

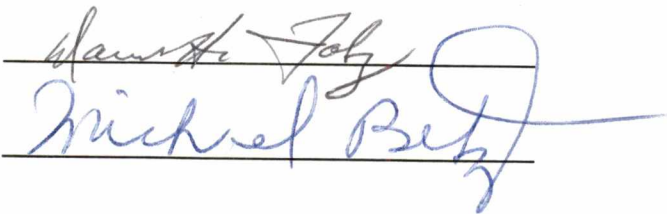
To the Graduate Council:

I am submitting herewith a dissertation written by Ali A. Kassim entitled "Problems of Public Sector Productivity in Saudi Arabia." I have examined the final copy of this dissertation for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy, with a major in Political Science.



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We have read this dissertation
and recommend its acceptance:



Accepted for the Council:



Associate Vice Chancellor
and Dean of The Graduate School

**PUBLIC SECTOR PRODUCTIVITY
IN SAUDI ARABIA**

**A Dissertation
Presented for the
Doctor of Philosophy
Degree
The University of Tennessee, Knoxville**

Ali A. Kassim

December 1993

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DEDICATION

To my parents, may wife, my children, and Al-Kassim family.

ACKNOWLEDGMENT

It would be impossible in these few lines to express my gratitude and appreciation to many people who contributed to the completion of this dissertation.

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who filled my life with joy and happiness.

To all those whom I have not mentioned in these few lines, please accept my apology and know that even though your names are not mentioned here, you are specially appreciated more than you know.

ABSTRACT

The purpose of this dissertation is to examine problems of public sector productivity in Saudi Arabia. It has three basic themes: to examine public sector productivity problems that are associated with developing countries evident in Saudi Arabia, to study the relevance of Western perspectives on improving productivity, and to try to derive an appropriate approach to toward productivity improvement in Saudi Arabia that is based on these Western perspectives.

To obtain the views of the officials in leadership positions, interviews were conducted with 24 educated and experienced top to middle management personnel in Riyadh and Alkharj in Saudi Arabia in the summer of 1990. In that year, a survey of 503 respondents who consulted government service agencies was conducted. The purpose of the survey was to provide an evaluation of the clients' satisfaction with and the quality of services provided by those agencies, to gauge their perceptions of productivity problems and government effectiveness, and to investigate the effects of the connection phenomenon on the accessibility to government services and employees and on speed of finishing tasks.

There were no shortages of suggestions by those managers interviewed. They offered some methods and experiments for improving productivity. But there was a sense of apathy and frustration among them concerning this matter. The survey indicated the existence of dissatisfaction with the services and their quality. This is more evident among the less educated than among educated respondents. The connection phenomenon

plays a major role in speeding tasks, making public employees more accessible to clients, and clients getting better treatment.

Western approaches toward motivating employees are not totally applicable in Saudi Arabia due to its social and cultural values. But a combination of elements from some might be of value, such as Simon's decision making model that is based on available information, the Japanese model with its recognition of human needs, Quality Circles involving of employees, and System 4 participation ideas. In conjunction with some elements of these theories, other sets of recommendations are necessary for improving the performance of the bureaucracy and reducing the dissatisfaction of the people of Saudi Arabia with less-optional bureaucratic performance.

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CHAPTER I

INTRODUCTION

Three basic questions guide the analysis to follow. First, to what extent are public sector productivity problems generally associated with developing countries evident in Saudi Arabia? Second, how relevant are Western perspectives on improving productivity? Third, what is the best approach to apply in the Saudi case? Some problems and definitions that are relevant to the study are included in this chapter to familiarize the reader with some key terms and persisting problems. Trends in productivity studies and its measurement and the current thinking of productivity scholars are discussed. The research design that includes interviews and a survey with all of their related procedures are described. The last part of this chapter treats the significance, limitations, and organization of the study.

Saudi Arabia and Its Bureaucracy

Saudi Arabia is a developing country with, on the surface, a Weberian type of bureaucracy, yet one with major productivity problems. Even though the Saudi Arabian bureaucracy has had a short history compared to others in the region, it has many elements of the Weberian ideal type. But, fast and ambitious developmental plans have created shortages of skilled indigenous manpower. In turn, this, together with other factors, has resulted in problems of inefficiency and poor client service in many of its

administrative operations.

Bureaucracy is considered by many to be the most effective means for organizing and managing modern government. Max Weber (1947) said that it is one of the keys to development and necessary for the establishment of an industrial society. He saw it as the most rational means for organizing and directing human efforts.

Peter M. Blau defines bureaucracy as "a type of organization designed to accomplish large-scale administrative tasks by systematically coordinating the work of many individuals" (1956, p. 14). Many of the changes that take place in society, be they economic, social, educational, or political, come as a result of some kind of organized government action. Bureaucracy is one of the most developed means for action, and, as such, it plays a fundamental role in making services such as education and health care available, in constructing roads and other elements of infrastructure, and in managing people's affairs in general. An efficient and productive bureaucracy, especially in the developing countries, is often seen as a major vehicle for achieving social and economic progress.

As a developing country, Saudi Arabia, the object of this study, needs an efficient and productive bureaucracy to achieve its development potential. Efficiency is very important for Saudi Arabia for several reasons. The country is embarking on fast and major developmental plans. There is a shortage of human resources both skilled and manual. The country is vast and the population density is low. Women are allowed to work only in specific and narrow fields.

One of the criteria for measuring efficiency in bureaucracy is the increase in work

force productivity. Productivity is considered one of the main concerns of **management** systems in the private as well as in the public sectors. With the rapid changes in the Western world in the late 19th and 20th Centuries, its shift from a rural to an urban social context and from agriculture to industry, the demands for more productivity and therefore for greater efficiency in management increased.

What compounds the task of the student of efficiency in the public sector is that a bureaucratic form of organization is not always a sign of effective and rational management. In Theory of Social and Economic Organization, Weber says that bureaucracy is a technically efficient instrument of administration, perfectly adapted to achieving the highest level of performance (Henderson and Parsons 1947, p. 337). But Weber seems to have in mind ideal situations or very specific historical contexts where this could have been true. Once we move to very concrete examples of the use of bureaucracy, especially in a developing country such as Saudi Arabia, we find that in the public sector it is often associated in reality with inefficiency, mismanagement, the provision of poor service, and a low level of rationalization. Bureaucrats can be a very conservative force, resisting change, and reluctant to try new ways and ideas in order to improve productivity. In the Third World, bureaucracy often becomes not a rational means of development and organization but, as Ralph Braibanti (1976) said in Administration for Development, simply a reflection of the larger social environment of which it is a part and thus an instrument of the status quo.

Compared to other countries in the region, Saudi Arabia is a relatively new nation. It was not recognized as a unified and sovereign state until 1932. Traditionally,

its people lived as tribes, each with its own territories. In the early years of Saudi Arabia, as there were few resources and little wealth, there was no great demand or need for a complex government administration. The country was isolated from the rest of the world, and there was little experience in administrative matters. However, with the discovery of oil, which has brought great wealth to Saudi Arabia, the situation changed dramatically. Unaided by any ideas of reform and administration which might come from the platforms and programs of political parties and professional associations, were they allowed to function, the government alone bore the burden of administrative organization. In addition, Saudi Arabia is now a welfare state that gets all oil revenues and provides most services. People's expectations of governmental services have grown as a result of the oil boom. The government has been expanding its services in every sector and has adopted the policy of accommodating its citizens' needs in order to gain their loyalty and satisfaction. In the process, the bureaucracy has grown very rapidly.

The private sector, which could have helped the government in keeping up with its citizens' needs, has been weak, undeveloped and unstable. The government became and still is the major and sometimes the only source of employment. Consequently, the government has had to deal with the following problems:

1. The foundations of the administrative system are weak and unable to keep up with the expansion of the government.
2. The educational system does not have well-defined plans and goals, such as the formation of well-qualified administrators and employees, to fill key jobs in the administration.

3. There has been a ban on women's employment for cultural and religious reasons.

4. Oil revenues, a major source of government income, have been fluctuating, which makes long-term planning difficult.

The decline of the value of most natural resources, high rates of population growth and low levels of productivity have influenced the rate of economic growth and the levels of per capita income in Third World countries. They have been struggling with these problems by increasing the efficiency of their production. Saudi Arabia is no exception. Because it relies heavily on oil revenues, it has been affected by the decline in oil prices in the last ten years. Furthermore, public employees' low productivity has led to a notable shortage in the work force and a constant reliance on foreign labor. In 1975, foreign labor accounted for more than 25 percent of the total work force. By 1980, it jumped to 50 percent (Algemaia, 1989, p. 107), and by 1983 the number reached 56 percent or two million expatriates, 30 percent of the total population (Al-Ameer, 1989, p. 75). Heavy reliance on foreign labor for long periods of time will have great consequence. Those people will bring with them social influences that are not acceptable to the society. In addition, they will not be as loyal to the country as citizens because their motives are merely economic. That will lead them to create more corruption and the solicitation of bribes. This will have great effect on productivity because those who do not pay will suffer.

With the rapid development that has taken place since the mid-1970s, the government grew into the biggest and most powerful spender. Part of this is due to the

fact that the major long-term developmental programs (Five Year Plans) have meant greater financial obligations for the government. Now that the revenues have shrunk to almost half what they were in the late 1970s and the beginning of the 1980s, carrying out these plans means that productivity has to be improved. In trying to improve the productivity of public employees in a country like Saudi Arabia, one has to be aware of the many stumbling blocks that stand in one's way. For one, the entrenched traditional administrative styles make reform and transition to more effective modes of administration difficult. Social, economic, and cultural values can also be detrimental to improved efficiency. This confirms John Kendrick's (1977) idea that the basic value system conditioning a society's institutions and practices has an obviously important bearing on productivity.

So, this study involves an investigation of public administration in Saudi Arabia and the nature and reasons of some major problems bearing on it. This leads to a question of to what extent are public sector productivity problems generally associated with developing countries evident in Saudi Arabia? The study is also partly concerned with analyzing some of the approaches that have been associated with efforts to increase public employee productivity in the West. A basic question is which of these are applicable to the Saudi case and which are not?

The Problem of Worker Productivity

Defining work and determining its motivating forces would certainly lead to a clearer understanding of questions of productivity and efficiency. Why do people work?

What motivates them? Do they work to satisfy certain basic drives such as **hunger**, the need for comfort and safety and the need to survive? Do they do so for **prestige** and social distinction? These questions and others have informed the work of **many scholars** who have studied human behavior, especially the labor (as opposed to the **leisure**) part of it. Answers to these questions would provide clues as to how to improve workers' productivity: to know what motivates a worker is to know the **element which** can potentially improve his or her productivity if it is cultivated and cared for in the right way.

If productivity depends on the quality of the work force, then raising the latter's level of performance becomes an urgent task. Many studies of the dynamics of production which have been carried out from the perspective of the work force have concluded that workers' performance and productivity depend on both their ability and their willingness to work. Ability depends on the level of education, training, experience, and attitude. On the other hand, the willingness to work and produce depends on the physical work conditions, social conditions, and individual needs of the workers. To improve performance, it is necessary to pinpoint which factor (be it a physical and educational variable like ability and competence or a psychological one like willingness and the sense of duty) has the greatest effect on workers' productivity. It might be possible that productivity is low not because workers are incompetent, but because their willingness to perform is low. So it would be a waste of time and resources to try to train them. Their willingness should be raised instead."

Though not always a sure thing, the workers' ability to perform is a function of

the skills acquired through education, training, and experience. However, their willingness to perform depends on factors which go beyond their skills and affect the workers' behavior, predispositions and their commitment to achieving organizational goals. What determines willingness? Various elements bear on it, including incentives, both material and non-material, and other factors, some of which are social and cultural, while others remain purely administrative.

The high cost of government is widely perceived to be in substantial part due to low productivity in providing government services. Emanuel S. Savas, (in Adam and Dogramaci, 1981, pp. 152-153), holds that the causes are twofold: (1) The goals of government programs are not clear; it is highly possible to find that different decision makers have different goals in mind for the same program. (2) The cumulative effect of personnel regulations eliminate any effective link between a worker's job performance and his or her rewards.

The low productivity of employees is perceived to be a common phenomenon in most government agencies and private enterprises in both developed and developing countries. For example, "Over 50 percent of the general public believes that the American people are not as productive as they should be. This view is also shared by those in the labor force as over three-fourths say that they are not working at full potential" (Scott, 1980, cited by Yankelovich and Associates, 1983, in Bowman, 1989, p. 375). According to research conducted by Robert Half International, office employees in the United States waste four hours and twenty nine minutes each week in nonproductive activities such as socializing, telephone conversations, faked illnesses, and

being tardy or leaving early. Manufacturing workers waste approximately three hours and forty one minutes in similar ways. This lost labor productivity costs the U.S. business around \$170 billion annually (Edmondson, 1987, p. 25).

Definitions

Three basic terms, productivity, public organization, and public employee, are important and key to the subject of this study. Defining them with an emphasis on productivity, because it is the main subject of this study, is a necessary first step.

Productivity

Productivity is so relative a concept that defining it in very specific terms is a very difficult task, especially for the public sector. It is easier to define productivity in the private sector because output can be measured in units in relation to the amount of money spent to produce them. The task is more complicated in the public sector, because inputs and outputs are difficult to measure; at the same time, inputs and outputs might be simultaneously produced and consumed, as is the case in education and health.

Most definitions of productivity are similar in theme with slight difference in the context. Of all the definitions of productivity, two are especially pertinent. One is by Michael LeBoeuf, who defines productivity as

a ratio of all desired outputs (goods and services) to all the inputs used to create the goods and services. Such inputs may be labor, capital, tools, raw materials, and energy (1982, p. 9).

Implicit in this definition is the assumption that for the ratio to be acceptable, there

should always be a tilt towards an increase in the output in relation to input. Robert Dublin (1968) defines productivity more plainly when he says that productivity is

the efficiency with which goods and services are produced; that is, the ratio of output of goods and services to the input of resources.... Increases of the contributions by the individual worker from his own inner resources of skills, care, and efforts toward productivity improvement (p. 445).

Though the ratio of input to output is of concern to Dublin, the emphasis seems to fall mainly on the instrumentality and the managing of input keeping in mind the role of the human beings in that process.

It should be borne in mind that an efficient or productive organization may or not be effective in delivering services. Effectiveness is different from efficiency. Efficiency is functionally related to productivity: an efficient unit means a highly productive unit. So efficiency and productivity are ultimately almost synonymous, though the first describes the process and the cause, and the second the effect. Ross and Burkhead (1974) defined productivity plainly as "a measure of the efficiency with which physical inputs--land, labor, and/or capital--are converted into physical outputs--goods and services" (p. 11). This correlation of *input* to output which is the criterion of efficiency is the principle measurement of productivity as well, only this time it is *output* which provides the starting point for evaluation.

Thus there is a strong quantitative dimension to productivity. There is also a qualitative dimension, especially when administration involves the delivery of services to clients. If the quality of services, the output, to clients is deficient leading to client dissatisfaction, there can be said to be productivity problems. In consideration of

productivity problems in Saudi Arabia, both administrative efficiency and client satisfaction with services will be examined.

As for effectiveness, it has a different meaning altogether. For Medeiros and Schmitt (1977),

Productivity is distinguished from effectiveness in that the latter refers primarily to the impact of goal attainment, while productivity refers to the efficiency of converting energy into output in reaching the goal (p. 84).

Part of the difficulty that characterizes the experience of assessing productivity in Saudi Arabia comes from the confusion of efficiency and effectiveness. It is possible that the situation therein is a little different. In a country where the government is the major employer and where it is difficult to determine input (let alone output), sometimes it is preferable and safer to speak of effectiveness, which in general means the attainment of the goal no matter at what cost--a meaning that abrogates the standard of efficiency.

Public Organization

Public organization refers to an agency whose functions are to carry out government policies and achieve its goals. It is often part of a large bureaucracy which has special rules, regulations, and special characteristics. The distinction between public and private organizations is that public organizations are always driven not by profit, as the case in private organizations, but by providing services that the private sector will not or cannot (Medeiros and Schmitt, 1977, pp. 1-4).

Public Employees

By public employees we mean those who work for the government at whatever level. They are usually appointed according to and covered by civil service laws and regulations. They draw government salaries and benefits. Saudi Arabian public employees are not fundamentally different from others in the world. They are, however, of a higher number than private employees in many states because of the weakness of the private sector and the reliance of the working population on government employment. The total number of government employees were 624,800 in 1990 and it is estimated to reach 633,500 in 1995.¹ On the other hand, private employees were 5,147,000 in 1990 and projected to reach 5,351,800 in 1995. This last figure include self-employed people and large number of foreign labor (Fifth Year Development Plan, 1990, p. 165).

TRENDS IN PRODUCTIVITY STUDIES

This section is an introduction to some trends in productivity studies. It will briefly explain some problems that are associated with measuring productivity. In addition, some perspectives on productivity from some distinguished authors in the field are introduced to provide insights into this phenomenon.

¹ This figure does not include military people which might be omitted for confidential reasons.

Productivity Measurement

Although this study does not require the measurement of public sector productivity, the appreciation of the dilemma involved is useful in thinking about the subject. It should be borne in mind, as stated previously, unlike in the private sector, public employees' productivity is difficult to measure for the following reason: public employees produce services that cannot be measured according to the principle of the necessary ratio of input (of resources and effort) to output (of goods) as in the private sector. To develop measurement tools for public sector productivity is a complicated process. As mentioned above, the productivity of public organizations cannot be measured solely by a mere calculation of the ratio of input to output, even if that is possible. It involves the measurement of quality. As Hatry and Fisk said, "Increasing the quantity of a public service at the expense of the quality of the service should not be considered as improving productivity in its broad interpretation. Similarly, decreasing quantity in order to increase quality within existing resources is not necessarily reducing productivity" (in Holzer, 1992, p. 142). In this study, the focus will be mainly on the perceptions of managers and agency clients about various aspects of productivity. Productivity here is not a mere numerical calculation. It involves such human factors as satisfaction, attitudes of the public, and the fundamental role that a specific service comes to play in the lives of its clients.

In spite of the difficulty involved in measurement, some models have been developed. In his article in Public Productivity and Management Review, Holzer (1991) discusses various models and claims that measures cannot be aggregated as productivity

"indexes." Data, however, can be used to compare similar agencies with similar services using such criteria as past levels of achievement, causes of efficiency or lack of it, predictions of overload or underload, the relation of expenses to various forms of output, and the like (p. 116).

Holzer stresses the importance of recognizing that ratios of improvement used in productivity measurement vary. These ratios are: inputs decline substantially, outputs improve substantially; inputs remain constant, outputs improve substantially; inputs increase moderately, outputs improve substantially; inputs decline, outputs remain constant; and inputs decline substantially, while outputs decline less rapidly. He adds that "output" is a narrow term because agencies have both external outputs, "such as checks issued," and outcomes such as improvements in the client's quality of life. Agencies also produce internal services such as training and maintenance. He says that "a productive agency must, therefore, monitor and improve productivity at all three stages: internal services, external services, and outcomes" (pp. 116-118).

Ellen Doree Rosen (Holzer and Nagel, 1984, pp. 19-43) agrees with others about the difficulty of finding a precise way to measure public sector productivity. She suggests that the best thing to do is to find some kind of ratio which can allow us to compare the performance of one year with the previous year, paying special attention to the quality of services. Rosen stresses the importance of establishing an index that can be used as the basis of productivity for one year. The following year's performance should be gauged against this index in order to determine whether productivity is going lower or higher.

Perspectives on Productivity

Many authors have written about productivity in the public sector in recent years. Their works are suggestive at both conceptual and practical levels. A survey of illustrative works suggests, among other things, the complexity of productivity.

There have been many actions and reactions to productivity problems and routes to solutions provided by many authors. Some of them study the problem and others go further and make recommendations to reduce or alleviate it. The recommendations concern the reduction of whatever hinders productivity, for example the elimination of fraud, waste, and abuse. The assumption often is the conservative maxim that the private sector works better than the public sector, and for the latter to thrive it has to emulate the former. The increase in workload, cuts in "unnecessary" spending, balanced budget requirements, and the removal of various disincentives to productivity are among the steps suggested, at least theoretically, toward increasing productivity.

The demand for government services has grown very rapidly in the last few decades all over the world. This phenomenon often has been overwhelming, not because there has been no lack of thinking about the problem--in fact, many productivity improvement programs are available, most of which are not new to the public sector--but because of the reluctance of bureaucrats to apply them. Marc Holzer says that "knowledge and experience are available but often ignored" (1991, p. 113). They are ignored sometimes because they happen to conflict with the bureaucrats' entrenched interests and are a threat to their power, or because they are in need of modification, elaboration and patient follow up for them to be successfully applied. What this means

is that there is no simple common solution to the productivity improvement problem. It requires a complex and lengthy process where managers and workers must acquaint themselves with through patient and consistent experimentation and the careful sorting of ideas.

Efforts to raise the level of productivity are sometimes frightening to managers and workers alike. They are afraid of losing their jobs, or producing more and sacrificing safety standards. That is why some people believe that productivity is important solely for the private sector, while, in fact, it is in the best interests of managers and workers as well as the environment in the public sector as well. Others believe that increasing productivity is exploitive to workers. Bowman (1989) explains the problem more clearly when he says:

The problem is that worker exploitation, mind-numbing routine, and diminished sense of pride in work all are part of the history of productivity improvement in most of the country (p. 380).

Studies of productivity range from those that focus on devising productivity measurements to those that seek solutions; some deal with the politics of productivity while others see environmental conservation. The potential stumbling block for most of them may be the applicability of improvement schemes which remain, in the long run, theoretical cogitations often insensitive to real life issues and situations.

Recently, the Public Productivity and Management Review (1991) devoted a symposium to the problem with contributions from Balk, Olshfski, Epstein, and Holzer. Balk believes that the responsibility to improve productivity is worth what he calls the intermediary professionals, middle management people. He thinks that there have been

public administration debacles associated with productivity such as that of the savings and loan institutions in the United States of which most managers were aware and could have saved taxpayers a lot of money had they tried to do something about it before it was too late. But those managers kept a low profile, afraid of losing their jobs--which is what happened anyway later when news about the disaster came to the surface (pp. 265-266). Rich and Winn say that "productivity players are interested in winning in the eyes of the public; but they are equally interested in staying in the game when they lose badly" (in Holzer, ed., 1992, p. 76).

Balk says that orthodox management makes it impossible for gifted and innovative professionals to resist bureaucracy and bureaucratic structure and be leaders at the same time. He insists that these managers should take the lead and assert citizens' values by questioning authority and working for change. To do this, they need more power in order to avoid making errors and in order to initiate significant changes. Only then can we expect improvement in productivity (pp. 267-268).

Olshfski says that, unlike its Japanese counterpart which produces quality products in great quantities, American business was never designed to be a quality business. The same could be said of the American government which was not set up to be efficient in the first place. For Olshfski, "The Constitution never said a word about efficiency. In fact, American government was designed to be inefficient." Olshfski argues, however, that: (1) it is a cheap shot to criticize people who work in the government because they do not defend themselves very well and they do not have any one to support and defend them at the highest level; and (2) public employees lack the monetary incentives that

private sector employees enjoy. Olshfski says that management should get support and that support should come from "top elected officials who recognize good management, who know it when they see it, who can put it in place and allow it to work" (pp. 268-271). However, she is optimistic about the way productivity improvement is heading.

Epstein says that investment in productivity improvement is a necessary step. He stresses the need for employees' involvement and management training and development programs; that way, they can produce on their own, come up with projects of their own, and try to continually improve themselves. To improve productivity, he proposes five steps: (1) turning around the incentives to managers in order to achieve productivity savings which should not be used to make up for any budget cuts and to give special recognition in career development for productivity-achieving managers; (2) pump-priming, whereby agencies have a pool of money that is off the budget and which should be available for encouraging innovation; (3) investing in long-term productivity growth which could be achieved only through management career development, employee participation, external and internal technology transfers, and information exchange; (4) improving government project management capacity by enlarging project management capabilities; and (5) building a systematic productivity investment strategy into a financial and management planning cycle (pp. 271-275).

As for Holzer, he writes about conflicts that restrain productivity. First, there are conflicts between technology and people; some argue that only hardware can help achieve improvement in productivity, while others stress the importance of human factors. Holzer opts for the human factors argument. Second, there is the conflict

between budget people and productivity people. "Budget people are rewarded for cost cutting and for squeezing what they can out of an agency and this undercuts productivity efforts" (pp. 275-276). Budget people look only for short-term solutions. The third conflict is between politics and productivity; politicians favor quick fixes because they want a quick payback, namely to be reelected, which may not be in the interest of productivity. And the fourth conflict revolves around the question of motivation. What motivates more? is it money or recognition? "Although people are motivated primarily by recognition, they have to have some money in place to begin with. We know that you need a base where you feel that your salary is somewhat equitable, so that you are not making a fifth of what somebody across the street is making doing the same thing" (p. 277).

In a similar vein, Michael Milakovich (1991) says that public productivity improvement is difficult to achieve without increasing costs. This means that productivity improvement is something that does not come overnight and is therefore something you cannot expect from a politician. Elected officials focus on short-term rewards, rather than long-term professional values such as increased productivity, including higher service quality, and more efficient use of public resources (p. 195).

Milakovich encourages the application of Total Quality Management (TQM) in order to achieve better quality and to increase productivity without increasing costs. TQM calls for greater employee involvement in determining organizational goals. The more involved the worker is, the more committed he will be to achieve those goals. TQM encourages total commitment, teamwork, and better quality results by providing

incentives to increase the success of the whole enterprise (pp. 196-213).

The main point to be drawn from this brief discussion of illustrative current writings on public sector productivity in the United States is that even here there are substantial difference in points of view and ambiguities to deal with. When carried into the arguably more complex setting presented by the developing countries, the problem of public sector improvement presents even greater challenges.

RESEARCH DESIGN

This dissertation is exploratory, descriptive, and analytical. It is not based on the behavioral science principle of hypothesis testing, but relies mainly on the results of personal interviews, a survey, and library research taking as its object the past administrative experience of the government of Saudi Arabia.

The problem of low productivity in Saudi Arabia did not arise in a vacuum. It has roots and causes such that solving it will not be an easy task that can be undertaken in such a study like this one. If productivity improvement can be achieved, it will be gradual and over an extended period of time. So this research is not and will not be the magic prescription for curing the problem.

Personal interviews and a survey were the major means for developing empirical data relating to productivity issues. The first method used was personal interviewing of a sample of 31 educated and experienced top to middle-level management personnel.

The purpose of these interviews was to obtain the views of people at the top of the administrative hierarchy in Saudi Arabia relative to productivity. Their views are important because they provide information on certain factors that were not possible to obtain through surveys or the literature.

The disadvantages of interviews include the effects that an interviewer has on his subjects. This interaction might affect interview outcomes, especially in a society such as that of Saudi Arabia. Another disadvantage is that some questions were sensitive so that some respondents became either suspicious or embarrassed when answering them.

Are government clients satisfied with the services or not? What are their attitudes toward government services? How do they perceive their problems, if any? What do they report, directly and indirectly, about productivity? A survey including such questions of government clients who consult agencies provided an effective supplement to the study's interviews. It helped in examining the efficiency of various agencies and in developing a sense of how people cope with bureaucratic delays, procrastination, and other characteristics of administration that suggest productivity problems. Determining the relative degree of certain variables or phenomena is very important in a study such as this. By using a survey, a measure of the intensity of different variables was included. More specifically, this was done by incorporating a scale in the questionnaire. The survey method is best suited to study and answer questions about individual motives, perceptions, behavior, and characteristics.

Although the survey technique has its advantages, it also has some drawbacks, some of which can be remedied with training and careful drawing of samples. But the

main disadvantages of the survey method can be summarized as follows:

1. Some people are so emotional that their feelings affect their answers. They may try to give answers to questions that they think will please the researcher or agree with his views.
2. Using the survey method in conducting a study is difficult in a society such as Saudi Arabia's, because of the mistrust that face the researcher if he carries out the survey by himself. Handing questionnaire to the respondents personally creates the suspicion that the surveyor is a secret government agent or informant who is soliciting information that can be used against those respondents.
3. Ethical dilemmas are usually found in survey methods. It is sometimes difficult to use such a method without deception, manipulation, and the like occurring. Otherwise the results are difficult to obtain, especially if the subject is sensitive. Some people have the tendency to conceal certain information, because they feel embarrassed or are afraid that information might be used against them.
4. People rely on their memory to answer about past events. If something happened a long time ago, the researcher has to rely on the respondents' faded memory.

The Personal Interviews

A group of 31 managers from top to middle managerial positions were selected from diverse agencies of the government in Riyadh, the capital city of Saudi Arabia with the major concentration of government offices. But only 24 were used in this research. The other seven were dropped because of insufficiency of information or due to the

reluctance of these managers to respond to major questions. The participants were selected after consulting some experienced people in the field and following their recommendations of who to include in the interviews. They were selected from various agencies that represent different government services. Participants were responsible of at least 30 employees or more. Participants' educational backgrounds were not less than a bachelor's degree, with experience of not less than eight years in the government.

Interviews were conducted in the Summer of 1990 over a period of two months and were conducted at different times of the day and at different times of the week. The average length of each interview was between 45 minutes to one hour. No tape recording was done, because the interviewer did not want to create an unusual environment. The interviewer introduced himself and explained the nature of this study. Open-ended questions that related to the subject matter, to respondents' experience, and to the way they perceived problems regarding productivity were asked. There were certain follow-up questions that were deemed necessary either to clarify specific points or to seek more information. Some of the answers from the earlier interviews led to the formulation of new questions for the later interviews. In addition, the early interviews helped in building some of the questions for the survey that was conducted later. It would have been better to tape the interviews. But, because of the norms and suspicions that respondents had, the interviewer relied on his memory to record information.

The survey

To provide diversity and a greater sense of the opinions and attitudes of the Saudi Arabian population, this research included a non-random survey conducted in a metropolitan area and a small town with surrounding suburbs. So, Riyadh which is the capital, the largest city in Saudi Arabia, and the center of the government, was chosen to represent a metropolitan area. The population of Riyadh is approximately 1,800,000 (The Economist Intelligence Unit, 1992). Choosing a small city as well allowed diverse opinions and perceptions about public employees and services. Alkharj is a small city. It has a population of approximately 94,700 (Statistical Year Book, 1990). This city is considered the capital of an oasis consisting of many small surrounding towns and farming areas.

The non-random sample, described fully in *Chapter VI*, share some characteristics with other cities and towns in Saudi Arabia because of the similarities among various Saudi cities. Riyadh and Alkharj share with other cities the following characteristics:

1. All government regulations and laws are the same all over the country.
2. There are similarities in cultural values, religious beliefs, and language.
3. Agencies providing government services are found in most cities at approximately the same level of quality.
4. The educational background of people in all cities is similar, because of the similarities in the Saudi curriculum. Education in Saudi Arabia is sponsored by the central government. In addition, the curriculum is designed and approved by the central government.

5. People who consult government agencies in Riyadh and Alkharj are residents of those cities and the surrounding areas.

The sample used in this research was self-selected from Saudi citizens who use government service agencies in Riyadh and Alkharj. Participants represented diverse ages, educational levels, and government and non-government employees (if a government employee, grade level was specified). and lived in the cities and the surrounding areas. The respondents' ages ranged from less than 20 to over 60 years. Based on this sample, one could say that the study's participants were in a good position to evaluate the services provided by the Saudi government. Age is an important variable that was considered, with its effects on the attitudes of people toward government agencies.

Education also is a key variable that can influence an individual's views of government services. It also has an effect on productivity, where it is expected that the more education a person has, the more he will be able to read instructions and follow directions carefully, which in turn makes it easier for employees to do their jobs. The sample consisted of participants with varying educational backgrounds from less than elementary to the doctoral level, with an emphasis on people who had at least an elementary education. The uneducated were expected to be older and to have their sons do the consulting on their behalf. Most people who consult government agencies were expected to have some formal education

While government employees in the sample are important in determining the time that they waste in doing their own private business, nongovernment employees also are

important in determining general perceptions and views about the productivity of public employees, especially as to the quality of the services offered.

Questionnaire Structure

The study's questionnaire was tailored to contain five parts. The first part concerned personal data (age, education, distance of residence from agency, and employment). Residence data were obtained from ID numbers related to the cities where the questionnaires were distributed. The second part mainly concentrated on the productivity phenomenon and the variables that affect it. It also sought to ascertain participants' perceptions regarding efficiency, quality of services, waiting time in lines, and the like. The third part examined perceptions concerning treatment by and satisfaction or dissatisfaction with the services provided by public employees. The fourth part was intended to gauge the time wasted by public employees during the work day in taking care of personal business. The last part of the questionnaire was structured to measure (1) respondents' personal connections in government agencies, (2) the effects of connections, and (3) how public employees treat individuals with connections or people they know.

After consulting previous studies concerning administrative productivity (Al-Adaili, 1986, Al-Badawi and Hamzah, 1987, Al-Mizjaji, 1982, and Hojrah, 1987), and from the author's experience in the public sector, the questions were developed. A total of twenty six questions were written. The questions were developed first in English and then submitted to an expert in English to verify their fitness and smoothness. Then they

were given to some of the author's friends to answer. The next step was the primary translation of the questions into Arabic, which was performed by the author. The questionnaire then was given to a specialist in the Arabic language and later to another specialist to obtain a valid and accurate translation. A few of the questions had interval scales related to age, distance, employee grade if applicable, waiting time in agency lines, and so on. Three other questions required yes or no responses. In gauging agency services, the range was from very good to very bad. Another question concerning efficiency had answers ranging from very efficient to very inefficient. On the question concerning satisfaction, participants had a choice between very satisfied to very dissatisfied. The rest of the questions had responses from strongly agree to strongly disagree. Participants were given the opportunity to respond "do not know" if they had no answer to a given question.

Validity and Reliability of the Questionnaire

In any research, there are certain issues that a researcher addresses in depth when conducting a study. This survey of respondents using government services was intended to achieve two main purposes: (1) acquisition of data on participants' background; and (2) data on participants' opinions and attitudes toward public services and employees. Background data included age, education, distance of residence from the agency where respondents came to do business, and so on. The opinion and attitudinal data of participants were more difficult to obtain. Therefore, much care was given when constructing the instrument to try to maintain validity and reliability when measuring

these factors. In constructing the questionnaire, the researcher tried to accomplish two main goals: (1) obtaining information relevant to the purposes of the study; and (2) collecting the data in a way that ensured maximum validity and reliability. This last point is related to the accuracy of the questionnaire.

Validity is discussed by Meier and Brudney (1987) as follows: "An indicator is a valid measure if it accurately measures the concept it is intended to measure.... If the indicator contains very little error, then the indicator is a valid measure of the concept." These authors define reliability in the following way: "An indicator is reliable if it consistently assigns the same numbers to the same phenomenon.... An indicator is a reliable measure if the values obtained using the indicator are not affected by who is doing the measuring, by where the measuring is being done, or by any other factors other than variation in the concept being measured" (pp. 97-98).

Validity

Some specialists in the field from the Institute of Public Administration in Saudi Arabia were consulted to ascertain the validity of the questionnaire's contents, its criteria, and construction. A pilot test was carried out on thirty people selected from both Riyadh and Alkharj and asked to answer the questions and give their opinions. All the question items were answered by the pilot study participants. The author watched for ambiguity, sensitivity, and embarrassment related to this process. Other notes on the questionnaire from the pilot respondents were considered. Lastly, the questions received no negative comments, which was an indication of their meaningfulness and validity.

Reliability

Reliability is an important factor in surveys that may be ensured in many ways. To obtain reliability, the author followed Hills and Kerber's (1957) steps in constructing questions, which included the following:

1. The questions had a central or focal point.
2. The questionnaire only sought data that were impossible or difficult to obtain by other means.
3. The questionnaire requested data that were essential only to the study's subject matter.
4. Clear and complete instructions on how to answer each item in the questionnaire were given to participants.
5. The questions were objectivity constructed without giving the participants any hint of desired answers.
6. The order of the questions was considered. They were arranged from the easiest to the most difficult and from general to specific. Ambiguous, sensitive, and embarrassing questions were avoided.

Data Collection

Surveying the entire population of Saudi Arabia is an impossible task due to difficulty, cost, time, and so forth. Thus using a sample of volunteers from the population was an appropriate option. It was determined that a sample of 600 would be sufficient. Considering the usual low rate of return for questionnaire, 700 forms were

distributed. But because the questionnaire was distributed by the author and a friend in person and not mailed, a good return rate was expected. The numbers of questionnaires distributed to participants in Riyadh and Alkharj were 525 and 175 respectively. Despite the precautions mentioned above, the return rate was much lower than expected. The total return was 503 respondents, 356 from Riyadh and 147 from Alkharj respectively.

The survey was conducted in the Summer of 1990 over a period of two months in both cities. The following four government agencies that provide direct services to the public were selected as distribution sites:

- a. The Traffic and Licensing Agency (Department of Motor vehicles);
- b. City Hall (Municipality) which is responsible for, among other things, issuing both building permits and store permits and food inspection;
- c. The Telephone Agency, a government-owned institution, which is not different in terms of its bureaucracy from other agencies; and
- d. The Passports and Identification Agency.

Questionnaires were distributed by the author and a friend who was trained and given some instructions on how to do the job. They alternated times and sites. When the author was in one area or agency, his friend worked at another site. The participants were chosen from among Saudi citizens and were offered two ways to respond to questions: (1) the questions could be given to them when they entered an agency so that they could have a chance to respond while working or waiting in line, and later the questionnaires could be collected at the exit gate; or (2) the questions could be distributed as respondents were exiting an agency and later collected on the spot. For those people

who were illiterate, the questions were read to them by either the researcher or his friend and their responses were recorded.

Certain difficulties were faced by the author and his colleague before, during, and after the questionnaire distribution process. The laws and regulations of Saudi Arabia require permission from local authorities before any kind of questionnaire or survey can be conducted in or around public places. So the author obtained permission to distribute the forms in public. Another difficulty was that people were not accustomed to direct questionnaire-type research. This made people suspicious and raised the unwillingness of many to respond to questions. The survey was carried out in the summer and the climate in Saudi Arabia is extremely hot at that time. This factor might have contributed to the ill temper of many participants, which might in turn have affected their answers.

SIGNIFICANCE OF THE STUDY

This analysis will be a major contribution to the efforts in Saudi Arabia to explore and analyze public administration and suggest solutions to the problems of productivity. It should aid in the development of serious thinking about bureaucracy in Saudi Arabia and to the formulation of sound and viable reforms in its administrative system.

The Institute of Public Administration, a government agency, has been extremely active in assessing the administrative problems of the country and trying to find solutions to them. It relies mostly on the scholarly contributions of researchers and administrators

from Saudi Arabia and abroad. This research will add to the list of publications and monographs the institute is compiling in order to communicate ideas for training programs and other efforts aiming at improving productivity.

LIMITATIONS OF THE STUDY

Despite its potential, there are certain limitations in a study of this kind. First, while there are enough available written materials about productivity in the Western countries, there is a notable scarcity of materials related to productivity in the Middle Eastern countries, especially Saudi Arabia. Second, some relevant documents might be very difficult to obtain from Saudi Arabia because of government restrictions and classification rules. Third, even if materials are found, some developing countries tend to distort data in order to present a good image of the country. And, fourth, it is difficult to conduct a study about a country as far away as Saudi Arabia because of the difficulty of verifying data that are either ambiguous or may not reflect reality.

ORGANIZATION OF THE STUDY

This dissertation consists of seven chapters. In addition to the first part, *Chapter I*, which is the introduction to the study, the remainder of this research is organized as

follows:

Chapter II is about perspectives on public sector productivity in developing countries. It addresses barriers to productivity in both developed and developing nations, and the special problems of developing countries. This chapter begins with an introductory section that explains some of the characteristics of administration in these countries. The last section spells out the significance of productivity to these countries.

Chapter III presents Western perspectives on improving public sector productivity that include the theories that are related to this study. These theories are divided into three schools of thought according to their chronological development: the Classical School, the Rationalist School, and the Human Relations School.

Chapter IV examines Saudi Arabia in developmental perspective. It spells out the history of its political, social, and administrative aspects from early in this century to the present.

Chapters V and VI assess public sector productivity in Saudi Arabia. Their focus will be on the extent and nature of problems. Evidence from other studies and interviews will be analyzed.

Chapter VII will be the last part of this research. It will investigate possible approaches to reform. It includes a review of the nature of efforts tried to improve productivity and the applicability of Western perspectives, given the special characteristics of Saudi Arabia.

Then there follows concluding remarks and some recommendations for productivity and administrative improvements in Saudi Arabia.

CHAPTER II

PERSPECTIVES ON PUBLIC SECTOR PRODUCTIVITY IN DEVELOPING COUNTRIES

The previous chapter introduced the productivity problem that is associated with public administration in Saudi Arabia and basic questions about the association of public sector productivity problems in developing countries and the Saudi case and whether or not Western theories are relevant for it. In searching for answers to these questions, it is important to realize that there are certain characteristics of developing countries that distinguish them from developed ones. The basic purpose of this chapter is to explore those characteristics that are especially relevant for public sector productivity, including those that are barriers to productivity.

Barriers to Productivity Improvement

Many of the impediments to organizational change facing managers are the same in both public and private sectors and in developed and developing countries. But while some problems are common to one sector, they seem to be rare, nonexistent, or different in the other. Most of these problems manifest themselves in the form of environmental barriers which set the private sector off from the public sector; some are organizational barriers that include common characteristics found in varying degrees in most public organizations; while others are personal barriers such as individual behavior, traits, and

attitudes, all of which influence people in most organizations. Discussion of these barriers here will rely mostly on Ammons' list (in Holzer, 1992, pp. 117-136). Given the nature of this work and its objectives, only such factors as can be related to the Saudi Arabian experience will be presented.

Environmental Barriers

The public sector environment is less susceptible to productivity improvement than the private sector environment. Ammons lists the environmental factors associated with some of the barriers which seem overwhelming to public sector officials.

1. Absence of Market Pressures. Public organizations typically produce uncommodified services. Competition, which is a basis of innovation, often is not present. Unlike private sector managers, public officials often have no deadlines or timetables to meet. Moreover, in most cases, their institutions have a monopoly, if they are the only ones capable or allowed to perform the services in question.

