# Cultural Diversity and Human Resource Development in Modern Organization

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### Final Approval of Thesis

This is to certify that we have read the thesis submitted by Ms. Noreen Saher. It is our judgment that this thesis is of sufficient standard to warrant its acceptance by the Quaid-i-Azam University, Islamabad for the award of the Degree of "Doctor of Philosophy in Anthropology".

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#### Abstract

Hybrid human resource management system (exhibiting strong mechanism for cultural accommodation without loss of 'identity') is discovered in Shifa International Hospital as diffused Human Resource Management model (based on individualism, democratic relationship and gender egalitarianism) has been adopted to organize Pakistani workforce according to international standards. This thesis argues that Shifa system is working on synergistic approach while considering indigenous assumption of employee relations, besides international standards of employee management. This thesis identifies that the prevailing employee management practices exhibit plural characteristics reflecting both foreign and local traits as a resultant of the confluence of local (collective self identification, in equality and gender segregation) and North American cultural values (individualism, equality, and gender egalitarianism). This research has also uncovered that embedded assumptions of obligatory relations fairly influence the execution of impersonal HR policy in Shifa through internal and external interventions. It finally, depicts hybrid organizational culture reflecting both local and foreign traits as a continuum of individualism-collectivism, equality-inequality and gender differentiation- egalitarianism.

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S. No.	Local	Meanings	
1	Bradri	Brotherhood, basic institution of social organisation in Punjab	
2	Izzat	Respect, Honour	
3	Kammies	Traditional labour in Punjab	
4	Katchi Vartan	Moderate relation	
5	Khandan	Family	
6	Katunmb	Family	
7	Kunba	Extended family	
8	Mamoon	Maternal uncle	
9	Mang	legitimate demand	
10	Neondra-neyota	Money offered to bride or groom	
11	Pakki Vartan	Strong relation	
12	Panga	Conflict	
13	Sandho	Wife's sister's husband	
14	Tabbar	Family	
15	Vangar	Reciprocal services	
16	Vartan Bhanji	Mechanism of reciprocal exchange and obligations	

#### Prologue

Mr. Abid Elahi<sup>1</sup>, Associate Manager (Human Resource) was in the meeting when the phone bell rang. The voice on the other end introduced himself as Mr. Ahsan, and in the very next breath mentioned the reference Shah Sahib (Senior Manager Finance-SIH). The purpose of his phone call was to inquire about the result of his job interview given last fortnight. Abid asked him to call him back after thirty minutes, as then he would be ready with the appropriate information. Later, he (Abid) called up his assistant Mr. Ibrar who entered the room and preferred to stand beside him rather than sitting on the chair, and waited patiently for his senior to acknowledge his presence. Abid looked up and in a friendly tone inquired about (Shah Sahib's recommended) Ahsan's selection case. Ibrar narrated that his test was fine but his interview did not go well. Ibrar added that in front of the selection team Ahsan had mentioned his future plans of studies and had also inquired about Shifa's leave policy. He further elaborated that Ahsan had presented an aura of non-seriousness in front of the selection team. Abid asked him to remember that Shah Sahib had particularly referred him. On this Ibrar exclaimed, "Why didn't you tell me earlier? Anyhow, now you have to talk to Sadia as she wrote Ahsan's report."

In the meanwhile the phone bell rang again and it was Ahsan. Abid with a stern pitch of voice asked him about disclosing his intentions to study further and go on 'leave' in front of the interview committee. Then he said, "I had clearly forbidden

.

<sup>&</sup>lt;sup>1</sup> Pseudonyms are used instead of real names so that the personal information about individuals and relationship between the individuals, presented in the thesis, would not be misused.

you not to mention such things in front of the interview committee but you did not pay heed, now you have to wait as selection committee did not recommend you." Abid finally said, "I am sorry but I cannot do anything" and placed the phone down. Abid picked up the phone and dialed a number again and asked the respondent about what exactly had happened in Ahsan's interview. He was told that on the day of interview Ahsan walked in with his friend carrying a mobile in his hand and after mentioning the reference of Shah Sahib insisted the interview organizer to get him interviewed right away, without considering the long line of interviewees already waiting for their turns.

The moment Abid put the phone on the cradle, the bell rang and again it was Ahsan, who wanted Abid to talk to his father. Abid informed him that even though his son was intelligent and had passed the entry test for the job, he still has to wait for an opening. Abid once again acknowledged the reference of Shah Sahib and clarified "we are not bestowing a favour upon your son, he is truly capable of securing a job in Shifa but right now we are short of posts so he has to wait for new openings."

Finally, Abid placed the phone down, and turned his attention to Ibrar, who throughout the conversation stayed in Abid's office. Ibrar adjusted himself on a side chair. Abid said to Ibrar in a concerned voice, "yar...., do something for him". The phone bell rang again and Abid picked it up and responded "Gi Shah Sahib, I am fine. Your referred person is most welcome sir but he blundered in

front of interview team by saying that he wanted to continue his studies and asked for the leave policy as well; and top of it he got indulged in a conflict with a Philipino who was organising the interviewees. Now you better understand our position, what we can do sir? Yes sir, I am telling him the same to wait for one to two months, we will take him since he has passed the interview test. No problem sir. Do not you worry we are here sir. "

After putting the phone back on the cradle, he looked at his assistant and said "Ibrar find a way out, you know Shah Sahib will never forgive us for not accommodating his person; and whenever he gets a chance, he will reciprocate this (yar kuch kar lo warna hum mary jaien ghey)".

Ibrar was also upset and said, "I know this but the guy (Ahsan) has been showing off his relationship with Shah Sahib and unfortunately he will not be able to adjust in the system and therefore remain a problem for us. We are not only obliged to Shah Sahib but we have to run the system and this guy does not fit into it". Abid thoughtfully looked at him and said, "you are right but we cannot afford to offend Shah Sahib. Ahsan's father is an ex-colleague and friend of Shah Sahib; and denial to his son will be an issue of Shah Sahib's respect. So we have to find a way out otherwise we will suffer (hum marey jaien ghei). Please look into this matter and diffuse the issue (kuch karo yar aur masla khutum karo). If the paper work is complete then we cannot deny to Shah Sahib". "Ok sir, I will see, how it can be managed", Ibrar said and left the room.

#### An Orientation with Research

#### 1.1 Introduction

This thesis is a case study of Shifa International Hospital (SIH), a medical corporation working in the capital city of Pakistan-Islamabad. It primarily focuses on the cultural adaptation of diffused management, especially Human Resource Management Model to effectively utilize local potential. The fundamental postulation of this research is that culturally fit employee regulation practices are, perhaps the most appropriate way to achieve business success, with local workers (socialized on these indigenous values) in international market. The basic understanding followed in this dissertation is that national culture and its values fairly influence all the operations and processes of an organization working in its context. Therefore, this thesis is depicting the ways diffused human resource management model is transformed; yet it manages to have some bearings upon the embedded expectations of behavior and mutual interaction; which in turn develop a continuum of personal-impersonal employee management practices. In other words, this thesis additionally aims at exploring the ways by which implicit assumptions of diffused Human Resource Management model inspire the way Pakistanis interact, relate and organise themselves. Initially, this research project sets sight on the issue of 'human resource development in a modern organisation'; although later I focused more on employee management rather than development. Because in Shifa the department of Human Resource Development primarily focuses on employee management rather than employee development: despite the fact that formally the department of Human Resource Development does exist. Anyway, keeping within the parameters of the syndicate rules

and regulations, the original title is upheld. In consistent with this setting, this dissertation primarily tries to explore culturally adapted practices of employee management policy depicting the diffused HRM model. In addition, it (thesis) also reveals the "confluence" (bi-directional influence) of local and foreign cultural values (as diffused human resource management model depicts basic values of the US culture) besides uncovering HR practices representing a "continuum" of individualism/collectivism, equality and gender differentiation. In this way, this dissertation brings forward various shades of this continuum by highlighting the variations in the decisions of management as well as the behaviors of employees to satisfy opposing requirements of diverse situations (which are in fact the result of this continuum). Therefore, this thesis aims at disclosing the strategies used by the management and HR professionals to fulfill the basic requirements of international business (because local business have leaped ahead from being local and have to follow international standards) and local aspirations. This dissertation, in consistent with this frame work, will unearth the ongoing process of developing a "synergistic approach" as well as a 'Holistic' employee management Model for bridging the gap between indigenous ways of employee regulation and international standards of HRM. Moreover, this thesis depicts these management strategies (synergistic approach and holistic human resource management practices) as pivotal means to achieve organisational success in the contemporary market.

At this point of discussion, I would like to draw attention towards the reasons and ways diffused human resource management model was incorporated in Shifa. This cannot be truly comprehended without considering the political economy of post-World War II

which has given way to neo-evolutionary and modernisation (new-modernization) theories-- emphasising upon transmission of western institutions and their values to the developing countries as the only remedy to their problems as well as a strategy to improve their socio-economic growth (Preston 1996:166-178; Luthans 1998:644). Despite the fact that the intellectuals and academicians throughout the world have criticized these theories for their limited views and ethnocentric perspective; yet the policies of major development institutions (World Bank, International Monetary Fund, and United Nations) have always been based on the principles of modernization and newevolutionary theories (Luthans 1998:644; Preston 1996:172-175). The primary theme line of these theories, which is infused in the Western Management literature, is that there is only one way (western techniques) to manage and organize systems (Trompenaars and Hampden-Turner 1998:3). The Human Resource Management theories and concepts available in current management literature have originated from the Western countries, and particularly from the USA (Lawler 1999:1; Luthans 1998;639-644). This idea is strongly supported by Fons Trompennars, a social psychologist, researcher and practitioner of cross cultural management, in his book "Riding the Waves of Culture: *Understanding Cultural Diversity in Business*" (1994), when he says:

"The notion of human resource management is difficult to translate to other cultures, coming as it does from a typically Anglo-Saxon doctrine. It borrows from economics that human being are 'resources' like physical and monetary resources. It tends to assume almost unlimited capacities for

individual development in countries without these believes, this concept is hard to grab and unpopular once it is understood" (1994:2).

This statement has clearly depicted that diffused human resource management practices are not directly relevant to cultures which does not share the Anglo-Saxon cultural traditions. Anyhow, the entrepreneurs of developing countries choose to use these western management and human resource management models to achieve maximum business return without considering the implicit-fundamental differences in socio-cultural values, local moralities and circumstances (Mariappanadar 2005:2). Consequently the desired goals remain unmet; instead they (entrepreneurs) became victims of a multitude of problems which continue to plague them until and unless they synchronize these models with local aspirations and values (2005:2).

Before venturing ahead, it is important to understand that the term 'western' is actually used to depict Anglo-Saxon traditions but in case of 'western management models', it represents the US traditions since it (model) was developed in the US during the decade of 80's due to significant socio-economic situation (Lawler 1999:1; Luthans 1998:640). Anyhow, generally this terminology is too broadly used for all the North American and European countries without considering the cultural differences prevailing among them (Mariappanadar 2005:2). Yet, the differences in the cultural values of these countries and their influences on management models have been witnessed in the reshaping of managerial values, attitudes and behaviors as reported in a variety of cross cultural literature (Luthans 1998:639-644; Hofstede 2003:11-17). With this background in mind, the term 'diffused' is used in this thesis instead of western to refer to (Anglo-Saxon

traditions) North American management concepts and practices available in the contemporary management literature.

The entrepreneurs of Shifa (who have extensive exposure with North American medical organisations) like the entrepreneurs of other developing countries assume that by adopting diffused organisational layouts and management models, they (entrepreneurs) can develop an international standard organization in the local market. They (entrepreneurs) have achieved their targets, anyhow not just by completely following diffused management models, but through redefining the diffused (standard) employee regulation policy into cultural fit (situational) practices. Since soon after the execution of the diffused human resource management model, Shifa management faced serious employee problems as experienced in the various researches conducted in many other developing countries reported by Kanungo and Jaegar (1993) and Luthans (1998). Shifa management shortly has realised that perceived targets could not be achieved through diffused employee management model as it (the model) is fairly contrasted with the foundation principle of local culture like collectivism, asymmetrical relations and gender differences that works as embedded assumption of local workforce about employeeemployer relations. Hence, the management flexibly utilised diffused concepts to effectively manage workforce, for the optimal use of their potential to achieve organizational goals of profit maximisation and market sustainability. This phenomenon matches with the experiences of various newly industrialized Asian countries, such as South Korea, Taiwan, Singapore and Hong Kong as well as Japan (Sinha and Kao 1988; Luthans 1998:644; Mariappanadar 2005:6): where the diffused HR model was molded according to the local moralities which are rooted in Confucian and familial values (Sinha and Kao 1988). In consistent with this perspective, this thesis is going to reveal the management strategies which are employed in Shifa to maintain professional standards without losing the support of the social system. Besides, this dissertation will also discover the role of HR professionals in the implementing diffused HR model to organise local workforce.

In the age of globalization and open business markets, the issues of cultural diversity and management practices have acquired critical importance (Luthans 1997:4). The reason being, every business has to maintain a balance between international standards and local expectations for surviving in the contemporary market (Trompenaars 1994:138). The inception of terminologies such as "glocalization", which is in fact collaboration of 'global' with 'local', is evident to the fact that international models should change in accordance with local cultural values (1994:3).

Considering the value of this topic, my research at the first place is going to explore the ways in which local cultural values play their role in transforming "unsuitable" diffused practices into more relevant, valid and suitable practices. Second, this research is depicting contributing role of the over looked indigenous cultural values to diffused (western) management models. Since various employee management models prevailing in the different parts of the world have their own strengths and weakness, and collaboration of two cultural models may yield synergised effect as depicted by Trompenaars (1994:20);

"For example, team based management is becoming the more common HRM practice, but the Western management structure is not suitable for such management practices. Thus, it is possible to draw from the African, Indian, Chinese and other Eastern social structures, notions that enhance group based performance and achievement, and apply these concepts when designing Western organisational structure so as to be successful in using team based management" (Mariappanadar 2005:7).

In line with this perspective, my research is going to highlight the value of local institutions in developing alternative of diffused management model for more 'holistic' and effective ways of handling employee issues.

Third, this research is an attempt to sensitise researchers and practitioners about the significance and relevance of local cultural values while studying and executing diffused models in local setting. This will help in developing in-depth understanding of prevailing management issues and finding suitable solutions for local problems. This research also facilitates managers especially HR managers to comprehend the ways through which they can follow the rules of standardisation while effectively handling employee issues since 'dramatically changing environment call for new understanding and new people oriented solutions' (Applebeum and Batt 1994). This is because in the contemporary business, the lasting competitive advantage to organisations comes through human resource and the way they are managed (Pfeffer 1994:7-14).

Fourth, this research may offer systematic, in-depth understanding of the ongoing processes and systems to facilitate Shifa management for looking at management issues from a broader perspective. It is not because they (Shifa management) are unable to understand but being the part of the system they cannot critically analyze the situation. Hence an outsider's exploration of issues through participant observation, especially when she is an anthropologist- using systematic techniques to record, process and interpret data, proves to be valuable. This research may be helpful to better comprehend their issues for developing more reliable solutions. Some recommendations at the end may also facilitate Shifa management in devising strategic policies for the uplift of hospital system.

Last, this study may additionally be beneficial for other Pakistani private/public organisations to learn lessons from the case study of Shifa and consider the issue of cultural sensitivity for the truer understanding of their problems. This may also assist their management in devising valid and suitable solution to these problems for the sustainable growth of their organisations in global economy as recommended by Trompenaars (1994:2).

As mentioned earlier, I am going to study the confluence of local cultural constituents and embedded principles of diffused HRM model (based on US cultural constituents since it originated from US), therefore, at this juncture of discussion it will be extremely helpful if we explore and understand basic constituents of Pakistani culture as well as US culture. The culture of a country and its values (constituents) are resultant of mainly its

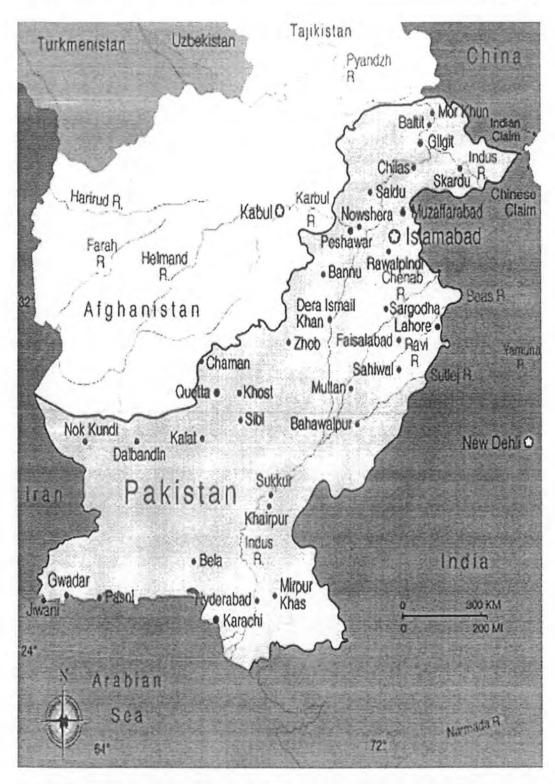
geo-physical location and history (Shehab 1989:225). Taking up this notion, I am going to discuss the physical location and history of Pakistan to explore its basic cultural patterns which work as embedded assumptions of socio-political and economic institutions.

#### 1.2 Pakistan and its Culture

Pakistan is a young country with rich cultural heritage. As an independent country, it emerged on the world map on 14<sup>th</sup> August, 1947. Before independence Pakistan was a part of British India. Dr Sultan Khan (1995), an academician and author of the book, "Pakistan; Past, Present and Future", has highlighted the value of its geographical location in these words:

"It occupies a strategic region that borders China, connects oil rich Middle East and serves as a gateway to the Central and South Asia through land and sea. This had made Pakistan a region of political and economic importance" (1995:391).

Pakistan is bordered on the west by Iran, on the north and northwest by Afghanistan, on the northeast by China, on the east and southeast by India, and on the south by the Arabian Sea (http://geology.com/world/pakistan-satellite-image.shtml). It comprises of five provinces Balochistan, Gilgit-Baltistan, Khyber-Pakhtunkhwa, Punjab, Sindh and Federally Administered Tribal Areas (FATA) which are under the control of federal government. Throughout the history these areas have captivated the interest of foreigners from all over the world (Shahab, 1989: 14-23).



Adapted from net (http://www.philadelphia-reflections.com/images/pakistanmap.jpg)

Almost all the super powers of the world Aryans, Greeks, Muslim Turks, Uzbecks, Kazaks, Mongol (from CentralAsia), British and French at various times of history came here for trade or to invade and influenced the indigenous culture of Indus Civilization (1989:14-23). It is quite easy to discuss the history, geography and location of Pakistan but it is very difficult to define the culture of Pakistan because it has no singular perspective. Different people perceive and define Pakistani culture differently since it is multi - faceted and reflects diverse shades, therefore no single version of cultural description can grasp its complexity. Stephen M. Lyon, an anthropologist (who has closely studied Pakistani society) has depicted Pakistan's geographical location as a reason of its cultural diversity and mentioned, "Pakistan lies at the cross roads to three major culture areas; India, the Middle East and Central Asia" (2002: 14).

Ahmed (1997) to some extent highlights a similar perspective in his book "Pakistan society, Islam, Ethnicity and Leadership in South Asia" while stating:

"In certain important ways Afghanistan, Iran and Pakistan share a regional identity underlined by a common religion and a similar historical progress.

These are medium sized countries with large rural and urban populations coming to terms with central and sometimes imperial authority" (1997:4).

Pakistani culture has absorbed various components of these neighbouring cultures, yet it has maintained its separate identity. Considering this power of absorption Lyon (2002) has labeled Pakistani culture as a hybridizing culture in the following words;

"The impact of these areas' culture on Pakistan has not simply created a 'multicultural' nation but forged a hybridizing (able to blend a bewildering variety of eclectic cultural practices together) culture" (2002:14).

Shehab(1989) has strongly supported Lyon(2002)'s perspective of Pakistani culture as hybridisation (amalgamation) of various neighbouring cultures in the following words:

"Pakistan inherited the cultural patterns that existed in the Sub-continent during the first half of twentieth century. These patterns were creative amalgamation of the Indian culture with the Western, brought about by the British rule in the country over at least a century. The previous one as they existed on the advent of the British in India were themselves an organic combination of Mughal culture with the indigenous ones....cultural patterns around the year 1947 were creation of different strands" (1989:225).

In the light of the above mentioned perspectives, it can be rightly inferred that Pakistani society has a mixed culture; and in spite of the majority of Muslim population, influences of Hindu and British cultures are quite visible (Khan 1995:396). One can hardly speak of a culture as old as Pakistan as a hybrid culture; however the people of present day Pakistan have shown a remarkable ability to adapt and integrate a wide range of representatives from other cultures (Lyon 2002:15). Hence the label of "hybridizing

cultural area" is justified for Pakistan (2002:15). This historical preview of cultural hybridisation further highlights a greater potential of Pakistani culture for future possibilities to import cultural models from other countries and generate hyberdised models.

Anyhow, it is also very important to understand that no doubt, Pakistani culture shares a lot with Indian as well as the cultures of other neighbouring countries; though still (Pakistani culture) is unique and different from other cultures. This point of view is supported by Jalibi (1996), in his book "Pakistan: The identity of culture", while talking about the existence of Pakistani society in a 'cultural vacuum', in the following words:

"In the whole of our society there is not a single thing that exists in its original shape. What is visible is not original and what was original is not visible any more. This is another serious contradiction that ails us. When life assumes this kind of shape, the common man ceases even to seethings" (1996:3-4).

This quotation allows me to infer that Pakistani social institutions are not in original shape; they have been transformed due to the great influence of the neighbouring cultures. Though in spite of empirical similarities, these institutions are implicitly different from the neighbouring culture and their institutions. This can be demonstrated by highlighting embedded a line of fraction between the apparently similar social features of Pakistani and Indian culture such as caste, hierarchy, male dominance, women

segregation etc. This is because the embedded assumptions and role of these institutions is different in both the cultures. To justify this point I would like to quote Susan Schneider & Jean L. Barsoux (2003), two eminent researchers and scholars of cross cultural studies, who have highlighted the value of meanings and functionality of some social institution for its true understanding, because on the basis of their logic the same institution can have different meanings and different institution can have the same meanings (2003:21).

Considering this perspective, I would like to differentiate Pakistani culture from Indian culture on the different functionality of same institutions, for instance caste system is generally taken as the base of similar social organisation between India and Pakistan. Nonetheless, in both the countries this social institution (caste) is based on different rather than similar strands. The Indian caste system is based on ideological purity and pollution associations (Dumont 1970:259-260) whereas it is based on kinship and occupational specialisation in Pakistan (Eglar 1960; Chaudhary 1999). Hence, if cultural institutions seem similar in Pakistani and Indian societies, it does not necessarily mean that both are similar. On the contrary if the existing sub-cultures of Pakistan appear diverse, it may not essentially be contrast. Lyon (2002) stands close to this perspective while mentioning similarities among the diverse shades of Pakistani cultures, "I do not argue that Pakistan is a homogenous culture area where all influences are distributed equally but there are patterns of roles, value and world views which run across the nation (2002:15)".

Hanaway and Nasir (1996) have also upheld the same perspective from a different angle and revealed that people of Pakistan utilize, interpret and manipulate certain aspects of shared heritage (basic units) to satisfy their own needs (p.355). Hanaway and Nasir (1996) have depicted these embedded unifying cultural units in Pakistani literature while declaring it (Pakistani literature) as a continuum in the following words:

"The presence of common stock of cultural materials that literature in various languages draws upon, suggest that a case could be made for considering Pakistani literature as whole and as a continuum. At one end of the continuum would be most formalized and aesthetically refined writing of the languages. And at the other end would be traditional oral narrative.......by viewing the literature of Pakistan as a cultural product that can be understood as a continuum, it is possible to conceive of its different forms as a result of the different subcultures of Pakistan drawing on a common stock of subject matter, forms and attitudes as well as on language specific materials, and manipulating these, each in its own way and for its own purpose......are some examples of the shared cultures that Pakistani literature draws upon" (1996: 352-353).

Considering Pakistani literature as a reflection of Pakistani society, I would like to argue in the light of above mentioned paragraph that various subcultures of Pakistan in spite of diversities unify upon some basic values and embedded institutions. Lyon (2002) has supported this perspective by stating:

"Collective self-identification is emphasized over individual self-identification; the children learn to interact with representative of categories rather than individual people. I suggest that there is a Pakistani rather than just a Punjabi tendency to do this. Northern Punjabi labour relations, likewise, offer evidence of similarities with other parts of Pakistan and are clear examples of the ways that the idiom of kinship, hierarchies are super-imposed on extra-kin context" (2002: 223).

By analyzing the above statement it can be inferred that Pakistani cultures may not necessarily be uniform but there are basic cultural components (basic units of culture); values, belief and social norm which unify the diverse subcultures into one entity of national culture (Shehab 1989:226-228). Hence, it can be inferred that the cultural values, beliefs and social norms are those basic units of culture which connects the sub-cultures of a society together besides differentiating it from other cultures. In order to explore these embedded institutions which work as the constituents of Pakistani culture, I would like to quote Lyon (2002) who has unmasked these in the following words:

"Pakistani culture encourages collective action over individual action.

Pakistanis encourages indebtedness as a cultural expression of allegiance.

They encourage people to think of the strength and position of their group as if it were a direct reflection of their individual strength and position. All member of a group (however the group may be defined) bask in the glory

of any other member of that group. This cultural pattern has meant that Pakistanis have developed a culture of intervention in which problems are solved through the involvement of allies" (2002:1-2).

This quote has clearly revealed collectivism and intervention as the basic dimensions of Pakistani culture. He has also identified inequality and honour as important values of Pakistani society (2002:1-2). Hafeez (1991), Pakistani Anthropologist and author of the book "The Changing Pakistani Society", also shares a similar perspective and reveals that 'Pakistani society is characterised by a social stratification process which is compensatory in nature' (1991:1). Quite close to Hafeez (1991), Khan (1995) has mentioned extended family system, hierarchy, male domination, simplicity and women' respect, as the basic components of indigenous culture (1995:396-397). Khan (1995) has further highlighted a good status of women in Pakistani society by stating 'they enjoy great respect and protection' (1995:397).

Contrary to Khan (1995), Sharma (2003) a research scientist has depicted a quite unpleasant situation of women's conditions in Pakistani society in the following words:

"In Pakistan there is considerable disparity between the status of men and women while some indicators relating to women status have improved marginally in recent years, several have remained static and there has been further deterioration in other areas. The reasons for disparities in almost all areas are diverse. They include negative social bases and cultural

practices, discriminatory legislature and inadequate policies, plans and programmes including budget allocations" (2003:99).

Rather than being judgmental, I am of the opinion that all these point of views are reflecting the different aspects and dimensions of Pakistani culture, hence are interrelated; anyhow for comparative analysis it can be classified into broader categories as is suggested by Lyon (2002:15). For this reason, I have grouped indigenous values into three broad categories; collectivism (high degree of integration of individuals in groups), stratification (inequality on the basis of age, gender, resources, influences, caste, education and status) and gender differences (women have different social roles than men). These cultural values work as the main principles of social organisation in Pakistan (nature and intensity may vary).

To justify the similarities and differences in the subcultures of Pakistan I would like to quote Lindholm (1996) here, who identifies that the 'resemblances between the social order.....of Pakistani society are primarily in scale (p.74)'. Many of the core social values and principles of social organization in Pukhtuns, Punjabis, Sindhis, Balochis and Northern Area's culture and society, reflects differences of scale rather than type (Lyon 2002:15). For example, the social organisations of 'Tabbar', 'Kutumb,' 'Khandan' and 'Kunba', bear more than passing resemblance. The underlying foundation of these four institutions is organisation of human resource for achieving political, economic and social ends. A person, considered having strong relationship with family and having *izzat* in family, is the one who supports his family members through material and immaterial

means (2002:15) while maintaining a reciprocal intervention in personal and professional domains.

Punjabi culture, being the sub culture of Pakistan, shares all these cultural components; anyhow it maintains differences with the national culture as well. For example the social system of Pakistani culture revolves around male members (Shehab 1989:227) where as social organisation in Punjab is based on women, especially daughter's role in the family (Eglar 1961:108-109). Although, both these cultures are male dominated, believing in women segregation, hierarchy, reciprocation, collectivism and intervention/mediation.

The point that I want to make here is that collectivism, hierarch/stratification and gender differences are the main values of Pakistani as well as Punjabi culture that may influence any diffused social trait, institution and management model while executing in the local set up to regulate Pakistanis. In this thesis I will be examining the ways Pakistanis redefine and reshape diffused management models according to these cultural values (of collectivism, hierarch/stratification and gender differences).

As mentioned earlier, current management theories and practices have originated from the US (Trompenaars 1994:2; Luthans 1998:639), depicting basic assumptions of capitalism as cultural dimensions (Yang 2003:1). Therefore, in order to properly handle the research requirement, I would like to briefly discuss the inception history and embedded principles of diffuse HR model.

### 1.3 Inception of Human Resource Management and its Embedded Principles

Human resource model is developed in America to eradicate specific socio-economic pressures that existed in the decade of 70's (Lawler 1999:1). Cincotta (1994) have highlighted the reasons of these pressures:

"The closing decades of the 20<sup>th</sup> century brought fresh challenges to the United States at home and abroad. The only constant was change. The Cold War ended. The computer and telecommunications revolutions began to transform, both the economy and the way people lived. New waves of immigration made American society even more diverse than in the past" (Cincotta 1994:355).

Beside these changes development of economic blocks such as American Free Trade Area (NAFTA), South Cone Common Market (MERCOSUR), European Union (EU), Association of Southeast Asian Nations (ASEAN), Economic Community of West African States (ECOWAS) have smoothen the process of transfer (of information, goods and people) and in turn influenced the lives of millions of people around the world, besides increasing diversity in the US (Aguinis and Henle 2003:374-375). Hence, the shift in the American society due to these changes (initiated in the decade of 60's-70's) have become very clear by the decade of 80's, as population composition as well as jobs and skills have passed through major changes (Cincotta 1994:364). During this period it was a generally held perception of the US managers that the performance of (culturally diverse) employees could be enhanced manifolds by creating an appropriate

psychological fit. It was strongly believed that by molding their behaviors on unanimous ideas one could create cohesive work teams. This was by no means an easy task, and therefore in order to achieve this goal "personnel management" (operational management) was transformed to human resource management (strategic management of workforce).

"The term human resource management has been developed in response to the substantial increase in competitive pressures American business organizations began experiencing by late 1970s as a result of such factors as globalization, deregulation, and rapid technological change. These pressures gave rise to an enhanced concern on the part of firms to engage in strategic planning--a process of anticipating future changes in the environment conditions (the nature as well as level of the market) and aligning the various components of the organization in such a way as to promote organizational effectiveness" (Lawler 1999:1).

Decenzo and Robbins, two eminent professors of management and authors of the book, Human Resource Management, have supported Lawler's point of view by declaring motivation and employees training as key factors to improve production standards for regaining the lost out U.S. business in the world. In other words it means that techniques of reshaping and transforming the behavior and attitude of employees, which were later named as human resource management, are used to handle the business pressures. Generally, personnel management and Human resource management are inter-

changeably used but technically HRM is very different from personnel management (Aswathappa 2005:11-14). The former facilitates HR manager to develop methods and strategies which can influence the whole system of organisation to reset the behavior of employees for better economic returns (2005:11-14). Personnel management focuses on workers regulation where as human resource management performs beyond this traditional role to motivate and facilitate employees for achieving organisational goals (2005:11-14). Lawler (1999) identifies HR strategies as tools to reshape employees' behaviour and promote specific behaviors on the part of employees (p.3).

In order to understand foundations and components of these strategies (HRM model), it is important to comprehend the particular socio-cultural situation of American society which breeds these (human resource management) concepts and practices. Considering the importance of socio-cultural conditions of American society, I would like to present a brief orientation of US culture and its basic cultural components which in fact work as foundation principles of organisational layouts, management styles and human resource management model contemporarily presented in the management literature as mentioned by Yang (2003) and Mariappanadar (2005).

Parhinzgar (2004), professor of cross cultural management and author of various books has clearly pointed out the influence of culturally diverse nature of the US society on its business while stating: "in a multi-cultural society like the United States, business thrive by finding common grounds across culture and ethnic groups" (p.3). This statement emphasises on the establishment of common grounds for unifying employees to achieve

business growth because the US workforce comprises of people from the whole world with diverse cultures. In consistent with Parhinzgar (2004), Cincotta (1994) has declared the American nation as a 'Nation of Immigrants (p.380). The political analyst Ben Watenberg has called American nation 'the first universal nation', "a population of almost 250 million people representing virtually every nationality and ethnic group on the globe" (1994:388).

Hughes (1994) has depicted the cultural plurality as well as the cohesion force in American society in the following words:

"There never was a core America in which everyone looked the same, spoke the same language, worshipped the same gods and believed in the same things... American is the construction of the mind, not of race or inherited class or ancestral territory" (1994:18).

This statement has clearly reflected that American society ethnically, linguistically, religiously and hence culturally is composed of diverse cultural groups which are knitted together on the concepts and ideology (principles of capitalism). Cincotta (1994) supported Hughes point of view while identifying the cohesion forces which unite the diverse Americans on the following common grounds:

"The United States also maintains a sense of continuity, a set of core values that can be traced to its founding. They include a faith in individual

freedom and democratic government and a commitment to economic opportunity and progress for all. The continuing task of the Unites States will be to ensure that its values of freedom, democracy and opportunity......are protected and flourish as a nation, and the world, approach the doorway of a new century" (1994: 388).

The analysis of the above presented quotation allows us to rightly infer that common ideology (principles of capitalism) is the base of cohesion among culturally diverse inhabitants of the US which is further reinforced through formalisation of these social values of liberty (certain guarantees for the individual against probable governmental oppression), equality (all citizens enjoy identical socio-political rights), democracy (participation of all people to make the system work) and individualism (individual freedom, equality of opportunity, competition, material wealth, hard work, self-reliance, etc.) by incorporating them into American constitution through various amendments (Benjamin Franklin 1793). These values give basic American identity to culturally diverse individuals besides promoting multi-culturalism (the two way assimilation) in American society.

As mentioned earlier, the changes such as internationalization, information technology, total quality management and diversity have created a paradigm shift in the US business organisations—there are new rules with different boundaries requiring new and different behaviors (Luthans 1998:3). These changes have influenced all aspects of the American society from socio- political to economic, anyhow it has especially pressurised business

managers to focus on synergising the workforce for surviving into the cut throat competition (1998;3-9). It was considered pivotal by the managers to retrain and reshape the behaviours of employees (migrant/diverse workforce with different cultural traits, personal values and mind sets) on common American values of individualism, equality and democracy (which are also the essential institutions of capitalism) to unite the diverse workforce for effective performance of their organisations (Lawler 1999;2). Yang (2003) a Chinese researcher of cross cultural human resource management has clearly mentioned relationship orientation of Americans with reference to capitalism and identified individualism as basic value of American organisation (2003). Hence all dimensions of American organisation—traits, institutions and models fairly reflect individualism as an embedded assumption (2003;9-11). Considering the inception context of human resource management concepts and its idea practices (used in contemporary management literature), it can be taken as a key characteristic of diffused Human Resource Management model.

The US culture tends to use reasoning as a tool in making moral judgments (Kohlberg 1969; Hofstede 2003) and is concerned with different levels of judgment: good, right, and ought (Girvetz 1973). Geert Hofstede, a Dutch social psychologist and famous cross cultural researcher has explained particular philosophy of western truth by comparing it with eastern philosophy, as he takes it as a foundation principle of western reasoning and judgment, in the following words:

"The western concern with truth supported by an axiom in Western logic that a statement excludes its opposites: if A is true, B, which is the opposites of A must be false" (2003:171).

Whereas on the contrary, Hofstede (2003) believes eastern logic has completely different axiom; "If A is true, its opposite B must also be true, and together they produce a wisdom which is superior to either A or B" (2003:171).

As the US culture establishes moral standard on this axiom of truth, because the concept of 'single reality' breeds the idea of equality (Yang 2003:10) and equal social roles among men and women. Hence gender egalitarianism becomes another basic value of American society which influenced human organisation at all levels in all spheres (Trompenaars 1994:154-155). In line with this argument, individualism, equality and gender egalitarianism can be taken as the basic foundations of social organisation in American society; and human resource management model, which was initiated in American organisations during the decades of 70's-80's. Inception of HRM, based on these social values prevailing at large in the US society, helped in the effective organisation of employees and achieving the goals of American organization in the tough international competition (Luthans 1997:648-649). Therefore, it can be concluded that individualism, equality and gender egalitarianism are the embedded principles of human resource management concepts and practices (developed in the US); and incorporated into management literature as an effective management model. Later, these HR concepts

and practices diffused to the other parts of world as the best techniques to achieve business results in capitalistic market (Trompenaars 1994:2).

