-size organisations.

(12) The absence of clear and specific job descriptions is thought to be a contributing factor to TD ineffectiveness by 8.3% of all medium-size organisations, and a mere 1.1% of all large-size organisations.

(13) Finally, low trainee motivation through lack of support, particularly from the external environment (family, friends, etc.), is recognised as having a negative impact on the successful completion of TD programmes by some trainees. The ratings for this variable are 9.8% and 7.4% from all medium and large organisations surveyed, respectively.

7.6.1 Difficulties Arising from Culture and Values

Table 7.6.2

Distribution of organisations by their perceptions of difficulties facing TD programmes from culture and values

	Size of organisation			
	Medium (N=132)		Large (N=94)	
TD programmes pose cultural problems	Frequency	Per cent	Frequency	Per cent
Yes	99	75.0	53	56.4
No	33	25.0	41	43.6
Total	132	100.0	94	100.0

Huang (1996), previously quoted in Chapter Two (Section 2.4), strongly stresses that even the best TD programmes are doomed to failure if they neglect to take into account the element of "cultural fit" when designing and implementing training schemes, particularly in Third World countries. Many other authors share his views, which underline that attention to this aspect of TD can definitely make the difference between success or failure (Alabdlohab, 1987; Johnson, 1991; Schermerhorn, 1994; Bhagat and Prien, 1996), hence the reason for investigating this point in this survey. The question endeavoured to elicit whether in the view of the targeted organisations or based on experience, training programmes often introduced from external sources, particularly Western, could cause cultural or ethical problems for their trainees.

Table 7.6.2 above shows that well over 65% of all organisations surveyed responded positively to the question. Indeed, 75.0% of all medium-size organisations recognised this to be a crucial problem, and a relatively lower 56.4% of all large-size organisations considered this to be the case.

The Chi-square test shows that there is a statistically significant difference between medium and large-size organisations regarding their perceptions of the difficulties facing TD programmes from culture and values ($\chi^2 = 8.641$, df = 1, $p < 0.01$).

Organisations which concurred with the view that TD programmes can pose cultural problems emphasised the following difficulties. The medium of training is often English, the mastery of which is difficult for the majority of Arabic-speaking employees in Saudi Arabia, making communication and the grasp of TD content difficult. A second hurdle is the fact that most foreign trainers are unfamiliar with the Saudi Arabian work environment, including social habits and religious practices which must be observed, even during the working hours of the day. The third source of conflict often inadvertedly arises as a result of the use of foreign training materials. For example, video tapes containing images of women not conforming with the Islamic dress code and in roles that are alien to the local culture can cause deep embarrassment and alienation.

7.7 Future Challenges Likely to Increase Importance of TD

The discussion of the prospective challenges that face Saudi manufacturing organisations (Chapter Three, Section 3.11) has assisted in identifying five fundamental variables which were included for testing in this survey (Section Six of the questionnaire). The intention was to measure participating organisations' awareness of such challenges, which is assumed to give some indication of their readiness and determination to tackle them.

Table 7.7

Distribution of organisations by their perceptions of future challenges that may increase importance of TD programmes

	Size of organisation									
	Medium (N=132)					Large (N=94)				
Future challenges	SD	D	NO	A	SA	SD	D	NO	A	SA
Policy of Saudisation	-	-	-	22 (16.7)	110 (83.3)	-	-	-	36 (38.3)	58 (61.7)
Privatisation	-	22 (16.7)	18 (13.6)	68 (51.5)	24 (18.2)	-	6 (6.4)	3 (3.2)	58 (61.7)	27 (28.7)
Internal competition	-	5 (3.8)	-	58 (43.9)	69 (52.3)	-	11 (11.7)	-	51 (54.3)	32 (34.0)
External competition (especially after Saudi membership of "WTO")	-	14 (10.6)	9 (6.8)	63 (47.7)	46 (34.8)	-	8 (8.5)	3 (3.2)	38 (40.4)	45 (47.9)
Rapid technological change	-	2 (1.5)	1 (0.8)	48 (36.4)	81 (61.4)	-	-	-	37 (39.4)	57 (60.6)
Other, particularly discrepancy between education & business needs	-	-	-	-	2	-	-	-	-	5

Note: Brackets ( ) represent percentage.

Table 7.7 reveals very high levels of awareness regarding all the variables listed without exception. Top of the list are the policy of Saudisation and the expected rapid technological changes of the next millennium, endorsed by virtually 100% of all organisations questioned. These are closely followed by the element of internal competition, agreed or strongly agreed upon by 96.2% and 88.3% of all medium and large-size organisations, respectively. The fourth variable in order of importance concerns external market competition, which is expected to increase dramatically after the anticipated Saudi membership of "WTO". Last, but not least, is the widening of privatisations in the Saudi economy. This variable is recognised by 69.7% of all medium-size organisations, compared to 90.4% of all large-size organisations.

7.9 Summary and Discussion

This chapter has set out to provide a detailed comparative description and analysis of the survey findings concerning TD within the medium and large-size manufacturing organisations of Saudi Arabia. The presentation began with a profile of the organisations concerned and found that both were dominated by prefabricated metal products, machinery and equipment, as well as petro-chemical and energy-related industries. A large proportion of such industries appear to be concentrated in the Middle Province, with little to no presence in the North and South Provinces.

Almost half of all medium-size organisations have been in existence for under 15 years, while three-quarters of all large-size organisations were established 15-35 years ago or more. Overall, the manufacturing business sector was qualified as relatively young. Medium-size organisations are mostly run by their owners and their families, while large-size organisations are in the main managed by a board of directors.

The most significant finding in this chapter is that over 80% of all medium-size organisations and almost 60% of all large-size organisations have no special unit for TD. Existing TD units have been in operation on average for 5-8 years only; otherwise, responsibility for TD is held by either human resources managers, senior managers, or some other member of staff in the organisation. In most cases, TD activity appears to be relegated to an ancillary position carried out by a maximum of three employees, over half of whom may be non-Saudi nationals.

Nevertheless, the data show that despite the shortcomings just cited, approximately 70-80% of all personnel in charge of training are selected from among the most highly

educated and experienced staff of the organisation. The real problem, it seems, lies in the fact that a large proportion of organisations of both types possess no formal TD plan, namely just under 60% of all medium-size organisations and over 40% of all large-size organisations. Not only that, but almost a third of those organisations claiming to possess a TD plan revealed them to be unwritten, meaning in effect that they were piece-meal and unaffected by measures of performance and accountability.

Formulation of the TD plan and policy, for those organisations that have them, is to a large extent concentrated in the hands of senior management in medium-size organisations, while in large-size organisations the tendency is to allow the TD unit or human resources staff to assume the primary role for this task, supported by management.

However ambitious or unambiguous the TD plans in question may be, the vast majority of organisations of both categories expressed high optimism regarding the expected percentage of implementation of such plans (50-90%).

Another significant finding is that only about a half of all organisations declared that current TD provision was satisfactory, recognising the need for more attention to be paid to this area. Training also seems to be focused on the immediate needs of technical staff, particularly in medium-size organisations. Unsurprisingly, very few organisations, both medium and large, have their own training facilities in the shape of a TD centre. What is more, over 80% of all medium-size organisations and just over 60% of all large-size organisations stated that they never received any form of technical assistance from professional TD organisations.

Reactions to present TD programmes were predictably negative for almost three-quarters of all medium-size organisations, and for just under half of all large-size organisations. This was first and foremost attributed to the insufficient amount of TD provision and the generally poor quality of TD content currently provided, followed by the frequent lack of clear TD vision and policy. Some organisations also pointed out the existence of a gap between the TD programmes and the actual job skills needed by the organisations.

Commitment to TD was nowhere more obvious than in the way the schemes are supported financially. In this respect, just over 40% of all large-size organisations reported having no separate budget for TD, while approximately twice as many medium-size organisations revealed they had no such provision. Although the amount of money spent on TD programmes appears to be on the increase for most organisations, somewhat recognising its importance, the general view held by about half of all the organisations surveyed is that TD is severely under-funded and unsupported by central government.

Concerning TD implementation, which ought to begin with TNA if a systematic approach to TD is aimed for, it was discovered that less than 30% of all medium-size organisations took this task seriously by conducting regular assessments. The remaining organisations claim to conduct TNA "from time to time" only. The main reasons given for this shortcoming were attributed to the lack of senior management commitment for TD, and the low motivation to train employees who subsequently leave the organisation for better jobs elsewhere. As for the most frequently used method of TNA, this was found to be overwhelmingly "direct observation", raising

questions about its accuracy and value. With regard to when TD is provided, the results reveal that TD is first resorted to as a response to a formal request from a particular department; secondly, when new staff are recruited or new equipment is purchased. TD was found to follow PEA reports irregularly, and in some cases is not activated at all. Curiously, just over 70% of all medium and 80% of large-size organisations approached reported that they were satisfied with their TNA methods, despite their being generally based on the subjective judgements of managers/supervisors. Those who expressed dissatisfaction in this respect blamed this deficiency mainly on the lack of a clear objective TD strategy, the interference of personal relationships and influence on TD decisions, and on the absence of adequate structures.

Moreover, on-the-job training using the demonstration or the case study emerged as the most common approach to training for both categories of organisation. Modern computer-based techniques were disappointedly found to be used in less than 1% of cases. Although most off-the-job training is conducted in Saudi Arabia, about 10% of all medium-size organisations and 20% of all large-size organisations said that they sent some of their staff for training abroad, particularly to Britain and America, followed by Egypt, other countries in the Middle East and Europe, as well as to Japan. Methods used for TD, both in-house and abroad, are highly rated by approximately 7 out of every 10 medium-size organisations, and by 8 out of every 10 large-size organisations. Over-reliance on on-the-job training was however identified as a possible inhibiting factor to innovation and improvement of employee skills.

Training evaluation which should follow TD implementation in any systematic TD process was found to be to some extent neglected by about 90% of all medium-size organisations and about 70% of large-size organisations, all of which have stated that they only "sometimes" carried out evaluation. The reasons for this could be encapsulated in a single underlying reason: the lack of awareness and knowledge of the skills required to conduct it properly. Furthermore, two methods of evaluation are relied upon: either the written report by the trainer's manager, or the observation of the trainee's performance before and after the programme. These two methods command approximately 70% support by all the organisations surveyed.

On the question of obstacles that impede the effectiveness of TD, there is almost unanimous agreement among all the organisations approached on the main factors involved. Inadequate funding comes first on the list, the lack of adequate specialist training centres comes second in ranking order, closely followed by poor staff loyalty after training. Fourth comes the lack of clear TD strategy, and fifth is the perceived lack of sufficient senior management commitment and support for TD. Several other reasons were suggested, all of which in the researcher's view are likely to be due to the low status and low priority given to the issue of TD and the piece-meal manner in which it is carried out in many organisations.

Difficulties arising from culture and values can never be underestimated in the context of Saudi Arabia. These are recognised by at least 65% of all the organisations that took part in this study.

The final part of this chapter was devoted to measuring the extent to which participating organisations were aware and ready to face the challenges ahead, which are likely to call for more commitment to TD. The results show high awareness and full agreement among almost all the organisations surveyed that Saudisation, rapid technological changes, internal and external market competition, and privatisation will increasingly force them to take the necessary steps and measures to put TD at the forefront of their strategic concerns.

CHAPTER EIGHT

LOGISTIC REGRESSION ANALYSIS

CHAPTER EIGHT

LOGISTIC REGRESSION ANALYSIS

Factors Affecting some Important Characteristics of Training and Development

8.1 Introduction

In the previous chapter, we used a descriptive analysis to discuss the characteristics of training and development in the private manufacturing sector in Saudi Arabia. The main points that we discussed are: training and development plan and policy, how training is implemented, problems and obstacles that face training and development programmes, and future challenges that may increase the need for training and development in the future.

The main objective in this chapter is to discuss a number of independent variables that affect some important dependent variables related to the characteristics of training and development. To achieve this aim, the researcher will use the logistic regression model. The reason for using logistic regression is because all dependent variables that we are concerned with are dichotomous or dummy variables. The dependent variables for which we need to know the kind of factors (independent variables) that impact on them here are: (1) training and development department, (2) training and development planning, (3) training and development budget; (4) training need assessment, (5) off-the-job training, and (6) training evaluation.

In this chapter we will use the following abbreviations:

TP	Type of product
TNE	Total number of employees
TC	Total capital
TM	Type of management in organisation
PE	Performance efficiency
TDD	Training and development department
TDP	Training and development planning
TDB	Training and development budget
TNA	Training need assessment
Off JT	Off-the-job training
TE	Training evaluation

8.2 Logistic Regression Model

Regression is the most widely used non-experimental data analysis technique (Menard, 1995). According to Liao (1994:1), linear regression analysis is a basic statistical method in the social scientist's toolbox that requires a continuous dependent variable. However, much of what social scientists study cannot be analysed with the classical regression model, " because many attitudes, behaviours, characteristics, decisions, and events in social science research - be they intrinsically continuous or not – are measured in discrete, nominal, ordinal, or, in short, noncontinuous ways". For these, a more appropriate statistical model available for the analysis of such data is the logistic model.

The logistic regression model is a probability model that attempts to analyse dependent dichotomous variables. It discusses the probability of occurrence of a given event (Liao, 1994; Menard, 1995; and Sapsford and Jupp, 1996). Moreover, regression analysis is used to explain the relationship between dependent and independent variables. In the logistic regression model, the dependent variable equals one if the event occurred, and equals zero if it did not occur (yes = 1 or no = 0). According to Hair *et al* (1995:130), the main difference between logistic regression and linear regression is that logistic regression is used when the dependent variable is dichotomous or a dummy variable, while the linear regression is used if the dependent variable is continuous. In both models, it does not matter if the independent variables are continuous or dichotomous variables, but for the linear regression, independent variables should include at least one continuous variable. In our case, the linear regression model is not suitable for our analysis, because all our dependent variables are not continuous variables (dummy), and the

logistic regression model is the most suitable for the analysis of our data since, as mentioned above, all our dependent variables are dichotomous or dummy variables.

The logistic equation for the relationship between the dependent and independent variables takes the formula (Liao, 1994 ; Menard, 1995):

$$\text{logit}(y) = a + b_1x_1 + b_2x_2 + \ldots . b_kx_k$$

We can convert logit (y) back to the odds by exponentiation, calculating Odds ($y = 1$) = $e^{\text{logit}(y)}$. This results in the equation:

$$\text{Odds}(y=1) = e^{\ln[\text{odds}(y=1)]} = e^{a + b1x1 + b2x2 + \ldots . bkxk}$$

We can then convert the odds back to the probability that ($y = 1$) by the formula:

P ($y = 1$) = odds ($y = 1$) / [1 + odds ($y = 1$)] (see Liao, 1994:17; Menard, 1995:13).

This results in the equation:

$$P(y=1) = e^{a + b1x1 + b2x2 + \ldots . bkxk} \; / \; 1 + e^{a + b1x1 + b2x2 + \ldots . bkxk}.$$

In addition, regarding how the model might fit the data used, model Chi-square is analogous to multivariate F-test for the linear regression. If model Chi-square is statistically significant ($P \leq .05$), then we reject the null hypothesis that the dependent variable equals (0) and accept the existence of the event (Menard, 1995).

8.3 Logistic Regression Analysis of Factors Determining Dummy Dependent Variables

The analysis starts with a correlation matrix between all independent variables, to omit and reduce the number of independent variables that do not affect and explain the dummy dependent variables. Then a correlation matrix between explained (dependent) and main explanatory (independent) variables was constructed to find out the independent variables that have a significant relationship with the explained variables.

To avoid multicollinearity among independent variables, we omit the highly correlated variables from the regression equations[1]. If the multicollinearity problem is not serious and the independent variables are not highly correlated, we ignore this problem.

To express the regression equations in the logistic form, we report all significant independent variables, both dummy and continuous variables, then we try to predict the probability of the existence of the event or the probability of the dependent variable equalling one.

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[1] Another way of avoiding multicollinearity is to combine correlated independent variables. This is not suitable for our case because of the different ways of measurement.

8.4 Dependent and Independent Variables

The dependent variables that we need to explain are related to the characteristics of training and development, which are: (1) training and development department (TDD), (2) training and development planning (TDP), (3) training and development budget (TDB), (4) training need assessment (TNA), (5) off-the-job training (Off JT), and (6) training evaluation (TE). The independent variables, which comprise eleven variables, can be divided into two categories: first, independent variables related to the characteristics of the organisation, and second, independent variables related to the characteristics of training and development. The independent variables related to the characteristics of the organisation are: (1) Type of product (TP), (2) Total number of employees (TNE), (3) Total capital (TC), (4) Type of management in the organisation (TM), and (5) performance efficiency (PE). The independent variables related to the characteristics of training and development are: (1) Training and development department (TDD), (2) Training and development planning (TDP), (3) Training and development budget (TDB), (4) Training need assessment (TNA), (5) Off-the-job training (Off JT), and (6) Training evaluation (TE).