2. Political Factors and Decision Making. Public decisions are significantly influenced by political factors, rather than by such productivity considerations as investment returns, capital gains or profit. The success or failure of public officials is not measured by the return on investment. With its focus on short-term achievements, highly publicized successes and its impatience with slow but steady change, politics sometimes becomes an obstacle to real administrative efficiency.

3. The Public's Lack of Patience with Operational Change. Given the fact that most government projects are based on long-term plans, improvements in productivity

can come only gradually, much to the disappointment of many people. People usually lose faith and enthusiasm if they do not see improvements in a short period of time.

4. Dominant Preference for the Status Quo. When people are satisfied with certain services, they do not push for experimentation and innovation in service delivery. It is only when the situation becomes critical that people call for change. You cannot maximize efficiency if people have a sense of complacency with the status quo.

5. Lack of Political Appeal. Productivity improvements are less interesting to the media, the politicians, and public opinion than, say, social or cultural issues. Policy issues capture the news more than operational successes. In not being amenable to the glitter of sensational media reporting, especially in the United States, operational successes are essentially the concern of only a cohort of administrative specialists. This means less funding and less political support.

6. Civil Service Regulations. Rules and procedures that protect against the problems of favoritism and bias often limit the ability of managers to adjust assignments and extend special treatment and rewards to those who perform well. Impatient with these rules, especially in relation to recruitment, highly qualified people frequently prefer to work in the private sector.

Organizational Barriers

1. Bureaucratic Socialization Processes. Briefing new employees on what is expected of them so that they would adapt to the new environment quickly reduces their sense of initiative and their subsequent performance. It amounts to a standardization of

work in which personal involvement is subordinated to decorum and the application of organizational norms and rules.

2. Lack of Government Accountability. Public sector employees are rarely held accountable for their actions or their failures to act. When it happens, accountability is so politicized that it discourages officials from experimenting and taking risks. The risk might be losing somebody's job.

3. Inadequate Management Commitment to Productivity. Managers often do nothing but pay lip service to operational productivity. They talk about it, but without committing themselves to the actual execution of productivity improvement. A reliance on short term results makes it impossible for those who want to improve productivity to have enough time to experiment and try new ways of thinking.

4. Perverse Reward Systems. Government not only fails to reward efficiency-minded managers, in most cases, but those managers have their funds diverted to other inefficient departments in the next fiscal year if improvements are made.

5. Monetary Incentive Plans. Regulation, inadequate job classification and performance appraisal systems lead to dissatisfaction and frustration rather than success. Employees fear the inequality of rewards when they are based on individual merit.

6. Union Resistance. Labor organizations resist privatization and any effort directed at cutting labor costs; they are equally opposed to differential treatment based on productivity, to contracting out government functions, and to innovations in personnel deployment or technology when these mean job losses.

7. Perceived Threats to Job Security. Many employees are skeptical about

productivity improvements because for them it means the reduction of the amount of time invested in production--in other words, a potential loss of jobs. So, employees usually have a threshold that they set for the pace of their production.

8. Supervisory Resistance. Supervisors often oppose productivity improvements first, because they feel uncomfortable with change; second, because they fear that their skills and their subordinates' skills are not adequate to carry out any productivity action; and, third, because they resent outside counsel which is perceived as a recognition of the deficiency of their skills.

9. Reluctance to Abandon. Government is unable to do away with failed programs. Those programs continue mainly because of the inability of government to stop them. This is one of the "deadly sins" of public administration, according to Drucker (1980).

10. Inadequate Performance Evaluation. Producing services only, governments find it difficult to come up with comprehensive performance measurement systems. Evaluation is not the rule in the public sector and has never been a popular idea with managers. Managers tend to resent accurate appraisals because for emotional reasons. Reward is carried out on an equal basis, which not only hurts motivation but leads to a scarcity of reliable information for future staffing and funding.

11. Fragmentation of Government. This leads to a lack of coordination of planning and decision making and to a perpetuation of the costly overlapping of government functions. It also leads to confusion when decisions are juggled from one service to another, with no one wanting to be responsible for them or to look as if he or

she is encroaching on someone else's job.

12. Bureaucratic Rigidity. Government rules and regulations are so strict on merit in employment, equity in services, and uniformity in performance that they thwart individual initiative, innovation, and productivity improvements.

Personnel Barriers

Personal behavior, whether culturally induced or in the form of a reaction to environmental or organizational conditions, is an important factor in productivity.

1. Inadequate Control of Time/Workday. Most managers carry their work home because their office time is devoted to other assignments or to clients who feel priority should be given to them. Time constraints and the pressures of competing demands on managers is a serious barrier to productivity improvement. Few managers can utilize effective delegation to save time for such matters.

2. Risk Avoidance. Improving productivity involves risk taking, a constant and often rewarding behavior in the private sector. It is not so in public organizations, because it means that one can be subjected to public scrutiny and it involves the possibility of failure and political retribution.

3. Managerial excuses. Managers often relate their administrative inefficiency to political factors, regulations, and other organizational rigidities, all of which are beyond their control.

Other Views

Paul Mali (1990) conducted a study in which twenty-one major U.S. cities were polled on their services, operational practices, and a number of productivity-related issues. The factors that respondents identified as disrupting productivity are arranged from the highest to the lowest on a scale. They are:

Limited resources for productivity improvement; low capital budgets to bring in new technologies; purchased material delivery held up; hold-up due to lack of information; lack of policies for consistent approaches; hold-ups due to citizens complaints; no recognition of performance or productivity; training programs for management inadequate; frequent council's reversals in directions; insufficient staff of workers when decisions are made; excessive turnover; inadequate overall and departmental planning; poor attitudes about wastes; productivity coordination among departments are non-existent; unwilling to try a variety of innovations to improve; political concerns of special interest groups; poor union cooperation; excessive conflicts among departments, unions, and management; critical work processes not well defined; low or inadequate employee skills and attitudes; and, demand for productivity accountability non-existent (p. 290).

Focusing on the process of implementation as a way towards efficiency through innovation, Blue Wooldridge (1992, pp. 59-70) says that the following factors impede it: resources, standards and objectives, inter/intra-organizational enforcement mechanisms, the characteristics and the disposition of both implementing agencies and of the implementers, the nature of the innovation itself, future economic conditions, social factors, political environments, and the uncertainty of knowledge related to technological or administrative procedures. Wooldridge says that public managers should identify potential obstacles to their productivity improvement programs by conducting an implementation feasibility analysis, i.e. they should raise questions that highlight any possible weakness in the implementation plan.

Other barriers to productivity include what Peter Drucker (1980) refers to as the "deadly sins" of public administration. They are: (1) lack of clear performance targets; (2) trying to do too many things at once; (3) solving problems by throwing people at them; (4) lack of an experimental attitude; (5) lack of evaluation and learning from experience; and (6) a striking reluctance to abandon programs. Whenever two or more of these sins are committed, they lead to the failure of the program under question (pp. 103-106).

W. Deming (1986, in Milakavich, 1991. pp. 199-200) calls barriers to productivity "diseases", and says that they affect both public and private management practices in the United States. They include: (1) variability of purposes; (2) emphasis on short-term thinking and annual budget cycles; (3) the devastating effects of annual merit reviews and individual performance evaluations; (4) mobility of senior management; (5) managing by visible figures alone; and (6) excessive medical expenses and costs of liability, swelled by lawyers working on contingency fees. Deming has devised a fourteen point strategy that can be used in order to cure those diseases and increase productivity. He calls for the implementation of Total Quality Management (TQM) in the public sector, the commitment of elected and appointed officials to change, and full cooperation between managers and workers.

Not all barriers can be overcome: some could be removed, while others could be tolerated. Successful managers could cope with these barriers by recognizing their magnitude and conceiving of strategies that can be used in dealing with them duly and effectively.

It is clear from the forgoing discussion that even in advanced countries, there are substantial barriers to overcome in raising levels of productivity. They are also present in developing nations. In addition, these often face additional barriers that compound the problem.

DISTINCTIVE PROBLEMS OF THE DEVELOPING COUNTRIES

In this research, the characteristics of bureaucracy and administration in the developing countries are of central importance. Understanding the administrative systems of developing countries makes it easier for us to identify the factors that affect productivity. Because they influence people's behavior, social factors and cultural values should also be investigated. In Administration in Developing Countries, Fred Riggs (1964) provides one of the best analysis of the interrelation of society and administration in the Third World in the notions of the "Prismatic Society" and the "Sala Model."¹

Models of Administration

The first characteristic of Riggs' model is "heterogeneity," a mixture of traditional, "fused" characteristics, on the one hand, and modern, "refracted" traits on the other. The term "fused" refers to a pre-modern and tribally structured society,

¹ Using Riggs' model here is important because it is related to the Saudi Arabian setting. It can be used as a frame of reference for describing the developing countries' administration and societies in general and the Saudi Arabian experience in particular.

something like the Saudi society a few years ago. Saudi Arabia has been moving towards the next stage in Riggs' model, the "prismatic," which comes between "fused" and "refracted." "Prismatic" refers to societies which are subject to a mixture of (and sometimes a tension between) two modes of production and organization, one highly traditional and the other modern and up-to-date. Western societies are what Riggs calls "refracted." There is a high level of industrialization and modernization, as exemplified in high technology and efficient organization (Heady and Stokes, 1962, p. 21).

Prismatic society is also characterized by "formalism." The laws in the statute book are one thing, and the actual behavior of an official is another. Whether an official chooses to enforce a law or to violate it depends on his temperament and what is to his advantage. It is easy to see that administrative discretion of this type opens the door to corruption (Riggs, in Heady and Stokes 1962, pp. 20-22). "Formalism" could exist anywhere, but it is more associated with the bureaucratic structures of the developing countries. Formalism thrives in contexts where legislative and executive powers are vested in one body, in the case of Saudi Arabia, the Council of Ministers with the king having the final decision.

Riggs criticized the centralization of authority in the hands of the government or in a small group of bureaucrats. He called this centralization a feature of formalism; in developing countries, it results in an extremely high degree of "overcentralization" (Heady and Stokes, 1962, p. 33). According to Riggs, "Extreme centralization of authority can be seen as a desperate attempt to bring the bureaucracy and society under control" (Riggs, 1964, p. 282). Excessive centralization of power and authority can

serve only the few and impede any serious administrative reform.

Another feature in Riggs' model of prismatic society is "overlapping," referring to a striking phenomenon in the Third World, namely a constant institutional modernization unaccompanied by any shift of power which remains vested in more traditional bodies. According to Riggs:

It is typical in a prismatic situation for new structures--government offices, parliaments, schools--to be set up, but the effective functions of administration, politics, economics, education, continue to be performed, at least to a considerable extent, by older, undifferentiated structures, such as the family, religious bodies, caste and communal groupings. New norms or values appropriate to the differentiated structures are given lip-service, but the older values of an undifferentiated society retain a strong hold. Thus overlapping implies a social schizophrenia of contradictory formal (conscious) and informal (unconscious) behavior patterns (Riggs, 1964, pp. 22-23).

According to Riggs, overlapping is characteristic of prismatic societies and is, to some extent, uncommon in either fused or refracted models (Heady and Stokes 1962, p. 23).

Riggs also suggests that one can construct sub-models for the structures of prismatic society. He calls the administrative sub-model a "Sala" which is comparable to an office or bureau in refracted society and to a court or home in a fused society. He sees "nepotism" as a characteristic of recruitment in the Sala model. Riggs explains how it works in the following way:

The exo-prismatic bureaucracy relies on two primary modes of recruitment, one formally diffracted and the other apparently fused. The diffracted mode is the merit "system," which limits recruitment to those who passed officially prescribed examinations.... The second, more fused mode of recruitment is often spoken of as "nepotism." The fused pattern of recruitment is highly ascriptive: family, clan, and neighborhood prove decisive. It means the illegal, forbidden appointment of relatives (Riggs, 1964, p. 230).

Another aspect in Riggs's schema is "poly-communalism" which refers to a society which is made up of many communities, religious, linguistic or tribal, united in one nation. In such a society, a person may belong to many communities at the same time. From the administrative point of view, it implies that a public officer may show favoritism towards members of his community and discriminate against others. This leads to the concentration of the powers of an organization or an institution in the hands of one clan or one tribe. This characteristic exists in all Riggs' models of societies whether fused, prismatic or refracted (Riggs, 1964, p. 159). Riggs explains the effect of this for the Sala element of prismatic society as:

Whereas in principle a government office administers the law impartially as between or among all citizens, the Sala official discriminates in favor of his own community and against members of other communities. Such discrimination affects recruitment. In other words, perhaps more significant even than nepotism is the tendency to fill positions in a Sala only with recruits drawn from a dominant community (Heady and Stokes, 1962, p. 24).

Riggs was successful in explaining the administrative practices as well as the social behavior affecting it in the developing countries. Although he does not describe a particular society, he has managed to uncover characteristics common to all administrative structures of the Third World countries. These characteristics could be said to be more or less true of Saudi Arabia as will be shown in *Chapter IV*, depending on how one defines the terms in Riggs' model. In any case, the implications of Riggs' theoretical perspective to the extent to which it maps reality, for public sector productivity, at least at the general level, are clear.

In Public Administration: A Comparative Approach, Ferrel Heady (1984) cites

five important points that he thinks are indicative of the general features of administration in developing countries. Along with Riggs' descriptive model of society and administration in the Third World, Heady's set of points will help shed more light on the bureaucracies of the developing countries and contribute to our understanding of how they function. Some of these points are axiomatic, some prescriptive, while the others are purely descriptive:

1. The basic pattern of public administration is imitative rather than indigenous.
2. The bureaucracies are deficient in skilled manpower necessary for developmental programs.... The shortage is in trained administrators with management capacity, developmental skills, and technical competence.
3. There is a tendency for these bureaucracies to emphasize orientations that are other than production-directed; that is, much bureaucratic activity is directed toward the realization of goals rather than the achievement of program objectives.
4. There is a widespread discrepancy between form and reality.... A tendency to make things look more as they presumably ought to be rather than as what they actually are.
5. The bureaucracy in a developing country is apt to have a generous measure of operational autonomy (Heady, pp. 281-282).

In a survey of structures and processes of public administration from a representative sample of Third World countries, V. Subramaniam (1990) made a list of five features of administration which are common to the countries in question regardless of their differences in size, population, geographical location, race, or religion. These features are: (1) the government's coordinating power is concentrated at the district level and in the hands of a commissioner, while the elected local bodies remain weak and powerless; (2) in postcolonial states, the colonial administrative structure, which knew

considerable centralization of administrative power on a par with the political and economic needs for control characteristic of colonialism, has been adopted with few and minor changes; (3) state-owned enterprise is the most dominant feature, and in African nations, government intervention is visible in almost all aspects of social action; (4) the higher bureaucracy is drawn from a small urban professional middle class and is unrepresentative of the population; and (5) the civil service is politicized in varying degrees from one country to another (pp. 385-402).

Major Problems Facing Developing Countries

Certain problems face developing countries that hinder productivity improvement. In addition to characteristics of administration, some of these problems could be solved in the long run when resources become available, such as importing technology, building infrastructure, and the like. But, other problems are more difficult to solve, such as those produced by cultural and social factors that are deeply rooted in society. Discussing these acute problems and their economic, political, and social significance for improving productivity is a transitional stage towards finding solutions to the problem.

Technology

Technology is one factor that helps in improving efficiency. Office automation, new equipment, computers, fax machines, and the like are a necessity for improving the efficiency of any organization, be it public or private. Developed countries have acquired this technology that helps to solve some of their productivity problems.

Third World countries suffer from a chronic shortage of advanced technology. Some cannot acquire it for purely economic reasons: they have no surplus in foreign currency or their exports do not match the high prices of advanced technology. Shortage may also be due to political considerations. Strategic considerations make the acquisition of such material by Third World countries highly difficult: sophisticated equipment that can be shifted to military purposes is often banned from exportation to "suspicious" or strategically "unsafe" places. The lack of a solid industrial base and infrastructure has also impeded the development of local industry capable of producing advanced technology, except in places like South East Asia where the proximity of an industrial giant like Japan and Cold War geopolitical and strategic considerations have helped in satellite states like South Korea, Singapore, Hong Kong, Taiwan, and in Malaysia and Thailand to a lesser extent.

Corruption

Corruption can be defined "as any act undertaken with the deliberate intent of deriving or extracting monetary or other benefits by encouraging or conniving at illegal activities" (Kantidey, 1989, pp. 503-504). Yet in the point of view reflected in theories of administration, there is an ethical dimension as well. It is "a departure from the norms of a modern bureaucracy, e.g. rationality, achievement-orientation, universalism, etc." (Alam, 1989, p. 442). The two definitions do not exclude each other. While the first relates questions of corruption and productivity to the function of law and the attitudes of the citizens toward legal institutions, the second deals with the important

question of the ethics of work. They are interrelated and therefore provide the basis for a synthetic definition of corruption: the absence (or the disruption) of an ethics of work unchecked by a strict application of the law. It is also possible that an illegal activity thrives in the total absence of ethical standards. It seems to pigeonhole corruption in a legalistic discourse oblivious to social and historical ramifications, such as the attitudes toward administration and the government and the question of power and politics in pseudo-tribal systems.²

The causes of corruption are therefore socio-historical rather than purely legal. Kinship considerations and ethnic or religious solidarity can lead to corruption in the developing countries (Alam, 1989, p.445). In poor countries, low salaries and the lack of incentives leads the low strata of bureaucracy into corruption (Alam, 1989, p. 446). But even when poverty and low salaries are not apparent factors, as with high officials, corruption persists and on a larger scale in developing countries. Since European life styles are becoming a standard among the technocratic elite, their salaries are hardly enough to keep up with its requirements, especially in a context of "inflation and import duties on customer goods" (Alam, 1989, p.446).

Corruption is not simply a question of fairness and justice. It has a bearing on

² In many tribal societies in Africa and elsewhere, political favors endowed by chieftains as a counterpart for material or symbolic gains are part of the way of governing; people compete in order to win the ruler's favor. In this context, corruption in its legalistic sense shows only part of the picture. Of course, the material gains of rulers have become taxes in modern social formations, but the old attitudes persist. What is understood as corruption is for a lot of people the way things have always been. Without a strong sense of allegiance to the state in its modern sense, they will not perceive it as unethical.

the way administration functions as well. One of its effects is "the persistence and proliferation of discretionary instruments" (Alam, 1989, p. 448). In other words, administrative work loses its transparency, and becomes a Kafkaesque context of arcane, secretive, and hidden acts, procedures and decisions. This leads to a slowing of bureaucratic processes and the creation of sluggish and lethargic magma of procedures and unnecessary "mediatory" personnel.³ These "layers of decision-making," as Alam called them, add to "the wasteful uncertainties surrounding government policies," which in themselves are supposedly solved by the accretion and unnecessary addition of new services and the costly "expansion of public employment"-- all of these make the case of the endless and labyrinthine circularity of bureaucratic delay border on the pathological (Alam, 1989, p. 448).

Some argue that corruption can be beneficial to governments in the developing countries. "It will improve allocative efficiency and promote capital formation" (Leff, 1964, p. 8-14). But the improvement in "allocative efficiency" is achieved, from this perspective, at the expense of allocations to infrastructure and equipment which are normally easy prey to corruption hunters. In other words, this view sees corruption as a purely external problem: between officials and customers. What it ignores is that a large amount of money is "made" out of internal embezzlements, which are codified

³ The fact that decisions have to be approved by tens of officials and services betrays a concern among the bureaucrats to make everyone have a "fair" share of the potential "cake." It is like immunization by universal contagion: if everyone is responsible for the decision and everyone has had part of the "dope," everyone is immune from answerability.

forms of corruption.⁴ Concerning the question of capital formation, it is doubtful whether corruption contributes in any significant way in promoting it. Since most officials try to hide the money they get through corruption, most of it goes into "non-circulating" capital like jewelry, large houses, luxurious furniture, and cars, if it is not transferred to private bank accounts in Western countries. As such this capital is no substitute for public works programs.

Corruption may even increase the repressiveness of state apparatuses. Competition among various ethnic and social groups in order to control the sources of corruption may lead to power struggles and tensions; the ultimate grasp of power by one group may lead to discontent and political instability, and ultimately to repression (Alam, p. 453).

Corruption is a self-regulating process that is difficult to pin down in terms of origins and causes. Once the process of corruption is set off, it becomes difficult to tell who instigates it, the consumer or the supplier of the service. In a context where corruption reigns, one can see consumers looking for suppliers and vice versa; corruption becomes an insufficient misnomer for an organized activity, determined by market regulations. For Kantidey (1989), part of this is due to "the learning-by-doing effect of repeated play of the game" (pp. 503-505).

Higher officials must be honest and dutiful, and also free from internal and external pressures that prevent them from doing their duty thoroughly and completely.

⁴ Officials often bribe each other in order to inflate bills, to incite suppliers to submit "phoney" high prices, to give each other unsubstantiated bonuses, or to create unnecessary jobs or imaginary employees.

It is true that all of it boils down to honesty and a sense of duty, but "one can think of powerful economic incentives to encourage officials to behave differently" (Kantidey, 1989, p. 506). Honesty is encouraged and cultivated through administering rewards, (i.e. salary increases, promotions, and nonmonetary benefits). Likewise, one would try not to be dishonest if one knows that it may lead to punishment. In a society in which the rule of law reigns, dishonesty should be considered an offense deserving of punishment. "In an environment where the possibility of punishment is remote, dishonesty can bring its own rewards" (Kantidey, 1989 p. 506).

Corruption can bring extra money for the corrupt official. "What happens, though, is that officials and clients seeking corrupt payments distort the public service provided and turn the supposedly beneficent monopoly of government into a rapacious, inefficient, and unjust exploiter" (Kantidey, 1989, p. 451). In other words, corrupt practices make the individual interests of officials prevail over the bureaucratic principles of the common good, efficiency, and competence. When corruption becomes the rule of the game, administration not only becomes "dysfunctional," but has its social function transformed and shifted away from its declared purposes.

In these contexts, corruption becomes not only a deviant practice, but the rule of the game, and in certain cases a necessary bulwark against perishing.⁵ It determines

⁵ Lipsky said "It is in keeping with old practices for officials at all levels to take advantage of their position to enrich themselves. Those who did not do so, would be regarded as stupid or eccentric (Lipsky, p. 178, in Al-Awaji, 1972, p. 242). But I think that the situation sometimes becomes the defining moment in bureaucratic politics. Those who are not corrupt are deemed dangerous by those who are; the latter find it necessary to conspire against the former in order to remove them or to make them suspicious, to survive, the former would have to get "involved," to immunize themselves

everything from promotion to recruitment processes. The danger in relation to recruitment lies in the fact that if the recruitment process is not free from corruption. It will not only help in the reproduction and perpetuation of corrupt practices (especially among the newly recruited who are the least likely to be corrupt), but will also lead to a decline of rules and efficiency, since recruitment no longer depends on qualification but on the rule of the highest bidder. A corrupt recruitment process tends to select people of inferior qualifications who are eager to bribe in order to get what they cannot get through competition. Bribes are also given when what is at stake are not only jobs *per se*, but jobs with high bribe potential. For Kantidey, "This is one reason why apparently overqualified people occasionally make a beeline for jobs with relatively low salaries, but with high bribe prospects, or why some people spend so much money to have access to public offices" (Kantidey, 1989, p. 508).

As corruption spreads across activities and services, it creates its own network of rules, games, and codes which allow it to develop, as it were, autonomously; in short, it becomes a sub-culture, living in the shadow of administrative culture but conditioning its development and functionality. Corruption will become a self-regulatory process which has its own checks and balances, its own rules of demand and supply, and its own ethics of action. This means that by spreading and developing into a sub-culture, corruption gains legitimacy and loses "the social stigma" it normally has. As Kantidey put it, "A whole crop of practitioners of corruption emerges on the social scene. Their visible wealth and glamorous living tend to shake the faith of the not-yet-corrupt.... Both

by being corrupt at least once.

parties of bribe gain at the cost of society" (Kantidey, 1989, p. 508).

But this does not mean that once the autonomy of the practice is weakened, corruption automatically disappears. One of the most important factors that helps provide a cultural legitimization is attitudes toward the state or the government. In the Gulf countries and sub-Saharan African countries, for example, now in a period of transition from a tribal system with its microcosmic allegiances to more defined forms of statehood, the attitudes toward governments and the nation are governed by opportunism, antagonism, suspicion, and cynicism. Because the government encroaches upon one's privacy, sense of morality, and knowledge, it is considered an enemy to be defeated, an adversary to be beaten. To be involved in corruption is a legitimate action, because the government itself does not appear to have a mandate or moral legitimacy.

What happens is that people live in a context of a modern "Weberian" state, with its bureaucracy, its institutions and ideological apparatuses, but act according to a system of values that belongs to a context where the concept of state was not part of their political practices. What gets lost in this historical paradox is a sense of bureaucratic ethics in tune with the avowed objectives of modern administration.

Shortages of Skilled Manpower

Natural resources, capital, technology, and skilled manpower are major requirements for the development of any country. While few countries can acquire capital such as those oil rich countries, most of the developing nations have suffered from the shortages of skilled manpower. So, they rely heavily on the expertise of some

foreign labor. Reliance on skilled foreign labor can impede economic development.

Joseph LaPalombara says:

Shortages of capital is not the only and indeed not the principal obstacle to more rapid economic programs in the less-developed countries. Inexperience and lack of trained manpower at every level are even more serious jaundices (LaPalombara, 1963, p. 20).

Unlike monetary capital, manpower is a rare, complex, "unexchangeable" and irreplaceable capital. When there is reliance on foreign labor, an opportunity to develop a national work ethic, culture of administrative and bureaucratic communication, and a sense of pride and achievement in the citizen are sacrificed. The foreign worker has no emotional or national interests related to the performance of his or her work; with foreign labor work is instrumentalized and stripped of its accompanying and necessary affective correlatives.

In poor Third World countries, the situation is so difficult. Economic austerity and International Monetary Fund (IMF) and World Bank (WB) conditions have led governments to adopt the policy of "freezing wages," which in turn makes the public sector suffer and they have difficulty keeping or recruiting highly skilled personnel. Moreover, the correlation between performance and pay has almost disappeared in many countries. "The resulting crisis in public sector incentives fosters widespread incompetence, which now threaten the basic functions of government in many countries" (Klitgaard, 1989, p. 447).

It is becoming more and more difficult for many governments to keep workers above the poverty level, which means that administration now is prey to the same process of pauperization that has marked post-colonial national states, of which colonialism, sheer

exploitation on the part of the industrial West and local mismanagement are the main causes. Pauperized, stagnant, and helpless, administration cannot retain its own skilled workers, let alone attract others. "Compressed salaries and deteriorating working conditions have made it difficult to attract and retain high level professionals in the civil service and to keep those who remain honest and hardworking" (Klitgaard, 1989, p. 447-448).

Infrastructure

Without roads, bridges, buildings, facilities, technical materials, and tools administration cannot function appropriately. The lack of roads can contribute to the sluggishness of the bureaucratic process and the development of procrastination habits; buildings are essential for the appropriate execution of daily administrative matters; and when they are crammed with workers or lack minimum conditions of comfort, they cannot be a place a worker would want to go to or stay in for a long time. Telephones, computers, cafeterias, conference rooms, and fax machines are rudimentary elements in any administrative context which aspires to achieve efficiency; yet they are almost totally absent in administration in some Third World countries.

For Stern, "deficiencies of infrastructure together with the weakness of management and organization are likely to account for a substantial part of low factor productivity in developing countries." He goes on to explain how this decline in productivity is related to the mismanagement of capital (Stern, 1991, p. 261). In other words, the absence of infrastructure not only leads to the poor use of capital, but the

latter can also account for the absence of the infrastructure in the first place; both contribute to a low level of productivity.

Social and Cultural Factors

Cultural differences make it difficult for the student of administration to apply universal criteria to different situations across cultures. As Talal Murshid (1978) said,

The world societies are simply not the same all over the globe. Not all have the same problems or goals, not all think the same, and many have entirely different value systems. What western scholars may consider an ideal may not be entirely acceptable or applicable to people living in different traditions and religious and socio-cultural backgrounds (p. 21).

Thus an attempt to find a universal solution to many problems in different parts of the world is difficult. These differences must be taken into consideration when studying problems of administration in different parts of the world.

To overemphasize differences, however, would provide justification for corrupt practices and non-rational uses of administration. The reform of administration is not value-free, but it is because this is so that there needs to be a dialogue about values and change in mental structures and cultural attitudes. In other words, administration should not be thought of as something fixed, rigid, and unchanging, and the causes for its "dysfunctionality" should not simply be sought in culture; rather, we should consider it a way of dealing with culture, of providing a context wherein it is debated, reinforced, adapted, or even rejected. Administration from this perspective is an ensemble of cultural gestures and not only an instrumental and somewhat value-free practice as Murshid seems to imply.

When we refer to the particular characteristics of a society, it is not in order to find justification for aberrant practices, but in order to see what can be sources of tension, of collusion, and even rejection in the encounter between the requirements of administration and social and cultural values. Traditional social practices to a large extent determine the administrative behavior and structure in developing countries. The administration is part of society and affects and is affected by the social environment. Employees reflect their social and cultural values in the way they perform their jobs. Some see their government jobs as signs of prestige, and therefore leave their work aside in order to entertain their visitors in their offices (Al-Kahtani, 1982, p. 74). Lipsky describes this obsession with status as follows:

Status is symbolized by the degree to which a position is free from work. Even the lowest clerk in a government office will do his best to give his visitors the impression that he does not have much to do. Some thing is wrong with a man who feels it necessary to be doing something all the time (Lipsky, 1959, p. 305).

Though simplistic and somewhat anecdotal, this description of status stresses the fact that it is a scenario which erects an imaginary opposition between an undesirable hard-work requiring condition and a desirable leisurely form of work. If the latter sounds paradoxical, it is because a non-efficient worker should be, in terms of bureaucratic ethics, a paradox.

The contradiction however is not mostly ethical but comes from social constraints. The public official is always under pressure to comply with social expectations and such values as hospitality, generosity, and unlimited availability. "The social expectations involve a loyalty to family, clan, and tribe" (Al-Mazyed, 1982, p. 134) and friends prior

to any loyalty to work. The implication of this is obvious in Riggs' discussion of the risk involved in recruiting personnel for their ability to charm, entertain and establish a network of power relations.

Certainly if men are chosen for public office with a view to their power potential and their loyalty to supervision rather than to their profession the result is surely a loss of administrative efficiency (Riggs, 1964, p. 273).

Administrative Tools

Tools, functions, models and ideas migrate or are deliberately imported. Some of them are more rational, some more time-saving, while others can lead to more efficiency in production. Some can combine some or all of these qualities. But administrative models do not come to life in a vacuum. They are specific responses to specific historical needs of particular kinds of administration. This does not mean that they cannot be "transferred" to different historical and cultural contexts, but it means that the act should be accompanied by a whole process of sifting, modification, and adaptation. The practice in Third World countries has been to "import" models *in toto*, without worrying about how they are related to specific historico-cultural needs; what happens is an ossification of the model, its abstraction into a rigid formula that should work anywhere no matter what.

Adaptation of rules and models of administration from the West is not always workable. Those developing countries have imported many rules and regulations for their civil services without modifying them to fit the culture. An example is the requirement of high degrees for basic clerical jobs. In the West that might be possible

because of the high level of education of the citizens. But the illiteracy rate is different in developing countries. In addition, those countries asked for technical assistance without involving the local personnel that are knowledgeable in the social and cultural affairs of their country. This creates the problem of applying what is known to those so called experts to an environment that is totally different from theirs. Those experts think that those principles are universal and can work anywhere regardless of location.

Capital

Most Third World countries rely on foreign investment or capital they earn from exports to carry out development projects. There often are serious shortages that hamper productivity. However, in the 1970s there was an overabundance of the flow of capital, especially from the International Monetary Fund (IMF) and the World Bank (WB) to certain countries. But this form of investment carries exorbitant interest rates, some of which exceed the initial loan in a period of a few years. By the 1980s, countries such as Brazil, Argentina, Mexico, and Peru (to name only the most notorious cases) were so heavily indebted (more than three hundred billion dollars) that the accretion of social problems, extremely high inflation, and the demands of austerity on the part of IMF and WB risked driving those countries into anarchy.

Mismanagement was another factor. Not only was the money often misused, much of it was embezzled and transferred to Swiss or other Western banks. This circular capital becomes highly profitable to the West: it gets high interests on it from Third World countries and gets it back as a form of individual investment on the part of

corrupt high officials.

Even such notions as South-South cooperation (as opposed to North-South "exploitation") remained a mere slogan, because most Third World countries prefer to invest their money in the West where political stability and economic prosperity ensure high profit and low risk.

Defense requirements have also pressured most Third World countries' budgets. In fact, it seems that it is in the context of defense that the West seems to be most eager to generate capital and to issue low interest rate loans. Defense has become a priority in many countries not only because they are in regions rift by conflicts, but because defence seems to be the only sector where the West has acceptable lending conditions, and some of these countries use that in curbing high unemployment rates by recruiting more people to the military, and getting technology and infrastructure through transferring many civilian services into military ones. The result is a militarization of administration, the empowerment of the military, and the opening of the cycle of coups and counter-coups, which are part of the political life of many developing countries.

Incentives

A lack of appropriate incentives is another source of difficulties. Incentives are both material and psychological in nature. The latter include encouraging initiative, free thinking, and cultivating responsibility. Material benefits allow the worker to devote more time, energy, and thinking to his work. It is only by providing both types of incentives that a high level of productivity can be ensured, but often the proper mix is

not provided in developing countries. Nepal is a case study in this context. A recent appraisal of its "demoralized, unproductive civil service" blamed the crisis on public sector incentives.

The most severe work-related constraint on morale is the lack of discriminating financial incentives and a basic pay scale that does not provide for even minimum subsistence for most civil servants, combined with a ponderous system of promotions that offers little hope for improvement on the basis of superior performance. The result of these two conditions is an invitation to moonlighting and corruption that, according to rumor, few can resist (Esman and Montgomery, 1988, in Klitgaard, 1989, p. 449).

When promotion is carried out on the basis of seniority and connections as is the case in most Third World countries, workers not only lose motivation but acquire a new sense of temporality--laxity, lacking sense of urgency and immediacy, and endless procrastination. The example of private corporations in many countries shows how incentives, the correlation of pay to performance, and the "horizontalization" of work (breaking down hierarchical structures) can increase productivity.

How much should a public employee be paid? Economic theory suggests that it should be equal to "the social value of his or her long-run marginal product" (Klitgaard, 1989, p. 450). In other words, society should not only pay the employee for his time, but should give him the equivalent of the social benefit he has provided to the community. The commodification of labor has caused work to be thought of as temporally and not socially quantifiable, in other words, measured by its duration and not by its social effects. The result is that many "public employees--in particular the skilled--are now being paid far less than what their long-run marginal value products would be with an appropriate incentive system" (Klitgaard, 1989, p. 450). Because

compensation is made into an abstract and easily quantified and universalized category, instead of being linked to the significance of the work performed into the social context, public employees do not care any more about producing social benefits. The result is not only low productivity but corruption as well. (Klitgaard, 1989, p. 450)

When average performance becomes the criterion, administration suffers from both brain drain (with the ensuing costly problem of recruiting) and the decline of productivity. For Kantidey, this is how the scenario unfolds:

Let us suppose that for one reason or another, superior performance is neither measured nor recognized, and salaries are geared to the average performance only. This leaves superior performers with two options: (1) they may leave the organization, if they think they can earn more elsewhere; or (2) if they choose to stay on, they can lower performance for lack of sufficient relative incentives.... As the superior employees leave the firm or lower their performance, the organization is faced with the familiar adverse selection problem, because the average performance will decline over time if nothing is done to remedy the situation (Kantidey, 1989, p. 507).

This "leveling" of performance motives is characteristic of most Third World countries. Worried about the rise of such practices as nepotism, favoritism, and conflicts within administration, and in the name of an abstract and non-meritocratic concept of equality (especially in a historical period marked by a fervent nationalism), public administration often opted for the average performance standard. What it gained, however, in public relations it lost in productivity. Even the gain itself later becomes an obstacle, a source of low productivity.

The State and Bureaucracy

A strong government means a government capable of taking decisions and standing by them even when they are not popular. There is a strong relationship between strong government and productivity. A strong government will take actions swiftly and execute them efficiently. A strong government also means a government able to plan on both short and long term levels without worrying about immediate political consequences. A government also has to be strong and confident for it to be able to "forge ahead in development, to sequence the pattern of basic industries, to identify and specify the best locations for industry and infrastructure, to choose appropriate technology, and to negotiate the financial packages" (Coulson, 1990, p. 1418), regardless of whether those will or will not undermine or weaken its political standing. Of course, this does not mean that the state has to own everything and be the major employer. This has worked, however, for specific countries in specific historical contexts: Egypt in the 1950s and 1960s, Algeria and Morocco in the 1960s and 1970s, China in the 1950s and 1960s.

In many developing countries, however, governments are weak. A weak government can lead to and be the effect of social anarchy and political disorder (Frederick S. Weaver et al. 1990, p. 109). In other words, political weakness is an effect of a circular escalation of violence and inefficiency that feed on each other and may lead to catastrophe. So political strength is not only a desirable context for a productive bureaucracy, but one of its necessary conditions.

Sometimes weakness leads to the execution of highly ambitious, sometimes unneeded, but highly publicized projects in order to counter criticism, show strength, and

provide fodder for public relations campaigns. In the case of the Arab world this has led to "the growth of governmental structures," a fact which "has been a central feature of the overall development process in the Arab World" (Jreisat, in Farazmand, 1991, p. 671). The effects of a policy centered on ambitious developmental plans was "overstaffing and overspending" which themselves contribute to the decline of productivity, because most of those recruited are "inexperienced and ill-trained" (Jreisat, in Farazmand, 1991, p. 671). Sometimes people are recruited for the sake of being recruited (to have a share in the national wealth). This happens mostly in oil-producing Arab countries like Saudi Arabia, Kuwait, Oman, and the United Arab Emirates. What it leads to is confusion in the functioning of administration, or "poorly defined and articulated functions and responsibilities run throughout the employment hierarchy" (Jreisat, in Farazmand, 1991, p. 671).

Historically, this is the scenario that takes place in many Third World countries. "A poor country faces an extraordinary budget deficit engendered by years of overly ambitious, inefficient public policies, and expanding public employment." The results of this are "brain drain, inefficiency, moonlighting, demoralization, and corruption," all of which drive the government to the brink of bankruptcy and breakdown. To avoid that and to avoid anarchy, civil war or famine, most governments resort to foreign imported technical assistance, which means more debt, more dependence, and a chronic cycle of social crises, repression, and more foreign intervention (Klitgaard, 1989, pp. 447-448). In other words, the question is how to increase productivity in a context always conditioned by what may be called the "politics of survival," which relies on saving a

minimum level of government functionality in order to avoid bankruptcy and anarchy.

Distribution of Resources and the Definition of Priorities

The way in which governments distribute resources often bears on productivity by generously supporting some sectors or regions and slighting others. After the period of nationalization following socialist ideals in the 1950s and 1960s, of free education, health, government social security payments, many Third World governments have cut their subsidies. Subsidies were cut partly as a response to IMF conditions and partly as a way of restructuring the economy and redefining their priorities, in order to pay for the rising cost of military expenses, interest rates on debts, and, in some countries expenses for police, intelligence, internal security institutions and manpower related to internal security. The result is that "health and social security receive relatively less attention in developing than in industrial nations whilst defence and federal public services show a greater share" (Stern, 1991, p. 252). But these services constitute only those which are fundamental to the functioning of the government, which means that infrastructure does not get its fair share of expenditure. *Table 2.1* indicates the comparison, for example, between the rate of expenditure in industrial and in Third World countries in 1986-87.

Regional bias, extreme centralization, the correlation between political allegiance and a government's bureaucratic work have had negative effects on the geographical distribution (Al-Awaji, 1971, p. 284, in Al-Kahtani, 1982, p. 79) and functioning of administrative services and institutions. Sometimes the scarcity of administrative services comes as a result of what we may call the political or religious "undesirability" or

Table 2.1: Percentage of the Distribution of Expenditure for Services in Developed and Developing Countries.

Services Provided	Industrial Countries	Developing Countries	Middle East Countries
Public services	8.05	16.94	13.29
Defense	7.34	11.97	26.69
Education	8.45	14.11	12.54
Health	9.61	6.21	4.85
Social security	37.71	12.60	13.22
Transportation/Communication	5.12	7.19	3.71
Other economic services	7.15	16.04	11.06
Others	16.57	14.94	14.64

Source: IMF Government Financial Yearbook, 1989, In Nicholas Stern. "Public Policy and the Economics of Development." European Economic Review, 35(2/3), 1991, pp. 252-253.

"disloyalty" of the region in question, such as the Kurdish region in eastern Turkey, Katanga in Zaire, the south of Sudan, and the Tamil region in Sri Lanka. When regions are given only a minimum of funds, equipment and personnel, productivity suffers. Delay, overwork, almost complete absence of supervision and control are the usual and most apparent effects of such neglect.

Significance of Productivity for Developing Countries

Why is productivity important? Is it only because it saves and helps in the accumulation of national wealth? Are there any other reasons for its being so significant? In fact, productivity has economic, social, and political ramifications which are worth investigating in order to determine its overall significance. Economic development requires more productivity. Productivity will lead to better living conditions of the people in any country. So, it is very important to improve productivity to enhance the living standards of the citizens of any country. Once people are satisfied with their lives and their living conditions, they will be satisfied with their government. In return, there will be more stability, which will lead to political development.

Economic Significance

While saying that economic development helps get Third World countries out of poverty is to argue the obvious, it is not far fetched to say that it also can help build social cohesion and political stability and unity (Harvey Kebschull 1968, pp. 328-331, quoted in Talal Murshid p. 23). It could also help to develop a middle class (which is

for all sociologists and historians a sign of stability) and "could inspire the interest of the political elite in economic development" (Harvey Kebschull 1968, pp. 328-331).