Shifa HR policy depicts these values (individualism, equality and gender egalitarianism) as implicit assumptions of its rules and regulations but HR practices seem quite close to Pakistani ways of organising people on social relations and personal expectations. As mentioned earlier the policy assumptions are re-defined to be practiced in local setup where symbolic or physical interference of family members or family allies/ social circle is considered normal, hence employee and employer relations are influenced through personal connections. So it can be said that this thesis is about the ways workers employ to influence management decisions regarding employee selection, job appraisal and compensation. Anyhow the level and the intensity to influence decisions depends upon the position and influence of the penetration source in the society and on Shifa- its management, nature of its relationship with employee, and managements' reciprocal expectations of future help. It means that management's considerations of an employee in the process of decision making fluctuate in accordance with the influence of reference; which in turn give way to contextual HR practices. Therefore, this dissertation is also about contextual HR practices of standard rules and regulations, besides unraveling the contractual alliances established among employee, the source (of penetration/reference) and management which establish wide range human resource networks and support systems in the organisation as well as in the surrounding. These support systems and social networks comprise of both relatives and non-relatives. Lyon (2002), while discussing the social organisation of Pakistani society, has also mentioned the existence

of both kin and non kin relations as the base of indigenous social organization. Lyon (2002) points out, "in Pakistan it is typically not kingship offered as the alternative of social organisation, but rather kinship or contractual relationship" (p.27-28). As mentioned earlier, two renowned anthropologists Eglar (1960) and Chaudhary (1999), who have closely studied Punjabi Culture, point out that pattern of social organisation in Punjab is based on occupational specialisation.

The values and expectations (intervention) of social organisation in Punjabi culture spring from family/extended family/kin relations which are further transposed to extra-family/non kin relations and set intervention as a part of social norms of society (Lyon 2002: 2). Hence, it can be inferred here that Pakistanis, especially Punjabis (as this trend is quite implicit at all levels) are very much tuned to the concept and practices of regulating personal and impersonal (economic, political etc.) social organisations on the basic assumptions of arbitration and reciprocation. These indigenous assumptions of social organisation have inspired the management models of Shifa. In a nutshell, this thesis is about the system of employee social organisation (human resource management) in Shifa which is fairly influenced by the ways people organise themselves in the society at large.

My primary argument is that human resource management policy depicting diffused concepts and practices to some extent are influenced by local values of employee regulation (reflecting indigenous societal patterns of social organisation); though in turn HR concepts and practices inspire employees' behaviors and approaches towards life. In

short, it gives way to confluence of local ways of organising people and diffused HR management model; and subsequently develop organisational environment reflecting a continuum of local values (collectivism, hierarchy and gender consideration) of human organisation rooted in asymmetrical family relations as well as implicit principles (individualism, equality and gender egalitarianism) of diffused HR model. In addition, this thesis is about the management strategies of considering social moralities besides maintaining the professional standards. This thesis has, actually, been depicting Shifa's contextual HR practices as successful strategy to handle issues of local employees in capitalistic market. This thesis also highlights the role of HR professionals in maintaining the balance between the policy and the local moralities to sustain their career in Shifa, facilitate employees and support management in achieving organisational goals. I focus both on management and workers perspectives regarding Shifa human resource practices for acquiring a 'holistic' and comprehensive understanding of the focused issue.

With this back ground, the intrigues that come to my mind are what happen when Shifa devised its HR policy on diffused human resource management model to deal with local people? How do workers react to this policy? What are the strategies used by Shifa management to practice HR policy? How do the indigenous institutions influence the execution of HR policy depicting diffused model? How HR practitioners are influenced through internal and external interventions to interpret HR policy into situational practice? What happens when some of managers tried to strictly follow diffused policy while undermining the indigenous HR practices? How do managements' considerations of local ways of organising employees while following diffused HR policy facilitate them

to get better results? How do these conscious HR practices influence individual and collective behavior of employees as well as the general social environment of organisation?

By looking at the above mentioned queries one can assume that it is a thesis about the cultural adaptation process of specifically human resource management practices and generally Shifa (initiated on diffused model) which has occurred during its one and half decade's functioning with local workforce in Pakistani market. Since local style of referrals and interventions has started influencing hospital management style and decision making processes especially in the domain of employee management practices. Though, if anyone here assumes that local intervention system is inherently wrong then one could perceive that my research is going to provide a mechanism for undermining local ways of employee regulation and intervention system.

Contrariwise, my research is arguing that the influence of intervention system in organisational management especially in Human Resource Management cannot be fully eliminated; anyhow it can be regulated through conscious efforts. This transformation from diffused model to culturally fit model has in fact facilitated Shifa to successfully sustain itself as a progressive organisation in the capital city of Pakistan (The Nation 2008; The News 2008).

To be precise, my thesis will not present a strategy for complete adherence of diffused HR policies for making Pakistani organisations more like North American organizations,

rather it offers greater understanding of the ways Shifa management has synergised indigenous moralities and international standards of global market e.g. ISO 9000. Parsons (1951), an American sociologist, stressed the need for organisations to adapt to their employees perceptions as well as to the environment. Current literature supports this view, emphasizing the need to consider not only employee perceptions, but to consider the environment and the context of the national culture from which the perceptions originate (North and Hort 2002;28).

It is important to realise here that in the world of information technology, fast communication and globalization where international standards have to be met, cultural distance and cultural differences do not necessarily have to mean troubles and cultures do not have to be similar; it is enough if they are complementary (Yang 2003:2). Trompenaars (1994) shares this idea by highlighting:

"As markets globalise, the need for standardisation in organisational design, systems and procedures increases. Yet managers are also under pressure to adapt their organisation to local characteristics of the market, the legislation, the fiscal regime, the socio-political system and the cultural system. This balance between consistency and adaptation is essential for corporate success" (1994:3).

The above mentioned point of view clearly depicts that to best optimise resources a balance must be maintained between international model and local cultural values. In a

nutshell, cultural adaptation of diffused model yields synergistic approach (combine factor will be more than parts) with wide ranging practices to satisfy opposing demands of the different situations, which may allow organisation like Shifa to survive in the contemporary market.

# 1.5 Research Assumptions

The basic idea followed throughout the dissertation is that cultural adaptation of the diffused institutions is essential for the effective utilization/execution of these (diffused) institutions in the local setting. The recent researches have revealed that practices of the diffused human resource management, across the world, vary from culture to culture not only in the local organisation (Aycan 2001 2006; Yang 2003) but also in the various branches of the same multinational company working in different cultures (Hall and Hall 1990; Hofstede1997; 2000; Trompenaars and Turner 1998; Shuals 2007; Khilji 2003; 2004). Various researches have revealed that 'as it is' implication of the diffused HR concepts and practices to regulate local worker can increase problems (Aycan 2001; 2006; Yang 2003; Trompenaars 1994) rather than supporting system to perform better (Mariappanadar 2005). Hence, 'contextualisation' (culturally suitable modification) of the diffused HR concepts and policies can be helpful for the management to achieve organisational goals with local employees, particularly, in capitalistic market economy (Lisa 2006). This theme line has helped me to develop following set of assumptions to pursue my qualitative in-depth research in a more organized manner:

- a. The culturally adapted employee management practices are more suitable to handle employees' issues in Shifa.
- b. HR manager's role is very important in Shifa to redefine and execute HR policy (based on diffused HR model) according to local aspirations.
- c. Locally trained HR managers can better handle employee management issues in Shifa rather than foreign qualified managers.
- d. HR professionals, who can maintain a balance between policy and practice, have sustainable career with Shifa.
- e. The cultural fit practices of HR policy (depicting diffused HR model) in Shifa result in hybrid (mixed) organisational culture which in turn influence general social environment, although, at limited level.

# 1.6 Main Objectives of the Study

The main objectives of the study are as following;

- To discover the role of cultural values in the systems and functions of a business organisation working in that society
- To explore reasons of differences between HR policy (based on diffused HR management model) and its practices in Shifa

- To understand the role of embedded assumptions of mutual interaction and social organisation in execution of HR policy (depicting diffused management model)
- To figure out the role of employees' social networks in the development of effective work teams and achievement of organizational goals
- To explore the role of HR manager in maintaining the balance between local cultural values and principles of diffused HR model
- To evaluate and highlight the value of local wisdom for managing the local workforce to achieve organisational targets of profit maximization and market sustainability
- To discover the confluence of local cultural values and diffused model; and its impact on the individual as well as collective behavior of employees within Shifa and in the society

### 1.7 Significance of the Study

One of the basic concerns about the success of a good research is its relevance and contribution to theoretical, intellectual and practical aspect of human development. The contributions of my research may be outlined into the followings points;

First, this research would be a good contribution to the anthropology of Pakistan. It may establish foundations of a new sub field in anthropology with the name of 'Anthropology of Human Resource Management'. This study is an effort to apply anthropological research tools to understand human resource management processes of an organisation. It will be very helpful for students of anthropology to closely understand the issue of

cultural diversity and human resource management as a pivotal feature of business organisation and complex societies.

Second, this research will be a good addition to the literature of cross cultural human resource management for providing 'a synergistic approach' to develop more 'Holistic' model for the effective management of technical as well as relational aspect of an organisation out of an in-depth qualitative research (for reasonable time period of 2 years and 4 months) conducted in Shifa.

Third, this study is a valuable addition in the existing knowledge regarding cultural wisdom of business management which sensitizes the foreign organizations (Multinational corporations) as well as local organizations to consider issue of cultural diversity while adopting and executing diffused management model for regulating employees in local setting.

Fourth, this research makes a contribution to the literature by producing an empirical evidence to bear on interplay between cultural values and diffused HR model yielding to cultural fit management model. This research may extend an opportunity to understand contemporary business and organizational models working in Pakistan as well as in other South Asian countries.

Fifth, applied significance of present research for the studied organisation is that it extends first hand valid information about its alarming issues of employees' high

turnover rate, dissatisfaction and de-motivation. This may help SIH Board of directors, policy makers, and senior managers to take appropriate measures for retaining their trained workers, extending better services to its clients, earning more profit, maintaining its shareholders and sustaining itself as a leading medical organisation.

And last but not least, this study can be helpful for government agencies, public and private organisations (as almost all the organisations are following diffused HR models in Pakistan). It would allow them to understand the role of cultural diversity in effective management practices and develop culturally fit human resource management models for sustainable growth and development of their organisation and country.

#### 1.8 Research Limitations

It took a lot of precious time and resources to get formal permission for this study from the higher authorities of SIH. It was literally very difficult to convince the senior managers about the utility and significance of this research; but the permission was not granted until a reference was established to contact one of the senior managers. This kind of university research was a new experience for them. In fact Pakistani organisations and universities are working independent of each other. There is limited interaction and collaboration between the two.

Despite the formal permission when I started to gather field data especially through participant observation and in-depth interviews, the SIH management was very suspicious. Anyhow my key informants and determined efforts helped me to develop a

good rapport with HR professionals in Shifa. Later I managed to conduct my field work and acquired all type of data to fulfill the requirement of a good anthropological research.

Acquisition of information and especially written data from a limited company remained a very sensitive issue throughout this research. The management of Shifa was very cautious about sharing organisational information as this could negatively influence its image in the market and profit margin. In spite of acquired formal permission for this research, inhibition and undesirability was experienced sometimes. Anyhow, my rapport with my key informants and other senior professional supported me to penetrate into the organisation and acquired both primary as well as secondary data.

# 1.9 Research Methodology

This was an exploratory research which was mainly based on participant observation, although quantitative data was also acquired to take the 'holistic' perspective of reality. Participant observation is a method to get a close and intimate familiarity with a given group of people and their practices through an intensive involvement with people in their natural environment, usually for a sustainable period of time. In this method, the researcher not merely observes, but tries to find a role within the group observed; though the level of researcher's participation varies from situation to situation. This research as conducted in a corporate sector organization, therefore most of the time participation was as an observer. However later I managed to become voluntary member of the training team and actively participated in training sessions.

In order to meet the research concerns, a medical corporation formally maintaining the department of human resource management was selected as the target organisation. In this organisation, the field work which was the most important part of this research was conducted for two years and four months (during the period of October 2004 - February 2007). The researcher conducted this field work during the reign of two HR managers from different perspectives to have 'holistic' understanding of the organization system, its culture and employees' behavior. This field work due to its different nature can fairly be categorized into two parts: informal research and formal research. The informal phase of the study was the period in which formal approval of the study was not taken, anyhow the key people in the HR department was taken in to confidence. This phase continued for the first six months (October 2004-March 2005).

During this phase I used to visit SIH, moved around into the various operationally functional sections (OPD's, OT waiting areas, cafeteria, emergency etc.), interacted with workers and tried to get a feel of what employees do. In this way, I mainly followed an unstructured and informal interaction with SIH employees and let the situation lead me. Consequently, I ended up with attending general seminars and volunteers' meetings where I came across my old students (Umer and Furqan from Hamdard University working as volunteers) beside some doctors from PIMS (Pakistan Institute of Medical Sciences who had joined Shifa).

They introduced me to their work team and helped me to establish my own contacts and rapport with workers. So I interacted with employees, supervisors and managers in their

everyday work situations to attain their perspective regarding management, organisational culture, communication style, employees' issues, selection procedures, job evaluation and promotion. I also met with the HR manager Mr Shehbaz who introduced me to his team, especially with the training supervisor Ms Sadia Ajmal – a Quaidian. This interaction remained very fruitful; I developed professional rapport with HR team and worked with them in designing the training programmes. This rapport facilitated me to closely look at the role of HR professionals in the organization, the ways they decide, problems they faced and the strategies they adopted to manage the paradoxical situations activities, and gathered to some extent experiential data. But later the resignation of Mr Shehbaz from the post of senior manager HR changed the whole situation and the first nice phase of my field work was finished.

The second phase of research started with my efforts to get formal permission for this research which was the most difficult part of this field work. During the informal phase of research, nobody noticed my presence but the moment I applied for a formal approvalthe problem started and for two months I could not interact with Shifa employees. After the resignation of Mr Shehbaz, Mr Ali Rabbani was honorary head of HR who was not ready to decide my case. I started looking for a reference to solve my problem. In the meanwhile I contacted Professor Ahmad Khan, my teacher and a renowned name of twin cities academia, to give me a reference in Shifa. He asked me to see a senior manager in SIH with his reference. I met the person (senior manager) who received me kindly and called Mr Ibrar in HR; directed him to provide appropriate and immediate help to me. He sent me to Mr Ibrar's office with his assistant. Mr Ibrar asked me to write an application

for Chief Operating Officer. He assured me that he would get the approval for the research and inform me within three days.

Finally the approval was granted. I, once again, started the field work and data was gathered from all the segments of the organisation. In this regard, my close connection with the HR professionals supported me to get hold of all sorts of data which otherwise would not have been possible. During this period, various research methods like in-depth interviews, key informants, case studies, formal documentation analysis and photography were used to acquire relevant data.

Key informants remained a very important source of data acquisition. Three types of key informants managers, HR professionals and workers, based on their interest in the research, willingness to provide information and availability were randomly selected to get 'holistic' perspective about the organization and employee regulation phenomenon. Mr Abdullah Qureshi and M. Akram were my key informants from senior management. Mr Ibrar, Mr Rabeel, Ms Humaira, Ms Firdos and Ms Sadia were my key informants in the HR team. Rehman, Imtiaz (machine operator), Zaheer (tech Urology), Hadia (media), Zahida Hafiz (HN-1), Mina Rehman (NA) and Dr Alia were my general key informants who provided me everything related to their field and extended workers' perspectives. These key informants not only facilitated to actualize extensive research plan but also supported in acquiring implicit perspective of explicit behaviors, situations and phenomena. It is important here to highlight that the names of all the people (mangers,

key informants, interviews and others), except the members of the board of directors and pioneers, mentioned in this dissertation are pseudonyms.

Regarding the in-depth interview, sixty (60) face to face interviews were conducted with equal number of male and female employees belonging to various levels and segments of the target organization. Although, it was consciously tried to represent balanced perspective; therefore workers and management/representative of management (supervisory staff and senior management) belonging to various departments were also interviewed almost in equal numbers. Interview guide was also developed to acquire more focused and relevant data; probing technique was additionally incorporated for stimulating the respondent to produce more information. The flexibility of probing technique supported researcher to acquire more focused and relevant data about some sensitive aspects which otherwise remained untouched. The length of interview varied from 35-55 minutes depending on the willingness of the respondent; anyhow it is noticed that the workers usually took more time as they wanted to share more with the interviewer. Most of these interview sessions were conducted off handed because it was observed that the moment researcher started taking notes the respondent felt inhibited and did not want to share his/her insight; after the interview information were quickly jotted down. Here it's important to identify that the interviews were administered mainly in Urdu but later information were translated in English language.

Case study method was also applied as it allowed the researcher depict actual situation for drawing theoretical conclusion. Extended case study was applied to have an in-depth study of a particular situation and to conduct theoretical interpretation by establishing reason for its action. This method remained very helpful in identifying embedded reasons for generating varying interpretation of the same action. Situational case studies were also conducted which helped to understand an issue with the help of changing context. These cases were selected randomly on the basis of their relevance to the under studied issues besides the availability of information.

Documentation analysis of all the available document and publication like annual reports, Shifa news, Shifa Mini Mag, Shifa website and most importantly of HR manual was conducted in order to get hold of as much information as possible about human resource management policy and various other aspects of organisational realities and culture. The secondary data was collected and analyzed to get organisational perspective. The comparison of the first and second hand data allowed to figure out situational variations between policy and practice.

Although SIH is unique in terms of its mission, its services, its organization, and its use of technology, it is believed that this single and unique case may provide useful insights for organisations in similar situations (March 1991). Many of the difficulties faced by SIH either support or help to understand situations prevailing of other organizations working in the context of Pakistan. For instance, any public or private organization or multi-national corporation following western (diffused) HR model to regulate workforce in the local setting can get benefit from this research.

### 1.10 Selection of Locale

This research has studied the interesting discourse of cultural influences on working systems especially human resource management in a medical organization. To meet the demands of research a medical corporation named "Shifa International Hospital" (SIH) was selected as the research locale due to the following reasons:

First of all, SIH was selected as research locale mainly because of its management system. SIH was initiated on American medical system and consciously all the organisational dimensions from technical to managerial based on diffused models. During the course of time, this foreign system of organizing the medical facilities in Pakistan has slowly adapted to the local cultural values; interestingly written policies and procedures have not changed but their interpretation and practices are developed in a way that could satisfy the local social needs besides the International business demands of standardisation (ISO 9000).

Second, this organisation was selected as research field because it has culturally diverse workforce, not only from all the regions of Pakistan but also from other countries like USA, Philippines, and Bangladesh, besides its maintained a functional Human Resource Management Department. As mentioned earlier, I was interested to discover the corelation between the cultural diversity and Human Resource Management; the organisational features of Shifa have attracted me to select it as research locale.

Third, the geographical accessibility was an important reason for the selection of SIH as my research locale. It is located in Islamabad; therefore it was feasible for me to conduct my research in it. I know that there are many other organizations in Pakistan for example Agha Khan Hospital, which could also meet the basic requirement of this research but it was not considered due to its location.

Last but not the least, establishing rapport was easy here as I have contacts with the training team. I also used to deliver sessions in training programs, beside I was a permanent client of Shifa since 2001; I knew many consultant and medical staff personally. Hence it was much easier to develop rapport with SIH employees and acquire in-depth & relevant field data.

In line with the above mentioned preferences, Shifa is taken as the locale of this research and interesting interplay between diffused HR model and local cultural institution was explored in its organisational setting. The location of hospital in Islamabad, (capital city of Pakistan) as a centre of power play, has created an interesting context for the researcher to study the influence of personal penetration and reciprocation on the impersonal HR policy (depicting the embedded assumption of diffused management model) with standard rules and regulations of selection, job evaluation and compensation, to satisfying local expectation without doing with their formal rules. In this regard, the close relationship with HR professionals helped to understand the mechanism of contextualisation (situational practices to respond to issues) through which opposing

condition of local aspirations as well as international business standard are successfully met.

### Conclusion

The purpose of this chapter is to outline the background to explore the influences of cultural diversity on the execution of diffused human resource management model when employed in a business organisation to effectively utilized local workforce for achieving organisational goals of profit maximization and market sustainability. My main assumption is that Shifa employees, who were mainly Pakistanis, socialised according to specific cultural values with particular mindset of right and wrong; they understand, interpret, act and react to these diffused HR concepts and practices according to their mindset, consequently the HR practices will be different from diffused HR policy.

The literature review conducted in the previous paragraphs has revealed that every culture comprises of specific components which not only unite its sub-streams but also differentiate this culture from similar neighbouring cultures; and every social institution belonging to a particular culture based on those components. Consistently, it is argued that diffused Human Resource Management Model, as a representative of the US culture, depicts the basic values (individualism, equality and gender egalitarianism) of American society (Yang 2003, Lawler 1999).

The second chapter aspires to develop a theoretical framework for the effective handling of the research process. In this regard, extensive literature review is conducted to explore the role and influence of culture in business success and also in selection of suitable management style in a particular setting. In this venture of discovery, famous theories of cultural constituents and cultural differences in management practices besides researches exploring cultural influence on HR practice will be briefly discussed. Finally, in the light of this intellectual back ground, theoretical frame work will be devised for this research.

Chapter three intends to present a brief history of SIH. It also describes organisational structure, layout and other important feature of the organization; this will in fact help to understand the arguments established in the upcoming chapters. In chapter four, I will offer a brief review of the formal rules and regulation regarding job selection, job appraisal and compensation presented in Shifa HR manual. This chapter works as a base line to understand the HR policy and facilitates in identifying the gap between HR policy and practices. The clear and complete understanding of these rules and regulation will provide a better understanding of the situational fluctuations in HR practices. From chapter five to chapter seven, I intend to discuss and explain field data and infer conclusion with the help of indigenous theoretical framework chalked out in chapter two. I will observe the ways social institutions of personal penetration and reciprocation influence not only the standard HR rules and regulations but also the mutual interaction among employees and employees & management.

# Literature Review and Theoretical Framework

This chapter explores relevant literature to understand the relevance between cultural diversity and Human Resource Management; and facilitates to develop a suitable theoretical framework to systematically analyze the field data and devise reliable theory. As mentioned earlier, the basic goal of this research is to explore the role of cultural values and indigenous social institutions in the execution of diffused human resource management concepts and practices to effective manage Pakistanis in an organization working in the local market. Taking up this notion, I have organized the reviewed literature on two basic assumptions. Firstly, present is the resultant of past which means that some events in the history have carved the basic layout of the present world; as the political economy of contemporary world emerged in the late 40's and set the stage for almost all the prevailing international, regional and even local discourses (Wallerstein 1994:4; Luthans 1998: 644). Secondly, in the contemporary world of information technology and internationalization of business, execution of diffused HR practice in the local organizations as a strategy to earn maximum profit; and in turn change is not an unusual feature.

I intend to review the literature by defining the concept of culture and cultural levels to identify the way these concepts (culture and its levels) are perceived in the realm of this research. I will also elaborate the relationship between the idea of cultural differences and development model to see how it (this idea of cultural differences) breeds diverse

development perspectives, depicting diffusion as a strategy for economic prosperity and growth. I will also explore the debate regarding the relevance and significance of diffused management practices to achieve market success in local context. I will then succinctly discuss famous theories of cultural constituents and strategies to manage cultural differences in management practices to establish basic intellectual foundations of my research. The subsequent section explores researches conducted in the various developing countries revealing the influence of local cultural values on HR concepts and practices in the local context. In the last section, theoretical framework will be chalked out for reliable research results and theory formation.

# 2.1 Defining Culture

Culture is one of the key concepts to understand the influence of cultural diversity on managerial practice (Maznevski and DiStefano 2000; Luthans 1998; Hofstede 2003; Trompenaars 2000; Shaules 2007). Culture is generally defined as a set of beliefs, habits and traditions shared by a group of people which are successfully learned by new members (joining that group) (Kroeber and Kluckholm 1952). Contemporary Cultural theories basically adopt this (Kroeber and Kluckholm's) theme line to define national culture as 'a way of life of a group of people' (Romani 2004:142); which stands quite close to the way Margaret Mead an anthropologist defined culture, as 'shared patterns of behaviour' (1963:17). Behind this idea of 'shared patterns of behavior' lies her assumption that culture is something explicit which can be comprehended through observation. This assumption is strongly challenged by Susan Schneider and Jean-Louis Barsoux researchers of cross cultural management and author of the book, *Managing* 

across cultures (2003). Schneider and Barsoux (2003) believe that empirical behavior does not reflect the true essence of the human conduct, therefore observing behavior is not sufficient for its completely understanding. To Schneider and Barsoux (2003), the most important thing is the meaning of this behavior, as the same behavior can have different meanings and vice versa (2003:21). With this stance Schneider and Barsoux (2003) actually stand besides Trompenaars (1994) who considers that culture does not represent visible behavior but 'is a shared system of meanings....dictates what we pay attention to, how we act and what we value' (1994:13). Thus, contrary to Mead (1963), Trompenaars (1994) stresses on implicit perspective (values) of culture like the anthropologist Clifford Geertz, who identifies culture as 'systems of shared meaning' (1973:21). This implicit perspective of culture is partly shared by Geert Hofstede, a Dutch organisational psychologist. Hofstede (2003) looks at culture as 'the collective programming of the mind which distinguishes the members of one group or category of people from another...culture, in this sense includes systems of values' (2003:5). Hofstede (2003) adopts a more 'holistic' (both implicit and explicit) perspective of culture like Kroeber and Parsons (1958) who depict culture as 'transmitted and created content and patterns of values, ideas, and other symbolic-meaningful systems as factors in the shaping of human behavior and the arte-facts produced through behavior' (1958:583).

Anyhow, Harry C. Triandis (1993), psychologist and author of the book, *Culture and Social Behavior*, maintains that culture is the group's strategy for survival and it constitutes the successful attempt to adapt to the external environment in a society. Quite

close to Triandis (1993) but with a different angle, Hamza H. Alavi, a Pakistani anthropologist, describes culture as a bi- product of social facts and group choices (1973:34). Alavi (1973) states:

"Society is not a set of inert 'social facts'. It is a totalisation of purposive social actions; and human goals which include not only opportunities that are offered within the framework of an established social system but also possibilities of transforming given system. Furthermore men do not act or think in isolation from other men, nor are their goals formulated entirely by private contemplation. They learn from the conditions and experiences of other men" (1973:34).

The above paragraph has highlighted the active role of individuals while depicting that individuals/groups are not mere recipient of culture but they are open to be changed if more effective solutions to problems are required as mentioned by Trompenaars (1994:28); so individuals can contribute to culture. Hofstede (2003), in a way, stands close to Alavi (1973) and Trompenaars (1994) while declaring human personality as a resultant of the interplay between nature and culture (2003:5). To clearly depict relationship between culture and human personality, Hofstede (2003) has developed a model (2003:6); and declares individual personality as a collection of traits which are partially inherited and partially learned (2003:6). Hofstede (2003) further explains that every individual learns culture (collective phenomenon) through his/her unique inherited traits and by developing a unique personality (which one does not share with any other

person) s/he contributes to culture (2003:6). Considering this debate culture can be taken as 'a dynamic and fluid concept' as depicted by Yang (2003:2). In consistent with this perspective 'culture', in the realm of this research, is considered as complex system of values, norms and behavior resultant of material, social and psychological factors which are learnt and changed by the individual/group of individuals due to its (culture) dialectical nature.

It will be very helpful if the meanings of the word 'dialectic' are clearly understood at this juncture of discussion because generally the term dialectic is interchangeably used and confused with dualism. Papa, Singhal and Papa (2006) have differentiated dialectic from dualism (2006:43). Papa, Singhal and Papa (2006) clarifies, 'dualisms are binary opposites' whereas 'dialectic perspective focuses on simultaneous existence of each force and the tensions that exist between opposing forces' (2006:43). It means that dualism is a narrow phenomenon whereas dialecticism is more 'holistic' and flexible in nature. Anyhow, in the context of this research by dialectical nature of culture means that culture is a flexible phenomenon which not only influences its followers' personalities but is also influenced by them. In line with this argument, culture is ever changing and cultural change is a normal phenomenon. The phenomenon of cultural change, however, is different in different societies because in every culture various social phenomena (authority, bureaucracy, creativity, good fellowship etc.) are 'experienced in different ways' (Trompenaars 1994:3). The culture not only yields significant 'shared meanings' but also creates different solutions to 'universal problems' (of mankind); which differentiate one culture from others (1994:28). In intercultural interaction, differences

among various national cultures can be encountered at values and norms (implicit); and behavior (explicit) levels (Romani 2004:149). 'Values are beliefs about what is desirable', 'norms express what is usually considered to be appropriate in a society' whereas 'behaviour is any form of human action' (2004:149).

Contemporary theories of cultural study rest on the assumption of 'implicit differences' among national culture (2004:149). One common model used to discuss implicit culture differences is the onion model of culture. Trompenaars (1994) and Hofstede (2003) both have elaborated this model, from different perspectives, to highlight the role of hidden culture. Hofstede (2003) has presented values as the core of culture (2003:9), whereas Trompenaars (1994) has referred to it as the middle layer of a onion (culture) and pointed out 'basic assumption of life' as core of culture (1994:23). Trompenaars (1994) presents norms as mutually acceptable standards of rights and wrong; and values as shared 'ideals' - definitions of right and wrong (1994:23). It reflects that norms and values are closely interrelated; and relative cultural stability is experienced when 'norms of a group reflect the values of the group' (1994:23). By declaring 'shared assumptions' as core of culture, Trompenaars (1994) persuasively discusses the intrigue of why different people/societies chose different definitions of good or bad (1994:23). Trompenaars (1994) elaborates that the basic differences in values between cultures are due to different 'assumptions about existence' as various cultures have developed in different geographic regions and have 'formed different sets of logical assumptions' (1994:24). In other words, it means that particular shared assumptions of life yield specific cultural values and norms; and as different societies have different logics of existence due to their unique natural setting,

hence different cultures have different values and norms. It can rightly be concluded that 'shared assumptions' and values create lines of fractions between various cultures.

Shaules (2007) has declared cultural values as deep cultural frameworks and the base of differences among various cultural groups. Shaules (2007) has further argued that:

"the deep culture differences of competing cultures -- cultural logics, value system and hidden assumptions are an important element in inter cultural conflict, violence and intolerance.......describe the hidden, yet systematic cultural differences that play a role in how we interpret the world around us" (2007:130).

In the above statement Shaules has clearly identified deep cultural frameworks as a tool to systematically study cultural differences and managing diversity.

### 2.2 Cultural Differences and Social Development Model

The study of culture and its constituents have attracted the attention of researchers from almost all the sciences because cultural differences are declared as the basis of growth and prosperity of any society (Parson 1964:339-357; Roberts and Hites 2000:9-10). In1930s and 40s, as an attack on racial determinism, anthropologists such as Boas (1928), Benedict (1934), and Mead (1963), as well as linguists such as Sapir (1958), and Whorf (Carrol 1956) powerfully argued that customs, social structures, religious practices and values found around the world are not just different stages on a path towards

'development', but also self-sustainable-logical systems (Shaules 2007:116). These scholars described culture as a powerful binding force of shared assumptions, values, and beliefs that is relatively stable. This significant role of cultural constituents as determining factors of any culture has attracted the attention of many researchers and practitioners in the field of social change. In line with this concept, various researches exploring the process of growth have been conducted in different countries. Talcott Parson (1964), an American sociologist and the founder of neo-evolutionary development (growth) model identifies that different cultural institutions are basic reasons of differences between developed and under-developed countries; hence Parson (1964) suggests that traditional societies have to develop evolutionary universals (specialized cultural institutions) —'any complex of structures and processes which increases the capacity of living systems to adapt'. Parson (1964) believes that the developing societies can develop as the human beings evolved from apes (1964:339-357). In other words, Parson (1964) proposes that developing societies can evolve into developed ones by initiating cultural attributes and structures of western societies (1964:339-357).

Later, modernisation theorists (Daniel Lerner, Walt Rostow, Inkeles Smith etc.) picked up the idea of 'evolutionary universals' from the neo-evolutionary model. They try to explain how cultural changes can be employed to transform developing societies into developed one (Roberts and Hite 2000:8). These development intellectuals suggest diffusion of 'western evolutionary universals (dissemination of cultural institutions from developed countries to developing societies) as a solution to eliminate cultural differences and help developing countries (traditional economies) to grow. In this process

of diffusion the cultures of 'tradition' and 'modernity' are seen as completely different and even antagonistic forms of social organisation (2000:11-13).

The above mentioned ideas of Neo-evolutionary and Modernisation theories, to diffused western institutions to non-western countries, are intensely criticized by academicians and activist groups rather than from main stream development groups. However, practically nothing has changed and these theories remained the basic assumptions of the activities and programs of major development organisations such as the World Bank, International Monetary Fund and the US agency for International Development (Preston 1996:172-175). The clearest and the most persuasive critique of neo-evolutionary and modernisation school of development comes from J. R. Gusfield (1967), sociologist and author of the article, Traditions and Modernity: misplaced polarities. Gusfield (1967) identifies that cultural concept of 'tradition' and 'modernity', (central issues of development theories) have misrepresented sociological realities that exist in developed and developing countries (1967:351-62). Gusfield (1967) further points out that modern institutions do not always replace/weaken traditional institutions and are not necessarily in conflict with traditional ones but they are mutually reinforcing as experienced in case of Japan, where indigenous cultural institutions and industrial growth have fused to promote economic development (1967:351-62).

Another important criticism of these development models comes from E. M. Crenshaw, a sociologist in his article *Demographic Transition in Ecological Focus* (2000). Crenshaw (2000) criticized the way concepts of tradition and modernity were used in modernisation

and evolutionary theories of the 1950's and 1960's. Crenshaw (2000) further highlights the incorrect focus of these models on mechanism to produce social change in developing countries rather than prescribing solutions to their problems (2000:371-375). Crenshaw (2000) also points out the bias of these models; these models present the socio-economic values and structures of western culture as the evolutionary ideals for which developing countries must strive (2000:389-391).

In the result of above mentioned criticism cultural differences and development process have been studied from a more holistic perspective in late 1980's. This group of development intellectuals is named as 'new-modernisation' theorist who argue that social change in traditional societies support their deep cultural frameworks--assumptions, values, beliefs etc. (DiMaggio 1994:35-36). On the basis of different approaches, neomodernisation can be divided into two groups; one emphasizes on 'convergence' of indigenous values with modernisation whereas the other insists on 'persistence' of traditional values (despite economic and political change) which continue to influence the cultural change resulting from economic development (1994:36-37). Anyhow, in the later years 'divergence school of thought' (believing in persistence of traditional system) highly inspired to 'convergence school of thought' (believing in elimination of traditional system) as many believing on convergence logic joined divergence school of thought (Kreutzmann 1998:255-265). For example, Samuuel Huntington, strong supporter of convergence school of thought (replacement of indigenous institutions) later stressed upon fragmentation--continuation of indigenous institutions which occurs in areas of globalization where there is conflict between different cultures (1998:255-265).

Kyong-Dong Kim (1994), a sociologist and author of the article 'Confucianism and Capitalist Development in East Asia', has once again combined both the logics of divergence and convergence to 'holistically' understand the ways developing societies deal with diffused institution of modernisation. Kim (1994) identifies that acceptance or rejection of these (diffused) institutions depends on the past or present contacts of the indigenous culture with the foreign cultures which he named as 'cultural preparedness' (1994:89). This social discourse of cultural choice--called 'cultural selectivity', is based on deep cultural (implicit-values, beliefs, assumptions) frameworks of the receiving society, Kim points out (1994:90). Hence, Kim (1994) classifies cultural components as the determining factors allowing or hindering diffused models to work in a local culture (1994:90).

This exploration of the significance of cultural components and diverse deep culture (value) as determining factors of development process and societal prosperity has inspired great deal of activity among intellectuals and researchers in almost all the disciplines to study this phenomenon (Shaules 2007:116-117). As mentioned earlier Dutch professionals (Hofstede 2003; Trompenaars 1994; 1997; 2000) besides many others have studied this phenomenon of national cultural differences in management practices and created new categories to describe cultural difference. With the passage of time, interest of researchers in the field of culture and cultural differences is not decreasing but it is continuously growing as the world becomes increasingly globalized and multicultural. In line with this development, a greater number of people are learning and exploring culture and cultural difference (Shaules 2007:117).