8.5 Factors Affecting Existence of Training and Development Department

We use training and development department (TDD) as a dependent variable. It is a dummy variable with the value of (0) if the organisation has no TDD, (1) if the organisation has a TDD. After running the logistic regression analysis for the TDD as a dependent variable, we found that the main independent variables that affect the TDD are: (1) TNE, (2) TM, (3) TDP, and Off JT. We need to note that total capital

(TC) also affects the TDD, as it was found to be statistically significant, but a decision was made not to use it here to avoid the multicollinearity among independent variables (TNE and TC), because there is high correlation between TNE and TC, and both of them measure the size of organisation. Thus, the researcher selected TNE rather than TC, because it was statistically more significant.

The logistic equation shows that the main independent variables that affect the existence of the TDD are the following:

$$\text{Logit (TDD)} = \underset{(.00)}{-7.77} + \underset{(.003)}{.004}\,(\text{TNE}) + \underset{(.00)}{2.92}\,(\text{TM}) + \underset{(.00)}{3.97}\,(\text{TDP}) + \underset{(.007)}{1.47}\,(\text{Off JT})$$

The TNE is a continuous variable. In this equation, we use the average number of employees, which is 280 employees. TM is a dummy variable with the value (0) if the TM of the organisation is run by the owner alone or the owner with his family, and (1) if the TM of the organisation is run by a Saudi board or a Saudi and non-Saudi board of directors. TDP is a dummy variable with the value (0) if there is no TDP, and (1) if there is a TDP. Finally, Off-the-job training (Off JT) is also a dummy variable with the value (0) if the organisation does not offer Off JT to its employees, and (1) if the organisation does offer Off JT to its employees.

The logistic model shows that –2 log likelihood = 107.91, the goodness of fit = 110.21, and the Chi-square for the model = 157.65 (df = 4) with the significance of 0.00 level, which means that the model significantly fits the data. All the independent variables are positively related with the existence of the event. The

relation is significant at less than the .05 level for all independent variables. The probability of the organisation to have a TDD [2] is (85%).

The equation shows that TNE affected the TDD positively, which means that the organisation with a high number of employees is most likely to have a TDD. Also, the equation shows that an organisation that is managed by a board directors is affecting the TDD positively. Also, the equation shows that TDP and Off JT are affecting the TDD positively, and that means that the role of TDD as described by Taylor (1996) has a service function here, not a proactive one. Taylor (1996: 274) also indicates that " the training function can be seen to have two roles. There is a reactive role in which the training department provides the necessary expertise or skill in response to request from the managers and supervisors. In this sense, it is a service function, providing managers with support to help them fulfil their needs for effectively training the workforce. The second role is a proactive one, where necessary, implementing training, to fulfil not only short-term organisational needs but also longer-term corporate plans and strategies".

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[2] To predict the probability in the logistic model in the case of TDD as a dependent variable, and as independent variables, the researcher used the following formula:

Logit (TDD) = -7.77 + .004 (280) + 2.92 (1) + 3.97 (1) + 1.47 (1)

Odds (TDD=1) = $e^{\text{logit (TDD)}} = e^{-7.77 + 1.12 + 2.92 + 3.97 + 1.47} = e^{1.71}$

Prob (TDD = 1) = $e^{1.71} / 1 + e^{1.71}$

= 5.53 / 1 + 5.53

= 5.53 / 6.53 = 0.85, or equal to 85%

8.6 Factors Affecting Existence of Training and Development Planning

Here, we use training and development planning (TDP) as a dependent variable. It is a dummy variable with the value of (0) if the organisation has no TDP, and (1) if the organisation has a TDP. After running the logistic regression analysis for TDP as a dependent variable, it was found that the main independent variables that affect the existence of TDP are: (1) TP, (2) TC, and (3) TM.

The logistic equation that shows the relation between the TDP and the independent variables that affect it is as follows:

$$\underset{}{\text{Logit (TDP)}} = \underset{(.00)}{-2.18} + \underset{(.03)}{5.51^{E-09}}\ \underset{(.001)}{(TC)} + \underset{}{1.12\ (TP)} + \underset{(.00)}{2.25\ (TM)}$$

The TC is a continuous variable, in this equation we use the average capital of organisations, which is SR 8,1684,000. TP is a dummy variable with the value (0) if the TP is other than chemical, petroleum, plastic, basic metals, fabricated metal products, and machinery and equipment, and (1) if the TP is chemical, petroleum, plastic, basic metals, fabricated metal products, and machinery and equipment. Finally, TM is a dummy variable with the value (0) if the TM of the organisation is run by the owner alone or the owner with his family, and (1) if the TM of the organisation is run by Saudi or Saudi and non-Saudi board of directors.

The logistic model shows –2 log likelihood = 220.52, the goodness of fit = 217.98 and the Chi-square for the model = 90.86 (df = 3) with the significance of 0.00 level, which means that the model significantly fits the data. All the independent variables are positively related with the existence of the event. The relation is

significant at less than the .05 level for all independent variables. The probability of the organisation to have a TDP[3] is (83%).

The equation shows that TC affects the TDD positively, which means that an organisation with a big capital is most likely to have a TDD. Also, the equation shows that an organisation that is managed by a board of directors affects the TDD positively. Finally, the equation shows that TP affects the TDP positively, which means that organisations that produce chemical, petroleum, plastic, basic metals, fabricated metal products, and machinery and equipment are most likely to have a TDP.

8.7 Factors Affecting Existence of Training and Development Budget

In this case, we use training and development budget (TDB) as a dependent variable. It is a dummy variable with the value of (0) if the organisation has no TDB, and (1) if the organisation has a TDB. After running the logistic regression analysis for TDB as

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[3] To predict the probability in the logistic model in the case of TDP as a dependent variable, and as independent variables, the researcher used the following formula:

Logit (TDP) = $-2.18 + 5.51^{E-09}(81684000) + 1.12\,(1) + 2.25\,(1)$

Odds (TDP =1) = $e^{\text{logit (TDP)}} = e^{-2.18 + .41 + 1.12 + 2.25} = e^{1.6}$

Prob (TDP = 1) = $e^{1.6} / 1 + e^{1.6}$

$= 4.95 / 1 + 4.95$

$= 4.95 / 5.95 = 0.83$, or equal to 83%

a dependent variable, we found that the main independent variables that affect TDB are: (1) TC, (2) TM, and (3) TDP.

The logistic equation that shows the relation between the TDB and the independent variables that affect it is as follows:

$$\underset{}{\text{Logit (TDB)}} = \underset{(.00)}{-3.46} + \underset{(.00)}{1.11^{E-08}}\ (TC) + \underset{(.00)}{1.77}\ (TM) + \underset{(.00)}{1.93}\ (TDP)$$

We use the average of (TC) in the equation, which is SR 8,1684,000. TM is a dummy variable equal to (0) if the TM of organisation is run by the owner alone or the owner with his family, and equal to (1) if the TM of organisation is run by Saudi or a Saudi and non-Saudi board of directors. Finally, TDP is also a dummy variable equal to (0) if there is no TDP, and equal to (1) if there is a TDP.

The logistic model shows –2 log likelihood = 166.16 the goodness of fit = 236.86 and the Chi-square for the model = 130.11(df = 3) with a significance of 0.00 level, which means that the model significantly fits the data. All the independent variables are positively related with the existence of the event. The relation is significant at less than the .05 level for all independent variables. The probability of the organisation to have a TDB[4] is (74%).

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[4] To predict the probability in the logistic model in the case of TDB as a dependent variable, and as independent variables, the researcher used the following formula:

$$\text{Logit (TDB)} = -3.46 + 1.11^{E-08}\ (81684000) + 1.77\ (1) + 1.93\ (1)$$

$$\text{Odds (TDB =1)} = e^{\text{logit (TDB)}} = e^{-3.46 + .82 + 1.77 + 1.93} = e^{1.06}$$

$$\text{Prob (TDB = 1)} = e^{1.06} / 1 + e^{1.06}$$

$$= 2.89 / 1 + 2.89$$

$$= 2.89 / 3.89 = 0.74, \text{ or equal to } 74\%$$

The equation shows that TC affects the TDB positively, which means that an organisation with a large capital is most likely to have a TDB. Also, the equation shows that an organisation managed by a board of directors is most likely to have a TDB.

8.8 Factors Affecting Existence of Training Need Assessment

For this, we use training need assessment (TNA) as a dependent variable. It is a dummy variable with the value of (0) if the organisation does not always conduct TNA, and (1) if the organisation does always conduct TNA. After running the logistic regression analysis for TNA as a dependent variable, we found that the main independent variables that affect TNA are: (1) TDD, (2) TDP, and PE.

The logistic equation that shows the relation between TNA and the independent variables that affect it is as follows:

$$\underset{}{\text{Logit (TNA)}} = \underset{(.00)}{-4.29} + \underset{(.004)}{1.19}\,(\text{TDD}) + \underset{(.00)}{2.09}\,(\text{TDP}) + \underset{(.03)}{2.2}\,(\text{PE})$$

TDD is dummy variable with the value (0) if there is no TDD, and (1) if there is a TDD. TDP is a dummy variable equal to (0) if there is no TDP, and (1) if there is a TDP. Finally, PE is also a dummy variable with the value (0) if there is no PE, and (1) if there is PE.

The logistic model shows –2 log likelihood = 182.22, goodness of fit = 186.38 and Chi-square for the model = 106.91 (df = 3) with a significance of 0.00 level, which

means that the model significantly fits the data. All the independent variables are positively related with the existence of the event. The relation is significant at less than the .05 level for all independent variables. The probability of the organisation to have a TNE[5] is (77%).

8.9 Factors Affecting Existence of Off-the-job Training

Here, we use off-the-job training (Off JT) as a dependent variable. It is a dummy variable with the value of (0) if the organisation has no Off JT, and (1) if the organisation has Off JT. After running the logistic regression analysis for Off JT as a dependent variable, we found that the main independent variables that affect Off JT are: (1) TDP, (2) TDB, and (3) TNA. We need to note that total capital (TC) also affects the Off JT, as it was also found to be statistically significant, but the researcher did not use it here to avoid multicollinearity among independent

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55 To predict the probability in the logistic model in the case of TNA as a dependent variable, and as independent variables, the researcher used the following formula:

Logit (TNA) = -4.29 + 1.198 (1) + 2.09 (1) + 2.2 (1)

Odds (TNA =1) = $e^{\text{logit (TNA)}} = e^{-4.29 + 1.19 + 2.09 + 2.2} = e^{1.19}$

Prob (TNA = 1) = $e^{1.19}/1 + e^{1.19}$

= 3.29 / 1 + 3.29

= 3.29 / 4.29 = 0.77, or equal to 77%

variables (TDB and TC). The researcher preferred to use TDB, because it proved to be more significant than TC.

The logistic equation that shows the relation between Off JT and the independent variables that affect it is as follows:

$$\underset{}{\text{Logit (Off JT)}} = \underset{(.00)}{-2.01} + \underset{(.03)}{.93\ (TDP)} + \underset{(.00)}{1.79\ (TDB)} + \underset{(.00)}{2.09\ (TNA)}$$

As mentioned in Section 8.8, TDP is a dummy variable with the value (0) if there is no TDP, and (1) if there is a TDP. TDB is a dummy variable with the value of (0) if the organisation has no TDB, and (1) if the organisation has a TDB. Finally, TNA is also a dummy variable with the value of (0) if the organisation does not always carry out TNA, and (1) if the organisation always does carry out TNA.

The logistic model shows –2 log likelihood = 194.45, goodness of fit = 214.77 and Chi-square for the model = 116.71 (df = 3) with a significance of 0.00 level, which means that the model significantly fits the data. All the independent variables are positively related with the existence of the event.

The relation is significant at less than the .05 level for all independent variables.

The probability of the organisation to have Off JT[6] is (94%).

8.11 Factors Determining Training Evaluation

Finally, here we use training evaluation (TE) as a dependent variable. It is a dummy variable with the value of (0) if the organisation does not always do TE, and (1) if the organisation always does TE. After running the logistic regression analysis for the TE as a dependent variable, we found that the main independent variables that affect the TE are: (1) TDD, and (2) TNA.

The logistic equation that shows the relation between the TE and the independent variables that affect it is as follows:

$$\text{Logit (TE)} = \underset{(.00)}{-6.56} + \underset{(.00)}{3.7\,(\text{TDD})} + \underset{(.00)}{4.64\,(\text{TNA})}$$

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[6] To predict the probability in the logistic model in the case of Off JT as a dependent variable, and as independent variables, the researcher used the following formula:

$$\text{Logit (Off JT)} = = -2.01 + .93\,(1) + 1.79\,(1) + 2.09\,(1)$$

$$\text{Odds (Off JT =1)} = e^{\text{logit (Off JT)}} = e^{-2.01 + .93 + 1.79 + 2.09} = e^{2.8}$$

$$\text{Prob (Off JT = 1)} = e^{2.8} / 1 + e^{2.8}$$

$$= 16.45 / 1 + 16.45$$

$$= 16.45 / 17.45 = 0.94, \text{ or equal to } 94\%$$

TDD is a dummy variable with the value of (0) if there is no TDD, and (1) if there is a TDD. TNA is also a dummy variable with the value of (0) if the organisation does not always do TNA, and (1) if the organisation always does TNA.

The logistic model shows –2 log likelihood = 70.91, goodness of fit = 97.83 and Chi-square for the model = 154.72 (df = 2) with a significance of 0.00 level, which means that the model significantly fits the data. All the independent variables are positively related with the existence of the event. The relation is significant at less than the .05 level for all independent variables. The probability of the organisation to have a TE[7] is (86%).

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[7] To predict the probability in the logistic model in the case of TE as a dependent variable, and as independent variables, the researcher used the following formula:

Logit (TE) = = -6.56 + 3.7 (1) + 4.64 (1)

Odds (Off JT =1) = $e^{\text{logit (TE)}} = e^{-6.56 + 3.7 + 4.64} = e^{1.78}$

Prob (TE = 1) = $e^{1.78} / 1 + e^{1.78}$

= 5.93 / 1 + 5.93

= 5.93 / 6.93 = 0.86, or equal to 86%

8.12 Summary

In this chapter, we used the logistic regression model to find out and analyse the main independent variables that affect some dependent variables (TDD, TDP, TDC, TDB, TNA, Off JT, and TE).

It was found that the main independent variables that affect the existence of TDD are TNE, TM, TDP, and Off JT, with a probability of 85%. The main independent variables that affect the existence of TDP are TP, TC, and TM, with a probability of 83%. The variables TC, TM, and TDP are the main independent variables that affect the existence of TDB, with a probability of 74%. The rest of the dependent variables TNA, Off JT and TE are related to how training is implemented. In this respect, we found that the main independent variables that affect the TNA are TDD, TDP, and PE, with a probability of 77%. For the Off JT we found that TDP, TDB, and TNA are the main independent variables that affect it, and the probability is equal to 94%. Finally, we found that the main independent variables affecting the TE are TDD and TNA, with a probability of 86%.

From these results, we can conclude that the size of organisations (which can be measured by the number of employees or by the total capital), and type of management responsible for running the manufacturing organisations are the most important factors that affect TD in the private manufacturing organisations in Saudi Arabia.

CHAPTER NINE

CONCLUSIONS AND RECOMMENDATIONS

CHAPTER NINE

CONCLUSIONS AND RECOMMENDATIONS

9.1 Introduction

This chapter brings together the main findings reached throughout this study. It reviews the evidence assembled to meet the research objectives spelt out in Chapter One, and discusses the significance of the results obtained in Chapters Six, Seven, and Eight. along with their implications. Also contained in this chapter are a number of recommendations to interested parties in this study, and suggestions for further research.

To begin with, it is worth recalling that the broad objective of this research was to explore the nature and extent of TD within all known medium and large-size manufacturing organisations in Saudi Arabia, (i.e. listed in the Directory of Saudi Manufacturers, and published in four volumes by the Ministry of Industry and Electricity). This broad objective was then broken down into essentially five specific objectives briefly restated below for ease of reference:

1. To describe and compare the nature and extent of TD provision within the organisations concerned.
2. To report on how training is implemented within such organisations.
3. To obtain insights into management thinking and attitudes towards TD.
4. To shed light on the main problems and obstacles that hamper the effective implementation of TD programmes.