Improving productivity will advance economic development and improve the living conditions of the masses. Improving the well being of people will have a good return on the efficiency of any organization. Equally important is the cultural consequences of economic growth. A growing economy will give a society enough confidence, or courage, to "risk" broaching hitherto unallowed subjects, to debate issues, and to have more dialogue and to allow more participation. In other words, economic growth will help in changing values, principles, conceptions of rights and moral notions of what is right and what is wrong (Millikan and Blackmer, eds., 1968, p. 94). Because of increased confidence and political strength, society will get rid of the moral rigidity and cultural slumber which come as a result of underdevelopment, political instability or extremely policed conservatism, all of which may be related to the anxieties of economic stagnation.

When people improve productivity, the return will be more than generation of income. It is a basis for continued improvement in productivity. But the lack of capital and slow economic development are persistent problems. Accumulation of capital is always slow in Third World countries. First of all there are few mechanisms for its generation. Another more fundamental reason is the inability of people to save because of the low income levels. Of course, not to save means spending, and spending, at least theoretically, vitalizes economic activity. The problem, however, in most Third World countries is that the scarcity of goods makes spending nil in its economic significance and

sometimes even politically and socially costly. What compounds the situation is that high inflation rates, especially in Latin America with the exception of Costa Rica and Chile, and the volatility of the value of the currency makes people spend their money sooner than they need to, because the goods provide more guarantee than the legal tender.

It is difficult to accumulate capital in this kind of situation. Lack of capital leads to absence of cash money for the projects of infrastructure building and the acquisition of equipment, all of which have a bearing on productivity. So low productivity leads to shortage in capital, and the lack of capital further lowers productivity--a vicious circle for Talal Murshid (p. 31).

But the accumulation of capital is determined on an international scale as well. Because many Third World countries are looked at as mere sources of raw materials, markets for the Industrial West, sources of cheap labor, or dumping grounds for environmentally or otherwise unsafe industries, accumulation of capital is always "magnetized back" toward the West. Capital accumulates in the West at the very moment it is said to be circulating through investments, loans and joint ventures, because the mechanisms of circulation are made to work in favor of the lender, and not in favor of its historically real source, the Third World as source of raw material and labor.

Political Significance

An efficient and productive public service can curb the excesses of politicians and limit their freedom in manipulating the system for their interests. In fact, efficient and rationalized public service can provide a source of reason, disinterested opinion,

unconditioned by public relations constraints, parliamentary accountability or electoral considerations. While the politician thinks short term policy governed by the temporal changes of government or elections, the civil servant has time, freedom, and the means to think of long term policies. An efficient civil servant can reduce the damage produced by the politician's short-sightedness. As Kenneth Stowe (1992) has said,

The individual civil servant can, quite properly, prevent bad government. The accounting officer can refuse to go along with letting the political friend have a below-market price. The Head of the Statistical Service can refuse to leave publishable data concealed (p. 393).

Improved productivity and quality of service will produce satisfied clients who, in turn, have an important effect on government functions and stability. This will create a trust between clients and government. Dissatisfied clients will loose trust in both the government and bureaucrats. This will result in major troubles for the stability and functions of any government.

Social Significance

John Kendrick (1977) spelled out the importance of the increase in productivity in improving the quality of life and the well-being of society. He said, "The only way for a human being to escape poverty and improve his life is through the increase of productivity" (p. 1). Productivity not only means more prosperity, but also enough wealth to permit one to have more leisure time. Culture also develops as a result. Mass media as an important element of modern social and political life will thrive. Publications and libraries will expand. There will be enough money to sponsor cultural projects and sports, all of which are important for the social well-being of a nation. All

of this seems utopian and somewhat superfluous, but such factors relate to the prosperity and the moral strength of any modern nation.

Only productivity can bring about the conditions of prosperity. Productivity is considered very significant to both developed and developing countries. For developed countries, it raises the standards of living and reduces the cost of services. For the developing countries, its significance lies in speeding development in economic, political, and social sectors.

Conclusion

This chapter discussed many barriers to productivity and some characteristics of the developing countries that hinder productivity improvement. Coupled with the technological disadvantages, shortages of skilled manpower, bad infrastructure, and the like, are the social and cultural factors. These latter factors are the most difficult ones to deal with because they are deeply rooted in the society. The low level of experience in administrative matters results in a weak bureaucracy that cannot carry out its functions as it is supposed to. In addition, the unequal distribution of resources and the definition of priorities complicate the problem. But, productivity improvement carries with it much in the way of economic, political, and social significance. Improving productivity will contribute to better economic conditions, more stable politics, and better standards of living. Given the nature of productivity problems and their sources, finding solutions is not easy. One possible source is Western perspectives on productivity improvement. They are the subject of the next chapter.

CHAPTER III

WESTERN PERSPECTIVES ON IMPROVING PUBLIC SECTOR PRODUCTIVITY

The previous chapter was devoted to discussing barriers to productivity, in and the characteristics, of developing countries, that distinguish them from developed ones. The main purpose was to explore these barriers and characteristics that might lead to the roots of the problem. In turn, that will be helpful in finding appropriate remedies. This chapter will examine some theories that reflect Western perspectives on improving public sector productivity. Specifically, attention will be given to three schools of thought. Whether they are applicable to the Saudi case will depend on the analysis in subsequent chapters.

The first half of this century saw the development of "action-oriented" practitioner theories which concentrated on application rather than on theoretical understanding of organizations. In the last three decades, researchers have been more interested in theory development rather than the direct application of knowledge. At present, however, social scientists have been working towards narrowing the gap between theory and application.

Theories are usually useful if they can account for a wide diversity of variables and at the same time unify them in a cohesive framework. So, theories about what motivates people to produce should combine variables from three major areas which are related to the individual himself, his job, and his work environment and at the same time

consider the interaction of each with the others. So, it is essential to study motivation theories and the variables with which they deal to improve the understanding of the relationship between management and the individuals generally and in regard to productivity.

Many scholars have addressed the productivity phenomenon. They can be grouped into three broad and different schools of thought with overlapping boundaries. They are the Classical School, the Rationalist School, and the Human Relations School. Using them as descriptive elements in the following review will be helpful in the analysis of the functions and the behavior of organizations, managers, and employees. They can also be instrumental in suggesting solutions to productivity problems.

The Classical School

The late 19th and early 20th centuries marked a move toward industrialization in the West. That move was coupled with some changes of the orientation of professions of many people from rural and agricultural jobs to industrial ones. In turn, the demands for better management methods increased. At that time, some scholars emerged and tried to devise some ways to improve productivity, which in turn could create better management methods. So, that period was marked by the classical thoughts of those scholars. In this section, three perspectives which were dominant will be discussed. These are Bureaucracy, Scientific Management, and Administrative Management.

Bureaucracy

Public bureaucracy refers to organizations whose functions consist of carrying out governmental policy and achieving its goals. "The word bureaucracy denotes a way of structuring a group of people to achieve specified goals" (Medeiros and Schmitt, 1977, pp. 1-2). Bureaucracy as a form of organization has very specific characteristics which govern its functioning. Marshal Dimmock (1954) defines bureaucracy as an organization that is marked by "hierarchy, subdivision, specialization, fixed ways of doing things, and professionalization" (p. 227). Dimmock seems to build his definition on Max Weber's "ideal type" of bureaucracy.

What distinguishes public bureaucracies from those in the private sector institutions is the fact that it has the potential for substantial flexibility to carry out its tasks and to respond to people's demands. Usually, it responds to demands of the public that the private sector cannot or will not heed. The motive of public bureaucracy is not to seek profit as is the case in the private sector. In fact, it has always been commonplace policy to make the duty of public organizations the provision of services that are not profitable. In addition, they often supervise and control the behavior of the private sector by issuing permits, controlling prices, and controlling the quality of production. When we talk about Saudi Arabian public bureaucracy, we talk about all government agencies, quasi-government agencies, independent agencies, and all other agencies that are controlled or covered by civil service laws and regulations.

Public bureaucracy also incorporates the managerial activities of government officials and workers which aim at achieving public policy objectives through

bureaucratic structures (Medeiros, 1977, pp. 1-2). In other words, it does not mean only institutions, but also actions, decisions, and all forms of structured behavior that affect the attainment of policy goals.

A century ago large organizations rarely existed like the ones we have now. They tended to be family organized and managed in the private sector and small units in the public. There was no need for complex organizations or for sophisticated management. As the demands and pressures increased on governments and corporations, the need for the development of systems and structures to control large organizations was strong.

At the beginning of this century, the German sociologist Max Weber described a new type of organization that was then emerging in Europe. That type of organization as he described it would be more rational and efficient. It formed the basis of his ideal type of bureaucracy, one that would be capable of rational action. A good organization, as he saw it, could eliminate such waste and corruption and the importance of factors such as the influence of social standing, tradition, and emotion (Duncan, 1983, pp. 24-26).

There are certain characteristics of the Weberian ideal type of bureaucracy (Weber, 1947, pp. 330-332). They are:

1. There are fixed and official rules for the functioning of the organization. These rules and procedures enable organizations to operate in a predictable manner.
2. A well-defined hierarchy is apparent. Lower offices are supervised and controlled by higher ones. This is what is called chain of command.
3. Specific duties are clearly divided among people.

4. Only people who demonstrate competence and have special training are qualified to be members of the administrative class, and only such people are eligible for appointment in bureaucracy. Friendships and other personal relationships do not have any significance in any appointments or promotions in a bureaucracy.

5. Administrative functions and decisions are based on written documents and a filing system. This type of recording provides continuity and a basis for the performance of jobs.

6. Personal interests are separated from official duties. Weber insisted that the function of an office should be objective and serve organizational needs, not personal interests. He felt that this separation will lead to production efficiency.

7. When the office is fully developed, official activity demands the full working capacity of the official, irrespective of the fact that his obligatory time in the bureau may be firmly delimited.

8. The pure type of bureaucratic official is appointed by a superior authority.

9. Officials have tenure in their positions, especially in public organizations.

10. An official usually receives a fixed salary and pension.

11. An official usually moves from a lower position to a higher position.

Weber says that the efficient functioning of an organization depends on its authority structure. Proper authority will help the management to improve the performance of functions and control of the organization. He identifies three types of authority: legal-rational authority, traditional authority, and charismatic authority. Bureaucracy is the better form for modern administration because of its representation

of rational-legal authority (Weber, 1947, in Daft, 1986, p. 176). Later, others such as Michael Crozier (1964, p. 187, in Kasza, 1987, p. 854), define bureaucratic organization from a negative point of view. He says that bureaucratic organization is "an organization that cannot correct its behavior by learning from its errors" and is marked with other dysfunctional tendencies.

Critics of bureaucracy are many and have diverse points of view. Because of its rules, paperwork, resistance to change, and impersonality, it has been considered inefficient and the cause of employees' dissatisfaction. Stanislaw Andreski (1984), in his criticism of Weber's "ideal type" says: "Weber makes a mistaken empirical generalization when he treats a rigid adherence to the regulations as a condition of efficiency. The bureaucracy of the future may be somewhat softer and rely more on manipulation rather than direct command, as was the case in Weber's time" (p. 99-107).

Others say:

Bureaucracy does not take advantage of human potential. Bureaucracy does not allow for personal growth. Employees are dehumanized, and the result is job dissatisfaction and alienation (Daft, 1986, p. 197).

Bureaucratic characteristics act as a barrier to performance. The world is changing rapidly, and bureaucracies are unable to keep up. Bureaucratic characteristics promote rigidity, lack of response, and poor adaptation (Thompson, 1965, in Daft, 1986, pp. 196-197).

Large bureaucracies seem unmanageable. They are incredibly complex.... Coordination and control from central source are difficult. Top managers must rely on staff experts and support personnel who themselves may not comprehend more than a small piece of the total system (Elgin and Bushnell, 1977, pp. 337-349).

But, bureaucracy is an inevitable phenomenon that cannot be dispensed with easily. Even if it has its critics, the majority of people agree with the father of the

modern theory of bureaucracy, Max Weber, when he said: "Bureaucratization of society is inevitable and once established would be difficult to destroy or supplant" (Greth and Mills, eds., 1946, in Medeiros and Schmitt, 1977, p. 68). In addition, even its critics argue that bureaucracy should not be abandoned or replaced. They argue for the enhancement of its effectiveness and efficiency through better and more sophisticated managerial skills, performance measurements and productivity incentives. Bureaucracy should promote humanistic values and pay more attention to its employees, critics argue, by providing upward mobility, job enrichment, and other incentives. Weber himself admitted that his ideal type of bureaucracy cannot be achieved. Max Weber, against whom all bureaucratic performance, Western and non-Western, seems to be judged, recognized that his model was an ideal seldom if ever reached (Merriam, in Farazmand, ed. 1991, p. 278).

In the late 19th and early 20th centuries, the Western world went through many changes, striking among which was the notable increase in urbanization and industrialization. Those changes required more emphasis on the management side, or on the performance of managers and what they could learn and put to use in bureaucratic organizations. One of these was Scientific Management.

Scientific Management

With the rapid industrial growth early in this century, the need for big business created the need for departmentalization and specialization. Those then created the need to control the work flow. In addition, the increase in production created the necessity

to save time in producing which ultimately means efficiency. This resulted in the involvement of many scholars who investigated work flow and job content. The first two decades of this century produced the Scientific Management movement, with Frederick Taylor as its most famous pioneer, especially in the domain of productivity. Taylor noticed that industries were losing a great deal of resources because of inefficiencies resulting from the behavior of individual workers. He perceived that workers had little or no incentive to produce more because most wages were based on attendance, seniority, and position. He believed that a piece-rate would work if the workers believed that the standard had been fairly set and if management stuck to that standard (Rue and Byars, 1977, pp. 24-25). In 1911, he published his book The Principles of Scientific Management, in which the concept of economic man (*homo economicus*) was the main theme.

His theory (Taylor, 1947, pp. 23-27) considers the worker as an economic man who can be induced to work and produce effectively through wage incentives based on time and motion studies. Taylor thinks that it is necessary not only to devise the best method to increase productivity but to ensure that workers are aware of this method and use it daily. Taylor's Scientific Management was based on the following four principles:

1. The development of the best way to do a job. This could be done by determining the best method of accomplishing the objectives of a certain job. Standards were scientifically set for each job and incentives were paid for those who produced more than the standards.

2. The selection and development of workers. Matching workers with jobs was

important. Taylor stressed the importance of training.

3. The bringing together of methods and men. Workers would exhibit little resistance to any changes in methods if they would bring an opportunity for more earnings.

4. The close cooperation of managers and workers. Managers should coordinate with line workers but not do the line workers' jobs (Rue and Byars, 1977, p. 26).

Scientific Management brought a great contribution to the advancement of management. It devised some methods of using the human potential. Its emphasis was on the maximization of output and the minimization of input which could be done through the elimination of waste and inefficiency at the operative level. Taylor explains:

Perhaps the most prominent single element in modern scientific management is the task idea. The work of every single workman is fully planned out by the management at least one day in advance, and each man receives in most cases complete written instructions, describing in detail the task he is to accomplish, as well as the means to be used in doing the work. And the work planned in advance in this way constitutes a task which is to be solved.... This task specifies not only what is to be done but how it is to be done and the exact time allowed for doing it. And whenever the workman succeeds in doing his task right, and within the time limit specified, he receives an additional 30 per cent to 100 per cent to his ordinary wages. These tasks are carefully planned, so that both good and careful work are called for in their performance. (Taylor, 1911, in Medeiros and Schmitt, pp. 69-70).

But Taylor's approach was criticized on the ground that it was applied by him with rigidity and even with intolerance. In addition, it was applied without complete understanding of human nature and human reactions (Villers, 1960, p. 30). Taylor was trying to maximize the output of workers without regard to the burden that was placed on them that would exhaust and antagonize them. He set high standards as normal goals

for workers but were difficult to achieve for many (Rogers and McIntire, 1983, pp. 31-32). His approach ignored human complexity and ability and caused distress for some. But his contributions to the management science were of substantial value. His approach can improve productivity for some workers who can achieve the standards that are set and can get substantial rewards. But on the other hand, it would depress other workers who cannot achieve these high standards. People's behavior and abilities are different.

Administrative Management

Administrative Management concentrates on the managers and the structures of organization as ways of improving efficiency. Henri Fayol and Luther Gulick are considered the advocates of this line of thinking. Henri Fayol was the first to issue a complete statement on a theory of general management. He was interested in the application of administrative theory to government. His discussion of principles and elements was significant (Rue and Byars, 1977, p. 28). Fayol proposed five main functions that managers should perform: planning, organizing, commanding, coordinating, and controlling (Schmerhorn, 1984, p. 44). He said that management should put more emphasis on planning and organizing because these elements are primary and essential to the other functions (Rue and Byars, 1977, p. 29).

From his experience as an executive in the French mining industry, he set out fourteen guidelines, "principles of management," for success in management: division of work, authority, discipline, unity of command, unity of direction, subordination of the individual interests to the general interests, remuneration, centralization, scalar chain,

order, equity, stability of tenure, initiative, and esprit de corps. He developed these principles from the practices that he used most often in his work and used them as general guidelines for effective management. He stressed that managers should be flexible in the application of these principles, and consideration should be given to changing circumstances.

The work of Taylor and Fayol complemented one other. Industrial success, they believed, came through proper management of personnel and other resources. The major difference between them was that Taylor came up through the ranks and his orientation concentrated on the operative level. Fayol was an executive and had more of a top management perspective.

In 1937, and in the same vein, Luther Gulick introduced in the Papers on The Science of Administration, edited by Urwick and Gulick, his famous characteristics of executives' work, "POSDCORB," which stands for the seven major functions that should be the work or functions of administrators:

1. Planning, that is working out in broad outline the things that need to be done and the methods for doing them to accomplish the purpose set for the enterprise;
2. Organizing, that is the establishment of the formal structure of authority through which work subdivisions are arranged, defined, and coordinated for the defined objective;
3. Staffing, that is the whole body of bringing in and training the staff and maintaining favorable conditions of work;
4. Directing, that is the continuous task of making decisions and embodying them in specific and general orders and instructions and serving as the leader of the enterprise;
5. Coordinating, that is the all important duty of interrelating the various

parts of the work;

6. Reporting, that is keeping those to whom the executive is responsible informed as to what is going on, which thus includes **keeping himself and** his subordinates informed through records, research, and inspection; and

7. Budgeting, with all that goes with budgeting in the form of **fiscal** planning, accounting, and control (Gulick and Urwick, in Harmon and Mayer, 1986, p. 128).

Gulick says that in a productive organization the following principles are observed: Unity of command, authority commensurate with responsibility, maximum delegation of authority, limited span of control, and power to organize. The main theme of "POSDCORB" as an operating philosophy is the centrality of efficiency as the premier value by which to judge governmental activity. Gulick explains this clearly when he says:

In the science of administration, whether public or private, the basic "good" is efficiency. The fundamental objective of the science of administration is the accomplishment of the work in hand with the least expenditure of man-power and materials. Efficiency is thus axiom number one, the value scale of administration (Gulick, in Harmon and Mayer, 1986, p. 131).

Gulick also stresses the importance of the principle of homogeneity in organizations as a way toward achieving efficiency. He explains that clearly when he says:

It has been observed by authorities in many fields that the efficiency of a group working together is directly related to the homogeneity of the work they are performing, of the process they are utilizing, and of the purposes which actuate them. From top to bottom, the group must be unified. It must work together.... Any organizational structure which brings together in a single unit work divisions which are non-homogeneous in work, in technology, or in purpose will encounter the danger of friction and inefficiency (Shafritz and Hyde, 1987, pp. 40.85-88).

These authors stress the importance of the advancement of the science of management which will result in more efficient organizations. The principles provide for structuring and managing the work environment and workers' functions.

The Rationalist School

This school of thought stresses the importance of communication and decision making in improving productivity. Managers are decision makers and responsible for achieving organizational objectives, thus they have to make the right decisions. Decisions involve all management functions such as organizing, planning, motivating, and the like. So, if managers do not make the right decisions, they will not be able to achieve their organizational goals. Balk claims that "studies of decision-making and information processing were seen as ways to overcome problems of the past based upon the conviction that their sound rational premises provided the most direct route to efficiency and attaining organizational goals" (Balk in Holzer, 1992, p. 532).

In a reaction to Administrative Management and its principles, Simon claims that more emphasis should be put on "the determining of what is to be done rather than to the actual doing" (Simon, 1976, p. 1). So, he criticized the administrative management principles and said that they are like proverbs because they are contradictory, may have consequences other than those claimed, and provide no guidance about when they should be applied. The inadequate definition and specification of the terms of these principles are the primary reasons behind the lack of guidance. Even though these principles provide a set of choices in a situation, they are not clear about the bases of choosing.

For example, Simon argues that there is inconsistency of the principle of organization by purpose, process, clientele, and place that are supposed to increase administrative efficiency (Simon 1976, in Harmon and Mayer, 1986, p. 136). Simon explains that when he says:

It is clear that this principle is internally inconsistent for purpose, process, clientele, and place are competing bases of organization, and at any given point of division the advantages of three must be sacrificed to secure the advantages of the fourth (Simon, 1976, p. 28).

In his Administrative Behavior, Herbert Simon (1957), a founder of this school, studied the managers' and individual worker's behavior in organizations. He stresses the importance of decision making instead. In describing the manager's decision making process, Simon believes that managers make decisions in three stages: (1) intelligence, (2) design, and (3) choice (Simon, 1960, p. 2). Searching the environment for conditions requiring a decision is part of the intelligence stage. Inventing, developing, and analyzing a possible courses of action are part of the design stage. Selecting a particular course of action is part of the choice stage. The distinction between management and nonmanagement decisions is that management decisions involve all three stages while the nonmanagement involves only the last stage. So, managers spend most of their time making decisions (Rue and Byars, 1977, p. 46).

Simon believes that the assumption of the economic man is unrealistic. In a search for alternatives, he concludes that individuals cannot make the right decisions when they try to solve the problems they face in the organization rationally in the full sense, because they lack both the mental and the physical capability to meet the requirements of perfect reason. Simon says that there are three limitations on the human

being. First, the individual is limited by his skills, habits, and reflexes. So the principle of administration should consider the physiology of the human body and the laws that govern skills, training, and habit. Second, the individual is limited by his values and those conceptions of purpose that have an influence on his decisions. If his loyalty to his organization is high, he will be willing to accept the objectives of that organization. The third and final limitation is the lack of knowledge that the individual has about things that are relevant to his job. Administrators should consider the limits of the knowledge that human minds can accumulate and apply, speed of the assimilation of knowledge, systems of channelling information, and the like. What individuals should do is to try to solve these problems collectively (Simon, 1976, in Denhart, 1984, pp. 76-78). He says:

The capacity of the human mind for formulating and solving complex problems is very small in comparison with the size of the problems whose solution is required for objective, rational behavior in the real world (Simon, 1976, in Denhart, 1984, p. 76).

Simon argues for what he calls the administrative man, or decision makers who base their decisions on "satisficing" options or bounded rationality (Simon, 1957, pp. 38-41). In such a way, administrators can base their decisions upon options that seem satisfactory and familiar to them using the available information without the limitless analyses required by standards of perfect rationality. One of the characteristics of the administrative man is that he tries to maximize the attainment of certain organizational goals with scarce resources:

A fundamental principle of administration, which follows almost immediately from the rational character of "good" administration, is that among several alternatives involving the same expenditure that one should

always be selected which leads to the greatest accomplishment of administrative objectives; and among several alternatives that lead to the same accomplishment the one should be selected which involves the least expenditure (March and Simon, in Harmon and Mayer, 1986, p. 147).

It is evident from the previous discussion that the main purpose is always the highest utilization of resources whether material or human which translates into attaining efficiency in any organization.

Charles Lindblom (1959), seems to share the Simon's views. In his "Science of Muddling Through," he contends that the requirement of the rational approach that decisions be based upon thorough and vigorous analysis is nearly impossible to meet, because that seems to be beyond the administrators' ability. Administrators cannot deal with so many issues simultaneously and make decisions that have long-term consequences. Instead, he says, decisions should be based on past experiences and decision makers need not depart from policies that were set forth in the past. In this case, decision makers need only to introduce new and limited, or incremental, changes to such policies (pp. 80-81).

This incremental decision-making model portrays the process as bargaining among interested participants that involves persuasion, debate, and negotiation. This incremental process is based on minimizing conflict and allowing the gradual testing of new ideas. As means of improving productivity, enhancing management functions, and gaining more independence, each of the participants tries to achieve some improvement in allocating some resources such as budgets, personnel, program authority, and the like. The best alternative is the one on which participants can agree (Gortner, Mahler, & Nicholson, 1987, pp. 253-256). One major characteristic of incremental decision making is that

decisions that change programs are in small steps and never depart far from the status quo. Structuring and organizing the decision making process in the organization on the principle of incrementalism will lead to productivity improvement.

The Human Relations School

In the late 1920s, and as a reaction to the Classical School and the neglect of the human side of organizations, a new form of thinking emerges aimed at discovering what motivates workers and induces them to be more productive. It portrays leadership as a major ingredient of organizational life. It is not just a matter of tools and commands that help people to be more productive, but other important human factors that should be taken into consideration. The Human Relations movement recognizes the importance of worker feelings and behavior as a major key to improving productivity. So, managers should capitalize on these key factors.

The Hawthorne Studies

Elton Mayo, one of the earliest champions of this school, describes in his "Revery and Industrial Fatigue," (1924) an experiment he conducted at the Hawthorne Plants in Chicago. The experiment studied the effects of the physical environment on the workers' efficiency. He found no relationship between the environment and productivity. Instead he found that informal organization and peer pressures play a major role in increasing productivity. Employees work harder when they have supportive management and supervision and they should be thought of in terms of personhood. They should not be

looked at in terms of the work role only. These studies opened the door to a new concept of management by suggesting that it was necessary to consider "the whole person" on the job instead of seeing the individual as simply an economic man (Kreitner, 1980, pp. 34-37).

Other theorists followed suit and stressed, among other things, human behavior, psychology, and satisfaction. The new theories combine variables from three related areas: the individual worker himself, his job, and his work environment.

Hierarchy of Needs Theory

In 1943, Abraham H. Maslow introduced his theory of "The Hierarchy of Needs," which is considered one of the most important in so far as motivation is concerned. Maslow arranged human needs in a pyramidal shape with the basic needs at the bottom, then safety needs above them, followed by belongingness and love needs, esteem needs and, at the top, the need for self-actualization. Maslow believes that these needs are important for human beings and can therefore be played on in order to increase the degree of motivation in workers. Maslow thinks that these needs are motivators that could increase productivity in the long run. Needs that are not satisfied motivate most. When a person's first needs are satisfied, the second set of needs will become the motivators. However, conscious motivational content of an individual in one culture is different from the conscious motivational content of one in another culture (Maslow, 1943, pp. 370-396).

Thomas Quick (1985) is a supporter of Maslow's theory, especially its humanistic

content. He opposes the earlier theories that treat humans as machines. He says:

The humanism of Abraham Maslow began to break barriers and models. In the better educated, newly affluent working population of the 1950s and 1960s, there was a growing perception that people were more than economic animals, working largely for material gains. The notion that people had other kinds of needs that they worked to satisfy, needs that were within them and could be satisfied by working, was appealing (p. 7).

Others, such as Douglas M. McGregor's "Theory X and Theory Y," J. Stacy Adams' "Equity Theory," R. Pascale and A. Athos' "Japanese Model," and William G. Ouchi's "Z Theory," have in common the idea that productivity is directly related to the participatory management style, meeting human needs and worker satisfaction and dissatisfaction.

Theory X and Theory Y

Douglas McGregor proposed this theory in order to explain the human side of productivity. In Theory X, the average person is by nature lazy and works as little as he or she can. He or she lacks ambition, is reluctant to take responsibilities, and prefers to be led. Management has the responsibility to achieve organizational goals. So, it is the responsibility of management to direct their people's efforts, motivate them, control their actions, and modify their behavior to fit organizational needs. Without the intervention of management, people in the organization would be passive and resistant to organizational changes. McGregor contends that people cannot be managed by this hard approach--direction and control--because it has its drawbacks. On the other hand, the soft management approach has its disadvantages too:

It leads frequently to the abdication of management to harmony, perhaps,

but to indifferent performance. People take advantages of the soft approach. They continually expect more, but they give less and less.... Currently, the popular theme is firm but fair" (McGregor, in Shafritz and Hyde, 1987, pp. 256-257).

McGregor says that the conventional management approach is inadequate and the best way to deal with management problems is to consider motivation. People have many needs to be fulfilled such as psychological needs, safety needs, social needs, ego needs, and self-fulfillment needs. Most people satisfy their lower needs and thereby unconsciously rule them out as motivators. What motivates people are the egoistic needs which are difficult to satisfy at the lower levels of organizations. He says that depriving people of their psychological needs has behavioral consequences (pp. 257-260).

McGregor proposes Theory Y management, which is based on different assumptions about human nature and human motivation. People are not by nature passive or resistant to organizational needs. They have become so as a result of their experience in organizations. All aspects of motivation, the potential for development, the ability to assume responsibility, and the readiness to direct behavior toward organizational goals are present in people. Management has the responsibility to put all these aspects to work. It is the responsibility of management to make it possible for people to develop their human characteristics for themselves (p. 260).

So, productivity improvement requires that this approach, Theory Y, be followed, because it recognizes the responsibility of management to motivate employees to produce more. It shifts blame for low productivity from the individual to the management and to the organization. Management is responsible for allowing employees to develop their abilities and skills that could lead to better performance and more output.

Equity Theory

J. Stacy Adams (1963) introduced Equity Theory which is based on the principle of equity and justice in treating human beings. He sees that the basic indicators of work done and of the satisfaction with that work are related to the equity or inequity that the individual perceives in his job. The worker gives services in exchange for some equitable return. He might feel that such inputs as education, experience, skills, and training are not equal to the outcome: pay and other fringe benefits. The worker also compares what he gets to what others get, in correlation with the kind of services performed. If the worker feels that he gets more than what he deserves, he will increase his efforts to do more and produce more. But, if he feels that he gets less than he deserves, he will slow down to attain an equity balance with fellow workers.

Feelings of inequity of input and outcomes depends on the person's norms and values and the culture with which he is associated. Presence of an inequity usually motivates the worker to achieve equity or reduce inequity. The intensity of the motivation is dependent on the degree of inequity. According to this theory, there are several ways that a worker can reduce inequity. These are:

1. A person may increase his inputs if they are low relative to others' inputs and to his own outcomes. This may take a form of increasing his productivity.
2. A person may decrease his inputs if they are high relative to others' inputs and to his outcomes, resulting in a decrease in his productivity.
3. A person may increase his outcomes if they are low relative to others' outcomes and to his own inputs, resulting in an increase in his productivity.
4. A person may decrease his outcomes if they are high relative to others'

outcomes and his own inputs, resulting in a decrease in his productivity

5. A person may "leave the field" when he experiences inequity.
6. A person may psychologically distort his inputs and outcomes, increasing or decreasing them as required.
7. A person may increase, decrease, or distort the inputs and outcomes of others, or force them to leave the field (Adams, 1963, pp. 422-436).

This theory stresses the social equity and value of a person. A person usually evaluates himself against others and adjusts his behaviors accordingly to attain his equity. This leads to the conclusion that studying the demands of workers and their psychological needs are important to increasing productivity. So, this theory's implication for productivity is that people should be treated equitably in the working place according to their values, or productivity will suffer.

The Japanese Model

In the last three decades, Japan has impressed the world by its advancement in the industrial and economic sectors and has become a challenge to the United States. Consequently, scientists have started paying more attention to the administrative styles of the Japanese, believing that their success is related to their way of management. R. Pascale and A. Athos (1981) did a comparative study of American and Japanese management styles. They found out that the secret of Japanese success lies in an administrative style which stresses the importance of employees' skills and human relations in organizations. Seven factors are believed to be behind the Japanese success and they should be kept in mind when studying any organization. These factors are:

1. The organization should have a precise strategy for the future that includes the organization's resources to reach the desired goals.
2. The organization should have a good structure that guarantees its success.
3. The organization should have a good system for reporting, communications, and decision making.
4. The organization should have qualified staff able to manage the organization successfully.
5. Executives in the organization should have a good style of management to achieve organizational goals.
6. Employees should have skills to perform their jobs successfully.
7. The organization should have subordinate goals for its employees to motivate them to increase their outputs and efforts without exploiting them (pp. 68-146).

The strict functional specialization that separates expertise about the job from the person doing the job (one of the practices of management in America) conflicts with the participative decision making and the problem-solving potentials of employees. "The president of Honda recognized this when he was asked about competition from the U.S. automobile industry. His answer was that there was no need to worry until Detroit changed its system of management (Bowman, 1989, p. 380).

These seven points mentioned above, for Pascale and Athos, are the best way to achieve more productivity and reduce the exploitation of workers. As they mentioned, they form a successful management style that is followed in Japan and has improved Japan's productivity and sped its economic development. Applying these principles,

according to Pascale and Athos, will have positive effects on productivity in other settings.

Theory Z

William Ouchi (1981) is the pioneer of this theory. He investigated Japanese productivity and work quality between 1973 and 1980. Ouchi believes that organizations should concentrate on the human side of employees. He believes that material incentives are not enough to motivate people. What motivates people are relationships and unity. He says that the most important elements of Theory Z that could be translated into an American context are trust, subtlety, and intimacy. Comparing the Japanese and American fundamental properties of organization, Ouchi believes that the differences are great. He lists the six main differences in *Table 3.1*.

Ouchi believes that when Theory Z is applied as in Japanese organizations, the results will be the achievement of the goals of both employees and their organization, which are: (1) increased trust, intimacy, and involvement in work-related tasks; (2) increased job satisfaction; (3) increased independence and freedom of employees; and (4) increased productivity (pp. 43-57).

Quality Circles

Behavioral science has provided many techniques that have impressed managers and employees. One of the behavioristic techniques, informed by central ideas associated with the Human Relations School and adopted from the private sector, is the Quality

Table 3.1: Main Differences Between Japanese and American Organizations

Japanese Organizations	American Organizations
1. Lifetime employment 2. Slow evaluation and promotion 3. Nonspecialized career path 4. Collective decision making 5. Self imposed supervision 6. Wholesale concern for employees	1. Short term employment¹ 2. Fast evaluation and promotion 3. Specialized career path 4. Individualistic decision making 5. Clear cut overhead supervision 6. Partial concern for employees

Source: William Ouchi. Theory Z: How American Business Can Meet the Japanese Challenge. (Reading, Massachusetts: Addison-Wesley, 1981. 48-49).

¹ Turnover rates in the U.S. companies are four to eight times as high as for all Japanese companies.... In the United States, graduates tend to be very impatient, changing employer if they are not rapidly promoted. Studies by some of the leading graduate schools of business show that their MBA graduates, on the average, work for three employers during their first ten years after graduation (Ouchi, 1981, p. 56-9).

Circles (QCs) program. Quality Circle is a program that calls for forming a group of employees, usually five to ten, who are specially trained to meet every week in order to spot and solve problems in their divisions (Dressler, 1983, pp. 93-117). When this program was tested and proved to be successful, especially for short-term periods, public sector agencies started to employ it. In 1982, the State of Missouri initiated a program for improving productivity. One of the measures involved in this program was to apply the quality circle technique. The Missouri program was considered one of the most extensive tried in public agencies. It is estimated that direct financial savings from applying the quality circle program to the state up to 1986 was more than \$515,000. In addition to the savings, efficiency increased and the services provided to the public were better and quicker (Denhart, 1987, pp. 304-309). Major programs in the U.S. government include more than 2,500 QCs. In the private sector, over 7,000 large and small companies use QCs to improve the productivity of employees (Bowman, 1989, pp. 375-376).

The Quality Circles program is not without its shortcomings and flaws. Labor leader William Winpisinger criticizes QCs for: "(a) dividing the workers from their union; (b) putting total responsibility for quality on employees; (c) opening the door for acceptance of technological change without proper protection; and (d) creating additional productivity profit that is not divided among workers responsible for it" (Stier, 1984, p. 22, in Bowman, 1989, p. 380).

System 4 Approach

Renis Likert (1961) developed a system of management that divides organizations into four kinds, based on how autocratic or participatory they are. His approach is called the System 4 Approach. The most rigid management which relies on subordination is called System 1. In System 1 organizations, decisions are made at the top and people are motivated by threat, fear, and punishment. Control is practiced by top management and imposed through close supervision. The opposite of System 1 is System 4 with more lenient managers who have trust and confidence in their employees. In System 4, employees participate in the decision-making process. They are motivated by the fact that they share the goals of the organization and, at the same time, the communication between management and workers tends to be smooth. Likert asserts that, through training, managers can move employees from System 1 to System 4. This will have great effect on the morale and performance (pp. 131-140).

The Human Relation movement emerged as a reaction to the treatment of employees as a commodities and used as tools to produce more. When employees feelings and attitudes were recognized as a major key to higher efficiency, management strategies changed toward recognizing these basic factors. This helped set the stage for some studies on motivational psychological, group dynamics, and leadership which continue until now.

Conclusion

This chapter discussed some of Western perspectives that are relevant to the subject of this study. From studying them, it is evident that reasonably straight forward organizational theories have helped to generate models of productivity processes and improvement. These fundamental theories continue to shape today's professional education and practice of administrations. They are incorporated into three schools of thought that represent the central Western perspectives on motivation and productivity. They will help in the final analysis. By studying the Western perspectives in the form of theories and other related materials on the performance of public employees, the intention is to examine the extent to which they are applicable to non-Western countries, particularly to Saudi Arabia.

One of the criterion for such a transference is the fit between these ideas and Saudi cultural values and the structures, political and administrative, of Saudi institutions. Thus, understanding the cultural, political, sociological, and administrative values in Saudi Arabia is a very important step. This will be the focus of the next chapter which will investigate the country in a developmental perspective.

CHAPTER IV

SAUDI ARABIA IN DEVELOPMENTAL PERSPECTIVE

Having discussed Western perspectives on how to improve public sector productivity in the last chapter, it is important now to turn to discussing the questions of development in Saudi Arabia using those perspectives as a frame of reference that might help in developing an approach that might be applied there. Saudi Arabia is considered a developing country, yet it has many characteristics that distinguish it from other countries in the region. The country became a unified state quite recently and did not start to develop until the early years of this century. In this chapter, it is necessary to provide a history of the administrative development of the country which will cover the period extending from the beginning of the century until the late 1980s and the beginning of the 1990s. It will be divided into four eras, each having its own distinctive characteristics. These are: (1) The period of Primitive Administration (1914-1948); (2) the period of Basic Structural Reorganization (1949-1953); (3) the period of Structural Development (1954-1973); and (4) the period of Modern Administration (1974-1990s).

This chapter will also deal with the land and the people of Saudi Arabia and its political history, social setting, and cultural values. This historical sketch will help to understand the Saudi administrative system, a description of which will also be included. This description will deal with the structures and the functions of government which set this country off from others and which make it a special case for study.

Saudi Arabia: Land and People

Saudi Arabia is a kingdom with an absolute monarchy. It is considered both a new and an old nation. Compared with other nations in the Gulf region, and as a unified state with its current name, it is new. But, formerly it consisted of unified territories that were divided among tribes and under the rule of tribal leaders. Thus, politically, Saudi Arabia was formed from territories governed by tribes. Lipsky (1959) clarified the situation of the country in the past when he asserted that it was founded on "territories that had known little unity since the time of Mohammed's immediate successors" (p. 4).

Saudi Arabia is a vast country located in the southwestern part of the Asian continent, comprising about 80 percent of the Arabian Peninsula. It is oddly shaped and close to being rectangular. It is about 2,240,000 square kilometers (860,000 square miles) in size, which is roughly one-third the size of the United States and four times the size of France (Ministry of Information, 1982, p. 5). At the time of the census of 1992, the population was 16,929,000, of whom 4,624,000 (27.3 percent) were not citizens (Al-Jazeera Newspaper, 1992, p. 5). Saudi Arabia is bordered on the north by Jordan, Iraq, and Kuwait; on the south by Yemen and Oman; on the east by Oman, Qatar, the United Arab Emirates, and the Arabian Gulf (Persian Gulf); and on the west by the Red Sea (see *Figure 4.1*).

The topography of Saudi Arabia is diverse, varying from mountains reaching up to 8,200 feet (Dunipace et al., 1977, p. 14) in the southwest to oases in the east to desert comprising most of the country in the southeast (the Empty Quarter). Saudi Arabia has a desert climate which is affected by the subtropical high pressure system. The summers

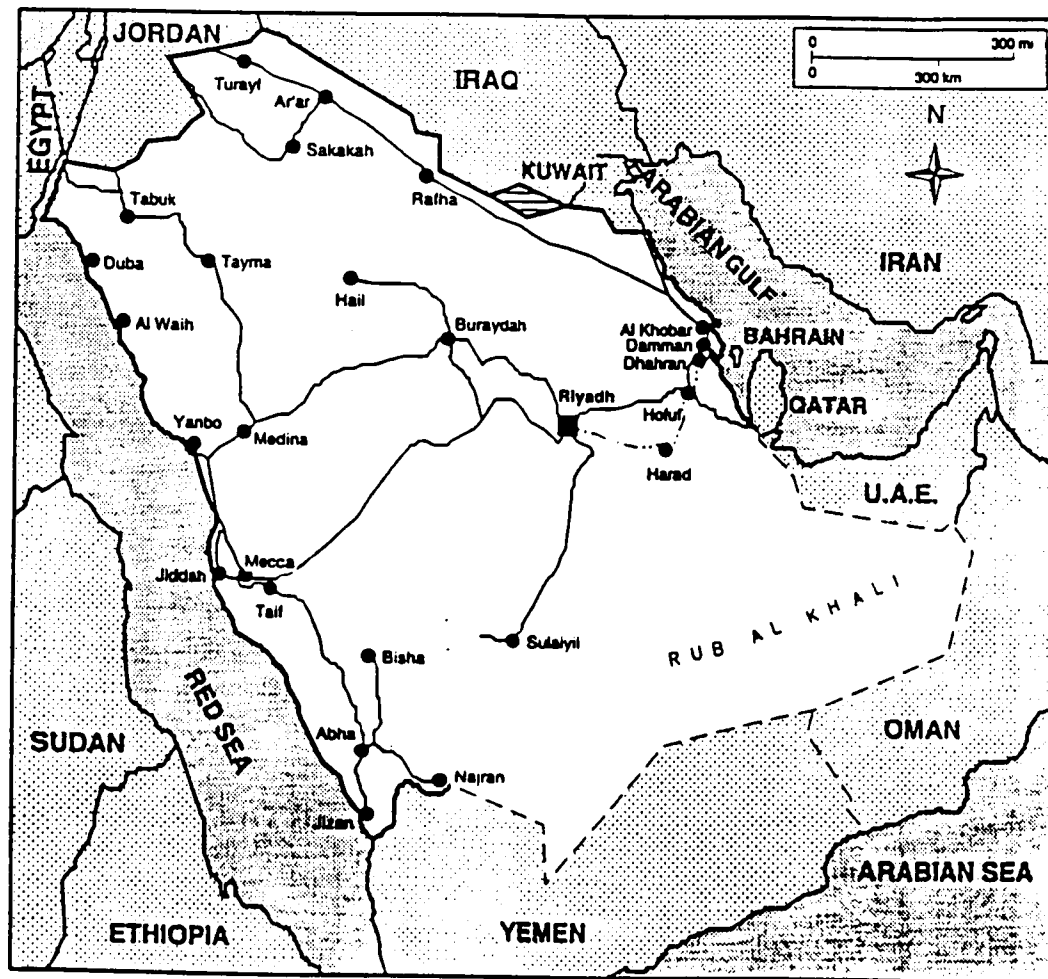


Figure 4.1: Map of Kingdom of Saudi Arabia

are long, hot, and dry. The winters are short and cold, especially at night. The average temperatures in the summer and winter are 33.4 degrees Celsius (92 degrees Fahrenheit) and 14 degrees Celsius (57 degrees Fahrenheit) respectively. If it rains, the rain comes in the form of thunderstorms and usually does not exceed 100 mm (4 inches) per year except in the Southwest region where rain fall reaches 250-300 mm (10-12 inches) per year (El Mallakh, 1982, pp. 16-18). Underground water is the only source of irrigation and is in danger of depletion. Desalinated sea water is used extensively for drinking and household purposes.