Cotemporary nature of businesses and organizations, (Multi-national corporations and transnational corporations, hybrid organisation and local organization) working on diffused management models have intensified the surge for cultural differences (Luthans 1998:646) and techniques to handle these differences to achieve organisational targets of sustainable growth and profit maximisation in culturally diverse global village (Trompenaars 1997:138-161). As a result, considering national culture values in the execution of current management (originated from western culture) concepts and practices have achieved focal interest among academicians, researchers and conscious practitioners (Yang 2003:2; Luthans1998:139; Khiliji 2003:2-3).

## 2.3 Categories of Culture: National, Corporate and Professional

The concept of cultural categories is very significant to explore the influence of national culture on management practices and on job behavior. Anyhow different authors have developed different models. In order to study the confluence of national culture and diffused management model, Trompenaars (1994)'s model of cultural layers is very helpful. Trompenaars (1994) classifies culture into three categories: national culture – 'a culture of a nation or a region'; corporate culture – 'the way in which attitudes are expressed within a specific organisation' and professional culture – 'the culture of particular functions within organisation: marketing, research and development personnel' (1997:7). This classification facilitates to investigate behavior of individuals/ groups in the organisation as employees are first of all member of society then they are part of an organisation and then a particular department. Therefore, at the same time they (employees) belong to various levels of culture which are, though, inter-related yet

different from each other (Hofstede 2003:186; Trompenaars 1997;7). Anyhow, various management authors depict organisational culture similar to national culture (Peters and Waterman 1982; Schein 1985; 1999; Hellriegel and Slocum 2006). Hofstede (2003) challenges this perspective (2003:16) and argues that organisational culture is 'shared perceptions of daily practices' rather than shared values (2003:183). Trompenaars (1994) also treats organisational culture different from national culture and declares that it is the way in which a group of people (members of the organisation) solve problems and reconcile dilemmas (1994:6-7). In the light of this discussion, national culture is considered as shared world view (meanings) and values of people whereas organisational culture is defined as (formally created) 'shared perception' of employer/employees about organisational processes and system.

Hofstede (2003) mainly differentiates organisational culture from national culture on the basis of their different role played 'in the onion diagram' (manifestation of culture) (2003:181). Hofstede (2003) declares that national culture by providing 'shared values' (core) works as foundation of organisational culture which is in fact composed of 'practice' (symbols, heroes, rituals) (2003:181).

The research conducted by the Dutch Institute for Research on Intercultural Cooperation (IRIC) reflects that at the national level cultural differences reside more in values, less in practices; at the occupational and organisational level, cultural differences reside mostly in practices and less in values (Hofstede 2003:187). Values are acquired early in the life, from family, school, and surrounding environment. Practices are learned later, when

already as an adult people start working (2003:187). Hofstede (2003) has suggested that culture at the occupational level means acquisition of both values and practices (2003:182-183). Hofstede (2003) further points out that occupational values are learnt in the educational/training institutions and 'the time is in between childhood and adulthood' (2003:182). An analysis of the 'onion' diagram indicates that basic assumptions, norms and values are the underlying bases for artefacts and products. By following this perspective, it is reasonable to infer that values typical to national culture underpin the practices characteristic to organisational culture. As discussed earlier, national cultures differ on social values/deep culture (Shaules 2007:130), even though they look similar. Also that the different social institutions and models of a culture have this deep culture as their embedded principles, hence when a diffused model is used in an organisation of another culture, compatibility strategies are used to handle gap/conflict.

For the better understanding of cultural adaptation process of diffused model and development of hybridised model, it will be helpful to comprehend and incorporate all the three levels of culture, national, corporate and occupational; as the first one, influences the management style, while the second one is influenced by the management style whereas corporate culture effects occupational culture and vice versa. It may be rightly inferred here that all these categories of culture are inter-related and develop a particular work environment which influence employees' on-job attitude and organisational behavior. In this regard Spencer A. Rathus, a psychologist, has pointed out that individuals/employees can not only learn their environment but they can also alter and construct their environment (1990:410). This perspective is explained by Albert

Bandura (1977), an eminent representative of social learning model of human behavior, who declares that the person and the environmental situation function as inter dependent units; and mutually interact to shape behavior (1977:9). Bandura (1977) elucidates that:

"It is largely through their actions that people produce the environmental conditions that affect their behavior in a reciprocal fashion. The experiences generated by behavior also partly determine what a person becomes and can do, which, in turn, affects subsequent behavior" (1977:9).

On the basis of Bandura's work T.W. Davis and F.A. Luthans (1980) proposed social learning approach to organisational behaviour. Later Stajkovic and Luthans (1998) have interpreted Bandura's work into theoretical foundations for organisational behaviour (1998:281-290). Luthans (2008) describes organisational behavior as a bi-directional and reciprocal process among the organisational participants, organisational environment and organisational behaviour (2008:23). Luthans (2008) actually states that organisational participants are both the products and producers of their personality, work environment and behaviours (2008:23). I am going to consider this approach in order to investigate the employees' (managers and works) on-job behaviour in an environment of confluence between national cultural constituents and diffused HR model (depicting foreign cultural constituents).

# 2.4 Influence of Culture on Business and Management Style

At the surge of globalization and contemporary economic developments, it is crucial to understand the diversity of culture and its impact on business, management practices and organizational behavior (Trompenaars 1994:3,165; Yang 2003:2-3; Luthans 1998:639). Trompenaars (1994) clarifies that culture and management style both played vital role in the success of contemporary business (1994:165). In this regard Trompenaars (1994) points out that success of a business will be proportionate to its efforts to develop reconciliation between management style and culture (1994:165). Luthans (1998) has supported this perspective of cultural sensitivity of management practices by stating:

"Management is not a phenomenon that can be isolated from other processes taking place in a society.....theories of management always had to be interdisciplinary, but if we cross national borders they should become more interdisciplinary than ever" (1998:646).

In the new world of borderless economy, there is abundance of significant literature in relation to culture and its relevance to business (Hofstede 1980; 1997; 2001; Trompenaars and Hampden-Turner 1998; Adler 1997; Robbins 1998) further highlights its critical value in contemporary business. Before discussing cultural differences across countries and their implications for management theory and practice, I would like to present some basics of the management theory.

Stephen Robbins, management professor and author of various books, describes management as role of managers – individuals who oversee the activities of other people and who are responsible for attaining goals in the organisation (1998:2). Fred Luthans, another famous professor of management and organizational behavior has highlighted the dimensions of management while stating:

"Management is generally considered to have three major dimensionstechnical, conceptual and human. The technical dimension consists of
manger's functional expertise in accounting or engineering of marketing
and increasingly in information technology. There seems little question
that today's managers are competent in their functional
specialization...... Few today would question, at least in the past, most
participating managers either ignore the conceptual and human dimensions
of their jobs or made some overly simplistic assumptions" (2008:9-10).

Anyhow some other authors have widely recognized that key managerial activities can be categorized into four groups: planning, organizing, leading, and controlling (Moorhead and Griffin 2004; Robbins 1998). Planning is 'the process of determining an organisation's desired future position and the best means of getting there' (Moorhead and Griffin 2004:31). Robbins (1998) suggests that planning "includes defining goals, establishing strategy, and developing plans to coordinate activities" (1998:2). "Organizing is another managerial function that involves setting up a structure to coordinate human efforts so that all employees can contribute to the business goals in an

effective and efficient way" (Yang 2003:2). It means that it is 'the process of designing jobs, grouping them into units and establishing patterns of authority between jobs and units' (Moorhead and Griffin 2004:32). Leading means 'motivating subordinates, directing others, selecting the most effective communication channels and resolving conflicts (Robbins 1998:2) in order to achieve the organisation's goals (Moorhead and Griffin 2004:32). Finally, controlling involves "monitoring activities to ensure they are being accomplished as planned and correcting any significant deviations" (Robbins 1998:2). Every manager is responsible for controlling, which is nothing more than monitoring and correcting the actions of the organisation and its members to keep them directed toward their goals (1998:2). All organizations also use four types of resources: human, financial, physical and information resources. The job of managers is to combine these resources through the four basic functions in order to efficiently and effectively achieve the goals of the organisation. (Moorhead and Griffin 2004:31).

The concepts and management models mentioned above are developed in the highly industrialised countries of Europe and North America, from where these concepts and practices have diffused to other countries (Luthans 1998:644). Throughout the world, concerns have been raised about the cross cultural applicability of these modern management concepts and practices developed in the western cultures (Mariappanadar 2005:31-32). Luthans (1998) has strongly challenged the universal application of western management techniques' in these words;

"Management as the word is presently used is an American invention. In other parts of the world not only the practices but the entire concept of the management may differ, the theories needed to understand it may deviate considerably from what is considered normal and desirable in the USA" (1998:639).

Ross (1999) supports Luthans (1998) perspective and states that importance of national cultural characteristics as determinants of management behaviour and business success have long been acknowledged in the field of cross cultural business management. Luthans (1998) depicts this phenomenon while stating:

"The term, 'comparative management' has been used since the 1960's. However, it has taken much longer for the US academic community to accept that not only practices but also the validity of theories may stop at national borders, and I wonder whether even today everybody would agree with this statement" (1998:639).

As already discussed, the issue of culture diversity and valid management techniques is a hot topic among the researchers, authors and practitioners in the field of cross cultural management (Luthans 1998: 640). The work of Trompenaars (1994) has clearly outlined how shared expectations work as essential condition for purposeful interaction in business and management (1994:21). Evans R. Nisbitt author of the book, "The Geography of Thought: How Asians and Westerners think differently and why" (2003),

has recognised management style as a factor influencing the corporate culture of an organisation. This point of view is supported by Hofstede (2003), who has shown differences in management values and practices between nations (2003:182-183).

Trompenaars (1994) persuasively argues that universal applications of western management practices especially human resource management practices are not only unsuitable but are proven failure as experienced by the international companies in local settings (1994:2). Trompenaars (1994) further highlights the severity of this issue by stating that phenomenon of human resource management cannot be translated and understood in other cultures which do not share Anglo-Saxon doctrine, and even in any way if it is comprehended, it would not be appreciated in these societies (1994:2). Therefore, Trompenaars (1994) believes that the choice of preferred corporate techniques, organisational culture, and management style needs to be determined by national culture dimensions (1994:139). In this regard Mullins (1993) stands besides Trompenaars (1994). Social Psychologist E. Schein (1999) also supported Trompenaars (1994) while identifying that organisational culture can influence an individual in the same degree as the national culture.

This postulation, though, is denied by the results of the research conducted by a French professor and management consultant Andre Laurent (1986). Laurent (1986) reveals that national culture works at deeper level as compare to organisational culture. Therefore, he identifies that national culture values can modify organisational culture rather than the other way round (1986:91-102). This research has also established that in case of clash

between national and organisational cultures, the former is likely to dominate the later (1986;91-102). The results of a research conducted by Tayeb (1998) supported the stance of Laurent (1986). Tayeb (1995) argues that successful organisational cultures essentially manifest patterns of national cultural values. Yang (2003), anyhow, has strongly suggested that organisational culture is not completely influenced by national culture it represents confluence (bi-directional influence) of national culture values and foreign system followed by the organisation (2003:29). In other words, it means that national culture does not override the organizational culture, although, it does to some extent get influenced by national culture.

#### 2.5 Culture Dimensions and Management Styles

Culture is a complex concept and for operational understanding it is split up into understandable and operational dimensions (Yang 2003:6). These dimensions are referred as 'components that cannot be easily subdivided into additional components' (Bollen 1989:180). There are many approaches to define cultural dimensions and to study cultural differences. Anthropologist Kluckhohn and Strodtbeck (1961) suggest six cultural orientations on the basis of which cultural can be differentiated: (1) relation to environment; (2) relationships among people; (3) nature of humans; (4) activity; (5) time; and (6) space. Other anthropologists Edward Hall and Mary Hall (1990) identify meanings, space and time and information flow as the basic cultural dimensions. Harris and Moran (2000) have presented ten basic characteristics of culture such as sense of self and space, communication and language, dress and appearance, food and feeding habits, time and time consciousness, relationships, values and norms, beliefs and attitudes,

mental process and learning, and work practices and habits. Some of these attributes for example relationships with nature and with people or time are also discussed by Schein (1985), Trompenaars (2000), Adler (2002), and Hofstede (1997). Hall (1990) and Adler (2002) investigate on space; while Hall (1990) depicts language as an important feature of culture. Schein (1985) and Kluckholn and Strodbeck (1961) have emphasised the importance of human nature. Actually different theorists stress upon different aspects of culture.

In the subsequent paragraphs, I would like to present a brief review of some of the popular but relevant theories of cross cultural management.

### Hofstede's Theory of Cultural Dimension

One of the most popular classifications of national cultural dimension in the domain of management is proposed by Dutch organisational psychologist Hofstede (1980). In his study Hofstede (1980) has explored how national cultures influence the values at workplace. Despite controversy over Hofstede (1980) methodology and interpretation, this research remains most influential in comparative studies of national culture (Lawler 1999:4-5). Hofstede (1980) developed an index of four dimensions of culture, in which he placed each of the studied countries, ascribing them scores from 0 to 112 based on the findings of his study (Hofstede 2003:14-15). These components are: individualism vs. collectivism, power distance, uncertainty avoidance, and masculinity vs. femininity (2003:14-15). This theory is based on data acquired from employees of a multinational company (IBA); Hofstede (1980) suggested four dimensions according to which national

cultures differ; individualism-collectivism (degree of integration of individuals within groups), power distance (ways of dealing with inequality), masculinity versus femininity (degree of tolerance, differences in the social roles of women versus men), and uncertainty avoidance (degree of tolerance for change/unknown)( (Hofstede 2003:13-14). A fifth dimension, long-short term orientation (the tradeoff between long-term and short term gratification of need), was later added (2003:14).

Laurence Romani (2004), an expert of management studies states while commenting on Hofstede's dimensions that:

"Hofstede's first two dimensions echo the theories of 'Power Distance' (Mulder, 1977) and 'Uncertainty Avoidance' (Cyert and March, 1963). The third and fourth dimension .....the fifth dimension, 'long term versus short term orientation' was subsequently developed from research conducted by Michael Bond to accommodate non—western orientation and has been adopted from the Chinese Culture Connection (1987) study" (2004:144).

The first dimension distinguished by Hofstede (2003) power distance; the score of PDI (Power Distance Index) highlights the dependence relationships in a country (2003:27). It narrates 'the extent to which the less powerful members of institutions and organisations within a country expect and accept that power is distributed unequally' (2003:28). In management context it 'refers to relationship between supervisors and subordinates'

(Romani 2004:144). In the countries with low PDI the subordinates depend less on their boss, the relationship between the subordinate and the boss is interdependent, whereas countries with high PDI the subordinates either depend on their supervisors or refute them completely; 'this represents a pattern of polarization between dependence and counter dependence' (2003:27-28). Therefore, there is larger emotional distance between supervisors and workers in high PDI societies. Consequently, hierarchy is very important in these countries and organisations centralise power as much as possible in few hands; while in the countries with low PDI, relations are more personal and informal(2003:35). In low PDI countries, employees prefer consultative style of decision making and enjoy more independence (2003:36). Subordinates dislike close supervision and are not afraid to express their disagreement with the superior (2003:36). Countries with low PDI score try to reduce the power of leaders and perceive hierarchies as convenience arrangements rather than as structure having existential justification (2003:36). Whereas in countries with high PDI, superiors and subordinates take each other existentially unequal; therefore salary gaps and power centralization are common features of organisations (2003:36). Anyhow Hofstede (2003) claims that in countries with high power distance score relationships between superiors and subordinates are very often filled with emotions (2003:36). 'It is quite possible that a subordinate feels proud if he can tell his neighbour that his boss drives a bigger car than the neighbour's boss' (2003:36). Anyhow, in case of power abuse there is no way out to re-address the issue (2003:36).

On the other hand in small PDI countries emotionally and economically there is less distance between the supervisors and workers; they consider each other 'as existentially

equal' and privileges for seniors are undesired (2003:36). Lawler (1999) clearly identifies that "most of industrialised western countries are generally lower on power distance and most other countries are higher" (1999:4). Though, Hofstede (2003) is of the opinion that high PDI and low PDI situations are extremes and usually work situations are comprised of the elements from both the contexts (2003:37).

His second component of culture is individualism vs. collectivism (2003:50). It describes the relationship of an individual and the group they belong to (2003:57). Individualism is considered contradictory by Hofstede to collectivism (2003:50). In management context it reflects the independence or dependence of employees on organisation to achieve preferred work goals (Romani 2004:145). The independence of the employee from the organisation indicates preference to be managed and recognised on individualism basis, on the contrary employees showing dependence on organisation reflect idea to be organised and compensated as a member of a group (2004:146).

Hofstede (2003) points out that in collectivistic cultures obligations to family are not only financial but ritual and employees' reasons extended for leave to handle family issues are most likely to be authentic rather than fallacious (Hofstede 2003:59). In the mind of collectivist cultures only natural persons and via them their friends or colleagues are trustworthy and not 'impersonal legal entities like a company' (2003:67). The collectivist countries value the personal relationships, which should be established first, over the task; while in the individualist countries the task should prevail over any personal relationships (2003:67).

In a collectivist culture employee hiring is based on in group/out group assumptions and in turn employees work for group interest which can be different from his/her own interests; usually preferences and favours are given to relatives and friends (2003: 63-64). On the contrary, in individualist culture family relations are considered undesirable due to fear of nepotism and clash of interests (2003:63). Anyhow there are cases in which normative styles are not confirmed but then they have to face consequences normatively (2003:64).

Workplace in collectivist culture has emotional connections and employer/employee relations are considered moral and resembles a family relation; therefore, 'poor performance of an employee is no reason for dismissal' (2003:64). The employee/employer relation on the other side in individualist countries is considered as 'business transaction'; hence employees are fired if they are unable to meet job targets (2003:64).

Hofstede (2003) declares Individualist countries as "guilt culture" because individual consciousness works as controlling mechanism whereas collectivist cultures are "shame cultures" as everyone in the group feels ashamed due to violation of rules by any one member (2003:60). In a collectivist society, discussing an employee's performance openly may be taken 'as an unacceptable loss of face'; therefore in-direct ways of performance feedback are used; whereas in individualistic countries, direct ways are used (2003:66). In countries with high individualism score people also have the right to their

own opinions which do not always have to be in agreement with those of the majority (2003:71-72).

Management in individualist countries is of individuals whereas it is of groups in collectivist cultures; hence compensation techniques vary from individuals to groups respectively (2003:65). The employee and managers commitment with the organisation is not lifelong although they are loyal; their emotional connections with the company being rather low (2003:63-65). In individualist cultures everyone is treated alike, while in the collectivist societies unique circumstances are taken into consideration and preferences are given to the members of the in-group (2003:66). This idea is quite close to Trompenaars (1994) categories of particularism and universalism - one of the basic constituents of culture (Trompenaars 1994:32). Lawler (1999) points out, 'most indutrialised western countries have individualistic culture, while much of the rest of the world is collectivist, including virtually all developing countries' (1999:4).

The third dimension of Hofstede (2003)'s theory is about the differences in the social roles of women versus men. Hofstede (2003) sees these roles as paradoxically different from each other (2003:80). Men are supposed to be assertive, competitive and tough; on the contrary women are recognised to 'take the tender roles' (2003:81). Distinctions between societies related to this dimension are based on distinct or overlapped social gender roles (2003:82-83). The countries with distinct gender roles are considered masculine whereas countries with flexible gender roles are called feminine societies (2003:82). 'In feminine countries both boys and girls learn to be non-ambitious and

modest. Assertive behavior and attempts at excelling, which are appreciated in masculine cultures are easily ridiculed in feminine ones' (2003:89). In the countries with high masculinity score competition, work, and achievements have high value, while in the countries with low masculinity score people find nurturing, the quality of life and relations more important (Schneider and Barsoux 2003:93).

Romani (2004) points out that 'this dimension expresses values such as assertiveness of the person and care and attention on the social surrounding' (feminine) (2004:147). In management feminine style emphasises well-being and satisfaction of employees; and value consensus oriented decision (2004:147). Mead (1998) identifies that in masculine countries managers are less attracted by service ideas and decisions are made assertively. The masculine and feminine cultures depict different management ideals (2003:94). The masculine manager is assertive, decisive and aggressive whereas feminine manager is less visible, intuitive rather than decisive and tries to generate consensus (2003:94).

The ways of dealing with conflicts are also different in masculine and feminine cultures. The strategies to solve conflict are different in masculine and feminine societies (2003:92). In the feminine societies conflict is resolved through compromise and negotiation whereas it is done 'by a good fight' in the masculine cultures, the employee/employer relations are marked by these fights (2003:92).

A very significant line of fraction between masculine and feminine cultures is the way official meetings are conceived and utilised (2003;92). The meetings in masculine

cultures are considered as an opportunity for participants to assert themselves through expressing their excellence in it whereas in feminine cultures these meetings are used to discuss problems and find common solutions (2003:92).

The masculine and feminine cultures also differ in performing diverse types of industries. 'Masculine countries are good at the production of heavy equipments and in bulk chemistry' while 'feminine cultures have advantage in service industry' (2003:95). It is not yet established that there is any 'relationship between a country's percentage of women working outside the home per se and its degree of femininity'. Although, a positive correlation is found between a country's femininity score and the participation of women in higher level technical and professional jobs (2003:95).

Uncertainty avoidance, the fourth dimension of Hofstede (2003) model is considered the by-product of power distance (2003:111). It depicts the ways different societies used to control uncertainty and anxiety among its inhabitants (2003:110-111). It can be taken as 'the extent to which the members of a culture feel threatened by uncertain or unknown situations' (2003:113). It reflects an acceptable level of anxiety about the future, which is present in a culture (2003:121). In cultures, in which level of uncertainty avoidance is high, people tend to be more stressed and pursue strategies which give them a form of certainty for the future, for example: employment stability, social benefits like insurance or possibility to save money (2003:121). There is a need for clear formal and informal rules and regulations controlling the rights and duties of employers and employees and the work process (2003:121). Hofstede (2003) suggests that this need for rules and

regulations is emotional in strong uncertainty avoidance cultures (2003:121). Therefore, even ineffective rules are welcomed just to satisfy people's emotional need for formal structure and in practice they can be by passed, as it happens frequently in Asian countries (2003:121). Romani (2004) identifies that it reflects the need of rules and regulations in an organisation; in high uncertainty avoidance as rules are valued more (2004:145). Therefore, 'it should not be broken even if the employees think it is in the company's best interest' which creates an environment of high stress whereas in low uncertainty avoidance stress is less (2004:145).

In low UAI societies rules are established only when absolutely necessary as many problems can be solved without any formal rules at all; and the existing rules are generally more respected (2003:121). In cultures where the need for uncertainty avoidance is high, managers are expected to issue clear instructions and subordinates' initiatives are tightly controlled (Verluyten 2000). People from high uncertainty avoidance cultures are more emotionally reluctant to changes which bring the unknown future (2003:121). In countries with low uncertainty avoidance score, managers tend to be of lower average age in higher level jobs, loyalty to the boss is not a great virtue and there is a preference for generalist managers (2003:122). Conflict within organisation is considered to be natural with compromise being an accepted way to solve it (2003:122). Managers according to situation can flexibly use the formal rules and bypass the hierarchy when necessary (2003:121).

Countries where the uncertainty avoidance is low are more likely to encourage innovations as they are more tolerant towards new ideas (2003:122-123). On the other hand a full-scale implementation of these ideas is more probable in the countries where the need for uncertainty avoidance is high, as these cultures have greater sense for details and punctuality (2003:123). People in high uncertainty avoidance society always remain busy whereas people in LUA society likes to relax; anyhow, they can work very hard at times (2003:121). Industrialist countries fall in the category of Low Uncertainty Avoidance cultures whereas High Uncertainty Avoidance is considered a basic component of developing countries (Lawler1999:4).

Long term versus short term orientation is presented as the fifth dimension of culture. Hofstede presented long term orientation in life opposite to short term orientation (2003:14). 'Long term orientation stands for the fostering of virtues oriented towards future rewards, particular perseverance and thriff' (2003:261) whereas 'short term orientation stands for fostering of virtues related to the past and present in particular respect for tradition, preservation of face and fulfilling social obligations' (2003:262). This dimension, actually, 'is appeared in another study designed to counter balance the potential of western bias of the IBM questionnaire' (Romani 2004:147). Michael Bond, a researcher of cross culture management, has developed questionnaire about the fundamental and basic values for Chinese people (2004:147). This questionnaire was responded by students of 23 Asian and non-Asian countries; the data analysis confirmed four dimensions, although one dimension construct of Confucian dynamism was unique

(2004:147). 'Hofstede adopted this dimension as long term versus short term orientation' (2004:148).

The short term orientation expresses respect for traditions whereas long term orientation believes in transformation of traditions according to changing times (Hofstede 2003:173). STO (short term orientation) cultures emphasis on respect for social and status obligations regardless of cost while on the other hand LTO (long term orientation) societies do it within limits (2003:173). SOT (short term orientation) cultures expect quick results as compared to LTO (long term orientation) countries (2003:173). Another very important line of fraction relevant to human resource management practices is that STO (short term orientation) culture shows great concern with 'face' idea while LTO (long term orientation) culture reflects concerns about purpose (2003:173).

Hofstede theory of cultural dimensions came under some harsh criticisms. Some argued that his methodology was not valid. Some questioned the validity of his data and others said that we could not generalize the results which were extracted from a survey on a company level to a nation or culture. But Brendan McSweeney, a professor of management, was one of the scholars who challenged Hofstede's theory seriously. In an article titled "Hostage's Model of National Cultural Differences and Their Consequences: A triumph of faith - A failure of analysis", McSweeney questioned Hostage's assumptions (2002). McSweeney (2002) argues that IBM Company as a micro-location is not typical of a nation and employees of a company are not representatives of a country, besides the main dimensions of culture cannot be identified

by a questionnaire (2002:89-118). Mead (1998) stands besides McSweeney's and identifies that results are misleading because the study is limited to one small group of people, educated, generally middle class, and does not embrace people from other social groups, for example unskilled workers, public sector employees, etc. Mead (1998) also mentions that some of the dimensions overlap and some elements of characteristic for large power distance countries have exactly the same meaning as characteristics of masculine countries, which leads to confusion. Luthans (1998) supports Meads (1998) and McSweeney (2000) and criticizes this theory due to its fallacious research methodology in the following words:

"Some of the values in the table have been estimated based on imperfect replications or personal impressions. The different dimension scores do not 'explain' all the differences in management ...,to understand management in a country one should have both knowledge of and empathy with the entire local scene" (1998:648).

Secondly, Hofstede (1980) studies cultures within the limits of national boundaries, whereas cultural territories do not always correspond with those of a country, especially in case of countries which include several socially dominant or inferior culture groups, for example Switzerland with French, German, and Italian cultures or Spain with Basque, Catalan and Castillian cultures (Mead 1998). Thirdly, Hofstede's cultural categories are also criticised as being assumptions to pre-determined behavior (Shaules 2007;123). Anyhow Shaules (2007) argues:

"Hofstede doesn't seem to be arguing that culture pre-determines behavior. But clearly he feels that one's cultural programming influences behavior. I will refer to the view of culture as an internal quality that influences us as the culture-as-influence view" (2007:123).

Shaules (2007) supports Hofstede by identifying the work of other social psychologists, Matsumoto and Juang (2004), in describing how cross-cultural psychologists reduce the concept of culture into elements that can be studied quantitatively, they refer to dimensions of cultural difference as 'general tendencies that affect behavior and reflect meaningful aspects of cultural variability' (Shaules 2007:46).

In response to criticism, Hofstede (2008) accepted that nations are not the best units of studying cultures anyhow he pointed out that researchers do not have any other choice as boundaries of different cultures cannot easily be determined (Hofstede 2008:1). Hofstede (2008) also mentions that intentions are to measure differences between national cultures and any set of samples from national populations can provide information about such differences (2008:1). Anyhow, in spite of criticism, this study so far has been the biggest of its kind and is the only one that compares national cultures in so much depth (Lawler 1999:4). Romani (2004) has also acknowledged Hofstede's contribution to the field of cross cultural management by stating that:

"Undoubtedly Hofstede's contribution to management is the fact that he could identify cultural dimensions with hard data, make comparisons across countries and show culture's consequences in managerial behaviours. Previously, culture was seen as vague and intangible, a soft dimension that could not be quantified nor measured. Hofstede influenced the way culture is perceived in management: composed of recognizable dimensions, centered on values and relatively stable over time" (2004:148).

The above mentioned statement has highlighted the significance of Hofstede's cultural dimension theory to understand the issue of management in cross cultural context. In spite of its weakness, I am going to consider this theory for the effective handling of my research issue. Hence, to explore the phenomenon of confluence of the local cultural values and diffused human resource management model, I am going to use the concept of individualism-collectivism and power distance. In spite of criticism, I have picked these concepts as they are highly relevant to my research; therefore they facilitate me to explore the convergence and conflict of local cultural values and basic assumptions of diffused management model. Anyhow, in order to cover up the weakness of this model, I have employed the method of participant observation as the basic research technique for data acquisition.

#### Hall's Theory of Cultural Dimensions

Edward T. Hall (1959), an American Anthropologist, has presented quite diverse dimensions of culture. He declares that 'culture is communication' (Hall and Hall 1990:3). Hall and Hall (1990) explore three underlying structures of communication: language, space and time (1990:3). Hall and Hall (1990) denote language as a tool of communication and 'distinguishes cultures on the basis of their way of communicating along a dimension from 'high-context' to 'low-context' (1990:6). The high-context communication emphasises less on written communication whereas low context communication stresses more on written rather than verbal communication (Hall and Hall 1990:6). High context cultures 'depend heavily on the external environment, situation, and non-verbal behaviour in creating and interpreting communication' (Mead 1998:29); whereas in low context cultures communication is expected to be clear, direct, explicit, and the speaker is expected to come to the point and not to 'beat about the bush' (Schneider and Barsoux 2003:44), In low context cultures precise information are appreciated whereas high context cultures detailed information are expected (2003:44). Access to information is equal in low context cultures as it is effectively encoded on the contrary in high context cultures it depends upon person's status or situation (2003:44). People in authority from high context societies are personally responsible for the actions of their subordinates (Mead 1998:29).

In management these dimensions are directly related to contracts and negotiations (1998:29). In the low context organisations contracts are oral rather written, vice versa happens in high context cultures (1998:29). Regarding distribution and execution of

authority, in high context countries authority is centralised and used by few on the larger majority whereas in low context culture it is distributed throughout the organisation (1998:29). Patterns of change are different in high and low context countries; it is swifter and easier in low context cultures rather than in high context cultures (1998:29).

To me the most important dimension of the culture identified by Hall (1966) is space. Hall (1966) identifies it as 'boundary' and discusses it in the following words:

"Every living thing has a boundary—its skin—separating it from external environment. This visible boundary is surrounded by a series of invisible boundaries that are more difficult to define but just are as real. These other boundaries begin with the individual's personal space and terminate with his or her territory" (1966: 10).

The above mention paragraph identifies two types of spaces: territoriality space and personal space (1966:10). Territoriality is physical space; especially Americans and westerns tend to establish space that they label as 'mine' (Hall 1966:10). Hall claims that space communicates power (1966:10), for example the location of offices of the managers. In American and western cultures, the best offices would be those in the corner, surrounded with walls, or those located on the top floor (1990:10). However, in eastern countries, a manager would be seated in the central position of the information network, so in the middle of the room, surrounded by subordinates (1990:10). Personal space is another kind of territorial space (1990:11). Hall (1966) describes it as:

"An invisible bubble of air that surrounds each of us which expands and contracts depending on number of things: the relationship to the people nearby, the person's emotional state, cultural back ground and the activity being performed" (1966:11).

It can be inferred that personal space is in invisible rather than visible; therefore from culture to culture its area varies. It is much smaller among eastern than for example among westerns. Spatial changes directly influence the communication as it 'gives tone, accent and at times over ride the spoken words' (1966:12). In the communication and interaction the flow and change in distance is very important as it gives particular meaning for example if a stranger comes unusually closer during interaction respondents will get uneasy (1966:12). These spatial cues are learnt and vary cross culturally; hence in case of misinterpretation it negatively influences the communication process and interaction (1966:12).

Hall has considered time as the third basic constituent of culture. He identifies that out of history two systems on time has evolved: time as system and time as communication (Hall and Hall 1990;13). Hall and Hall (1990) pick up 'those manifestations of time that have proved to be stumbling blocks at the cultural interface' (1990;13). Hall and Hall (1990) identify two types of time system which are directly relevant to international business: monochronic time (doing one thing at a time) and polychronic time (multiple tasks at a time) (1990;13). In accordance with these systems he divides world cultures in

two types of cultures: monochronic cultures and polychronic cultures (1990:13). Monochronic cultures emphasis on performing one task at a time; schedules take priority above everything else, setting priorities is important, people do not like to be interrupted and emphasis is placed on punctuality (1990:13). On the contrary, polychronic cultures stress on doing multiple tasks simultaneously and human interactions is prioritised on holding schedules (1990:16). They have further differentiated monochronic and polychronic cultures on points of information processing, past and future orientation and relationship with clients (1990:16-18). Polychronic people maintain close relationship with clients; and reciprocal feelings of mutual obligations and help are experienced (1990:16). The highly industrialised countries have monochronic culture whereas less industrialised countries have polychronic culture (Hofstede 2003:60).

I am going to use the idea of personal and geographical space to explore cultural confluence of local culture and diffused human resource management because it can be used to understand transformation/change in the behaviours of employees' especially males and females that have been occurred in their behaviours' by being the member of Shifa for example male or female employees both work in one department but sit in different rooms or in case if they share same desk bio-sphere is consciously maintained among male and female employees of Shifa. Similarly they can together work in team but physical touch is avoided.

### Trompenaars' Theory of Cultural Dimensions

Like Hofstede (2003), Trompenaars (1994) has also compared cultures on the basis of their constituents. Trompenaars (1994) believes that every culture has to face several universal problems which he classifies into three categories: social interaction, passage of time and relation to the environment which discloses seven dimensions of culture (Trompenaars 1994:25-28). These cultural dimensions highlight the traits that every culture extends as solution to these three basic problems (Romani 2004:150). This theory is based on the data acquired from the responses of the managers of multinational and international corporations of fifty five countries.

On the seven dimensions presented by Trompenaars (1994), Romani (2004) has pointed out that these dimensions are an adaptation of the works of Parsons and Shils (1951), Hall (1959) and Rotter (1966) (Romani 2004:151). Hence, it can be inferred that Trompenaars has learnt the lessons from others and then replicated these ideas to solve the problems of cross cultural management. Considering the value of cultural dimension theory, I would like to present a brief review of these dimensions. The dimension of neutral versus affective basically centered on the expression or feelings in a particular situation (Romani 2004:151). It describes the degree to which person's emotions are revealed and the role they play (1994:63). People belonging to affective cultures show their emotions and therefore receive emotional response (1994:63). They express their point of view openly and usually create negative environment (1994:63). On the contrary, individuals from neutral cultures control their feelings (Mead 1998), and as a result they are generally accused of being cold without feelings (Trompenaars 1994:63).

Trompenaars (1994) individualism versus communitarianism resembles with Hofstede's dimension of individualism and collectivism. In the context of management this dimension not only reflects employee's independence or dependence on the organisation but it also represents primary 'orientation of individual either to self or to common goals and objectives' (Romani 2004:151).

Trompenaars (1994) defines universalism as 'what is good and right can be defined and always applies' (1994:9) whereas on the contrary particularism is 'based on a logic of the heart and human friendship (1994:35). Trompenaars (1994) explains characteristics of particularist culture by stating:

"In particularist cultures far greater attention is given to the obligations' of relationships and unique circumstances. For example, instead of assuming that the one good way must always be followed, the particularist reasoning is that friendship has special obligations and hence may come first. Less attention is given to abstract societal codes" (Trompenaars 1994:9).

The above statement highlights that people from both types of culture consider and act on rules differently therefore, they 'tend to think each other as corrupt', particularist may be blamed for helping their friends while on the other hand universalist can be accused for not helping their friends (1994:32). Trompenaars (1994) further identifies that both kind of these judgments are experienced and generally 'they reinforce each other'. This is

because 'sometimes, rule of supposed universal application do not cover a case of particular concern very well', as 'there are situations much more complex than the rules appears to have envisaged' (1994:32). Romani (2004) explains that the dimension of universalism versus particularism elucidates one's attitude toward universal principles (2004:151). Individuals can either expect that rules need to be applied independent of situation or should apply in accordance with situations (2004:151).