5. To identify the factors that are likely to increase the importance of TD for these organisations in the future.

To meet the objectives of this study, the researcher has undertaken an intensive review of the available literature on TD, both in Saudi Arabia, the Middle East, other Arab countries, and in the Western World. The aim was to discover the conditions under which TD is most effective, both in theory and practice, so that they can be set against the existing TD model(s) as designed in the plans and policies and implemented in a representative sample of the targeted population of manufacturing organisations in Saudi Arabia.

9.2 Findings from Literature Review

9.2.1 Role and Benefits of TD

Throughout the literature survey, the importance and role of TD in modern organisations was amply substantiated with supportive evidence provided by numerous scholars in the field (King, 1964; Kenney and Donnelly, 1972; Jinks, 1979; Szilagyi, 1981; Chruden and Sherman, 1984; Pepper, 1984; Stanley, 1984; Kenney and Reid, 1986; Rosow and Zager, 1988; Coussey and Jackson, 1991; Reay, 1991; Bennett, 1993; Stout, 1993; McKenna and Beech, 1995; Meighan, 1995; Benabou, 1996; Taylor, 1996; Goad, 1997; Linde *et al,* 1997; Torrington and Hall, 1998; Reid and Barrington, 1999; and others). Overall, both prescriptive and empirical researches appear to be in no doubt on the links between TD and a host of organisational and national dimensions, particularly the following:

- Employee knowledge, skills, and attitudes to work and to the organisation.
- Employee morale, job satisfaction and loyalty to the organisation.
- Work safety and the reduction of industrial accidents.
- Performance effectiveness and efficiency.
- Company's productivity, growth and competitiveness.
- Company's preparedness and adaptability with changes, both in the environment and in technology.
- The nation's economic performance, standard of living and competitiveness in the international market.

In short, the literature pinpoints TD as a vital key to the continuing success of organisations, not to mention its positive impact on the quality of goods and services produced and the reputation of the organisation. More details of the benefits of TD are outlined in Section 2.2.3.

9.2.2 Contributing Factors to TD Success

From the research literature, the researcher has been able to derive a number of important contributing factors that can make for effective TD plans and practices. These can be viewed as representing an ideal framework within which TD is designed and implemented. Thus, successful TD is more likely to occur when as many of following ten variables obtain:

1. The availability of adequate funding and support for TD activities, including the provision of a separate budget.

2. Top management commitment and involvement are assured.
3. Top line priority is given to the TD function among other personnel management activities.
4. Wherever possible, a separate TD department/unit is set apart for TD activities.
5. TD schemes are formulated within a coherent, proactive and reactive strategy that takes account of current and future true needs of the organisation.
6. TD plans and policies cater both for the requirements of the organisation and the career needs of all its employees.
7. TD is viewed as a continuous process, and learning forms an integral part of corporate life.
8. TD follows a systematic approach in its design and implementation, involving at least three vital, interdependent phases: The needs and objectives assessment phase; the development (means and methods) phase; and the evaluation and feedback phase.
9. The involvement of highly skilled, culturally sensitive, and enthusiastic instructors.
10. Employees are motivated to learn, and are supported and rewarded for their efforts.

Findings from the literature review also indicate that TD programme failure can be expected when any one or more of the conditions listed above are not met. However, of all the dimensions examined by researchers, three appear to be crucial for TD success, namely top management commitment, adequate funding, and the appliance of a systems approach to TD.

TD in Sister Countries Kuwait and Jordan

Patterns of TD in neighbouring countries, Kuwait and Jordan, recorded in Section 2.6, typically show an apparently high level of awareness of the importance and value of planned TD among Arab managers. Unfortunately, such awareness is reportedly little translated into practice (Abdalla and Al-Homoud, 1995; Abu-Doleh, 1996).

9.3 Findings Related to Business Environment in Saudi Arabia

This part of the investigation, presented in Chapter 3, reveals that organisations in Saudi Arabia operate within a cultural and political environment that values and encourages private enterprise. As a developing country, Saudi Arabia is on the path of rapid development and progress in all areas of the economy. Little surprise therefore that it still heavily relies on a planned strategy for development. However, the leaders of the Kingdom have long realised that the government cannot do everything. Evidence in this study shows that Saudi Arabia's governing elite not only value the private sector for its contribution to the national economy, but also strongly support it financially with generous subsidies and tax free loans, and in every other possible way. The principal reason for this is not pure altruism but a strong conviction that the future prosperity of the Kingdom is in its ability to become a trading nation capable of providing for the needs of its people without the resources from crude oil sales, bearing in mind that the oil reserves are slowly depleting.

The economic boom of the 1970s was instrumental in causing a massive influx of foreign labour into the Kingdom. This was seen as an economic necessity and a

recognition of the shortfall in the indigenous human resources until the time when it could be replaced by Saudi-born skilled manpower. Records show that during such a period foreign workers reached a staggering 42.89% of the total workforce. More significantly, until the early-1990s , that is before the Gulf War, foreign labour in private sector organisations is reported to have constituted 70% or more of their staff. Today, some estimates claim that in some organisations the percentage has risen to an alarming 95% (Al-Ali, 1998), an enormous burden for any state.

Although all six successive five-year development plans assign considerable importance and resources to education and training, the Sixth Development Plan in particular lays an even greater emphasis on the development of national human resources. The 1996 Royal Communiqué, urging organisations with 20 employees or more to substitute at least 5% of their non-Saudi staff by Saudi nationals annually, is a sign that the Saudi government is determined to reverse the situation. Recent noises from the media indicate that further legislation designed to move Saudisation forward is imminent.

Government track record in training and developing the necessary Saudi workforce for the state sector of the economy, both in terms of adequate numbers and quality, is - it has to be said - laudable for the achievements it has made so far. However, current research shows that vocational education remains a much neglected and undervalued area in the development of local human resources. Furthermore, it is probably fair to say that the training institutions that currently exist in Saudi Arabia tend to focus more on producing administrators, managers and supervisors, than electricians, mechanics or bricklayers and the like. Private sector organisations are basically left to fend for

themselves in terms of training provision, despite the limited support they receive from the Chamber of Commerce and Industry.

All in all, the business environment in Saudi Arabia appears to be very favourable and still offers wide opportunities for both the state and the private sectors to thrive and grow. Government intervention has up to now been extremely positive. Its role has been one of a facilitator of private investment and initiatives. As long as the national interest is served, the government seems quite happy and willing to allow private sector organisations to play their part in wealth creation and other aspects of nation building. Still, because of internal and external market forces, competition, rapid advances in technology, and other influences, top managers are inevitably driven into focusing on pragmatic issues, such as increasing economic output, reducing costs, and plain survival, rather than worrying about the national background of their employees. Priority for them therefore lies in recruiting the manpower they need wherever it is available here and now. In fact, Baleela (1997) contends that in many cases private companies are blatantly biased in favour of foreign skilled workers (see Section 3.11.1). So much for Saudisation. Is it any wonder that the private sector continues to be predominantly staffed by overseas workers?

9.4 Findings Related to Main Features of Saudi Manufacturing Sector and Its Human Resources

In order to cover all relevant aspects connected with the issue of human resource development within the Saudi private manufacturing sector, this study proposed to

obtain information about the chief characteristics and role of the manufacturing sector as a whole, as well as those that are specific to the private sector (Chapter 4). Data gathered on this angle shows that government strategy is firmly geared towards building a strong and competitive industrial infrastructure. This is demonstrated in all its plans and policies, and in concrete terms by its numerous supportive measures, exceptionally generous subsidies, tax exemptions, loans and other forms of incentives for all established and new industrial estates.

The private manufacturing sector is naturally seen as an important player in government plans to strengthen existing industries and in its effort to diversify its economic base away from overdependence on oil revenues as the main source of income. Nevertheless, the Saudi industrial sector continues to be on the whole dominated by petro-chemical industries and their derivatives, followed by metal and construction material industries. It is comprised of eleven major industrial estates, the largest of which are Jubail and Yanb'u, both employing tens of thousands of workers. Two of the most significant and largest employers of national and non-national skilled workers, operating both in Saudi Arabia and abroad are Saudi Basic Industries Corporation (SABIC) and Arabian American Oil Company (ARAMCO) corporations.

Regarding human resources, the latest statistics released in 1992 by the Saudi Consulting House estimate that Saudi nationals represent a depressing 13.9% of the total workforce employed in the industrial sector. The rest, 86.1%, are expatriates. Current research into the reasons for this state of affairs no longer attributes this shortfall in national skilled workforce exclusively to a lack of local technical expertise, as many Saudi graduates for the first time in the history of the Kingdom are

now facing unemployment, clearly an anomalous situation. Negative attitudes by employers and reluctance to invest in training or retraining Saudi nationals are partly to blame for this phenomenon, a conclusion also arrived at by Al-Ruwaythni (1987), Al-Ali (1998) and Al-Sultan (1998).

Of course, the goals of TD extend beyond those of Saudisation and they concern all employees without distinction, as previously indicated. Its strategic importance has already been emphasised. Attention now turns to the results of the survey conducted to assess the nature and extent of TD within a scientifically selected sample of medium and large-size manufacturing organisations, along with a number of interviews with top managers. The survey was designed to meet all but the third research objective of this study. The third objective was proposed to be accounted for through the interview instrument. The next sections highlight and discuss the implications of the main findings of this study's fieldwork.

9.5 Discussion of Main Findings Obtained from Survey Data

9.5.1 Discussion of Findings Derived from Data on Profiles of Organisations Surveyed

The profiles of participating organisations in the survey show that they are dominated by prefabricated metal products, machinery and equipment, followed by petro-chemical and energy-related industries. Most of them are clustered in the Middle Province of Saudi Arabia, with barely any presence in the North and South Provinces. Also, almost half of all medium-size organisations have been in business for less than

15 years, while just over three-quarters of all large-size organisations have been in operation for a period between 15 and 35 years. Generally, most medium-size organisations are run by their owners and their families, while most large-size organisations are run by a board of directors.

The average number of employees in the medium-size category is 123, as opposed to 500 in large-size organisations. Minimum capital for medium-size organisations is SR8 million, and the maximum is SR170 million, the average capital being SR30 million. In contrast, the minimum capital for large-size organisations is SR28 million, against a maximum capital of SR1000 million and an average capital of SR160 million.

9.5.2 Discussion of Findings Derived from the Data on Profiles of Persons Responsible for TD in Organisations Surveyed

Well over half of all the persons responsible for TD were found to be non-Saudi nationals aged between 35 and 49 years. All are male, due to the institutional segregation of genders in the workplace in the Kingdom, and over 70% of them hold a university degree. Training personnel appear to be selected among staff with long work experience in the organisation, but with variable amounts of specific experience in TD work. Perhaps unsurprisingly, TD personnel working in large-size organisations have on the whole a longer track record in TD.

9.5.3 Discussion of Findings Derived from Data on Nature and Extent of TD Provision

In Chapter Two, it was repeatedly stressed that the nature of TD within an organisation was critically dependent upon the positive attitudes and personal commitment of its top management. Top managers, it was stressed, were in a position to influence significantly, if not determine, the overall company philosophy towards human resources and ensure that it is backed by the necessary structures and resources

On the other hand, the logistic regression analysis in Chapter Eight concludes that the nature and extent of TD provision within the private manufacturing organisations of Saudi Arabia is largely affected by two main independent variables. These are the size of the organisation, and by implication, the extent of its resources and the nature of management that runs the organisation, with boards of directors showing a distinct tendency to foster the provision of planned TD.

Thus, it can be said that the nature and extent of TD provision largely depend upon the status given to the TD function within the organisation. Ideally, as indicated before, TD should be conducted within a separate department or unit specially devoted to such activities, with its own equipment and specialist staff. Other prerequisites are adequate plans and policies and financial support. Concerning these and other related points the survey results reveal the following:

- Only 62 out of a sample of 226 manufacturing organisations reported to have a TD unit employing full-time staff engaged in TD activities. Of these, about a third have been operational for less than 5 years. The breakdown figures show that nearly 6

out of 10 large-size organisations, and over 8 out of 10 medium-size organisations have no special TD unit at all. It is not surprising therefore that more than 90% of them have no TD centre facilities either. Responsibility for TD is in the majority of cases (60-70% of cases) assumed by Human Resource Managers, and in 7-10% of the remaining cases by some other non-specialist member of staff.

- Staffing in the few existing units is limited to 1 or 2 employees in medium-size organisations, and up to a maximum of 3 people in most large-size organisations.

- TD plan and time horizon results show that a striking 60% of all medium-size organisations and a corresponding 40% of all large-size organisations have no TD plan at all. Not only that, but well over half of the organisations that claimed to possess a TD plan admitted to its not spanning a period exceeding one year. Worse still, a third of all such organisations stated that their TD policy was unwritten, that is, informal and subject to the whim of the person(s) in charge of the TD function.

- As for the responsibility for formulating the TD plan and policy, the results show that even when a TD unit exists, in approximately 40% of cases for medium-size organisations, and just over 20% of cases for large-size organisations, this task is totally assumed by top managers. For the most part though, this responsibility is dispersed throughout the organisations and held either by senior management, an existing TD unit, the Human Resources Department, or individually by each departmental manager, each one at their own level. No single effective formula is

prescribed by scholars in this respect, provided that efforts are co-ordinated and management input is added to them.

However, none of the organisations surveyed noted that TD was a joint responsibility requiring commitment and involvement on the part of top management, line managers and supervisors, human resources staff, and the TD unit wherever there was an existing one within the organisation.

- Regarding the crucial issue of funding, it was found that only 2 out of 10 of all medium-size organisations, and less than 6 out of 10 of all large-size organisations have a separate TD budget specifically allocated for TD activities. This is hardly startling in view of the fact that not a single medium-size organisation questioned had a long-term TD policy, nor do the overwhelming majority of large-size organisations either (77%). Of those very few that claimed to possess a TD budget, over half of them stated that they devoted only 0.10 to 0.29% of their company budget to training, although the majority did indicate that there was an annual increase in such provision, thus recognising the benefits and mounting value of TD for their organisations. Others (14-18%) actually experienced a reduction in their TD budgets. Astonishingly, all participating organisations in the study denied receiving any form of government support in this area, despite existing legislation stipulating the provision of government financial assistance for all organisations employing 100 people or more (see Section 3.9.1). The most likely reason for this may be attributed to government cuts resulting from the slump in oil prices which crashed down to $8 a barrel at the time of conducting the field study for this research.

All this would seem to confirm Hyde and Shafritz's (1989) theory that TD is often wrongly viewed as an expendable function, and is more often than not the first area to be sacrificed in times of financial hardship (Section 2.3). Predictably, less than half of all the persons responsible for TD in the organisations investigated believe that current TD budget provision is adequate, particularly in medium-size organisations.

- As far as the extent of TD provision to employees is concerned, bearing in mind the less than adequate funding in more than half of the organisations studied, the survey results show that in terms of volume, a high majority of organisations of both categories claimed to offer a fair-to-high amount of TD to their Saudi employees. In contrast, their non-Saudi counterparts were found to receive little if any amount of TD in the majority of medium-size organisations. All large-size organisations, however, stated that they offered at least a medium-to-low level of TD to their non-national staff; under 10% of them even professed to offer them a high level of training. There is possibly an indication here that large-size organisations are more inclined to invest in all their employees regardless of their national origins. Medium-size organisations appear to be more cautious by placing a priority on training nationals, and recruiting already highly skilled foreign workers rather than spending money on training them. Little thought, it seems, is given by medium-size organisations to the almost universally established links between TD and productivity, loyalty, employee morale and other variables, which will be further discussed below.

- Concerning the distribution of TD provision among the various levels of staff, the findings indicate that, generally speaking, medium-size organisations tend to offer a medium-to-low level of TD to employees at all levels, with more emphasis on the training of technical staff, and much less emphasis on senior management training, the latter case possibly due to the fact that top managers are often too busy, or perhaps they feel that they do not need any further training. Large-size organisations, on the other hand, on the whole spread their training opportunities more evenly, but still with a very strong emphasis on raising the skills of their technical staff above all others. This may be due to a perception of a more direct link and impact of skills with the quality of goods produced and productivity, or performance in general. Concern with immediate, tangible outcomes is also a possible theory for this phenomenon.