Saudi Arabia is divided into five provinces for administrative purposes, each of which is governed by a governor (Ameer) who is appointed by the King and is responsible directly to him. Najd is the largest and central province where the capital Riyadh is located. It is the most traditionally preserved province because it was isolated for a long time from outside influences, and it is the center of government operations. All ministries (departments) and most government agencies are headquartered in this province. The second province is Hijaz, which is important as the center of religion where the two holiest shrines of Islam are located. Al-Hasa (the Eastern Province) is the economic center of the country where the oil and petrochemical industries are located. The Asir Province is a mountainous region in the southwest of the country. It is famous for its moderate climate and rainfall. The last province is the Northern Province, which borders Jordan, Iraq, and Kuwait.

Saudi Arabia is predominantly a Moslem country. Religion plays a dominant role in the behavior, lives, and functions of its people. The official language is Arabic but

English is widely used, especially in the private sector where most employees are foreign. There is no written constitution except the Quran which provides the basis for most Saudi laws. Most laws are interpreted by religious people. There is no separation of state and religion; thus they comprise one unit and function together.

Most people in the country lived in a tribal setting in the early days. Even though the situation has changed, most of the people are affiliated with one of the hundreds of tribes. Saudi society is influenced by the teachings of Islam. In spite of many influences from the West, Saudi Arabia has maintained very strong traditional values. This situation has seen some deterioration in the last two decades. The status of an individual is dependent on his family, tribal affiliation, financial resources, connections in the government, and education. The society in general is characterized by close family ties and kinship. An individual's loyalty is usually to his family and tribe, which makes it difficult to perform many tasks in the government without biases. Al-Awaji (1971) explains this problem by stating that, "The identity of the individual is identical to that of his group. Individual initiative is only encouraged when it serves and enhances the interest of the group" (p. 134).

Primitive Administrative System: 1914-1948

Before introducing the history of administration in Saudi Arabia, a brief historical sketch of the country and its coming to being is necessary to enlighten the reader, especially the Western reader, about a country that is not well known to him. In addition, this history will serve as an introduction to the political factors that determine

today's government and forms of management and administration.

Modern Saudi Arabia is a product of a struggle that lasted more than two centuries. In the pre-Islamic times, Arabia was mostly populated by herdsmen and traders. They belonged to rival clans and tribes who lived without security and who raided each other seeking scarce resources of food and water. In the sixth century, the prophet Mohammed (peace be upon him) was born and raised in Makkah. He later became the harbinger and symbol of modern Islam and Islamic teaching. Islam spread fast in the Arabian Peninsula and beyond. But in spite of the adoption of the same religion, Arabia was rarely unified under one rule before the twentieth century.

Before the unification of Saudi Arabia, it consisted of four provinces: the central province called Najd, the western province called Hijaz, the eastern province called Al-Hasa, and the southern province called Asir. In the eighteenth century, a religious movement called Wahhabism was led by Sheikh Mohammed Ibn Abdul-Wahhab, a gifted and well known religious man. The goal of the Wahhabi movement was to restore the "true" and "pure" (that means untainted by popular practices) faith of Islam in the Arabian Peninsula. Sheikh Abdul-Wahhab was looking for political support to enforce his Islamic reforms. He met with Mohammed Ibn Saud, the governor of Al-Derya'ah, which is a small town near Riyadh and an ancestor of the present Royal Family, to seek his support. Supported by the two movements, political and religious, the unification of the present Kingdom began.

But with the death of both leaders, Abdul-Wahhab in 1792 and Ibn Saud in 1759, the movement towards unification subsided. In the late eighteenth century, the Ottoman

Empire began its movement to control some parts of the Arabian Peninsula. Under the command of the Sultan of Turkey, Mohammed Ali, who was the ruler of Egypt at that time, an army under his son's (Tosone) leadership was sent to conquer the Western Province. That was followed by another unit in 1818 that was sent to the Central Province under the leadership of Ibrahim, the son of Mohammed Ali. In 1871 the Ottoman Empire was able to occupy the Eastern Province. At that time, the Al-Saud family was driven to Kuwait (Sadik, 1965, 13-22).

The real unification was led by King Abdul Aziz, a patriarch of the present ruling family, in 1902. He was living with his family in Kuwait at that time. With the help of the Al-Sabah, the ruling family of Kuwait, King Abdul Aziz reorganized his power and began his march toward Riyadh. In the same year, with the help of forty men and small basic arms, King Abdul Aziz conquered Riyadh. With the conquest of Riyadh, the revival of the Al-Saud dynasty began. King Abdul Aziz began to consolidate his power in Riyadh before moving to other areas. By 1906, he was able to claim his rule over most of Najd, the middle part of the Arabian Peninsula.

The Al-Hasa province was under the rule of the Ottoman Empire. Taking advantage of World War One and the preoccupation of the Ottoman Empire with it, King Abdul Aziz was able to occupy Al-Hasa province, the Eastern Province, and drive the Turk forces out. After completing the liberation of that province, he shifted his attention to the Western Province because of its importance as the location of the holy cities of Islam. In 1919, he succeeded in driving the Hijazi troops and King Ali Ibn Al-Husain, the last of the Hashimites, out of that province. The capture of that province made it

possible for him to consolidate his forces and move southward to Asir, the Southern Province. In 1920, he was able to capture Asir and place it under his control. The King was then proclaimed the Sultan of Najd and its dependencies. By 1925, he moved northward and captured the rest of the Hijaz Province.

The unification of the whole country was concluded in 1932. By a Royal Order No. 2716, the country was named the Kingdom of Saudi Arabia reflecting the name of the Royal Family. This new state extended its borders from the Arabian Gulf in the east to the Red Sea in the west and from the Jordanian borders in the north to the Yemeni borders in the south. King Abdul Aziz died in 1953 after ruling for fifty-one years.

In 1953, King Saud, the eldest son, who was appointed by a Royal Decree in May 11, 1933 as heir, succeeded his father as ruler of the country (Abu-Sham, 1982, p. 31). King Saud appointed his brother, Crown Prince Faisal, as Prime Minister and Foreign Minister. In the beginning, King Saud was able to have full control of the government. But his brother, Crown Prince Faisal, began to gain some ground. By 1962, Faisal had complete control over the government, leaving little power to his brother the King. Paying more attention to the needs of the country at that time, Faisal announced his Ten-Point reform program which set the stage for the Five Year Development Plans that started in 1970 (The Middle East Journal, 1963, p. 161). In March of 1964, Faisal was able to oust his brother Saud as King and proclaimed himself as King and Prime Minister.

King Faisal was assassinated in March 1973 by his nephew, Prince Faisal Ibn Mosa'ad, under conditions that have not been revealed. Crown Prince Khalid Ibn Saud,

Faisal's brother, succeeded him as King. Saudi Arabia saw tremendous social and economic development. King Khalid died in July 1982 and his brother Fahd, the present King, assumed the throne. Fahd is the fifth member of the Royal family to serve as King since the unification of the country in 1932.

On the administrative side, up to the early 1950s, the Saudi government had very limited functions because of its tenuous political control of the country. Those functions did not exceed the political goals of that period, namely the unification of the country under the name of the Saudi family, the formation of the state (El Mallakh, 1982, pp. 93-99), and the assurance of security and order as necessary conditions of the first two goals (Al-Awaji, 1971, p. 41). The administration that marked this period was designed simply to facilitate the realization of these political goals. This meant that the administrative system was neither centralized nor unified. The government had to adapt its rule to the existing forms of community organization. Some of these communities were highly traditional and almost patriarchal in the way they organized their daily activities. Others like the Hijaz region were more developed in the domain of administration because of its status as a place of pilgrimage.

Traditional Communities

Describing its traditional communities is necessary to shed the light on the situation in the early days of the country. Saudi Arabian society has always been markedly tribal. This means that the tribe has been the framework through which all legal, political, and personal problems and affairs are carried out and resolved. At one

time, each tribe was almost a micropolitical entity (El Mallakh, 1982, p. 94) in itself, with religious leaders, chiefs, merchants, and even a literate group. The religious leaders and chieftains took care of the day-to-day business of solving conflicts, providing legal and political legitimacy to acts, rituals, and all aspects of their respective communities. Of course, the needs of those communities were limited, especially in that outside the frame of the modern state, which makes people subject to complex systems of self-definition, most people did not need complex systems to administer their daily affairs.

What makes things somewhat simpler and easier at the tribal level is the existence of the extended patriarchal family. This traditional family unit provides legal and political cover for its members, but reduces the number of needs and required services by attempting to be self-sufficient, autonomous, and quasi-cooperative. The head of the family, like the chieftain, has almost absolute power. But as such, he ensures the well-being of the members of his unit. A family is the smallest unit of a tribe. Its leader is responsible for his family members. He represents them to the chieftain of the tribe in matters that concern the whole community.

This was the situation in the countryside. In semi-urban centers, big villages, and seaport towns, the situation was different. Legal and administrative matters were more complicated because of the various needs of urban life, with its excise taxes, real-estate transactions, trade, and education. Administrators consisted of judges, counsellors, comptrollers, and accountants. In the coastal towns that were under Ottoman rule, some of these functions were performed in whole or in part by army officers, official religious

leaders, or representatives of the Ottoman Emperor. Prior to the unification of the country in 1932, each province was running its administration differently according to the influences that it was subjected to. But the main players in the development of the administration were the two major provinces, Najd and Hijaz. These two provinces were more important than the others because Hijaz was administratively and educationally more advanced than the other regions and Najd was the center of the government and the rule of King Abdul Aziz. Riyadh is still the capital and the center of the government. The other two provinces, Asir and Al-Hasa, followed the same pattern of administration as practiced in Najd.

Administration of Najd

Najd, the central province, was educationally and administratively the most backward of the provinces. King Abdul Aziz began his rule from there. His main concern was the defense of his rule against the rival tribes in that region. To establish a modern administrative apparatus was not one of his priorities. He followed a pattern of consultation with his family members, advisors, loyalists, and the religious leaders to manage the affairs of the country. There was no civil service or any modern government agency. He recruited all of his civil servants through a trustee system that limited selection to his followers and members of other tribes loyal to him.

King Abdul Aziz appointed clerks and religious people to administer the courts. In the towns, there were governors who were appointed by the King. Those governors, the judges, and the financial officers carried out the daily administrative tasks without

following written laws, regulations, or standard procedures (Al-Tawail, 1970, p. 14). So, in general, the administration in this region as well as other regions was very basic and awkward except in Hijaz. Ruyhani said that (Ruyhani, 1960) when he visited King Abdul Aziz in Riyadh in 1922 and 1941. He found that "the situation was so miserable that [he] suggested to the King creating jobs for those idle people in order to make them productive people" (p. 96).

Administration of Hijaz

The situation did not begin to change until the mid 1950s . With the arrival of the oil industry, the strategic and political importance of Saudi Arabia made it urgent to unify the country and spread governmental control over the furthestmost regions of "ungoverned" Arabia. However the Hijaz province was different. Being the locus of the two holy cities, Makkah and Medina, to which millions of people come for pilgrimage every year, Hijaz has a special administrative history of its own. Throughout the centuries, these two cities, in addition to Jeddah, the coastal city where most pilgrims' ships embark, had to develop a sophisticated system of services to cope with the growing number of pilgrims. In the modern age, however, and with the development of faster means of transportation, like the plane and the steam ship, the number of pilgrims took on exponential dimensions. To be able to deal with the needs of hundreds of thousands of people who came to the Hijaz region at one time, the Hijazis looked to Egypt and Turkey for more developed systems of administration. These included ways of dealing with the questions of water distribution, rent and housing, conflicts between

pilgrims and among pilgrims and local merchants and real estate owners, as well as travel problems, food supplies, legal advice and counselling, specialized courts, and health.

The experience of Hijaz made it play an important role in the administrative politics of the then burgeoning Saudi state. In fact, the unification of the administrative system of Saudi Arabia was no more than an expansion of the Hijazi administrative experience to other parts of the country. Hijaz also produced the first council of deputies. Presided over by the Viceroy, who was the actual governor of Makkah, and comprising his adviser and six deputies, the council had both legislative and executive powers. It decided on matters pertaining to the general well-being of the holy cities as well as matters of pilgrimage in general.

Because of the influence of pilgrims coming from other countries, and that of Turkey and Egypt, Hijaz also had more experience in secular education (Al-Awaji, 1971, p. 47). Most other regions promoted mainly a religious education, basically stressing the learning of the Quran and what is generally called religious science in addition to theological sciences, especially of the Hanbali doctrine, a very strict and sometimes purist dogma of interpretation (as opposed to the Maliki and Hanafi doctrines). This meant that Hijaz more or less kept up with the social, legal, and administrative systems of other countries in the Middle East, but the other regions had a somewhat primitive form of organization up until the mid-1950s.

With the consolidation of the government and the expansion of some services to cover the whole country, new specialized agencies were created to deal with that

development. Ministries of Foreign Affairs, Finance and National Economy, and Defense and Aviation were established in 1931, 1932, and 1934 respectively (Abu-Sham, 1982, p. 27).

Basic Reorganization of the Structure: 1949-1953

Before the 1950s, Saudi Arabia had no central administrative system as it did not have a strong central government. On the political level, the country was run by means of alliances that cut through the tribal system, and allegiances between the ruling family and governors on the one hand and tribal chieftains and noble families on the other. Administration was mostly *ad hoc*. When need be, administrative matters were handled by special advisers of the governor or of powerful men of the community.

In the 1950s, however, the government became more active and began to exert more direct control over the daily affairs of the population. By the 1930s, the country was unified under the rule of Al Saud (more specifically the Third House of Al Saud) (AL-Farsy, 1990, p. 15). It got its official name in 1932 and signed the treaty of Taif with Yemen in 1934 ensuring its borders with the latter. It is this sense of political unity and well-being that paved the way for the changes in the 1950s. But the changes also were due to the growing role of Saudi Arabia in the world economy. The discovery of oil made it imperative to provide a better and more sophisticated organization for the government and its agencies. The rise of nationalism in the Arab world--in Egypt, North Africa, Syria and Iraq--made Saudi Arabia look to its own national institutions and national characteristics. The strategic importance of Saudi Arabia and other Gulf

countries in the Cold War, especially in that nationalist Egypt was seeking alliances with the Eastern Bloc, led to the need for a strong, centralized government with a rational division of power and a strong and central administrative system that could contribute to the country's unity.

The 1950's were a watershed period in the "centralization, standardization, and development of modern bureaucracy" (Al-Awaji, 1971, p. 42). Centralization meant that all decisions concerning policy, legislation, and execution came from the Council of Ministers established in 1953 with the King as its head. This was a necessity founded in the growing economic and strategic role of the country. It was also a political requirement that ensured the process of government through the control and the unification of the procedures on which modern states are built. More institutions were created to deal with growing demands, including ministries of the Interior in 1950, Health in 1951, Education in 1953, and Communications also in 1953.

Development of Structure: 1954-1973

Now that the country's passage through the first stage of state formation has been discussed, it is appropriate to emphasize its distinguishing characteristics:

1. Reliance on an historical Hanbali-inspired Wahhabist brand of Islam, purist in its dogma, literalist in its interpretation, and highly conservative in its social tenets. The most powerful group which produces the judicial, theological, and exegetical corpus which makes up this ascetic Islam are the *Ulama*, a group of theologians made up of men with specific political, ideological, and religious views that are in tune with those of the

ruling family and mainstream Saudi Arabia.

2. The governing of the country is ensured by a numerically large ruling family descended from the founder of Saudi Arabia, King Abdul Aziz.

3. A political system built on an allegiance of tribes, traditional elites, and the religious community.

This list of characteristics is not exhaustive, but it shows how administration is also affected by these factors. The country's puritan, socially, and ideologically motivated interpretation of the Quran means that women are barred from administration and, if allowed, it is only in gender-divided institutions. The Saudi administration knows no gender-based competition. Tribal loyalty takes precedence over values such as fairness, punctuality, and the like. Nonetheless, Saudi Arabian administration made a big leap in the 1950s and 1960s. This period saw the constitution of the Council of Ministers (1953), one of whose functions was the developing institution of a bureaucracy capable of dealing with the needs of a growing society and economy. This was not as easy as it may seem, even though the country was becoming richer and richer. Unlike other Arab countries, Saudi Arabia then had a small number of educated people, technicians, and professionals. The population was mostly rural, living in valleys, villages, and semi-rural towns. The urban population was not qualified to take on the daily business of administration. Another factor that thwarted desirable development in the domain of administration was the financial crisis of the early 1950s, which was due to the inexperience of the new governing elite and their inability to competently administer the exploitation of natural resources.

When the crisis became unbearable, the government sought the advice of the International Monetary Fund (Al-Mutairi, 1987, p. 27). The failure of the latter due to its inability to view problems outside the Western paradigm of administration led to the decline of Saudi administration, especially as far as financial matters were concerned. The government then resorted to the World Bank, which issued a series of recommendations that were supposed to lead the country out of its crisis (AL-Mutairi, 1987, p. 27). Among these recommendations were the following:

1. The need for a complete economic plan (Al-Mutairi, 1987, p. 27). The plan could be supervised by "a High Council of Planning" which was directly related to the Council of Ministers (Al-Mutairi, 1987, p. 27). A complete plan would provide a sense of vision and achievement and an opportunity for reevaluation on a temporal basis. The fact that there was a council supervising the plan shifted accountability from the political sphere, if it were carried out by the government, to purely administrative and economic sectors.

2. The need for administrative personnel. The education and training of professional and technical manpower would not only lead to an administrative culture but to a sense of community, know-how, and accountability.

3. The need to reform the administrative organization of government agencies, most of which was accustomed to functioning according to a mixture of traditional and modern principles; they lacked efficiency and well-specified goals.

These recommendations were not implemented, because in the case of Saudi Arabia, unlike other Arab countries which have inherited the administrative structure of

the colonizer, there were striking shortages of expert and technical manpower. It was a vicious cycle. One needs competent personnel in order to reform but in order to have personnel one has to reform administration.

In 1959, the government went to the technical assistance resources of the United Nations. On April 13, 1960, Dr. Mohammed Ramzi, a United Nations expert in administration, arrived in Saudi Arabia. His arrival marked the beginning of administrative reforms resulting in another set of recommendations:

1. The need for an institute for public administration whose goal would be to recruit, train, and retrain public employees.
2. The need to send students and future administrators abroad to get degrees and experience in public administration.
3. The need to simplify procedures in government administration (Al-Mutairi, 1987, p. 28).

In 1963, at the request of the Saudi Government, the Ford Foundation was employed to study and assess the administrative system of government institutions (Al-Mutairi, 1987, p. 28). The Ford Foundation formed four specialized administrative groups: (1) The Financial Administrative Group; (2) the Organization and Method Group; (3) the Training and Manpower Group; and (4) the Personnel Administration Group. Each of these groups had as an objective the study of an aspect of Saudi administration. All of these groups' reports were used as a basis for the recommendations that the Ford Foundation submitted to the Saudi government.

By following the recommendations of the United Nations, the Ford Foundation,

and other experts in the field, the Saudi government was able to begin the process of modern administrative development. Institutions were formed, professionals were trained, and a period of serious administrative reform began.

Among the institutions founded during this period were:

- The Institute of Public Administration (IPA) in 1961.
- The Supreme Committee for Administrative Reform in 1963.
- The Central Organization and Management Department in 1964.

Other new ministries were also formed: the Ministry of Petroleum and Mineral Resources in 1960, the Ministry of Labor and Social Affairs in 1961, the Ministry of Pilgrimage and Endowments in 1962, the Ministry of Information in 1962, the Ministry of Agriculture and Water in 1964, and the Ministry of Justice in 1970, along with institutions and administrative bodies that are independent of these ministries. The General Personnel Bureau (now the General Civil Service Bureau) was reorganized and given more power to enable it to improve the administration of personnel affairs and increase its effectiveness.

By the early 1970s, the Saudi bureaucracy had become full-fledged and numerically adequate to serve the needs of the country. The whole government was then comprised of "thirty four independent and semi-independent ministries and organizations and sixty eight governmental departments and bureaus" (Murshid, 1978, p. 113). All were subject to the authority of the Council of Ministers in administrative matters.

This era also marked the start of the Five Year Development Plans, each of which has a five year span starting from 1970 and ending in 1995. The plans are aimed at

raising and improving economic, administrative, and social conditions in the country.

The Modern Administrative Period: 1974-1990s

Oil production and prices skyrocketed in the early 1970s, which meant a sharp increase in Saudi revenues. This situation created the need to expand government functions and services. So, massive changes and modernization of administration were launched, beginning with the First Five Year Development Plan (1970-1975). The Second Five Year Development Plan (1975-1980) followed and stressed the development of human resources. These two Five Year Development Plans lasted for ten years and basically called for the following:

1. Maintenance of a high rate of economic growth by developing economic resources, maximizing earnings from oil over the long term, and conserving depletable resources.
2. Development of human resources through education, training, and raising the standards of health.
3. Increasing the well-being of all groups and fostering social stability under circumstances of rapid social change.
4. Development of the physical infrastructure to support achievement of these goals (Ministry of Planning, 1975, p. 1).

Relating the above to productivity and the efficiency phenomenon, the education and training called for in the plans are vital: "The enormous education program intended by the government is one *essential* of increasing efficiency of the work force at all levels" (The Wall Street Journal, 1975, in Al-Farsy, 1990, p. 152).

These important developments required the creation of an apparatus that could carry out massive changes. In response, six new ministries were created in 1975: the

Ministry of Planning; the Ministry of Commerce; the Ministry of Post, Telegraph, and Telephone; the Ministry of Municipal and Rural Affairs; the Ministry of Higher Education; and the Ministry of Housing and Public Works (Al-Farsy, 1990, pp. 52-81). Thus, the total number of ministries reached twenty. Creating the new ministries added six more members to the Council of Ministers and made it even more powerful.

As more services were needed and government functions expanded, new agencies were added to cope with the expansion. In 1977, the Civil Service Board was established under the chairmanship of the President of the Council of Ministers. In the same year, the General Personnel Bureau was given an independent status under its new name, the General Civil Service Bureau, and more authority and responsibilities. Its functions are explained later on in this chapter. In that year, a new program was embarked on called the Training Policy. This policy provided incentives to employees who were to be trained, and all government agencies were required to submit their annual proposals for training. That policy had the following objectives:

1. To offer training for Saudis to upgrade their qualifications and fill vacant positions or replace non-Saudi government employees.
2. To improve performance standards of government employees and improve their organizational climates.
3. To train employees to adapt to new work situations and use new work equipment and material.
4. To retrain employees who transfer to new positions (Abdulkader, 1980, in Alsaud, 1986, p. 255).

As a result of this massive program, the training of employees was increased dramatically.

In 1975, the number of government employees trained by the Institute of Public Administration was 911. The number jumped to 2,574 by the end of 1979 (Abdulkader, 1980, in Alsaud, 1986, p. 255). As the demand for development grew, the demand for reforms also increased, and the Third and Fourth Five Year Development Plans were introduced (1980-1990). The Third Five Year Development Plan (1980-1985) was distinguished by its determination to continue what was started by the previous plans. Under this plan, manpower development was given the highest national priority, and the following objectives were established:

1. To introduce, where necessary, basic changes in government administration to attain optimum utilization and performance of manpower and ensure that all managerial and administrative positions are held by Saudi citizens.
2. To increase the total number of available manpower, increase the productivity of manpower in all sectors, deploy manpower in those sectors with greatest potential for growth, and reduce dependence on foreign manpower (The Third Five Year Development Plan, in Al-Farsy, 1990, p. 158).

From the above outline, it is evident that the most important plan that concentrated on human resource development was the Third Five Year Development Plan.

In the early months of 1985, the Ministry of Planning announced its Fourth Five Year Development Plan (1985-1990).¹ This plan is considered to be a continuation of the third. But at the same time it carries its own themes. From the productivity point of view, the Fourth Five Year Development Plan is concerned with human power development. It concentrates, among other things, on the following:

¹ It should be noted that in all the development plans the dates overlap. This is because of the lunar calendar that the country follows.

1. Paying more attention to the efficiency of operations and usage of the Kingdom's resources and facilities.
2. Forming productive citizen-workers by ensuring their livelihood and rewarding them on the basis of their work.
3. Developing human resources, thus ensuring a constant supply of manpower and upgrading and improving its efficiency to serve all sectors.
4. Continuing the development of Saudi manpower through the evaluation of education, training programs, and curricula.
5. Utilizing technology in all public service sectors through mechanization and use of advanced technology.
6. Developing appropriate administrative organizations to serve the new needs of the community.
7. Having all government departments that administer public services make economic efficiency a fundamental objective by adopting two basic principles. First, the cost of producing such services to the Saudi community should be reduced, and second, the price of such services should not be less than production costs, except in rare cases and with the proviso that the prices should be reviewed periodically (Al-Farsy, 1990, pp. 150-164).

There is no doubt that the Fourth Five Year Development Plan ascertained the importance of developing the administration toward improving productivity as well as human resources.

The last of the long term plans is the Fifth Five Year Development Plan (1990-1995). As with most of the objectives laid down in the previous four plans, its concentration is on the administrative, economic, and social development of the country. Most of the infrastructure is ready and developed. So, the emphasis of the Fifth Five Year Development Plan shifted toward encouraging the private sector to build upon the economic foundations laid down by the government. On the productivity side it is based

on the following principles:

1. To form productive citizen workers by ensuring their livelihood and rewarding them on the basis of their work. (It should be noted here that this point was asserted in the Fourth Five Year Development Plan as well.)
2. To develop human resources, thus ensuring a constant supply of manpower, and upgrading and improving its efficiency to carry out the requirements of the national economy (Ministry of Planning, in Al-Farsy, 1990, p. 165).

What has been achieved as a result of these plans is a different story. It is difficult to assess productivity or the quality of services. But in general, the trend has been that services and efficiency have been improving, although serious problems remain.

It should be noted here that this period in the history of Saudi administrative development is the longest and most successful one. In it, much effort was exerted to develop the administration, improve the productive capacity and efficiency of the work force, and develop human resources in general.

BASIC DESCRIPTION OF THE SAUDI ADMINISTRATIVE SYSTEM:

STRUCTURES AND FUNCTIONS OF THE GOVERNMENT

Having discussed the historical background of Saudi Arabia and the development of its administrative system, it is important to provide a basic description of present Saudi governmental arrangements. This is followed by a discussion of some social, cultural, and administrative values that affect productivity. Such a description will help

in the analysis of how the government functions, how power flows, what determines the specialty of each institution, and the boundaries that set institutions off from others.

The Council of Ministers

Authority and power in Saudi Arabia, as is the case in most developing countries, are vested in the hands of an elite which controls decision making. There is no clear-cut distinction between performance of legislative and executive functions. Power and authority are concentrated in the Council of Ministers, with its members appointed by the King who is the President of the Council, the Prime Minister, and the chief of the administrative, political, and judicial branches.

Created in 1953, the Council of Ministers is the most important decision-making body in Saudi Arabia after the King. Historically, it heralded the final stage in the process of state-building begun in the 1920s. The Council of Ministers replaced the older bodies or merged them into a politically well-defined unit. Unlike the Council of Deputies, which functioned in running the affairs of the Hijaz region, the Council of Ministers deals with the "central administration of the whole country" (Al-Farsy, 1990, p. 43). This development was a sign of the country's unity and political stability. It symbolized administrative maturity as well: "Since functions were being assembled under new ministries, it remained for the ministries to be assembled into a coordinating body" (Harington quoted in Al-Farsy, 1990, p. 43).

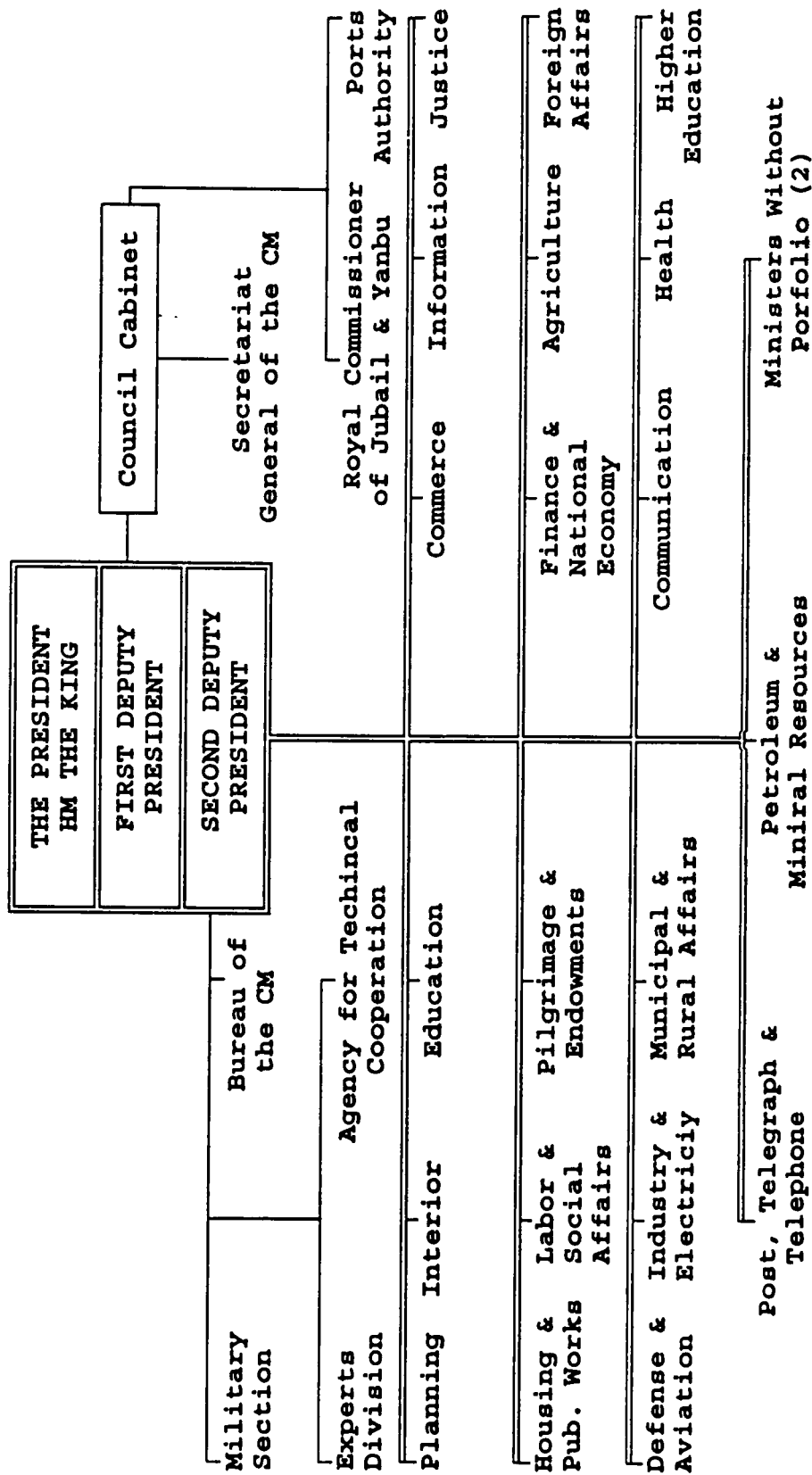
The Council was constituted following a decree by King Abdul Aziz on October 9, 1953. The decree spelled out how the Council should be organized, its jurisdiction

and procedures, and the jurisdiction of the president and the various divisions of the Council as indicated in *Figure 4.2*. The president of the Council is the King, and in his absence, the Viceroy (the Crown Prince) assumes the presidency. Members of the Council are the ministers, the King's advisers, and "those whose attendance at the Council of Ministers is desired by his Majesty, the King" (Decree 1953). In 1958, the Council was given the power to vote on policy issues. This changed the Council from an advisory body to an executive and legislative entity.

The Council deals with the internal and external affairs of the country, but any decision it makes has to be sanctioned by the King before it can be considered binding. The King has important roles extending from supervision of the Council, the ministries, and public enterprises to the issuance and execution of Royal orders, decrees, and the supervision of the process of budgeting. The major functions of the Council are very specific:

1. To approve the budget.
2. To approve international treaties and agreements.
3. To approve contracts, concessions and regulations.
4. To authorize foreign companies to operate in the country.
5. To resolve disputes in which the state is a party.
6. To appoint and discuss new directors of departments and high officials as well as create new positions and jobs not included in the budget.

These functions show how the Council plays both a legislative and an executive role in the administration of the country. Other decrees and orders that are beyond these mentioned above are purely the responsibility of the King.



Adopted from: Al-Farsy, Fouad. Modernity and Tradition: The Saudi Equation. London, England: Kegan Paul International. (1990) p. 49.

Figure 4.2: The Council of Ministers

In regard to procedure, "two-thirds of the members should constitute a quorum for a meeting and its decisions are to be voted on by the majority of members present." (Al-Farsy, 1990, p. 46). Majority rule applies in most cases, but the King has the final say in all cases and has veto power that cannot be overridden. The Council meets regularly, but the King can call a meeting at any time. The Council's deliberations are not public, but its decisions can be made public unless it decides to keep them secret (Al-Farsy, 1990, p. 47).

The Ministries

Up until the 1950s, the functions of the government and the needs of Saudi society were limited, as stated previously. This is reflected in the fact that at that point, there were only three ministries in the Saudi government. Now there are twenty one. These ministries are equivalent to executive departments in the United States.

A ministry is headed by a minister who is appointed by the King and accountable to him. Ministers are members of the Council of Ministers and they essentially perform policy and political functions. Day-to-day administration of each ministry is the responsibility of one or two deputy ministers. While ministers are appointed by the King, the deputies are appointed by the Council of Ministers. Ministers depend on the advice and recommendations of these high officials in making decisions. But the officials base their judgement on the reports they get from the heads of the various departments and agencies that make up the ministries.

A ministry is comprised of specialized departments, agencies, and staff divisions

such as finance, personnel, planning, internal administration, and inspection. These specialized departments are responsible for carrying out the role assigned to the ministry by the government. Each ministry, especially those responsible for providing services to the public, has many branches in various cities in the Kingdom. There is no pattern of organizational structure that each ministry must follow. That depends on the responsibility of each one. Abdul-Mauti Assaf (Assaf, 1983, p. 120-122) describes the structure as having long chain of command and extensive centralization that makes carrying out tasks tedious and time consuming. Ministries are the largest public employers in the country.

Independent Departments and Bureaus

These are institutions which are not dependent on any ministry. They are smaller in size than ministries. Their structure is less pyramidal and administratively less centralized. Therefore carrying out tasks is more efficient. They are directly accountable to the Council of Ministers and the King. There are several, but the most important are the following: the General Civil Service Bureau, the Bureau of the Comptroller-General, the Grievance Bureau, the National Guard, the General Presidency of Youth Welfare, the General Presidency of Girls' Education, and the Investigation and Control Board. The independent agencies function like the ministries, but they have very specific roles and well-defined objectives. They are normally created to meet a certain objective that the government specifies and that is difficult to achieve through any of the ministries, because it falls outside their domain of specialization.

Public Enterprises

Public Enterprises are establishments that function like firms or companies but are adjunct to specific ministries. They are run by a board of directors chaired by the minister in charge. Some of these companies are highly competitive and measure their success by the amount of profit they make. So it is evident that the need for high productivity in them is greater than in most governmental ministries and related departments and bureaus. They generally enjoy a certain freedom in administration, recruitment, and regulations in order to be able to compete and make a profit. The most striking example of this kind of profit-making public enterprise is the Saudi Arabian Airlines. Public enterprises which are essentially non-profit, for example the Saudi Red Crescent Society, have a basically humanitarian or social role. Public enterprises have the following advantages:

1. They avoid the complicated routines of the ministries and enjoy flexibility in developing and implementing their plans.
2. They enjoy independence from the ministries, which helps employees effectively accomplish their targeted plans. This means that these agencies have special incentives that can promote productivity improvement.
3. They get special budgets that help them to attract qualified personnel and to compete with the private sector (Al-Mutairi, 1987, pp. 243, 244).

The Reform Agencies

As administration develops, new problems, needs, and situations arise. To deal with these situations, the government resorts to the creation of agencies and bodies whose function is to study and administer reforms in the domain of administration and other sectors of society. During the last thirty years, the Saudi government has created many agencies, each of which was meant to deal with a specific problem that emerged in the domain of public administration.

Even though these agencies have realized some progress in reforming the administrative machine, more is needed. These agencies did not always perform as expected, because of weak coordination, a lack of cooperation, and the absence of cohesive plans for administrative reform. The following discussion will consider only the most important of these bodies.

The Supreme Committee for Administrative Reforms

This reform committee was created in 1963 by Royal Decree No. 38. It is headed by the King and the membership consists of five ministers. Its creation was a response to a recommendation of the Ford Foundation. The goal set for it was to improve the organizational structure of government agencies and to coordinate efforts to create a unified and standard administrative system (Al-Kahtani, 1982, p. 43). The committee also coordinates the work of and acts as a liaison between the Council of Ministers and various ministries, departments, and agencies, including the Ford Foundation, which supervised the administrative reforms of the 1960s and early 1970s

(Al-Kahtani, 1982, p. 43). In fact, the committee was established to study the applicability of the recommendations of the Ford Foundation. In that sense, it is like a counselling body which studies and issues opinions and ideas about administrative reform.

A subcommittee called the Administrative and Preparation Committee is attached to the Supreme Committee. This subcommittee is headed by the Director General of the Institute of Public Administration and membership includes the Vice President of the General Civil Service Bureau and the Director of the Central Organization and Management Department. The main functions of this subcommittee are:

1. To study the recommendations and suggestions given by all government agencies.
2. To make suggestions to the Supreme Committee for Administrative Reform pertaining to administrative development.
3. To organize teams to study and to complete research regarding administrative development (Al-Tawail, 1980, pp. 10-11).

This committee submits its recommendations to the higher committee for approval and/or modifications.

One of the committee's most important decrees, No. 151, was put forth in 1985 and is related to the productivity phenomenon. It was a master plan toward improvement of the administrative system, especially in connection with those agencies that deal with people on a daily basis such as Passport and Identifications, Bureau of Motor Vehicles, and so forth. This plan was for the period from 1985 to 1990, the time frame of the Fourth Five Year Development Plan, and stressed the following:

1. Easing the routines and utilizing human and material resources toward

achieving productivity improvement.

2. Implementing general directories for those agencies that specify the functions and procedures of all paperwork.

3. Surveying the needs of all government agencies that are in desperate need for modern equipment to improve productivity.

4. Surveying the manpower needs of various government agencies.

5. Continuing the reorganization of government agencies as necessary.

6. Specifying the time span of this plan for five years starting with the Fourth Five Year Development Plan (Al-mutairi, 1987, pp. 94-96).

Thus this agency is the most important body regarding productivity improvement and administrative reforms.

The General Civil Service Bureau

This bureau is the principal body in the area of civil employment. Created in 1953 under the title, General Personnel Bureau, it did not previously have as much power as it does now because it was not independent, but attached to the Council of Ministers. In 1958, a Royal Decree was issued establishing the new civil service rules that replaced the older ones. Prior to this decree, employment was decentralized. Each ministry had its own regulations regarding employment and other civil service affairs. In 1971, a Royal Decree was issued to establish a new code for the Bureau. This decree established the following guidelines:

1. The Bureau is an independent government agency vested with responsibility for all personnel affairs and reports directly to the President

of the Council of Ministers.

2. The General Director of the Bureau was to be appointed by the King and given the title of "minister."

3. The Bureau is fully responsible for all personnel matters within all ministries and other government agencies.

4. It has full power to make suggestions and regulations regarding all civil servants and to have final authority to supervise the implementation of all civil service laws.

5. It has the power to establish requirements for employment by conducting all required tests; by evaluating and classifying all positions; and being responsible for recruitment, duties of public officials, salaries, leave, vacations, and termination of government workers (Al-Mazyad, 1972, in Al-Kahtani, 1982, p. 49).

In 1977, the Bureau was given more authority and responsibility and became more independent. Its name was changed to the General Civil Service Bureau. But now the General Civil Service Bureau, the central authority regarding employment, is directly attached to the Council of Ministers and is responsible to the Civil Service Board which is the supreme policy-making body concerning civil service matters. This gives it the power and independence that it needs to develop and implement many regulations and laws governing government employment. These added functions are:

1. Manpower planning for the entire civil service system.
2. Distribution of available manpower within the government.
3. Enforcement of civil service regulations.
4. Coordination and improvement of government training activities.
5. Evaluation of all government employees.
6. Maintenance and control of records on all government employees.