This dimension identifies different strategies to handle business operations. Universalist culture focuses more on contracts and weighs human relation less, whereas vice versa is considered in particularistic organisations (Trompenaars 1994;40). In order to describe process of job evaluation in universalistic culture, Trompenaars (1994) picked the case of multinational company in which:

"Head office policies in the human resource management area often lay down systems that all expatriate managers required to apply locally. The logic of this universalist system—that all jobs should be described, all candidates should have their qualifications compared with these description and all job occupants should have their performance evaluated against what their contract specified they would do—is surely 'beyond culture'" (1994:42).

This statement narrates that as the logic of people management is impersonal in organisations following Universalist model hence job appraisal according the contract is

an essential part of performance management. Whereas it (job evaluation) is based on personal considerations in Particularist culture (1994:43).

The cultural components of specificity versus diffuseness are based on a person's separation of private and public spaces, in specific cultures individuals draw lines between various spheres of their life while life is integrated in diffuse environment (Romani 2004:152). It describes the degree of involvement in relationships (Trompenaars 1994:73). In specific-oriented cultures managers would segregate out the task relationship they have with a subordinate and separate it from other dealings (1994:73).

The dimension of Achievement versus Ascription highlights the way status is acquired through accomplishment or attributed to one (1994:9). Achievement cultures give status to people based on their achievements; while ascribed status cultures do it based on person's age, class, gender, education etc. (1994:92). In achievement status countries skills and knowledge justify authority; whereas in ascribed status societies, status usually is independent of task or specific function (1994:92). In achievement oriented work environment employees tend to be judged on their performance whereas vice versa is true for ascription oriented organisation (Romani 2004:151). In consistent with performance judgment, promotion of employees is based on performance in achievement environment while it is based on employee's background and experience in ascription oriented environment (2004:151).

Another dimension of culture according to Trompenaars (1994) is sequential (series of passing events) versus synchronic (past, present and future are inter related) time.

Romani (2004) narrates that this dimension actually presents themes of performing in a certain timeframe and time orientation (2004:152). Trompenaars (1994) has adapted this idea from Halls (1980) concept of monochronic and polychronic cultures; anyhow he (Trompenaars) has developed these themes regarding their implication for actions in an organisation for example tendency to handle one project at a time or multiple projects (2004:153).

The last but not the least, cultural dimension presented by Trompenaars is inner versus outer directedness. This dimension is created on the 'differences found in the attitude to environment' (Trompenaars 1994:10). In some culture the center of power is within individual whereas the others believes on the vice versa (1994:10). Hence, cultures differ in their approaches to handle the given environments, though 'inner direction and outer direction are not the exclusive options' as all cultures to some extent react to environment (1994:135). Cultures characterised by internal control feel that they can or should control the nature and the environment around them, including their organisation (Trompenaars 1994:125). Cultures described as external control societies go along with nature and the situation around them (1994:125). The consequences of this dimension 'for management are reflected for example in strategic choices that will either tend to plan and provoke changes or try to take best advantage of the situation' (Romani 2004:154). Trompenaars analysis points out that inner directedness depicts belief in planning and personal efforts whereas outer directedness extends faith in external condition for success (2004:154). In outer directed cultures listening rather than declaiming is appreciated, therefore these 'cultures do not clash openly' (Trompenaars 1994:136). Anyhow Trompenaars is of the opinion that both these approaches have their own strengths; hence major transformation can come from both. Therefore, he believes that considering 'an organisation as an open system operating within a larger system allows both inner directed and out directed orientation to develop' (1994:136).

The major contribution of Trompenaars' research is that it confirms the possibility of cultural comparison on the basis of dimensions (Romani 2004:154). This study not only supported Hofstede's theory but it has 'further develops the concept of culture with a focus on meanings' (2004:154).

Generally, cultural components presented by Hofstede (Social psychologist) and Trompenaars (cross culture consultant) seem similar, though the approach is completely different. Romani (2004) strongly comments that 'Trompenaars and Hofstede hold different conceptions of what the essence of culture are'; as Hofstede (2003) highlights on the values as core of culture whereas Trompenaars focuses on 'meanings in the core of culture' (2004:155). Shaules (2007) supports Romani (2004) and states that Hofstede (2003) insists on culture residing within an individual whereas Trompenaars (1994) Hampden-Turner (2007) put more emphasis on cultural values involving logics (in the sense of a systematic approach to viewing something) as underlying means of social interaction (2007:127).

Trompenaars (1994) have elaborated on cultural components as deep culture and argued that it can be seen in systematic terms of underlying values, norms, and hidden

assumptions (1994:24). Shuales (2007) uses the term of "deep culture" based on the same assumptions and argues that:

"deep culture provides an interpretive framework which unifies cultural communities in spite of variation in individual behavior or cultural identity, it functions primarily out of awareness, it contains hidden cultural logics that reflect varying orientations to human-relation dilemmas (which can be understood in systematic ways), and that deep culture underpins the perceptual realities shared by cultural communities" (2007:122).

The analysis of the above lines reflects that Shaules (2007) believes in the value of embedded logic (deep cultures) as systematic tools to comprehend culture and behaviours. In this way, Shaules (2007) stands close to Trompenaars (1994) and Trompenaars and Turner (1997); and supports their perspective by highlighting;

"They (Trompenaars and Turner) are considered dilemmas because they represent opposing solutions to problems of social organization. For example, in any group there will always be a potential conflict between the needs and expectations of the group as a whole and the needs and desires of the individuals who make up that group. In Trompenaars and Hampden-Turner's view, cultural groups develop differing, yet equally functional, solutions to these dilemmas.... Their categories of cultural difference represent a cognitive tool to help interpret behavior ...rather

than a label to define groups or associate cultural values with particular behavior. This approach is more consistent with the *deep culture* view of culture as frameworks of meaning and interpretation" (2007:126).

This approach to study cultural differences through its constituents (deep culture) is criticised for its less holistic-quantitative methodology which overlooks various essential aspects of culture and cause "fundamental attribution error", an overemphasis on causality in one's view of human behavior (Nisbitt 2003:123). Shaules (2007) stands besides Nisbitt (2003) and identifies the problems of this approach in these words:

"This view of culture as an independent variable to be identified empirically by quantitative research creates some problems, however. As critics of cross-cultural research have pointed out, behavior is highly contextual, and depends on the personality and idiosyncratic characteristics of each individual. The distinction between deep culture and culture-as-influence allows us to see that difficulty in measuring culture's influence on behavior..... Viewing culture's influence on behaviour (or more accurately, which behaviors are associated with membership in particular cultural groups) is only one way to approach the issue of culture and cultural difference. The cultural comparison research of Trompenaars and Hampden-Turner for example, seems to fit more closely the deep culture view. Rather than associating particular behaviors

with membership in a cultural community, they describe internal logics used by cultural groups to explain their value choices" (2007:124).

As mentioned in the above paragraphs, the cultural component techniques are criticized because of its quantitative orientation. Despite weaknesses, I have lent the concept of cultural constituents from this approach especially from Hofstede (2003), Hall (1980) and Trompenaars (1994) as it can facilitate me to understand the phenomenon of cultural confluence of local cultural constituents and diffused cultural constituents: and study changing pattern of employees' behaviours in Shifa international hospital. As already mentioned to regulate the weaknesses of this model, I have used participant observation as the basic research technique for data acquisition which has allowed me to develop a 'Holistic' research model to take quantitative as well as qualitative perspective of the research issue.

# 2.6 Strategies to Manage Cultural Differences in Organisations

In the field of management, culture as phenomenon is studied to explore national cultural differences to effectively manage business in the contemporary open market. Three basic characteristics of scientific knowledge are understanding, prediction and control (Luthans 1998:21). Hence, after determining differences in different cultural approach towards management we have to find ways to manage these differences in the age of 'glocalisation' (international business with local considerations) (Trompenaars 1994:3). Considering the significance of this issue Trompenaars (1994) has pointed out that cultural differences which could affect management model should not only be identified

but should be dealt with (1994;3). In this regard, Trompenaars (1994) points out that synthesizing the advantages of all cultures while avoiding their excesses can be an effective way to attain success in international business (1994:174). Hence he (Trompenaars) presents 'reconciliation' as the basic strategy to handle cultural differences, although he believes that it 'comes after a difficult passage through alien territory' (1994:177).

Different practitioners and authors of international management have developed various techniques to effectively handle cross cultural management. In this regard, contribution of Nancy J. Adler, is highly acknowledged. Adler is professor of cross cultural management and author of the book, "International Dimension of Organisational Behavior" (2002). In this book, Adler (2002) has identified three strategies to regulate diversity in the organisation. These strategies are: parochial, ethnocentric and synergistic approach. Parochial strategy suggests managers not to recognise the cultural differences and its influence on management aspects (2002:104). In ethnocentric approach, differences are accepted negatively rather than positively; and are considered sources of problems (2002:105). In line with this perception, manager uses his indigenous approach as the best method (2002:105). Synergistic approach considers cultural differences more 'Holistically'; this approach considers these differences useful as well as problematic at the same time (2002:106). This strategy highlights the possibility that strong elements from conflicting cultures can be combined to develop a better idea or solution (2002:106). The theme line of Synergistic approach is very close to Trompenaars' (1994) solution of cultural differences—Reconciliation (1994:177).

Similar to Adler (2002), Schneider and Barsoux (2003) also presented three methods to handle cultural diversity in the organisations. These techniques are "ignoring", "minimizing" and "utilizing" (2003:255). These techniques are comparable with Adler's strategies of resolving cultural differences. Like Adler's (2002) strategy of parochial, in "ignoring" cultural differences are not accepted. This technique is 'operating on the assumption that business is business, and managers, engineers, or bankers are the same throughout the world' (2003:256). Companies choosing this strategy assume that convergence in management practice and general desire for modernisation (2003:256).

The second strategy, "minimizing", tries to reduce the influence of cultural diversity on management. Similar to Adler's approach of ethnocentric, this strategy takes cultural differences as conflict and problem in the business (2003:259). This technique focuses in 'finding ways of homogenizing them, creating sameness, or isolating them and creating segregation in order to reduce potential conflict' (2003:259). The strategy of minimising can be conducted in several ways; one of them is creating a strong corporate culture and using it to serve as a melting pot to reduce the impact of the different national cultures (2003:259). In the organisations, techniques of cultural segregation and isolation of different practices are used to lessen the influence of diversity (2003:259). Utilising differences is the third strategy presented by Schneider and Barsoux (2003). This strategy stands very close to Trompenaars' idea of 'reconciliation' and Adler's technique of 'synergistic approach' as the central point of all these strategies is to take good points from all cultures and develop a more 'holistic' plan/idea/ solution to survive (2003:267).

Choosing the right strategy to deal with cultural differences is extremely difficult and depends on the situation as well as on the nature of the goals that company wants to achieve (Trompenaars 1994;3). My field experience is that in Shifa all these cultural differences management strategies of ignoring, minimising and utilising are employed by the management especially by the HR professionals to effectively deal with employees; while handling the cultural diversity that exists between HR policy (depicting diffused HR model) and local ways of people organisation (social organisation). In case of Shifa, managements' consciousness towards the cultural differences (between the principles of management models and local cultural values) and efforts to regulate these differences through contextual practices facilitate them to manage the contrasting situations (dilemmas). This strategy helps in synergising traditional and diffused HR practices for develop more result oriented management practices.

As discussed in the above mentioned paragraphs many researches were conducted by the researchers, academicians and management practitioners of developed countries using different frameworks like Kluckhon and Strodtbeck (1961), Hofstede (1983; 1997 and 2001), Trompenaars (1998, 2000), Hall (1990), Schneider and Barsoux (2003), Shuals (2005, 2007) and Adler (2002) to study cultural differences and its implications for cross cultural human resource management. Each one of these authors has chosen a different approach in an endeavor to understand cultural values for formulating a model that can work internationally. They were all working for convergence of diverse cultural values to build cultural universals as it is considered major determinant of organisational success

across the world (Kanungo and Wright 1983). It means that the most of the above mentioned researches are based on the assumption of modernisation (economic prosperity can be achieved through diffusing and following Anglo-American models). Actually these researches have focused on constructing ways to smoothen the process of diffusion for achieving the targets of development (money and power). The main problem with this framework is that it believes in the absolute value of western management models; it has worked more to understand how western models can be practiced in foreign cultures rather than actually trying to explore indigenous wisdom for organising resources especially human resource.

I am neither trying to undermine the effectiveness of western models nor am I going to prove the edge of local ways of resources management on western frameworks but my assumption is, both have their own merits and flaws. It is not that organizations in industrialist countries where these models are developed and practiced, do not have problems – they do have problems of poor work teams,' high turnover rates, sexual harassment (Luthans 1998:640). Despite this, the trend to use the Western management models in local organisations have gained popularity in a situation when the national economies are deregulated and government is attracting foreign direct investment (FDI) (Asian Development Bank, 1999). Consistently, I have used the concept of cultural constituent from the researches of highly industrialised countries; however I would like to explore the phenomenon of cultural confluence from local – less developing countries perspective.

## 2.7 Execution of Diffused HR Model in Transforming Economies

In this section presents a brief review of the research endeavours that have explored the execution of diffused HR models in local as well as multinational organisations in the developing countries. This will help in developing a more realistic as well as holistic research frame work to effectively handle this research project.

I would like to begin this section with the research conducted in Romania by Kevin Dalton, Professor of management sciences and author of the article, "Culture in Romania; Pattern of change and resistance" (2007). This research explores change in the leadership style and management approaches due to the application of Anglo-American HR model for restructuring the local economy (2007:1). Dalton (2007) has highlighted that the management role is re-defined and management culture has been swiftly changing in the contemporary Romanian organisations; however young professional are comparatively more open to accept change as the old one (2007:21). Dalton (2007) depicts this phenomenon in the following words:

"Organisations are adapting to the demands of external forces like EU in order to survive. Multi-national companies are acting as vehicles for new technology, knowledge and management practice. Romanian managers themselves are recognising that old rules no longer apply and are reaching for new ways of doing management. Historically Romanians have adopted ideas from outside- Turkish, Austrian, Russian- and these have been empty forms because they do not chime with local culture. It is to be

hoped that on this occasion, managers will not take on Anglo-American ideas of managing without critically assessing their value and infusing them with the lessons of managing from their own history" (2007:21).

The results of this research identify two main points. Firstly, local values must be considered while employing diffused management model to achieve sustainable growth and prosperity, as development without the inclusion of local culture would not be real growth as was experienced earlier by following the communist model. Secondly, younger professional are absorbing changes more quickly and transforming themselves as compare to the older professionals.

Zeynep Aycan (2001), management professor and active researcher of cross cultural management, studied the phenomenon of human resource management practices in Turkish organisations. This study has shown that Turkish organisational culture is a blend of 'western' and 'eastern' values as some organisations follow the latest trends in HRM practices but they experience difficulties due to local characteristics. Therefore, diffused employee management practices are used according to indigenous ways of handling people (2001:253). Aycan (2001) has also identified the pivotal value of cultural adaptation of diffused model for the successful and result oriented execution of HRM practices (2001:254). She has shared her assumption in the following words;

"The cross cultural applicability of North American HRM practices is highly questionable. While attempting to catch the current Western HRM trends, we must bear in mind that Turkey has social, economic, political as well as cultural characteristics which are distinct from those in Western industrialized societies. Successful application of particular HR system requires a process of 'adaptation'. That is, we must prepare the workforce for a new system or modify the system to fit the cultural realities' (2001:257).

In this paragraph, Aycan (2001) has clearly highlighted the significance of coping strategies to fill the gap between the embedded principles of diffused human resource management model and aspiration of local employees as this only can solve the problem of local employees besides satisfying demands of management.

This research works as a milestone in the field of cross cultural management for extending a better understanding of developing a cultural fit human resource management model. The tradition of Ayacan's research has influenced almost all the succeeding researches with in developing as well as the developed countries. Consistently, this research sets a new trend in the field of cross cultural management for which it is appreciated across the world. However, this work is criticized for its approach to explore a cultural sensitive issue through quantitative methods. In this regard, Ayacan herself accepted methodological weakness of this research when she has suggested a qualitative in-depth research for further exploration and the truer understanding of HRM practices in transitory economies.

In Latin America, Anabella Davila and Marta M. Elvira, management professors, have studied HRM practice and declared Latin American business model as a hybrid of globalization and the region's historic traditions. They identify that cultural values of paternalism, hierarchal structure and family orientation determine human resource management practices in the region; and firms are managed like family system (2005:3). Davila and Elvira (2005) explain the expectations prevailing between manager and employees which work as a base line assumptions of employee management practices. "The senior executive has the personal obligation to protect subordinates, and even take care of the personal needs of workers and their families" (2005: 3-25). This study also verifies the influence of cultural values on human regulation processes; companies generally recruit new workers through their current employees and employees' family members and close relatives (2005: 3-25). This guarantees the trust, loyalty and sense of responsibility which are important to keeping the organization together in Latin America (2005: 3-25). The family is equally important when promotion is involved; as the employees generally put the well-being of their families ahead of their professional careers (2005:3). In this way, this study has pointed out cultural adaptation of western HR model to effectively regulate workforce in Latin America. The authors have also pointed out the poor role of training department in local organisation as it suffers significant internal conflict when it comes to provide more advanced business training (2005:21). Davila and Elvira (2005) warn that Human Resources departments will not be able to achieve a strategic position in the companies of the region until they demonstrate their direct contribution to overall organizational performance. For this the main challenge is to learn how to use culturally determined Human Resources practices (2005:23). This research has finally also generates consciousness among the Latin American HR professionals to focus more on indigenous ways of handling employees as this may allow them to play strategic role in the growth of organisation.

The tradition to study the implication of western HR model in local organisation are also found in Greece as eminent scholars, Nancy Papalexandaris (professor of human resource management) and Leda Panayotopoulou (lecturer of HRM) wrote the paper, "Societal Culture and HRM: exploring the mutual interaction in Greece". This paper has been derived from two studies the GLOBE (Global Leadership and Organizational Behavior Effectiveness) and the CRANET (comparative HRM in which Greece has participated 3 times already i.e. 1993,1996 and 1999 along with all major European countries) (2004:1). The former survey has been conducted on perceived and preferred cultural dimensions, among a sample of Greek middle managers (Papalexandris, 1999) while the later has examined the influence of Greek culture on HRM practices among Greek firms and explain strong differences from the rest of European countries (Papalexandris, Chalikias and Panayotopoulou 2001). The authors have declared that cultural dimensions of performance orientation (social values regarding work), future orientation (focus on the time), in-group collectivism (individual orientation regarding social relations) and power distance (perception about nature of relationship) have a strong impact on local employee regulation activities which have differentiated HR practices prevailing in Greece (performance appraisal, HR planning, design and implementation of policies, recruitment, promotion etc.) from other European countries on an average (2004:17).

This paper faced serious criticism due to the field data because the two studies GLOBE and CARNET were suffered from over generalization and over emphasis on quantitative methods (2005:1). However, findings of this paper provide an opportunity to see that practices of diffused HRM model are not only different in Asian countries but also diverse in a less developed European country.

A very interesting study is conducted by Chen I Chun Lisa (2006) as her academic research on the topic of "The societal culture dimensions with in human resource practices of Taiwanese management in the UK". This research is about Taiwanese multinational corporations working in United Kingdom. It studies the influence of Chinese culture on HRM practices. In this regard, the key elements of Chinese culture are explored and their influences on human resource management practices were investigated. For this research, the data has been gathered with the help of interviews and questionnaires from 32 Taiwanese companies, operating in UK the manufacturing and financial services sectors. Lisa (2006) has inferred that many goals similar to those of western models of HRM can be witnessed in Taiwanese multi-national corporations, though these targets are achieved through indigenous HR practices, for example, group reward rather than individual rewards are given for commitment (2006:1).

She has clearly pointed out that 'western HRM frameworks fail to readily solve the problem of the companies of non-western origin', hence reshaping of these works help to solve the problems of Taiwanese companies (2006:1). The main contribution of this research is that it highlights the influence of national culture values on employee

management practices beyond the national context. Hence, this study reveals that diffused human resource management practices diverge in the organisations which work in highly industrialised countries with local employees.

Another significant cross cultural research in human resource management is conducted by Sugumar Mariappanadar, lecturer of HRM and author of the article, "An emic approach to understand culturally indigenous and alien human resource management practices in global companies (2005)". This comparative study is conducted in three countries China, India and Australia. The landmark of this research is that it has tried qualitative method (case study and storytelling) for exploring the cross-play between culturally indigenous and alien human resource management (HRM) practices based on 'emic' rather than 'etic' perspective to design a holistic HRM model for the global companies (2005:31).

The research results have indicated that HRM practices of diffused management model changed in the studied countries in accordance with the changing geo-cultural contexts of three countries (2005:47). This research is appreciated for its qualitative research perspective; however it is criticized due to generalized organisational stories. This research article allows me to take indigenous (emic) as well as comparative perspective of the issue at hand.

In South Asia, this research tradition is followed by Pawan S. Budhwar (lecturer) and Paul Sparrow (Professor) who have published, "Strategic HRM through the Cultural

Looking Glass: Mapping the Cognition of British and Indian Managers" (2002). This study explored the perceived influence of national culture on HRM practices in a cross-national context. It was mainly based psychological methods ('Visual Cards Sorfing' and 'CMAP2') to investigate and to compare the cognitive process of managers from both the countries. The authors have disclosed the ways Indian and British managers use different logics on the similar and agreed issues due to different sets of cultural perceptions. In spite of the fact that the results of this research are similar to the research findings of some prominent researchers of the developed countries like Schneider and Barsoux (2003), Trompenaars (2000) and Shuals (2007), this research faced criticism due to its research methodology.

Pakistani researchers are not left behind to explore this phenomenon in the local setting. In this regard Shaista Khilji's, professor of human resource management, has conducted a survey to gather data from eleven identified organizations, local as well as multinational, to discover cultural adaptability of management policies in Pakistan. Khilji (2003) has highlighted similarities between the management practices of local and Multi-national Corporations (MNCs). The research results have identified a weakened influence of the parent companies' policies on management practices of multinational companies whereas greater effect of the local cultural on them. Khilji (2003) has figured out that this is because of these MNC's adaptation to the local ways of handling people (2003:109). By highlighting this point, Khilji (2003) depicts the impact of national cultural forces on HR practices in Pakistan. Though in her another article, "Whither Tradition- Evidence of Generational Differences in HR Satisfaction from Pakistan"; Khilji (2004) has made a

different verdict about role of the national cultural values in organisations. Khilji (2004) has depicted prominent changes in the local value system, 'as at least two distinct dimensions of values have emerged: national values remain rooted in tradition, while employees work-related values revealed changes reflecting a modern market economy' (2004:141). Khilji (2004) identified change in the organisations where diffused HR practice are introduced, younger professional have shown greater acceptance and flexibility to these practices, which not only brings transition in their (younger professionals) value system but allows organisation to achieve greater HR satisfaction (2004:149-151). Hence, Khilji (2004) has inferred that cultural values, especially work related assumptions, are changing among younger generation professionals and their behavior reflects values of modern market economy (2004:149-151). This research has supported the results of researches conducted in the USA and the UK.

I agree with Khilji on the point that the values and behaviors of employees especially younger individuals are changing in the organisations working on diffused HR models but this transformation does not mean that work-related values got independent of national cultural values. I believe in the idea that indigenous cultural values work as the embedded framework to understand and interpret local as well as diffused phenomenon. Actually the point I want to raise here is that empirical similarities observed in the changing behaviours and values of Pakistani as well as other countries employees' (which occurred by the application of diffused HRM) may not necessarily be uniform, as already discussed that empirically similar thing can be different and observably different things can be same on the basis of their embedded assumptions (Schneider and Barsoux

2003:21). Hence, my argument is that the transition in the work values of Pakistani young professional cannot necessarily be similar to the cases in other countries.

In other words, if a Pakistani professional is accepting diffused model and reflecting foreign behaviour, it does not mean that he is no more Pakistani rather it means that he is highly influenced by diffused (western) model, but still his assumptions to portray this (alien) behavior will be different from a person belonging to that culture as identified by Shaules (2007:124).

I would like to explain this point with a more empirical example. Let's take the example of 'jeans' (trouser) which originated in America and later diffused to the other parts of the world. Today, 'Jeans' is in fashion and majority of urbanized Pakistani youngsters wear jeans. But it does not imply that Pakistanis and Americans share the same perceptual world. In short, "the idea that culture influences behavior......can also be seen as an attempt to identify 'essential elements' of culture" (2007:124).

The above mentioned brief review of the research endeavors conducted in the various newly industrial countries from Romania to Pakistan have pointed out three main inferences.

First, leading organisations of almost all these (newly industrial) countries are following diffused human resource management models to regulate their employees.

Second, these researches have confirmed that in local settings HR practices of the diffused model are different because of its cultural adaptation to local social system. But the local institutions which play the primary role in this process are not incorporated. Third, in spite of valid results, serious concerns are shared on the research methodologies of these researches; even some of the researchers themselves identified the need of qualitative and in-depth study of this issue (Aycan, 2001).

To address these gaps, my exploratory research (primarily based on participant observation) may add to the better (in depth) understanding of the issue 'cultural diversity and Human Resource Management'--the way practices of diffused HR model change (in local organisation/setting) through culturally embedded indigenous institution; and the way foundation principles of diffused model influence the behavior of individual and work environment.

To achieve the targets of my research, I am going to study the phenomenon of cultural confluence in Shifa International Hospital—Islamabad.

Baiyin Yang (Chinese academician and researcher of cross cultural human resource management) has strongly suggested incorporation of local institution for the comprehensive analysis of diffused HR model in the local setting. He has pointed out that comprehensive understanding of this phenomenon is not possible until indigenous cultural institutions determining people relationships are considered. Hence he recommends integration of "Guanxi (reciprocal social connection)"—an indigenous

Chinese concept to effectively explore contemporary Chinese human resource management practices (2003:30).

Taking up this framework, I am interested to see how and why similar things are defined and redefined differently; and particularly how and why embedded cultural values and social institution of Pakistani, especially Punjabi culture redefine and reshape the same (diffused HR model) policy into different practices. In order to examine this issue, I am going to incorporate embedded assumptions of mutual interaction and relationship in Punjabi culture—"Vartan Bhanji", which influences the formal system of employee relations and regulation; and interpret the diffused management particularly human resource management model into cultural fit employee management practices. Consequently it (diffused HR model) affects employees' on job behavior and organisational culture.

In order to effectively handle my research, I would precisely like to define and discuss Vartan Bhanji which is discussed by Zekiye Eglar (1960) and later extended by Hamza Alavi (1978). It is a system of establishing and maintaining relationship through exchange of gifts and favors (1960:106). In literal meanings,

"Vartan bhanji means 'dealing in sweets' and it has the extended meanings of 'dealing in relationships. In Punjabi, the verb vartan means 'to deal', and its derivative 'vartan' means 'dealing'. Bhanji means 'sweets' and it is also used with the meaning of 'relationship. Vartan

Bhanji involves an exchange of sweets, fruit, food, money.....extending beyond material things, it includes the exchange of favours, services, like treatment, entertainment and participation in ceremonial events. In its operation this mechanism of exchange involves a wide range of relationships among various groups who make up this society. It is of vital importance to people as a mean of achieving izzat, prestige.....is applied to another kind of relationship in which no gifts need to be exchanged, but in which two parties......feel free to ask favour of each other" (1960:106).

Basic material presentation of vartan bhanji (on marriage) is called 'neondra' (or neyota), whereas the immaterial one is called "mang" (1960; Alavi 1978:9-10). The institution of Vartan Bhanji functions at two bases, daughter's right in her parent's home and relationship established through material and immaterial exchange (Eglar 1960:108-110). The circle of relationship can be extended, anyhow un-written principle of reciprocation make people conscious and carful (1960:111).

According to Eglar, Vartan Bhanji may prevail among relatives (blood and affinal), friends, people of same cast or of different casts, neighbours, villagers as a whole and among village (1960:116-117), anyhow Alavi (1978) argues that it prevail among people belonging to 'braderi of participation', "it donates those household of a biraderi of recognition who actually participate in a ritual of exchange of presentation called 'Vartan bhanji' on certain ceremonial occasions" (1978:3).

This institution of mutual obligations and exchange works on rules of reciprocity, inequilibrium (reciprocation of gift/favour must be more than the received) (Eglar
1960:122) — "each payment (return) notionally consists of two parts; one part
extinguishes the pre-existing debt and another part creates a new debt in the reverse
direction" (Alavi 1978:11); and everybody must be given something and no one should
go away empty handed (Eglar 1960:126).

The last rule reflects that different people are served and entertained differently in accordance with the two types of vartans; Pakki vartan (means permanent relationship) offered more as compare to the people having Katchi vartan (means courtesy relationship) (1960:127; Alavi 1978:12). Alavi (1978) also identifies the attributes of pakki vartan relations by stating:

"it is only in pakki vartan that we see the full operation of the institution and its complimentary mechanism of the ritualized responses...it takes place only the households between whom permanent bonds exist... it is rare for pakki vartan to take place outside these categories of kin. But it may possibly take place, exceptionally, also with a special category of extremely close friends, between whom bond exist which are presumed to be as strong as those between brothers" (1978: 12).

The above statement reflects that Pakki Vartan is maintained among close relatives with strong bonds whereas on the contrary Katchi vartan can be established with everyone. In

this regard he states that it "takes place with friends and neighbours in the village, there is no permanent obligation to continue this relationship and no collective sanctions are enforced on discontinuing relations with any house hold" (1978: 13).

Anyhow pakki vartan is obligatory and in spite of hostility vartan bhanji must be continued until it is terminated which is considered an extreme step (1978:9). A very important feature of Vartan bhanji relationship is that material and immaterial exchanges are not for profit making but it is considered source of prestige for the involved parties (1978:12).

The above mentioned valuable researches of 60's and 70's have depicted a valid picture of Punjabi society besides presenting Vartan Bhanji as an embedded institution of mutual interaction and general social organisation. No doubt, time has changed and so are the societies and cultural institutions.

The indigenous institution (VB) of Punjabi culture, its characteristics and functions depicted by Eglar (1960) and Alavi (1978) have not remained the same due to the strong influence of industrialization, migration and urbanization. But as a contained cultural value, it still inspires the prevailing thinking regarding individual and collective relationship in both personal as well as formal relationship maintained among employees of urban organisations in the region of Punjab.

Stephen Lyon, a German anthropologist, has used the concept of 'Vartan bhanji' to discuss labour relationship in Bhalot village, Punjab- as he has established that kin roles and expectations are transposed on non- kin relations; hence to study employer-employee relations, the concept of vartan bhanji is employed (2002:97-98). Anyhow, he conceives prevailing mutual obligation among employees and employer as an outgrowth of seyp relations (2002:97).

For the sake of analysis, he has divided village workers on the basis of strength of social bond (vartan bhanji) into three categories; home servants, share cropper and seasonal workers. All these workers are served in accordance with the level of maintained mutual obligation—though home servant enjoys the highest degree of mutual obligation whereas seasonal workers expect some favours from the employer (2008:98). In addition, Lyon (2002) has revealed that in spite of social change, the institution of Vartan Bhanji is still working as the baseline of personal as well as impersonal social relations in Punjabi society. Therefore it can be used as a very effective research tool to understand prevailing human resource management practices of formal HR policy (depicting western model) in Shifa International Hospital.

### 2.8 Theoretical Framework

As mentioned earlier, I am going to study employee regulation practices and organisational culture in Shifa International Hospital-Islamabad (geographically existed in Punjab) through incorporating indigenous institution of 'Vartan Bhanji'---an embedded assumption of mutual interaction and social organisation in Punjabi society.

This helps to effectively understand contemporary human resource management practices in Shifa; as already discussed values of social organisation working at large in the surrounding influence management practices and corporate culture develops in an organisation (Trompenaars 1994:138). I have used theoretical concepts of 'Vartan Bhanji', presented by Zekiye Eglar (1960) and extended by Hamza Alavi (1978) to process the field data into meaningful knowledge and infer generally applicable theory. Anyhow, my definition of circle of 'Vartan Bhanji' is close to Eglar (1960) rather than Alavi (1978).

I have chosen this theory for data interpretation because it was the most relevant and suitable theory that helped me to understand the way prevailing mechanism of exchange and obligations among employees/people and management redefines impersonal HR policy into situational practices to maintain the opposing features of social inspirations—networks of relationship and professional standards. I have found that this mechanism of mutual interaction which carved the primary social structure of the society fairly influences the formal system of employee regulation (HR policy) in Shifa.

This theory not only helped me in exploring the logics due to which personal considerations influenced employee induction decisions in spite of impersonal policy and formal HR tools, but it also has helped me in discovering reasons of fluctuations from reference oriented to method oriented induction as applicants are facilitated in selection process according to the relation (Pakki/ Katchi Vartan Bhanji/no prior relation)

maintained between any job applicant, his/her family and his/her social network with the management or any senior employee of Shifa.

The basic idea of this theory is that Vartan Bhanji is a network of relationship in which 'people feel free to ask favours of each other' (Eglar 1960:105); by this the recipient party puts itself under obligation to the donor party (1960:106); this conceptual tool can be used to evaluate the complex situation of Shifa in which the management wanted to follow impersonal policy besides extending favours to applicants/employees.

Its concept of 'symbolic debt' and 'reversal of debt' (Alavi 1978:8) explains workers' loyalty with their colleagues, social network, senior management and organisation. These relations obliged them to sustain their career with the organisation in spite of less pay, more work pressure and even good opportunities in the job market. Hence, workers who established sustainable relationship of reciprocal exchange with their supervisor and management, they formulate (pakki vartan) core of organisational networking and are supported in various HR activities of job evaluation and compensation. Whereas almost every employee maintains moderate (Katchi Vartan) obligatory relationship and moderately expects to be facilitated in the employee management system.

Pakki Vartan Bhanji's concept of maintaining reciprocity independent of good or bad relationship among the members (Alavi 1978:9) explains the contradictory phenomenon when conflicting workers or supervisors or managers support each other in front of a third party or in case of job appraisal and in front of compensation committee. This

theory also allowed me to understand situations and general interactions when the past allies were not extending favours but hampering each other's performance.

Vartan Bhanji's idea of maintaining the face value of less affluent members of the network (through returning the extra money at the end of the ceremony) (Alavi 1978:10) has facilitated me to comprehend why the skilled workers and even HR professionals would like to work for and support the less skilled worker with whom they maintained close relationship.

In addition, this theory of reciprocal social relationships and symbolic debt has facilitated me to explore the reasons of high job stress and increased rate of employee drop out when personal recommendations are not considered in HR decisions. In this case, there was not any symbolic debt on employees demanding reciprocal binding. Therefore, the workers did not feel obliged to the management and organisation; and were not ready to take work pressure and left job when ever got a good opportunity.

On the top of all, it allows me to discover why foreign trained highly qualified human resource and training professionals providing justice and equality are not liked by the employees and management as compare to locally trained HR professional. In fact they do not really acknowledge the significance of Vartan Bhanji; hence by not considering the various mechanisms of embedded expectations of local employees, they could not win the support of employees as well as senior management. Whereas on the other hand locally trained HR professionals have technical knowledge of diffused HR principles

besides implicit expectations of the employees; therefore they can better handle the workers and management.

This research frame work may have some limitation as it is being used for the first time as a tool of analysis to interpret field data regarding human resource management practices in a contemporary local organisation. I have noticed strong connection between the reciprocal obligatory relationship and HR practices of selection, job appraisal and compensation; which can be most appropriately studied with theory of Vartan Bhanji.

# Profile of the Locale: Organisation as part of Society

This chapter is going to provide an illustrative orientation with Shifa International Hospital (SIH) as the locale of this research. The idea in mind is that preamble to any field research thorough study of the research locale, in all respects, is very important to develop a 'holistic' image of it. In this regard, the present chapter maintains a demographic and socio-technological approach in eliciting general orientation about the organisation. It propounds on the historical, legal, managerial and socio-cultural standings of the organisation to put readers well into picture.

The inception of Shifa hospital in the capital city was an idea of Pakistani entrepreneurs trained in USA, who laid basis of its management and organizational structures on the principles of modern western organization. SIH is one of the few organisations in Pakistan where a department of Human Resource Management and Development was established on diffused western model where it is fairly functional to handle employees and other related social aspect of the corporation. The execution of foreign human resource management model has set up its progressive impression in the labour market. SIH is very famous for its untraditional working style, organisational layout, and value of job experience in the national as well as international market. These organisational traits not only attract people from all the regions of Pakistan but also draw employees from neighbouring countries. Its diverse staff, organizational structure and working policies

make it an ideal site to study the issue of diffused human resource management model in the local setting.