  Also on this point, it is worth noting that a not inconsiderable minority (6-20%) of both types of organisation reported that they offered no training at all to their top managers. Some medium-size organisations even exclude middle and lower management, as well as supervisors, from their training schemes. This is clearly a mistake according to Taylor (1996), who advocates that TD should not be restricted to particular categories of employee, but ought to be made available to all members of the organisation within a planned strategy aiming to raise the potentials of all its human resources.

- Restricted TD provision, compounded by inadequate funding, the absence of a separate TD budget in 8 out of 10 medium-size organisations, and in more than half of all large-size organisations, and not least the lack of clear, formal TD plan and policies in many organisations predictably resulted in less than 25%

satisfaction among employees of medium-size organisations, and little more than 50% for all employees of large-size organisations surveyed, as perceived by the persons responsible for TD. Other reasons given for this high level of dissatisfaction are the insufficient volume of training offered, and the weak congruence between some TD programmes and the occupational skills required by employees to perform their jobs more effectively.

- The account given so far of the nature and extent of TD provision within medium and large-size manufacturing organisations in Saudi Arabia already demonstrates the existence of a significant deficit in terms of quantity and quality. The findings also provide evidence that the TD function is underrated and to some extent relegated to a marginal status, since it is not provided with the necessary structural framework and resources for it to operate effectively.

9.5.4 Discussion of Findings Derived from Data on Training Implementation

Considering that a very large percentage of medium-size organisations surveyed, that is slightly under 60%, and over 40% of large-size organisations, admitted to having no ongoing TD plan, and that well over half of those that do have one aim for short-term objectives only, and not forgetting that over 80% of all medium-size organisations and almost 60% of all large-size organisations do not have a TD unit, it is difficult to envisage that many of them would be in a position to implement TD in the systematic fashion outlined in Section 2.3.1 of Chapter Two.

However, it seems reasonable to assume that most organisations are in one way or another concerned with issues of performance, goals achievement, and efficiency. Most too, collect data that is, or can be used to identify and compare their actual level of performance with their desired level of performance. It is the potential gap between those two levels of performance that can be filled by TD for the purpose of improving organisational effectiveness. TD implementation must therefore begin with the diagnostic input of the TNA component (Phase I of the systematic process, Chapter Two, Section 2.3.2), before appropriate means and methods are determined (Phase II), and before the whole process is evaluated (Phase III), not least in terms of results.

The survey findings show that well over half of all large-size organisations and three-quarters of all medium-size organisations do not conduct TNA regularly. This obviously raises questions on the soundness of the subsequent judgements and decisions made on the content, methods and persons selected to take part in TD schemes. Various reasons were given for this deficiency, none justifiable owing to the critical importance of this element in a rational TD process.

Apart from organisational objectives which will presumably to taken into account in any training programme, two other major sources of data for TNA are job descriptions and PES. Analysis of the latter elements can usually be expected to identify areas where training solutions can be applied. In this respect, an overall large majority of organisations contacted revealed that such information was readily available for their training personnel, although exception is made for a disturbing 30% or more medium-size organisations that admitted to not possessing it. Almost all organisations stated that they relied on the direct observation method, which they used in conjunction with performance appraisal reports. Unfortunately, the results show that the employee is

little involved, if at all, in the assessment process and not enough use is made of special training committees for TNA, making the process vulnerable to the subjective judgement of a single person, often the department manager. Understandably, approximately 1 in 3 of all the respondents from medium-size organisations, and 1 in 5 in large-size organisations, expressed their dissatisfaction with it.

In Section 2.3.2.2.1 of Chapter Two, it was explained that for TD to be effective, it must follow scientific learning principles in its delivery, and that the best approach to implement it will involve no pressure on the trainees to train; it will secure their high motivation, as well as their active participation in the decisions made, and their feedback on the whole process, including the instruction methods. Sadly, the results of this study show no evidence of learner-centred TD design or delivery within the investigated firms. This may be just one reason why one in three of all respondents from medium-size organisations and one in five respondents in large-size organisations rated current training methods "poor" or "very poor".

On-the-job training using the demonstration technique or the case study proved to be the training approach most relied upon by a massive 80 to 90% of all organisations studied. Some organisations do however send a small proportion of their staff for off-the-job training, particularly to Britain and America. Over-reliance on on-the-job training, which is thought to be cheaper and easier to organise, was identified in this study as a likely inhibiting factor to innovation and change, in addition to its tendency to perpetuate poor practices and attitudes. So, diversification of training methods is desirable if improvements are aimed for here.

Finally for this section, both academics and common sense dictate that a rational TD process ought to end with some form of evaluation. The importance of this component within a systematic model of TD was related in Section 2.3.2.3 of Chapter Two. Accordingly, evaluation must be made an integral part of any TD programme. Training personnel must remember that evidence gathered from the evaluation phase, particularly when based on a promising cost-benefit analysis, can be used as a powerful instrument to put the case in favour of more investment in TD activities and secure top management faith and backing for future TD programmes.

Reality is of course somewhat removed from such ideals. The survey findings show that only one in ten medium-size organisations, and approximately four out of every ten large-size organisations take the evaluation function seriously by carrying it out regularly. The remaining organisations that merely "sometimes" conduct evaluations of their TD programme obviously view it as an optional activity that could be dispensed with. The fact is that good evaluation methods and techniques are scarce, hence the acquisition of the necessary knowledge and skills to conduct this task accurately is a rarity in organisations. Thus, 97% of all the organisations surveyed admitted this to be the primary reason for not conducting it regularly, if at all, followed by the less plausible excuse of the costs involved.

All in all, the overall picture of training implementation within the majority of participating organisations in this study is characterised by irregular, piece-meal arrangements. It lacks planning, continuity and rigour. Most of all, it is plagued by apathy, the source of which is often rightly or wrongly blamed on the leaders of the organisations who bear the ultimate responsibility for the nature, status and company philosophy towards the TD function. What is virtually undisputed is that top

managers' attitudes and interventions can play a decisive role in the success or failure of TD programmes. In view of this, this research considered that the investigation of the nature of TD provision within the Saudi private manufacturing sector would be incomplete without an assessment of top managers' perceptions and attitudes towards the subject. The sample of 16 self-appointed volunteers who agreed to take part in this study can not claim to be scientifically representative of all top managers of the target population of organisations, but insights from such in-depth semi-structured interviews at least give some indications of their views and their significance in the light of the survey results and conclusions.

9.6 Discussion of Main Findings Derived from Interview Data

Since the link between top managers' attitudes and level of commitment to the TD function, and the nature and status of TD within their organisations is presumed to be very strong in much of the HRD literature (Sikula, 1976; Harrison, 1989; Wexley and Latham, 1991; Mullins, 1991; Torraco and Swanson, 1995; Taylor, 1996; and Kubr and Abell, 1998), the researcher judged that it was a legitimate objective to explore their views on a variety of TD-related issues. It was hoped that such an exercise would provide insights into the present TD situation, as well as contribute to our understanding of the motives behind the prevailing TD patterns and human resource strategies pursued within medium and large-size organisations of the manufacturing sector in Saudi Arabia.

If all that were needed were top managers' positive attitudes towards the status and function of TD for it to be accorded the importance and place it deserves within an

organisation, then the indications from the interviews conducted for this study are that such commodities are by no means in short supply. The findings of this study are consistent with those of other researchers that top managers are typically very good at voicing their strong support for TD in theory. Thus, Saudi top managers showed 100% agreement on the fact that TD plays a vital contributory role for the success of modern organisations. They were also unanimous in recognising the positive impact that TD can have on the quality of goods and services produced, resulting from improved employee expertise. Equally, they were in full agreement that TD could significantly reduce mistakes and industrial accidents and fatalities, as it is an ideal vehicle of education and framework for raising safety awareness within an organisation.

Less than overwhelming, but still high or very high agreement was noted in the perceptions of top managers on the impacts of TD on the financial turnover of the organisation, on raising employee morale, and on job stability. Curiously, however, top managers failed to see a strong link between TD and the reputation or image of organisations, despite evidence to the contrary (Kenney and Reid, 1986; Killingly, 1989; Jones and Gross, 1990; Hawkins and Barklay, in Taylor, 1996).

As can be seen so far, the overall perception of the value of TD function among Saudi top managers is undoubtedly a positive one. This finding is not surprising. As Harrison (1989:25) put it: "Almost everyone is, in principle, in favour of better training and development within their own organisation. But when it comes to allocating time and money, some people seem to get cold feet". To paraphrase Taylor (1996), positive TD attitudes and intentions are useful but not sufficient. They

are worthless if they are not translated into concrete action through the provision of the necessary structures and resources.

Thus, it could be argued that two of the most visible testaments of top managers' commitment to TD can be seen in (1) the degree of efforts they invest in establishing such structures, (2) the extent to which they provide them with financial backing. This is, of course, in addition to the extent to which they integrate their activities with organisational aims and objectives.

The importance for organisations to have a separate TD unit met with the support of the majority of top managers of large-size organisations, and half of the top managers of medium-size organisations. Yet, more than six out of every ten large-size organisations, and over eight out of every ten medium-size organisations surveyed were found to possess no existing TD unit. This is despite mounting evidence that such a structure could play a vital role in planning, implementing and evaluating training programmes within a coherent TD strategy for the organisation. The discrepancy between talk and action is nowhere more obvious.

Regarding financial backing for TD, again in principle all top managers interviewed viewed any money spent on TD activities as a worthwhile investment for the future. In practice, as the survey results show, over 40% of all large-size organisations and almost 80% of all medium-size organisations have no separate budget specifically allocated for TD activities. And, of those organisations that do have a TD budget, the vast majority of them have stated that it represented only 0.10 to 0.29% of their total firm budget. A large percentage of organisations questioned also recognised that it

was insufficient. All top managers interviewed were of the view that costs were a problem, too.

Linking TD activities with organisational goals implies the existence of a sound TD strategy, reflected in turn in clear TD plans and policies - all of which were found to be lacking in almost 60% of all medium-size organisations and about 40% of all large-size organisations surveyed. Such plans and policies would, among other things, aim to raise the competence of all the members of the organisation, improve their adaptability to changes in the environment, as well as their productivity and all round performance and behaviour. Yet, when top managers were asked whether TD ought to be provided to all employees without exception, as suggested by Taylor (1996), just over half of all top managers interviewed agreed with this principle. The remaining managers failed to recognise the importance of attending not only to the future skills requirements of the organisation, but also to the career needs of every member of the organisation. Several top managers who took great pains to argue against extending TD provision to all employees of an organisation on financial grounds, asserting that in reality TD was always invariably targeted to those who really needed it, were perfect examples of top managers who hold a myopic view of the purposes of TD, in the present researcher's opinion. Perhaps this is one reason why most organisations surveyed appear to focus the bulk of their resources and efforts on training their technical staff, and generally merely respond to the short-term rather than the long-term needs of their organisations.

Concerning the adequacy of current TD provision in terms of volume, two-thirds of top managers of medium-size organisations and half of the top managers of large-size

organisations interviewed admitted that it was insufficient. Additionally, all top managers interviewed were in agreement that the quality of present TD schemes was less than satisfactory and that efforts should be made to improve them in terms of content and methods used for delivering them.

Top managers' reactions to the view that TD programmes must be linked to promotion and other incentives, if they are to meet with success, varied but were on the whole favourable. However, more top managers of large-size organisations than top managers of medium-size organisations showed an inclination to link employee performance in TD schemes with rewards of a financial or promotional nature. The author of this thesis sees that the prospects of promotion and/or monetary rewards can also increase employee loyalty and reduce poaching by other organisations.

The need for improvements in TD quality and quantity was felt by all the top managers interviewed, and it was suggested that great steps forward could be made if TD was viewed as a joint responsibility between organisations and central government. Without government support, top managers stressed, TD programmes would be limited to fulfilling short-term and immediate organisational needs - a typical feature of TD revealed by the survey findings - while neglecting their long range requirements and, by extension, those of the national economy as a whole.

The survey results indicate that none of the organisations is benefiting from any government financial support of any kind. Equally depressing is the finding that more than 60% of all large-size organisations and almost 90% of all medium-size

organisations have so far received no technical assistance from any professional TD organisations either.

Top managers' preference for internal training within the organisation, particularly on-the-job was supported by three-quarters of all top managers interviewed. However, for pragmatic reasons, top managers of medium-size organisations expressed a stronger bias towards this type of training than top managers of large-size organisations. Again, such preferences are clearly reflected in practice by the survey results. Top managers defended internal training on the grounds that it gave them more control over the content, timing and delivery of TD programmes, although they did not exclude the possibility of inviting expert advice or assistance, particularly on matters involving innovation. Others also defended external training, when it could be afforded, as an opportunity to gain new experiences and knowledge of the best practices of other organisations in a fresh environment. The ideal approach of course would combine both methods to provide variety and promote interest.

So, what conclusions can be drawn from the views and attitudes of the Saudi top managers interviewed for this study, and how are those views impacting on the existing TD patterns of their organisations? The answer is that, like other top managers elsewhere, Saudi top managers tend to pay lip service to the vital importance of TD and recognise its potential beneficial effects on various aspects of organisational performance and characteristics, but that on the whole the majority of them are reluctant to translate their good intentions into concrete steps to improve TD provision by committing resources and creating a favourable environment for its progress.

As a result, as the survey findings show, TD provision remains piece-meal, sporadic, and generally reactive to immediate and short-term needs. There are two main reasons for this state of affairs, in the considered opinion of the researcher. First, Saudi top managers have for a long time been accustomed to a policy of recruitment and selection of the best skilled manpower both locally and internationally, a policy legitimised by a historical shortage in indigenous human resources. Therefore, the common attitude among many of them is "Why train when you can recruit?" as one of them put it to the researcher. Secondly, TD is not promoted enough, if at all, in terms of tangible outcomes (a main concern for top managers) such as improved business performance, more successful recruitment and retention of highly skilled, motivated and loyal employees, as well as other long-term benefits for the organisation, including profits. Apart from the difficulties just discussed, TD progress in the private manufacturing organisations of Saudi Arabia faces other hurdles and challenges which this empirical study has sought to identify through both the survey questionnaire and interview instruments.

9.7 Conclusions Related to Main Factors that Impede TD Progress in Saudi Private Manufacturing Organisations

1. TD Costs

The issue of the costs involved in TD programmes has repeatedly been mentioned as the number one concern by all the top managers interviewed, and also perceived as a major problem by an overwhelming 90% plus majority of the persons responsible for

TD in all the organisations surveyed for this study. All are also in agreement that government assistance in this area is acutely needed. However, it would be wrong to conclude that since government financial support is unavailable or insufficient, then manufacturing organisations are justified in neglecting the TD function. Surely, top managers' unwillingness to make long-term investments in TD is an equally important barrier to TD progress?

2. Employee Mobility

Uncertainty about staff loyalty is the second most frequently cited hurdle against TD advancement. All but two top managers interviewed stated that this was a very serious disincentive for spending overstretched resources on TD programmes. The problem is also recognised by 9 out of every 10 persons responsible for TD in all the organisations surveyed. Top managers who were less affected by poaching suggested that linking training with a reward system and making the trainees feel valued reduces the likelihood of losing them to their competitors.

3. Difficulty in Evaluating TD Outcomes

This is a notorious problem, but not an insurmountable one. Over half of the top managers interviewed admitted this to be an obstacle. On the other hand a lower proportion of approximately a third of all survey respondents, i.e. the persons responsible for TD within the organisation, conceded that this constituted a procedural problem. There seems to be some indication here that top managers need more convincing in terms of the cost-effectiveness of TD activities before committing themselves to supporting them. The survey results bear witness to this difficulty, as

only under 10% of all the medium-size organisations and approximately 30% of all large-size organisations said that they conducted TD evaluation regularly.

As for the evaluation techniques, these are included in the discussion of the evaluation phase of a system approach to TD in Chapter Two, Section 2.3.2.3.

The gist of it is, however, as suggested by Harrison (1989), that the evaluation must identify the current costs of the problem, for example poor quality work, low output, high industrial accidents, mounting customer complaints, absenteeism, etc. Then, the evaluation must demonstrate how a TD programme with specific and measurable objectives, delivered over a determined period of time, at a clearly itemised cost, could reduce those problems, and do so better than when using other alternative solutions to TD, such as sacking the existing staff and recruiting others. Not all training outcomes can however be plausibly quantified, particularly attitudinal ones, and some TD interventions may take some time to show their benefits, as already explained earlier.

