Chapter 38
Human Resource Management Practices: A Case of Telecommunication Company in the United Arab Emirates

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Abstract Human resource management (HRM) plays a critical role in any organization. It attributes to the fact that human resources are the most important asset an organization has. Employees are mandated to transform company strategies and goals into tangible outcome and for this reason, they provide a source of competitive advantage to an organization. The study utilized case study method by describing the HR practices that includes career and development programs, employee performance and evaluation system, and staffing functions of a telecommunication company in the UAE through an interview with the HR manager. The purposively selected telecommunication company has claimed to have achieved tremendous success due to its strong leadership and commitment to quality. Although the company has made strides in its HR practices, there is a need to improve to maximize the potential of its workforce.

Keywords Human resource management practices • Telecommunication company • United Arab Emirates

Introduction

Indeed, human resource management (HRM) entails the integrated use of policies, procedures, and practices that provide a wide range of function needed to plan, train, and support the workforce (Caliskan, 2010). HRM normally focuses on people, how they fit into an organization, and ways of using them effectively.

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The HRM framework indicates support across organizational functions. Such framework mirrors the practices ideal of any organization to reflect in their set of rules and regulations. In today's world, many HR practitioners adhere to the fact that there are similarities in the HR practices and that there are universal set of expected series of tasks in conjunction with the policies and procedures of the company.

Moreover, HR is one of the most important assets of an organization and it is the chief factor in achieving a competitive advantage in the market. Managing human resources in an effective way is the deciding factor in the success or failure of the organization, and it is very challenging as compared to managing technology or capital and for its effective management, organization requires effective HRM system. HRM system should be backed up by sound HRM practices. HRM practices refer to organizational activities directed at managing the pool of human resources and ensuring that the resources are employed towards the fulfillment of organizational goals. These HR practices can easily get distorted by external or internal factors and must always be maintained and regulated in the organization.

Sound HR practices can serve as a backbone of any firm's recognition and goodwill in the market and can serve to attract fresh blood into the company by serving as a nonmonetary incentive. They can also help curve down the turnover ratio of employees if implemented effectively.

Review of the Related Literature

Several studies have indicated that effective HR-based programs enhance HR practices. In the study of Haladay, Sergio, Opulencia, and Antiado (2015), the key findings revealed that the rapidly changing nature of business in the UAE, HR managers are not able to fully implement "talent management" as a strategic tool but rather are working on transitioning to this practice in the future. In such study, the primary challenges faced by HR managers surveyed include: (1) high turnover and low retention, (2) regional cultural practices impacting HR policies and procedures, (3) insufficient or nonexistent succession planning, and (4) operating in various economic zones within the UAE (Haladay et al., 2015).

Another related study with resemblance to this current research has been conducted by Gernal, Sergio, and Al Shuali (2013), and they have examined the cultural orientations of Omani employees by linking them to their preferences of HRM policies and practices in a telecommunication setting. The study reveals that the Omanization policies are introduced to tap HRM development programs in various areas in both public and private sectors.

Specifically, on compensation and benefits, one of the HR practices is the administration of bonuses that are often given based on one's accomplishments. These reward programs normally reward people to encourage them to generate more profits. Profit sharing entails creating money disbursed to staff by taking a given percentage of company profits. Profit sharing rewards programs aim to reward employees for assisting the company to achieve its profit goals. Above all, stock options have become increasingly widespread in large companies to reward upper

and middle level managers. These programs give the workforce to right to invest and purchase company shares at a given price for a given amount of time. The Board of Directors normally authorizes stock options and approved by the shareholders. Similar to profit sharing plans, these stock options aim to reward staff for serving the company for a long period. It is worth noting that many employees are motivated by monetary rewards at least for some time. However, the motivational power of money decreases and employees get used to the compensation they receive (Pasaoglu & Tonus, 2014). For this reason, money is not the only factor that determines job performance. Perhaps, what comes out clearly is that employees are often motivated by the work along with the environment they work as opposed to the amount of compensation they receive. Therefore, the amount of compensation needs to include both nonmonetary and monetary ideas. Successful companies ensure to have established compensation and reward systems that aim to cultivate employee commitment to their jobs and the organization and ultimately improve their satisfaction. Compensation and employee reward system describe programs established by organizations to reward high-performing employees and motivate others to improve their productivity. Reward systems are often considered separate from salary systems (Pasaoglu & Tonus, 2014). Reward programs include variable pay, bonuses, profit sharing, and stock options. Variable pay describes a compensation program where a portion of an employee's salary is at risk. It ties to the performance of an individual or company performance.