The Front view of the hospital

### 3.1 Idea Conception and History

The idea of developing an international standard medical facility in Pakistan was conceived in New York, USA in the mid of 1985. Dr. Zaheer Ahmad (present CEO), who just had finished his internal medicine residency, initiated this idea. In this regard on the weekend of July 20 & 21, 1985, he called a meeting at his apartment in Brooklyn, New York. Five professionals who were also close friends attended this meeting and approved the idea after detailed discussion.

The participants of this meeting were Dr. Manzoor H. Qazi from Leesville, Louisiana, Mr. Muhammad Zahid from Kew Gardens, New York, Mr. Samiulla Sharief from Brooklyn, New York, Dr. Sabir Ali from Palm Bay, Florida and the host Dr. Zaheer Ahmad. Dr Zaheer Ahmed was given the task of preparing a feasibility report and action plan. Dr. Zaheer Ahmad subsequently moved to Islamabad on December 17, 1985 to start working on this project. After extensive discussions with close relatives and friends, the present site in the capital city of Islamabad was selected for this project. The hospital was named "SHIFA" because of its comprehensiveness and representative of local traditions.

The first office of Shifa was established at the residence of Dr. Zaheer Ahmad (presently member board of director and leader Medical wing) in sector F-8/3 of Islamabad. Later it was moved to a rental place in Blue Area (commercial buildings area in Islamabad), and finally the site office building was established in January 1988.

In 1987, 11 acres of land were acquired (at H-8 sector) in Islamabad for the purpose of building the hospital. For the construction of the hospital building, an American company in Princeton, New Jersey was hired to develop the plan and design of the hospital building. Mr. William Parker, Chief Architect of CRI headed the team and visited the site in Islamabad besides visiting other hospitals across Pakistan. The construction activity to prepare the site for laying the foundation of the Hospital started in the beginning of 1988. The foundation laying ceremony took place on October 06, 1989 and was attended by the parents, relatives, close friends, and well-wishers of the sponsors. The hospital sponsors

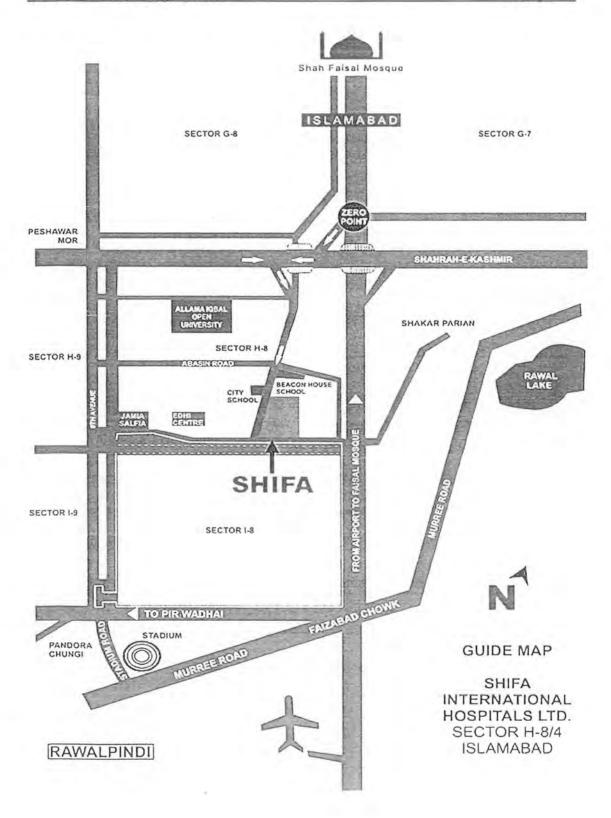
kept expanding from all across the globe, anyhow interestingly all these sponsors were from the personal networks (relatives, friends, good colleagues etc.) of the five founding members. They offered different amounts of financial resources depending upon the nature of relationship and based on the model of "Neondra" (money offered as gift on the occasion of marriage but actually reciprocal in nature). The close friends or relatives with "Pakki Vartan bhanji" (strong obligations) granted more money as compared to distant relative and friends upholding "Katchi Vartan bhanji" (feeble obligations). Anyway, by the time of its opening on June 26, 1993, it had crossed 400 plus sponsors, with equity of five million. All financial and material resources were generated and mobilised on personal level. Hence a sound medical organisation was initiated on social obligations maintained among friends and relatives. In other words it can be said that Shifa was born with the basic element of reciprocal expectations maintained among its founders and sponsors.

Adequate financials (collected from social network) enabled the management to establish Block-A of the hospital with a five-level structure, along with a deck slab area and a mosque. Block-A was ready to take its first patient on June 26, 1993. Medical equipments were provided for the areas of Radiology, Radiation Oncology, Laboratories, Operating Rooms, Dialysis and ICU/CCU. The building was fully equipped with all modern means such as central air conditioning, central gas supply systems, fire-alarm system, 750 KVA standby generators and other required systems. At the time of this research, the hospital comprising of blocks A, B, C, D, E, G and H was efficiently functioning. The hospital which started with eight consultants in seven specialties has (at

the time of this research) progressed to more than 120 highly qualified consultants in almost all specialties. "SHIFA", which was the dream of a few foreign based Pakistani (mainly belonging to the region of Punjab), was actualised in Islamabad, the capital city of Pakistan.

This outstanding task of developing an international standard hospital privately has accomplished successfully with the help of the dedicated pioneer team of experts, managers, and workers. These professionals were gathered from within as well as from outside the country to develop a hardworking and loyal team to effectively achieve the target of running a private hospital in the capital city, where some good government hospitals were already extending medical services. Actually, Shifa hospital is designed to target the elite class of especially the capital city and the whole of Pakistan in general.

In the beginning, most of the professionals who joined Shifa were Pakistanis and they were from the personal social networks of the founding members. They were personally requested to join Shifa and helped them in initiating a public service project along with economic organisation. There were some professionals who were well settled abroad but they joined Shifa because they were highly obliged and could not deny the request. In this way the founding members developed a trustworthy team of workers to run the business. Hence, the pioneer employee team was a collection of trained and dependable professionals as well as workers, who worked under the inspiring leadership of chief executive officer (since the inception of Shifa) Dr Zaheer, who made quality services and consumer satisfaction the basic traits of Shifa. To maintain the standards of service the



Chief Executive Officer along with his team keep a keen eye on the new developments in the field of medical science and general technology. In short, Shifa's senior management believes that quality medical services can only be maintained with loyal workers and diffused international technology. So they collaborate indigenous ways of acquiring employees with western technology for developing a more holistic system to handle the contemporary business issues.

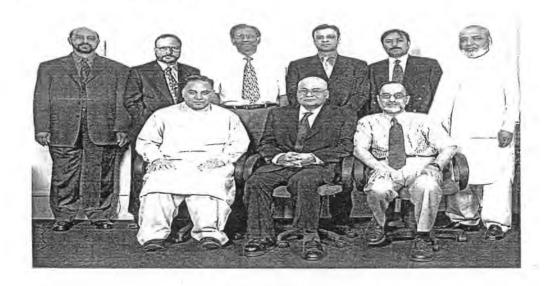
### 3.2 Location

The hospital is located in H-8/4 in the capital city of Pakistan, Islamabad. Islamabad is one of the few cities of the world which were established by the national governments due to geo- political reasons. In 1960's, General Ayub Khan, president of Pakistan, decided to establish a new city as capital city Islamabad along with Rawalpindi. To actualize this idea, a foreign consultant was hired to plan the city and on his recommendations Islamabad was developed. All the early inhabitants of Islamabad were government official who were deputed here to serve the federal government. Later their families joined them from various regions of the country. Since then Islamabad has been attracting migrants from within and outside the country.

#### 3.3 Nature of Organisation

As mentioned earlier, SIH was started as a personal venture by a group of friends on September 29, 1987 but later it transformed into a Public Limited Company (Ltd.) on October 12, 1989. This status shift (from private/ personal organisation to corporation) has definitely influenced all the aspects of organisation and has demanded

standardization of all business operations. Presently, the hospital is listed on Karachi, Lahore and Islamabad stock exchanges. Its share department exists within the premises of the hospital building at H-8/4, Islamabad.

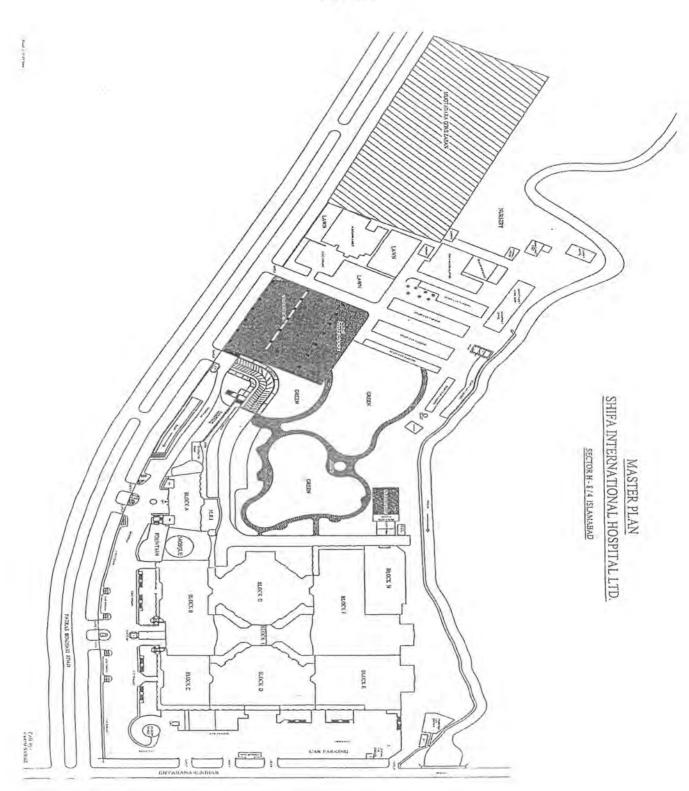


Board of Directors

SIH board of director has comprised of ten members; Dr Zaheer Ahmad (chairman and CEO), Dr Manzoor H. Qazi, Dr Habib-ur Rehman, Mr Samiullah Sharief, Dr Abdul Razzaq, Mr Abdul Aziz Sulaiman AbdulAziz Al Khereiji, Mr Sohail Saddiqi, Mr Masood Aziz Syed, Mr M saleem Khanani, and Dr Mukhtar Nsir.

Three out of these ten members; Dr Zaheer, Dr Qazi, and Mr Sharief, are friends and founding members who initiated the project while the others joined them later on the basis of personal connection/ networking. The details of SIH- BOD highlight an in-built system of hybridization where indigenous social phenomenon has been transforming, though within the frame work of socio-cultural values.

Figure: 1

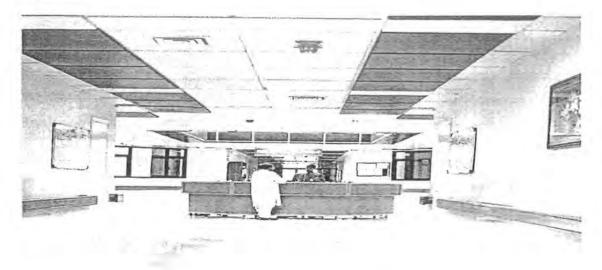


# 3.4 Layout of Organisation

The physical layout of the organisation has reflected a well-planned integrated system that can meet the diverse needs of present and future medical requirements. As mentioned before at the time of this research, hospital comprising of blocks A,B,C,D,G,H and E was successfully functioning whereas construction of other planned blocks was in progress.

### 3.5 Exterior and Interior of the Organisation

The management of SIH has worked very hard to develop a highly impressive and attractive exterior with beautifully designed big grassy lawns along with bright colored plastic mushroom lights. SIH's interior with a wonderful color scheme of the entrances, corridors, waiting rooms, clinics and patient rooms emits the impression of a hi-fi organisation.



A Reception of a Ward

A very important aspect of Shifa's interior is that special elements are incorporated in it to cater the special demands of space which make the environment more conducive and relaxing. To further justify this point I would like to extend the example of the main hall in the basement (where there is registration set up for all types of patients, canteen and a medical store). It comprised of a very big aquarium with different color fishes, lots of indoor plants, and a glass roof which imparts a very soothing impact on patients and visitors of all ages.



View of the Basement Waiting Hall

The interior of the pediatric clinic is another good example of the contextual layout followed in SIH. It has a very bright color scheme of orange and yellow with prints of story features and aspect of nature (moon, stars, planets, shooting stars etc.) on the walls. Interestingly the characters printed on the walls depict foreign stories along with the objects of nature.



Reception of Pediatric Clinic

The beautiful imaginative landscape paintings and roof hangings are the salient feature of the children clinic that extends a pleasant environment to young patients. The availability of educational toys for the kids is further proof of their compassionate thinking style. The interior that I have witnessed in SIH is its unique feature that is hardly maintained by any other hospital at this level.

Another salient feature of organisational interior is that walls all around the hospital are decorated with Quranic verses, Hadiths and saying of Muslim heroes like Hazrat Ali, Amam Ghazali etc. In short, the fine blend of western interior style with religious artifacts has developed an enchanting impression on its patients, their relatives, visitors as well as its workers. These aspects of exterior and interior elements have reflected not only essential components of appropriate planning and designing, but it also elevates the spirit that promotes a pleasant and healthy environment conducive to healing and cure. The advanced technical appliances and well-designed facility including views, gardens,

fountains landscape and masterpieces of calligraphy, work wonder. The synthesis of modern tools and religious spirit in the interior and exterior decor of SIH led to the design of a very special place, which has created an influencing scenario to execute diffused models while respecting the local traditions.

#### 3.6 Organisational Structure

Organisational structure is the framework for allocating tasks, delegating authority, coordinating activities and channeling communication between individuals and groups in the organisation to accomplish goals. It is like the skeletal system of the human body which is not explicit, yet it not only supports the whole body but it also determines the functionality of body. Shifa's organisational structure is based on the logic of central authority. Anyhow it depicts both local tradition of hierarchical relationship and western rule of formalization.

This structure has further established function-based two wings (Medical wing and Support wing) and various departments. Where every wing is further divided into various departments to perform a particular function under the authority of chief operating officer/ director Medical/ deputy director medical/ general manager/ manager. The formal logic of authority is that command starts from top-down where reporting moves from bottom-up which seems quite clear and simple; anyhow practically actualizing this logic is not very simple but quite complex. The influence of local traditions is fairly vivid; as reciprocal obligations (Vartan bhanji) and personal penetrations transform this one way bureaucratic system into more dynamic, comprehensive and 'holistic' approach. This

allows management to see things in a broader perspective and addresses business issues in a more comprehensive manner.

Actually hierarchal system with Vartan Bhaji (reciprocal obligations) and personal penetrations is a flexible mechanism which can exhibit vibrant shades in accordance with the demands of situation; it has a greater potential to incorporate both vertical as well as horizontal perspective of reality. By doing so hierarchal mechanism and Vartan Bhanji (with personal penetration) works interdependently while regulating each other, it yields suitable solutions to quite difficult problems of contemporary organisations.

#### 3.7 Hospital Administration

The hospital management is headed by Chief Operating Officer Dr Zaheer Ahmad. He is the man who initiated the project and has been leading SIH management since its inception in June 1993. For effective management of hospital operations, the management is bifurcated into two major wings; Medical Affairs headed by the Medical Director (MD) and Support Services headed by the Chief Operating Officer (COO).

Theoretically both the heads attain equal management authority but actually the medical wing has an edge on the support wing due to functional as well personal obligations of Pakki Vartan between Dr Zaheer and Dr Qazi, the head of the medical affairs department. First, medical wing (MW) is performing the core function in Shifa for example providing the medical services to its clients and generating remuneration whereas the support wing (SW) is there to facilitate MW, in this way the medical wing while maintaining the focal

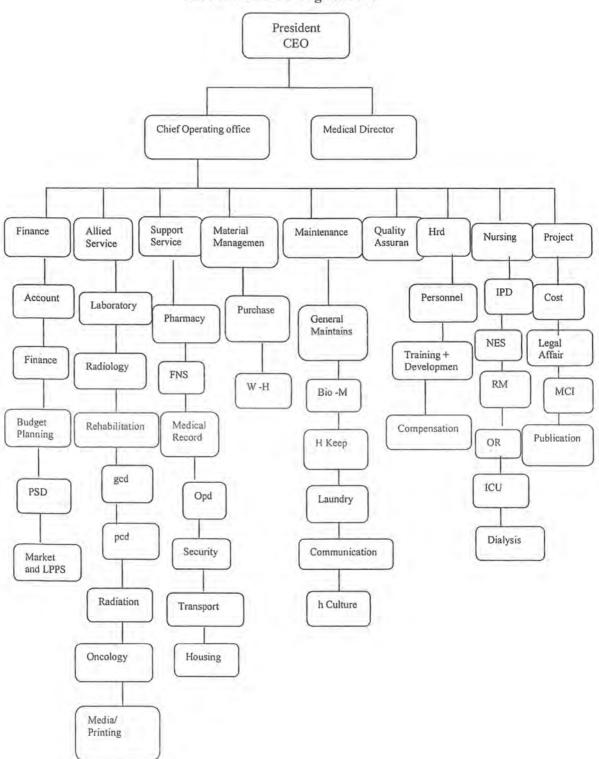
role gets an edge over the support wing. Second, the medical consultants are not the employees but they are the shareholders. Above everything Dr Qazi who heads this wing (since the inception of SIH) is life time member of Shifa's board of directors besides being a close friend and right hand of Dr Zaheer (chairman Board of Directors and CEO of SIH). In short, systematically (structurally) and socially (personal obligations of Vartan bhanji) MW plays a predominant role in the organization. It is true that SIH is trying to execute impersonal administration policy based on diffused management model but in practice the hospital management revolves around two persons Dr Zaheer and Dr Qazi who also have formal as well as moral authority to lead SIH management.

Medical Affairs Wing consists of various teams of consultants, medical registrars and medical officers who are responsible to effectively impart medical services to the clients of the organisation. This wing has two main departments; Medicine and Surgery with their own sections and subsections. These departments are run by consultants with the help of registrars and medical officers. The consultants are the shareholders of the hospital while the registrars and medical officers are the employees of SIH.

The department of Medicine is composed of thirty-six foreign qualified Consultants.

Thirty of these are Board certified from USA in Internal Medicine while six have British or Canadian qualifications. The majority of the SIH consultants also extend services to the faculty of Shifa College of Medicine, which is located within the premises of Shifa International Hospital.

Figure: 3
Structure of the Organisation



Every consultant works with a team of Medical officers and registrars who are employees of SIH. The department of medicine is very popular for its professional expertise and repute within the organization as well as in the market.

Pakistan Medical and Dental Council have accredited recognition to Department of Medicine for house job training. College of Physicians & Surgeons of Pakistan (CPSPJ) has also recognized SIH for Fellowship training in the specialties of Internal Medicine, Cardiology, Neurology, Nephrology and Radiation Oncology. This enables SIH to transfer knowledge, expertise and experience to younger colleagues who can gradually grow to become future partner of SIH, as employees and consultants. There are nine different sections of this department which are offering services in the areas of Pulmonology, Cardiology, Infectious Diseases, Gastroenterology Nephrology, Neurology, Radiation Oncology and Pediatrics.

The department of Surgery has twenty-five well-trained and experienced general and specialized surgeons along with qualified technical staff. This department has become one of the best Surgical Centers in the country. There are eleven extremely important fields in which SIH is extending services of surgery for example urology, orthopedic, general and vascular Surgery, plastic surgery, gynecology and many other areas. The Cardio-Thoracic Surgery Section of SIH is acknowledged nationally for its professional approach and expertise.

The office of medical affairs takes care of all the human resource issues in MW. All the matters related to consultant's share, their payments and employees' induction, training, evaluation, compensation and all the other related issues are looked after by Medical Affair office, headed by Dr Abbas Khan under the supervision of Dr Qazi. Dr Abbas is a foreign graduate in medical sciences and has a flexible attitude. Dr Abbas being the assistant of Dr Qazi, Head of MW, is a very influencing person in MW as well as in SW. Because COO, the head of the SW, is hired on a contract of two years which has to be renewed therefore COO remains obliged to Dr Qazi and Dr Abbas for reconfirmation of the contract to continue his career with SIH. Dr Abbas's recommendations are also very important in the confirmation and re-confirmation of COO as he has won the confidence of Dr Qazi with his technical expertise and dedication in handling the problem of medical staff. Dr Qazi takes Dr Abbas as a dependable person who can handle things in the most effective manner. I found him the most active person among those who were working for developing a stronger relationship with the senior management of Shifa. To achieve his targets, Dr Qazi used to take personal responsibility to handle problems; excessive workloads, extra burden, staying in organisation for longer working hours and developing his own loyal teams to stay at the forefront. Due to his special services and closeness with Dr Qazi, CEO Dr Zaheer also paid him due attention. In short, medical wing has systematic as well as psychological supremacy on support wing and Dr Qazi with other leading persons has fair influence in Support Service Wing.

Support Services Wing is established to provide support to the medical wing and is headed by the Chief Operating Officer\COO. All the members of this wing including

COO are employees of SIH. As mentioned earlier, the job of Chief Operating Officer (COO) is contract based and usually it comprises of a two years contract which may be extended as per recommendations of the Board of Directors. It means that the authority of COO's office is quite dependent on the Chairman and the good will of Board of Directors. COO's office is very important as it provides leadership for daily operations in accordance with the policies of the Board of Directors. COO leads the hospital management team and provides directions for long term strategic, operational and fiscal planning. He helps out the team in making decisions about kind and quality of services, their delivery systems, resource allocation and utilization. COO guides the team to improve work environment, organizational culture and results. COO manages human and social aspect of this wing with the help of Human Resource Management and Development department. In other words, the department of Human Resource Management is a section of support wing and it looks after the issues of support staff.



Senior Management of Support Wing

# Departments and Staff under Support Wing

S.N.	Name of deptt	No of Male	No of FM	total	% of Males	% of FM
1	HRD	11	4	15	73	27
2	Internal audit hospital	4	0	4	100	0
3	Labs	53	17	70	75	25
4	Laundry and linen	7	0	7	100	0
5	Maintenance	60	0	60	100	0
6	Marketing	15	2	17	88	12
7	Material management	32	0	32	100	0
8	Media and Printing	5	1	6	83	17
9	Medical Records	18	0	18	100	0
10	MIS	22	0	22	100	0
11	Nursing	15	706	721	2	98
12	Patient Coordination	12	2	14	85	15
13	Patient Service Deptt	54	4	58	9	7
14	Pharmacy	30	4	34	88	12
15	Account/ Fin	21	1	22	95	5
16	Administration	7	0	7	100	0
17	Bio-Medical	13	0	13	100	0
18	Communication	12	6	18	66	34
19	Corporate	6	1	7	85	15
20	Internal Audit	2	0	2	100	0
21	Food and Nutrition	81	3	84	96	4
22	Gulf CE clinic	6	2	8	75	25
23	Horticulture	14	0	14	100	0
24	House keeping	142	28	170	83	17
25	Project office	21	0	21	100	0
26	Purchase dept	15	0	15	100	0
27	Quality assurance	19	1	20	95	5
28	Radiation/ogy	6	3	9	66	34
29	Radiology	36	14	50	72	28
30	Rehabilitation	7	6	13	53	47
31	Security	63	0	63	100	0
32	Share deptt	4	0	4	100	0
33	Shifa News	8	3	11	72	28
34	Shifa Medical Centre	13	5	18	72	28
35	Transport	30	0	30	100	0
	Total	864	813	1677		1

This wing follows a functional management model which is based on the logic of task based departments where workers perform similar jobs in one department. It means that here departments are designed to perform particular work. Departments such as Human Resource Management, Marketing, Food and Nutrition and Allied Services are established to extend focused services for achieving organisational targets of profit maximization.

This wing comprises of thirty-five departments which perform various tasks ranging from medical to general domains in order to support the medical wing. Interestingly, the department of nursing and radiology are part of Support Wing which reflects that almost all the employees except doctors (consultants, registrars and house officers) work in SW under COO. The details regarding departments, numbers of employees in these department and gender divide of employees are presented in the table below to have a quick but comprehensive understanding about the function of SW.

#### 3.8 Management Committees

In SIH, intra and inter department committees used to be formed to combine the human and material resources of all the departments to promote collectiveness for dealing with various problems in a more effective manner. The committees like executive management committee, hospital quality assurance committee, nursing quality assurance committee, internal audit committee, ER committee, infection control committee and theft committee are established to implement smart risk management practices, foster collective decision making and invoke participations from all areas.

On one hand these committees promote interaction among various departments while on the other hand it eliminates power distance between supervisors and subordinates' and symbolize egalitarian-collective spirit among all the workers of Support Wing. Hence, committees' formation is a strategy used by the SIH management to effectively execute diffused egalitarian management model, for regulating workforce socialized in accordance with hierarchal models. I believe that establishing management committees are formal and diffused strategies for developing 'holistic' (vertical as well as horizontal) and cross-departmental close relationship among the workers. To me the function of these committees (creating close network of employees) is actually parallel to local institution of Vartan bhanji which is more genuine, powerful and hence result oriented. The relation of Pakki and Katchi Vartan bhanji (obligations) classifies and connects employees into personal, more sustainable bonds which allow the decision makers to see realities from various perspectives and develop better solutions for the problems at hand.

#### 3.9 Workforce Diversity

The popularity of SIH has attracted workers from all regions of Pakistan as well as from other countries for example Philippines, Bengal, and the US. In this way, SIH has a good number of diverse (in term of sex, age, caste, classes and ethnicity) employees who work together in various departments of Shifa to earn their living through performing their jobs. They help the management to achieve the organisational goals of profit maximization and market sustainability. The foreign workers are not hired to establish an international image of the organization and attract clients mainly belonging to the upper and upper-middle classes. At the time of my fieldwork a good number of foreigners were

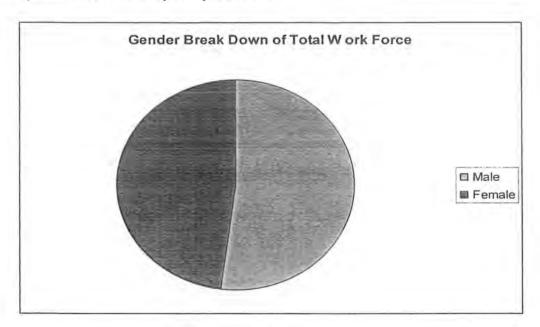
mainly working in the department of nursing. Even the head of nursing department was a female from Philippine whereas the nutrition department was run by an American lady. Shifa management has managed to retain both foreign and local employees because the collaboration of the two facilitates them to better achieve their targets of securing the larger market share (targeted clients), profit maximization and organisational sustainability. Besides the national diversity there were other basis of differences like age, sex, sects, castes, regions and ethnicities that classify more than sixteen hundred permanent employees into various informal categories and subcategories. However, more than 70% percent employees are from the province of Punjab. These employees on the basis of similarities and differences have developed various cohesive groups in the form of informal support systems to help each other. This phenomenon has created in-group and out-group identities and relationship among workers. One group and its members exhibit different modes of behavior to other individuals or groups on the basis of the reciprocal relationship (Vartan Bhanji) they maintain with each other. Yet, few reciprocal relationships were witnessed which cut across all sort of differences and yielded broader perspective of Vartan Bhanji.

Vartan Bhanji- the system of reciprocal obligations has given way to an interdependent work culture based on moral obligations. This social networking is of pivotal value for workers as well as executives, since career growth of individual and survival of the organisation depends more on social and governmental relationship in Pakistani society where, rather than on any support from the country's official system. In spite of this social dependency, Shifa management would like to regulate personal penetration with

the help of diffused management model. This allows Shifa to minimize the negative aspect of indigenous system and get benefit from the standardised rules of western management model. This merger of the local wisdom with the diffused model yields suitable practices to effectively tackle business operations.

#### 3.10 Gender-vise Breakup of the Workforce

The field data has revealed that eight hundred and thirteen employees are female out of a total 1677 of employees. This data has reflected a very good representation of female in SIH. Here male-female break down of Shifa workforce can be more effectively represented with the help of a pie chart;

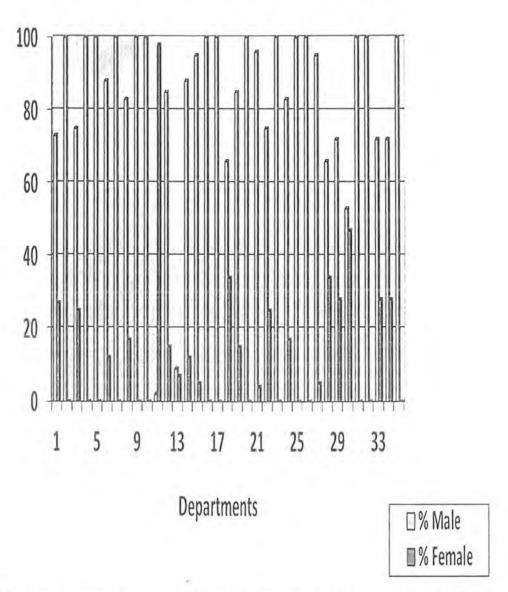


The above presented graph justifies Shifa management's claim of "Shifa as an equal opportunity organisation". But department-wise breakup of male and female workers reflects a good number of female worker in particular departments e.g. radiology and nursing whereas all other departments have very limited opportunities for female workers. In fact this strategy of taking women employees in accordance to the nature of

department and jobs suits Shifa management for the effective handling of business operations and regulating employee relationships in the local market. In other words, women employees are hired wherever they are required; however open female selection in all departments is not conducted. This is because it cannot foster positive results in a society based on the principle of gender segregation (Lyon 2002). Shifa is a business organisation which focuses more on achieving targets; hence female workers are hired on limited seats rather than on open merit. This clearly manifests the inter-facing of local culture (gender segregation) with diffused model based on the principle of gender egalitarianism.

This graph has clearly reflected a higher number of males in all departments except the nursing department while there are many departments like MIS, Laundry and linen, material management, project office and many others where there is no representation of females. The analysis of the above paragraph also infers that socio-cultural expectations of gender roles are quite visible in the staffing patterns of all departments. The departments where there is no representation of women are culturally considered male oriented work domains for example IT, construction, safety and security while on the other hand the small representation of male employees in nursing department confirms that it's a women's domain. These are two extreme sides reflecting strong gender considerations of management as well as workers; though generally it is true that there are not equal, yet still a good number of female workers are there in almost all the departments of Shifa.

# Department Vise Gender Break Down of Employees



Note: No of the Departments is given from (1-35) according to the table presented on page 139-140.

This means that Shifa management is neither following gender differentiation policy nor gender egalitarianism; it is contextually considering and denying both in accordance with the demand of situation. This illustrates the hybrid working style of SIH.

# 3.11 Computer Technology

Shifa is one of the few organisations which proactively using computer technology in health sector. Almost all of the cliental and organisational data processing is done and maintained on computers. This system of computer network has accelerated the process of transferring and sharing of data while opening new possibilities of internal communication among various departments and external links with the world. Shifa management has always tried newer technologies to keep their organisation technologically up-to-date. Organisational website (www.shifa.com) is also developed regularly updated. This website extends information about all aspects of organisation from its location to the medical facilities provided in the hospital. On this website a page for job applicants is also developed though it is not functional. A very interesting document on this web is "Shifa-mini mage". This is in fact a newsletter which is published as well as uploaded on the web on a monthly basis. This document extends information about all the activities that took place in both the wings of SIH during that month. It also has personal pages where information about the employees' achievement, promotions, dropout, marital status and other personal issues is presented. A very interesting thing about this magazine is that technical introductory pages are always written in English while later personal pages are composed in Urdu. I must say that "mini- mage" is a very good indicator of the hybridization process going on in SIH.

Contemporarily Shifa has introduced the latest available software Lynx as the regular software whereas 24-hour Internet access facility with user level authentication is also provided to almost all the desk workers. This easy and free availability of internet access to workers on one hand relates the departments and workers within the organization whereas on the other hand it also facilitates them to connect them with the outer world and open channel of change in their personal and organisational life.

#### 3.12 Human Resource Manual

This document has been developed by HRD in order to familirise employees with key organisational policies, procedures and guidelines for systematically handling all the aspect of professional life style at SIH. This policy manual was originally developed in 1994, and it was subjected to periodical revisions and modifications to meet the changing demands of business market. In line with the importance of the HR manual as an authority on corporate personnel—policies, procedures, rules and regulations are updated. It is an effort to enhance policies and procedure to ensure correct application and predictability while satisfying the ever changing needs of the organisational life. Policies, rules and regulations issued during the previous years have been incorporated in the HR manual for their judicious and uniform application. The manual was issued to all department heads so that it remains a constant source of information for them and their employees. The main purpose of HR manual is to maintain uniformity of practices among the various departments and their diverse workforce. This manual has not only contributed toward adopting a designed approach while processing personal cases, but it

has also supported the management to standardize employee behavior. This document has a vital role in transforming the conduct of workers and hybridizing the system of SIH.

#### 3.13 Dress Code

SIH has rules of formal dress code, where all workers from technical to general, wear uniform or a prescribed dress. In order to maintain standard in this domain, policy for dress code is prepared with the purpose "to clearly define expected dress & hygiene standard for hospital employees". SIH employees have to abide by the following considerations while dressing up for duty performance:

- All employees are assigned a uniform. Lab Coat must be worn while on duty.
- The uniform/ lab coat must be clean, pressed and in good shape.
- Employees who do not have a specified uniform must wear clean properly pressed professional clothing.
- Jeans, tight-fitted clothing, saris, sandals, and sleeveless shirts are not acceptable.
- Male clerical staff that comes in direct contact with the public will wear a
  white or light colored shirt, a necktie, and trousers or a Shalwar Kamiz
  with a vest coat. Cravats (neck scarves) are not allowed. However staff
  related to Maintenance, Biomedical, and MIS can use it.
- Hardware section is exempted from wearing necktie due to the nature of their job.

- All employees will wear their hospital I.D. card while on duty.
- All employees will maintain good personal hygiene, be free of body odor, and use appropriate deodorants/ fragrances.
- Hair will be kept neat, clean, and of conservative length and style. All
  female employees should dress their hair in a sober style with small hair
  accessories.
- Male employees are required to be clean-shaven or maintain a clean, neat and well defined mustache and/ or beard.
- Nails are to be kept short, clean and neatly trimmed. Females may wear clear or natural color nail polish except where individual department policies prevail.
- Wearing of jewelry will be kept to a minimum. Employees providing direct patient care are limited to small earrings, nose gaze (stud type only), a wristwatch, and a conservative ring, except where individual department policy prevails. All female employees should wear Shalwar Kameez with Dupatta, of sober colours with dull makeup, if so desired. Saris and sleeveless shirts are not allowed.
- Shoes are to be flat heeled, closed toed, and with non-slip soles. Shoes are to be kept clean and polished.
- Clean and appropriate colored cardigans, pullovers; jackets may be worn for extra warmth.
- Copies of the dress code policy will be available with HRD, at the time of orientation

 HRD representative would ask employees to read respective dress code policy which is related to his/ her department area carefully, and sign it.

The above described dress code has represented fair cultural consideration besides fulfilling the basic requirements of social mobility and official decorum. For example the female employees are suggested to wear dopatta (scarf) rather than wearing chadar (a large sheet to cover the body) which is generally used by the females while interacting beyond the boundaries of household. It means that Shifa management does support cultural values until it does not hamper professional-technical aspect of the organisation.

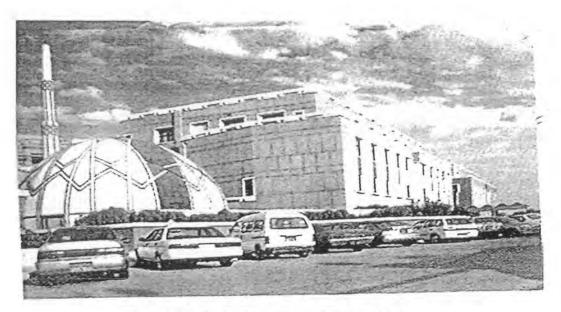
Similarly for the male workers, who directly interact with clients, are given a choice to wear shirt-trousers or Shalwar Kamiz with a waistcoat. The purpose of this recommendation is that workers should be formally presentable with the liberty to follow the indigenous dress code or western style. During the field work, I always observed employees wearing shalwar kamiz as well as shirt-trouser depicting cultural hybridization going on in Shifa.