4. Shortage of Private TD Centres

Because the Kingdom's efforts in educating and training the Saudi workforce have for the past few decades been mainly focused on successfully fulfilling the manpower needs of key strategic areas of the state sector (colleges and universities, the health service, defence, etc.), private sector organisations were to some extent expected to fend for themselves in procuring their skilled workers. This is just one reason why recruitment from abroad was tolerated. However, now that TD has become an urgent necessity, both for economic and political reasons, private manufacturing organisations are finding it difficult to find a sufficient number of suitable private

training centres to cater for their training needs and enable them to comply with government requirements for Saudisation.

All top managers interviewed, and approximately 90% of all the persons responsible for TD in all the participating organisations in this study, confirmed the existence of this problem. Top managers pointed out that the problem was exacerbated by the nation-wide shortage of pre-vocational and vocational qualifications. Most also stated that as a result they were forced to rely mostly on on-the-job training.

5. Dearth of TD Professionals

Surprisingly, only about a third of all the persons responsible for TD acknowledged this to be an impediment to TD progress. The reason for this could be that they have a vested interest in not admitting to the existence of a shortage of specialists in their profession, which could in time threaten their positions. Another reason could be simply that - in their view - provided that the funds are available, their organisations can always hire experts from abroad, so the question for them is not whether such experts exist, but whether they can afford to pay for their services. Nevertheless, whatever the reasons may be, the fact is that a substantial proportion of organisations did admit experiencing difficulties in hiring or recruiting TD professionals, a problem shared by other Arab countries, too.

6. Absence of Long-term TD Plan and Strategy

Almost 9 out of every 10 persons responsible for TD in the organisations surveyed validated this to be the case as far as the companies they were working for. This is

also consistent with the earlier survey findings that a large number of organisations do not possess a formal TD plan and policy at all, and that of the relatively few that did possess them, the majority of these tended to be unwritten and limited to the short-term and immediate training needs of the organisation. A TD strategy that takes account of future growth, impending changes in the environment, and prospective skills needs of the organisation appears to be severely lacking in the majority of organisations surveyed.

7. Cultural Fit

The importance of considering the "cultural fit" of TD in its design and implementation, particularly when training resources and personnel are imported from culturally and ideologically distant countries, was viewed as a relevant issue by three out of four medium-size organisations and one in two large-size organisations. Half of all the managers interviewed also acknowledged that failure to pay sufficient attention to cultural differences could seriously disrupt the effective implementation of TD programmes.

The fact that the findings show a significantly larger proportion of medium-size organisations and top managers than their counterparts stressing this to be an issue of concern can only be interpreted speculatively. One explanation may be that medium-size organisations tend to be run by largely conservative and less educated owners, while large-size organisations are managed by boards of directors, and usually highly educated and more open-minded staff who perceive less threat in cultural differences,

even from countries of the West where they may have undergone some degree of TD themselves.

However, cultural factors can not and must not be underestimated in terms of their implications for Saudi employees, who are likely to feel more motivated to learn and train when their cultural identity is accepted, and when they are not exposed to or forced to conform to alien behaviours that may clash with their values and beliefs.

8. Top Managers' Scepticism about Effectiveness of Current TD Activities within their Organisations

A large majority of respondents to the survey were of the opinion that top managers in their organisations did not hold a positive attitude towards the utility of their activities. However accurate this perception may be, it is clearly unfortunate as it can only undermine training personnel efforts and seriously hamper TD progress. This is a 'chicken and egg' situation, as a matter of fact, where top managers seem to have insufficient faith in the activities of training staff, and where the latter report that they lack the necessary management culture, structures and resources to conduct their work effectively. Top managers' close involvement and interest in TD activities could help iron out some of the doubts on both sides.

The above eight factors can be regarded as the most critical impediments to TD progress in the private manufacturing organisations of Saudi Arabia, as perceived by their top managers and persons responsible for TD. Other relatively less severe barriers have also been discussed in earlier chapters. Briefly, poor co-ordination and co-operation between the various organisational departments in matters of TD was confirmed as a hindrance in a third of all medium-size organisations and about a

quarter of all large-size organisations surveyed. Absence of performance efficiency systems was recognised as a problem in a quarter of all medium-size organisations and in less than 10% of all large-size organisations surveyed. Difficulty in determining training needs is experienced by at least 10% of all the large-size organisations and twice as many medium-size organisations participating in the study. Low employee motivation for training was felt to be a problem by under 10% of all the organisations surveyed and just over a quarter of the top managers interviewed. And finally, absence of clear and specific job descriptions was mentioned by under 10% and just over 1% of persons responsible for TD of all medium and large-size organisations, respectively.

Overcoming as many of the difficulties outlined above requires concerted efforts on the part of top managers, supervisors, line managers, as well as all the training staff in an organisation, that in itself is a huge challenge.

However, private manufacturing organisations' own survival will also depend on their ability to face up successfully to the colossal challenges of Saudisation of their workforce, further growth of the private sector, the increase in internal and external competition, and the rapid changes in modern technology. Concluding remarks about these points now follow.

9.8 Conclusions Derived from Data on Future Challenges Facing Saudi Private Manufacturing Organisations

Pressure to take the TD function more seriously and ensure that steady, concrete progress is achieved in this area by Saudi private manufacturing organisations is made all the more intense by at least four major factors examined in this investigation.

The first of these factors is the now mandatory requirement of gradual replacement of foreign skilled workers by trained Saudi nationals. Virtually all the organisations contacted, whether through the survey or interview, have indicated that they realised the strategic importance of this factor and that they had plans to move forward in this direction. Saudisation is therefore now accepted as a no-opt-out choice.

The second factor that met with almost 100% favourable reactions on all sides concerns progress in modern technology. In an era of rapid technological and scientific developments, the importance of education and training and development is self-evident. As Hackett (1997:161) put it, "Virtual reality, the Internet and the Information Super-Highway are no longer science fiction". They are the manifestation of the long awaited information revolution which is expected to accelerate significantly the rate of change in all aspects of our lives, including business. Undoubtedly, private manufacturing organisations in Saudi Arabia need to be equipped to deal appropriately with such developments whose impacts are already beginning to be felt in the Kingdom. Thus, the involvement of TD personnel (or units) in facilitating the process of adjustment to change both in work practices and attitudes that come with such developments is fundamental.

The third most important factor that is anticipated to raise the importance of TD in the years to come pertains to market competition, both national and international. Here again, the findings show a very large consensus of opinion in support of this fact. Saudi private manufacturing organisations are painfully aware that to continue to exist, they will have to operate successfully within increasingly dynamic and competitive national and international markets, particularly when the WTO treaty is

implemented. Low training organisations will then be unquestionably at a disadvantage to meet the requirements of growth and modernisation.

The fourth most prominent factor that is expected to stimulate more TD within the organisations concerned regards the continuing growth of the private sector in Saudi Arabia. As explained in Chapter Three, Section 3.11.2, the Sixth Development Plan (1995-2000) has initiated the beginning of progressively greater participation of the private sector in economic activities which have traditionally been a monopoly of the state sector.

It was established that success in such ventures would require attention to be paid to TD in order to secure a strongly motivated, able, and committed workforce. Again, a very large majority of respondents and top managers agreed that the widening of privatisation will necessitate more investments to be made in TD, particularly for Saudi workers, as they could not be allowed to operate in several sensitive areas of the economy with their current low levels of indigenous staff.

9.9 Final Remarks

Although the overall assessment of the TD situation within the majority of private manufacturing organisations surveyed for this study makes for rather depressing reading, it would be inaccurate to conclude that none of the organisations contacted has tried to create favourable conditions for TD progress. Indeed, it needs to be acknowledged that approximately 2 out of 10 medium-size organisations, and 4 out of 10 large-size organisations do possess a TD unit, employing 2-5 highly qualified staff members with specific experience in TD activities spanning 20 years or more.

Also, at least 12% of all large-size organisations did indicate that they had an ongoing long-term TD plan as well as a formal TD policy, and that they were optimistic about its outcomes on completion of its implementation. 17% of them have also stated that they had their own TD centre. The majority of large-size organisations also claimed to have a separate budget for TD activities, though on the whole it was judged to be inadequate. All things considered, it appears that just under a third of all large-size organisations and nearly a tenth of all medium-size organisations at least satisfy the three basic contributing factors to TD success mentioned earlier in Section 9.2.2 of this chapter.

For the majority of organisations, however, it is difficult to state with any certainty that they adequately meet any of the ten dimensions referred to in the same section. Clearly, the time has come to bridge the gap between talk and action. Top managers, whose good intentions and level of awareness of the issues involved in TD, both for the effectiveness of their organisations and other far-reaching implications, were often very impressive, must realise that it is up to them to be proactive and move the TD engine forward.

The argument that it might be cheaper and more convenient at the moment to recruit rather than train can no longer be sustained. The question that must be asked by Saudi private manufacturing organisations now is not whether they can afford to train their staff, but whether they can afford not to in the light of the mounting evidence in favour of TD and the imminent challenges ahead of them.

As Harrison (1989) put it, there is now formidable evidence to show that many of the most profitable, innovative, and adaptable firms in the UK and abroad treat TD as a high priority strategic function. Such firms are convinced beyond any doubt that failure to train and develop their human resources will adversely affect their business performance and make it difficult for them to attract and retain motivated people to work for them.

As for TD costs, there are now many examples in the literature of organisations that have used TD to quantifiable advantage, i.e. cost-effectively (see Carter and Lumsdon, 1988; Sparrow and Pettigrew, 1988; and Benabou, 1996). The case for investment in TD can be made to show that costs can not only be recovered, but more often than not be converted into profits.

9.10 Recommendations to Principal Parties Concerned with TD Function in this Study

Apart from employees who are the recipients of TD, the TD function ought to involve at least three other main parties: the top managers of the organisation, the persons responsible for TD activities, and government planners and policy makers. The recommendations which are based on the findings of this study will therefore be addressed to each of those parties in turn. If adopted, the recommendations that follow could contribute substantially to the improvement of the currently inadequate TD situation within the private manufacturing organisations of Saudi Arabia.

Thus, bearing in mind the results obtained in this study, the following recommendations can be made:

9.10.1 Recommendations to Top Managers

1. Top managers who already recognise the seriousness of the issues related to TD, and its potential impacts on the effectiveness of their business operations, must be prepared to translate their high level of awareness and publicly declared good intentions into concrete action and support for the TD function in their organisations. They must remember that utmost commitment from them is imperative if TD programmes are to meet with success.

2. Since top managers are able to influence significantly organisational plans and policies, this study urges them to take the necessary steps to formulate a comprehensive training plan that is clearly defined and forming part of the overall business plan of their organisation. As for the TD strategy, it should cover three horizons: long-term, medium term, and short term, all coherently co-ordinated and aiming to achieve common objectives.

3. One way for top managers to demonstrate real commitment to TD is to provide it with the necessary structural framework (a TD department/unit) and resources (a separate budget, equipment, staff, etc) for it to operate effectively. Such structures are strongly advocated in the research literature as important variables that contribute to the creation of a favourable environment for TD progress.

4. Current research suggests that a key to success would be to make TD a board level matter. In doing so, top managers' close involvement and interest in TD activities is made easier and TD can - as it should - be treated more seriously as a strategic function.

5. It should be brought to top managers' attention that the latest thinking in Human Resource Development (HRD) supports the view that TD ought to be conceived as a continuous and long-term process available to all employees at various stages in their careers, rather than a process that merely reacts to immediate needs.

6. Top managers are also reminded that they should regard their employees as a valuable strategic resource that can help their organisation to obtain a competitive advantage and superior performance.

7. As result of all the above, managers may well be advised to conduct an assessment of their current TD provision, and measure it against prescriptive advice in the field to discover its strengths and weaknesses and act on them constructively.

9.10.2 Recommendations to Persons Responsible for TD (PRTD)

1. PRTD must begin their function by seeking clarifications on the true status of TD in their organisation. They must arrive at a common understanding of the definition of the TD function, its goal and strategies, and enlist the co-operation of all parties concerned, including the top manager of the organisation.

2. PRTD should insist on operating within a long-term TD strategy that is clearly related to organisational goals.

3. PRTD must bear in mind that the necessary belief in TD by top managers is apparently already there. Lack of enthusiasm to make the provision a reality can be beaten by advocating the need for TD more forcefully and promoting it vigorously.

4. PRTD are advised to attend courses, workshops, conferences, etc., designed for "training the trainers" at home and abroad to update and improve their TD skills. Such knowledge will enable them to be viewed as competent professionals who are able to apply training solutions to business problems.

5. To combat top managers' scepticism or apathy towards TD programmes, PRTD must strive to acquire the skills to conduct return on investment analyses (ROI) to support their proposed schemes. ROI analyses respond to top managers' "bottom line" concerns and help make the case for investing in TD even - or especially- when times are hard.

6. PRTD should also endeavour to develop other measuring techniques and accumulate experience of, and information on TD and its association with business success and profitability. Quoting previous success, or the success of others could impress top managers and trigger their support for TD activities.

7. PRTD must realise that if TD is to be taken seriously, it must be based on a rational process rather than on personal subjective judgements in its design and implementation. A wide consensus of researchers recommends the adoption of a three-phase systems approach as an ideal framework for TD activities. Such a model would ensure comprehensive, accurate and effective action.

8. The training need assessment phase (TNA), which was found to be greatly neglected by a high majority of the organisations surveyed, is a key component of the systems approach to TD and must not under any circumstances be taken lightly. Errors in TNA can be disastrous in terms of costs, loss of credibility and interest, and failure to contribute effectively to the achievement of organisational goals. So, the advice here is to diagnose needs before proposing solutions, and not to limit concerns to matters that have a direct link with profitability; the career needs of employees must also be taken into account in TNA.

9. In the development or "methods" phase, what is crucial is to achieve the most appropriate match between the instructional methods to be used with the training needs specified in the TNA phase. Care must also be taken to apply the basic principles of effective teaching and learning through the use of a variety of methods that stimulate and maintain motivation and interest. The active involvement of the learner in the training sessions is highly desirable.

10. To complete the three phases of the systems approach to TD, evaluation must be made an integral part of the process of training. Only through evaluation can success or failure be measured and lessons learned. However difficult it may be, it must be not skipped.

The survey reveals that the vast majority of private manufacturing organisations, particularly the medium-size ones, rarely carry out evaluations of their TD programmes. However, they are not alone in this, as this phenomenon is pervasive in organisations of the Western World as well. Evaluations are difficult and require special skills. Saudi manufacturers are advised to use the help of specialist consultants to acquire those skills and apply them in their organisations. PRTD need to remember that evidence of success that can be derived from the evaluation phase may be the best weapon they have to defend TD programmes and make the case for more future investments in TD activities.

9.10.3 Recommendations to Government Planners and Policy Makers

1. The findings of this study indicate that the government's predominantly soft approach on the issues of TD and Saudisation is not producing the desired results. So far, the attitude has been to appeal to private manufacturers' sense of responsibility with little or no intervention in these matters. In the researcher's considered view, the time has now come for the higher authorities to adopt a new approach combining inducements and pressure in equal measures.

2. To begin with, government intervention could start with making sure that existing legislation relative to TD and Saudisation is enforced (e.g. Article 44 of the Saudi

Work and Labour Law, see Section 3.7.2.2). This could be done by close monitoring and forcing organisations to submit a statement of their TD policy, and by requiring them to submit an annual report of their training activities and progress. Penalties should be considered against organisations that fail to make a progressively increasing minimum of expenditure on TD.

3. Further pressure could be exercised through TD levies, which are one way for organisations to make a direct contribution to the efforts of training and developing the Kingdom's human capital. This type of measure would be less resented by the business community in Saudi Arabia because taxation is virtually non-existent, as it is counter to Islamic Law.

4. Positive government action could be initiated through the commission of a research team to look into the real factors that influence top managers' attitudes towards TD. Solutions can subsequently be devised to combat complacency or address the difficulties appropriately through support or sanctions.

5. Government influence should from now on place greater emphasis on providing practical guidance on how to design and implement good TD, than on persuasive measures to increase the volume of its provision within organisations. This study has found that the majority of organisations experience some difficulty in conducting TNA and TD programme evaluations. The government could assist such organisations in these areas through a programme of funding for consultancies, and by making expert advice widely available, for example through the local or regional Chambers of Commerce or/and higher education institutions.

6. The government should find ways to improve the operation of the training market to make it easier for companies to obtain the training they require. For example, it ought to consider publishing a list of training providers in the Kingdom and abroad (the latter being subject to restrictions), so that private manufacturers can be made aware of the opportunities that are already available. It could also encourage and assist them in forging links with them so that effective co-ordination exists between training needs and provision.

7. Another supportive measure would consist in promoting and backing collaborative training ventures between firms, for example by establishing or sharing existing company training centres to organise collective TD provision.