7. Development and operation of a manpower data system.
8. Assisting the ministries and government agencies in the improvement of their personnel and manpower capabilities (Ministry of Planning 1980, in Al-Kahtani, 1982, p. 50).

In 1982, a new classification system was created that categorized government jobs into ten categories based upon the nature and type of duties, responsibilities, and qualifications required for filling them. The new categories are as follows: (1) general specialist jobs; (2) general teaching jobs; (3) general diplomatic jobs; (4) general administrative jobs; (5) general assistance jobs; (6) general operational jobs; (7) general intellectual and social jobs; (8) general religious jobs; (9) general auxiliary jobs; and (10) general vocational jobs (Al-Kahtani, 1982, p. 51).

The requirements for filling each category are different. Each has its own distinctive features and experience in one is not transferrable to another for the purpose of promotion. Employees must spend at least two years in a grade before they are permitted to take any competitive examination for the purpose of promotion. "The new classification system is a new effort to increase productivity within the civil service and to improve the whole system of recruitment" (Al-Kahtani, 1982, p. 52). This system is designed to limit fast advancement in the civil service without the acquisition of sufficient experience. In addition, the new system stressed the specialization phenomenon; employees have a continuation in the same career. This is intended to lead to the productivity improvement in the long run.

Even though the civil service laws, regulations, and recruitment procedures are centralized, many loopholes and problems exist. Favoritism and connections still play

a major role in employment, especially for higher positions, because procedures for employment involve interviews that are used as screening devices. There is a lack of coordination between the Bureau and other government agencies and there is no defined plan for projected personnel needs and training to meet the ever present shortages of qualified indigenous employees.

The government has been trying to improve the administrative system in general and the General Civil Service Bureau in particular. In the Fourth Five Year Development Plan (1985-1990), a master plan was set forth to improve the Bureau. The plan includes the following objectives:

(1) Insuring that the Civil Service is appropriately staffed; (2) seeking greater efforts by Civil Service employees to increase its capabilities; (3) defining job specifications and reward systems; and (4) increasing civil service career opportunities (Fourth Five Year Development Plan, 1985, p. 310).

In general, the General Civil Service Bureau is improving more than ever before. But high officials usually have strong connections and can influence the decision-making of the Bureau. Appointments and promotions of relatives and friends are usually influenced by these high officials. If some of the above-mentioned loopholes can be eliminated and the meddling by high officials in the affairs of the General Civil Service Bureau is stopped or reduced to a minimum, the future for civilian employment in general and the system in particular improves.

The Civil Service Board

The Civil Service Board was created in 1977 under the chairmanship of the President of the Council of Ministers, the King, with a membership of five ministers including the President of the General Civil Service Bureau, who is in a ministerial status, and three other experts. They are all appointed by a Royal Decree for three years. Within this board, there is a Preparation Committee. It has four members, the Director General of the Institute of Public Administration, the Vice President of the General Civil Service Bureau, the Director of the Central Organization and Management Department, and the General Secretary of the Civil Service Board (Al-Mutairi, 1987, p. 82). Its main function is to study and prepare recommendations that are presented to the general meetings of the Board.

This Board serves as the supreme policy-making body concerning civil service affairs in all ministries and government agencies as well as productivity improvement in the civil service generally. The main functions of this Board are as follows:

1. To create and develop the civil service system in an orderly manner.
2. To issue regulations governing the civil service and offer opinions on some civil service problems when they occur.
3. To develop human resources and enhance productivity through the establishment of a proper and sufficient training system and regulations.
4. To cooperate with government agencies by drawing up general policies for the civil service and the devising plans and programs to be carried out.
5. To analyze job classifications.

6. To analyze wages and salaries, to make suggestions regarding changes in the organization of methods of payment, and to study fringe benefits for government employees (Al-Tawail, 1980, pp. 10-11).

Even though there is overlapping in the functions between the General Civil Service Bureau and the Civil Service Board, there are distinctive differences. The Civil Service Board is the highest authority in the country regarding civil service matters. It is headed by the King and has legislative power. On the other hand, the General Civil Service Bureau is headed by a president who has the title of minister. The General Civil Service Bureau is responsible to and reports directly to the Civil Service Board.

The Institute of Public Administration

One of the essential needs of developing countries is the capacity to deal efficiently and swiftly with administrative problems and develop bureaucracies capable of carrying out developmental plans. One of the means to fulfill these needs is the establishment of institutions that can devise plans to raise the skills and qualifications of employees through training and other academic means.

One of these important institutions in Saudi Arabia is the Institute of Public Administration which is an independent government agency. It was established by Royal Decree No. 93 in April 10, 1961 (Al-Mutairi, 1987, p. 265) as a result of recommendations by the 1960 United Nations' mission to Saudi Arabia to study the country's administrative problems at the request of the government. The IPA is headed by a Board of Directors consisting of the Minister of Finance and National Economy as

president, and the members are the Deputy Minister of Finance and National Economy, the Director General of the IPA, the Deputy Minister of Education, the Deputy Director of King Saud University, and the Director General of the General Civil Service Bureau's Administration Department. The Board is responsible for formulating general policies for the Institute and supervising their implementation.

The IPA's operations are directed toward facilitating development of the administrative system and raising the qualifications and skills of many public and private sector employees of Saudi Arabia and other Arab world countries. The Institute is one of the most active agencies that is oriented toward improving productivity through training programs. Its functions include the following:

1. To raise the degree of efficiency among government employees.
2. To prepare those employees in a practical and scientific manner, so that they are able to shoulder their responsibilities and exercise their authority in a fashion which will lead to higher administrative standards and consolidation of the foundation of the country's national economy.
3. To organize training courses.
4. To participate in the administrative organization of government.
5. To render advice on all administrative problems submitted by various ministries.
6. To conduct and encourage research in the field of administrative affairs.
7. To strengthen cultural relations in the realm of public administration (Al-Farsy, 1990, p. 88).

The IPA is divided into six major functional divisions: (1) manpower development, (2) administrative consultancy, (3) administrative research, (4) information

services, (5) employment and training, and (6) projects. The division most closely connected to productivity improvement is manpower development. Its programs include:

1. Senior Management Development: This program seeks to acquaint senior government and Gulf Co-operation Council (GCC) officials with trends and developments in their areas of responsibility.
2. Pre-Service Training: This program is conducted for new civil service employees who are recent graduates.
3. In-Service Training: This program's aim is to develop skills and capacity among government employees in common administrative specialties.
4. Special Purpose: This program arranges for training to meet needs not met by continuing programs.
5. English Language: This program was developed to help ensure that scholarship holders going to English-speaking countries for study will possess sufficient competence in English.
6. Educational Methods: This program devises ways to support instruction at the IPA which are obtained or developed through the methods program. An array of teaching aids and audio-visual devices are available. (Al-Farsy, 1990, pp. 89-90).

While these programs have been successful in improving the skills of many employees, the problem of minimal participation by middle to higher management levels exists. Consequently, there has been an insufficient number of middle to top managers in the government whose skills have been improved through advanced training. The IPA launched many successful programs in 1990. It was able to train 9,178 employees in general skills, 450 employees in special purpose jobs, 891 employees in English from the public sector and 12 from the private sector, and performed 12 consultations to government agencies in many administrative matters (Ministry of Finance and National Economy, 1990, pp. 99-106).

The Central Organization and Management Department (COMD)

This department (COMD) was established in 1964 as a result of the recommendation of the Ford Foundation. It is a division of the Ministry of Finance and National Economy and is not an independent unit with the authority to develop and implement its recommendations autonomously, which is one of its weaknesses. This department plays two major roles. Within the Ministry of Finance and National Economy it is an organization and management unit. Some of its functions in the ministry are:

1. Solve specific procedural problems in the ministry.
2. Prepare plans to improve the ministry's management and its personnel.
3. Review requests by various departments in the ministry for new positions.
4. Periodically evaluate the tasks of the ministry to be sure that they are in accordance with the set rules and goals (Asfoor, 1983, pp. 24-25).

For the government in general, it suggests new administrative procedures, improved government organizational structure, and the like. Some of its functions include the following:

1. To study organizational methods and procedures in governmental agencies.
2. To review proposals for the creation of new governmental agencies before they are enacted.
3. To cooperate with the Institute of Public Administration in conducting special training sessions.
4. To participate with the budget department in the Ministry of Finance and

National Economy in reviewing and approving the creation of new jobs in all government agencies.

5. To review new methods and research for the purpose of efficiency improvement and better administrative routines (Al-Mutairi, 1987, p. 100).

From its inception up to 1982, the COMD helped to establish more than 15 organizations and managerial units within the ministries, each providing technical assistance to improve procedures, to review the propriety of the utilization of existing personnel, and to develop solutions to administrative problems (Al-Kahtani, 1982, p. 64).

In spite of the accomplishments of the COMD, it encounters many problems that hinder its effectiveness. The department lacks qualified personnel capable of carrying out its functions properly; it is not an independent unit that can draw support for its recommendations; there is an overlapping of its functions with those of the Institute of Public Administration; there is not enough publicity about its functions, which makes high management personnel unaware of it; and government agencies do not have confidence in it because of its lack of expertise (Al-Mutairi, 1987, pp. 100-101).

The Council of Manpower

This Council was established in 1980 under the chairmanship of the Second Deputy of the Council of Ministers. The Minister of Interior acts as deputy of the president. Its members include several ministers representing, for example, Labor and Social Welfare, Education, and Planning. Its functions are:

1. To conduct surveys regarding the manpower needs of all agencies and make

policies in accord with development plans.

2. To make policies for the distribution of manpower in an efficient way to utilize the full capacity of employees and limit reliance on foreign labor.

3. To make certain policies to enable indigenous people to replace foreign labor.

4. To improve the distribution of skilled labor.

5. To coordinate government programs for the development of human resources
(Al-Mutairi, 1987, p. 86).

Social and Cultural Influences

Developing countries often experience many obstacles that inhabit their development, even though as in the case of Saudi Arabia, much is invested in the modernization of administration. Some of these are cultural and are not easily amendable. Fred Riggs explain this clearly when he says:

It is typical in a prismatic situation for new structures--government offices, parliament, election, markets, administration, politics, economics, education, continue to be performed, at least to a considerable extent, by older, undifferentiated structures, such as the family, religious bodies, caste and communal groupings. New norms or values appropriate to the differentiated structures are given lip-services, but the older values of an undifferentiated society still retain a strong hold (Riggs, in Heady and Stokes, 1962, p. 21).

These social and cultural factors have an impact on the administrative behavior. Because bureaucracy often operates in a specific environment, it is conditioned by that environment. The nature of any administration and its processes is a product of its physical, social, and religious forces and is conditioned by these.

Although the bureaucratic elites of Saudi Arabia have been trying to modernize

and reform administration, there are still some social and cultural factors of a traditional nature that are deeply rooted in the society and stand in their way. Al-Awaji explains:

The public bureaucracy in Saudi Arabia exists in a traditional society whose role conception is primarily particularistic, meaning that public servants have the obligation to serve the interests of their special social units first. Consequently, favoritism and corruption have become not only commonplace in the daily activities of the bureaucracy, but also a socially accepted, and in some situations, a respected form of bureaucratic behavior (Al-Awaji, 1971, p. 23).

The centralization of power in the hands of a few can be traced historically to the dominance of the tribal system with its strict hierarchy in Saudi society. This system is not only in collusion with the prevailing mode of governing, but is itself an obstacle to real administrative development and reform. Family ties and tribal influence are still a burden on the society at large in Saudi Arabia. The loyalty of a family or tribe member in Saudi Arabia is usually to his relatives, not to his work place, and that has an immense effect on the employment and the performance of employees. When traditional loyalties are carried into a context where values such as fairness, punctuality, and a sense of duty are the guiding principles, productivity suffers. As Inkeles and Smith said, "A modern nation needs participating citizens, men and women who take an active interest in public affairs and who exercise their rights and perform their duties as members of a community larger than that of the kinship network and the immediate geographical locality" (Inkeles and Smith, in Heady 1984, p. 255). These traditional values have an effect on the public personnel system in general:

Saudi Arabia has faced difficult problems in its attempts to develop modern concepts and practices of public personnel administration. Attempts at improvement have been handicapped by the continuing, strong operation of cultural traits and methods. Attempts at change in personnel

administration and administrative organization and practices encounter strong obstacles which are rooted deeply in the traditional ways of the society (Al-Mazyad, in Al-Kahtani, 1982, pp. 70-71).

When the loyalty of an individual is to his supervisor because of social or cultural effects, the efficiency and effectiveness of this individual will be affected. In the same vein, Riggs (1964) elaborated on the effect of loyalty of the individual in a prismatic society and its effect on employment. He says:

Certainly if men are chosen for public office with a view to their power potential and their loyalty to supervision rather than to their profession, the result is surely a loss of administrative efficiency (p. 273).

As a result, those who are qualified and have the ability to do their jobs effectively and efficiently will not be hired.

It should be noted, however, that with the recent administrative reforms and the centralization of recruitment in the General Civil Service Bureau, this practice, which has been apparent for many years, seems to be abating.

These social and cultural factors have left an indelible mark on the way Saudis conceive of and relate to their government. Most Saudis think of their government in an opportunistic, suspicious, and cynical manner. Such attitudes became more pronounced when the government consolidated its monopoly of oil revenues. The availability of those revenues seemed to weaken, not strengthen, the notion of national interest among the Saudis:

In particular, there are identifiable bases and means of bureaucratic corruption in Saudi Arabia. First, as a result of the prevailing particularistic social values, the public spirit, or the commitment to the national interest, is very weak among the populace. People regard the public purse as a productive cow whose milk or even meat is a gift for whoever is in a position to utilize it to its maximum capacity (Al-Awaji,

1971, p. 242).

Even though Al-Awaji wrote this more than twenty years ago, it is still true in most cases. Many people still think and behave in such a manner that to some observers they appear to be irresponsible citizens.

This condition comes from the prismatic nature of all traditional societies moving toward infrastructural modernization at a fast pace without an accompanying change in the cultural sphere. Saudi Arabia is a striking example. Being a newly constituted nation-state, Saudi Arabia still functions socially and culturally in terms of relations of allegiance which are "pre-national": patriarchal, tribal, regional, and racial. This leads to a sharp conflict between, on the one hand, such universal values as public interest, common good, and national interest, which are implied in bureaucratic practice, and on the other, such traditional values as family, honor, genealogical belonging, and tribal pride. It is this disparity that makes the personal prevail over the common, the tribal over the national, the family over the nation, nepotism over democracy. Hence Al-Awaji's statement that, "It is fair to state that social organizations in Saudi Arabia mainly conceive the role of public servants as an important instrument in the realization of particularistic interests and needs" (Al-Awaji, 1971, pp. 80-81).

Overcentralization, tribal alliances, and the lack of what we may call a "national sense of interest" are joined by a scarcity in skilled manpower. Saudi Arabia has enough natural resources such as oil and minerals; it has enough resources to acquire technology, but it is lacking a major resource, skilled manpower. Given the geographical size of Saudi Arabia, the population is small: 12.3 million citizens and 4.6 million noncitizens

according to the 1992 census (Al-Jazeera Newspaper, 1992, p. 26). For politico-cultural and allegedly religious reasons, women have very limited employment opportunities. But even the remaining Saudi males, less than 50 percent of the population, cannot be counted upon to provide the required labor. Most of them are either self-employed or well-off and therefore do not consider working in salaried jobs, be it blue or white collar. The country relies very heavily on foreign labor.²

There have been attempts to deal with the problem, but the shortage of Saudi skilled workers is still striking.

Even with the intensive programs to increase the share of skilled Saudi manpower, the shortages still exist. The supply of indigenous skilled manpower has lagged far behind the country's need to continue its rapid economic and social development. Although the number of Saudi public employees increased by 89 percent, the non-Saudi employees increased by 193 percent in the last ten years (Al-Adaili, 1985, p. 28).

Without opening the door to women to take part in economic and social activities and with an aggressive educational program that trains students in technical jobs, the problem will not be solved simply by providing more material incentives for Saudis to join in the work force.

In a sense, the situation in Saudi Arabia and other Gulf countries is special; they are in a period of rapid growth and economic development which far surpasses the indigenous population's capacity to deal with it. Richard Chapman explains that plainly:

² It is of course problematical to talk of foreign labor in a newly constituted state like Saudi Arabia, especially when the sources of that labor are neighboring Arab countries who share with the Saudis the same language and religion, if not the same culture (the last one to a lesser extent). But a high percentage of foreign labor comes from Asian countries who are culturally distinct from the "native" population and can therefore be called "foreign" on the basis of cultural differences.

Rapid growth in Saudi Arabia has brought with it a growing demand for manpower at all levels, and this has led to the employment of large numbers of foreign personnel in many important areas of the economy, particularly those requiring high levels of education and training (Chapman, 1974, pp. 241-242).

As long as the Saudi economy and development rely heavily on the fluctuations of the world petroleum market, instability in the rate of economic growth and the demands for manpower will fluctuate accordingly. Stability can come through the development of economic activities that do not depend heavily on oil, which is a highly volatile and internationally politicized commodity.

But shortage in manpower is not simply a socio-structural problem; it is also partly a man-made historical fact. In the late 1950s and early 1960s, the Ford Foundation contracted with the government of Saudi Arabia to reorganize the civil service and reform the system. One of its recommendations stipulates that more emphasis should be put "on education as a basis for employment and promotion. As there were only 3,403 persons in the entire country that held a university degree in 1975" (Sindi, 1983, p. 69), that recommendation made it impossible for the recruitment of pre-college indigenous students and opened the door for the heavy reliance on foreign labor.

The emphasis on a high level of education in the recruitment of personnel was adopted in the United States in the 1950s as a response to the educational crisis that followed the Soviets' launching of Sputnik. In the Ford Foundation recommendation, this historical reaction is turned into a universal principle that should work anywhere. When the Saudis adopted it, they not only lost the opportunity of filling jobs with high school graduates and students with lower degrees which other Arab countries with longer

experience in education and higher rates of literacy (Egypt, Syria, Iraq, Sudan, and the Maghreb Countries) had after independence, but they set a high standard for recruitment and therefore lowered the level of learning in the university. With no long tradition in modern education, the odds are that if for low clerical and technical jobs you require university degrees, for highly specialized ones you need to have highly trained post-graduates which the country could not then afford.

As mentioned earlier, Saudi Arabia has been relying on foreign labor for the last two decades. Reliance on foreign labor for a long period of time is not in the interest of the country in the long run. They came for economic reasons and they will try to achieve these ends by many means. They will try corruption, connections, and the like. These are evident and on the rise in the last two decades. Introducing these practices to the work place poses productivity problems. There will be more delay and red tape because these employees will try to make routines more difficult in order to get more benefits. In addition, these practices are against the tradition and religion of the indigenous people and might create conflicts between those practices and people's principles. That does not mean Saudis are not practicing these methods, but they are less with the Saudis.

All of these factors hinder productivity and make the realization of efficiency almost impossible. Inefficiency is and can be harmful in the case of Saudi Arabia for the following reasons:

1. Because of the constant change in oil prices, the lack of improved productivity will make development and growth hostage to the fluctuations of oil markets. High

productivity will not only minimize the effect of the low oil revenues, but will also reduce the costs of extracting and processing it, which will ultimately lead to an increase in profits in spite of the low prices. Likewise, a highly efficient bureaucracy means an effective reduction in the costs of running the government. This will result first in less and less reliance on oil and a long term rise in its prices, especially if the government does not find itself forced to produce more oil in order to cover expenses.

2. Low productivity means a stagnant economy and lower standards of living. In Saudi Arabia where the public sector plays a major role in economic development, low productivity and inefficiency in government bureaucracy impede economic activity.

3. A low rate of productivity means that the country will be unable to meet the needs of a fast growing population. For religious, cultural, and political reasons, the Saudis do not have a policy to limit the growth of the population. It is hard for the government to plan ahead of time if the population does not appear to be stabilizing. The problem is compounded by low productivity because it means that the new generations will face a growing deprivation.

4. Being a high-consumption society with no industry or high technology, Saudi Arabia can only compensate for the absence of means of development by a high level of productivity. The Southeast Asians resorted to high productivity in the 1950s and the 1960s in order to make up for the absence of high technology. The result was a constant growth that allowed the countries to plan ahead of time and to ultimately acquire high-tech industries.

5. The shortage in manpower is a minus in the Saudi equation. Women (more

than 50 percent of the population) are almost all unemployed. Twenty-seven percent of the population are foreign workers. While it is feasible to extend the rights of citizenship to these foreign workers in the future to make them more motivated, as it is, the situation can only be worsened by any drop in productivity. A society so picky and choosy about who works and who does not, has to be highly productive and efficient.

Conclusion

The foregoing discussion was aimed to put Saudi Arabia in a developmental perspective. After a brief introduction to the country, its land and people, a description of the historical developments of the country, especially the struggle for unification and the formation of the political machine of governing has been provided. In the process, and because of the importance of the role of bureaucracy, the historical development of administration from early in this century to the present was divided into four eras. In describing the structures and functions of the government, it was necessary to discuss the major players in decision making, such as the Council of Ministers and the various ministries. Some government agencies have major roles in the development and reform of the bureaucracy and the improvement of productivity. Because of the relevance of these agencies to this study, many of the them were discussed. This discussion will give the reader a sense of what kind of specific institutions we refer to when we speak of productivity and efficiency in the case of Saudi Arabia. Although there have been some efforts to modernize and reform the bureaucracy, social and cultural factors of a traditional nature stand against these efforts. These social and cultural factors were

discussed to give some understanding of how they affect administration in Saudi Arabia.

CHAPTER V

MANAGERIAL PERSPECTIVES ON PRODUCTIVITY

Besides studying Western perspectives and investigating the development of Saudi Arabia, considering an approach that might be effective in productivity improvement requires an assessment of the low productivity phenomenon there. Having done the first part in the last two chapters, the second part is the subject of this and the following chapter. They will investigate the extent and nature of the problem of public sector productivity in Saudi Arabia in terms of both efficiency and client satisfaction.

Evidence from previous studies will be used to clarify the extent of this phenomenon. In addition, evidence from the interviews that were carried out with high management officials in Saudi Arabia in the summer of 1990 will concentrate on some areas that are closely associated with productivity problems.

The Extent and Nature of the Problem

Low productivity of public employees in Saudi Arabia has many causes. The population of the country is small compared to its large territory. The employment of women is limited to specific jobs because of religious and cultural values, thus limiting their work contributions to the country. Moreover, the country lacks the skilled manpower to achieve its ambitious developmental plans.

Civil service laws and regulations are another source of problems. They are not

well-planned or based on sound studies and in most cases have many amendments added to them periodically, which again, are not based on good analysis. Such changes in turn affect employees psychologically. A good example of this is a regulation that disregards the prior experience of an employee in regard to selection and promotion--experience that is acquired before the achievement of a higher educational degree will not be counted toward appointment and competition for a higher position. An employee will be considered as new on the job and at the same level of employees who are just appointed (Khedir, 1979, p. 11). This employee will feel that he is getting far less than what he is worth; this in turn will affect his morale and performance.

A survey presented to a symposium on productivity in Saudi Arabia in 1987 highlighted a number of problems related to productivity. Twenty-five percent of the interviewees said that there was no agency for training and development in their units. Forty percent said there was no specified plan of training in government agencies. Fifty-seven percent said that they were not satisfied with motivations and incentives. Forty-seven percent thought about leaving their jobs because of dissatisfaction with their work environment (Hamzah and Albadawi, 1987, pp. 78-88).

A study by Asfoor (1980) indicates that employees in Saudi Arabia waste 12.5 percent of their working time hours on things that are not related to their work: coming to work late, 1.88 percent; taking children to and dropping them off at school, 0.27 percent; making private phone calls, 0.77 percent; reading newspapers and magazines, 2.47 percent; drinking coffee and tea, 1.68 percent; paying personal visits to friends and colleagues, 0.43 percent; conducting personal business, 0.70 percent; taking family

members for personal medical appointments, 1.37 percent; reading and writing private letters, 0.21 percent; leaving work early, 0.65 percent; and conducting other personal matters, 2.02 percent (p. 318).

Hojrah (1986) explains that the difficulties that public agencies in Saudi Arabia face toward improving productivity were blamed on the following: 31 percent on overlapping of work, not appointing the right people in the right places, and not providing a suitable work environment; 25 percent on over-centralization; 19 percent on lack of interest in training; and six percent on lack of planning, lack of cooperation among agencies, and lack of job descriptions (p. 137).

The low productivity problem is widespread in both developed and developing countries, but the phenomenon is more widespread in developing countries¹ which are in desperate need for improved production to meet their development plans and to raise the standard of living of their populations. Saudi Arabia is no exception. A study conducted by Adnan Hamzah and Badir M. Albadawi for the 1987 "Symposium on Productivity of the Public Sector" held in Riyadh, Saudi Arabia, confirmed the previously mentioned study by Asfoor that is related to waste of time. This study found that public employees spend an average of three hours of work time (8.6 percent of their

¹ The term "developing countries" sometimes has negative connotations, ranging from stark poverty, mismanagement, and general illiteracy, to authoritarianism, regressive traditionalism, and rigid and unchanging government elite. Most of the times, it is used interchangeably with "Third World Countries," a Cold War term devised at the time of the burgeoning non-alignment doctrine in the 1950s. This includes more than two-thirds of the world's countries, depending on how you define the term. Lately, "Third World" came to connote underdevelopment while "developing country" became a condescending term denoting a country making progress in the right direction.

weekly working hours) every week out of the office taking care of personal matters or trying to get to work.² (Hamzah and Albadawi, 1987, pp. 38-42).

In addition, public employees waste eight hours and forty two minutes (25 percent of their weekly work hours) inside their offices each week on things that are not related to their work. On the average day, employees waste much time in reading newspapers (0.33 hr.), making private phone calls (0.25 hr.), talking with fellow workers about matters that are not related to work (0.96 hr), and going to the cafeteria (0.20 hr.). So, on the average, public employees in Saudi Arabia waste approximately more than one-third (33.6 percent) of the time they are supposed to devote to their work. The survey revealed that while an employee needs 88.43 percent of his daily working hours to finish all his tasks, he only utilizes 66.4 percent. From the survey, it is found that the three most influential factors that have an effect on employees, and in turn affect their productivity, were their dissatisfaction with incentives, fringe benefits, and promotion opportunities (Hamzah and Albadawi, 1987, pp. 38-94).

For employees to be more productive, they must be satisfied with their work environment and benefits. When employees in Saudi Arabia were asked about the most dissatisfying elements in their work, 53.02 percent complained about the lack of incentives for good performance, 49.64 percent about lack of delegation of authority,

² Personal matters include taking family members to work or school (0.45 hr.) and consulting other government offices on private business (0.77 hr.). The other time-consuming activities or factors involve medical appointments (0.77 hr.), traffic rush hour (0.32), looking for a spot at crowded parking lots (0.12 hr.), the inconvenience of working hours (0.13 hr.), being remote from work (0.30 hr.), and other matters (0.15 hr.).

48.93 about the low salary compared to the work done, 47.99 percent about the lack of innovation, 47.97 percent about the low level of participation in decision-making, 47.86 percent about the lack of experimenting with new procedures to improve productivity, 45.02 percent about the lack of opportunities for promotion, and 44 percent about the lack of freedom of expression (Al-Adaili, 1986, p. 218).

How could employees be more productive? Among other things, it is through, motivation. A survey of 562 public employees that was conducted by Al-Adaili (1986) on what motivates Saudi public employees the most reveals the priority of these motivational factors. They are arranged according to their importance as follow: salary and fringe benefits, 43.41 percent; job security, 39.89 percent; promotion, 37.01 percent; recognition, 32.91 percent; relationship between employees and their bosses, 28.46 percent; and job responsibilities, 20.46 percent (Al-Adaili, 1986, pp. 156-213).

Another study was done on the effect of training on improving productivity in Saudi Arabia. When employees were asked about how much benefit they got from training, their answers were: 47 percent benefitted a lot; 48 percent benefitted little; and 5 percent did not benefit at all. The same study was done on managers. When surveying the managers on the effect of training on their employees' productivity, 33 percent of the managers reported improved productivity, 62 percent improved their productivity little, four percent did not improve their productivity, and one percent did not respond. When employees were asked about the effectiveness of training on their superiors, 29 percent said that they noticed excellent improvement of their superiors' productivity; 22 percent noticed good improvement; four percent did not notice any

improvement; and 45 percent did not respond (Al-Muhawis and Al-Shigawi, 1980, pp. 287-289).

Productivity problems are closely related to the quality of manpower. To raise productivity, there must be employees who have qualifications and can be trained. The number of people who are in this category is scarce in Saudi Arabia. In addition, the availability of skilled and experienced personnel in the government is very low. A survey by Hojrah (1986) of 40 managers in 40 public agencies in Saudi Arabia revealed that 75 percent of them blamed low productivity in their agencies on the shortages of skilled manpower. The government has two options to solve this problem. The first one is to compensate for the shortages of skilled indigenous manpower who could be more productive by employing many skilled foreigners. But, reliance on foreign labor for an extended period of time has its drawbacks. Saudi Arabia is a conservative society. Foreign labor brings with it unacceptable political and social influences that might be rejected by both the government and society. Also, reliance on foreign labor might slow down the development of indigenous manpower. The second option is to raise the skills and expertise of the available employees to improve their productivity. This last option needs genuine and serious consideration by both the government and employees. There must be a way to improve productivity. Finding a workable approach that could be applicable to the Saudi case and improve productivity is a necessary step in the right direction.

In order to further explore questions of productivity, in the summer of 1990 interviews were conducted with 31 Saudi managers. Analysis of the interviews is

difficult, because the questions are open ended and interviews are difficult to quantify. So, qualitative analysis will be used. Eleven major questions and one open question that required comments were asked. Each question dealt with a single area of interest, except for three questions which were grouped to deal with one area. The areas of interest include the following: problems of low productivity; symptoms of low productivity; causes of low productivity; costs of low productivity; low productivity agencies; ways to improve productivity; experiments that may lead to productivity improvement; problems facing productivity improvement; the future role of productivity; and implications of interactions between the public and private sectors for productivity. In addition, interviewees were asked to provide any additional observations on the problem not covered by the questions.

Thirty-one interviews were conducted, but only twenty-four will be used here because some managers tended to avoid responding to the questions. Their answers were not useful and were eliminated. Managers were asked certain major questions and were left to answer each question freely. Follow up questions were asked when necessary. It should be noted that some interviewees gave more than one answer to a specific question.

Problems of Low Productivity

There is no doubt that low productivity takes its toll on society as well as on government. There is a cost associated with productivity in terms of money and human resources. Fifteen of the managers agreed that low productivity is harmful to the society.

It is a waste of resources, whether human or material. Nine of ~~them~~ said that it costs the society a great deal because employees are rewarded in excess of what they produce.

The first question concerned problems that are associated with low productivity, whether those problems are chronic or can be solved, and the degree of difficulty involved in solving them. Three of the interviewees said that low productivity is chronic and difficult to solve. They emphasized that they were unable to do anything about it because of many cultural, social, and administrative factors. When asked about the reasons, they said that employees have many social obligations toward their friends and families that make it difficult to carry out some of the administrative reforms. Their kinship and loyalty are to their families and not to their agencies. It seemed that those managers were frustrated. Three other interviewees said that they could not say that it is a chronic problem, because they could not determine whether it has been scientifically proven to be so, and because measuring productivity in the public sector is more difficult than it is in the private sector. One of them said: "If we say it is chronic, that means we cannot solve it. But we believe that we could, at least partially, solve some of the problems that are associated with productivity."

Ten of the interviewees said that low productivity is not chronic, but it is a very difficult and complicated problem needing much time and effort to solve. One manager elaborated on this by saying: "We got tired of trying many solutions. Employees are not susceptible to any reforms to increase productivity." On the other hand, seven interviewees said that it is not chronic or difficult to solve, but requires determination and cooperation among managers and employees to be corrected. One of them noted

that: "This is what is lacking in the work environment." One of the managers did not provide any comment on this question at all.

Low-Productivity Agencies

It is evident that some agencies are more productive than others. Because they do not deal directly with clients, there are agencies whose productivity is not judged by many people. But there are other agencies that do serve the public directly and are perceived by the public as nonproductive. The managers were asked to identify low-productivity agencies. This question was very sensitive and embarrassing to many who were interviewed. Managers do not want to criticize other agencies or other colleagues.

Even though the interviewees were assured that their names would remain confidential and would not be used in the research, eleven interviewees preferred not to comment or label any agency as having low productivity. According to one, "It is difficult to elaborate on this question because it is very specific and sensitive."

Other managers did not hesitate to answer the question. It should be noted that the managers were reporting their impressions and were not necessarily correct in their assessments. Some agencies have more interactions with clients than others. The more interaction the agency has with clients, the more its services are open to outside evaluation. Those agencies that were labeled as having serious productivity problems were the Department of Motor Vehicles (seven interviewees), Passports and Identifications (five interviewees), Education (four interviewees), and all agencies that do not deal with people (four interviewees). Four interviewees went so far to say in

effect that: "All government agencies, with no exception, with the caveat that independent agencies are more productive than the ministries." Four interviewees identified the Ministry of Justice, especially the Titling Agency, as having serious problems that are associated with low productivity. Other agencies were also mentioned. Those which are labeled as having some problems are: municipalities (three interviewees), Telecommunications (two interviewees), Health Services (two interviewees), Security (two interviewees), Water and Sewer (two interviewees), and Customs (two interviewees). One of the courageous managers put his agency on the top of the list. He said: "...is one of the least productive agencies in the government. I cannot do it by myself. Others must cooperate and have the desire to improve productivity."

Symptoms and Causes of Low Productivity

It is important to understand the ideas of these managers concerning the symptoms and causes of low productivity. A majority of the managers (14) identified the intentional delay of paperwork for many days by many employees as the principal symptom. Employees have a tendency to keep some paperwork and other tasks for more time than they are supposed to, not because they do not have time but because of habit. A manager elaborated on this by saying: "Employees want to read newspapers, drink coffee or tea many times, talk to fellow workers in matters that are not related to work, and the like." He added: "Even though newspapers are often distributed in most agencies in the afternoon, some employees keep them in their offices to read them the

next day." If there is no check on dates and no accompanying paper to track the flow of papers, employees will not be held responsible.

As a result, clients have to wait long periods of time for action, although they have things to do, and their time is precious. Delay causes client dissatisfaction with services. Managers who were interviewed said that long client waiting lines are symptoms of low productivity. Eleven interviewees said that they usually have complaints about the level of services. One of them said: "Many clients complain about some employees, but because of our emotional feelings and because we built a friendship with our employees, we cannot reprimand them for their actions unless it reaches a critical point."

In most government agencies in Saudi Arabia, coming late and leaving early is a common practice among many employees. This has been a problem not only with the rank-and-file employees, but also with the managers who are supposed to serve as role models. This adds to the problem of low productivity of public sector employees. Fourteen of the interviewees identified coming late and leaving early as one of the main problems related to low productivity. Absenteeism worsens the problem. Eleven interviewees said that absenteeism has been at a peak in the last few years. A typical comment was: "We have seen absenteeism on the rise. We know that employees fake the reasons, but we have to believe them. We cannot say that they are lying. Those are common even with elders." Three of those managers said that many times they did not see their employees at their desks when they needed them.

Wasting time on the job is also common among employees. Eight interviewees

said that their employees read non-related materials while in their offices and six of them said that they use the telephone frequently for private talks. Employees usually create excuses to do work outside their offices and use this opportunity to go to other offices to chat with friends about matters that are not related to work. Seven managers said this practice is common among employees. One responded: "We, managers, cannot keep track of these employees because they usually carry with them papers as proof that they are actually working. We cannot check on everything. There must be a trust between superiors and subordinates. Otherwise work will not be smooth and productivity will suffer more."

Another symptom that the government has been trying to eliminate is the duplication of work, but this has not happened yet. Overlapping of work is a common practice in most agencies. Six interviewees said that duplication is one main reason for low productivity. Since employees perform tasks more than once, they should be devoting their attention to doing tasks properly the first time. The concentration of too many employees in certain agencies and shortages in others aggravates this problem. Some government agencies are more attractive because they provide more material incentives, flexibility in regulations that affect employees, faster promotions because of the availability of jobs, and so on. This does not mean that those agencies with more employees are more productive than others. But the concentration of too many employees in a few agencies is a waste of human and material resources that should be utilized more effectively. Seven managers recognized that having too many employees doing little work is one main symptom of the low productivity phenomenon. Three

managers said, in effect, "We have been suffering from lack of employees while other agencies are overstaffed. Our employees handle more than they are supposed to. They feel that they are compelled to work."

Social factors. Considering the society of Saudi Arabia with its close social ties, tribal customs and structure, and family loyalty, social factors play a major role in the lives of many people. Thirteen of the interviewees identified social obligations as the main factor behind the low productivity of many employees; for example taking children to school or wives to work or greeting unexpected guests which requires employees to go home early. There is no bussing system for male children, thus their fathers must drop them off at school and pick them up every day. Otherwise their parents would need to get them into private schools, which many cannot afford. Women are not allowed to drive in Saudi Arabia. So, if the wife goes to work, the husband also has to drop her off at work. The problem here stems from timing, because if the wife and husband start work at the same time, this means that the husband will certainly get to work late. Five managers elaborated on this more when, in essence, they said: "We know that our employees have some family obligations such as taking their children to schools. We know that this will be a waste of time. But this is a must for them. So, we let it go easy."

Kinship, connections (*Wasta* in Arabic),³ and self-interest are common in a

³ For more details about this phenomenon, see Robert B. Cunningham and Yasin K. Sarayrah. Wasta: The Hidden Force in Middle Eastern Society. Westport, Conn.: Praeger. (1993).

society such as that of Saudi Arabia. Thirteen managers said that these factors cause many employees to distort priorities in their work. They will finish work that is for friends or relatives and which they have a stake in first and will delay other work.// Straussman (1990) explains the effect of this on the productivity of an individual and the organization. He says:

Like all human beings, bureaucrats pursue their self-interests. The problem, say the adherents of the "pathological" school of bureaucracy, is that the pursuit of self-interest--which is certainly rational from an individual point of view--leads to inefficiency and a bloated public sector (pp. 82-83).

Connections (*Wasta*), kinship, and friendship again play a major role in this matter. They are very common in Saudi Arabia. People usually look for *Wasta* to transfer to another agency, to find a good position, to have better incentives, and the like. Kinship and friendship are considered part of the *Wasta* phenomenon. If somebody has relatives or friends, he has to provide better access to them because he is considered to have a moral obligation toward his friends and family members. A report by the Ford foundation recognized this when it conducted its study in Saudi Arabia. The report indicated that:

Since the entire social structure has historically been based on kinship, it is not surprising to find a certain amount of influence being exercised in favor of relatives. in this society, it is taken for granted that an individual will use his position to benefit his relatives, and failure to do so would generally be regarded as morally irresponsible (Ford Foundation, 1963, in Al-Shaikh, 1983, p. 68).

A manager elaborated on this phenomenon by saying: "Many employees who have connections transfer to those advantageous agencies even though those agencies do not need their services." Two managers pointed to a specific agency, the Presidency of

Youth and Welfare, which pays its employees 30 percent in excess of normal salaries, an attractive incentive for those who seek more money and less work. It is an organization that is overstaffed while other agencies are understaffed.

Seven interviewees said that social factors moderately affect productivity. They said that other economic and administrative factors have more weight than these. Only four managers said that social values have no effect on productivity whatsoever.

Educational factors. Education is one way toward excellence in administration. It is one of the main factors in improving administrative skills as well as the productivity of many employees. Most of the managers (18) who were interviewed identified education as being in the forefront of many factors affecting productivity. In addition, they said that employees who hold a B.A. or a higher degree are more productive than others in most cases. These interviewees added that such employees do not quit their jobs easily and their absenteeism is lower than that of others. One of those elaborated on this by saying: "We have seen progress and better performance from those who are well-educated."

The next most important factor is training. Of the interviewees, 12 said that the low skill level of many employees is to be blamed for much low productivity. Sixteen of the interviewees said that lack of or low quality training is to be blamed for the low productivity of many employees. Hojrah, in a survey of public employees in Taif, Saudi Arabia, found that 62.5 percent said that training has a good influence on improving productivity (Hojrah, 1987, p. 143). When interviewees were asked about the difference

it made when employees were given some type of training, nine managers said that they saw some improvement in their performance.

Administrative factors. Administrative factors such as incentives, managerial style, and the like are supposed to have a great effect on productivity. If these factors are favorable and good, they will result in better performance of employees. If not, they will bring negative effects.

Employees are affected by their interaction with others. They are influenced by the behavior of their superiors. When their superiors have a tendency to waste time, that is going to be reflected in their subordinates' behavior. Surprisingly, eight interviewees blamed low productivity on the behavior of the managers themselves. They said that some managers tend to be emotional and lenient with their employees. Some managers also use their employees for their private business; they let them take care of their private tasks at other agencies, go out to pay their bills, and the like. One manager said: "Many superiors designate one or two of their employees to just manage their private business." Three other managers revealed that some managers use some of their employees to take care of their gardens if they are gardeners; drive their families if they are drivers; tutor their children if they are teachers; do some clerical work if they are clerks; and do what ever they want them to do.

People work to make a living. They do not work simply for the fun of it. Income is a driving factor toward producing and increasing efficiency. The more employees have a chance to earn, the more they will produce up to a certain level. As

Maslow (1943) describes it, once this level of drive is satisfied, it will no longer be a motivator.

Eleven interviewees blamed low salaries in the public sector for the low productivity of its employees. This seems to prove what Al-Zamil and Khattab (1982) found about the importance of material incentives. They found monetary incentives to be the most important motivation for employees (p. 130). Employees have to either find other work in the private sector to supplement their low incomes or try to obtain bribes instead. Employees produce what they believe is the value of what they receive as compensation. The Saudi Civil Service regulations governing salaries were put into effect in 1981 (Al-Mutairi, 1987, p. 77) and have not been changed since then to keep up with the many changes that have been affecting society. Saudi Arabia is an importing country for many goods and services. The purchasing power of the Saudi currency (Riyal) has declined a great deal compared to other major currencies except for the dollar, because it is tied to it. In addition, people's expectations and standards of living have been rising dramatically in the last decade. So, public sector salaries have not kept up with the cost of living and are no longer attractive. The result has been the migration of many qualified employees to the private sector. Many of the managers interviewed pointed out that numerous employees, especially those who are skilled, educated, and motivated, have left to the private sector. Only five interviewees said that economic factors do not affect their employees' productivity.