#### 3.14 Official Language

The official languages of SIH are both Urdu and English. Anyhow in written communication, main documentation is mainly done in English; anyhow as per situation Urdu is used to manage the situational needs. Shifa's publications are also found both in Urdu and English. Generally in oral especially face to face communication and interaction bi-lingual style is observed. The workers in Shifa are appreciated and trained

to speak English. For this purpose trainings are organized to develop good communication skills. This is because Shifa has a good number of foreign clients, so special efforts are made to effectively handle these precious clients through trained workers. As a result, I have observed that almost all the workers can understand English although very few can speak it well.

One witnesses a diversity of languages during informal communication in Shifa. Almost all the local languages of Pakistan as well as some foreign languages can be experienced in the premises of SIH, since its workforce is highly diverse reflecting the different shades of Pakistani as well as some foreign cultures.



The mosque in the front view of the hospital

#### 3.15 Mosque

There is a mosque on the main ground floor at the right side of the front reception area.

This mosque has one main hall for men besides that there is a small room for ladies to

offer their prayers. There are proper arrangements to perform five time prayers and Jumah prayer. In almost all the prayers a good number of people were witnessed. This mosque never remained empty and I always found somebody praying, crying and asking God to help him/her or/and his/her relative to be healthy again.

This mosque is a very prominent feature of the front view of the hospital with a long visible "minaret" (tower) painted in white and brown. The incorporation of mosque in the front view had not only added uniqueness to the image of organization, but it also reflects the priority of the founder executives. On one side they have constructed the hospital building on the western layout whereas the mosque is placed in the middle of Block–A, the main building of the hospital. It illustrates a fine blend of apparently conflicting but actually complementary priorities as healing requires collaboration of technology and faith.

#### 3.16 Daycare Center

There is a daycare organized in the premises of SIH to facilitate the working mothers for better handling of their kids while staying on the job. However, the establishment of this day care is a joint venture of the SIH management and working mothers. SIH has provided the room and logistics for it, while the mothers have arranged the maids and used to raise money for their salary.

Maintaining a daycare within organisational boundaries helps Shifa to achieve business goals of cost effectiveness; profit maximization and market sustainability. It also obliges

(Vartan bhanji) its female employees through lending a hand in maintaining a balance between social responsibilities and professional activities. Shifa is among the very few organisations in Pakistan which have this facility for its working mothers. By establishing daycare, on one hand Shifa management has tried to bridge the gap between the indigenous conventional role (motherhood) and modern aspirations of females, while on the other hand this collaboration (of the conventional role model with the modern female role model) allows Shifa to attract, hire and retain trained female workers, at less pay for a longer time period. The justification of this point is that many female workers (especially mothers with young kinds) resigned Shifa when the daycare was closed down as the obligatory connection (yielding reciprocal obligations) binding the workforce and organisation was dissolved. Since Shifa lost a lot of loyal employees, the Chief Operating Officer also shared the burden and resigned.

#### 3.17 Cafeteria

There are three cafeterias in SIH; two are for staff, and one for students of Shifa Medical College and general public. One of the two cafeterias is for the staff; one is reserved for consultants and senior management. These cafeterias are organized and worked under the management of SIH. The cook and other workers are permanent employees of Shifa. The food price is quite high as compared to the market rates while the food quality of these general cafeterias is not very good. Although a lot of customers could not buy their meals due to great demand and rush in the cafeterias.

In the beginning there was one cafeteria where all members of SIH consultants, seniors, juniors and workers used to enjoy their meal together. However with the passage of time as number of workers and rush of clients increased, a need for other cafeterias was felt. At this moment it was decided to build two more cafeterias, while one was reserved for senior managers and consultants.

#### 3.18 Medical Store

There are two medical stores within SIH boundaries. One is in the basement while other is situated on the ground floor. Although, all medicines to indoor patients are provided by Shifa pharmacy to facilitate the outdoor patients these medical stores are organized to offer 24 hours facility. On these medical stores both male and female employees are appointed to cater the cultural values of gender segregation. I have found that contextually, gender egalitarianism, gender segregation and mix logic— all these three kinds of logics are used to effectively manage the demands of diverse situations.

# 3.19 Transportation

Shifa has its transportation facility for its workers. The workers are provided this facility under the hospital rules and regulations. The purpose is to facilitate hospital staff; however it is free for staff nurses. However for other employees, hospital transport is subject to the availability and fee is charged (rates are already decided & implemented) based on their pick & drop points. Generally preference is given to female employees. Female staff is only be picked / dropped from door steps for night duties; however for day shifts defined convenient pick & drop points is only be used. The provision of

transportation facility fairly reflects gender priorities as female workers are supposed to be provided with it. The considerations of personal characteristic in an organisation claiming itself as an equal opportunity corporation reflects its cultural adaptation in accordance with indigenous values.

#### 3.20 Intra-Organisational Communication

The formal communication is done through memos and letters which are sent by the transporter (naib qasid) in form of files as well as through computer networks in form of soft mail. SIH is working with diverse workforce and is trying to achieve international standards. To achieve these goals, Shifa has admitted the value of communication among the different department to share the happening and ongoing processes in order to develop unity and synergy. In this regard 'NEWS MAG' is a very good effort; it is published on a monthly basis and covers almost all the activities in the organization. It aims to promote awareness and understanding among the people within and outside the organization. This magazine is also published on the website (www.shifa.com.pk).

Computer networking is effectively utilized for transferring and sharing the data among the various departments of the organization although sometimes lack of computer skills undermine the effectiveness of computer networks; but still there are large numbers of employees who use computer to interact within the organisation besides connecting themselves with the global world. In spite of the hi-fi network availability, informal communication among the like-minded is still perceived to be more reliable, hence it influences individual and organisational decision making process. The information about

any job opening in any department usually first travels through this informal channel than formal disclosing of this vacancy. So people belonging to informal communication networks usually utilize this information for pursuing their case of job promotion and job transfer. They also take this opportunity to bring people from their own family, 'braderi' (brotherhood) or social circle to be inducted on available job as they feel more comfortable to work with people from their own social network. Hence, the modern as well as traditional means of communication go side by side, and generate a 'holistic' and better system of communication.

## 3.21 Nature of Relationship

The individuals are appointed against a vacancy in SIH, so the basic status of an individual is formal, even though as this induction is conducted on some direct or indirect personal reference. Therefore, the inductees already have or establish and maintain some personal/informal relationship with co-workers. In this way, relationships among SIH workers are maintained on formal as well as informal levels which initiate various social networks (Vartan bhanjis) in the hospital. Every obligatory network has an influencing personality at the center, around which workers are gathered in order to secure their interests in a centralized power structure. The research data has disclosed three main prevailing networks (alliances) in SIH headed by three main figures: Dr Qazi (medical director), Shah Sahib (senior manager finance) and Habib Jan (chief operating officer). These informal network relationships are developed on reciprocal exchange among employees with some sort of similarities in education & skill, ethnicity, language, cast, region and area. These networks are collection of inter-related people in various

departments and at different levels who support each other through guidance, information, and penetration on reciprocal basis to support each other at time of personal and professional help. In a kin-based society where kin roles and expectations are transposed to non-kin roles beyond the personal spheres to formal domains (Lyon 2002), these kinds of networks are a very normal feature. In order to be the member of these networks one has to have Vartan bhanji background which allows him/her to be an employee and effective members of the network. Hence these employees' networks prevailing in SIH are a collaboration of both formal and informal relationships, which extend help to its member in performing better to achieve personal as well as organizational objectives. These networks are actually similar to cohesive work teams in which members believe in each other, motivate each other, facilitate each other and combine their resources to easily achieve difficult tasks. The point I want to make here is that the indigenous model of effective team "Vartan bhanji" seasoned with modern tactics of diffused model is more effective to solve the employees' problem of job stress, demotivation and high dropout rate.

## 3.22 Shifa Foundation: Fulfilling Corporate Social Responsibilities

Shifa Board of Directors not only pursues their financial goals to be achieved through the provision of quality medical services, but as good professionals they also identify their corporate responsibility to support the state and society. In 1991, the founding members of Shifa Foundation have tried to bridge the gap between the huge requirements for a healthy & progressive society and extremely inadequate facilities. They decided to initiate an intensive integrated program to promote education, impart training and provide

affordable or free healthcare services to all Pakistanis. Subsequently, two sub-bodies

Shifa Education Council and Shifa Welfare Council were formed to plan and execute
educational and medical services and delivery projects respectively. It has remarkably
progressed in their respective areas, glimpses of which are

- Shifa College of Medicine-1998
- Shifa College of Nursing-2003
- Shifa Tameer-e-Millat University- 2006
- Shifa College of Pharmacy-2006
- Shifa College of Paramedics-2007
- Shifa College of Dentistry-2008

The above mentioned names of various formal steps, planned and organised by senior management of SIH, have allowed developing human resources for its future consumption, but it has also helped it to relate itself to various segments of the society. These efforts have also allowed management to develop a network of reciprocal relationships to attain familiar loyal workforce that can possibly be retained for longer time period, which will help Shifa to smoothly run various business operations and sustain itself in a relation oriented society.

This chapter has illustratively portrayed all dimension of the research locale starting from the history of the organisation and founding members to techno-managerial aspects for developing a comprehensive and 'holistic' picture of the field. It establishes a framework to understand contextual meanings of field data, research assumptions, arguments and analysis presented in the upcoming chapters. The living realities of the research field are discussed and analyzed to explore the main assumptions working behind them, which are further matched up to the abstracts of 'vartan bhanji'- theoretical framework developed in chapter 2. Hence, the information provided in this chapter has linked up theoretical concepts with on ground facts acquired in form of field data which is going to be analyzed in the coming chapters.

# Human Resource Policy and Procedures

This chapter is depicting standard parameters of human resource management to initiate, relate, regulate and reinforce workforce for achieving the organisational goals of profit maximization and sustainability in Shifa International Hospital, Islamabad. I am trying to discuss and relate policies and procedures of selection, job appraisal and compensation to develop a better understanding of the embedded principles for providing a basic framework for HR practices. The illustration of HR policies and procedures in this chapter facilitates to identify and understand the contextual HR practices and policy variations. These policy rules and regulations (presented here) are documented in the human resource manual for the effective handling of employee issues in Support Wing, as the issues of medical consultants and doctors are handled by Medical Wing.

Practically the human resource management process begins with process of recruitment, declaration and announcement of a vacancy in a department. This process involves the attraction of qualified and skilled candidates in a reasonable number for the selection of the most appropriate employees on the vacant seat. However, in some cases old employees are promoted on the vacant seats; in this way recruitment process plays a double role of attracting new workers and retaining good workers.

On the basis of different level/range and functions recruitment process can be divided in into two types; internal recruitment and external recruitment. In internal recruitment, the HR manager sends notification to all the departments about the availability of a job while

in case of external recruitment the job is announced through informal (workers, relatives, friends etc.) and formal channels (Urdu and English newspapers).

Shifa has established a clear cut recruitment and selection policy which is presented in the HR manual. The copies of the HR manual are provided to all department heads for procedure clarity and effective management of employee issues. Here I would like to present the purpose, policy statement and procedures of recruitment process respectively.

The purpose of the recruitment policy is, "to maintain high standards and a systematic process for the recruitment of new employees." The main features of SIH recruitment policy are presented here:

- All vacant positions will be filled by the department of human resource and development against the hospital human resource budget for the year.
- 2. Preferences will be given to employees from within the organisation, however if no internal candidate will qualify or is available for the said position, the position will be advertised externally or from CV data bank.
- All applicants must complete the hospital "employment application forms" and have their references which will be checked by the HRD.

- 4. Human resource and development department will ensure that the candidates must not have any illness or deformity that can inhibit work or cause high expense to the hospital.
- 5. First degree relatives (father, mother, son, daughter, spouse, and husband) cannot work in the same department and cannot have reporting relationship that is banned by management to be a conflict on interest; however, induction of blood relatives might be tolerated in the special areas where hospital faces shortage of professional staff on the discretion of HRD. Relatives of any employee may be allowed on the discretion of CEO/COO/MD. HRD will take the approval from the competent authority before selection.
- 6. No personnel would be hired in SIH aged 60 years or above or less than 18 years or do not possess NIC. Alongside personnel aged between 55 to 59 years would only be hired as a special case and on contract employment only.
- 7. All the candidates for the supervisory and for above mentioned positions will be selected through panel interview which will be consisted of the following;
  - a. Concerned Divisional/Department Head or his/her nominee
  - b. Concerned technical personnel or his/her nominee
  - c. HRD representative.

 Appointment letters of assistant manager and above will be signed by COO and appointment letters for rest of the employees will be signed by Sr. Manager, HRD.

The above mentioned policy statement clearly narrates that HR department recruits against the HR budget for the particular year at the request of any of the department head. In consistent with this policy, the HR manager looks for the possibilities of internal and external recruitment, only when the request of the head/manager of the relevant department comes to him and budget is available, under the following procedures:

- Recruitment will be only done against the hospital HR budget for the year. For positions over and above the budget, department heads must get the special approval of the COO/MD with CEO consent.
- Department heads that require new personnel / replacement must obtain a blank 'personnel requisition form' from HRD and submit it to HRD in order to initiate the process of approval.
- 3. The department of human resource and development will screen applications according to how well the candidate's qualification, experience, and education, matches the requirement of the job description of the target job.

- 4. The department of human resource and development will send all screened applications to the concerned department head for short listing and scheduling of panel interviews. However the final interview will be called by the HRD with the coordination of all concerned and consents through email, telephone, letter etc.
- Black listed applicants or ex-employees who terminated / resigned on 24 hours' notice will not be short listed for interviews.
- 6. The department of Human Resources & Development will issue an "Interview Evaluation Form, to each interviewer before the interview.
- 7. When an applicant comes for an interview, he /she will go to the department of Human Resources & Development first, from where his-her document will be processed for interview.
- 8. The interview may also be conducted out of town, at the discretion of management.
- 9. After the panel selection of an applicant (if required then 2<sup>nd</sup> interview will also be conducted on the discretion of panel), applicant will be instructed by the HRD to be appeared in pre-employment medical test by Shifa Employee Health Clinic (SEHC).

- 10. Applicant declared medically fit by SEHC will only be given joining on the recent coming Monday, however an applicant fails to get fitness certificate will be considered disqualified.
- 11. On declaration of medical Fitness the department of Human resources & Development will prepare an "Approval for Hire Form" that must be signed by the CEO/COO/MD and on the joining of the employee the Department of the Human Resources & Development will prepare a "Joining Report".
- 12. The Department of Human Resources & Development will conduct an orientation of new starters on each Monday.
- 13. After the orientation process and pre-employment physical test declaring them medically fit, the Department of Human Resources & Development will prepare the appointment letter (within 3 working days), which states all the terms and conditions of the employment with the hospital. Each page of the letter will be signed by the CEO/COO/MD and the employee. The Department of Human Resources & Development will make two photocopies of the signed letter, and will distribute the letter as follows;
  - One copy to Finance Department
  - · One copy to employee Personal File
  - And original copy to the employee

The conscious processing of the above mentioned policy and procedures of recruitment and selection have revealed two types of staff; part time worker and the full time workers.

The analysis also discloses that the procedures for the permanent staff and part time staff are different; therefore separate policy and procedures are stated for part-time employees in the HR manual.

The Purpose of part time employee policy is to define the working hours and benefits of part time employees under the following policy statements:

- 1. Scheduling of part time employment hours will be based on organizational needs.
- Employees working less than 50% of the weekly full time hours (i.e. 50% of 48 or 45 hours) will receive no benefits.
- 3. Employees who work 50% or more of the full time hours will be entitled to the following leaves when they have finished their probation period and have become a confirmed employee:
  - 5 sick days and 5 casual days per month
  - Annual leave day for each month when the employee worked 50% or more of the full time hours.
  - Annual leave can be availed after 6 months.

- 4. Based on the needs of the Department, part time workers can be scheduled to work any portion of any shift, or to work for an entire shift.
- 5. Part time workers may purchase a transportation utility pass and use the hospitals regularly scheduled transportation service. Transportation outside of the regular transportation schedules, however, will be based on availability.

The above mentioned policy rules illustrate recruitment parameters about part time workers who are hired on contract whereas in SIH there are two types of part-time employees; daily wages employees and contract (monthly payment with other benefits) employees. In order to initiate standard practices and transparent process of daily wage workers SIH management has formulated specific purpose, policy and procedures wage labour policy.

The main purpose of Wage labour policy is to have a provision for hiring daily wage workers when the hospital has special, short-term labor requirements within the frame work of following policy rules:

- 1. Daily wage employees may be hired for periods (for up to 90 days).
- 2. Daily wage employees are not entitled to receive any benefits.

- A renewal of the contract may be offered at the end of the 90 days work period.
- Daily wageworker will require completing their necessary documentation with HRD.

The above mentioned policy rules are operationalised through following procedure:

- 1. The Human Resource Department prepares an appointment letter for the employee specifying the duration of the work period (which must not be more than 90 days). The Human Resources Department sends a, copy of the letter to the Finance Department.
- 2. One week prior to the expiring date of the employee's contract, the Department of Human Resources sends a letter to the employee's Department Head initializing him/ her of the upcoming expiration date.
- 3. The Department Head decides whether to retain the employee or to close the contract. The Department of Human Resources then notifies the employee, in writing, of the Department Head's decision. However, employee's regular appointment status (which is requested by concerned department heads) is subject to the availability of vacant / approved position.

Contrary to part time and daily wage workers acquired through external recruitment; the permanent and regular workforce is attained through both internal and external recruitment. Internal recruitment and selection process is done for all posts, however in case of unavailability of suitable person external recruitment is considered. On the opening of a vacancy, the HR manage prefers to promote an old worker to this post; consequently he reviews the past performance of the workers and would like to fill the post with appropriate persons from within the organisation.

According to the field data, internal selection in Shifa is done through job promotions, transfer as well as contacting with the former employees who are available and interested for rehiring. In other words, internal selection (in Shifa) is linked with job ladder and also with the practices of promotion and compensation based on the good results of evaluation. Ms Sumaira, the key informant highlighted that as the case for promotion from within SIH rests on sound arguments so we prefer internal selection on external one; anyhow in case of unavailability people are hired form the market. She further disclosed the reasons of this priority while identifying that due to special characteristics of Shifa (a medical corporation) and critical nature of performance even simple jobs required familiarity with the people, procedures, and policies. Therefore a promoted person being fully aware of the unique organisational and system could perform better. She also linked it with issues of job satisfaction, job motivation and strategic loyalty of employees with the organisation as they get job security and identify their long term interests with hospital.

The department of HR has a clearly defined policy on internal selection; a person with three good evaluations (annual evaluation) would be promoted as per the availability of the post. In this way, internal selection through promotion considerations is based on both time and performance. Another way of internal selection in SIH is rehires or recalls. The HR coordinator Mr Iqbal pointed out that they would like to recall their former good workers (willing to rejoin). Due to their familiarity with procedures and system of the organization they could perform better than the newly hired employees.

Transfer from one department to another department is again a popular strategy of internal selection but this is done under the policy of transfer given in HR manual--the bible of HR practices in Support Wing. The purpose of transfer policy is to ensure that employee transfers are done in the best interest of the hospital and the employee. The various components of the transfer policy are given below;

- 1. At any time, management may make a request for an employee to be transferred.
- 2. Employees may request a transfer within the Shifa International Hospital or Shifa family (SCM, SCN, TMF, SF) after spending 6 months in one job.
- 3. NOC should be taken by employee before appearing in the initial interviews.

- 4. The Department Heads of both departments/ Shifa family must approve the transfer / NOC. If the employee's present Department Head opposes the transfer, he/she must provide justification for not permitting the transfer. If the employee continues to request a transfer and the receiving Department Head wishes to accept the employee, then the issue will go to the COO / MD / CEO for a decision.
- 5. After mutual understanding of both the Department Heads for the transfer, the employee's Department Head may hold the employee for a maximum of three months (to allow ample time to find a replacement).
- 6. An employee wishing a transfer to another department must complete a "Request for Transfer" and get it signed by both Department Heads. The procedures to execute this transfer policy allowing the workers to be transferred from his department to another department are as follow;
  - a. An employee wishing to transfer to another department must obtain a "Request for Transfer" form from the Department of Human Resources. After completing the form, the employee must get it signed by both the present and future Department Heads.
  - b. The employee must submit the completed and signed form to the Department of Human Resources, who will forward it to the COO/MD/CEO for a firm decision

- 1. All new employees will be hired for a probation period. During this period, supervisors will evaluate the performance of new employees to determine their suitability for being employed in the hospital.
- 2. If, during or at the end of a probationary period, a supervisor feels that an employee is not suitable for working with the hospital, the supervisor must instruct the Human Resources Department to issue a letter to the employee clearly stating that he/she will not be confirmed. Failure to inform the employee of non-confirmation by the confirmation date will result in an automatic confirmation.
- 3. All the employees will be evaluated for the period for 3 months; however this probation period can be extended to 6 months.
- All the authorized leave during the probation period will be considered as leave without pay.

The above mentioned probation policy is further actualised through the following procedures mentioned in the HR manual:

 The Department of Human Resources will send a "Job Confirmation Advise" form to the Department Head three weeks before the employee's confirmation date.

- 2. The department head will complete the "Job (confirmation Advise" and sign it. The department head will then submit the form to his/her Division Head, who will review it and sign it. After both the department head and the division head have signed the form, the employee must read the form and sign it. Finally, the department head must submit the completed and signed "Job Confirmation Advise" form to the department of human resources at least one week before the employee's confirmation date.
- 3. Depending on the instructions in the "Job Confirmation Advise", the department of human resources will either prepare a confirmation letter for the employee or a letter informing the employee that his/her probation has been extended.
- 4. The department of human resources will forward the letter to the employee on the same day, or the day after, his/her confirmation date. The department of human resources will also send one copy of the confirmation letter to the finance department, and will put one copy of the confirmation letter in the employee's personal file.

During the probation period the applicant is asked to provide a minimum of three references. The purpose of the **reference policy** is to verify the character of new employees before they are confirmed for employment. The following are the various components of this policy:

- The job candidates will be required to submit the names of three professional referees to the department of Human Resources.
- 2. Relatives will not be accepted as referees.
- 3. The referees must be people of good standing in the community who have known the candidate during the last three years. When the candidate has been employed in the past 3 years, out of three, one of the referees to be from previous employer.
- The failure of providing referees will be sufficient grounds for not confirming an employee.
- The Department Head will evaluate the information obtained from referees, and will have the authority to confirm or not to confirm the employee based on this information.

The HR department during the probation period cross checks the authenticity of the character of the worker as well as on job professional competencies through the process of performance appraisal. The purpose of Performance Appraisal System is to develop an efficient system of work evaluation of employees and also provide the guidelines to the appraisers to evaluate their staff objectively as it will help to improve job

performance, facilitate professional development, and enhance organizational effectiveness. This purpose is tried to achieve through the following policy statement:

- 1. Two types of performance appraisal will be used in the organisation;
  - a. Confirmation Advice
  - b. Annual Performance Appraisal
- 2. The policy regarding confirmation advises;
  - a. The performance of the all employees must undergo a confirmation advice before the employee is confirmed.
  - b. The department of HR will forward a "confirmation advise form" to the employee's immediate superior three weeks before the proposed confirmation date. The appraisal will be done by the immediate supervisor and reviewed by the next level of management before it is discussed with the employee. The appraisal form must be returned to the department of HR one week prior to the confirmation date.
  - c. If the employee is to be confirmed, the department of HR will send a letter of confirmation to the employee. If an extension of probation is required to evaluate the employee. If the employee is to terminate, he/she will be notified in writing.

- d. While reviewing the confirmation advice with the employee, the supervisor must inform the employee of any short comings in the employee's performance, and explain any behavior/performance improvements that are expected.
- 3. The policy regarding performance appraisal is as following:
  - a. Appraisal shall be initiated for all regular employees who are not on probation.
  - b. Salary increases will be based on job performance.
  - c. A performance appraisal will be done in the month prior to the employee's anniversary date, and any salary increase that is awarded will begin in the month of the anniversary date.
  - d. Performance appraisal will be done by the immediate supervisor and will be reviewed by the next higher level of management before being discussed and signed with employee.
  - e. Department heads/supervisors are instructed that they shall begin preparation for appraisal at least fifteen days before the due date. The preparation process involves review and holding a

preliminary meeting with the employee and employee preparation of self-appraisal.

In Shifa performance appraisal ideally is done on the basis of the performance management process, in which objectives are developed and targeted at department, team and individual level performance. Performance rating and impact of the result of performance appraisal are declared subsequently. These four stages on which performance appraisal is based are mentioned objectively in human resource manual.

## 4. Setting Objectives:

The core of the performance appraisal is based on the right performance management that is management by objective; every manager is required to set specific measurable objectives for their departments. The performance targets setting require;

- a. Adhere to SMART rules; target should be specific, measurable,
   achievable, realistic and time bound.
- b. Target should be challenged and in direct proportion to position and grade.
- c. Department targets should be in accordance with the company targets
- d. In case the department position is falling simultaneously under the technical head and the administrative head, the objective shall be set by both the administrative head and the technical head.

#### 5. Implementing Objectives (Communication and Coaching):

- a. Performance management is an ongoing, daily responsibility.
  Supervisors and managers should review activity, ideas,
  performance, progress etc with employees at least once a month.
- b. Reviews must contain comments on duties that are rated unsatisfactory, acceptable, commendable, or outstanding, and feed back to employee timely.
- c. The monthly performance rating and analysis of each factor should be discussed with subordinates, if someone is rated below unsatisfactory category; the supervisor shall coach the to improve performance to fulfill the targets, making an improvement plan together with subordinate and guide them to attend relating training.
- d. Communication should go through all stages of performance management.

#### 6. Performance Rating:

Firstly, employees should accomplish the self-appraisal based on their roles in departmental objectives completion. Secondly administrative and technical heads evaluate and rate the performance, finalizing the score and

category, then provide feedback to concerned employees and communicate with them.

The result of performance appraisal includes two parts:

#### a. Scores

The score is given based on their contribution of departmental objectives completion.

## b. Categories

The appraisal categories and required scores are as follows:

E= Excellent: 90-100%

V.G= Very good 75-89%

G=Good 56-74%

S=Satisfactory 41-55%

U=Unsatisfactory under 40%

The performance category could be defined as under:

E=excellent: where the employee's performance is consistently exceptional, greatly exceeds the job expectation in all or most of the areas. This rating is given to only a small percentage of employees.

V.G= Very Good: job performance is above job expectations in most of areas and recognition is warranted.

G=Good: Job performance is above the basic standards in all areas and up to expectation in most areas.

S=satisfactory: the performance hardly meets the basic job expectations in most areas and no improvement has been observed.

U=unsatisfactory: the performance never meets the basic

U=unsatisfactory: the performance never meets the basic standards even in the minimum areas.

Percentage of employees qualifying in each Main Head for every category:

The maximum and minimum number of employees in each category will be as follows:

E= Eexcellent: up to 5%

V.G= Very good up to 42%

G=Good up to 42%

S=Satisfactory Minimum 10%

U=Unsatisfactory under 1 %

#### 4. Impact of the result of the performance appraisal:

- a. Annual performance awards, as well as salary adjustment, promotion and job rotation should be relative to the result of performance appraisal.
- b. Managers shall announce the quota (through GM Finance) for rewards and salary increments annually as per the profitability of company business. HR department shall formulate the method for the distribution of rewards.

## 5. Salary Adjustment and Promotion

- a. Employees who get E will enjoy the priority if there is any promotion or an opportunity for salary raises (strictly depending upon the available budget for the raise in salary).
- b. If, an employee got promotion but his/her performance did not remain up to the standard of the designation, his/her case shall be referred to Assessment Committee (consist of division head, HR representative and Concerned manager) for re-evaluation.
- c. The assessment committee shall mark and re-mark about employee's ability and send the case to HR department for obtaining final approval from COO/CEO/MD.
- d. For some special achievement, Management may grant special promotion/reward/ increment from time to time.
- e. If any employee secures S (satisfactory), the HR department will serve notice for improvement and will stop the increment for three months. During three months the department head will arrange for his/her training on consultation with HR and set bench marks for improvement. After three months a new appraisal will be conducted and if the employee is able to alleviate his/her performance to "G", he/she shall qualify for the increment effective from the date of new appraisal, however if the employee fails to show any improvement he/she can be demoted or else can

be served one month termination notice. However such termination shall be subject to the approval from COO/MD/CEO.

f. If any employee secures U (unsatisfactory) he/she shall be served a one month termination notice. The termination for such employees shall be subject to the approval of COO/MD/CEO.

The manager has the right to demote any employee on the recommendation of respective department. The concerned Head will justify to the employee for this decision.

g. The employees terminated by the company during one performance period or whose contracts have not been renewed by the company after the contract termination date can be attributed to U (unsatisfactory) category in the final appraisal analysis of the respective department/division.

h. Employees who leave the company through resignation in any case will not be attributed to U (unsatisfactory) category.

The above mentioned clearly defined policy of performance appraisal is further supported by systematic steps of following procedures:

1. The department of HR will send the appropriate appraisal form to the employee's rater (usually the department head) one month prior to the employee's anniversary date (in case of annual performance appraisal) and

three weeks before the employee's confirmation date (in the case of confirmation advice).

- 2. The employee will complete the self-appraisal process through the employee work report form. The immediate supervisor/ department head will rate the appraisal form and sign it. After completing and signing the form, the rater will forward it to the reviewer (usually the department head, division head) for review. The reviewer has the rights for the final decision and can recommend the changes in the ratings.
- 3. The reviewer will review the appraisal that is conducted by the rater. If the reviewer agrees with the appraisal, he /she will sign the form and return it to the rater. If the reviewer disagrees with the rater's appraisal, he/she will discuss the rating with the rater. In the exceptional cases and when the reviewer is at a higher management level than the rater, the reviewer may change the rating.
- 4. After the rater and the reviewer have both signed the appraisal form, the rater will discuss the appraisal with the employee. If the employee accepts the appraisal, he/she will sign the appraisal and leave it with the department head. The employee will be permitted to write comments, if he/she wishes to do so.

- 5. If the employee disagrees with the appraisal, the rater, reviewer and employee will meet to try resolving the issue. The employee will sign the appraisal form when the issue has been resolved to his/her satisfaction.
- 6. The department head must submit the appraisal form, completed and signed by all three parties, to the department of human resource one week prior to the employee's anniversary or confirmation date.
- 7. After receiving an annual performance appraisal, the department of HR will determine the employees' salary increase based on the percentages that were approved for different grading by the available salary structure.
- 8. The department of HR will forward a salary increase letter to the employee by the time the new salary comes into effect. The department of HR will also send one copy of the letter to the accounts department and one copy to the employee's personal file.
- 9. In case of an employee confirmation, the department of HR will send a letter of confirmation to the employee. The department of HR will also forward one copy of the letter of confirmation to the accounts department, one copy to the employee's personal file.

- 10. If an extension of probation period is required, the department of HR will notify the employee in writing.
- 11. If an employee feels aggrieved because of the performance scores awarded to him/her, may first consult his/her immediate supervisor for resolving the grievance, the supervisor should response to the employee concern within ten days of expression of grievance, if the supervisor does not respond then employee can contact the head of department / division head or HRD.
- 12. Employee annual performance appraisal for assistant manager and above will only be signed by CEO/COO/MD, the rest of the appraisals would be signed by Sr. manager HRD, however, HRD will discuss with CEO/COO/MD, if required.
- 13. All department/sectional heads will keep an employee personal work performance record on day by day basis to make the appraisal more effective.
- 14. In any case of dispute decision taken by the HR should be treated as the final decision.

The above mentioned illustrative policy statement and procedures of Job appraisal are developed and presented in the HR manual to initiate a fair, impersonal and transparent compensation system supporting workers for good performance while taking regulative measures in case of negative behavior. In this regard HR manual presents promotion policy, longevity bonus and staff welfare policies are devised whereas disciplinary action and termination policies are also chalked out and presented in HR manual.

I will start with the policy for **medical care benefit** which is devised to provide health care benefits to employees and their dependents through an insurance company and premium will be paid by SIH. This purpose is acquired under the following Policy rules:

- Daily wage and part time employees will not be eligible for health care benefits.
- Health care benefits may be used for the employee and his/her immediate family. The employee's immediate family is the employee's spouse, and children.
- 3. To receive the health care benefits, the employee or eligible dependent must visit EHS or pay for health care services received (if entitlement is in process) and then request reimbursement from SIH.
- 4. Employees may pay for health care received at Shifa International Hospital through pay roll deduction (if they are not entitled for medical

benefit or their total bill exceeds the authorized limit). This facility will be extended only up to 75% payable of employee salary/ benefits (Employees who are on probation may not require' pay roll deduction).

- 5. To be reimbursed for the amount paid for health services (outside the SIH), the employee must submit receipts along with medical bill, doctor's complete prescription, diagnostic test and procedure (if any) to the Department of Human Resources; The receipts must indicate the name, address, and telephone number of the doctor or institution who provided the service, the date on which service was provided, the type of service that was provided, and the amount that was paid.
- 6. Employee must submit their OPD bills to the Department of Human Resources and IPD bills to Patient Services Department personally (reimbursement claim form can be obtained from HRD).
- 7. The Finance Department will issue a reimbursement to the employee with the coordination of HRD and PSD.
- 8. Employees who receive health care services while on probation have to keep their health care receipts and may apply for reimbursement after they are confirmed (this reimbursement is only subject to the agreement with insured company).

Besides the medical care fund, SIH management has also developed a **Staff welfare**policy for its staff. It is developed with a purpose to reduce the burden of excessive (out of limit of medical benefits) medical amount from the employees in accordance with the following policy statements:

- Excess Medical Amount Fund will be based on employee's voluntary contribution from their salaries.
- Those employees, who will not contribute, will not be eligible for this fund.
- All those permanent employees who are entitling for the medical benefit can contribute in this fund.
- Employee who crosses the limit of entitled medical benefit only be entitle for this benefit.
- 5. Full excess medical amount or limited percentage will be paid from the fund after the approval of GM, Finance/ COO with the consultation of Social Welfare Association Committee (SWAC).

Those above mentioned positive reinforcement techniques are a very important part of SIH compensatory policy. These positive strategies are used as pull factors while disciplinary action & termination policies and procedures are incorporated in the HR manual as push factors to regulate the workers for achieving the organisational targets of profit maximization and market sustainability. Here I am going to present the policy and procedures of disciplinary action as a part of compensation policy to better understand the theme line of compensating the workers in accordance with different nature of their performances:

The purpose of disciplinary action policy is to prevent, reverse, or eliminate employee behavior that is detrimental to the hospital while generating right behavior through adhering the rules and regulation. The salient features of this policy out lined in the next paragraphs will help to understand this compensation system in a more 'holist' manner.

- 1. All employees are expected to maintain the highest standards of work performance, conduct, comply the Personnel Policies, Procedures, rules and regulations of the organization. Employees who violate the organization's policies, rules, and regulations will be subject to disciplinary action. Serious disciplinary action against an employee will only be taken after a fair and just hearing whereby the employee will have a chance to present his or her point of view.
- 2. Disciplinary action will consist of one or more of the following measures, depending on the nature of the offense:
  - Verbal counseling

- Written reprimand
- Suspension from work
- Withholding the employee's annual merit increment or promotion for a specified period (not to exceed 2 years)
- Termination of employment, with full benefits
- Dismissal for misconduct, without benefits.
- 3. An offense will be classified as a minor or major. Minor offenses include:
  - Habitual tardiness
  - Absence without authorization
  - Misuse of the leave policies
  - Interference with the work performance of another employee
  - Improper clothing (not following the organization's dress code)
  - Indulging in hobbies, recreational games, or doing work for third parties while on duty.
  - Showing carelessness and/ or indifference while carrying out work responsibilities
  - Any other offense of a similar nature.