8. The pooling and dissemination of information related to all aspects of TD is vital. All efforts and initiatives could remain obscure if information about them fails to reach those they are intended for. The establishment of a central office operating within the Ministry of Industry and Electricity and employing a team of information workers and expert advisors could facilitate the process of information flow. If possible, they should reinforce such services by organising seminars on TD topics that are likely to be of interest to many firms.

9. Other options would be to consider extending existing grants, introducing a TD voucher scheme, or funding sector-based training in areas of acute shortage.

10. Positive incentives could also take the form of a government initiative to develop and regulate a concept of "Training Employer" or "Investor in People", which would confer such titles to high-training organisations and incite others to emulate them, as is done in the United Kingdom.

11. A training award for outstanding achievements could also be developed to reward and provide an incentive for organisations to make progress in TD. The idea would raise the organisations' awareness of their own and other organisations' performances in the field, particularly their competitors.

12. The government could also address the vexed issue of poaching by introducing a mechanism that will force poachers to compensate poached employers for their TD costs, although it is not easy to see how this would work.

13. Employers' standard criticism that the present educational system does not adequately prepare young people for the world of work must be listened to and acted upon. Future reforms must put greater emphasis on vocational education in order to be more responsive to the needs of business and industry.

14. There is also an urgent need in the Kingdom for a National Skill Qualification System, along the lines of the British model, to provide a coherent structure for individuals to obtain appropriate training and recognised qualifications. Such a system could help employers articulate their training needs, as well as enable employees to structure their careers.

15. The government should encourage and generously reward any attempts to produce relevant, up-to-date, and culturally sensitive training materials designed for wide use.

16. Finally, the government must continue to reinforce the message of the importance and urgency of the task of equipping the nation with the necessary skills to enable it to face the future with confidence. It must make sure that TD remains a government priority and be promoted as a high profile issue.

9.10.4 Suggestions for Future Research

This thesis has shed some light on the nature and extent of TD within medium and large-size private manufacturing organisations in Saudi Arabia. The conclusions and implications derived from it are not intended to be firmly conclusive due to the limitations of its scope and necessarily limited number of factors considered. They remain tentative until such time when they are confirmed by similar studies using identical or alternative research instruments. A refinement of this work would consist in verifying that all relevant and important aspects of TD have been covered, thus providing other researchers with an opportunity to offer a more complete picture of the situation as it stands. Replication of this investigation, with possible improvements, in five or ten years' time could prove to be very useful, too. This being said, the researcher feels that there are several other research avenues that could be fruitfully pursued in the future, namely the following:

1. A series of case studies could be conducted to explore in more depth the nature and extent of TD provision within a selected number of private manufacturing organisations in Saudi Arabia. Such studies would leave no stones unturned, and uncover details and insights that are often overlooked by survey research.

2. A correlation study could tackle the difficult issue of the link between business success and TD provision. Comparisons could for example be made between high-training and low-training organisations to establish whether success or failure could be linked to their respective quality and levels of TD provision.

3. Other studies could look into whether or not in the long run TD is the best approach to build and retain the skilled workforces of organisations, and whether or not recruiting already trained workers is an acceptable and cheaper alternative for business and the nation as whole.

4. Longitudinal studies could also be carried out to show how a number of organisations that were once on the verge of failure have managed to turn the situation around through TD efforts to become leaders in the market.

Finally, researchers with specific interest in Human Resource Development should remember that any study that can assist in producing 'hard' evidence on how business performance can be improved through TD will be of great benefit, both to the research literature and to all top managers who may be unconvinced of the direct link between business success and TD. Such a topic is likely to remain a fertile ground for research for the foreseeable future.

APPENDIX

A

Covering Letter and Survey Questionnaire

(English Version)

September 10, 1998

To: Person Responsible for Training and Development Programmes

Object: Research Questionnaire

Dear Sir,

I am writing to ask for your valuable assistance in completing a questionnaire that is part of my Doctoral research which I am undertaking during my period of study at the Management Centre of the University of Bradford, UK.

The research is related to human resources development and my topic is: "An investigation into the Nature and Extent of Training and Development in the Saudi Private Manufacturing Sector".

The questionnaire should not take very long to complete and for the vast majority of questions you need only to tick the appropriate boxes. All the information collected will be treated as strictly confidential and anonymous. Your name and that of your firm will not appear in any printed material and no part of the data will be used for any purpose other than the current piece of research. For your reassurance, your name and your firm's name are not requested in any part of the questionnaire.

Your participation in this research is extremely important. A good response in answering the questions is vital and can make all the difference in coming up with valid results which could potentially form the basis for the formulation of constructive suggestions for improving future training and development in Saudi Arabia.

If you wish to receive a copy of the research findings, once the study is completed, please fill in the slip on the last page of the questionnaire and return it to me as well as the completed questionnaire, using the enclosed stamped addressed envelopes. Please use the big envelope for the questionnaire and the small one to request a copy of the research findings and send them to me separately.

Finally, if you have any question relating to the questionnaire, please do not hesitate to contact me either by phoning or faxing me on ( ).

Thanking you in advance for your kind co-operation.

Yours faithfully,

Sami A. Al-bahussain

UNIVERSITY OF BRADFORD
MANAGEMENT CENTRE

SURVEY OF TRAINING AND DEVELOPMENT IN THE PRIVATE MANUFACTURING SECTOR IN SAUDI ARABIA

STRICTLY CONFIDENTIAL

SAMI ALBAHUSSAIN

Please tick the appropriate box(es).

Section One: The purpose of this section is to obtain general information related to your manufacturing organisation and yourself as an anonymous participant in this research.

Part One: *Organisation Information*

Q1: ***What type of products do you manufacture in your industry?*** ***(Please tick one)***

1	Foodstuffs and beverages	
2	Textiles, wearing apparel & leather	
3	Wood, wood products, furniture	
4	Paper products, printing and publishing	
5	Chemical, petroleum, coal rubber and plastic	
6	Construction materials, chinaware, ceramic and glass	
7	Basic metals	
8	Fabricated metal products, machinery & equipment	
9	Other, please specify.....	

Q2: ***Where is your manufacturing organisation based?***

☐ Middle Province ☐ East Province ☐ West Province

☐ North Province ☐ South Province

Q3: ***How long has your organisation been in business?*** ☐ Years

Q4: ***What is the total number of employees in your organisation?*** ☐ Employees

Q5: ***What is the total capital of your organisation?*** **SR.** ☐

Q6: ***Who is responsible for running your organisation?*** ***(Please tick one)***

1	Owner alone	
2	Owner with his family	
3	Saudi board of directors	
4	Non-Saudi board of directors	
5	Mix of Saudi and non-Saudi board of directors	
6	Other, please specify.....	

Q7: ***Do you have a separate department / unit in your organisation for training and development?*** ☐ Yes ☐ No

- If **Yes**, please go to Question **8**
- If **No**, please go to Question **9**

Q8: ***How long has your training and development department / unit been established?***

☐ Years

Q9: ***If your answer to Question 7 is No, who is responsible for training and development programmes in your organisation?*** ***(Please tick one)***

1	Human Resources Manager	
2	Senior Manager	
3	Other, please specify.....	

Q10: ***How many employees in your training and development department / unit are responsible for delivering training and development programmes?***

☐ Employees

Part Two: *Personal Information*

Q11: ***What is your present job title?*** ***(Please tick one)***

1	Manager of Training and Development Department / unit	
2	Manager of Human Resources Department	
3	Senior Manager	
4	Other, please specify.....	

Q12: ***What is your nationality?*** ☐ Saudi ☐ Non-Saudi

Q13: ***What is your age?*** ☐ Years

Q14: ***What is your gender?*** ☐ Male ☐ Female

Q15: ***What is your highest level of formal education?*** ***(Please tick one)***

1	Lower high school	
2	High school	
3	Diploma in (please specify).....	
4	University Bachelor's degree in (please specify).....	
5	Higher diploma in (please specify).....	
6	Master's degree in (please specify).....	
7	Doctorate in (please specify).....	
8	Other, (please specify).....	

Q16: ***Where did you reach your highest level of formal education?***

☐ Saudi Arabia ☐ Egypt ☐ United Kingdom

☐ United States of America ☐ Other country, please specify.....

Q17: ***How many years of work experience do you have in total?*** ☐ Years

Q18: ***How many years of work experience do you have in the field of training and development?*** ☐ Years

Section Two: The purpose of this section is to obtain information related to your organisation's training and development plan and policy.

Q19: ***Does your organisation have a clear ongoing plan for training and development?***

☐ Yes ☐ No

- If Yes, please go to Question 20
- If No, please go to Question 24

Q20: ***How do you describe this plan?*** ***(Please tick one)***

1	Long-term (over 3 years)	
2	Medium-term (1 year - 3 years)	
3	Short-term (less than 1 year)	

Q21: ***What is the nature of training and development policy in your organisation?***

☐ Formal (written) ☐ Informal (unwritten)

Q22: Who is responsible for formulating your training and development plan and policy in your organisation? *(Please tick one)*

1	Board level	
2	Senior management	
3	Human resources department	
4	Training and development department / unit	
5	Other, please specify.....	

Q23: What percentage of your plan can you reasonably expect to see implemented?

☐ Less than 30% ☐ 30 - 49% ☐ 50 - 69% ☐ 70 - 89% ☐ 90 -100%

Q24: If your answer to Question 19 is No: what do you think the main reasons are for the absence of a training and development plan and policy within your organisation?.....

.....

.....

Q25: How much training and development is provided for each of the following groups?

		None	*Low Amount*	*Medium Amount*	*High Amount*
1	Saudi employees				
2	Non-Saudi employees				

Q26: How much training and development is provided at each of the following levels?

		None	*Low Amount*	*Medium Amount*	*High Amount*
1	Senior management				
2	Middle management				
3	Lower management and supervisory level				
4	Technical level				
5	Other, please specify.....				

Q27: Does your organisation have a Training Centre? ☐ Yes ☐ No

Q28: Does your organisation receive any technical assistance from professional training and development organisations?

☐ Always ☐ Sometimes ☐ Never

Q29: How satisfied do you think your employees are with the current training and development programmes?

Very Dissatisfied ☐ Dissatisfied ☐ Neutral ☐ Satisfied ☐ Very Satisfied ☐

Q30: If your answer to Question 29 is Dissatisfied or Very Dissatisfied, please indicate your agreement or disagreement with any of the following reasons.

		Disagree	*Agree*
1	Insufficient availability of training and development programmes		
2	Deficiency in the quality of training and development programmes		
3	Discrepancy between training and development programmes and job skills		
4	Absence of a clear training and development policy		
5	Other, please specify.....		

Section Three: The purpose of this section is to highlight details about the budget for training and development programmes in your organisation.

Q31: Does your organisation have a separate budget for training and development programmes?

☐ Yes ☐ No

- If **Yes**, please go to Question **32**
- If **No**, please go to Question **37**

Q32: Who is responsible for planning the training and development budget? (Please tick one)

1	Board level	
2	Senior management	
3	Human resources department	
4	Training and development department / unit	
5	Each department submits its own budget plan	
6	Other, please specify.....	

Q33: How adequate is your budget for achieving the objectives of the training and development programmes?

☐ Very inadequate ☐ Inadequate ☐ Don't know ☐ Adequate ☐ Very adequate

Q34: What percentage of your total organisation budget does the training and development investment represent?

.....%

Q35: How much money did your organisation spend on training and development last year?

SR.

Q36: How does this year's budget compare with last year's?

☐ Higher ☐ Same ☐ Lower

Q37: Does your organisation receive any financial support for training and development from the government? ☐ Yes ☐ No

Q38: If your answer to Question 37 is Yes, please specify.

.....

.....

.....

Section Four: The purpose of this section is to understand how training and development is implemented in your organisation.

Part One: *Training Needs Assessment*

Q39: Do you conduct formal training and development needs assessments in your organisation? ☐ Always ☐ Sometimes ☐ Never

Q40: If your answer to Question 39 is Never, what are the main reasons for not conducting them?

.....

.....

.....

Q41: If your answer to Question 39 is Always or Sometimes, which of the following methods do you use to determine training needs?

		Never	*Almost never*	*Some-times*	*Almost always*	*Always*
1	Questionnaires					
2	Personal interviews					
3	Direct observation					
4	Special training committee					
5	Performance appraisal reports					
6	Other, please specify					

Q42: Do you have job descriptions in your organisation? ☐ Yes ☐ No

Q43: Do you have a performance efficiency system for employees in your organisation? ☐ Yes ☐ No

Q44: When is training provided for employees in your organisation?

		Never	*Almost never*	*Some-times*	*Almost always*	*Always*
1	When employees are newly recruited					
2	When employees need training on new equipment or new working methods					
3	When performance efficiency assessments are made					
4	When employees are upgraded to fill vacant positions					
5	When a department requests it					
6	When the employees request it					
7	Other, please specify					

Q45: What is your own evaluation of the present methods applied in determining training needs?

1. Very poor	2. Poor	3. Good	4. Very good	5. Excellent

Q46: If your answer to Question 45 is Poor or Very poor, what do you think are the main reasons?.....
.....
.....

Part Two: *Training methods*

Q47: Which of the following forms of training does your organisation use?

		Never	*Almost never*	*Some-times*	*Almost always*	*Always*
1	On-the-job- training					
2	Off-the-job- training but within the organisation					
3	Off-the-job- training (outside the organisation)					
4	Other, please specify.....					

Q48: ***If you train your employees away from your organisation, where is the training carried out?***

		Never	*Almost never*	*Some-times*	*Almost always*	*Always*
1	Inside Saudi Arabia					
2	Outside Saudi Arabia					

Q49: ***If you train your employees in Saudi Arabia, which of these institutions do you use?***

		Never	*Almost never*	*Some-times*	*Almost always*	*Always*
1	Universities					
2	Technical colleges					
3	Vocational centres					
4	Institutes of Public Administration					
5	Private training centres					
6	Training centre of Chambers of Commerce and Industry					
7	Other, please specify					

Q50: ***If you train your employees outside Saudi Arabia, which of these countries do you send them to? Please put them in order of frequency (1= most frequent)***

United Kingdom	United States of America	Egypt	Other countries .....

Q51: ***If you train your employees outside Saudi Arabia, what do you think are the main reasons for this?***

.....

.....

.....

Q52: ***Which of the following training methods are used by your organisation and by external training providers?***

		In your organisation			**External training**		
		Never	*Some-times*	*Always*	*Never*	*Some-times*	*Always*
1	Lectures						
2	Seminars/conference						
3	Group work (discussion)						
4	Individual projects						
5	Role playing						
6	Games						
7	Demonstration						
8	Case studies						
9	Computer based						
10	Interactive video						
11	Other, please specify.....						

Q53: ***In general what is your own evaluation of the present training methods used by your organisation?***

1. Very poor	2. Poor	3. Good	4. Very good	5. Excellent

Q54: ***If your answer to Question 53 is Poor or Very poor, what do you think are the main reasons?*** .....

.....

.....

Part Three: ***Training Evaluation***

Q55: ***Do you evaluate your training and development programmes in your organisation?***

☐ Always ☐ Sometimes ☐ Never

Q56: ***What sort of methods do you use in your organisation if you evaluate training and development programmes?***

		Never	*Almost never*	*Some-times*	*Almost always*	*Always*
1	By assessing the trainees' learning					
2	By asking the trainees to fill a questionnaire at the end of each training programme					
3	By interviewing the trainees after each training programme					
4	By asking the trainees' manager/supervisor for their assessment of the trainees' learning					
5	By comparing the output of trainees before and after each training programme					
6	Other, please specify.....					

Q57: ***What is your own evaluation of the different methods used in your organisation to evaluate your training and development programmes?***

1. Very poor	2. Poor	3. Good	4. Very good	5. Excellent

Q58: ***If your answer to Question 57 is Poor or Very poor, what do you think are the main reasons?***

.....

.....

.....

Q59: ***To what extent do you agree or disagree with the following reasons for not Always evaluating your training and development programmes?***

		Strongly disagree	*Dis-agree*	*No opinion*	*Agree*	*Strongly agree*
1	Difficulties in measuring improvement of performance					
2	Difficulties in measuring trainees' behaviour in short period of time					
3	Absence of job descriptions					
4	Absence of efficiency performance reports					
5	High cost of evaluating training methods					
6	Objectives of training and development programmes are not always clear					
7	Other, please specify.....					

<u>Section Five:</u> The purpose of this section is to identify the problems and obstacles that face training and development programmes in your organisation.