In terms of career development and education programs, the HR department is mandated to ensure that it allows employees to advance in their careers. By definition, career development entails the lifelong process of learning and work to ensure that employees reach their potential. It also aims to ensure that the organization has the necessary skills to succeed now and in the future (Pasaoglu & Tonus, 2014).

Another practice the HR department is mandated is to conduct a performance evaluation of its staff. It provides an opportunity to evaluate or assess the performance of employees and to adjust accordingly. The primary objectives of performance evaluation system incline on providing an equitable measurement of employee contribution and accurate documentation (Singh, Sharma, & Khattra, 2011).

The HRM department has an immense responsibility of planning and managing a diverse workforce. Companies that succeed often are those that hire staff who have diverse skills and competencies (Gilani, Zadeh, & Saderi, 2012). With the current globalization, people are no longer required to work in certain places, but they can work even in foreign countries. Thus, the HRM department is obligated to seek for these talented and skilled workers to meet the mission and vision of the company. An accepted diversity entails acknowledging, accepting, understanding, and celebrating differences among people with gender, sexual orientation, ethnicity, age, and intellectual abilities.

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Lastly, the practice on staffing clearly indicates that the workforce plan entails the
process of analyzing firm's likely future needs for staff in terms of skills, numbers, and
locations (Louch, 2014). Workforce planning is a systematic process that examines
what an organization needs to accomplish due to the business goals and strategies
(Gilani et al., 2012). It then compares current workforce data and external workforce
segment and creates a gap analysis, which highlights critical talent segments, general
workforce needs, and needs to be required. Workforce planning allows an organization
to plan on how it would meet its needs through employee recruitment and training.
It is vital that companies plan and regularly hire more staff to address its needs.

Objectives of the Study

This study intends to: (1) describe the different functional areas of HRM and (2)
recommend relevant insights in line with the HR practices of the telecommunication
company involved in the study.

Methodology

This research describes the large-scale telecommunication company's HRM practices
in the UAE. The HR manager heading the human resource department was inter-
viewed in order to get data on the nature of their HRM programs. Data gathered were
taken from programs that were validated through in-depth interviews with the respon-
dent. Moreover, this qualitative-descriptive research utilized the case study method.

Results

The results and discussion point to the research findings in terms of the five different
distinct HR practices.

Compensation and Benefits

A wide range of compensation and reward system for the employees with the intent
of motivating them increase their productivity. The HR department employs stock
options to allow the managerial staff to invest in the company and grow in their

financial wealth. This reward system allows the management and other employees to feel a sense of ownership and ultimately ensure that they remain committed to the organization. Another commonly used reward system is bonuses. The company gives bonuses to employees who show exemplary performance with the intent of motivating them to perform even much higher. These reward systems have increased customer satisfaction because employees provide quality services.

Career and Development Programs

A good HR department is mandated to introduce educational programs to allow employees to acquire skills and reach their potential. The company under study is committed to improving its workforce by providing them with the necessary educational programs and career development. The company recently unveiled its third 5-year plan aimed at recruiting Emirati nationals to fill up supervisory and technical engineering posts. So far, the company has appointed about 3258 UAE nationals who now account for about 36 % of the workforce in the UAE.

To achieve the goals of Emiratization, the HR launched its first plan in 1999 followed by another in 1996, and the third plan in 2006. The HR department has created a comprehensive strategy to hire the best talent. It has made it clear that UAE nationals will fill key positions including engineering and technical departments. The company follows Emiratization policies in hiring people for key leadership positions. Currently, the company has over 85 % of its top executive management occupied by UAE nationals, which ideally reflects the successful implementation of UAE Emiratization policy. The HR department provides the all-inclusive training activities which support Emiratization in the UAE. The intent of this training is to develop productive and high-performing individuals. As a direct initiative of the HR department, the company has established an Academy, which is ranked as the leading training center for leadership skills, business, telecommunication, governmental development, and information technology.

For newly recruited staff, the HR department provides them with two training programs. One of its training programs caters for UAE nationals. A career in the company largely means a lifelong opportunity for employees to explore their potential and continuous growth. The company provides the best opportunity for employees to build their career. To support career development, the company caters for tuition fees for employees who want to advance in their career. The company has partnered with numerous local colleges and universities to provide training to its staff. The organization believes that people are the most important asset and has created several developmental projects that target a wide range of careers right from when joins the company to the executive level. The core objective of its Career Development Section centers on building the next generation of corporate personalities in the company.