Another problem is that employees are usually treated equally whether they are productive or not. The interviewees added that the system should distinguish between

productive and non-productive workers and reward productive people and punish those who are not. But only three interviewees stressed the value of performance appraisals in promoting productivity.

Selecting and appointing people to positions that suit them and their academic majors will contribute to facilitating more productivity. Hojrah (1987) found that 31 percent of the public employees who are surveyed blamed productivity problems on not appointing the right people to the right places (p. 137). Seven interviewees said that many people were appointed on a random basis. Employees were assigned to jobs that did not suit them, their academic majors, their interests, or their desires. So, the result is low interest in the job and lower productivity.

Another aspect of the incentive system is promoting employees who deserve to be promoted as soon as they qualify. This is one way to attract skilled employees and encourage them to be more productive. But the situation is more difficult than that. For an employee to be promoted, there must be vacancies in the same agency. These vacancies are totally dependent on government funding. Since this is totally dependent on oil, the number of vacant jobs depends on the price of oil and quantity of production. These fluctuate from one year to another. Again Al-Zamil and Khattab (1982) found that promotion is one of the most important incentives for public employees. They found that 28 percent of the respondents said that promotion is very important, and 42 percent said that it is moderately important (p. 131). Eight interviewees blamed delays in promoting employees for the lower productivity of those employees. Such employees do not have the incentive to be productive. In addition, skilled and intelligent employees will leave

and go to the private sector because of the attractions it provides.

Organizational structure is very important in the functioning of any organization. Poorly structured agencies will not be as effective and efficient as well-structured ones. In addition, complex administrative routines may impair productivity. Red tape and long processing of papers are parts of the functions of any organization. If routines are easy and processing papers is made simple, the productivity of employees will increase. In turn, clients will benefit. When managers were asked about this element, five interviewees blamed poor organizational structure and complex administrative routines for problems. Their general view was that some organizations have had their structure since their inception many decades ago without any changes to the present. Those agencies are not effective or efficient with the present structure and management knows that. Three of the managers mentioned that low productivity resulted from complex administrative routines, including red tape and slow processing of tasks.

It is widely known that modern equipment such as computers and fax machines help raise the productivity level in many situations. Hojrah (1987) found that all employees surveyed recognized the importance of the availability of office equipment in improving productivity (p. 142). Eight interviewees believed that the shortage of such equipment is one factor that leads to the low productivity of many employees.

Ways to Improve Productivity

When it comes to ways to improve productivity, there were no shortages of suggestions from interviewees. Many managers wanted their voices to be heard on this

matter. But with so many suggestions mentioned, only the most important ones will be discussed. Twenty managers suggested an introduction and improvement of non-material incentives, such as praise for better performance and recognition by superiors for good work. One of those managers said that: "We have noticed the difference in the performance of our employees. When they perform, we praise them and recognize their work. They become more motivated and their productivity increases." Another 18 interviewees concentrated on the importance of sound training and tying it to promotions. Six of those expressed their views clearly when they said that it is not fair to promote employees on the basis of their seniority. Promotion should be tied, among other things, to training. Fourteen interviewees said that increasing material incentives such as increments, bonuses, and overtime, and tying them to performance will be very effective toward productivity improvement. Some of the interviewees recognize the importance of the structure of organizations. Fourteen of the interviewees suggested a reorganization of low-productivity agencies. A typical comment was: "Many public organizations that are not productive should be either reorganized or joined with other agencies that have similar functions. Other low productivity agencies should be eliminated and their service should be provided by other more productive agencies."

When it comes to administrative matters, interviewees were aware of many shortcomings. Thirteen of those interviewees suggested increasing management supervision as a way to improve productivity. Badir and Hamzah (1987) did a survey that indicated the importance of supervision on the performance of employees. More than 66 percent of the respondents said that close supervision is effective in raising

productivity (p. 73). One manager interviewed for this study said: "Close supervision usually works. We notice some improvement of our employees when we closely monitor their activities. They are human beings and they should be watched or otherwise they will not produce." Appointing the right people in the right places is another way to improve productivity. Eleven interviewees complained about the failure to appoint the right people to the right places. People's professions must match the work they perform in order to be more productive. Another 11 interviewees emphasized using modern technology such as computers and fax machines to improve productivity. Eleven suggested amending the reward system. They said that the reward system is based on performance, but its application is not effective. Good performance appraisals are given to almost all employees without exception. For productivity to be improved, the better performer should be rewarded and the lesser performer should be punished. Some of the interviewees even criticized some of their colleagues. Nine interviewees suggested appointing better qualified managers. They said that many managers are not well-educated and do not follow what is new in their field. They suggested replacing those managers with well-qualified and trained managers.

When it comes to the decision-making process, it is important to get employees involved. Nine interviewees felt that involving employees in the decision-making process will improve productivity. Another eight commented on the necessity of streamlining routines and reducing paperwork. They said that many papers that have to be signed by many people is reducing the efficiency of many agencies. Seven of those interviewees felt that some benefit could be derived from the modern theories of management. They

suggested introducing and applying modern management theories, especially those that deal with productivity and administrative reforms. Clear organizational goals and objectives are ways to increase the effectiveness and efficiency of any agency. Seven interviewees said that there is a lack of clear objectives in many organizations and suggested that specifying clear objectives is necessary. Another seven interviewees elaborated on the importance of creating better job descriptions toward the achievement of better productivity. They noted that many employees are confused about the responsibilities of their jobs which create some overlapping of functions and reduce productivity.

Providing a better work environment will help to improve employees' performance. Six of the interviewees suggested creating a better environment for employees. They said that good work facilities would produce better results. Those agencies that provide good facilities and living conditions to their employees have good employee loyalty and better performance.

Another six interviewees concentrated on the importance of clearly defining the chain of command to improve productivity. They said that there is overlapping among the functions of many superiors that created confusion as to who is leading. Five managers suggested making regulations more flexible. Measurement of productivity is difficult in the public sector. But those managers did not hesitate to suggest implementing better measures of productivity such as paper-load and tasks accomplishment. They felt that the time of accomplishing similar tasks and paperwork should be compared among other agencies and the standards should be set accordingly.

Five interviewees stressed the importance of cooperation between management and employees to find the right solutions toward better productivity. To increase productivity, qualifications of employees should be raised. Five managers concentrated on this point. They said that employees should be encouraged to get more education to raise their qualifications. Another five managers suggested setting standards for determining the optimum time a task will take. They said that when the standards are set, the reward and punishment system will be easier to apply.

Other less significant responses from these interviewees concentrated on a few additional factors. Four of them capitalized on the importance of educating employees and the public about the importance of productivity through the media. They said that when people think very well about the importance of productivity for their country's development and their children's future, they will have an obligation to improve their productivity. Four of these also stressed the delegation of authority as a way to improve performance. Another four suggested that there should be a cooperation among agencies and elimination of overlapping. They said that lack of cooperation created overlapping in functions which in turn cost the government more and wasted employees' time. Bad customs and habits such as coming to work late and getting off early, talking on the phone for an extended period of time for private matters, and the like, are common practices among many employees. Four of the managers suggested that by educating the public about the effect of these habits on the future of their lives, these bad habits could be at least reduced, if not eliminated. It is a fact that incentives produce better performance and behavior. One of the incentives is to get promoted as soon as you

deserve to be promoted. Four interviewees suggested that employees should be promoted as this is the case. They noted that the chances of promotion in government agencies are different. So, many low productive employees get promoted quickly in some agencies. On the other hand, many who are motivated and very productive have less chances of promotion in other agencies. This in turn creates frustration and is reflected in productivity.

Experiments in Productivity Improvement

Experimenting with ways to improve productivity is very important. Managers who have the qualifications and courage can experiment with ways to improve the performance of employees. There were few experiments mentioned by interviewees and they were not in a sophisticated form. These experiments are as follows:

1. Some managers hold weekly meetings with employees to discuss problems that employees might have and to elicit suggestions for the best ways to tackle them. Complaints from clients were reported and discussed in each meeting. Four interviewees said that by using this method, the performance of many employees improved. One manager elaborated on this point by saying: "When we have such meetings, we try to create an environment that employees feel comfortable with. In addition, if there are complaints from clients, we try hard not to direct that criticism to someone else." Even though managers did not mention the form that they used, it is equivalent to what is called Quality Circles.

2. Two managers said that they usually attach a note to each task that indicates

the date it was originated and the time and date the file passed from employee to employee. There is a predetermined time for completing each task and the employees are told about it. Employees who hold up paperwork are held responsible for the delay. The interviewees said that in many cases their employees are on target and in many situations they return the papers even before the due time and date. Those who perform better are rewarded and their names were put on a bulletin board. One manager said: "My employees have been competing for this honor since I introduced this method. It has been working and I have seen some improvement in their productivity."

3. One manager said that he worked in a company where he was able to use an aggressive reward and punishment system. The incentive system is more flexible in many private sector agencies than in public agencies. Employees who perform better are rewarded and their salaries are increased accordingly. Employees who do not conform to the standards are punished by not giving them raises. This manager complained about the inflexibility of the government incentive system. He explained his views on this matter by saying: "I am personally not satisfied with the incentive system. I wish that managers were given more authority to reward performers. Even though I could see some progress by applying what I have, it is not enough." He said that he applied what the regulations allowed and was partially successful in improving his employees' productivity.

There were few experiments mentioned above because managers either do not have the courage and motivation to try new methods, or they tried and failed and did not want to mention the failed ones. But it is mostly a combination of both. Most managers

lack the initiative to try new methods because the sacrifices that they might suffer when failing outweigh the rewards when they succeed.

Difficulties in Productivity Improvement

Productivity improvement faces many difficulties. Managers usually complain about such problems and try to blame them on many factors. Some difficulties can be overcome easily and others are more difficult to solve. What most interviewees complained about was the problem of resistance to change. Many employees get into a system and do not want that system to change in basic ways. By keeping the system as it is, they can exercise their influence easily. They can benefit by rewarding their friends and relatives on the job. They can use their influence to even provide more access to their family members to many government services. Even some managers share with many employees the inclination to be static and passive in most situations. Nine interviewees elaborated on this reluctantly when asked and admitted that other managers use their positions to benefit their friends and relatives. There is an attitude that, "We have the right to do it if others do it." So most, if not all, employees and managers are passive about changing the basic system or imposing more restrictions on harmful practices.

To improve productivity, there must be some reforms in the administrative system. Either the government or the managers or both should have the initiative to carry out reforms. When the interviewees were asked about this matter, six of them said that there have been no serious and genuine efforts from either the government or many

managers to find solutions to productivity problems. They said if solutions were introduced, they would be temporary and soon managers and employees would lose interest in them because there are no incentives to complete such reforms. Their general view was that: "We know some managers that tried and tried and then got frustrated because there is no recognition for doing such a thing. So, why bother with something that is frustrating." They added that there would be no follow up of these reforms from either the government or employees.

Future Role of Productivity

Productivity levels are a major influence in every country. If productivity is improved, there will be substantial savings that can be devoted to improved services. In addition, increased productivity can lead to improvement of the quality of life of the whole. The interviewees were asked for their views on the future for productivity improvement in Saudi Arabia. The first response of many interviewees (13) was that improving productivity would lead to the saving of human resources and the creation of a surplus of employees. These employees could be used in other jobs. This is especially important since the country suffers from shortages of skilled manpower and reliance on foreign labor. Nine interviewees believed that an increase in productivity would reduce government spending and improve the economy.

Improving productivity is a valuable tool for improving the economy and the well being of the people. Eleven interviewees said that it would lead to improvement in the performance of the administrative level of the government. Eight said that it would lead

to the acceleration of development. Nine said it would improve governmental services, and six believed it would improve the quality of life.

The interaction of people with the government is one determinant of satisfaction with and approval of government policies. Nine interviewees believed that raising productivity would lead to satisfaction among the people and mutual trust among bureaucrats and citizens. Five interviewees believed that improved productivity would raise the satisfaction level of many employees who are productive and create an environment of competition among employees.

Nobody would deny the advantages of improving productivity. If productivity is low and people are lining up while waiting for public services, people might try other means to get tasks accomplished. Six interviewees believed that productivity improvement would lead to better respect for the laws and justice for all people. Six other interviewees said that it would lead to greater efficiency, the easing of red tape, and the elimination of corruption in the government because tasks would be easier to finish. They added that low productivity encourages people to try bribing employees to get their jobs done fast. In return, this leads to more corruption because employees create more problems such as delaying some tasks intentionally in order to encourage bribe offers.

Interaction Between Public and Private Sectors

Interaction between the public and private sectors is a common phenomenon in every country. It comes in many forms such as exchanges of information, exchanges of

employees, technical assistance, private contracting, and so on. Some employees are sent to the private sector for training. In addition, there are some services that are awarded to the private sector because, in many cases, it is more efficient than the public sector. The interviewees were asked about the public-private sector relationship.

In their responses, the majority of the interviewees (15) said that interaction with the private sector such as allowing some employees to work or be trained by the private sector would lead to raising the skills of employees in both the private and public sectors, which would eventually increase productivity. It was reported that people who come to public agencies from the private sector are more productive than most employees. They come and leave on time, are more responsive to the clients' comments and demands, and are more disciplined.

Ten interviewees said that such exchanges of information and expertise would lead to greater respect for time among public employees. Most private employees respect time more than their counterparts in the public sector. As mentioned previously, public employees come late to work and leave early. Four interviewees said that enhanced interaction such as exchange of information, doing joint projects, and awarding some contracts to the private sector would increase competition between the two sectors and in turn would improve the level of services that the government offers. Four of those interviewees elaborated on this point and said that once they had some joint business or private contracts and had some of their employees involved, the public employees benefitted and acquired more skills and their productivity improved. Only two interviewees said that such interaction would have a negative impact on public

employees, because the private sector usually attracts the well qualified personnel from the public agencies. They said that once those motivated, innovative, and qualified employees tried the private sector, they fell in love with it because of the better monetary incentives that it provides. They were left with the those who are less productive. These interviewees felt that the private sector would attract more skilled manpower with its better salaries and other benefits, and those would come from the public sector.

Even though analysis of the interviews was more difficult to carry out than in the case of the survey, they provide insights and new ideas that would not have been possible to get through other methods. Only the most important information was recorded and analyzed. It would be difficult to record and analyze all information that was gathered in all interviews. Although some top level managers refused to be interviewed for various reasons, many others were encouraging and helpful.

Conclusion

This chapter has discussed the productivity problem in relation to Saudi Arabia. Besides discussing some studies of productivity in Saudi Arabia, interviews with high and middle level management personnel were reported. Those interviews were designed to solicit some feed back from those in charge. Their views on this problem are very important, because they have the experience and expertise to offer some insights. Those interviewees were fully aware of the productivity problem and would like to see it solved. They recognized its seriousness and importance for their employees and agencies. It seems that many of them are either apathetic or frustrated. None of them

had the courage or initiative to try to solve this problem. They offered some means and experiments to improve productivity. There were no shortages of suggestions, but there was no genuine effort by either managers or employees toward improving the situation. Those interviews are going to supplement the survey that was done in the same year, 1990. It will be discussed in the next chapter.

CHAPTER VI

CLIENTS AND PUBLIC AGENCIES

Assessing the low productivity phenomenon requires providing evidence of the existence of the problem and discussing the views of those in positions of administrative responsibility. In addition, client-agency relationships and interactions are important in understanding the productivity problem, especially its qualitative dimension. This chapter discusses the survey that was conducted in the same year as the interviews. It will be divided into two sections. The first section will be a frequency distribution analysis, and the second will be a cross tabulation analysis. This last section will assess the association between some elements that are related to the productivity problem. The survey is based on four themes. These themes are as follows:

1. The productivity problem and its relation to other factors that have an impact upon it.
2. The time wasted by public employees as a factor of inefficiency in Saudi Arabian administration.
3. Client perceptions of their treatment by government employees.
4. The effect of cultural factors such as loyalty to the family and tribe on administration in relation to productivity.

Characteristics of the Sample

There were 503 participants in the survey sample of whom 70.8 percent (356) were from Riyadh and 29.2 percent (147) were from Alkharj. They were randomly selected from the people who had business with four government agencies that provide services to the public in both Riyadh and Alkharj. Those two cities were chosen because they represent large and small cities. The participants who were selected for this sample had different characteristics in terms of city location, kind of agency contacted, age, education, distance of residence from those agencies, and employment. As indicated in *Table 6.1*, respondents were contacted at offices of the Department of Motor Vehicles (131 respondents, 26 percent); municipality (120 respondents, 23.9 percent); Telephone (113 respondents, 22.5 percent); and Passports and Identification (139 respondents, 27.6 percent).

Respondents' Age

Table 6.2 indicates the age distribution of the valid cases in both Riyadh and Alkharj. The majority, 66.6 percent, of respondents (333) in Riyadh (242) and Alkharj (91), are between the ages of 20-40 years. On the other hand, the table shows the lesser representation of those 20 or younger, 38 or 7.6 percent, and over 60 years of age, 21 or 4.2 percent.

Table 6-1: Distribution of Respondents Among Agencies.

Agency	Frequency	Percent	Valid Percent	Cum. Percent
Traffic	131	26.0	26.0	26.0
Municipality	120	23.9	23.9	49.9
Telephone	113	22.5	22.5	72.4
Passports & ID	139	27.6	27.6	100.0
Total	503	100.0	100.0	----

Table 6-2: Respondents' Age (Q# 1).

Age	Frequency	Percent	Valid Percent	Cum. Percent
< 20	38	7.6	7.6	7.6
20-30	158	31.4	31.6	39.2
31-40	175	34.8	35.0	74.2
41-50	68	13.5	13.6	87.8
51-60	40	8.0	8.0	95.8
> 60	21	4.2	4.2	100.0
Missing	3	.6	----	----
Total	503	100.0	100.0	----

Respondents' Education

According to *Table 6.3*, a great number of respondents, 213 or 42.6 percent, fall in the middle to high school level of education completed. This is to be expected in a country like Saudi Arabia where literacy and education are below the level of developed countries. There were 151 such respondents from Riyadh and 62 from Alkharj. At the other extreme, the minority of respondents, 24 or 4.8 percent--18 from Riyadh and six from Alkharj--hold some kind of graduate degree. In three cases, the respondents did not reveal their level of education.

Respondents' Residence

This variable is important for the study's subsequent analysis, which will include consideration of whether having multiple branches of government agencies would help to save the time of clients. As indicated in *Table 6.4*, it was found that more than 48 percent of the respondents (244) live 5 to 20 kilometers away from the places where they came to conduct their business. In addition, more than 35 percent of the respondents (178) live 21 to 35 kilometers away. A very small minority of respondents (10), two percent, live more than 50 kilometers away. This last figure was expected, since most people tend to go to a city which is closer to them than the two main cities of Riyadh and Alkharj.

Table 6-3: Respondents' Education (Q# 2).

Education	Frequency	Percent	Valid Percent	Cum. Percent
< Elem.	38	7.6	7.6	7.6
Elementary	123	24.5	24.6	32.2
Mid/High	213	42.3	42.6	74.8
Bachelor	102	20.3	20.4	95.2
Graduate	24	4.8	4.8	100.0
Missing	3	.6	----	----
Total	503	100.0	100.0	----

Table 6-4: Distance Between Agency and Respondents' Residence (Q# 3).

Distance	Frequency	Percent	Valid Percent	Cum. Percent
< 5 Km.	17	3.4	3.4	3.4
5-20 Km.	244	48.5	48.5	51.9
21-35 Km.	178	35.4	35.4	87.3
36-50 Km.	54	10.7	10.7	98.0
> 50 Km.	10	2.0	2.0	100.0
Total	503	100.0	100.0	----

Respondents Occupations and Grade Levels

Of the 503 respondents, 321 (63.8 percent) were government employees. There were 227 government and 129 nongovernment employees in Riyadh and 94 government and 53 nongovernment employees in Alkharj. The government employees' grades ranged from 1 to 15 on a scale of 1-15. As indicated in *Table 6.5*, a great number of the respondents, 36.0 percent (181), who were government employees were in grades 6 to 9, which was expected since entrance into these grade levels requires a high school diploma plus a few years of experience or a bachelor's degree. In addition, these respondents were the most likely to do their private business by themselves. Only one grade 15 respondent was in the sample, which was expected since there are few people who hold this grade in the population and because most people in this category rely on others to do their private business. They are too busy to do it for themselves or can afford to let others do it for them.

ANALYSIS

Responses to the questionnaire are analyzed in this section principally by examining frequency distributions. Subsequently, to find associations between variables, cross tabulation analysis is explored. Only frequencies, percentages, and valid percentages will be used in the analysis. The reason for using only valid percentages is that those people who actually participated in the study will be accounted for. Total cumulative percentage is used for illustrative purposes and will not be used in the

Table 6-5: Government Employees' Grade Levels (Q# 4).

Grade	Frequency	Percent	Valid Percent	Cum. Percent
Nongov. Emp.	182	36.2	36.2	36.2
< 2	11	2.2	2.2	38.4
2-5	93	18.5	18.5	56.9
6-9	181	36.0	36.0	92.8
10-13	35	7.0	7.0	99.8
> 13	1	.2	.2	100
Total	503	100	100	----

analysis.

The analysis of frequency distribution is divided into four sections. They concern client experiences and implications of inefficiency, the conduct of personal business by government employees, the quality of client-public employee interactions, and the role of personal relationships in client-agency relationships.

Client Experience and Implications of Inefficiency

Respondents' views were sought on productivity and its relation to other factors that affect it. They were asked about waiting time in lines for government services, days required to accomplish a task, the availability and clarity of instructions, complexity of procedures, accessibility and efficiency of employees, increases in efficiency, and improvement of public services.

Even though most government agencies in Saudi Arabia are understaffed with skilled manpower, they are very well-staffed in numbers. There is no shortage of employees to carry out the work assigned. In addition, there is equipment and other resources to help them carry out their tasks. So, waiting in long lines and having to wait for several days to accomplish one's tasks are indications of the inefficiency of public agencies.

Regarding waiting time in lines, the question was: How many hours did you wait in line(s) at this agency? *Table 6.6* shows that the majority, 76 percent, of respondents (382) waited 2:01 to 4:00 hours to accomplish their tasks. This is considered normal for many service agencies in Saudi Arabia. But for many people who have high

Table 6-6: Respondents' Waiting Time For Tasks' Completion (Q# 6).

Time	Frequency	Percent	Valid Percent	Cum Percent
< 1:00	9	1.8	1.8	1.8
1:00 to 2:00	92	18.3	18.3	20.1
2:01 to 3:00	267	53.1	53.1	73.2
3:01 to 4:00	115	22.9	22.9	96.0
4:01 to 5:00	16	3.2	3.2	99.2
5:01 to 6:00	3	.6	.6	99.8
> 6:00	1	.2	.2	100.0
Total	503	100.0	100.0	-----

expectations, it is a long time. Only 1.8 percent of respondents (9) waited less than one hour. This might be related to the fact that either the task(s) was/were very simple or respondents had some connections in the bureaucracy. Only one person waited for more than six hours.

Concerning days required to accomplish the task that brought respondents to a government office, the question was: How many days did it take/will it take you to finish the task(s)? Even though 44.7 percent of the respondents (225) reported that it took them 1-3 days to accomplish their tasks, *Table 6.7* shows that another 43.7 percent (220) required 4 to more than 7 days. This is considered to be a long time by many people, because it should not take more than one day to get a driver's license, an identification card, and the like. But, 11.5 percent of respondents (58) accomplished their tasks in less than one day. This may also be related to the connection phenomenon.

The availability and clarity of instructions are very important factors that influence employee productivity. Good instructions eliminate the need to explain to clients what is required. In this regard, respondents were asked to react to this statement: The instructions were available and clear. *Table 6.8* shows that the majority, 58.3 percent, of the respondents (293) agreed with the statement that instructions were available and clear. On the other hand, 36.6 percent of the respondents (184) disagreed with this statement.

Difficulties regarding procedures and red tape are common in developing countries and are a factor affecting productivity in the public sector. The question concerning this matter was: How difficult were the procedures? The majority, 74.5

Table 6-7: Days Required to Finish Respondents' Tasks (Q# 7).

Days	Frequency	Percent	Valid Percent	Cum Percent
< 1	58	11.5	11.5	11.5
1-3	225	44.7	44.7	56.3
4-5	73	14.5	14.5	70.8
6-7	86	17.1	17.1	87.9
> 7	61	12.1	12.1	100.0
Total	503	100.0	100.0	-----

Table 6-8: Respondents' Opinion About Availability and Clarity of Instructions (Q# 8).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	6	1.2	1.2	1.2
Agree	287	57.1	57.1	58.3
Disagree	179	35.6	35.6	93.8
S. disagree	5	1.0	1.0	94.8
Don't Know	26	5.2	5.2	100.0
Total	503	100.0	100.0	-----

percent, of the respondents (375) said that procedures were difficult as indicated in *Table 6.9*. But the minority (128), 25.5 percent, said that they were easy. One might be suspicious about the responses of these last respondents. Perhaps they either had some kind of connections in the bureaucracy or, because of education and experience, knew how the system worked.

Accessibility of employees to clients is an important factor in speeding up tasks that have to be done. Here, the statement was as follows: Employees were accessible to your questions and demands. From looking at *Table 6.10*, it is evident that the majority, 54.3 percent, of the respondents (269) disagreed with the statement that employees were accessible to the clients' questions and demands. Only 45 percent (223) agreed.

The respondents were in better position to assess employees' efficiency. Respondents' assessments of employee efficiency were sought. The question asked was: How efficient were the employees? *Table 6.11* indicates that the majority, 68.9 percent of respondents (347), said that employees were inefficient. On the other hand, 30 percent (151) said that they were efficient.

Knowing the perceptions of respondents about efficiency in general, and not just in regard to one situation, is important. They were asked whether efficiency of public employees has been increasing in the last few years. Looking at *Table 6.12*, we see that the majority, 59.9 percent, of the respondents (300) agreed that this was the case and 33.5 percent of the respondents (168) said that they disagree. Those respondents' opinions are a reflection of their feelings. They are in a position to judge the efficiency

Table 6-9: Respondents' Opinion About Difficulty of Procedures (Q# 9).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
V. Easy	11	2.2	2.2	2.2
Easy	117	23.3	23.3	25.4
Difficult	304	60.4	60.4	85.9
V. Difficult	71	14.1	14.1	100.0
Total	503	100.0	100.0	-----

Table 6-10: Respondents' Opinion About Accessibility to Employees (Q# 12).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	9	1.8	1.8	1.8
Agree	214	42.5	43.2	45.1
Disagree	255	50.7	51.5	96.6
S. disagree	14	2.8	2.8	99.4
Don't Know	3	.6	.6	100.0
Missing	8	1.6	-----	-----
Total	503	100.0	100.0	-----

Table 6-11: Perception of Respondents Regarding Employees' Efficiency (Q# 14).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
V. Efficient	6	1.2	1.2	1.2
Efficient	145	28.8	28.8	30.0
Inefficient	298	59.2	59.2	89.3
V. Ineff.	49	9.7	9.7	99.0
Don't Know	5	1.0	1.0	100.0
Total	503	100.0	100.0	----

Table 6-12: Respondents' Assessment of Public Employees' Efficiency Improvements (Q# 15).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	59	11.7	11.8	11.8
Agree	241	47.9	48.1	59.9
Disagree	154	30.6	30.7	90.6
S. disagree	14	2.8	2.8	93.4
Don't Know	33	6.6	6.6	100.0
Missing	2	.4	----	----
Total	503	100.0	100.0	----

of public employees because of their daily contacts with them. So, the respondents' views are a good indication that there indeed, has been improvement in efficiency.

It is probably the case that when productivity increases, people's satisfaction with services also increases. Thus, reaction was sought to a statement that reads as follows: Public services have been improving in the last few years. As *Table 6.13* indicates, the majority, 66.2 percent, of the respondents (331) disagreed with this statement. On the other hand, 28.4 percent (a total of 142) said that they agree.

Efficiency has to be coupled with quality. Efficiency without quality or quality without efficiency are signs of questionable service. So when comparing efficiency with the quality of services that are offered, it is evident that while 59.9 percent of the respondents (300) said that they agree that there has been improvement in productivity, 66.2 percent (331) said that they disagree about service improvement. There apparently has been improvement in employees' efficiency at the expense of service quality.

When reviewing the previous discussion, it is evident that clients waited in lines for long periods of time and their tasks required more days than they were supposed to in order to be completed. Even though most clients said that instructions were clear and employees were accessible, the procedures were very difficult for many. This is an indication that the productivity of those employees in the designated agencies is low.

The Conduct of Personal Business by Public Employees

The second dimension of the analysis is to measure how much work time is wasted by public employees in conducting their private business. Employees have many

Table 6-13: Respondents' Assessment of Public Services Improvement (Q# 16).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	15	3.0	3.0	3.0
Agree	127	25.2	25.4	28.4
Disagree	269	53.5	53.8	82.2
S. disagree	62	12.3	12.4	94.6
Don't Know	27	5.4	5.4	100.0
Missing	3	.6	-----	-----
Total	503	100.0	100.0	-----

personal tasks to accomplish due to the difficulties related to agency procedures, which stem from the insistence of many government agencies that individuals must be present in person to conduct business. In addition, doing business by mail such as renewal of licenses and other simple matters has not as yet been implemented. What complicates the matter is that there are no mail addresses (houses in Saudi Arabia have not been numbered as of the time of this research) and there is no mail delivery to private homes. Unlike government offices such as the Department of Motor Vehicles in the United States, government offices in Saudi Arabia are usually closed on weekends. Therefore, employees have to leave work to take care of their private business.

Respondents were asked whether they were a government employee. When identified as a government employee, it then was important to know his grade. Knowing an employee's grade helps to determine which types of employees waste more time. Knowing whether a respondent is on vacation or not is also important. If he was on vacation, his waste of time is not a factor here because he was utilizing his private time and not the government's. But if he was not vacationing, it is important to know how much time he spent outside his work. Finally, it is important to know how often a respondent did his business by himself. This will help to understand the waste-of-time phenomenon.

The question asked is as follows: Are you a government employee? If yes, what grade are you in? As mentioned before, a majority, 63.8 percent, of the respondents (321) were government employees. Of these, 36 percent (a total of 181), fell in the

6-9¹ grade levels. This makes sense because most employees enter their employment with a B.A. (the entry level for these with this degree is grade 6 or 7) or a high school degree (entry level is grade 4 in this case) and it takes a few years to get to these grades. It is obvious here that such individuals comprise most of the employees who carry out government work. If these employees waste time, others will suffer, which in turn will affect the former's productivity. It is also important to note that the higher the grade, the less likely that the person will do his business by himself, because he would have some type of connection (*Wasta*) in the government or other individuals to do it for him. This is why we see only seven percent of the respondents (35) in grades 10-13, and 0.2 percent of the respondents (only one) from the whole sample was in grade 14 or above. It is not only because there are fewer people in these grades, but it is also due to the reasons mentioned above.

The second question is whether a respondent was on vacation or not. If he was not, determining how much time he wasted that day is important. From *Table 6.14*, it is evident that 86.2 (276) percent of the respondents who were identified as government employees were not on vacation. If it is assumed that they had permission to leave work, that does not relieve them of their job responsibilities. Only 13.8 percent of the respondents (44) were found to be on vacation.

When we look at the wasted time, it is clear from *Table 6.15* that more than 22

¹ The grade system of the Civil Service in Saudi Arabia starts from 1 to 15, with 1 the lowest and 15 the highest. There are other systems for education, university faculties, and unclassified employees. If a participant happened to be from a system other than the Civil Service System, their grade was converted to the equivalent in the Civil Service System.

Table 6-14: Proportion of Public Employees on Vacation (Q# 5).

Vacation	Frequency	Percent	Valid Percent	Cum Percent
No	276	54.9	86.3	86.3
Yes	44	8.7	13.8	100.0
Missing	183*	36.4	-----	-----
Total	503	100.0	100.0	-----

* Non-government employees (182) and missing cases (1).

Table 6-15: Time Spent Away from Work by Public Employees (Q# 5).

Time	Frequency	Percent	Valid Percent	Cum Percent
Otherwise *	44	8.7	13.8	13.8
2:01-3:00	16	3.2	5.0	18.8
3:01-4:00	27	5.4	8.5	27.3
4:01-5:00	52	10.3	16.3	43.6
5:01-6:00	73	14.5	22.9	66.5
6:01-7:00	41	8.2	12.9	79.3
> 7:00	66	13.1	20.7	100.0
Missing	184**	36.6	-----	-----
Total	503	100.0	100.0	-----

* Otherwise= Respondents who are on vacation. In this case, their answers to the second part of the question were not required.

** Non-government employees (182) and missing cases (2).

percent of the respondents (73) wasted 5:01 to 6:00 hours outside their work on the day of the survey, assuming that they did not have other business to conduct afterwards. More than 20 percent of the respondents (66) wasted more than seven hours. It is assumed that those who spent more than seven hours were tending to their private affairs would not or did not go to work that day, because the official work day is seven and one-half hours. Only five percent of the respondents (16) wasted 2:01-3:00 hours in doing their business. It is also not known whether those respondents would go to their work or not that day or whether they had something further to do.

Determining whether a respondent conducted personal business by himself or with assistance helps to gauge the frequency with which he had to take time off from work. Considering all respondents regardless of their occupation (there will be another analysis involving government employees in the cross tabulation section) *Table 6.16* shows that the majority, 81.1 percent, of the them (407) said that they always or often do their business in person. Thus, as mentioned above, a person usually has to be present to complete a task involving government agencies. Only 1.2 percent of the respondents (6) said that they rarely did their business by themselves, and it is the first time in many years that they personally tended to their business. Such people are generally elderly or high-level officials.

Quality of Client-Public Employee Interaction

The third dimension of the analysis is the treatment that clients received from public employees. It is generally expected that public employees treat people fairly and

Table 6-16: Following Tasks By Clients Personally (Q# 18).

Follow Task	Frequency	Percent	Valid Percent	Cum Percent
Always	163	32.4	32.5	32.5
Often	244	48.5	48.6	81.1
Rare	89	17.7	17.7	98.8
Never	6	1.2	1.2	100.0
Missing	1	.2	-----	100.0
Total	503	100.0	100.0	-----

equally. Otherwise people will not be satisfied, and if they are dissatisfied, they should be able to complain to higher authorities. Their complaints should be heard and action should be taken to correct the matter. In return, employees may change their behavior and thus increase their productivity. The variables that are used to explore this dimension are as follows: courtesy, quality of treatment, satisfaction, overall quality of government services, complaints, and fear.

Treatment of clients is very important, because unfair or bad treatment will result in dissatisfaction and may cause people to question the integrity of public employees. Thus, it is usually expected that employees in the service departments are helpful and courteous to all clients regardless of the latter's affiliation or race. Many times, however, this is not the case. The questionnaire statement was as follows: Employees were helpful and courteous. From *Table 6.17* one can see that a majority, 70.6 percent, of the respondents (358) disagreed with this statement. This is a very high number and should be looked at seriously by the government. On the other hand, 29 percent (146) said that they agree with the statement.

Respondents were also asked their views on this statement: Public employees treat people equally and fairly. *Table 6.18* shows that an astounding 92 percent of the respondents (461) disagreed with this statement. Only 6.6 percent (33) agreed with it. It should be noted here that there were no respondents who strongly agreed with this statement. Thus, based on this result, employees should change their behavior to meet the demands of the public.

How can we gauge the satisfaction of people with certain services? It is possible

Table 6-17: Respondents' Evaluation of Employees' Helpfulness and Courtesy (Q# 10).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	6	1.2	1.2	1.2
Agree	140	27.8	27.8	29.0
Disagree	326	64.8	64.8	93.8
S. disagree	29	5.8	5.8	99.6
Don't Know	2	.4	.4	100.0
Total	503	100.0	100.0	-----

Table 6-18: Respondents' Opinion About Employees' Equity and Fairness in Treating Clients (Q# 11).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
Agree	23	6.6	6.6	6.6
Disagree	282	56.1	56.3	62.9
S. disagree	179	35.6	35.7	98.6
Don't Know	7	1.4	1.4	100.0
Missing	2	.4	-----	-----
Total	503	100.0	100.0	-----

to ask them directly about their satisfaction with and approval of those services. To do this, respondents were asked the question: How satisfied are you with public services? It should be noted here that this question referred only to services that respondents received from the particular agency they were visiting that day. If services are good and employees are productive, people will be satisfied in most cases. From **Table 6.19** it is apparent that the majority, 64.8 percent of the respondents (326) were dissatisfied with the services they received. In contrast, 34.6 percent (174) said that they were satisfied.

Respondents were also asked: In general, what do you think about the quality of the government services that are available? It is apparent from looking at **Table 6.20** that respondents were almost equally divided on the service quality issue. While 41.1 percent of the respondents (190) said that service quality was good, 43.5 percent (201) said it was bad. But it should be noted here that this question is very sensitive, because people are afraid to answer such an inquiry, which is apparent from the "missing cases" and "I do not know" answers, where there are 41 and 71 respondents respectively.

People usually have to resort to taking action to correct matters when they experience delays or complications in administrative procedures. When public employees are not productive or are unfair to their clients, the clients will be dissatisfied. So, the first step clients usually take is to file some type of complaint. If their complaints are heard and action is taken to correct the matter, there will be an effect on employee productivity and public satisfaction. From **Table 6.21** it is apparent that the majority, 87.6 percent, of the respondents (438) disagreed with the statement that complaints from clients will always be heard and corrective action will be taken. Only 11 percent of them

Table 6-19: Respondents' Satisfaction with Services Received (Q# 13).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
V. Satisfied	23	4.6	4.6	4.6
Satisfied	151	30.0	30.0	34.6
Dissatisfied	301	59.8	59.8	94.4
V. dissat.	25	5.0	5.0	99.4
Don't Know	26	5.2	5.2	100.0
Total	503	100.0	100.0	----

Table 6-20: Respondents' Evaluation of Quality of Services Received (Q# 17).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
Very Good	9	1.8	1.9	1.9
Good	181	36.0	39.2	41.1
Bad	182	36.2	39.4	80.5
Very Bad	19	3.8	4.1	84.6
Don't Know	71	14.1	15.4	100.0
Missing	41	8.2	----	----
Total	503	100.0	100.0	----

Table 6-21: Respondents' Assessment of Authorities' Responses to Clients' Complaints (Q# 25).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	7	1.4	1.4	1.4
Agree	48	9.5	9.6	11.0
Disagree	297	59.0	59.4	70.4
S. disagree	141	28.0	28.2	98.6
Don't Know	7	1.4	1.4	100.0
Missing	3	.6	----	----
Total	503	100.0	100.0	----

(55) said that they agree with the statement. It is clear that people feel frustrated about filing complaints against any government agency or employee.

Engaging in dialogue and questioning public employees might clear the way for better and faster services. But if employees do not allow this to occur, clients will suffer. The last element in this dimension concerns fear of bureaucrats. The statement reads as follows: People usually do not question bureaucrats because of fear that their goals will not be achieved. *Table 6.22* indicates that the majority, 78.4 percent, of the respondents (384) agreed with this statement. Only 17.2 percent (84) of them disagreed. It also should be noted here that the "missing cases" and "do not know" answers are 13 and 21 respectively because of the sensitivity of the statement.

The Role of Personal Relationships

The fourth and last dimension of the analysis in this section has to do with the personal side of client-official relationships. In many Third World cultures like that of Saudi Arabia, people are extremely close to each other. As mentioned previously, individuals express loyalty to their family and tribe more than to their workplace. So connections, or what is called *Wasta*, are common for many people. A person looks for someone whom he knows and could help him accomplish his task quickly and easily in the service agency before going to that agency. The elements in this section include knowing an employee and his grade; character of relationships; the effect of relationships on access, their effect on cutting through red tape, the use of service agents, and gratuities to officials. Analyzing these will indicate whether or not a person had

Table 6-22: Respondents' Opinion Regarding Questioning Bureaucrats Because of Fear of Delaying Their Tasks (Q# 26).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	74	14.7	15.1	15.1
Agree	310	61.6	63.3	78.4
Disagree	67	13.3	13.7	92.0
S. disagree	17	3.4	3.5	95.5
Don't Know	22	4.4	4.5	100.0
Missing	13	2.6	-----	-----
Total	503	100.0	100.0	-----

connections. In a subsequent analysis in this chapter, connections are linked to other variables.

When a respondent said that he knows an employee in an agency, it was suspected that he had some kind of connections in that agency and that his connections might have made it easier for him to accomplish his tasks quickly. If a respondent knew an employee, it is assumed that the employee's grade made a difference in the processing of a task; the higher the employee's grade, the more influence he will have and the quicker a task is completed. The question asked was: Do you know any employees in the agency? If so, What are their grades? *Table 6.23* indicates that more than 31 percent of the respondents (155) knew employees in the agency they contacted. On the other hand, the majority, 68.6 percent, of the respondents (338) did not know any employees in those agencies.

It seems that most employees known by clients were in grades 2-9. Looking at *Table 6.24* we see that 12.2 percent of the respondents (60) fell into both the 2-5 and 6-9 categories equally. Only one percent of the employees (5) were in grades 2 or less. It is assumed that employees in grades 2 or less had the least influence in helping others in administrative matters.

There was an even stronger connection if a respondent had relatives in a particular agency. People, in general, seem to rely on their relatives to accomplish their tasks and have better access to agencies. The statement for this was as follows: People who have friends and/or relatives have better access to public agencies. From *Table 6.25*, one can see that almost all, 98.7 percent of the respondents (495) agreed with the statement.

Table 6-23: Proportion of Respondents Who Know Employees in the Agencies (Q# 19).

Know Empl.	Frequency	Percent	Valid Percent	Cum Percent
No	338	67.2	68.6	68.6
Yes	155	30.8	31.4	100.0
Missing	10	2.0	----	----
Total	503	100.0	100.0	----

Table 6-24: Employees' Grades Who Were Known by Respondents (Q# 19).