Q60: ***To what extent do you agree or disagree that the following are some of the possible factors that hinder training and development programmes in your organisation?***

		Strongly disagree	*Dis-agree*	*No opinion*	*Agree*	*Strongly agree*
1	Some senior managers do not believe in the importance of training and development programmes.					
2	Absence of clear and specific job descriptions.					
3	Absence of performance efficiency system.					
4	Absence of a clearly stated training and development policy.					
5	Lack of long-term plan for developing human resources.					
6	High cost of training and development programmes.					
7	Difficulty in determining training needs.					
8	Lack of private training centres.					
9	Difficulty in evaluating training programme outputs.					
10	Poor co-operation and co-ordination between the various departments and the training and development department.					
11	Dearth of professionals in the training and development department.					
12	Employees leave the organisation after training.					
13	Low motivation to undertake training and development through lack of support (family, friends etc.).					
14	Other, please specify…….……					

Q61: ***Can training programmes introduced from external sources (e.g. learning packages, external trainers, etc.) cause difficulties in terms of culture (e.g. clash of values, use of language, etc)?***

☐ Yes ☐ No

- If **<u>Yes,</u>** please go to Question **<u>62</u>**
- If **<u>No</u>**, please go to Question **<u>63</u>**

Q62: ***If your answer to Question* 61 *is* <u>Yes</u>, *would you please explain in what way?***

<u>Section Six:</u> The purpose of this section is to identify the future challenges that are likely to increase the need for training and development programmes.

Q63: To what extent do you agree that the following factors will increase the need for training and development programmes in the future?

		Strongly disagree	*Dis-agree*	*No opinion*	*Agree*	*Strongly agree*
1	Policy of Saudisation					
2	Privatisation					
3	Internal competition					
4	External competition (especially after Saudi membership of "WTO")					
5	Rapid change in technology					
6	Other, please specify…..…… ……..					

Q64: Will you please make any comments or suggestions which you think may also be relevant to the research being undertaken?

****

THANK YOU VERY MUCH FOR YOUR PARTICIPATION IN THIS RESEARCH

****

✂.....

☐ **Yes,** I would like to receive a copy of the research findings, once the study is completed.

Please give your name and address here:

APPENDIX B

Interview Questions

(English Version)

Semi- structured Interview Schedule with Top Managers

Q1: Do you believe that training and development programmes are important for the success of organisations?

Q2: How significant is the impact of training and development in relation to the following areas:

		High impact	*Low impact*	*No impact*	*Don't know*
1	Financial turnover of the organisation				
2	Quality of goods and services produced				
3	Reputation of the organisation				
4	Reduction of industrial accidents				
5	Raising employee morale				
6	Employee job stability in the organisation				

Q3: To what extent do you agree with the following statements?				
		Disagree	***Neither agree nor disagree***	***Agree***
1	It is very important for every organisation to have a separate department for training and development activities			
2	Training is a waste of time and money			
3	Training and development ought to be available to all employees at all levels			
4	The current level of training and development activities is sufficient			
5	There is a definite need for an increase in quality and variety of training and development in the organisation			
6	Training and development programmes must be linked to promotion and financial incentives to be successful			
7	More financial support from the government is needed to improve the quality and quantity of training and development programmes			
8	Training employees internally within the organisation is preferable to training them externally			

Q4:	**To what extent do you agree or disagree that the following are some of the factors that currently impede training and development progress within your organisation?**

		Disagree	*Neither agree nor disagree*	*Agree*
1	High cost of training and development programmes			
2	Employee mobility, i.e. leaving the organisation after training			
3	Lack of private training centres			
4	Difficulty in evaluating training and development programme outputs			
5	Low employee motivation for training and development			
6	Training programmes introduced from external sources (e.g. learning packages, external trainers etc.) may cause difficulties in terms of culture (e.g. clash of values, use of language etc)			

Q5:	**To what extent do you agree that the following factors are likely to increase the need for more training and development within your organisation in the future?**

		Disagree	*Neither agree nor disagree*	*Agree*
1	Saudisation Policy			
2	Privatisation Policy			
3	Rapid change in technology			
4	Internal competition			
5	External competition (especially after Saudi membership of " WTO")			

APPENDIX C

Covering Letter and Survey Questionnaire

(Arabic Version)

1998/9/10م

إلى: مسئول برامج التدريب والتطوير في المصنع

الموضوع: بحث استبياني

عزيزي المسئول عن تدريب و تطوير العاملين المحترم

السلام عليكم ورحمة الله وبركاته.....وبعد:

أكتب إليكم سائلا مساعدتكم القيمة في ملء الاستبانة التي بين يديكم والتي تعتبر جزء من البحث الذي أجريه لنيل شهادة الدكتوراه من قسم الإدارة في جامعة برادفورد في المملكة المتحدة.

يتعلق البحث بتطوير الموارد البشرية وعنوان موضوعي هو: "التحقق من واقع برامج التدريب والتطوير في القطاع الصناعي الخاص في المملكة العربية السعودية".

من المتوقع أن لا يستغرق ملء هذه الاستبانة وقتا طويلا حيث لا تحتاج معظم الأسئلة إلا لوضع علامة صح (✓) في الحقل المناسب. علما بأن المعلومات التي تدلي بها في هذه الاستبانة سيتم التعامل معها على أنها خاصة وسرية للغاية ، ولن تستخدم سوى في أغراض البحث العلمي ولن يطلع عليها سوى الباحث. وللاطمئنان أكثر، فليس هناك أية إشارة في الاستبيان لذكر اسمكم أو اسم المصنع.

إن مشاركتكم في هذا البحث في غاية الأهمية لاستكمال هذه الدراسة. لذا فإن الإجابة على جميع الأسئلة بشكل جيد سيكون لها الأثر الكبير في الحصول على نتائج ذات قيمة علمية ، والتي ستشكل القاعدة التي ينبني عليها أي اقتراح بناء لتحسين برامج التدريب والتطوير في المملكة العربية السعودية.

إذا كانت لديكم أية استفسارات متعلقة بهذا الاستبيان، فالرجاء عدم التردد في الاتصال بي إما هاتفيا أو بإرسال فاكس على الرقم: ( ).

و أخيرا، إذا كنتم ترغبون في الحصول على نسخة من نتائج البحث بعد الانتهاء من هذه الدراسة، فالرجاء ملء القسيمة الموجودة في آخر صفحة من الاستبيان وإعادتها إلينا مع الاستبيان بعد ملئه ووضعه في الظرف المرفق. الرجاء استخدام الظرف الكبير للاستبيان والظرف الصغير لطلب نسخة من نتائج البحث وإرسالهما إلينا بشكل منفصل.

شاكرا ومقدرا لكم حسن تعاونكم مقدما، والسلام عليكم ورحمة الله وبركاته.

الباحث

سامي عبدالله الباحسين

ص ب

الدمام

جامعة برادفورد

قسم الإدارة

UNIVERSITY OF BRADFORD
MANAGEMENT CENTRE

مسح لعملية تدريب و تطوير العاملين في القطاع الصناعي الخاص في
المملكة العربية السعودية

إعداد

سامي عبدالله الباحسين

دراسة لنيل درجة الدكتوراه في مجال إدارة الموارد البشرية

جامعة برادفورد ، المملكة المتحدة

الرجاء وضع علامة (✓) أمام الاختيار المناسب.

القسم الأول: الهدف من هذا القسم هو الحصول على معلومات عامة تخص منظمتكم الصناعية وأخرى تتعلق بكم شخصيا كمساهم في هذا البحث.

الجزء الأول: المعلومات الخاصة بالمنظمة

س١: ما نوع الصناعة التي تقوم بها منظمتكم؟ (الرجاء اختيار واحد فقط)

١	صناعة المواد الغذائية والمشروبات	
٢	صناعة المنسوجات والملابس الجاهزة و الجلود	
٣	صناعة الخشب والمنتجات الخشبية والأثاث	
٤	صناعة الورق ومنتجاته والطباعة والنشر	
٥	الصناعات الكيماوية والمنتجات البلاستيكية	
٦	صناعة مواد البناء والصيني والخزف والزجاج	
٧	الصناعات المعدنية الأساسية	
٨	صناعة المنتجات المعدنية المصنعة والماكينات	
٩	أخرى، الرجاء ذكرها.....	

س٢: أين تقع منظمتكم الصناعية؟

☐ المنطقة الوسطى ☐ المنطقة الشرقية ☐ المنطقة الغربية ☐ المنطقة الشمالية ☐ المنطقة الجنوبية

س٣: كم مضى على إنشاء المصنع ؟ ☐ سنوات

س٤: كم يبلغ عدد العاملين في المصنع ؟ ☐ عامل/موظف

س٥: كم يبلغ رأسمال المصنع ؟ ☐ ريال سعودي

س٦: من المسئول عن إدارة المصنع؟ (الرجاء اختيار واحد فقط)

١	صاحب رأس المال بمفرده	
٢	صاحب رأس المال مع أسرته	
٣	مجلس إدارة سعودي	
٤	مجلس إدارة غير سعودي	
٥	مجلس إدارة مشترك (سعودي و أجنبي)	
٦	أخرى، الرجاء ذكرها.....	

س٧: هل يوجد في المصنع إدارة / قسم خاص يعنى بعملية تدريب وتطوير العاملين؟ ☐ نعم ☐ لا

- إذا كانت الإجابة نعم فالرجاء الانتقال إلى السؤال رقم ٨
- إذا كانت الإجابة لا فالرجاء الانتقال إلى السؤال رقم ٩

س٨: منذ كم سنة تم تأسيس هذا القسم في المصنع؟ ☐ سنوات

س٩: إذا كانت إجابتك على سؤال رقم ٧ لا فمن المسئول عن برامج تدريب وتطوير العاملين في المصنع؟

(الرجاء اختيار واحد فقط)

١	مدير قسم إدارة الموارد البشرية	
٢	المدير العام	
٣	أخرى، الرجاء ذكرها.....	

س١٠: كم يبلغ عدد الموظفين المسئولين عن برامج التدريب والتطوير في المصنع؟ ☐ موظف

الجزء الثاني: المعلومات الشخصية

س١١: ما مُسمى وظيفتك الحالية؟ (الرجاء اختيار واحد فقط)

١	مدير إدارة / قسم التدريب والتطوير	
٢	مدير قسم إدارة الموارد البشرية	
٣	مدير عام	
٤	أخرى، الرجاء ذكرها.....	

س١٢: ما جنسيتك؟ ☐ سعودي ☐ غير سعودي

س١٣: كم يبلغ عمرك؟ ☐ سنوات

س١٤: ما جنسك؟ ☐ ذكر ☐ أنثى

س١٥: ما أعلى مستوى تعليمي حصلت عليه؟ (الرجاء اختيار واحد فقط)

١	أقل من المرحلة الثانوية	
٢	شهادة المرحلة الثانوية	
٣	دبلوم في مجال	
٤	الشهادة الجامعية في مجال.....	
٥	دبلوم عالي في مجال	
٦	ماجستير في مجال	
٧	دكتوراه في مجال	
٨	أخرى، الرجاء ذكرها.....	

س١٦: من أين حصلت على أعلى شهادة علمية؟

☐ المملكة العربية السعودية ☐ مصر ☐ بريطانيا

☐ الولايات المتحدة الأمريكية ☐ من بلد آخر، الرجاء تحديده.....

س١٧: بشكل عام كم إجمالي عدد سنوات الخبرة في حياتك العملية؟ ☐ سنوات

س١٨: كم إجمالي عدد سنوات خبرتك في مجال تدريب وتطوير العاملين؟ ☐ سنوات

القسم الثاني: الهدف من هذا القسم هو الحصول على معلومات عن الخطط و السياسات المتعلقة بتدريب وتطوير القوى العاملة في مصنعكم.

س١٩: هل يوجد في المصنع خطة واضحة لتدريب و تطوير القوى العاملة؟ ☐ نعم ☐ لا

- إذا كانت الإجابة نعم فالرجاء الانتقال إلى السؤال رقم ٢٠
- إذا كانت الإجابة لا فالرجاء الانتقال إلى السؤال رقم ٢٤

س٢٠: كيف تصف هذه الخطة؟ (الرجاء اختيار واحد فقط)

١	طويلة الأجل	(أكثر من ٣ سنوات)	
٢	متوسطة الأجل	(من سنة – ٣ سنوات)	
٣	قصيرة الأجل	(أقل من سنة)	

س٢١: ما طبيعة السياسات والقوانين المتبعة في عملية التدريب والتطوير في المصنع؟

☐ ذات طابع رسمي (مكتوبة) ☐ ذات طابع غير رسمي (غير مكتوبة)

س٢٢: من المسئول عن وضع و إعداد خطط التدريب والتطوير في المصنع؟ (الرجاء اختيار واحد فقط)

١	مجلس الإدارة	
٢	المدير العام	
٣	قسم الموارد البشرية	
٤	إدارة / قسم التدريب والتطوير	
٥	أخرى، الرجاء ذكرها.....	

س٢٣: ما النسبة التي يتم تحقيقها من هذه الخطط؟

☐ أقل من ٣٠% ☐ ٣٠-٤٩% ☐ ٥٠-٦٩% ☐ ٧٠-٨٩% ☐ ٩٠-١٠٠%

س٢٤: إذا كانت إجابتك على السؤال ١٩ لا فما الأسباب الرئيسة – في اعتقادك – في عدم وجود خطط واضحة للتدريب والتطوير في مصنعكم؟.....

.....

.....

س٢٥: ما مستوى التدريب والتطوير المقدم لكلٍ من الفئات التالية؟

		لا يوجد	قليل	متوسط	عالي
١	العمالة السعودية				
٢	العمالة الغير سعودية				

س٢٦: ما مستوى التدريب والتطوير المقدم لكلٍ من المستويات التالية؟

		لا يوجد	قليل	متوسط	عالي
١	الإدارة العليا				
٢	الإدارة الوسطى				
٣	الإدارة الدنيا والمشرفين				
٤	المستوى التقني				
٥	أخرى، الرجاء ذكرها.....				

س٢٧: هل يوجد في مصنعكم مركز خاص يتم فيه تدريب و تطوير العاملين؟ ☐ نعم ☐ لا

س٢٨: هل يستعين مصنعكم بمنظمات متخصصة (استشارية) في مجال التدريب والتطوير؟

☐ نعم بشكل دائم ☐ نعم أحياناً ☐ لا أبداً

س٢٩: ما مدى قناعة العاملين في مصنعكم ببرامج التدريب والتطوير المقدمة لهم حالياً؟

☐ مقتنعون جداً ☐ مقتنعون ☐ لا أعلم ☐ غير مقتنعين ☐ غير مقتنعين جداً

س٣٠: إذا كانت إجابتك على السؤال ٢٩ غير مقتنعين أو غير مقتنعين جداً، فالرجاء بيان موافقتك أو عدم موافقتك لأي من الأسباب التالية.

		غير موافق	موافق
١	عدم توفر البرامج الكافية للتدريب والتطوير		
٢	نقص في نوعية (جودة) برامج التدريب والتطوير		
٣	عدم ملائمة برامج التدريب والتطوير مع احتياجات الوظيفة		
٤	عدم وجود خطط و سياسة واضحة للتدريب والتطوير		
٥	أخرى، الرجاء ذكرها.....		

القسم الثالث: الهدف من هذا القسم هو إلقاء الضوء على تفاصيل ميزانية التدريب والتطوير في مصنعكم.

س٣١: هل يوجد ميزانية خاصة لبرامج التدريب والتطوير في المصنع؟ ☐ نعم ☐ لا

- إذا كانت الإجابة نعم فالرجاء الانتقال إلى السؤال رقم ٣٢
- إذا كانت الإجابة لا فالرجاء الانتقال إلى السؤال رقم ٣٧

س٣٢: من المسئول في المصنع عن الميزانية الخاصة بتدريب وتطوير العاملين؟ (الرجاء اختيار واحد فقط)

١	مجلس الإدارة	
٢	المدير العام	
٣	قسم الموارد البشرية	
٤	إدارة / قسم التدريب والتطوير	
٥	كل قسم في المصنع يضع الميزانية الخاصة به	
٦	أخرى، الرجاء ذكرها.....	