Employee Performance and Evaluation System

A performance evaluation system not only aims to assess employee performance, but it allows for employee development along with organizational improvement. It also helps an organization to identify high-performing staff, reduce employee turnover, and identify areas for improvement. With its important role, the HR department is mandated to ensure that it conducts an objective performance evaluation to improve employee performance and organizational success. The company has implemented a performance evaluation system, which aims to assess the performance of employees. The company conducts regular performance reviews through which it determines employees to promote. It often conveys feedback to employees through formal communication and meetings.

Diversity Management

The company under study is an equal opportunity employer and remains committed to supporting diversity. The HRM believes that diversity enriches company performance, its services, its employees, and the communities in which it operates. The company has established a diversity department that remains committed to ensuring that it meets its diversity objectives. The company has committed itself to promoting diversity of culture and languages in its services and workforce. While the HR department remains committed to developing a diverse organization, evidence reveals that the company is yet to achieve true diversity.

Staffing

In the company, the planning process occurs continuously throughout the year. The company often makes quarterly reviews in the months of May, August, and November to allow for adjusting levels and allow recruitment if needed. The company often allows an adequate amount of time and flexibility to meet its demand needs or staff and ensure that it meets strategic objectives. The HR department regularly advertises vacancies both internally and externally. Perhaps the use of this strategy centers on its commitment to developing emirates talent by allowing employees to ascend in their career ladder and provide jobs for fresh graduates from UAE colleges. Through its annual appraisal scheme, employees can apply for higher positions.

Conclusion

The company under study is a leading telecommunication company headquartered in the UAE. Similar to any organization, the company depends on its workforce or human resource to transform strategic goals into the desired results. Due to its massive

operations, the HR department is tasked with ensuring proper management of human resources to achieve set goals and objectives. As revelead in this paper, the HR department perfoms different functions including rewarding employees, providing career development programs HR, evaluating employee performance, and staffing.

The company has made a substantial investment in education programs as exemplified by its educational institution under the company. It supports and provides career advancement opportunities to its employees. The company recently unveiled its third 5-year plan aimed at recruiting Emirati nationals to fill up supervisory and technical engineering posts. It has also adopted a remarkable compensation system to keep employees motivated in their work and to the organization. Staffing with emphasis on workforce planning process occurs continuously throughout the year to allow for adjustment levels and recruitment if needed.

Recommendation

The link between organizational performance and HR practices has been clearly established in the reviewed literature. It suggests that HR practices play a critical role in driving organizational effectiveness.

The HR department must develop a more effective compensation system and reward system. It needs to ensure that the objective and philosophy of the system are well specified. Perhaps, some of the objectives that may work for the company include fair and competitive compensation and attracting talent to achieve the organization's objectives (Hollon, 2011). The HR department can also state clearly that the compensation system aims to retain employees largely by instilling a sense of ownership and long-term commitment. The company should not rely only on financial rewards. The HR department also needs to establish nonfinancial reward programs to drive employee performance.

The company needs to develop high-level workforce planning capabilities (Carter & Carmichael, 2011). High-performing companies incorporate sophisticated workforce and forecasting analytics into their HR processes. By so doing, they transform company-wide talent, external workforce segment, and business data into workable insights, which they use and can share with other leaders. The insights inform both short-term and long-term decisions about the talent an organization has ways to develop it, the talent it needs and way of attracting it.

The company should improve diversity, ensuring the effective recruitment and hiring, and by implementing diversity policies (Hollon, 2011). The company needs to review its HR practices and policies to identify barriers, as well as opportunities for success. It needs to broaden its recruitment effort and reduce biases in the selection process. More attention should go to recruiting talented candidates. However, recruitment and selection is not enough to ensure diversity. The company should develop sound diversity policies and ensure their effective implementation. This will ensure that all employees are given a fair chance in promotions to top leadership positions. As part of developing a culture of diversity, the HR team should

begin training employees on diversity to ensure that they understand and appreciate the differences in the workplace. Above all, the HR department must try to improve its career development programs to ensure that it provides every person with an equal opportunity to reach his or her potential. It is particularly important because the number of women and minorities in top executive position is very low.

The HR function and roles should not be viewed as independent of each other rather they should be approached in a holistic manner because they are interconnected. For instance, proper HR and workforce planning would influence the efficacy of educational programs or performance evaluations. For this reason, the policies, processes, and procedures need to be integrated to ensure that the HR department achieves its strategic goals.

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