Grade	Frequency	Percent	Valid Percent	Cum Percent
Otherwise *	338	67.2	68.7	68.7
< 2	5	1.0	1.0	69.7
2-5	60	11.9	12.2	81.9
6-9	60	11.9	12.2	94.1
10-13	21	4.2	4.3	98.4
> 13	8	1.6	1.6	100.0
Missing	11	2.2	----	----
Total	503	100.0	100.0	----

* Otherwise= participants who do not know employees.

Table 6-25: Assessing Respondents' Opinion Regarding the Effect of Connections on Accessibility to Public Agencies (Q# 20).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	58	11.5	11.6	11.6
Agree	437	86.9	87.1	98.6
Disagree	4	.8	.8	99.4
Don't Know	3	.6	.6	100.0
Missing	1	.2	----	----
Total	503	100.0	100.0	----

Less than one percent (4) disagreed. There were no respondents who strongly disagreed with the statement.

Knowing bureaucrats will speed up procedures and circumvent rules and regulations is a widespread belief. The statement that clarifies this phenomenon is as follows: Friendship and relationships with bureaucrats usually help you accomplish your goals faster than following rules and regulations. As shown in *Table 6.26*, the majority, 98.6 percent, of the respondents (495) agreed with this statement, and only 0.8 percent (a total of four) disagreed.

People tend to try to get around rules and regulations or cut through red tape, especially if they know someone who can accomplish their tasks easier and faster. The statement addressing this phenomenon is as follows: Rules and regulations are too numerous and complicated. So, it is impossible to get things done by following them. As indicated in *Table 6.27*, the majority, 72.1 percent of the respondents (360), agreed, while only 25.2 percent (126) disagreed. This result seems reasonable since most people in such societies as that of Saudi Arabia rely mostly on going around rules and regulations in order to get their tasks done.

In Saudi Arabia, as in other countries, there are many private agencies that do follow up on tasks at government and nongovernment offices, lobby for some private individuals and companies, and do some kind of consultations. They are very influential. But their influence is totally dependent on who is in charge of an agency. Some of these are highly influential because they have very strong connections. The private agencies do business on behalf of many clients and they are starting to play a major role in Saudi

Table 6-26: Assessing Respondents' Opinion Regarding the Effects of Connections on Application of Rules and Regulations (Q# 21).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	205	40.8	40.8	40.8
Agree	290	57.7	57.8	98.6
Disagree	4	.8	.8	99.4
Don't Know	3	.6	.6	100.0
Missing	1	.2	----	----
Total	503	100.0	100.0	----

Table 6-27: Respondents' Evaluation of the Difficulty of Following Rules and Regulations (Q# 22).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	68	13.5	13.6	13.6
Agree	292	58.1	58.5	72.1
Disagree	117	23.3	23.4	95.6
S. disagree	9	1.8	1.8	97.4
Don't Know	13	2.6	2.6	100.0
Missing	4	.8	----	----
Total	503	100.0	100.0	----

Arabia. They use their power and connections with certain bureaucrats to lobby on behalf of various interests. In this way they accomplish tasks faster than an individual who has less in the way of connections. People rely on this method when they either expect a negative result from working through normal channels or get exhausted and frustrated. The statement addressing this phenomenon is as follows: Private service agencies can do most tasks faster than you because of the connections that they have. When we look at *Table 6.28*, we could see that the majority, 59.2 percent, of the respondents (288) agreed with this statement. On the other hand, only 23 percent disagreed.

The last element relates to the employees' self-interest. It states: Employees take advantage of their positions to pursue their own interests. If those employees are in sensitive places such as service agencies, many people need their services. People provide services or benefits to employees in exchange for faster task accomplishment. Instead of using bribes, which are not favored to many in the society, they exchange services. It is just like scratch my back and I will scratch yours. When clients are government employees, they offer employees who handle their business services at their agencies. If clients are from the private sector, they offer employees some discounts at their business or other related services. This will have an immense influence on the productivity of those employees because, they either will delay some easy tasks intentionally, thus making them harder for others to accomplish or divert their attention to matters that they believe will benefit them the most, regardless of the interest of ordinary citizens. In *Table 6.29*, it is apparent that a majority, 84.7 percent, of the

Table 6-28: Respondents' Opinion Regarding Efficiency of Private Agencies in Following Clients' Tasks (Q# 23).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	78	15.5	16.0	16.0
Agree	210	41.7	43.2	59.3
Disagree	88	17.5	18.1	77.4
S. disagree	24	4.8	4.9	82.3
Don't Know	86	17.1	17.7	100.0
Missing	17	3.4	----	----
Total	503	100.0	100.0	----

Table 6-29: Respondents' Evaluation Regarding Employees Taking Advantage of Their Positions to Pursue their Self-Interest (Q# 24).

Opinion	Frequency	Percent	Valid Percent	Cum Percent
S. Agree	175	34.8	35.2	35.2
Agree	246	48.9	49.5	84.7
Disagree	45	8.9	9.1	93.8
S. disagree	5	1.0	1.0	94.8
Don't Know	26	5.2	5.2	100.0
Missing	6	1.2	----	----
Total	503	100.0	100.0	----

respondents (421) agreed with this statement. Only 10.1 percent (50), disagreed with it.

Cross Tabulation Analysis

This section presents a number of cross tabulations which will be used to examine associations between certain variables. First, education is examined in relation to time spent in taking care of personal business, assessment of instructions, expressed satisfaction, and perceived efficiency. Second, connections with employees are related to waiting time, days required to finish the task(s), difficulty of procedures, treatment of employees, accessibility to employees, expressed satisfaction of clients, and perceived efficiency of employees. Third, clients' satisfaction with services and their perception of the quality of public services in each city and among agencies will be examined.

Education

Education is a very important factor in influencing client satisfaction and productivity, especially in a country such as Saudi Arabia where the illiteracy rate is higher than that of the developed world. One can assume that the more educated the people are, the better they will be able to read instructions and fill out forms quickly. This will make it easier for employees to perform their jobs efficiently. It can also be assumed that people with more education will have fewer questions to ask employees, which will relieve the latter of the job of answering inquiries. Assuming employees will devote this increased spare time to produce more, clients will accomplish their tasks in shorter periods of time and will be more satisfied with services and will value the

efficiency of public employees higher than clients with more limited education.

Education and time spent in personal business. *Table 6.30* shows that of the respondents (274) who were government employees and not on vacation, more than 45 percent spent between 4:01-6:00 hours in personal business outside their work. This is an indication of how bad the situation is when employees leave their jobs to take care of their private affairs without being on vacation. This situation affects these employees' performance, because they leave their work for many hours, which is a waste of time. This means either that someone else will do their work or their work will be delayed. When one looks at the table, it is evident that when the education level increases, time spent decreases. Of the ten respondents who had less than an elementary education, 50 percent of them (5) spent more than six hours outside their work. This can also be seen with respondents who had an elementary education. On the other hand, 34.8 percent of the respondents (8) who had graduate education spent between 2:00-4:00 hours outside their work. The majority, 54.5 percent, of the respondents (61) who had middle/high school education were in the average bracket, between 4:01-6:00 hours. Also, 44.2 percent of the respondents who had a bachelor's education were in the same bracket. It should be noted that the time less than 2:00 hours has not been included in the analysis because of the insignificance of the number in the cells.

Education and instructions. Instructions are very important in any service agency. Providing clear instructions helps many people to do their tasks more quickly. As

Table 6-30: Educational Level of Public Employees and Time Spent Away From Work for Personal Business.

Hours	< Elem.	Elem.	Mid/High	BA/BS	Graduate	Total
< 2:00	0	0	0	0	0	0
2:00-4:00	2 20.0	7 13.5	10 8.9	16 20.8	8 34.8	43 15.7
4:01-6:00	3 30.0	21 40.4	61 54.5	34 44.2	5 21.7	124 45.3
> 6:00	5 50.0	24 46.2	41 36.6	27 35.1	10 43.5	107 39.1
Total	10 3.6	52 19.0	112 40.9	77 28.1	23 8.4	274 100

Missing observations: 229 (this includes non-government employees).
Gamma = -.13718

mentioned before, the more educated a person is, the faster he is likely to read and understand instructions, and thus the faster he will finish his tasks, assuming that instructions are available. When respondents finish their tasks more quickly, this will lead to fewer people waiting and wasting their time. Thus, employees can have more time to spend on other work which translates into better performance.

Table 6.31 indicates that the majority, 58 percent, of the respondents (290) agreed that instructions were available and clear. On the other hand, 36.8 percent of the respondents (184) disagreed with the statement. A look at the table shows that the more educated the respondent, the more they agreed with the statement. For example, of those who had a graduate education, 50 percent strongly agreed. On the other hand, none of the respondents who had only an elementary education or less strongly agreed. Further, none of the respondents who had a bachelor's education or more strongly disagreed with the statement. It is evident that the more education respondents had, the more they were inclined toward agreement with the statement. Similarly, the less education respondents had, the more they were inclined to disagree with the statement. So the results support the assumption that the more educated respondents were, the easier and faster they could read and understand instructions and the faster they finished their tasks.

Education and client satisfaction. Clients' satisfaction with government services is very critical for the government itself. The public will be satisfied with the bureaucracy if it is effective and provides efficient services. Thus, the best evaluators of the quality of government services are the clients and not the government itself. If

Table 6-31: Educational Level of Respondents and Evaluation of Clarity of Instruction.

Opinion	< Elem.	Elem.	Mid/High	BA/BS	Graduate	Total
Strongly Agree	---- ----	---- ----	1 16.7	2 33.3	3 50.0	6 1.2
Agree	4 1.4	63 22.2	125 44.0	74 26.1	18 6.3	284 56.8
Disagree	14 7.8	55 30.7	82 45.8	26 14.5	2 1.1	179 35.8
Strongly Disagree	1 20.0	1 20.0	3 60.0	---- ----	---- ----	5 1.0
Don't Know	19 73.1	4 15.4	2 7.7	---- ----	1 3.8	26 5.2
Total	38 7.6	123 24.6	213 42.6	102 20.4	24 4.8	500 100.0

Missing observations: 3

Gamma = -.39204*

* Don't Know is not included in the calculation of Gamma.

productivity is improved and coupled with improvement of services, people will be satisfied. But if productivity is improved but the quality of services deteriorates, then people will be dissatisfied.

The satisfaction phenomenon was addressed in the following question: How satisfied were you with the services? From *Table 6.32* one can see that the majority, 64.8 percent, of the respondents (324) were dissatisfied with the services that they received in those public agencies included in the analysis. On the other hand, 34.6 percent of the respondents (173) were satisfied. But, when it comes to the respondents who were satisfied with the services, it is apparent that most of them came from among the more educated who had a bachelor's (70.2 percent, 50) and graduate (43.5 percent, 21) education. When looking at the table, it seems that the more educated the respondents were, the more they were satisfied with the services. Only 5.3 percent of the respondents who had an elementary education or less were satisfied. When one looks at the dissatisfied respondents, one can see that the majority of them were from those who had less than an elementary (32 percent, 30 respondents), an elementary (57.8 percent, 96 respondents), or middle and high school education (81.2 percent, 144 respondents). So, this result supports the assumption that the more educated the respondents were, the more they would accomplish their tasks quickly and the more satisfied they would be with services.

Education and efficiency. It is assumed that the more education the respondents had, the faster they would accomplish their tasks because, as mentioned previously, they

Table 6-32: Educational Level of Respondents and their Satisfaction With Services Received.

Opinion	< Elem.	Elem.	Mid/Hi	BA/BS	Graduate	Total
Very Sat.	----- -----	----- -----	5 21.7	10 43.5	8 34.8	23 4.6
Sat.	8 5.3	25 16.7	64 42.7	40 26.7	13 8.7	150 30.0
Dis-Sat.	24 8.0	89 29.8	135 45.2	49 16.4	2 .7	299 59.8
Very Dissat.	6 24.0	7 28.0	9 36.0	3 12.0	----- -----	25 5.0
Don't Know	----- -----	2 66.7	----- -----	----- -----	1 33.3	3 .6
Total	38 7.6	123 24.6	213 42.6	102 20.4	24 4.8	500 100.0

Missing observations: 3

Gamma = -.44028

could read instructions, fill out forms, and follow directions faster than the less educated would. In other words, these respondents would relieve employees of the time required to help them fill out forms and answer their questions. This would have an effect on the productivity of employees, assuming that they would utilize such saved time in productive work. In addition, the views of respondents on efficiency are important for evaluating employees and government services. It is assumed that the more educated the respondents were, the quicker they would accomplish their tasks and the more positive views they would have of employees' efficiency.

From *Table 6.33*, it is apparent that the more educated the respondents were, the more positive they were about employees' efficiency. Even though the majority, 69.2 percent, of the respondents (364) stated that employees were inefficient, educated respondents tended to state that they were efficient. That is, 61.8 percent of those (20) who had a graduate education and 65.9 percent of the bachelor's degree holders (49) were of this view. While only 4.2 percent of the respondents (6) who had an elementary education or less said that employees were efficient, only 1.3 percent of the graduate respondents (4) said that employees were inefficient. This supports the assumption that the more educated the respondents were, the faster they would accomplish their tasks and the more positive views they would have of employees' efficiency.

Connections (Wasta)

Being connected with or knowing employees is one of the factors that people rely on to accomplish their tasks more quickly and easily. Since family loyalty is strong in

Table 6-33: Educational Level of Respondents and their Perception of Employees' Efficiency.

Opinion	< Elem.	Elem.	Mid/High	BA/BS	Graduate	Total
Very Eff.	----- -----	----- -----	1 16.7	2 33.3	3 50.0	6 1.2
Eff.	6 4.2	22 15.3	52 36.1	47 32.6	17 11.8	144 28.8
Ineff.	30 10.1	85 28.6	135 45.5	43 14.5	4 1.3	297 59.4
Very Ineff.	2 4.1	15 30.6	22 44.9	10 20.4	----- -----	49 9.8
Don't Know	----- -----	1 25.0	3 75.0	----- -----	----- -----	4 .8
Column Total	38 7.6	123 24.6	213 42.6	102 20.4	24 4.8	500 100.0

Missing observations: 3

Gamma = -.36668

Saudi Arabia, many people try to influence the outcomes of government decisions by using familial or tribal ties. In addition, this is a phenomenon that is widespread in the Middle East in general. People employ it to speed up their paperwork in government agencies. It can improve productivity only for those people with connections. By the same token, it might reduce the productivity of many employees because they might rely on it to solicit bribes and other benefits.

Connections and waiting time. Knowing employees in any government agency is one way to speed up an individual's paperwork and gain better access to those employees. This is a factor in reducing the time required for waiting either in line or for paperwork to be processed. It is assumed that people who know employees in any government agency wait less than those who do not.

When one looks at **Table 6.34**, it is evident that the majority, 75.9 percent, of the respondents (374) waited between 2:01-4:00 hours either in lines or in agencies for their papers to be processed. But, it is also apparent that respondents who knew employees personally waited less than those who did not: 56.6 percent of the respondents (56) versus 43.4 percent (43) respectively. While none of the respondents who knew employees waited more than 4:00 hours, 20 of those who did not know employees waited more than 4:00 hours. So, this result supports the connection assumption that respondents who knew employees waited less than others.

Table 6-34: Knowing Employees in Agencies and Respondents Waiting Time for Services.

Know Empl.	< 2:00	2:00-4:00	> 4:00	Total
No	43 43.4	275 73.5	20 100.0	338 68.6
Yes	56 56.6	99 26.5	----- -----	155 31.4
Total	99 20.1	374 75.9	20 4.1	493 100.0

Missing observations: 10

Gamma = -.62587

Connections and days required. It is assumed that respondents who knew employees would finish their tasks faster than would those who did not. The assumption here is that respondents who knew employees would require fewer days to accomplish their tasks. From *Table 6.35* it is apparent that 45 percent of the respondents (222) had to wait 1-3 days for their paperwork or tasks to be completed. The connection phenomenon here is clear. From the total respondents (57) who took less than one day, 71.9 percent (41) knew employees versus only 28.1 percent (16) who did not know anyone. Looking at the table, it is apparent that fewer people who had connections took more than seven days to complete their tasks. Only 25 percent of the respondents (15) who knew employees fell into this category versus 75 percent (45) who did not know employees.

Connections and procedures. There are certain procedures that everyone must follow in order to complete paperwork. Procedures can be made easier or more difficult depending on whom you know and who you are. Once an individual knows an employee in a government agency, most of the former's actions will be facilitated. It is assumed that procedures would be made easy for those respondents who knew employees in the designated agency. So, in terms of productivity, there would be a speeding up of those respondents' procedures. This might help employees to be more productive if they can utilize the extra time in productive work. But by the same token, this situation could have a negative effect on other respondents who might not get similarly favorable treatment.

Table 6-35: Knowing Employees in Agencies and Days Required for Accomplishing Tasks.

K. Empl	< 1	1-3	4-5	6-7	> 7	Total
No	16 28.1	157 70.7	52 74.3	68 81.0	45 75.0	338 68.6
Yes	41 71.9	65 29.3	18 25.7	16 19.0	15 25.0	155 31.4
Total	57 11.6	222 45.0	70 14.2	84 17.0	60 12.2	493 100.0

Missing cases: 10

Gamma = -.37425

From *Table 6.36* we see that, in spite of the report of the majority, 60.6 percent, of the respondents (299) who said that procedures were difficult, 76.9 percent did not know employees, while only 23.1 percent who knew someone were of this view. Of those who said that procedures were very easy, more than 90 percent knew employees compared to 9.1 percent who did not. In general, this is supportive of the assumption that respondents who knew employees would have less difficulty in procedural matters.

Connections and treatment. All clients should receive good and equal treatment from employees. But as discussed earlier, favoritism and kinship play a significant role in this matter. It is assumed here that respondents who knew employees would receive preferential treatment. When one looks at *Table 6.37*, it is apparent that there is a trend for respondents who knew employees to agree with the statement that employees treated people equally and fairly. Of the majority, 56 percent, of the respondents (275) who disagreed with this statement, 62.2 percent (171) did not know employees compared to only 37.8 percent (104) who did. This is an indication of how well-treated those who knew employees were. In support of this assumption are the respondents who agreed with the statement. Given that only 6.7 percent of the respondents (33) agreed with it, 66.7 percent of those (22) knew employees while only 33.3 percent (11) did not. The same trend is evident for those who strongly agreed with the statement; While 87.5 percent of those respondents (154) did not know employees, only 12.5 percent (22 respondents) knew someone.

Table 6-36: Respondents' Evaluation of Knowing Employees in Agencies and Difficulty of Procedures.

K. Empl.	V. Easy	Easy	Difficult	V. Diff.	Total
No	1 9.1	46 39.7	230 76.9	61 91.0	338 68.6
Yes	10 90.9	70 60.3	69 23.1	6 9.0	155 31.4
Total	11 2.2	116 23.5	299 60.6	67 13.6	493 100.0

Missing observations: 10

Gamma = -.69779

Table 6-37: Knowing Employees in Agencies and Equity and Fairness of Treatment.

K. Empl.	Agree	Disagree	S. Disagree	D. Know	Total
No	11 33.3	171 62.2	154 87.5	1 14.3	337 68.6
Yes	22 66.7	104 37.8	22 12.5	6 85.7	154 31.4
Total	33 6.7	275 56.0	176 35.8	7 1.4	491 100.0

Missing observations: 12

Gamma = -.52989

Connections and access. Accessibility to public employees means more favoritism to some. But it is difficult to get access to these employees unless you know them. Accessibility could help clarify some ambiguous questions or directions that clients experience. It also means speeding up of some people's paperwork, which could be related to efficiency if employees utilize the extra time that they save to finish other paperwork. But if this time is not utilized to the benefit of all, it leads to inefficiency and corruption because other people will suffer. The assumption here is that respondents who knew employees would have better access to public services and that would lead to accomplishing their tasks more quickly.

Taking a quick look at *Table 6.38*, one can see that, although the majority, 54.1 percent, of the respondents (263) disagreed with the assertion that employees were accessible to respond to questions and demands, 45.3 percent (220) agreed with the statement. From the respondents who agreed with the statement, 53.2 percent (117) knew employees compared to only 46.8 percent (103) who did not. In general, the data is supportive of the assumption that respondents who knew employees would have better access to public services and would accomplish their tasks more quickly.

Connections and satisfaction. Productivity should be coupled with client satisfaction. But clients' satisfaction is influenced by many factors such as the treatment they receive from employees, the quality of services, reception, and the like. To know employees means to have better access, better treatment, speedy processing, and so on. This means better productivity for employees if it does not affect other people's

Table 6-38: Knowing Employees in Agencies and Accessibility of Employees to Respondents.

K Empl.	S. Agree	Agree	Disagree	S. Disag.	D. Know	Total
No	2 22.2	101 47.9	215 86.3	13 92.9	2 66.7	333 68.5
Yes	7 77.8	110 52.1	34 13.7	1 7.1	1 33.3	153 31.5
Total	9 1.9	211 43.4	249 51.2	14 2.9	3 .6	486 100.0

Missing observations: 17

Gamma = -.73102

treatment.

The assumption here is that respondents who knew employees would be satisfied with the services they received more than would those who did not. *Table 6.39* indicates that the majority, 64.5 percent, of the respondents (318) were dissatisfied with the services they received. While 83.7 percent of those respondents (266) did not know employees, only 16.3 percent (52) knew someone. On the other hand, 40.1 percent of the respondents (69) who did not know employees were satisfied as compared to 59.9 percent (103) who did. So, this is supportive of the assumption that respondents who knew employees would be more satisfied with the services they received than those who did not.

Connections and efficiency. Evaluations of the efficiency of employees by clients is very important. The faster the process, the better the rating the employees will get. But knowing employees plays an important role in this situation. It is assumed that if a respondent knew employees, he would finish his paperwork more quickly and rate employees as efficient. If this efficiency could be maintained along the way, it would be good for both employees and clients.

When we look at *Table 6.40* we can see that the majority, 68.5 percent of the respondents (338), said that employees were inefficient. However, within this group, 82 percent (a total of 277) of these did not know employees, as compared to 18 percent (a total of 61) who did. On the other hand, 30.4 percent of the respondents (150) said that employees were efficient. Of those, 37.3 percent (56) did not know employees as

Table 6-39: Knowing Employees in Agencies and Respondents' Satisfaction About Services Received.

K Empl.	V. Sat.	Satisfied	Dissat.	V. Dissat.	D. Know	Total
No	----- -----	69 46.3	243 82.7	23 95.8	3 100.0	338 68.6
Yes	23 100.0	80 53.7	51 17.3	1 4.2	----- -----	155 31.4
Total	23 4.7	149 30.2	294 59.6	24 4.9	3 .6	493 100.0

Sat. = Satisfied. Dissat. = Dissatisfied. Missing observations: 10
Gamma = -.77762

Table 6-40: Knowing Employees in Agencies and Respondents' Perception of Employees' Efficiency.

K. Emp.	Very Eff.	Efficient	Ineff.	V. Ineff	D. Know	Total
No	----- -----	56 38.9	233 80.1	44 93.6	5 100.0	338 68.6
Yes	6 100.0	88 61.1	58 19.9	3 6.4	----- -----	155 31.4
Total	6 1.2	144 29.2	291 59.0	47 9.5	5 1.0	493 100.0

Ineff = Inefficient. Missing observations: 10
Gamma = -.75662

compared to 62.7 percent (94) who did. So knowing employees appeared to be speeding up paperwork and leading to the finishing of tasks more quickly. The data here supports the assumption that respondents who knew employees would finish their tasks more quickly than those who did not. Consequently this would lead to a better rating of employees by the former group and a worse rating by the latter.

Connections and courtesy. Courtesy is supposed to be extended to every client who consults a government agency. It is supposed to be a right and not a privilege. But courtesy sometimes is provided for those clients who know employees in a particular agency and falls short for those who do not. The assumption here is that employees would be more courteous toward those respondents whom they knew as compared to those whom they did not.

Looking at *Table 6.41*, it is apparent that the majority, 70.4 percent, of the respondents (347) disagreed with the statement that employees were helpful and courteous. It can be seen that the majority of these, 80.7 percent, of the respondents (280) did not know employees compared to only 19.3 percent (a total of 67) who did. This is an indication that employees were really more courteous toward those whom they knew than to those whom they did not. In support of this assertion are the agreement responses. While none of the respondents who did not know employees strongly agreed with the statement, six of those who knew employees strongly agreed. In addition, there was an apparent bias among these employees toward those whom they knew. On the agree section, while less than 42 percent of these respondents (57) who did not know

Table 6-41: Knowing Employees in Agencies and Respondents' Perception of Employees' Courtesy.

K. Empl.	S. Agree	Agree	Disagree	S. Disagr	D. Know	Total
No	----- -----	57 41.3	257 80.6	23 82.1	1 50.0	338 68.6
Yes	6 100.0	81 58.7	62 19.4	5 17.9	1 50.0	155 31.4
Total	6 1.6	138 28.0	319 64.7	28 5.7	2 .4	493 100.0

Missing observations: 10

Gamma = -.65697

employees agreed with the statement, more than 64 percent (87 respondents) who knew employees did not. Thus, all indications here are supportive of the assumption mentioned above, namely that employees would be more courteous toward respondents whom they knew than those whom they did not.

Satisfaction with and Quality of Public Services

Evaluating the perception of the respondents about public services they received in each city and by each agency will be effective in comparing the effectiveness and quality of those services. This section will be mainly devoted to this matter.

Respondents' satisfaction with services. When looking at *Table 6.42*, it is apparent that while 37.9 percent of the respondents (55) in Alkharj were satisfied with the services they received, only 33.5 percent from Riyadh expressed their satisfaction. But when looking at those who were dissatisfied, we can see that 66.5 percent (236 respondents) were from Riyadh and 62.1 (90 respondents) were from Alkharj. So people from Alkharj seem to be more satisfied with public services than those of Riyadh. This might be related to other factors such as population density, traffic, and the like.

When comparing respondents' satisfaction about services provided by each agency, it is clear from *Table 6.43* that those respondents were more satisfied with Passports and Identification agencies (47.8 percent or 66 respondents) and least satisfied with the Municipality agencies (19.2 percent or 23 respondents).

Table 6-42: Clients' Satisfaction With Services Received in Each City.

City	V. Sat.	Satisfied	Dissat.	V. Dissat.	D. Know	Total
Riyadh	11 47.8	108 71.5	216 71.8	20 80.0	1 33.3	356 70.8
Alkharj	12 52.2	43 28.5	85 28.2	5 20.0	2 66.7	147 29.2
Total	23 4.6	151 30.0	301 59.8	25 5.0	3 0.6	503 100.0

Gamma = .10820

Table 6-43: Clients' Satisfaction With Services Received From Each Agency.

Agency	V. Sat.	Satisfied	Dissat.	V. Dissat.	D. Know	Total
Traffic	9 39.1	44 29.1	72 23.9	4 16.0	2 66.7	131 26.0
Municip.	3 13.0	20 13.2	85 28.2	12 48.0	----- -----	120 23.9
Teleph.	6 26.1	26 17.2	76 25.2	5 20.0	----- -----	113 22.5
Pass. & ID	5 21.7	61 40.4	68 22.6	4 16.0	1 33.3	139 27.6
Total	23 4.6	151 30.0	301 59.8	25 5.0	3 0.6	503 100.0

Gamma = -.09808

Respondents' Evaluation of Quality of Services. Looking at *Table 6.44*, it is clear that the respondents from Alkharj, 57.5 percent (65 respondents), were more satisfied with the quality of services they received more than those of Riyadh (45 percent of 125 respondents). On the other hand, comparing the quality of services provided by each agency, it is indicated by *Table 6.45* that the respondents were satisfied with the quality of services provided by the Traffic Agency (64.4 percent or 67 respondents) and least satisfied with the Telephone Agency (34.9 or 29 respondents).

When comparing the respondents' perceptions about public services, it seems to be that clients from Alkharj were more satisfied with the services and their quality of them than those from Riyadh. It seems also that the Passports and Identification and Traffic agencies were in the front runner for both satisfaction and quality of services. The respondents rated service by the Municipalities as the least satisfying and Telephone as the worst in quality.

Table 6-44: Clients' Perception of Quality of Services Received in Each City.

City	V. Good	Good	Bad	V. Bad	D. Know	Total
Riyadh	4 44.4	121 66.9	138 75.8	15 78.9	50 70.4	328 71.0
Alkharj	5 55.6	60 33.1	44 24.2	4 21.1	21 29.6	134 29.0
Total	9 1.9	181 39.2	182 39.4	19 4.1	71 15.4	462 100.0

Missing observations: 41

Gamma = .14344

Table 6-45: Clients' Perception of Quality of Services Received in Each Agency.

Agency	V. Good	Good	Bad	V. Bad	D. Know	Total
Traffic	4 44.4	63 34.8	34 18.7	3 15.8	18 25.4	122 26.4
Municip.	3 33.3	37 20.4	45 24.7	5 26.3	20 28.2	110 23.8
Teleph.	1 11.1	28 15.5	51 28.0	3 15.8	18 25.4	101 21.9
Pass. & ID	1 11.1	53 29.3	52 28.6	8 42.1	15 21.1	129 27.9
Total	9 1.9	181 39.2	182 39.4	19 4.1	71 15.4	462 100.0

Missing observations: 41

Gamma = .09196

Conclusion

Evidence of the existence of low productivity of public services of questionable quality has been spelled out in this chapter. Previous studies related to these matters were discussed. Interviews with high and middle level managers were reported in the prior chapter.

Additional evidence was presented in the analysis of the survey data. The frequency distribution analysis indicated the existence of low productivity. For example, it indicated that 76 percent of the respondents waited in lines from 2:00-4:00 hours and more than 43 percent took between 4 to more than 7 days to finish their tasks. Respondents complained about the difficulty of procedures and accessibility to agency employees. They expressed their opinion clearly: 68.9 percent noticed the inefficiency of employees; 59.9 percent noticed efficiency improvement; 66.2 percent suggested no service improvement; and 59.9 percent felt poor service quality. All these show the existence of the problem and the need for solutions.

When it comes to the conduct of business, it is apparent that most employees were not on vacation. They conducted their personal business on work time. For example, 86 percent of the respondents who were employees were not on vacation and more than 81 percent conducted their business by themselves on work time. This is a serious problem when employees leave work. The quality of client-agency interaction is also indicative. Respondents complained about their treatment, the courtesy of employees, and the like; more than 70 percent said that they were not treated fairly. This is a reflection of how the interaction between agency employees and clients can affect

productivity.

Connection is a way of life in Saudi Arabia as indicated by the results of the survey. People who have friends and/or relatives in the government agencies are fortunate. They have better access and will finish their tasks faster. It is astonishing when we find that more than 98 percent of the respondents declaring that people who have friends and relatives had better access to government agencies.

Education plays a major role in the productivity phenomenon. The more education the respondent had, the less time he would spend waiting, the more he reacted favorably on the clarity and availability of instructions, the more he was satisfied with services, and the more positive attitude he had toward public employees.

After having established the existence of low productivity, deriving an approach or approaches to improvement is the next step. This will be the subject of the next chapter.

CHAPTER VII

APPROACHES TO REFORM IN SAUDI ARABIA

Finding methods for improving productivity in the public sector of Saudi Arabia is one of the main concerns of this study. In the last chapter, evidence of low productivity, client-employee interaction, behavior of some employees toward clients, and the like were discussed. The purpose of that was to give the reader an idea of the situation that pertains there. To improve productivity, there must be a suitable approach that gives considerations to dominant social and cultural values and can be applied accordingly. Developing an approach that is applicable to the Saudi case is troubling because of the complex factors that must be taken into consideration. The Western approaches are designed for certain societies and cannot be totally applied. This chapter will review some of the past efforts to reform administration and improve productivity. Some Western approaches that can help to develop a suitable approach that can be applicable to Saudi Arabia also will be examined.

The problem of productivity in Saudi Arabia, as in other developing countries, is a multidimensional phenomenon that has many complicated roots and causes, with each of these influencing the others. One is the weakness of management systems that ignore or do not take sufficiently into account such motivational, behavioral, and cultural factors as deeply rooted nepotism and sense of kinship. Young and educated managers or other personnel may appreciate these factors but cannot do any thing about them because they

are either not encouraged to do so or they are frustrated by higher authorities.

Unquestionably, cultural factors in Saudi Arabia play a very important, even determinative, role. Any meaningful approach to reform must take them into full account. Traditional values affect productivity in many ways:

1. In traditional cultures, the importance of the time factor is often neglected in administration. Planning is not important. Compliance with timetables for completing specific tasks, while keeping up the quality, is not important.

2. In traditional cultures, human relations in organizations are neglected. The assumption is that people do not like to work, but have to be forced to do so under close control and supervision.

3. Workers tend to be evaluated on the basis of their loyalty to their families and tribes and not on the basis of their performance. In addition, men enjoy more advantages in society than women.

The availability of wealth in some developing countries is also a factor. Wealth distorts the idea of productivity and makes efficiency a low priority. Large amounts of money are invested in technology that is there to be displayed for prestige purposes and not for any other use (Al-Khalaf and Amir, 1984. pp. 112-113).

In Saudi Arabia, in the last few years wealth was accumulated in the hands of a certain class of people who spoil their children and contribute to the creation of an irresponsible generation. Its members often are unwilling to carry out full responsibilities or are not willing to accept any job. This is a very dangerous condition and could undermine any effort to resolve the low productivity problem. Osman

elaborates on this by saying:

The rapid growth of wealth has created an over-optimistic environment without taking into consideration the capacity of the bureaucracy.... Saudi Arabia is a country with unlimited wealth but very limited human resources (Osman, cited by Heady, 1984, p. 296).

Also applicable to Saudi Arabia is Balbir Sahni's description of the common characteristics of developing countries (Sahni, 1983). He says that developing countries have in common the following characteristics:

(1) Agriculture (subsistence and commercial) being the principal economic activity of the labor force, (2) under-utilization of labor as manifested by disguised underemployment and open unemployment, (3) unrelenting population growth, (4) slow pace of productivity increase, (5) dualism in terms of wage differential between agriculture and industry (6) highly skewed patterns of income distribution, and (7) a greatly lethargic attitude of the private sector to promote the achievement of national objectives (p. 326).

Though Saudi Arabia does not rely too much on agriculture, the other factors describe the actual state of the Saudi society and economy. The oil boom has done little to change this situation.

Efforts to Improve Productivity

To improve productivity, there must be well defined plans that can be carefully implemented. The government is the sole responsible body able to do that. In Saudi Arabia, much effort has been invested in developing the administrative system. But, as mentioned previously, these plans are often hampered by obstacles, social, cultural, and administrative in nature and deeply rooted in the society. They are not easily altered. Heady explains the implications when he says:

The administrative machinery is the principal vehicle for action, but its ability to operate effectively is hampered by its own traditional characteristics, by its embryonic condition, and by the difficulties it faces in penetrating the community. Reforms to remedy these handicaps are undertaken reluctantly and tentatively, if at all (Heady, p. 295).

The speed of development and the demands on the government for more services created the need for more organizations to handle these demands resulting in a rapid growth of the bureaucracy. Even though the Saudi bureaucracy has been trying to deal with its problems for the last two decades, it does not have the capacity and skilled manpower to do effectively. There is probably no shortage of the unskilled and untrained workers. But the need for skilled manpower and expertise is growing. Heady elaborates on this by saying that:

The rudimentary Saudi bureaucracy, although it has grown rapidly in numbers and has assumed new obligations, is still lacking in capacity to meet demands being placed upon it. Government is the main employer, and the ratio of civil servants to the total population has been growing; however, the major increase has been in the lower levels of the administrative hierarchy, where overstaffing is apparent. Managerial, technical, and scientific expertise, on the other hand, continues to be scarce. Despite unusual efforts to recruit non-Saudis for such positions, reaching over 30 percent at one time, many vacancies cannot be filled (Heady, p. 296).

The government has tried many means to reform the bureaucracy and improve productivity. These efforts include: establishment of many agencies that are specialized in civil service reforms; training of employees to raise their skills and expertise and in turn improve their performance; providing many incentives both material and non-material; and introducing other administrative reforms and consultations such as the Five-Year Development Plans, the United Nations Commission, and the Ford Foundation.

Establishment of New Agencies

As means for administrative reforms and improving public employees' performance, the government established many specialized agencies to deal with this problem. The effectiveness of those agencies is dependent on their authority and strength to deal with the problem of productivity.

As mentioned in *Chapter IV*, and as a result of the first recommendation of the Ford Foundation, the Supreme Committee for Administrative Reform was created. The aim of this agency is to reform the administrative apparatus in general and make the bureaucracy more effective and efficient. It is one of the highest authorities regarding the improvement of the civil service in the country. Decree No. 151 in 1985, issued by the Administration and Preparation Committee, stressed the importance of productivity. It was a master plan to streamline routines and cut the red tape associated with many functions performed by the service agencies.¹ In addition, the Committee was able to carry out 197 actions from its inception up to 1990, including decrees, reports, and studies (IPA, 1991, p. 9).

The creation of the Institute of Public Administration (IPA) in 1961 was a result of a recommendation of the United Nations Commission. It marked the beginning of a systematic training effort, but the IPA does more than train. Other activities include research, consultations, and providing a library of materials on public and private administration.

Even though the IPA has launched many successful programs and provides many

¹ For more explanation of this committee's functions, refer to *Chapter IV*.

incentives for joining these training programs, there is a lack of interest on the part of top and middle management personnel. If agency managers do not pursue training to raise their expertise, productivity will suffer.

Created in 1977, the Civil Service Board is the supreme authority regarding civil service, because it is chaired by the President of the Council of Ministers, the King. It derives its strength from the King who is the chief executive and has the final authority in the country.

The Central Organization and Management Department (COMD) was established in 1964 as a result of the recommendation of the Ford Foundation. It is a subunit of the Ministry of Finance and National Economy. Its functions are not limited to organizing and providing consultations within the ministry, and it provides many services to other government agencies. It is not as effective as the IPA or the Supreme Committee for Administrative Reform.

As a reaction to the increase of corruption in the bureaucracy, the Control and Investigating Board (CIB) was founded in 1970. The CIB is headed by a Minister of State who is advised on cases through the King himself. This board was created to act as a watch-dog for the performance of the government and the behavior of its employees. (Murshid, 1978, p. 171). Even though it was created to curb corruption, it does not live up to its expectations and is not able to control informal felonious actions. It is totally inactive in most cases that involve influential people.

Training Programs

Training is considered one of the best methods to raise the skills of many employees. The successful Japanese management that led to raising workers loyalty and productivity was done, among other ways, through training. Bonge and Hickey (1984) explain this:

The Japanese method of making workers take responsibility for their jobs and their tools is continuous training. All employees at all levels keep on training until they retire. Weekly training sessions are regular and scheduled parts of their work.... Continuous training gives every worker a knowledge of his own performance, of his own standards, and the performance of other fellow workers of his level.... It creates a community of working workers.... He sees the genuine whole and he is expected to be concerned with the performance of every job in this genuine whole (Bonge and Hickey, 1984, p. 81).

Besides training programs offered by the IPA, there are many programs that are undertaken by the ministries themselves. In 1977, the Training Policy was issued. It was enacted to improve employee performance and encourage them to enroll in these programs. The government provides employees with incentives for training. The policy requires that all public departments submit an annual training plan. The Kingdom's training policy resulted in an expansion of the training facilities and programs within and outside government agencies.

The various training programs have helped many employees to look for better jobs and to speed up the replacement of foreigners in both the private and public sectors, and it has helped many public employees to raise their level of skills and expertise. Yet, at several places in this analysis it has been shown the overall effects of public sector performance are limited.

Incentives

Monetary incentives to motivate employees toward better performance has been recognized by public and private sectors. Money is the source of living expenses for employees. Most material incentives are monetary in nature. There are considerations that should be kept in mind when providing such incentives: (1) incentives should address unsatisfied needs because satisfied needs are no longer motivators; (2) the rewards should be tied to performance and employees should know this relationship; (3) for incentives to be effective, they should be awarded as close as possible to the performance being rewarded--delaying them may have a negative impact on motivation because it may reduce the trust of employees performance; and (4) incentives should be commensurate with the services or performance they are tied to and they should be perceived as equitable by the employees (Katz, 1964, p. 131-146, LeBoeuf, 1982, p. 111).

In Saudi Arabia, the availability of incentives is often dependent on the budget, and the budget is dependent on the government's income. This income is generated mostly by oil and its prices and production fluctuate. If the prices and production are sufficient, incentives become more available. But if they are insufficient and there is a deficit, these incentives shrink in their availability. In recent years, there have been difficulties in providing sufficient monetary incentives.

Among monetary incentives that the government provides is an encouragement reward which has been introduced in the last few years. It is an incentive for extraordinary efforts, performance, or innovation. It is a fixed two-month salary given once a year to a limited number of employees in each public agency. But this number

is not to exceed 10 percent of each grade in each agency. The second incentive is an increment that is given to every employee each year. This is approximately four percent of the base salary of each grade. If an employee has had two consecutive excellent performance appraisals, he will be given two increments in one year. This also is given to a number of employees that is not to exceed 10 percent of each grade in each agency. The third incentive is the profession payment. It is one of the incentives to attract people to the less desirable jobs, dangerous jobs, and professions that are in high demand. It is 10-30 percent of the base salary paid each month (Al-Gonaid, 1980, pp. 157-158). This system of incentives is on the decline in many government agencies. The government has put more restrictions to save more money regardless of its effectiveness.

In March 1982, a new pay scale for government employees was issued. It raised the base salary of many employees significantly and helped to attract skilled manpower to the public sector. At that time, the pay scale was attractive to many skilled labor. With the rising cost of many commodities and inflation, the present pay level is not encouraging in the real sense. It is enough for subsistence, but now falls short of attracting well-qualified professionals.

The possibility of promotion to higher positions is also an incentive. As such, it can boost morale and motivate employees toward better performance. Unfortunately, promotion opportunities have been limited in the last few years because of the limited availability of vacant jobs. Employees have been on their levels for more than the required time. This will have a negative effect on the incentive program and will reduce the performance of many employees.

Job security is one of the distinctive advantages of public sector employment. Public employees in Saudi Arabia feel very secure in their jobs and retirement. With security comes loyalty to an organization, and this may promote productivity. Also, retirement plans in the public sector are very well-established and stable compared to the private sector. This may attract well-qualified personnel from the private sector. Even though the retirement system may attract qualified employees, it unfortunately may have some negative effects on productivity. Employees feel very secure in their jobs and their retirement. They take it for granted that they will not be dismissed or lose their retirement. Performance is not taken into consideration in these matters.