- 4. Major offenses will be referred to as misconduct. Major offenses include:
  - a. Insubordination, or willful disobedience, whether alone of in combination with others, towards any lawful and reasonable order from a senior employee in the hospital.
  - b. Theft, fraud, or dishonesty in connection with the organization's business or propriety
  - c. Willful damage of the organization's property
  - d. Taking or giving bribes
  - e. Unauthorized absence for more than 10 days (see number 5 below)
    - f. Riotous or disorderly behavior or subversion of discipline on the organization's premises, or off the premises but directed towards the organization
    - g. Habitual negligence or negligence of work
      - h. Striking or inciting others to strike in contravention of the provisions of any law or rule having the force of law
      - i. Breach of confidentiality by disclosing confidential information pertaining to patients, other employees or the organization's business
      - j. Physical or verbal abuse of students, visitors, other employees, or any other person present on the hospital's premises

- k. Unauthorized possession of arms or use of intoxicants or illegal drugs
- I. Immoral or indecent behavior Continued minor offenses for which initial disciplinary action has already been taken
- m. Being engaged directly or indirectly in other employment (applies to full time workers only) Using hospital resources for personal gain.
- n. Frequent repetition of: breaching rules or orders; improper behavior; making false or misleading statements; malingering, inefficient, dilatory, careless or wasteful working
  - · Any other Unprofessional behavior
  - · Sexual harassment
  - Consumption of alcohol and drugs.
  - Any other offense of a similar nature.

Disciplinary action for minor offenses includes verbal counseling or written warning. These actions will be administered by the department head. Disciplinary action for major offenses (misconduct) will be administered by the manager of human resources in consultation with the department head. In view of the possible legal complications, department heads are obliged to inform HR manger in case if any serious misconduct occurred in their department. In case of serious level misconduct workers are fired from their job under the termination policy presented below. The main purpose of this policy

is 'to terminate the services of employees who are not required or are not suitable for employment in the hospital'. The following are the prominent features of this policy:

- An employee's services may be terminated, during or after the probationary period, if the work performed does not meet the standards of expectation of the hospital.
- 2. An employee's services may be terminated during the probation period, without reason, and with 24 hour notice.
- 3. For any 24 hour resignation after confirmation prior approval of COO is required for the processing of resignation by HR, along side no experience will be issued to such employees, however CEO/COO/MD has the authority to waive off this condition.
- 4. If a supervisor feels it is necessary, he/she may terminate the services of a permanent employee immediately. In cases involving misconduct, the employee's services will be terminated without pay or benefits; otherwise, an employee whose services are terminated without notice will receive the equivalent of 30 days' pay.
- 5. No employee's services will be terminated without first consulting the COO/MD/CEO. Employees leaving the organization due to termination or

resignation must complete a "Clearance Certificate", obtaining all signatures, before final payment will be issued.

The above mentioned policy rules are translated in to the following procedures for regulating employees in the oragnisation.

- 1. Except the serious cases, which warrant immediate termination, the employee's supervisor must try all reasonable disciplinary actions before proceeding to the final option of termination (e.g. verbal counseling, written misconduct forms, etc.). The Department Head must keep a record of all these actions, and must forward all notices to the Department of Human Resources so they may be submitted in the employee's personal file.
- 2. When termination is the only course of action, the employee's Department Head will submit a letter suggesting the employee's termination to HR and Development. The letter must include the reasons for the termination, and must describe all previous actions taken, and which led to the decision to terminate the employee.
- 3. The Division Head will review the recommendation, approve it, and forward it to the Department of Human Resources.

- 4. The Department of Human Resources will issue a 'Show Cause Notice' and wait for an explanation from the Employee. If the explanation is not satisfactory then the department of HR Dev will issue a termination letter to the employee before giving the "Clearance Certificate". The Department of Human Resources will wait until receiving the completed "Clearance Certificate", signed by all appropriate Department Heads, before proceeding any further with the termination process.
- 5. Upon receiving the "Clearance Certificate", a clearance letter will be made. The letter will include an account of all final dues. The Department of Human Resources will send one copy of the termination letter to the employee, one copy to the employee's personal file, and one copy to the Finance Department, so they can prepare the final dues.
- The employee's final dues will be settled within 07 working days after the receiving clearance certificate.
- 7. HRD must ensure that the clearance certificate must be completed and submitted on the last working day of the employee. A list of employees whose clearance certificate is not received by HRD will be send to COO and Finance department at the end of the each month.

In this chapter, I have presented and discussed the HR policies and procedures of selection, job evaluation and compensation followed in Shifa to understand the implicit assumptions and explicit constituents on the basis of which these are developed. These rules and regulations have reflected the principle of equity with the basic constituents of individualism, egalitarianism and impersonality as the basic foundations of these policies. This understanding will facilitate to discuss, interpret and analyzed the field data presented in the forthcoming chapters and explore the nature and style of human resource management practices and employee relations at Shifa International Hospital.

# Human Resource Management Practices in Shifa

This chapter aspires to depict the ways employees are hired, evaluated and compensated at Shifa during the time (Oct 2004 - Feb 2007) of my fieldwork. The basic postulation offered in this chapter is that culturally embedded institutions influence individual as well as collective interaction and social integration of people in both informal and formal settings. As observed in Shifa, when local employees are administered on diffused human resource management concepts and practices then these (concepts and practices) are redefined and utilised in accordance with the indigenous cultural values (as mentioned by Laurent 1986; Tayeb 1998; Shaules 2007). The process of redefining transforms the less relevant rules and regulations (of diffused model) into generally acceptable practices. It also facilitates the management to develop more 'holistic' practices by combining (synergistic approach) the best elements from local as well as diffused employee management model (as shared by Trompenaars 1994:177). The role of HR professionals is very important in 'contextualising' (situation fit redefining) the diffused model for developing wide-ranging practices to satisfy the opposing requirement of contemporary business (International Standards of Operation) and culturally embedded expectations (penetration, favours etc.) of employees.

In Shifa, I observed that locally trained HR managers could better synchronize employees' aspirations with standards of diffused model as compared to foreign trained managers. I found that the former group of professionals appreciated local values,

therefore they considered these values while following standardised rules and regulation; whereas the latter group took it as a bunch of obsolete concepts which had nothing to do with employee management practices in urban organisation. Therefore, the positive perception of locally trained managers' about the indigenous wisdom and its consideration in employee management decisions enabled them to play a proactive role in developing cultural fit HR practices, besides winning the support of both, management and the workers. This also allowed them to 'maintain balance' between local aspiration and international demands which has been considered pivotal by Trompenaars (1994;3) for business success in globalised market.

As discussed earlier (in chapter 2), 'Braderi' (brotherhood) is considered the basic institution of social organisation in Punjab (Alavi 1978); people interact and relate themselves with each other on the embedded assumptions of Vartan Bhanji, the mechanism of reciprocal exchange and obligations (1978; Eglar 1960).

In spite of embracing different perspective on 'braderi' members/people among whom 'Vartan Bhanji' relationship is maintained, Eglar (1960) and Alavi (1978) have unanimously categorised this relationship into two types; Pakki Vartan and Katchi vartan. This classification is based on the nature, intensity and persistence of relationship (1960, 1978). The people upholding 'Pakki vartan' used to have a strong and permanent relationship with highest levels of expectations from each other rather than those with whom they maintained 'Katchi vartan' (1960 1978).

Stephen Lyon, a German anthropologist, who closely studied Pakistani society, has rightly pointed out that reciprocal expectations of Vartan Bhanji have worked as the embedded assumptions in almost all types of relations (family, political, religious as well as economic) (2002:98-99); as kin expectations are transposed on non-kin relations (2002:1-2). He also has argued that employee/employer relations are maintained on obligatory expectations of Vartan Bhanji which are specific to kin relations (or 'braderi' relations) (2002:98).

Keeping in mind the above mentioned discussion, it can be rightly concluded that seyp relations existing in almost all the regions of Punjab (Elgar 1960; Ahmad 1977; Chaudhary 1999) are also maintained on the implicit assumptions of 'Vartan Bhanji' (Lyon 2002:98-99). Eglar (1960) depicts seyp (obligatory work relation) relations as the work contracts between groups which spin around the occupational specialties of families which once created, endure across generations (1960:35-36). The obligations between landlord, farmer and service provider are binding (1960:35-36). In seyp system, wage of a worker is not fixed; it could be more or less than the labour maintained (Lyon 2002: 98). But she/he is adequately compensated by the employer (2002:121-122). The true understanding of this (employee-employer) relationship is that it should not be taken as mere economic relation since it is a 'social and moral relationship whose obligations are felt by both the parties' (Eglar 1960: 35-36).

It is true that significant expansion of industrialization, urbanization and government work has weakened seyp relation in urban areas of Punjab (Lyon 2002:98). Chaudhary

has rightly identified changes in seyp relations while discussing "kammis' independence" of the farmers in the region of Punjab (1999:9, 36-37). Anyhow, as an ingrained assumption of local social system the reciprocal obligations of 'Vartan Bhanji' still work as the embedded principles of labour relations not only within the rural setup but also in urban (industry) organisations (Lyon 2002: 123). Lyon has further highlighted this perspective while identifying; "labour relationships in Pakistan are not exclusively economic work contracts; they are significant social bonds...( 2002: 123)". In a recent study of human resource management practice in local and multinational organizations working in Pakistan, Khilji (2003) has unleashed the existence of this kind of social allegiances among the workers and its (social allegiance) fair impact on the employee management practices. These findings have in turn proposed the relevance of 'Vartan Bhanji' (VB) to investigate human resource management practices in the contemporary organization working in Pakistan. In line with this argument, the social theory of VB can be used as a theoretical model to explore prevailing human resource management practices in Pakistan.

It was observed during the field work that this phenomenon of social bonds existed as a basic feature of employee relations. Every employee at Shifa, no matter at what level he/she worked, would like to personally relate him/herself with his/her fellow being, supervisors and senior management. I have also observed that new inductees (those who did not have any friend or relative in Shifa) remained uneasy and disturbed until they established personal relationship with their colleagues.

Field data has clearly revealed that these social ties among management & employees and even among employees were based on the culturally embedded assumption of Vartan Bhanji. Almost all the employees in various departments (formally and informally) interacted with each other on the basic shared assumptions of this institution (Vartan Bhanji); although, the employees had to meet some professional standards and targets. Anyway quite interestingly, these professional goals and objectives were achieved through personal connections of the employees in their own departments, in other departments, in other wings, in other organisations and at large in the society. To put it straight forward, it can be inferred that professional objectives are achieved through personal relations and connections.

Anyhow, it is of vital importance to highlight that employee relations prevailing at Shifa were not exactly similar to the customary ways of interacting and relating oneself with others; nonetheless it was to some extent similar. Because unlike traditional organisations, Shifa being a limited company (enlisted on the stock exchanges of Karachi, Lahore and Islamabad) had to follow International Standards of Operations (e.g. ISO 9000, 9002) as well as other international management models (Annual Report 2005). Although it was witnessed that these models were flexibly used to satisfy the employees accustomed to personalised ways of interaction and work handling. But even the limited applications of these models had changed the prevailing trends of employee relations and regulation practices apart from established ways of workforce management in Pakistan.

The employee management practices at Shifa, actually, exhibited confluence of customary style of personalised employee administration and impersonal diffused human resource management model. To better explain this point, I would like to maintain that in accordance with different situations the employee regulation practices at Shifa reflects a continuum of diffused as well as indigenous cultural components i.e. individualismcollectivism, equality-inequality and gender egalitarianism-differentiation. In other words it means that employee management practices are not yet standardized; and it diverges according to changing demands of different situations (from personal to impersonal or vice versa). In order to explore the influence of cultural continuum on the execution of HR policy (depicting diffused HR model), I will provide a brief history of employee management history of Shifa which actually sets the stage for the contemporary HR practices. I will then discuss prevailing practices of selection, job evaluation and compensation to reveal that these practices, reflecting various shades of cultural continuum, are more appropriate to achieve organisational goals in the contemporary business market. In the final section, I will present the case studies of human resource and training managers (who served during my field work in Shifa) to justify that only those managers will be able to sustain their career with Shifa (following international standards in local setting) who can maintain the balance between local aspirations and international standards.

In Shifa, the employee relations are consciously initiated and managed for making the best use of the local workforce to create an international standard organisation in Pakistan. As discussed earlier the pioneer team of Shifa has initiated the whole system of

this organisation through mobilizing their personal/social network (for details see chapter 3). Therefore, the senior management has strongly believed in the relevance of these networks in the sustainability of Shifa. With this particular background, Shifa initiated its out-patient services on June 26, 1993 with a team of professionals and employees who maintained direct or indirect relationship with the founding members or with each other. This work team being aware of organisational objectives and each other's' aspiration was very motivated, dedicated and loyal to team members as well as to the hospital management. Therefore, the services offered to hospital patients were of high quality that established good rapport of the organisation in the surrounding. Consequently, Shifa was flooded with patients', and new employees were inducted to effectively manage the pressure of patients besides maintaining the quality of the service. This induction comprised of the relatives or close friends of the pioneer employee team.

These practices of hiring new workers on the recommendations of old employees carried on till 1994. In 1994, HR manual depicting western management principles of individualism, equality and egalitarianism was designed to solve the various employee problems faced by the management e.g. collective leave, imbalance work pressures, professional in-competency and an immense increase in the number of employees.

The major challenges posed by prevailing personalised hiring was the collective leave of a good number of employees belonging to one family, same biradary, and same region or even sharing same social circle working in the various departments of the hospital. These leaves were taken without prior information to the management due to death, marriage or any other important shared event or activity. On these occasions, it used to be very problematic for Shifa management to properly run the various interdependent operations of the organisation and provide quality services to its clients. The critical nature of cliental service (medical and surgical services) also added to the severity of this problem as delay in one aspect of service could endanger the life of patient as well as repute of the organisation. Different measures were taken to resolve this issue but all efforts proved fruitless; it was an essential social obligation for the individuals to attend these events and support relatives rather than performing economic and relevant professional activities. Hence, this problem perpetuated and forced the senior management to find a suitable alternative to socially interlinked workforce of relatives and friends.

Another very important issue that reinforced to consider impersonal management system was unequal work pressures due to overlook of technical skills in case of relation oriented induction. It was witnessed in the field that usually employees when working at behalf of their close relatives/friends did not complain for the work overload but it affected the quality of their work and caused serious problems.

Above all, the immense increase in the number of employees, from a group of few interrelated members to a workforce of various hundreds, persuaded senior management to
initiate a formal system of employee regulation. It was believed that personal level
management could not be able to effectively regulate large number of employees. Due to
the close exposure of Board of Directors and senior managers with the American medical
organisations & management style, they selected American model of impersonal, equality

oriented egalitarian management system to improve the prevailing management system at Shifa.

The last but the most important reason to execute impersonal employee management policy was to improve the quality of organisational operations by following the international standards of operations (ISO 9000-9002) and other management techniques for example total quality assurance (Annual Report 2005). Even the limited implications of these models have facilitated Shifa management to successfully achieve the impression of a 'modest medical organisation'— this can be justified with the help of the US officials' priority to get medical assistance from Shifa despite the availability of many official as well as private/ semi private hospitals in the twin cities (The Nation 2008:1).

It was not easy to execute HR policy, as workers were accustomed to personal management system. The managers as well as the workers both were uneasy on the execution of this policy and lots of resistance was experienced by the management from within and outside the organisation. The management faced great pressure but it was critically experienced by the operational managers who would have to manage the conflicting demands of seniors and co-workers; the senior management pressurised them to follow impersonal policy whereas workers' wished to be administered traditionally/customarily. This ongoing implicit conflict was further fueled by penetrations of authority figures from government departments as well as private firms. The workers and managers/supervisors—no one was happy on the execution of human resource management practices; to them these were lengthy bureaucratic procedures.

In this situation, these operational managers played the role of moderators who followed impersonal policy rules while assuming the model of father or elder brother in the family. Depending upon the ages of the manager/supervisor and the worker, the relationship was maintained and performance was managed. In case, the manager/supervisor was young, he assumed the role of a bother and at times mentioned this to his juniors that he thought for them on the behalf of an elderly brother. For example assistant HR manager who was in his early thirties and was unmarried at the time of this field work used to transpose the role of elderly brother. On the other hand senior manager patient coordination, who was in his late fifties, symbolically adopted the role of a father to transform his formal economic relationship into a close social connection with his juniors that internally motivated them to work. The personalised execution of policy rules through these relationships helped managers to achieve departmental performance targets through personal penetration. Although, it also obliged them to support their subordinates and considered their personal as well as family needs. This phenomenon promoted paternalistic management style in the target organisation where workers preferred to relate themselves to some authority figure and would depend on him for their professional survival and growth.

This sort of strategic dependence initiated obligatory relationship which yielded cordial acceptance of authority while avoidance of conflict and confrontation with one's superiors and senior colleagues. The field data revealed that any other mode of conduct was taken as an offense and would have disciplinary consequences. In other words, a management system evolved in the organisation, in which supervisors obliged their

subordinates through personalised mode of conduct. Consequently, the workers obliged their supervisors by accepting their authority while performing official as well as supervisor's personal assignments (with expectations to be considered for future opportunities).

In this general organisational setup and management style, HR manager and other professionals faced a lot of strain from the management; their colleagues in various department and workers who insisted them (HR professionals) to extend favours to their people (applicants/employees) during various operations of human resource management. Generally, they (HR professionals) resisted if there were some serious gaps between the policy rules and the profile of applicant; otherwise they facilitated the employees. It is very important to highlight here that using reference/penetration to settle an issue is quite a usual feature, and mostly managers as well as employees in the organisation (besides everyone in the society) are accustomed to it. It is so common that if a person shows indifference to this phenomenon is considered unusual—abnormal.

It was witnessed during the field work that the influence of the reference (recommendation of a resourceful person) and personal penetration (identification of related person in the decision making process and finding a reference to use him/her for getting favorable decision) varied according to the situation; in some cases it (personal influences) worked whereas in others it partly worked or did not work at all. Anyhow, on the whole management was trying to devise strategies to regulate this influence. But at the time of this research, the fair impact of these cultural patterns (personal penetration

and reference) on management decisions and HR processes were observed; although the level of this influence also witnessed to vary from context to context. In the subsequent paragraphs, management stance will be presented to understand this phenomenon.

The management accepted that despite efforts the influence of generally prevailing phenomena of personal reference, authority influence in decision making process and personal penetration could not completely be controlled; though to some extent the level of their influence could be regulated. One of my key informants, working as senior manager, informed the researchers that they faced highest level of pressure during selection process. In this regard he mentioned:

This organization does not offer very good pay packages but still people would like to join it as there are very few job opportunities in the market. But our problem is that we need technically trained people whereas most of the people come with general degrees (secondary school certificate and Bachelors in Arts). They use various powerful references (recommendation of powerful people) to pressurize us for hiring them, yet this is not possible for us as this organization is a commercial setup. However, if someone with a strong reference (recommendation) matches the qualification but lacks other skill s/he is considered in the selection process.

This view was later confirmed by a senior HR professional while discussing his true role in the department, "our role is not to control references and follow strict policy but we are here to regulate references through appropriate interpretation of policy for managing pressures especially on external and internal (promotion) selection".

The analysis of these views reflects two main points. First, culturally prevailing trends of personal penetration and references (out of VB network) influenced HR practice in the firm; and the role of HR professionals was to keep this influence within HR policy framework. Second, the highest level of pressure was experienced on selection process; actually the way a person was inducted fairly determined the other processes of HR management for example job evaluation, transfer, and promotion. In the upcoming paragraphs different types of selection categories and the role of VB considerations during these selection practices will be discussed.

#### Selection Practices

The prevailing practices of selection in the organization can be divided into two categories: recurrent (weekly) selection and occasional (regular) selection. Recurrent selection was conducted in those areas which always required more staff in a hospital for example nursing and housekeeping. Every Friday, walk in interviews of nurses and house keepers were conducted to satisfy the increasing demands of these workers. Generally in this category employees belonging to religious minority (Christians) worked and every new person joined the organization at the information provided by some old employee. This facilitation of old employees obliged both the new worker and the supervisor. On requirement of new induction, the supervisor shared the need of hiring with his subordinates who brought new employees from their social circle and consequently made

a symbolic debt on the supervisor and the new inductee with counter expectation. So at times, workers could be asked for favors in term of leave, work relaxation, and personal loans from the supervisor; while s/he could seek information, personal help and loans from the junior colleagues.

Nonetheless, this system consequently made the senior workers accountable to the management for the performance of their referred junior workers. Therefore, they trained the new workers and helped them to perform better. New inductees consequently offered respect and loyalty to these seniors as a sign of their gratitude. The seniors supported the loyal workers more in the processes of job evaluation and compensation which obliged these workers to the management and organization; in reverence they would like to continue their career with the organization in-spite of work pressure and nominal pay packages. In this way, these ongoing chains of symbolic obligation and reciprocation produced highly inter-related work teams in the firm, which personally took the work responsibility of each other and provided genuine facilitations to improve the performance of their colleagues. This point can be further clarified with the help of the following case.

## Case 1: Reference Oriented Recurrent Hiring

Barkat Masih<sup>1</sup>, 25 years, married with four kids from Faisalabad had joined the organization recently. Last year he got involved in a quarrel along with his friends, a person was seriously injured and lost his arm. The conflict had been settled somehow but an ongoing rivalry between the families did not get settled. Finally, he decided to migrate

Pseudonyms are used instead of real names.

to some other city but did not know where to go. He was a healthy strong man with life long experience of sanitary work.

His maternal uncle's brother in law (Sandho) was a permanent employee of the organisation. With the help of his maternal uncle (Mamoon) he contacted Sarwar Masih and asked for help in finding a job for him. Sarwar Masih talked to the HR supervisor, responsible of housekeeper's weekly selection and provided his (Barkat Masih) guarantee. In the interview, HR supervisor found him (Barkat Masih) to be a strong experienced man whose responsibility was taken by an efficient employee; hence Barkat Masih was appointed as a housekeeper. The HR supervisor obliged Sarwar by inducting his relative, now he became more efficient in his work beside he trained Barkat to effectively handle job requirement because he felt accountable for his performance. On the other hand, Barkat was highly indebted to Sarwar and he (Barkat) consciously tried to perform better so that there would not be any complaints against him (that could be extended to his uncle). In turn, Sarwar owed respect, help and material offerings from Barkat as well as his Mamoon (his Sandho). This not only contributed to the uplift of Sarwar's status in the organisation but also in the immediate as well as extended social circle. Now at times, he could freely ask for favours. Hence, this emotional interdependence yielded better work teams and on job performance besides giving way to a support system for the workers' personal as well as professional existence.

The case discussed in the previous paragraphs depicts that personal obligation of mutual help work as embedded assumptions of employee interaction, their performance and employee regulation practices at this level in the organisation. The system of reciprocal obligation worked as mentoring system in which old workers took the performance responsibility of the new inductee and facilitated management to handle the most difficult task of employee regulation and retention at this level.

One of my key informant in the HR team explained that the most difficult aspect of human resource management in a medical organisation was the regulation and retention of the nurses and house keepers, because they mainly belonged to religious minority groups and different behavioral problems were experienced if hired without the reference of an old employee. She further highlighted that in case of referred nurses and housekeepers the responsibility placed on the senior/old worker who knew the inductees and their families personally; in case of any problem (late arrival, absence, or even theft) the senior/old worker performed the role of a mediator to resolve the issue. Consistent with this discussion it can be rightly inferred that despite the execution of the impersonal HR policy, induction of shop floor workers was commenced on the recommendation of the senior/old employees. This on one hand helped the management to attain reliable work force, gain better performance & control the drop-out rate of these shop floor workers whereas on other hand establish a system of effective work teams that consequently support each other in professional as well as in personal domains.

Contrary to weekly (recurrent) staffing, the field data has disclosed that regular hiring was conducted through informal and formal sources as per the requirement of the situation. Although, on priority management wanted to bring new workers from the circle

of relatives and friends; but in case of non-availability—a formal process of recruitment and selection was initiated. The job was normally advertised in Urdu or English newspapers depending upon the nature of job and its relevance with the target population for attracting a reasonable number of applicants. Formally, external recruitment followed by various steps of screening, job test, and job interview to select the right applicant for the job. Yet, the length of these procedures depended on the background of the applicant. If the applicant was coming with the reference of some old employee then it based on the rapport of that old employee with the department head and HR manager. The following case can better illustrate this process of selection.

### Case 2: Regular Hiring and Personal Influence

Rehman<sup>2</sup>, 32 years, son of a government officer, unmarried, an MBA from Preston University-Islamabad, has been working with the organization for the last four years as a marketing officer. Eight years ago, after the completion of MBA finding a job with this degree was not easy task. It was very frustrating for him to acknowledge that he would never be able to get respectable job on the basis of his MBA qualification. He was desperate to get any job. During this period, his mother got heart attack and was admitted in the hospital. She stayed here for one week; and was regularly visited by relatives and family friends. One of his father's friends (working in a pharmaceutical company) visited them who introduced Rehman along with his father to Mr Ashal – assistant manager in marketing department.

<sup>&</sup>lt;sup>2</sup> Pseudonyms are used instead of real names.

Later, Rehman contacted Mr Ashal for job. He promised to inform him as soon as possible, since the management was working to enhance the marketing department. He waited for one month but did not get any response. Finally, his father called up his friend (who had introduced them to Ashal) and requested him for reminding Mr Ashal about Rehman's case. The next day, Rehman got a call from HRM department to appear in the test and interview. He gave the written test which he passed. Later, he was interviewed by a panel comprising of the representatives of HR and finance department besides the head of the department (Mr Ashal) who supported him in the interview. After few days, he got an appointment letter and he joined the organization as a marketing officer.

Rehman joined the organisation with great enthusiasm; even though the department of marketing was not a very established at that time. The human resource of the department comprised of only three members; his own self (Rehman), Mr Ashal (assistant manager) and Mrs Fahim (lady marketing officer). The environment of the department was more personal rather than impersonal/ formal. They worked very hard to establish the department and with their efforts this department (marketing) gained main role in improving the image of the hospital. The head of the department, who later promoted as Manager owned his team and personally took stand for them. In this context, the workers were evaluated and compensated on personal rather than formal standards. Anyhow, it surly does not mean that they are falsely evaluated and compensated—rather it means that in case of any weakness or problem in the performance, they were personally asked to improve but it was not pointed out in performance appraisal till a serious issue arises. In

other words, personal considerations are made to support loyal workers in the system of performance evaluation, on the basis of which compensation decisions are made.

The case of Rehman has highlighted an interesting way of penetration through which a patient attendant got connection with a manager who later supported him in securing a job in the hospital. It is highly significant here to understand that in this case the person was not just hired on the basis of his reference but actually he satisfied all the basic prerequisites (degree, test, aptitude etc.) of the job. It is true that he was a graduate of the Preston University (private university in Pakistan) but at the time of his induction, Marketing department was in preliminary phase and job of marketing officer did not demand hi-fi degree or extensive job experience; therefore, he was considered fit for the job. This consideration of the management motivated him (Rehman) to utilise his full potential and he worked very hard for the uplift of this department. He was highly recognized and owned by the head of department for his services (who was also his reference in the process of selection). This developed a strong bond of relationship and mutual expectations between the worker and the manager; in this way the formal goal of the department were achieved on personal relations and mutual expectations.

On sharing the issue of the impact of personal influences on human resource management practices with a senior HR professional, he enjoyed the comments and replied, "we are here to make ways for systematic adjustment of the references." He further explained it while stating:

In spite of great efforts, we could not completely eliminate the impact of references, now we have created basic selection criteria so that no candidate with reference would qualify without at least meeting the minimum level. It is because we have to take work from all the employees as this firm is a private profit oriented setup. It is true that we cannot deny all the references but at the same time we cannot entertain all of the references. Therefore, we have followed the middle way by adopting the basic criteria of specific qualifications, written test and panel interview for all the regular jobs. I accept that these strategies have not completely controlled the influence of references in selection but to some extent it has helped us to maintain standards. In case, if the referred candidate does not meet the basic requirements, we can present a solid reason to the reference person for not selecting the candidate. Somehow, this helps us to save our- selves and the organization from reciprocal grievances.

The above mentioned statement of the senior HR professional has clearly exposed that references did influence the human resource management practices of selection but conscious efforts were made to regulate this impact through the techniques of written test and panel interview. These techniques helped managers and other decision makers to maintain the performance standards, besides saving themselves from the grievances of employees as well as their social circles.

Nonetheless, it is not always possible for the HR professionals' to protect themselves from the negative implication of regulating the reference especially in a situation where the candidate has a close relative on an influencing post in the organization. In this situation, the HR manager is directly approached by that source to hire the person for a vacancy. Usually, the candidate is selected but in case of a mismatch, the applicant is not recommended. Consequently, HR professionals have to face serious implications. The following case will be very helpful to comprehend the negative consequences faced by an HR professional for not recommending a referred applicant by a senior.

#### Case 3: Denial of Reference

Ikram Jan<sup>3</sup>, an MBA-HR, from Northern Areas, a relative of the Chief Operating Officer (COO) was referred for the post of training facilitator by the COO. Mr Abid - manager HR asked Ms Sadia- supervisor-3 training and development (leading HRD professionals) to interview him. He was interviewed and found incompetent for this job; the basic requirement of this post was to conduct employee training workshops but Mr Ikram did not have any experience of delivering trainings. Ms Sadia was running training and development department alone and was in dire need of an assistant. But Ikram was not the right match for this job, subsequently he was not recommended.

When COO found that Ms Sadia did not recommend Ikram for the job; he asked Mr Abid - associate manager HR to re-interview him. Abid conducted his interview again and was not satisfied. However he came to Ms Sadia and said, "you are right, Ikram is not the

<sup>&</sup>lt;sup>3</sup> Pseudonyms are used instead of real names.

right match but he has a passion for learning so I think he should be given a chance." She kept quiet for a while and then replied in a light tone,

sir, if we start the training of training facilitators here then I think training of the workers would not remain possible. Therefore sir, please give me adequate staff so that I can efficiently run training and development department. Sir, I surely do not mind if you want him to be here but then we should have to keep our expectations low from the training department.

On this, Abid mentioned the higher ups' pressure on him for hiring Ikram and she approved Ikram's selection case, though she kept pointing to Abid that Ikram was a very poor induction in training and development department. This made Abid conscious about the disapproval of Ikram's induction by his team; therefore, he withheld the case file. The denial to COO's (Chief operating officer) referred person was a problem ('panga') a kind of challenge to his authority that could antagonize him. So a conscious strategy was applied to handle this situation- HR department closed down communication on this case and delaying strategy was used to minimize the severity of this issue.

On the other hand, COO did not pressurize the manager but he felt bad on it and kept grievance against Ms Sadia. Later, she (supervisor 3) was reciprocated by COO in her evaluation. During the inspection of yearly evaluation, he changed her departmental performance evaluation from 'Excellent' to 'Fair' category. But when the HR associate manager highlighted her professional value being the only one who was running the

department of training; COO accepted her evaluation as 'Good'. This year, she received less than the actual increment but she did receive it—it could not be completely denied.

She faced this situation as she annoyed COO by denying his (COO's) request ("Mang"). In this way, she not only challenged the established system of authority but she also denied the established ways of conduct. Her inhibitions to approve COO's referred case raised intrigue about the dependability of his (COO's) social network (who joined the organization with him) on his leadership and de-harmonise the existing system of social networks. Consequently, this can critically challenge the prevailing organizational mechanism with the help of which previously organisational targets of attaining and retaining unavailable medical staff, profit maximisation and market sustainability were achieved. Therefore, COO took coercive measures to maintain discipline and retain confidence among his loyal employees (especially his close group members). He tried to harmonise the system which allowed the decision makers of commercial organisation working in traditional setup to see things in a 'bigger picture' (from a broader perspective) for in time accomplishment of targets. Though, this logic is surely different from the traditional logic (used in the traditional organizations not following HRM). Anyhow, it is true that in spite of good performance, supervisor-3 could not get adequate raise; but it was also true that despite authority COO could not exploit her in traditional manner due to particular nature of organizational system. In case of severe action, she could leave the organisation which could create problems in the way of achieving the departmental/organisational goals. Therefore, a moderate strategy was applied to satisfy local expectations without hindering the organisational performance. This strategy helped to manage the paradoxical situation in the best possible manner. In line with this discussion, it can be concluded that flexible HR practices prevailed in the target organization, which could maintain a balance between impersonal HRM practices and local ways of personalized employee regulation.

Surprisingly, this case depicts limitations on the authority of a senior manager which seem questionable in a highly symmetrical society like Pakistan. However, in-depth analysis of this case reveals that the COO himself was not very keen in utilizing his full authority to support the case of Ikram since he was not a close relative, and reciprocal obligations were not very strong. As quite contrary to Ikram's case, COO utilized his entire power to induct her sister in law in the organisation. In this kind of situation, the candidate penetrates in to the system in a way that shuns the whole HR department. This can be exemplified with the help of the following case study.

### Case 4: Reference Based Permanent Hiring

Saima<sup>4</sup> (23 years) a fresh MPA graduate from Fatimah Jinnah University Rawalpindi, was selected in the organisation. She was the sister- in-law of COO-- and her case was recommended by CEO (Chief Executive officer wanted to oblige the newly hired COO). She was directly hired by the senior management for the department of "Patient Care Services" without following any formal procedures; even her documents were provided much later to the HR manager. There was no elementary interview, no written test, no panel interview and no medical test. The given logic was that all the procedures were to cross check the validity of the applicant and in this case the validity of the applicant was

<sup>&</sup>lt;sup>4</sup> Pseudonyms are used instead of real names.

coming from a very reliable source. Hence, her induction process was swiftly completed without wasting time on satisfying the procedures.

A free hand authority of induction was given to COO (chief operating officer) by CEO (chief operating officer) as a gesture of confidence in his abilities so that he could develop his own team to effectively understand, predict and launch a successful improvement plan.

In fact, Saima's induction was purpose oriented induction. It is true that in this induction some of the procedures were delayed; anyhow the entire basic requirements were fulfilled according to the rules. Besides, Saima was hired on a relevant post which was in accordance with her qualification, though she lacked in experience but again she was hired on a junior post of 'Patient Care Officer'. This was consciously done to balance the gender impression of department where a trained male employee was already working.

One of my key informants in the management has further revealed that the real purpose of her induction (that justifies her selection in spite of lack of experience) on this seat was to get first hand data on the diverse issues faced by the clients. Therefore, she was appointed on this seat by COO for getting an in-depth perspective of the prevailing problems in client handling (the front line department) to develop more 'holistic' and realistic strategies for the improvements in the prevailing system. During her six months stay on this seat, she provided great help to the senior management by revealing the other side of the story along with getting exposed to the working style in the organisation. She

was later transferred to Human Resource and Training Department as Training Officer (relevant to her qualification and experience). On this seat COO motivated her. Keeping in mind her relation with COO, the department head and other colleagues helped her in achieving the professional targets (with expectation to be reciprocated by her and her brother in law (COO) in terms of consideration/ help in employee regulation processes). Despite support, she could not come up to desire standards so before the regular evaluation she resigned and joined somewhere else.

The point to be noticed that among a group of trained professionals (of short supply fields) who joined with the new COO, she was the only one who was not experienced although she was adequately qualified for the post. She facilitated her brother-in-law and served the organisation as well. The reference himself (COO) took her training responsibility, anyhow in case of performance lacking, she left the organisation. This case has presented the idea of self-regulation which is considered the best type of discipline. The most interesting point is that disciplinary behavior was exhibited as a resultant of highest level of obligations (Pakki Vartan) prevailing between COO and Saima; and then between COO and the senior management. As Saima was close relative of the COO, so he was very conscious about her performance and he tried everything to get her trained but her insubstantial improvements morally pressurised him to arrange a new job for her. It is quite vivid from this case that the highest level facilitation in turn expects great return otherwise compensatory actions are made to normalize the situation. Hence, it can also be inferred from this case that management supported personalised hiring in particular conditions (especially when you are getting a team of trained medical

professionals at very reasonable price) as it facilitated them to appropriately handle workforce issues.

The field work also revealed that some departments like finance and patient service did not hire a new employee no matter how qualified a person was until the management found a close link of him/her with a known person. According to one of my key informants, money could not be given in the hands of a stranger because in case of any problem (embezzlement), no institution genuinely supported them; consequently closely linked and trustworthy people hired. He further pointed out that in case of any professional lacking in this kind of hiring; they could trained the employee later but they would be more dependable than highly qualified strangers. This induction rule suits the special needs of these departments but it is surely not applicable in various other departments like Information Technology, Human Resource Management, Labs and Pharmacy.

In these departments, possession of professional skills is more important than faithfulness, so in induction process priority goes to technical proficiency rather than relationship. Although a technically certified person from the prevailing social circle would get an edge over a competent but unfamiliar person. The field data highlighted the prevailing perception that an inductee from existing social networks usually exhibited great compliance and loyalty to reciprocate the given favour by the management. Since it was established that any other behavior would bring about social criticism to him/her as well as to the whole social network s/he belonged to. These culturally embedded

behavioural expectations connect the employees (vertically and horizontally) with each other and breed inter-dependent work groups who facilitate each other beyond organization.