س٣٣: هل هذه الميزانية كافية لتنفيذ أهداف وخطط التدريب والتطوير في المصنع؟

☐ كافية جداً ☐ كافية الى حد ما ☐ لا أعلم ☐ غير كافية ☐ غير كافية على الإطلاق

س٣٤: ما نسبة ميزانية التدريب والتطوير بالنسبة إلى الميزانية الرئيسة في المصنع؟ ____ %

س٣٥: ما مقدار ما أنفقه المصنع على برامج التدريب والتطوير في العام الماضي؟ ____ ريال سعودي

س٣٦: ما وجه المقارنة بين ما أُنفق على برامج تدريب و تطوير العاملين في العام الماضي وما تم إنفاقه في هذا العام؟

☐ أعلى ☐ نفسه ☐ أقل

س٣٧: هل يحصل المصنع على أية معونات من الدولة لدعم برامج التدريب والتطوير؟ ☐ نعم ☐ لا

س٣٨: إذا كانت إجابتك على السؤال ٣٧ نعم فما هو شكل المعونة التي يحصل عليها المصنع من الدولة؟

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القسم الرابع: الهدف من هذا القسم هو فهم الكيفية التي يتم بها تنفيذ برامج التدريب والتطوير في المصنع.

الجزء الأول: تحديد الاحتياجات التدريبية

س٣٩: هل تقومون بتحديد الاحتياجات التدريبية للعاملين؟

☐ نعم بشكل دائم ☐ نعم أحياناً ☐ لا أبداً

س٤٠: إذا كانت إجابتك على السؤال ٣٩ هي نعم أحياناً او لا أبداً فما هي – في اعتقادك – أسباب ذلك؟

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س٤١: إذا كانت إجابتك على السؤال ٣٩ هي دائماً أو أحياناً فأي من الوسائل التالية يتم استخدامها في تحديد الاحتياجات التدريبية؟

		لا أبداً	نادراً	أحياناً	غالباً	دائماً
١	الاستبيانات					
٢	المقابلات الشخصية					
٣	المشاهدة (المراقبة) المباشرة					
٤	لجنة خاصة بالتدريب					
٥	تقارير الكفاءة الخاصة بالموظفين					
٦	أخرى، الرجاء ذكرها.....					

س٤٢: هل يوجد في المصنع وصف واضح للوظائف؟ ☐ نعم ☐ لا

س٤٣: هل يوجد في المصنع نظام لتقييم كفاءة أداء العاملين؟ ☐ نعم ☐ لا

س٤٤: متى يتم تدريب العاملين في المصنع؟

		لا أبداً	نادراً	أحياناً	غالباً	دائماً
١	عند تعيين العاملين لأول مرة					
٢	عندما يتم استخدام أجهزة جديدة أو طرق عمل جديدة					
٣	عندما يتم عمل تقييم لأداء العاملين					
٤	عندما يتم ترقية العامل للعمل في وظائف شاغرة					
٥	عندما يتم طلب ذلك من قبل القسم الخاص بالعامل					
٦	عندما يتم طلب ذلك من قبل العامل					
٧	أخرى، الرجاء ذكرها.....					

س٤٥: ما تقييمك للطرق المتبعة حالياً في تحديد احتياجات العاملين التدريبية؟

١. سيئة جداً	٢. سيئة	٣. جيدة	٤. جيدة جداً	٥. ممتازة

س٤٦: إذا كانت إجابتك على السؤال ٤٥ سيئة أو سيئة جداً فما هي – باعتقادك – الأسباب الرئيسة لذلك؟

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الجزء الثاني: طرق التدريب

س٤٧: أي من الوسائل و الطرق التالية يستخدمها مصنعكم – عادة – لتدريب العاملين؟

		لا أبداً	نادراً	أحياناً	غالباً	دائماً
١	التدريب على رأس العمل					
٢	التدريب بعيداً عن موقع العمل ولكن داخل المصنع					
٣	التدريب بعيداً عن موقع العمل (خارج المصنع)					
٤	أخرى، الرجاء ذكرها.....					

س٤٨: إذا كان تدريبك للعاملين يتم خارج المصنع فأين يتم إجراء هذا التدريب عادة؟

		لا أبداً	نادراً	أحياناً	غالباً	دائماً
١	داخل المملكة العربية السعودية					
٢	خارج المملكة العربية السعودية					

س٤٩: إذا كان تدريب العاملين يتم داخل المملكة العربية السعودية فأي المؤسسات التدريبية التالية يتم استخدامها؟

		لا أبداً	نادراً	أحياناً	غالباً	دائماً
١	الجامعات					
٢	الكليات التقنية					
٣	مراكز التدريب المهني					
٤	معهد الإدارة العامة					
٥	مراكز التدريب الأهلية (الخاصة)					
٦	مراكز التدريب التابعة لغرفة التجارة والصناعة					
٧	أخرى، الرجاء ذكرها.....					

س٥٠: إذا كان تدريب العاملين يتم خارج المملكة العربية السعودية فإلى أي البلاد التالية ترسلهم للتدريب؟ الرجاء ترتيب جوابك حسب تكرار البعثات (١= الأكثر تكراراً)؟

بريطانيا	الولايات المتحدة لأمريكا	مصر	بلاد أخرى.....

س٥١: إذا كان تدريب العاملين يتم خارج المملكة العربية السعودية فما هي – باعتقادك – الأسباب الرئيسة لذلك؟

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س٥٢: أي من الأساليب و الطرق التدريبية التالية يتم استخدامها لتدريب العاملين داخل المصنع و في مؤسسات التدريب الخارجية؟

		داخل المصنع			تدريب خارجي		
		لا أبداً	أحياناً	دائماً	لا أبداً	أحياناً	دائماً
١	المحاضرات						
٢	الندوات/المؤتمرات						
٣	المناقشات الجماعية						
٤	الدراسة الذاتية (الفردية)						
٥	تمثيل الأدوار						
٦	المباريات الإدارية						
٧	البيان (العرض) العملي						
٨	دراسة الحالات						
٩	بواسطة الحاسبات الإلكترونية						
١٠	أشرطة الفيديو التفاعلية						
١١	أخرى، الرجاء ذكرها.....						

س٥٣: بشكل عام ما تقييمك الخاص للطرق المتبعة في تدريب العاملين؟

١. سيئة جداً	٢. سيئة	٣. جيدة	٤. جيدة جداً	٥. ممتازة

س٥٤: إذا كانت إجابتك على السؤال ٥٣ هي سيئة أو سيئة جدا فما هي – باعتقادك – الأسباب الرئيسة لذلك؟

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الجزء الثالث: تقييم عملية التدريب

س٥٥: هل تقومون بعملية تقييم لبرامج التدريب والتطوير في المصنع؟

☐ نعم بشكل دائم ☐ نعم أحيانا ☐ لا أبدا

س٥٦: أي الوسائل التالية يتم استخدامها في حالة قيامكم بشكل دائم او أحيانا بتقييم عملية التدريب و التطوير؟

		لا أبدا	نادرا	أحيانا	غالبا	دائما
١	عن طريق اختبار المتدربين بعد كل برنامج تدريبي					
٢	عن طريق الطلب من المتدربين ملء استبيان في نهاية كل برنامج تدريبي					
٣	عن طريق عمل مقابلة مع المتدربين بعد كل برنامج تدريبي					
٤	عن طريق سؤال المسؤولين في قسم المتدرب عن مدى استفادة عامليهم من كل برنامج تدريب يقومون به					
٥	عن طريق مقارنة نتائج المتدربين قبل وبعد برنامج التدريب					
٦	أخرى، الرجاء ذكرها.....					

س٥٧: ما تقييمك الخاص للوسائل المختلفة المتبعة في تدريب العاملين في المصنع لتقييم برامج التدريب والتطوير؟

١. سيئة جدا	٢. سيئة	٣. جيدة	٤. جيدة جدا	٥. ممتازة

س٥٨: إذا كانت إجابتك على السؤال ٥٧ هي سيئة أو سيئة جدا فما هي – باعتقادك – الأسباب الرئيسة لذلك؟

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س٥٩: في حالة عدم تقييمكم للبرامج التدريبية بشكل دائم ، أي من الأسباب التالية توافقون أو لا توافقون عليها ؟

		لا أوافق بشدة	لا أوافق	غير متأكد	أوافق	أوافق بشدة
١	صعوبة قياس التطور الذي يحدث في أداء العاملين					
٢	صعوبة قياس سلوك المتدربين في فترة قصيرة من الزمن					
٣	عدم وجود وصف للوظائف					
٤	عدم وجود نظام لتقييم أداء العاملين					
٥	ارتفاع تكاليف طرق تقييم التدريب					
٦	عدم وضوح أهداف برامج التدريب والتطوير					
٧	أخرى، الرجاء ذكرها.....					

القسم الخامس: الهدف من هذا القسم التعرف على مشاكل ومعوقات عملية التدريب والتطوير في المصنع.

س٦٠: أي من الأسباب التالية تعتقد أنها تُعيق القيام بعملية تدريب و تطوير العاملين في المصنع؟

		لا أوافق بشدة	لا أوافق	غير متأكد	أوافق	أوافق بشدة
١	عدم قناعة بعض القيادات الإدارية بأهمية برامج التدريب والتطوير					
٢	عدم وجود وصف وظيفي دقيق ومتكامل					
٣	عدم وجود نظام لتقييم أداء العاملين					
٤	عدم وضوح اللوائح والقوانين المنظمة للعملية التدريبية					
٥	عدم وجود خطة طويلة الأجل لتطوير الموارد البشرية					
٦	التكاليف العالية لبرامج التدريب والتطوير					
٧	صعوبة تحديد احتياجات التدريب					
٨	النقص في مراكز التدريب الخاصة (الأهلية)					
٩	صعوبة تقييم نتائج برامج التدريب					
١٠	ضعف التعاون والتنسيق بين الأقسام المختلفة وقسم التدريب والتطوير					
١١	ندرة المتخصصين في مجال التدريب والتطوير					
١٢	ترك العاملين للعمل في المصنع بعد تدريبهم					
١٣	ضعف الحوافز للانخراط في برامج التدريب والتطوير نتيجة نقص الدعم من البيئة الخارجية (العائلة، الأصدقاء، الخ)					
١٤	أخرى، الرجاء ذكرها.....					

س٦١: هل تعتقد ان البرامج التدريبية المقدمة / المستقدمة من قبل المصادر الأجنبية (مثل البرامج التعليمية ، المدربين الأجانب، ... الخ) تواجه صعوبات بسبب العادات و التقاليد الموجودة في المملكة (مثلا تعارض القيم، استخدام اللغة، الخ)؟

☐ نعم ☐ لا

- إذا كانت الإجابة نعم فالرجاء الانتقال إلى السؤال رقم ٦٢
- إذا كانت الإجابة لا فالرجاء الانتقال إلى السؤال رقم ٦٣

س٦٢: إذا كانت إجابتك على السؤال ٦١ نعم فالرجاء توضيح كيف يكون ذلك؟

القسم السادس: الهدف من هذا القسم هو التعرف على التحديات المستقبلية التي قد تزيد من الحاجة إلى برامج التدريب والتطوير.

س٦٣: إلى أي مدى توافق على كون العوامل التالية ستزيد من الحاجة إلى برامج التدريب والتطوير في المستقبل؟

		لا أوافق بشدة	لا أوافق	غير متأكد	أوافق	أوافق بشدة
١	خطة السعودة					
٢	التخصيص					
٣	المنافسة الداخلية					
٤	المنافسة الخارجية (خاصة بعد دخول المملكة في عضوية منظمة التجارة العالمية "WTO")					
٥	التطور التكنولوجي السريع					
٧	أخرى، الرجاء ذكرها.....					

س٦٤: الرجاء إبداء أي تعليقات أو اقتراحات تعتقد أن لها صلة بالبحث القائم.

نشكر لكم مشاركتكم الكريمة في هذا البحث

☐ نعم، أود الحصول على نسخة من نتائج هذا البحث بعد الانتهاء منه.

الرجاء كتابة الاسم والعنوان هنا:

APPENDIX
D

Interview Questions

(Arabic Version)

مقابلات شخصية مع مدراء المصانع السعودية

س١: هل تعتقد أن برامج التدريب والتطوير ضرورية لنجاح أية منظمة؟

☐ نعم ☐ لا

س٢: ما تقديرك لتأثير برامج تدريب وتطوير العاملين على الأمور التالية؟

		تأثير كبير	تأثير عادي	لا أعلم	لا يوجد تأثير
١	على ربحية المصنع				
٢	جودة السلع والخدمات المقدمة				
٣	سمعة المصنع				
٤	تقليل الحوادث				
٥	رفع الروح المعنوية للعاملين				
٦	على استقرار العاملين داخل المصنع				

س٣: ما مدى موافقتكم على العبارات التالية؟

		أوافق	لا أعلم	لا أوافق
١	من الضروري جداً وجود قسم خاص لبرامج تدريب وتطوير العاملين في كل مصنع			
٢	يجب توفير البرامج التدريبية لجميع العاملين في المصنع وعلى جميع المستويات			
٣	التدريب عبارة عن مضيعة للمال والوقت			
٤	هناك حاجة ماسة لتحسين وتنويع نوعية برامج تدريب وتطوير العاملين في المصنع			
٥	حجم نشاط التدريب والتطوير كافٍ في الوقت الحالي			
٦	تدريب العاملين داخل المصنع أفضل من تدريب العاملين خارج المصنع			
٧	لكي تكون برامج التدريب والتطوير ناجحة لابد من ربطها بالترقية والحوافز المالية			
٨	دعم الحكومة مادياً ضروري جداً لزيادة كمية و نوعية البرامج التدريبية المقدمة			

س٤: أي من الأسباب التالية تعتقد أنها تُعيق القيام بعملية تدريب و تطوير العاملين في المصنع؟

		أوافق	لا أعلم	لا أوافق
١	التكاليف العالية لبرامج التدريب والتطوير			
٢	ترك العاملين للعمل في المصنع بعد تدريبهم			
٣	النقص في مراكز التدريب الخاصة (الأهلية)			
٤	صعوبة تقييم نتائج برامج التدريب (صعوبة قياس العائد من عملية التدريب و التطوير)			
٥	ضعف الحوافز للانخراط في برامج التدريب والتطوير نتيجة نقص الدعم من البيئة الخارجية (العائلة، الأصدقاء، الخ)			
٦	البرامج التدريبية المقدمة / المستقدمة من قبل المصادر الأجنبية (مثل البرامج التعليمية ، المدربين الأجانب، ... الخ) تواجه صعوبات بسبب العادات و التقاليد الموجودة في المملكة (مثلاً تعارض القيم، استخدام اللغة، الخ)؟			

س٥: إلى أي مدى توافق على كون العوامل التالية ستزيد من الحاجة إلى برامج التدريب والتطوير في المستقبل؟

		أوافق بشدة	أوافق	لا أدري
١	السعودة			
٢	التخصيص			
٣	التطور التكنولوجي السريع			
٤	زيادة المنافسة الداخلية			
٥	زيادة المنافسة الخارجية (خاصة بعد دخول المملكة في عضوية منظمة التجارة العالمية "WTO")			

APPENDIX

E

Introductory Letters

(From the Researcher's Supervisor
and
Manager of the Public Relations Department in the Ministry of Industry and Electricity)

MANAGEMENT CENTRE

CHAIR, TEACHING QUALITY AND SYSTEMS
DAVID S TAYLOR BSc CPsychol AFBPsS

UNIVERSITY O
BRADFORD

1 June 1998

TO WHOM IT MAY CONCERN

This is to confirm that Mr. Sami A. Albahussain, who is a full - time Ph.D. student at the University of Bradford, is required to conduct data collection for his research in the area of human resources development within the Saudi private manufacturing sector.

Mr. Albahussain's research is purely academic and any data provided will be used only for research purposes.

Your co-operation and support to him are crucial for the accomplishment of his research.

Yours Faithfully,

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بسم الله الرحمن الرحيم

المملكة العربية السعودية
وزارة الصناعة والكهرباء
إدارة العلاقات العامة

الرقم : ٦٧٦/ج/٢
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المرفقات :

المحترم
سعادة مدير عام مصنع / شركة
السلام عليكم ورحمة الله وبركاته

إشارة الى خطاب سعادة عميد كلية التقنية بالدمام رقم ٣/١٢٨ وتاريخ ١٤١٩/٤/٢هـ المتضمن الإفادة عن قيام الأستاذ/ سامي عبدالله الباحسين بإعداد دراسة لنيل درجة الدكتوراه بعنوان " تدريب وتطوير العاملين في المصانع بالمملكة العربية السعودية ".

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مدير إدارة العلاقات العامة
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العنوان : وزارة الصناعة والكهرباء ، الملز - طريق عمر بن الخطاب ، شمال محطة القطار - الرياض - الرمز البريدي ١١١٢٧ - هاتف ٤٧٧٦٦٦٦

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