Even though the various incentives have been working to a limited degree to raise employees' morale and motivation, they have not lived up to government expectations.

The Saudi bureaucracy needs to develop structures and procedures adequate for massive disbursements. A survey of bureaucrats in Saudi Arabia found them quite aware of shortcomings in performance in a less than fully supportive "motivational climate," particularly in the intermediate and lower level echelons. (Marriam, in Farazmand, 1991, p. 278).

Motivation is dependent on employee perceptions and needs. If employees perceive incentives as equitable in comparison with what they expend in resources and energy, the incentives will work as motivators. Incentives, whether material or non-material, are of special value to many employees. For low level employees, monetary incentives might be more effective toward motivation more than non-monetary ones. On the other hand, non-monetary incentives will motivate higher and middle level management personnel more because most of them have satisfied their basic needs.

Administrative Reforms

Administrative reforms are important in any effort to improve productivity. They may take many forms, ranging from basic reorganizations to the use of consultation to solve particular problems.

Introduction of a recruitment system that is based on merit is one way to improve the administrative system and increase productivity. It is one of the ways to select qualified personnel. In 1970, the Saudi government enacted the merit system of employment as a mean to put the right people in the right places and to encourage competition among those who are seeking employment. Article I of the Civil Service Regulation stated that "merit is the basis for selecting employees to fill government positions." (General Personnel Regulations, in Al-Shaikh, 1983, p. 65). But with the plans for rapid development and the connection phenomenon that is widespread, the merit system has not worked as it is supposed to.

Administrative reform efforts, including enactment of a public personnel law in 1970 which enunciated the merit principle in public employment and adopted concepts of position classification, have exhibited a great deal of formalism as they have actually been put in practice (Heady, 1984, p. 296).

This is a common result in many Third World countries, but they are more apparent in oil-rich states. Jreisat explains this when he says:

The growth of governmental plans resulted in an unavoidable decline in administrative capacity because of the addition of many inexperienced and ill-trained new recruits. Poorly defined and articulated functions and responsibilities run through the employment hierarchy as well. This is typically true in oil-producing Arab states such as Saudi Arabia, Kuwait, Oman, and the United Arab Emirates (Jreisat, in Farazmand, 1991, p. 671).

There have been limitations to the application of the merit system. Connections, tribal affiliation, loyalty, and other cultural factors play a major role in the recruiting system. Many unqualified personnel have been appointed to higher positions on the basis of their background. Those appointees create conflicts between them and other personnel who are well-qualified.

In seeking to develop the system and improve productivity, the government went to the United Nations, then to the Ford Foundation. Among its recommendations were the establishment of several agencies to promote reform in the administrative system.

In part because of United Nations and Ford influence, there has been emphasis on the development of human resources in the Five-Year Development Plans. The First and Second Five-Year Development Plans that lasted ten years stressed the importance of the development of manpower (Ministry of Planning, 1975 and 1980). The Third Five-Year Development Plan (1980-1985) emphasized the full utilization of all available resources to develop the administration, to insure that most managerial positions were filled by Saudi citizens, and to reduce the dependence on foreign labor. In this plan, human resource development was given the highest national priority (The Third Year Plan, in Al-Farsy, 1990, p. 158). From the productivity point of view, the Fourth and Fifth Five-Year Development Plans (1985-1995) were extensions of the previous ones regarding the concentration on human resource development. These two plans emphasized improving efficiency through training and education, rewarding those who are productive, and encouraging the use of technology (Al-Farsy, 1990, pp. 150-164).²

² For more details about the objectives of those plans, refer to *Chapter IV*.

Despite all of the government's efforts to reform the public sector, there have been many criticisms. Some of them are well founded and many others are not based on objective judgement. In general, the government functions despite a variety of administrative limitations. For example, according to Chackerian and Shadukhi

Bureaucracies in such countries as Saudi Arabia do for the most part manage to function despite well-founded criticism.... While workers are not highly motivated, they do seem to be responsive to demands from their superiors. (Chackerian and Shadukhi, 1983, pp. 319, 221, in Merriam, in Farazmand, 1991, p. 278).

Even though the government in Saudi Arabia tried to reform the administration through creating new agencies, increasing training, introducing incentives, and other steps that promised productivity improvement, there are many obstacles that need to be overcome. These obstacles are of common nature in most Third World countries. But the country is new and in a trial period. Many developing countries suffer from the similar problems.

The Saudi Experience and Management Approaches

Western approaches that could be applicable to Saudi Arabia are problematic because they are reflective of distinctive societies and cultures. They cannot be applied just as they are to quite different societies without adaptation. But there are possibilities and some grounds for optimism. As Fesler (1980) noted:

Contradictions there certainly are. But three strategies can be considered by those seeking to escape defeatism. First, we can reasonably conclude that each approach embodies a significant truth about government organizations than any of them does if taken as the whole truth. Second, we can conclude, as a mere matter of common sense, that the error of these approaches lies in overgeneralization. Not all organizations are the

same; not all small groups are the same; not all jobs are the same; therefore, situational variables need to be taken into account (pp. 42-43).

Clearly, borrowing approaches without any consideration of indigenous social and cultural values will lead to failure. The society and culture in Saudi Arabia are quite different from those of the West. Western approaches may be helpful in building institutions and in motivational factors, but they must be applied with due consideration given to local conditions. Osamah Abdulrahman elaborated on this by saying:

Many of the institutions and administrative regulations have been copied from Western countries to fulfill a particular need or to deal with a specific problem without much consideration being given to their relations with the social structures and processes. Osamah asserts that the borrowing of Western models is useful in that it will serve in the development of these institutions and their regulation, but should not be used without any consideration given to the social context of the society (Osamah, 1982, in Al-Shaikh, 1983, pp. 21-22).

Another point is that Western theories assume the freedom of expression and the right to assemble. The Western World enjoys this freedom which could lead to reforms through public criticism of the functions of the government and its high officials. This is lacking in many Third World countries. Exporting these values to a society such as that of Saudi Arabia will be considered strange and impractical at this stage. In the West, these values are more important than administrative factors. Riggs argues:

Woodrow Wilson weighted democratic values more highly than administrative efficiency, and therefore would be shocked to find Americans exporting administrative doctrines and practices that might be of aid to authoritarian governments (Riggs, in Heady, 1984, p. 419).

Seen in the light of Max Weber's ideal type of bureaucracy, the Saudi administration can be said to be an incomplete, even contradictory phenomenon. On the one hand, it is highly stratified and hierarchized, and on the other, it lacks specialization

and professionalization. This lack is caused by a shortage of experts, by a confusion of the political and the administrative, and by the strong influence of traditional values in social interaction. As has been emphasized, it is evident that most people rely heavily on their relatives in the bureaucracy when dealing with public agencies. When one looks at the connection phenomenon, it is apparent that it plays major role in the life many Saudis and in the conduct of government, as demonstrated in the analysis presented in the previous chapter. Weberian bureaucracy presupposes a highly individualized society, not one such as found in Saudi Arabia, where the recognition of, the approval of, and the understanding of the group, be it family, tribe, professional group, or social class is fundamental. Applying Weber's ideal type of organization to Saudi Arabia without giving any consideration to its people's values will fail. On this point, Dwivedi and Nef (1982) said:

Among the various misapplications of the Weberian concept of bureaucracy in the Third World, the value-free administrative system appears to be one of the most counter-productive myths that has been transplanted (Cited by Baker, 1991, p. 358, in Farazmand, ed. 1991).

Nevertheless, the Saudi administration has assets that may qualify it to be highly effective in the Weberian sense: adequate basic infrastructure, financial resources, the political will of a young and increasingly powerful new elite, and a growing class of experts and specialist.

For the government to be more effective in a society such as that of Saudi Arabia, there must be some kind of melding of the elements of bureaucratic administration and traditional values. These values are built in the system and deeply rooted in the society and cannot be excluded. Laws and regulations should reflect these values in such a way

that does not impair the performance of the bureaucracy. For example, at the prayer time, all employees must close their offices and go to the mosque or the place of prayer. Unfortunately, this time is usually extended by many employees to relax and avoid clients.

Some developing countries have tried to graft bureaucracy to tribal hierarchy itself in order to appeal to residual pre-national feelings and values. But that can work only in countries which have existed for a long time and are not in the process of building a national identity like Saudi Arabia. To give tribes direct control of administrative affairs would make them powerful and competitive and would therefore undermine the role of the central government and the identity of the nation. Because the tribes grew historically as sorts of miniature societies or nations that individuals resort to in order to defend themselves and achieve a sense of identity, they cannot be given autonomy without pulverizing the new sense of national identity.

But the centralized Saudi public sector does not simply mean institutions in the hands of government officials; it means also actions, forms of behavior, values, and mental structures which condition and determine the nature of work performed by the Saudi worker. To speak of the productivity of the Saudi worker means therefore taking account of these factors which are as important as regulatory and institutional constraints. Because in the case of Saudi Arabia, most of these actions run against the demands of bureaucracy of the Weberian type, a new approach is needed to deal with the Saudi situation. Discussion of that will be deferred until later. For now, there will be a focus on how the Weberian model and the approaches that follow from it can be used to

critique Saudi practice in the domain of administration.

Rules and regulations in Saudi Arabia are often bent to reflect the interest of many influential people. Bureaucrats find ways to play around them. For example, promotion is based, among other factors, on seniority. An employee must finish four years and have good performance appraisals to be promoted. In practice, many employees were promoted not even to the next grade, but they could skip two or more grades regardless of their actual years in service.

In Third World countries in general and in Saudi Arabia in particular, the Weberian characteristic of fixed and official rules for the functioning of organization is observed formally, but its application is arbitrary, haphazard, and inconsistent. When one looks at the respondents's views in the survey about following rules and regulations to accomplish tasks, more than 72 percent said that it was impossible to get things done by following rules and regulations. Mostly they relied on connections. More than 98 percent also agreed that friendship and relationships with bureaucrats usually help in accomplishing tasks faster than following rules and regulations. Nydell explains this very well when he says:

In the Arab World, a manager or official is always willing to reconsider a decision, regulation, or problem in view of someone's personal situation. Any regulation can be modified or avoided by someone with enough persuasive influence, particularly if the request is justified on the grounds of unusual personal need. This is unlike most Western societies, which emphasize the equal application of laws to all citizens (Nydell, in Jreisat, 1991, p. 668).

But it would be wrong to say that because few abide by the rules, Saudi bureaucracy is a failure. In fact, it is more a matter of the failure of the approach to account for the Saudi experience. For one thing, because these rules are not universal

(applicable everywhere), they seem to be laden with a value system that is foreign to the country under question. In a society which conceives of the binding as something that is divine, it is difficult to inculcate the idea of a man-made rule. The latter is easily broken; it is a procedure, a pretext, something that can be dispensed with without qualms. What is needed is an idea, a concept that appeals to this inextricable linking of the divine and the legal. Something equivalent to what Weber, in his *Protestant Ethics and the Spirit of Capitalism*, called vocation, by which he meant a sense of calling, a belief in some kind of grace that moves the worker to produce more would work better if exploited fully and intelligently than a Weberian endorsement of a legal-rational system.

In fact, one of the most important characteristics of the Weberian type, hierarchy, works very well in the Saudi society. It works according to a well-defined chain of command. But that does not make Saudi Bureaucracy any more productive than others. The Weberian model is conceived of in terms of the kind of values that determine productivity. Saudi administration in itself is looking at these ideal values to increase productivity. The oil boom and the requirements of state building have made administration a means of pacifying and unifying the tribes of the Arabian Peninsula. Administration is means to achieve that end.

If this sounds too Weberian or even post-Weberian, it is because of the shortcomings of the Weberian model. Weber denigrates personal relationships, but in a society like Saudi Arabia, they can be powerfully motivating if reared, cultivated, and recruited to the service of a productive administration. The personal cannot be easily

separated from the official in a society where the division between the private and the public is not as rigid as in the West. In fact, the return in recent theories of administration to the personal side of work and the kind of gratification it entails is an argument against the Weberian rigid separation of the official and the personal. In Saudi Arabia this separation is very limited and perhaps, does not exist. More than 84 percent of the respondents to the survey agreed that employees take advantage of their positions to pursue their own interests. This indicates a deep-seated connection between self-interest and official work. On the qualifications of employees who are eligible to be appointed to public positions, Weber's model did not take into consideration the traditional ties in the developing world. He said that friendship and other personal relationship do not have any significance in appointments. That is not the case in Saudi Arabia where strong family and tribal ties are the rule and not the exception.

Of course, Max Weber would see authority in Saudi Arabia as of the traditional type, unfit for the rational-legal model that is bureaucracy. In Crozier's terms, Saudi bureaucracy is doomed to be dysfunctional because it is not rational. But such a categorization would be prescriptive and Procrustian. In a country like Saudi Arabia, where traditional authority is absolute and where public administration is so big as to be unmanageable, a new form of approach that will account both for the hybrid character of the society and the low productivity level of its administration is needed.

Frederick Taylor's wage-incentive-theory is rigid and exploitive in a sense. It treats people as machines without any sense of social and behavioral gratifications. It may work in a society such as that of the West where money is often valued more than

other factors, but not in developing nations, especially Saudi Arabia, where these social factors are the priority. Taylor's approach would be equally inapplicable, since wages in Saudi Arabia are decent, especially for middle-and top-management personnel. Saudi workers earn decent wages, but that does not necessarily motivate them. Taylor's approach would not give due consideration to value-related incentives like honor which would make the Saudis more productive.³ As mentioned in *Chapter V*, some managers in Saudi Arabia have used non-material incentives, such as praise and recognition, in improving productivity with considerable success. Taylor's scientism would not leave any room for what we may call the "pleasure-to-work" aspect of a job. Even though it may waste time, the Saudi worker seeks that pleasure in various types of socializing, calling on the phone or doing personal errands.

Furthermore, Taylor's principle of selection in recruitment cannot work in a new country like Saudi Arabia; shortages push one to recruit almost everyone. A new comparatively rich nation cannot politically afford to refuse work to anyone. All Saudis are supposed to have their "fair" share of the national wealth. Several of the managers who were interviewed complained about the appointment of people who were not right for the positions. Ayubi notes that public employment in Saudi Arabia, as well as in Egypt, is a "political safety valve." The underlying, unexpressed hiring rationale may be politically-motivated cooptation and control of potential dissidents (Cited by Merriam, in Farmazand, ed. 1991, p. 277).

³ Face saving, for example, is an important value in Japan and Japanese business and management take it very seriously.

Everything for Taylor boils down to the task, It should be clear, measurable, time limited, and well-defined. The worker is trained to perform tasks and not just to *work* his or her way through whatever needs to be done. This positivist focus on the unit of work can be beneficial, but its workability is limited to the private sector where productivity is measurable. In the public sector, the customer's problems are unpredictable; it is almost impossible to base administration on the identification of narrow, well-defined tasks. In Saudi Arabia, it is hard to work with the concept of the task because the goals of public administration are themselves not well-defined. In addition, Saudi Arabian managers most often than not look at tasks as commands and not as daily sets of activities.

This top-management perspective follows Fayol's management functions, but without the desired results. Fayol's approach discusses the principles to guide the performance of functions but fails to explain how to implement them. Saudi administration even overdoes those functions (planning, organizing, commanding, coordinating, and controlling); but productivity does not automatically follow. In other words, the Saudi case is an example of how Fayol's theory can be applied almost literally but with little effect on the rate of productivity. Fayol's is a theoretical and highly formalist approach. Take planning, for example. In Saudi Arabia, there is an overabundance of planning activities, but what is missing is that "magical" link between the managerial decision and the actual output of the worker. Five of the managers who were interviewed stressed the importance of cooperation between management and employees toward finding the right solutions to promote productivity. Organizing is also

a highly formalized activity, but the concern with productivity is lost within the concern for the formal structure.

In this context, directing becomes merely a set of orders coming from above which makes it impossible for one to stick to Gulick's principles of productive organization. The result is authority without responsibility (as opposed to an authority commensurate with responsibility), total control (as opposed to limited span of control), and misorganization (as opposed to power to organize). Four managers who were interviewed blamed low productivity on the lack of delegation of authority and another six said that there is a confusion as to who is leading. They stressed the importance of adequately defining the chain of command. In addition, this pattern of authority has created some fear among employees and clients--fear of complaining or discussing problems with superiors. In sum, administrative practices on the surface, include, Gulick's principles, but what is absent is the guiding sense of what is required for a truly productive organization.

Another problem is that for Gulick, everything boils down to efficiency. To apply that blindly to the Saudi experience would only universalize it without nuancing it by linking it to a different socio-cultural context. Efficiency has real meaning in a society where profit is a value in itself. This does not mean that the Saudis do not like profit. But it means that for them, profit is not an abstract category, an end in itself, that the historical abstractions of Western capitalism have made of it. This mean that efficiency does not have the instinctive appeal that it enjoys in the West. In addition, applying Gulick's principles to Saudi Arabia is impossible given the strong governmental

hierarchy that is now in place. Saudi managers do not have the authority to apply these principle that their Western counterparts enjoy.

The rationalist school comes closer to the reality of Saudi Arabia when it stresses the importance of communication. In Saudi Arabia, managers do not go out of their way to explain their decisions to employees. The chances are that many workers perform work that they do not understand or know why they are doing it. Interviewed managers complained about the failure to allow employees to participate in decision making. Nine of them stressed the importance of getting employees involved in all decisions that affect them and their organization. This absence of communication has a negative effect on productivity.

But communication implies a conception of authority as symbolic and indirect, unlike in Saudi Arabia where it is supposed to be direct, unchallenged, and hierarchical. Debate and negotiation imply a democratic value that is foreign to a tribal system rigidly hierarchical in its leadership. Nevertheless, mentioned previously in *Chapter V*, 47.97 percent of the employees who were surveyed about the unsatisfactory elements in their work said that one was the low level of participation in decision making. In another survey, 44 percent complained about the lack of expression (Al-Adaili, 1986, p. 218). That is why, if looked at in terms of Herbert Simon's rationalism, the Saudi administration seems to favor the stage of choice because it involves a decision, an act of authority, over intelligence and design which precede the stage of choice. Intelligence and design involve communication and consultation, factors with which direct authority seems to be impatient. On the other hand, in Saudi Arabia, administrators seem to

follow Simon's advice that they should base their decisions upon options that seem satisfactory and familiar to them using the available information, without, however, achieving the desirable results that he anticipates. This is as we have seen because choice (of an alternative or anything else) may depend on factors other than that of efficiency.

Because of its concern with the emotional and value side of work, the human relations school could be one of the most suitable for the Saudi experience. That is, it can be interesting as long as it stresses the importance of giving due consideration to what the worker considers important to him or her. But when these feelings are stratified and itemized as in Maslow, the theory begins to smack a utilitarian and positivistic behaviorism that looks at the worker as a mere organism made up of impulses and needs that can be manipulated by managers. Maslow bases everything on a need-satisfaction paradigm. In certain cultures, including Saudi Arabia, needs are considered shameful conditions and to try to arouse them would only lead to undesirable results.

Behaviorism can work in an individualistic, homogenized, and highly standardized culture, where forms of behavior are analyzed, itemized, and universally recognized. In other societies, segmentarist (as anthropologists would call it) and traditional, needs are less transparent and may not be even subject to knowledge. In other words, in a culture in which each tribe or segment of society has its own grid of values that culminate in the tribal feeling itself, what motivates one person will not necessarily motivate another. One person may take the satisfaction of a need as an achievement, while another may take it as something basic, low and unedifying.

McGregor's approach is more behavioristic in a sense. When he explains Theory X that assumes a person is lazy and does not have the ambition or desire to produce, that theory did not consider people's social needs that could be used to make them more productive. If people are deprived from achieving these needs, they will have frustration and they will be passive. But people have the tendency to learn by doing. McGregor was right (Theory Y) when he said that employees become lazy and not productive as a result of their experience in the organization. As mentioned before, employees in Saudi Arabia learn these negative traditional factors that waste time from their peers. In addition, they have not been given the chance to bear full responsibility. Most elements of Theory X are practiced in Saudi Arabia at this time. When McGregor said that most people satisfy their lower needs and rule them out as motivators, he was not considering developing nations. Most employees in those nations have not even satisfied their lower needs. Even in Saudi Arabia where the economic conditions are better than other developing nations, lower level employee have not satisfied their lower needs. Top level management are the ones who satisfied their lower needs and who are in need to satisfy their egoistic needs. McGregor was mistaken when he shifts the blame from employees to the management and organization for developing human potentials. If employees do not have the will to work, management can help to some extent, but it does not have the power to alter something that is unchangeable.

There is a sense in which McGregor's approach might have been more acceptable: if it talked about alienation and the need to restore to work something of its basic self-fulfilling, wish-fulfilling, and even utopian aspect. In the context of Saudi Arabia, the

transition from a nomadic, desert related economy into a modernized and transindividual economy was abrupt and even shocking. People find themselves alienated from their pastoral and traditional values in salubrious, glassy and glitzy offices. They look elsewhere for the satisfaction they used to have from their work in their pre-modern life. Work in the modern economy becomes an alienating experience, something that has to be done and be done with. What we need is an approach that takes into consideration this very fundamental rift in Saudi workers between their traditional systems of values and sources of gratification on the one hand, and their post-modern urban life on the other. The fast development and modern life is to be blamed for this situation. Development must be gradual and based on carefully planned program that takes into consideration the changes and their effects on society. Establishing associations that promote cultural interactions will also help in this situation.

That is why the Japanese model seems to be the most fascinating and probably the most suitable for Saudi Arabia. The marriage between modernization and a strong sense of tradition in the Japanese society is fascinating and would make a lot of Saudis at ease (unlike the European models which for a lot of Saudis, as opposed to other Arabs, means forsaking of tradition). But the Japanese model cannot be reduced to the strong sense of tradition. In fact, tradition comes in as a cultural framework that gives the worker a sense of goal, a sense of belonging, a deep source of gratification. The tribal system and religion would do the same thing in the Saudi case. But before that, there are the other factors which are behind the Japanese success discussed in *Chapter III*. It is important to comment on at least one of them here, which is the seventh: The

organization should have subordinate goals for its employees to motivate them to increase their outputs and efforts without exploiting them. This is the context where variation following cultural differences can be introduced into the Japanese model. The participatory aspect of Japanese management (according to Ouchi's theory Z), as opposed to the strict division in the United States between management and the worker, can only increase the importance of these goals and can therefore increase productivity. This theory stresses the importance of employees' skills and human relations in organizations. The first, employees' skills, can be applicable to the Saudi case. But the second, human relations in organizations is what is lacking in the administrative system because of the strong hierarchy.

In other words, some combination of Z theory, Quality Circles, and System 4, along with the Japanese emphasis on tradition would be the best recipe for increasing productivity in Saudi Arabia. The sense of unity, relationship, and intimacy that Ouchi argues for in his Z theory would provide the Saudi worker with a substitute for those historical values that he thinks are in the process of being superseded by the bureaucratization of society. The construction of positive values at work would mean that the Saudi worker would have a trust relationship with his fellow employees and management. There will be a comfortable environment that those workers operate in. So, the Saudi worker would no longer spend a lot of time looking for contexts and people who would give him a sense of gratification. As a result, productivity will go up.

The Z Theory's elements of life time employment, is the only on aspect of the Saudi administration. Once an employee holds a job in the public sector, it is rare that

he will resign or be fired. This might be a disincentive because employees will take it for granted that they will not be dismissed on the ground of poor performance. The other five aspects of this theory, slow evaluation and promotions, self-imposed supervision, and the like are far from being applicable to the Saudi case because of political and administrative circumstances. For example, collective decision-making is not permitted and wholesale concern for employees is nonexistence. Management lacks the will to permit employees to collectively participate in the decision-making process.

Quality Circles (QCs) can also be beneficial, but from a different perspective. To form employees who are trained to spot and solve problems in their divisions on a short term basis can eliminate one of the sources of frustration in the Saudi administration, namely the fact that problems accumulate and are seldom effectively dealt with by managers. When mentioning experiments that were tried and proved successful in improving performance, managers who were interviewed stressed the importance of the weekly meetings that they held with employees (Interview, 1990). This means also a breaking of the verticality of hierarchical power. This group of people can be any combination of employees and can therefore solve problems on different levels of organization.

Quality Circles will work in an environment that allow the freedom of speech and assembly. In Saudi Arabia these are lacking. Top management officials are the dominant power that have the authority. They will not allow these low level personnel to share power with them. Orders are the common sense. Criticizing is not permitted in the light of this political environment.

This implies, of course, a System 4 kind of management. This system can work in the Saudi context because it stresses participation as opposed to decisions coming from the top which is today's practice--two managers who were interviewed believed in close supervision as a way to raise employees's performance (Interview, 1990). Hierarchization may have been necessary in order to consolidate the power of an emerging state. When the Saudi worker finds out that problems are solved on a short term basis, when he feels that he belongs and that he is having an input into what is done and when he finds out that work can be gratifying in itself, there is a chance that production will increase and efficiency will be achieved.

The problem with the System 4 theory is that it also stresses the importance of the participation of employees in the decision-making process. As mentioned above, management, in the light of the strong hierarchy, will not allow this to take place. Trust and confidence between employees and management is weak.

Political circumstances and strong hierarchy have an immense influence on the applicability of any approach. Because of the centralized political authority in the hands of the few and because the King has the final authority that cannot be challenged, any approach toward the reform of the bureaucracy have to take these factors into consideration. Many ministers and top officials will not have the courage to undertake any move toward improvement of their agencies, especially if the move is challenging and has a risk of failure. They do not want to sacrifice their employment and future interests for the sake of reform. This tendency is accentuated by appointing many unqualified people to top positions on the bases of familial influence, cooptation, and the

like. Those appointees are usually imposed on agencies. Because of strong backing they enjoy, they cannot be reprimanded for inappropriate behavior. So, this centralized power will hinder any move on the part of many to implement any changes that might lead to improving productivity.

Strong hierarchical systems within the bureaucracy clearly is another stumbling block to reform. They make decision-making more difficult and tenuous. The flow of information is slow and the commands have to go through many channels to be implemented. Implementation and execution of decisions are difficult under these circumstances. Employees do not have the freedom to express their opinions and/or participate in the decision-making process.

For the elements of Z Theory, QCs, System 4, and the Japanese model to be more acceptable and applicable to the Saudi case, two major changes have to be made. First, freedom to criticize governmental actions, including waste, misconduct, corruption, appointing unqualified people, and the like should be allowed. This will create a healthy discussion of the problems and will make many officials cautious. It should be done through the media. The present laws forbid any criticism of any official and allow praising them only. Second, there should be limitations on chains of command to a minimum. This will speed up the decision-making process and the implementation of reforms.

In addition to incorporating some elements of these theories, other steps should be taken. These will help raise employees productivity and solve some of the problems associated with it. These steps or recommendations are very necessary for productivity

improvement. They are as follow:

1. The qualifications of a person are very important factor in improving productivity. Qualified persons are usually more efficient than less qualified ones. Qualification is supposed to be one of the determining factors in the selection and appointment process. But practices in most if not all developing countries, and Saudi Arabia is no exception, are of a different sort. Many appointments to top government positions and managerial posts are based on their connections, kinship, loyalty, and the like. Unless these practices are eradicated or reduced to a minimum, there will not be a bureaucracy that can carry out the ambitious development plans and improve the productivity of its employees. This reform can be accomplished through the application and enforcement of the merit system laws and regulations. The government bears the responsibility to implement and enforce them in all appointments.

2. Decentralization is a way of breaking up the strong hierarchy that characterizes the Saudi bureaucracy. It is necessary to provide quick and convenient implementation of many decisions. There should be also a decentralization of the service agencies to offer better services to the public. It is evident form the survey that people came form distant places to finish some easy tasks that they could have done perhaps in a shorter period of time if there were offices close to them. Excessive centralization also makes employees frustrated and, in return, makes them counterproductive. Decentralization of the service agencies and the creation of additional offices in large cities will be more convenient for the public and more productive if they have some kind of periodic evaluation.

3. Parents, government, media, and schools should bear the responsibility for instilling the higher values of the society such as the respect for time, respect for people, and the rejection of bad habits such as favoritism. If some of these bad habits were to be eradicated, there would be favorable environment for improving the efficiency of the bureaucracy.

4. To reduce the power of many who are not qualified and to be more responsive to the public and its demands, top officials in many service agencies should be elected to their positions by the local people. Electing the heads of the service agencies will lead to the competition among those candidates to perform better and to be more responsible towards the citizens. This might be utopian at this time, but it is not impossible. Electing those officials does not have to interfere with the governmental and political system. They could be part of a council that manage these agencies. The inception of the Consultive Council⁴ in August, 1993 should be the first step toward that end.⁵

5. Involving employees in decision making processes will be very effective step toward getting them involved in the implementation process. Open evaluation and criticism of the service agencies is also a positive step that should be taken into consideration to improve the performance of employees as well as the agencies

⁴ This council is used as a tool to advise the government on many issues pertaining administrative, political, and legislative matters. Its actions are not binding because the King has the final authority in all these matters.

⁵ The council members who are drawn from well-educated people are appointed by the government for the time being. But this could be developed to contain members that are elected. The council oversees the government actions but does not have the power to enforce any action.

themselves. This in turn will create competition among service agencies and will improve the quality of their services.

6. Creating a specialized agency for productivity improvement is a necessity. This agency should be given full power to suggest reforms and foresee their implementation. It should be attached to the Council of Ministers directly to be able to function properly. Its functions should not be limited to supervising. It should do some consultations, studies, suggest training programs, and impose some techniques to improve productivity. For the time being, there is no coordination among various reform agencies toward improving public sector productivity.

7. Cooperation and coordination between public and private sector is another approach for enhancing productivity. In Saudi Arabia there is a lack of cooperation of this kind-- a lack of shared knowledge and expertise. Shared knowledge and information between the two sectors will benefit the public sector, because the private sector utilizes and experiences new methods faster than the public sector.

8. Incentives are part of the productivity tools that should be utilized effectively. There should be an incentive system that is fair and just for all employees and based on their performance. The present system concentrates on the monetary side. Most of the top management people have spent many years in their jobs and accumulated some assets and money is not a major factor for them. But middle management personnel are in need of material incentives. It would be very effective in raising their efficiency. Recognition and encouragement are other alternatives for those who have already satisfied their basic needs. Once there is a fair incentive program that rewards performers and punishes

those who under perform, the environment for some kind of competition will be created and productivity will increase among all. Incentives should be tied to the performance of employees, because many employees in Saudi Arabia think that these incentives are part of their rights and not intended to be motivators. In addition, the availability of incentive among government agencies is different, resulting for over staffing of some agencies and under staffing of others. So, there should be an equality of incentives among all government agencies to be more effective.

9. Training is very important in raising employees' skills and performance. There should be very definite plans for training designated for employees who are deficient in their skills. Top management people should not be exempt. Training should be tied to promotion and other incentives. By doing so, high management personnel will be forced to do so and employees will be encouraged. There must be quality, intense, and continuous training according to the needs and demands of government agencies.

10. The traditional style creates conflict between old-line managers and the young, educated, and highly motivated employees. These young employees have the ambition and willingness to be more productive if they are given the opportunities. Because they have the education and perhaps new ideas, they should be given the opportunity and encouraged to participate fully in the decision-making process.

11. Planning ahead for future needs and preparation of employees to meet these needs is a step that should be considered by the government. Government agencies should be required to submit long-range plans for future recruitment of employees and their necessary qualifications. These plans should be based on the work to be performed

and not on the offices or spaces that are available. They should be submitted to the General Civil Service Bureau ahead of time to enable the bureau to prepare for necessary action.

12. Performance appraisals are a tool used to improve the performance of employees. Managers tend to be sympathetic, a trait that is innate to the society, and usually tend to base their judgment on that principle. They hate to hurt any body's feelings and future careers. So, it is rare that some employees are given a poor rating even though they are poor performers. It is difficult to remove biases completely from these appraisals, as Rich and Winn (in Holzer, 1992) said. "Years of research have been devoted to performance appraisals. Yet it is impossible to remove rating bias" (p. 71). But, these appraisals should be used objectively and be based on competition and merit not on sympathetic feelings, family loyalty, and friendship. They must measure what they are intended to measure. Employees' performance on these appraisals should be tied to future promotion and incentives.

13. Acquiring and introducing technology such as computers, faxes, and so on will help to improve productivity. For example, introduction of computers will reduce the work required to be done manually and reduce the reliance on many employees who perform tasks that are time consuming and could be done easily and efficiently by these machines. Introduction and utilization of computers in the Interior Ministry and in the General Civil Service Bureau have been proven to be very effective in reducing the number of employees who perform time-consuming jobs.

14. As it was evident in the survey, many employees waste much time in doing

their private businesses and meeting social obligations. There must be some kinds of restrictions on the time away from work required by any employee. If an employee adheres to the times that he should spend on his job, he will do what ever work is available to him. More restrictions on the distribution and reading of newspapers and magazines should be enforced. These cost the government a fortune in money and time wasted by employees who read them on the work place. Even though the distribution of these magazines and newspapers are usually done after noon, still that time, afternoon time, is usually wasted by many employees.

15. Paying more attention to an indigenous work force is very necessary because they are the resource that is guaranteed to stay and to develop the country. As mentioned before, the country has been relying on foreign labor extensively. So, for the improvement of the bureaucracy, there should be more attention paid to the indigenous human resources as the Japanese have been doing. Pascale and Athos (1981) say:

The Japanese careful attention to their human resources from the initial recruiting all the way through retirement made us look as wasteful of our people as we have been of our other resources (p. 204).

16. Reorganization and closure of some non-productive organizations may be used to reduce costs or increase productivity. There should be reorganizations of some agencies that have either low productivity, overlap functions, or are incompetent. A good example of overlapping functions is the Central Organization and Management Department and the Institute of Public Administration. Stowe (1992) says, "Good piano won't play bad music.... A public service is not, in a proper sense, efficient, no matter how capable and well-tuned, if it is serving ends which are wrong by ministerial design

or incompetence" (p. 392). So, reorganization and closure of non-productive agencies will save money and human resources that are much needed in other areas of the government.

17. Corruption is wide spread phenomenon in Third World countries. People resort to it because of many reasons; there might be relaxation of the ethical codes in the civil service laws; there might be some kind of deficiency in the pay scale so that salaries are not enough to live on. People then resort to corruptions and bribes to live a decent life. So, curbing the corrupts and corruption is very necessary to improve productivity. In addition, there must be strict ethical codes applied to everyone including politicians, ministers, and top management personnel. As Klitgaard (1989) says, "Begin with the big fish and not bureaucratic small fry" (p. 453). The present ethical codes rarely apply to top government officials and managers.

18. Privatization is the action taken to increase the role of the private sector and reduce the role of the public sector. It has been proven that privatization of some government service agencies would create competition between the public and private sectors and in turn would improve productivity (See Rich, Winn, Savas, and Balk, in Holzer, ed. 1992). Privatization will force some government agencies to improve their productivity and services or loose that to the private sector. Savas, (in Holzer, 1992) explains this more precisely when he says:

Making a public agency compete in an ideal environment of fair competition forces it to adopt management improvements in order to stay in business. Either way the public benefits: If the agency responds to competition by making changes that improve its performance, the goal is achieved. On the other hand, if it fails to compete effectively, it may disappear but the public remains well served by the surviving competition

(p. 81).

So, turning some service agencies such as the telephone, airline, and some other government-controlled agencies to the private sector is necessary step towards the achievement of better services and the attainment of efficiency improvement.

For these recommendations to be feasibly implemented, they should be done so incremental. They should be introduced gradually and selectively instead of radically and comprehensively.

Conclusion

The first part of this chapter discussed some of the efforts that have been tried by the government of Saudi Arabia to reform the bureaucracy. The aim of those reforms is eventually to make the bureaucracy more effective and efficient. Those efforts included some consultations of the United Nations reform agencies; the Ford Foundation study; the establishment of specialized agencies such as the Supreme Committee for Administrative Reform, the IPA, the Civil Service Board, and the like; initiation of massive training programs; providing some incentives to public employees to motivate them; and other administrative actions. These have contributed to some progress in improving productivity, but they lack cohesion and coordination.

The second part reviewed Western approaches to management that might help in motivating employees and improving the bureaucracy. As mentioned before, any approach has to take all social and cultural values into consideration. None of the approaches discussed is totally applicable to the Saudi case. But a combination of some

elements from each approach might be helpful. This combination will include: Simon's element of decisions that are based on available information; the Japanese model with its recognition of human behavior and needs; Quality Circles' involvement of employees in the decision-making system; and System 4's element of participation of employees instead of commands coming from the top. So, a combination of those elements would be more successful in the Saudi case than other theories.

There are recommendations that must be implemented before any approach to be successful. These recommendations are necessary for the Saudi case. They will enable the bureaucracy to be more effective and efficient and to achieve its potentials in serving the public. Implementing all of these recommendations might seem to be a utopian target, but achieving most of them will lead to an efficient, more productive bureaucracy that will serve the public very well.

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APPENDIX

APPENDIX (1)

The Survey Questionnaire

1. What is your age?

- ☐ Less than 20
- ☐ 20-30
- ☐ 31-40
- ☐ 41-50
- ☐ 51-60
- ☐ Over 60

2. What is your level of education?

- ☐ Less than elementary
- ☐ Elementary
- ☐ Middle/High school
- ☐ Bachelor
- ☐ Graduate

3. How far from this site do you live?

- ☐ Less than 5 km.
- ☐ 5-20 km.
- ☐ 21-35 km.
- ☐ 36-50 km.
- ☐ More than 50 km.

4. Are you a government employee?

- ☐ Yes
- ☐ No

If yes, in what grade level are you?

- ☐ Less than 2
- ☐ 2-5
- ☐ 6-9
- ☐ 10-13
- ☐ Higher than 13

5. If you are a government employee, are you presently on vacation?

☐ Yes

☐ No

If not, how many hours did you spend outside your work today?

☐ Less than 1:00

☐ 1:00-2:00

☐ 2:01-3:00

☐ 3:01-4:00

☐ 4:01-5:00

☐ 5:01-6:00

☐ 6:01-7:00

☐ More than 7:00

6. How many hours did you wait in line(s) at this agency?

☐ Less than 1:00

☐ 1-2:00

☐ 2:01-3:00

☐ 3:01-4:00

☐ 4:01-5:00

☐ 5:01-6:00

☐ More than 6:00

7. How many days did it take/will it take you to accomplish your task(s)?

☐ Less than 1

☐ 1-3

☐ 4-5

☐ 6-7

☐ More than 7

8. Instructions were available and clear.

☐ Strongly agree

☐ Agree

☐ Disagree

☐ Strongly disagree

☐ Do not know

9. How difficult were the procedures you encountered?

☐ Very easy

☐ Easy

☐ Difficult

☐ Very difficult

☐ Do not know

10. Agency employees were helpful and courteous.
- ☐ Strongly agree
 - ☐ Agree
 - ☐ Disagree
 - ☐ Strongly disagree
 - ☐ Do not know
11. Public employees treat people equally and fairly.
- ☐ Strongly agree
 - ☐ Agree
 - ☐ Disagree
 - ☐ Strongly disagree
 - ☐ Do not know
12. The employees were accessible to your questions and demands.
- ☐ Strongly agree
 - ☐ Agree
 - ☐ Disagree
 - ☐ Strongly disagree
 - ☐ Do not know
13. How satisfied were you with the services you received?
- ☐ Very satisfied
 - ☐ Satisfied
 - ☐ Dissatisfied
 - ☐ Very dissatisfied
 - ☐ Do not know
14. How efficient were the employees?
- ☐ Very efficient
 - ☐ Efficient
 - ☐ Inefficient
 - ☐ Very inefficient
 - ☐ Do not know
15. Efficiency of public employees has been increasing in the last few years.
- ☐ Strongly agree
 - ☐ Agree
 - ☐ Disagree
 - ☐ Strongly disagree
 - ☐ Do not know

16. Public services have been improving in the last few years.

- ☐ Strongly agree
- ☐ Agree
- ☐ Disagree
- ☐ Strongly disagree
- ☐ Do not know

17. In general, what do you think about the quality of the government services that are available?

- ☐ Very good
- ☐ Good
- ☐ Bad
- ☐ Very bad
- ☐ Do not know

18. I usually do my business by myself.

- ☐ Always
- ☐ Often
- ☐ Rare
- ☐ Never
- ☐ Do not know

19. Do you know any employee in the agency?

- ☐ Yes
- ☐ No

If yes, what is his grade?

- ☐ Less than 2
- ☐ 2-5
- ☐ 6-9
- ☐ 10-13
- ☐ Higher than 13

20. People who have friends or relatives have better access to public agencies.

- ☐ Strongly agree
- ☐ Agree
- ☐ Disagree
- ☐ Strongly disagree
- ☐ Do not know

21. Friendships and relationships with bureaucrats usually help you accomplish your goals faster than following the rules and regulations.
- ☐ Strongly agree
 - ☐ Agree
 - ☐ Disagree
 - ☐ Strongly disagree
 - ☐ Do not know
22. Rules and regulations are too numerous and complicated. So it is impossible to get things done by following them.
- ☐ Strongly agree
 - ☐ Agree
 - ☐ Disagree
 - ☐ Strongly disagree
 - ☐ Do not know
23. Private service agencies can do most tasks faster than you because of the connections that they have in the government.
- ☐ Strongly agree
 - ☐ Agree
 - ☐ Disagree
 - ☐ Strongly disagree
 - ☐ Do not know
24. Employees take advantage of their positions to pursue their own interests.
- ☐ Strongly agree
 - ☐ Agree
 - ☐ Disagree
 - ☐ Strongly disagree
 - ☐ Do not know
25. Complaints from clients will always be heard and action will be taken to correct problems that arise.
- ☐ Strongly agree
 - ☐ Agree
 - ☐ Disagree
 - ☐ Strongly disagree
 - ☐ Do not know

26. People usually do not question bureaucrats because of fear that their goals will not be achieved.

- ☐ Strongly agree
- ☐ Agree
- ☐ Disagree
- ☐ Strongly disagree
- ☐ Do not know

VITA

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