In these interdependent workgroups, the workers who maintained a strong relationship and exhibited more loyalty to their seniors and colleagues, formulated core layer (Pakki Vartan) of this social network and were consciously considered by the seniors on every opportunity of growth and compensation. While on the other hand, employees upholding typical relationship with the senior workers cultivated peripheral layer (Katchi Vartan) of their social network and the level of expectations on the both sides remained mundane.

Field data identified significant role of these obligatory relationship in the prevailing practices of job evaluation and compensation. Nonetheless, it does not mean that someone would be evaluated well without performance; as mentioned earlier the target organization is a private limited company where everybody has to perform his/her job. Although it was also witnessed in the field that those who exhibited loyalty to seniors, besides fulfilling the basic requirement of their job would manage to get an edge over those who perform good, but laid-back in fostering reciprocal relationship with senior colleagues.

The system of performance appraisal can be understood with reference to two main categories: confirmation appraisal and annual appraisal. To systematically handle these appraisals, Human Resource Management professionals have consciously designed

appraisal policy, procedures and even different types of formal appraisal formats to conduct formal and impersonal evaluation. In order to make this system more sound the right to challenge the appraisal report is also given to the employees in the appraisal policy. Despite the fact, a single case of challenging the appraisal result could not be found. It does not mean that employees always got fair evaluation or they did not react to biased evaluation. Actually, they (employees) are socialized in a culture where questioning authority is discouraged, so informal means like back biting and jocks are used to express grievances against biased evaluation as the 'weapons of the weak' (Scott 1985). So in the interviews they spoke openly against the prevailing situation of giving preferences to particular people.

In case of confirmation appraisal, it was found that generally the new employee was given a probation period of 1-6 months (depending upon the influence of his reference and strength of his network in the organisation) to cross check the validity of selection decision by appraising on the job performance. Generally workers were confirmed as most of the selection, one way or other, did have reference influence, therefore the confirmation evaluation was positively done through internal penetration. Usually, the reference that helped the worker in induction supported him in confirmation. One of my key informants in HR pointed out that consideration based induction divided the workers into various groups with particular affiliation to particular people in the organisation (who helped them to be selected). This placed these inductees into already existed social networks who helped the new members and consequently, they (new workers) added to the strength of these networks through their offices. It was also observed that employees

highly valued these networks and would like to contribute to them (networks) through supporting their (network's) members.

These coalitions (networks) of people (around any similarity) reflect internal cohesion; the members of one group differentiate themselves from other similar groups while creating an environment of in-group and out-group phenomenon demanding aligned feelings, behaviors and expectations. It was noticed that these in-group and out-group perceptions and expectations of behavior fairly influenced formally designed appraisal system. The majority of the in-depth interview respondents at all levels identified the issue of personal links and penetrations in the performance evaluation. They also shared their dissatisfaction and insecurities regarding the senior's behavior about their evaluation. Mubashar Ikram, supervisor HR confirmed this point of view by sharing his experience. According to him the nature of relationship and the mood of the appraiser, both fairly influenced the appraisal of an employee. Somehow if the boss was not in a good mood, he proclaimed, the evaluation could fairly get its reflection. All this highlighted the principle value of boss and his personal relationship with the appraised rather than his performance and technical expertise. Anyhow, in the light of researcher's field experience this stance could be taken as an extreme view because no one could survive in the target organization without job skill and good performance; yet those who would be managing this (phenomenon) were very few-rare cases. Nonetheless, it was observed that generally employees with references got an edge over those who did not have any reference support in appraisal system as well as compensation process

(basically depends on appraisal results). The similar phenomenon was also pinpointed by Khilji (2003).

To address the sensitivity of compensation and promotion practices, clear cut rules and regulations are designed based on the principles of equity and transparency as available in the HR manual; though the practices to some extent reflected the local values of asymmetrical power relationships and personal penetrations to support and promote those (workers) who have affiliations due to regional, ethnic, caste and gender basis.

The field data highlighted the value of positive relationship with the immediate supervisor and other seniors in management to secure privileges in the various processes directly and indirectly related to promotion and compensations. The promotion procedure is that after three years of 'good' appraisal reports, a committee decides about the promotion of an employee. Those who managed to influence the committee members; (he/she) got an edge over the others. In a nut shell, qualification, skill, good performance and reference all ingredients are required to be promoted in the target organisation. The following case study can be very help in the comprehension of this point.

### Case 5: Requirement of Job Promotion

M. Mujtaba <sup>5</sup>(28 years) joined Human Resource Management Department (in November 2006) as senior supervisor HRM. He did his MA in International Relations from National University of Modern Languages, Islamabad. However, he has been an employee of the organization since 2004 and works in Patient Coordination department as junior

<sup>&</sup>lt;sup>5</sup> Pseudonyms are used instead of real names.

supervisor. In April 2007, he was promoted as Senior Supervisor and transferred to HR department. Actually both these fields are different but since there was a job opening of high rank in HR, so he forwarded his request of transfer/promotion to higher management through his mentors in senior management. His friends in the organization convinced the management about his promotion and he was promoted as senior supervisor in HR. It was not that he was interested in HR but a higher post in HR attracted him in this department.

As per his evaluation, he was a good worker and enthusiastic student who improved his qualification from graduation to post graduation. So according to HR policy after three good evaluations (G's) when promotion committee had to decide about his promotion, he requested Shah Sahib (GM – finance a very strong member of committee) to promote him to HR department with whom he had established close relationships through Ali Abbas his ex-manager (who was one of the most favourites of CEO and Shah Sahib). In this way, through good evaluation, improved qualification and personal penetration, M. Mujtaba promoted to a higher rank in the HR department.

The above case has clearly narrated that influencing tactics were used to influence the promotion process; anyhow this might not be possible if the set basic pre-requisites of promotion were not met. It can be inferred from this case that social compliances and networks, to some extent, influence promotion practices in the organisation; though their level of affect is limited as compared to the organisations working on traditional models where promotion is only decided on personal affiliation (Hofstede 2003). The majority of respondents of the in-depth interviews shared a different perspective; they believed that

promotion in the target organization is mostly based on personal links rather than performance. Anyhow the managers and senior managers insisted on performance based promotion. Research data has further unleashed that promotion and other compensation practices, in general were, a fair collaboration of performance and social networking; which motivate employees to perform efficiently as well as maintaining obligatory relationship with each other. Contemporary researches in cross cultural management has highlighted that both these characteristics are essential for the individual and organisational success (Trompenaars 1997; Adler 2008).

The general mode of employee regulation practices as discussed in the previous paragraphs have been highlighted the role of reciprocal obligations of VB, although the potential of its influence has not remained same as it is, and used to be in the traditional rural as well as urban organisations (not following diffused management models). It shows that the role of VB is changing (transforming from immense to limited) in present day organisations working on international standards of management and operations. Anyway, field data has also established that the reciprocal obligations and VB networks still play significant role in developing cohesive work teams, organisational loyalty, less job turnover, job motivation, conflict resolution and stress management; and facilitate the target organisation to be the most renowned and reliable medical organization in the capital city of Pakistan (Restaurant Blast Kills 2008; Terrorist Targets Foreigner 2008). In addition, the above mentioned illustrations have highlighted a trend to maintain a balance between local and diffused values, and transforming role of indigenous institution of Vartan Bhanji. It also has presented mandatory role of HR manager and

other professionals to contextually interpret HR policies for the effective handling of diverse and changing demands of different situation. According to Trompenaars (1994), it is very important to successfully run the business as foreign policy rule cannot provide suitable solution for the local problem (1994:3). In consistent with Trompenaars perspective (1994:3), the field data has revealed that the HR manager who can maintain the balance between the local values and international standards can achieve both personal and organisational success as compared to those who just follow universalistic principles. To justify this perspective, I would like to discuss the cases of Human Resource and Training managers who run the department during my field work in Shifa.

### Case: Foreign Qualified HR manager and Career Issues

Shehbaz Ahmad<sup>6</sup> (36 years) was working as senior manager HR for the past three and half years. He did his MS degree in HRM from Sydney Australia. After the completion of this degree, he started his first job with the firm. He was a very competent man who worked dedicatedly to develop a full-fledged HR department in the organization. The hospital HR manual was developed under his guidance and supervision. His diligent performance and down-to-earth attitude was greatly appreciated by the seniors, colleagues and juniors. However, his personality always remained under criticism due to his in flexible attitude to execute impersonal HR practices.

He was liked and disliked by the senior management at the same time due to his passion for the implementation of best practices. On the one hand they liked him for his hard work and positive initiatives to improve the system where as on the other hand they

<sup>&</sup>lt;sup>6</sup> Pseudonyms are used instead of real names.

considered him a challenge to their authority and influence in the domains of employee selection, appraisal and promotion practices. Mr. Ahmad was highly impressed by the diffused human resource management concepts and practices learnt at a foreign university. He considered these concepts and practices as a real solution to the organizational problems. In line with this perspective, he wanted to actualize them (concepts and practices) in the firm to effectively manage human resource for achieving organizational goals. He worked very hard to develop a competent HR team which under his guidance designed technical interview formats, written test formats, and appraisal formats. He was earnest to execute standardized human resource management practices and strongly curbed requests and efforts to influence impersonal HRM practices. His lack of flexibility sometimes created serious problem for the senior management.

The chief executive officer liked him for his professional strength and wanted him to continue his career with the firm. In this regard, he arranged meetings with him in which he counseled him about the value of maintaining moderate and flexible attitude in employee regulation practices. He (Shehbaz) promised to reconsider the issue. Yet, in spite of all the efforts, number of complaints from all over the organisation regarding the employee issues was increasing day by day. Employee trainings and workshops were consciously conducted at all levels to handle the rift and normalize the situation. But on the contrary, employee dropout rate increased up to an alarming level.

When the new Chief Operating Officer (COO) obtained the charge of support wing in 2005, he took this issue as a challenge and after keen observation; recommended the

hiring of new HR manager. The other managers, who were facing employee problems in their department and had developed grievances against him (Shehbaz) due to his inflexible attitude, supported this idea. His evaluation was delayed and promotion process jammed. Everybody in the organization believed in his mastery and skill in the field of human resource management but at the same time everyone showed discontent on the HR practices and alarming turnover rate. Finally, Shehbaz presented resignation to COO which was accepted with a little inhibition.

During the fieldwork, the researcher worked very close with him. He was an extra ordinary and dedicated person who believed too much on the power of impersonal model of employee regulation and considered the prevailing HR practices as an exploitative system. With this conviction, he wanted to stem out local ways of handling employee issues and plug in impersonal model of employee regulation which he had learned during his MS degree in Human Resource Management from Australia (this qualification was a base of his recruitment in the firm). His over emphasis on impersonal employee regulation, (which is completely contrasted with the ongoing practices of workforce management) resulted in employees' defiance in the form of job conflict, disobedience and increase in drop-out rate. No doubt, Shehbaz worked very hard but the results were against his expectations (as he was trying these rules in a completely different situation on people trained on different social norms). In line with the concept that reality is relative and dynamic rather than absolute, so if anyone, no matter how dedicated and honest s/he is, believes in the absoluteness of some model and wants to execute it without

considering its relevance with the people and situation, then only despair and disappointment is witnessed as experienced in case of Shehbaz.

The senior management rightly understood the problem and this time, in order to fulfill the seat of HR manager picked a moderate person who was well aware of the value of indigenous wisdom; though he also had practical exposure to human resource management concepts and practices as he was assistant of Mr. Shehbaz in HR department. The brief preview of Mr. Shehbaz's career and approach will facilitate to comprehend the traits of HR manager with which one can successfully sustain their career in the target organisation.

### Case: Moderate Approach and Career Success

Abid Elahi<sup>7</sup>, (28 years), was rehired on the post of associate HR manager on the resignation of Mr. Shehbaz. He did his master's degree (16 years education) in communication from a local university. He had four years of previous work experience with the firm. His first hiring with this firm was as an administrative secretary in 2002. At the time of his joining he had a bachelor's (14 years of education) degree. He worked very hard on this post for two years and with his respectful attitude and performance earned seniors' acknowledgement. During this period, he acquired a masters' degree (composite) in communication science. Considering his qualification and good performance, he was transferred to the department of human resource management as junior supervisor human resource.

<sup>&</sup>lt;sup>7</sup> Pseudonyms are used instead of real names.

Once again, he gained the attention of his immediate boss due to his work and soon attained the role of his assistant. He developed obligatory relationship with his immediate boss and senior manager; and enjoyed reciprocal favors. He worked on this post for two years and later joined a Chinese company after a friendly release from the firm. When Mr. Shehbaz resigned from the post of senior manager and HR department was in crisis, Mr. Abid was asked to rejoin the firm on the post of associate manager at the department of human resource management.

Mr. Abid took over the department and in his first meeting with the staff he declared flexibility and consideration- reconsideration as the principle of HR department. He believed that the role of HR department and professional is to channalize things and add efficiency to the processes rather than jamming the system. He surely believed in change but he was more in favour of evolutionary change, especially if this change is introduced into a corporation where achieving the targets are more important than bringing the change which shuns the system.

This he learnt from his practical experience with commercial organisation working in Pakistani market; he did not have a degree in HR but his approach proved to be more reasonable and result oriented. He knew the practical wisdom of social networking and reciprocal obligation to attain dedicated performance and organisational loyalty as he himself was active member of this system. He was given a chance in the organization at the reference of Shah Sahib who simply said to him "do not let me down in front of management." And he worked very hard to make his appointment justified and

reciprocated the obligation. Consequently, he was always considered by the management and compensated accordingly. He experienced that these moral obligations within the limit of rules and regulations (moderate obligations) were very effective for performance management and achieving the organisational targets.

With this experience and approach, he guided his staff and gave them his confidence to facilitate everybody within the limits of rules and regulation. In order to handle the issue of turnover, with his team he developed the revised salary package which was approved and launched by the management. These measures normalized the situation to some extent and senior management rightly compensated him on this.

The learnt lesson from this case is that an HR manger's role in the organization is that of a moderator who needs to exhibit situational flexibility while handling employees socialized in asymmetrical culture (with assumption of personal penetration and reciprocation). No doubt, it is very difficult to create balance in the traditional personal logic and impersonal assumption of HRM; yet those (HR managers) that can maintain this balance and exhibit flexible attitudes, are able to successfully continue their career with the target organization. This inference can be further justified with the case of the head of Human Resource Training department who was appointed on this post after she has got his MS degree from Sydney, Australia.

# Case: Human Resource Training Manager with Foreign Approach

Aysha Ahmad <sup>8</sup>(40 years) acquired an MS degree in Psychology from Sydney (Australia) with an extensive back ground of working with an International Non-Government Organisation; she joined the firm in the 1<sup>st</sup> quarter of 2006. Aysha took the control of human resource training & development department. She initiated various improvement plans and conducted new trainings at all the levels. She developed the trainings with the assumption of transformation from traditional ways of performing and behaving to modern styles of working rather than trying to understand the situational realities and problems of the firm. She wanted to implement those concepts and techniques that she had learnt in her MS in Psychology from Sydney. The management assured her all kind of help and support. She had designed a training program with the name of "equality and effective communication for managers" focusing on the issue of better communication among the professionals of both genders for effective team formation.

This training was conducted by HRD department at all the levels. The basic theme line of this training was to promote a close contact among male and female workers for effective communication and cohesive team formation. The basic idea of this training was not liked by most of the employees at all levels and negative feedback was continuously given to the administration. She was indirectly informed about this negative response but she took it as an agitation of untamed people who were refuting to the modern-high quality ideas.

<sup>8</sup> Pseudonyms are used instead of real names.

Actually, in her enthusiasm to practice foreign concepts she over looked the value of local workforce as the main resource to achieve the organisational targets. Actually, it was not that these employees did not know how to effectively communicate and formulate cohesive work teams; they were already doing it but their ways of doing the same thing were different from the promoted one. To them the gender egalitarianism based techniques of communication and cohesive teams were immoral and less helpful in solving the employee issues rather it may elevate the existing problems. The criticism and rejection from all over the organisation was continuously coming to seniors as well as to her. Within six months (first four months develop training and only two months trainings were delivered) she resigned.

This case has clearly presented the negation of the Human Resource Development manager showing inflexible attitude towards the indigenous morality and prevailing practices which was highly refuted by the workers; and as a result she could not continue her career. The point to be highlighted is that environment of the target organization appeared modern (western) which actually is neither western nor traditional but the hybrid one—to some extent following embedded assumptions of human relation and interaction. Therefore, managers with foreign qualification (especially in social sciences) when joined it, took an immediate/explicit perspective and over looked the implicit bases of the system. Therefore, they strictly tried to execute diffused human resource management concepts & practices; and faced serious refutation of employees. This reconfirms that the system at Shifa was a flexible interplay of indigenous morality and western (capitalist/diffuse) technology and techniques; both these aspects had played a

significant role to establish Shifa as a successful corporation (profit maximisation and market share). This point differentiates my research result from Laurent (1986) who believes that national culture influences (over rides) the organisational system and culture (1986:91-102) and shows consistency with Yang (2003) who recommends confluence — bi-directional influence between national and diffused values.

The field data has also disclosed that employee management problems (de-motivation, dissatisfaction, high turnover rate etc.) presently faced by Shifa management were the resultant of conscious efforts of the management, especially some professionals to replicate the western system without consciously understanding issue of cultural diversity. Hence, no effort or very less efforts had been made to contextualise the universalistic model of management which might be suitable in particular situations but universally it cannot be result oriented as suggested by Trompenaars (1994:2) and Luthans (1998:640,644). I think the basic problem lies with the obsessed understanding of local professionals who believe that others solutions can be used to solve employees' problems in local setting, it is, in fact, a limited perspective. A more reasonable perspective maybe that there is no harm in learning the lessons from others' solutions but these solutions need to be molded and re-molded in accordance with the particular nature of our (local) problems. Although, Trompenaars (1994) has presented a completely different reason due to which Universalist models are used in spite of their invalidity in local settings. In this regard, he openly states, 'people (organisations) who resist American universals are seen as traditional, un-businesslike or even backward (1994:171)". Hence, it clarifies that diffused (Universalistic in nature) models in spite of their less relevance (invalidity) are used to save oneself/organisation for being traditional and create modern & more businesslike impression. This reason (to execute diffused model) seems very relevant to my field, as I have found that at the back end where performance actually took place, indigenous logics were used; though efforts were made to present a modest image of the organisation. Interestingly, the synergistic (combine factor) approach is unconsciously going on in Shifa which made it a successful corporation but the conscious desire of the management to make it more a standardised international organisation creates unpleasant situations.

I want to consciously clarify here that the purpose of this debate is not to be judgmental about any approach. I just want to state that the validity or invalidity of a policy or model depends on its relevance —as the diffused capitalist institutions of employee management are less relevant to the employees of Shifa. So the complete following of these principles, due to their mismatch with Pakistanis embedded assumption of social interactions, are refuted (as is clearly established by field data) whereas culturally redefined practices (hybrid model) of diffused model have guaranteed effective employee performance and cohesive teams (facilitating organisation to maximize profit and market share). No doubt, these (confluence) are different from the local model yet still close to indigenous social moralities.

### Conclusion

I often wonder why foreign trained HR managers became a flop in Shifa and why comparatively less qualified human resource managers successfully continued their career with Shifa. The field data has revealed that the foreign qualified managers were close to western logic and undermine local wisdom in accordance with the local workforce was trained. Hence the psychological rift between these (foreign trained) managers and workers was normal which was further added by their (foreign trained managers') obsessed and inflexible attitude. Whereas on the other hand, locally qualified (less trained according to western system) HR managers were more close to indigenous wisdom and contextually considered the diffused principles. Due to this strategy, they fall more close to the indigenous workforce and could better understand and predict their problem; could rightly find more comprehensive solutions, resulting in a motivated and loyal work force. On top of all, they were very conscious about the policy rules hence tried to keep employees' expectations within the limits of policy. This approach enabled them to synergise the indigenous wisdom and diffused formal model of employee regulation to achieve better results.

Field data has also reflected that locally trained managers utilised various techniques to manage the paradoxical situations (resultant of the clashes between local values and diffused HR model based on foreign cultural values). Sometimes, the HR manager followed a traditional approach (which is similar to ignoring approach given by Schneider and Barsoux (2003)), whereas at other times the HR manager executed the policy or facilitate someone within the policy limits (similar to utilising approach presented by Schneider and Barsoux (2003)) to satisfy both employees and management. My point is that the locally trained manager being aware of both local wisdom and foreign model was able to create a match between the two, which was technically more

comprehensive and 'Holistic' as identified by various experts of cross cultural management (Trompenaars 1994:174; Adler 1998:106; Schneider and Barsoux 2003:259). Therefore, it can be inferred that anyone believing in the usefulness of two models, may be able to synchronise them and create wide ranging practices, but management models and practices available in contemporary management literature undermines indigenous ways of management (Trompenaars 1994:165-175). The field data has clearly verified this stance that contextual practices (reflecting various techniques to manage the cultural clashes through minimising and utilising) are more suitable allowing Shifa to satisfy local moralities besides international standards. Hence it can be rightly inferred that contextual human resource management practices are more suitable; facilitating Shifa to develop modest image and progress in the contemporary market.

Lastly, the field data has uncovered the confluence of local and foreign cultural value, which has ultimately taken place in Shifa. This confluence becomes visible when the diffused HRM model was executed to regulate the local workforce, to satisfy opposing requirements, Locally trained HR professional being aware of local wisdom as well as foreign logics could handle the situational paradoxes more effectively; hence they remained successful in winning the support of management and workers. This model eventually created a hybrid organisational environment as a result of managements' efforts to satisfy the indigenous expectations of the employees besides upgrading the system.

This hybridisation facilitated the process of change through supporting management as well as employees to redefine and re-adjust themselves in accordance with the changing demands of the market. Besides, it helped them in following the social moralities and official requirements. Hence as discussed in this chapter, hybrid practices are more practical and result oriented; because whenever it (also proven by the field data) was tried to strictly follow human resource formal policy (contrast the implicit logics of social organisation VB) by foreign trained managers, it shuns the whole system, along with ending their career in Shifa. Therefore Shifa human resource professionals follow contextual employee regulation practices for achieving the organisational goals of profit maximisation and market sustainability. In short it can be rightly concluded that hybrid employees' regulation practices (being more relevant and flexible) can better handle employee issues at a corporation working with local people in the Pakistani market.

### Social Environment in Shifa

This chapter aims to portray the prevailing general lifestyle, employee relations and their collective as well as individual behavior at Shifa. The basic assumption is that flexibly synthesised (indigenous institution of Vartan Bhanji and diffused HR model) employee regulation policies and practices give way to hybrid (mix) organisational culture reflecting both local as well as foreign (western) traits. It breeds a particular social environment facilitating workers to satisfy the changing demands of professional modesty without denying the indigenous moralities. Within Shifa, I observed a modest environment with modern impressions and local considerations to run an international standard organisation in local setting. The senior management consciously invested lots of resources to establish and maintain this notion of modesty as it helped them to attract clients especially from elite class; and achieved organisational targets of profit maximisation and market sustainability. The particular organisational layout, decor, clinic setups, rules and regulations, employees' uniform, language, workers and even some departments were designed to create a significant caprice on targeted clients about Shifa audacity, anyhow practically things were quite moderate.

The previous chapter has disclosed that diffused HRM policy was contextually redefined in accordance with the different levels of reciprocal obligations because of diverse kinds of Vartan Bhanji (indigenous institution) maintained between/among the worker/s and the management. This local institution of Vartan Bhanji, is based on the philosophy of a daughter's role in the family (all relations are established and regulated on this role)

(Egler 1960:9). The point to be highlighted is that gender considerations and female facilitations are the baselines of local institution of Vartan Bhanji. In line with this back ground, the organizational culture of Shifa (where VB networks influence the implementation of diffused HRM policy based on equality and gender egalitarianism) manifested a continuum of gender differences-egalitarianism. This continuum of gender relations mainly effected the social environment, employee relations and their behavior in the organisation. In order to explore the effect of this continuum on organisational social environment, I will start by looking at the job space (offices, cabin, desks, work area etc.), the way it is organised and used. I will then highlight the ways colleagues (male to male, female to female and male to female) mutually interact and support/oppose each other. I will also try to explain the strategies to consciously maintain the bio-sphere between the male-female colleagues at workplace. In the final section, I will try to explore the influence of Shifa's culture on the individual as well as collective behavior of employees.

Field data has revealed that the job space (work place layout) was consciously designed in Shifa to make the best use of the workers' potential besides facilitating them to be at ease (in accordance to local standards). As already discussed in chapter three, senior management of Shifa was very interested to create a modern (liberal, westernized) impression on its clients; therefore the front desks with female workers or both male and female workers were a very normal feature which reflected modesty. Anyhow, close observation disclosed that generally male workers were given the task to handle clients but depending upon the nature of situation, female workers were also appointed on the

front desks. For example on the front desk of the rear side entrance, females were appointed to facilitate clients because this entrance was mainly used by the seriously ill patients and their relatives. On the other hand, the front desk team of the main entrance comprised of both female and male employees to cater the needs of diverse clients besides reflecting organisational modesty (gender egalitarian perspective-gender equality). Anyhow on patient registration counters only male employees were deputed. This clearly reflects that in Shifa the allocation of the workforce was designed to create an impression along with effective handling of the diverse situations. In consistent with this perspective, different arrangement of female or male or combination of both were used to successfully satisfy the diverse need of different situations. In a nutshell, Shifa managements inter-mixed the gender perspective of diffused model (egalitarianism) with the local model of gender considerations to effectively handle the diverse needs of its clients & workers besides achieving its corporate goals.

Contrary to the front offices, the job spaces of desk workers were designed on the logic of spatial interaction. In order to illustrate this point I would like to present the office layout of Human Resource department. Right after the entrance on the left side there was the office of the associate manager with a glass door and half glass walls. Opposite to this office, there was an open area which was used as a waiting room. Besides this waiting room, there was the front desk and cabins of senior supervisors of HRM and HRD. The department building ends up at two big halls with desks; the front more open room was allocated to the male officers whereas the smaller room in the back was given to female officers. The door between these two halls remained open but separate allocation of halls

determined the space limits. This department layout and allocation of workspace was more or less similar in all the departments which revealed two main principles; hierarchy and gender consideration.

The comparison of the above mentioned two different types of job-space designs (the former situated in client interaction area where as the rear one was away from clients and workers) has revealed that both these scenarios were working on different logics. The former situation sometimes worked on the hybrid assumption whereas gender consideration logic was also used for the effective handling of clients with gendersensitive socialization. Anyhow in the case of job-space design at HR department (away from the client area), the indigenous assumptions of hierarchy and gender consideration was followed to properly utilise workers' potential. It was informed during the field work that local employees performed better in an environment of gender separation. The point to be highlighted is that the blended practices regarding job space were only used in client areas for creating a modest impression to attract more clients. Otherwise depending upon the situation, different logics were employed as diverse practices can better serve the interests of Shifa. In fact being a business organisation, Shifa management's priority was to satisfy clients and maximize profit; therefore various combinations of diffused and local assumptions were used to effectively cater the diverse expectations of clients and workers. The management could develop a modest impression and better performance through the implication of gender mixed and gender specific job space designing in client area and in office area respectively; therefore, contextually different logics were utilised to achieve organisational targets.

As witnessed during the field work, the physical layout of the job-space set an implicit framework (limits) for the mutual interaction and communication among the employees. It was noticed that Shifa management had quite successfully used this phenomenon to establish moderate context for employee interaction and communication. Anyhow, the close observation during the field work disclosed that the diffused/western model touches were given to job space designing where it was extremely required. Otherwise local ways of work handling were employed which had proven their effectiveness (various client handling desks are dealt by males). The assumptions of hierarchal layout and gender considerations were clearly witnessed in the rear line offices. Interestingly, both job space design and management was generally based on embedded indigenous assumptions of hierarchy and differentiation in Shifa; anyhow hybrid logic was also used at some places as per demand of situation. Within this model of material setting, as observed in the firm, employees used to communicate and interact with each other according to the culturally embedded principles (hierarchy, gender and age) of mutual interaction while performing their official roles and jobs.

The field data has unleashed that verbal and physical interaction was consciously maintained between/among the employees to manage the technical (contextually hybrid) modesty of Shifa culture. On the first sight, one can see the liberal environment, open communication and free mixing of male and female workers. Anyhow, field observations have disclosed that employees' preferred to communicate and interact within their own close group/in group (based on the similarities of status, gender, age, interest, skills,

background etc). Within these social circles, employees' mutually interacted on the basis of age, status, and gender. It means that a worker interacted differently with his junior as well as senior according to his/her physical (age, sex etc.) characteristics'-- elderly male or elderly female or same age male/female or young male/female or competent young male/female; and expected reciprocation of his behavior. The prevailing style of employee interaction, as observed during the field work, exhibited the characteristics of humanistic communication; considerations regarding the personal characteristics of the involved parties developed effective communication and sustainable team relationship.

In the firm, I have observed that closely-knit teams of workers (males and females) mutually shared the responsibilities and reciprocally supported each other. To illustrate this point I would like to present the situation of nursing teams comprised of both males and females facilitating each other in managing tough duty hours. For example if one of them was not feeling well, s/he was excused for a while and others would take her/his responsibilities. Similarly turn by turn they refreshed themselves and easily maintained the requirements of a stressful job through reciprocal facilitation.

The employees informally classify themselves into various groups of friends who maintain strong obligatory relationship—Pakki Vartan and behave accordingly. Anyhow, they also maintain Katchi Vartan (moderate exchange expectations) with all. These informal groups may comprise of all males, all females and both- males and females. In the operation theatre almost all the groups are comprised of female and male members. Actually female nurses are more in number than male and every social circle used to have

minimum one male to handle external works. Another interesting feature of nurses' obligatory relationships is that it is closely maintained between Muslim and Christian employees. Since the majority of the senior nurses belong to the Christian community so the junior Muslim nurses like to establish close relationships with seniors (as the appraisal and compensation system is symmetrical). In these circles Christian and Muslim employees closely interact with each other –not only share responsibilities but also share food and other edibles (which is unthinkable in general situations). These close Christian-Muslim relations prevailing among nurses are exceptional which are actually un-empirical in other departments of Shifa. Such an unusual blend of Christian-Muslim relations is, in fact, a result of the particular situation in the nursing department.

It is observed that within these blended (Christian-Muslim) social circles, gender considerations are kept into mind in mutual distribution of responsibilities. For example at lunch time female nurses take the responsibilities of their counter parts (belonging to one obligatory group), and allow them to go out for lunch. However they have to bring their meal on the way back—then they take charge of the patients and allow the female nurses to have their meal. My point is that this scene can be the other way round, that a female goes out for lunch and brings the meal of their counterpart which is actually experienced sometimes, but only in exceptional situations. In fact, distribution and exchange of responsibilities reflects indigenous perceptions about male-female's role in the family and society; hence male-female employees' relations are conceived in accordance with indigenous family roles.

This indigenous spirit of mutual interaction and exchange (within particular groups) is visible throughout the organisations, at all layers and in all departments. In HR department, this fortitude was also witnessed among the employees. The HR employees also classified themselves into various levels of obligatory social circles-Pakki Vartan (strong obligations) and Katchi Vartan (feeble obligations). In HR department, these informal groups were comprised of all male members, all female members and both males and females. Anyhow, very few women developed a close social circle with their male colleagues and would like to validate this relationship by the acknowledgement of male family members.

Field data has revealed that married women with kids were more extroverts to establish and maintain obligatory relationship with male colleagues than the un-married or married but without kids. Hence, employees' groups were also comprised of male and female members e.g. Sadia (HRD senior supervisor) and Ibrar (HRM senior supervisor) with few other workers maintain a social circle. Actually they had been working together for the last four years; personally understood each other besides recognizing each other's family pressures, so they freely interacted, mutually shared problems and worked together to find solutions.

Sadia was married with two kids (a girl and a boy) whom she used to bring with her to the hospital's daycare. She had to visit the daycare for 2-3 times, anyhow she was a diligent worker. Her obligatory relations supported her in managing the personal as well as professional pressures; in return she facilitated them (her male colleagues) in managing the work loads. This closely knit employees' social circle facilitated its members to cope up with conflicting responsibilities of personal as well as professional life.

The prevailing phenomenon could be better understood with the situational case. When Ms. Aysha Ahmad joined HRD department as manager, she took a well-established Sadia as her competitor. For Sadia, it was the worst time of her career when her immediate boss became her enemy. Her survival was not possible without the help of her friends especially HRM supervisor Ibrar. She acknowledged the support of HR manager Mr. Rashid and all department members. Anyhow, her reverence for Ibrar was exceptional. It did not mean that Sadia and Ibrar never had a different opinion and clash of interests. It did happen sometimes. During this period, they did not visit each other's office; did not share comments and food. Anyhow it was noticed that they did not oppose each other in a meeting or in-front of seniors.

Actually, they had been working together as a team for so many years and now they were fairly tuned to each other's understanding and taste. Sadia always mentioned that Ibrar was not only her colleague but he was also like a brother. It was noticed that whenever Sadia's husband came to pick her up, he used to sit in Ibrar's office and they maintained a friendly relation. In this way, a work relationship was transformed into a family relationship which morally approved the free interaction between Sadia and her colleague.

Field data from various departments had confirmed that family roles and statuses are transposed to work relations as a result of considerate interaction among the employees. For example (mentioned earlier in chapter 5) an elderly helpful boss is taken as a fatherly figure or elder brother; colleagues of the same age taken as sister/brother, younger male/ female colleague are treated as younger brother/sister etc. This transformation allowed male-female employees to freely interact with each other and satisfy the extrovert behavioral requirements of their jobs within a Medical Corporation, trying to improve itself on international standards. The point to highlight is that the free interaction among the male-female employees in the firm if apparently seemed similar to western egalitarian model; actually it was different from western logic. It based on indigenous strategies allowing close male-female interaction to satisfy the exceptional pre-requisites of a situation. Anyhow, in this close interaction, as observed during the field work, a physical bio-sphere was consciously maintained between the male-female colleagues which sets it different from western free interaction.

During my stay at Shifa, I witnessed a positive perception about those female workers who were open in interaction with male colleagues but conscious to maintain their biosphere; these women were respected and considered more professional. On the contrary those females who maintained close relationship with male colleague without considering the bio-sphere were scandalized. One of my key informants highlighted that there were some cases of gender free mixing here in some departments but the number of such cases were very small.

Here, I would like to present a particular incident which typifies the way females' maintain bio-sphere during a collective professional activity demanding free mixing. It allows understanding the conscious strategies used by the professionals to respect cultural moralities besides following the rules of professional modesty.

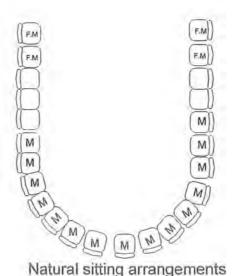
# Case: Female symbolic segregation- Sitting Scheme

This case is about a training session of managers and HR supervisors conducted by Ms Aysha Ahmad¹- the newly hired manager of Human Resource Development. She was 40 years old, married with two kids; and her husband was working in an International Non-Government organization, while she herself had 15 years of INGO experience. She had recently acquired her MS in Mentoring- Psychology from Sydney before joining Shifa. She was very enthusiastic to use western techniques and tools in local organisations to develop effective working teams. The senior management assured her all kind of help and support. She had designed a training programme, "Equality and effective communication for managers". This training session was delivered to the managers of various departments (16 male and one female) and three senior female trainers from HR department. This training was conducted in the seminar hall where the chairs were arranged in a half circle.

The training participants occupied these chairs in a particular manner. I would like to present here that sitting scheme with the help of the picture given below in which the square symbolizes the chairs; FM stands for female whereas M stands for male. The first two chairs on the right side of the half circle were taken up by females, the next three

<sup>1</sup> Pseudonyms are used instead of real names.

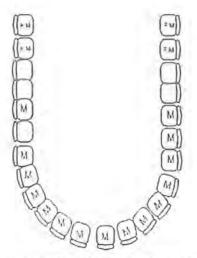
chairs remained empty, and the male participants resided on the rest of the chairs. All the males sat adjacently without any gap. Again three chairs were vacant and the last two chairs were occupied by two female participants. Aysha observed the sitting pattern and commented that this reflected our cultural piece of mind; and negatively influenced the process of effective communication and team formation in the hospital.



She identified gender consciousness as a reason for poor communication and ineffective work teams. Therefore, she suggested the participants to change their sitting style and fill the vacant seats between the male and female participants. However, there was no move among the participants to fill the vacant chairs. Actually she believed that prevailing ways of gender conscious interaction among male and female employees (in Shifa) was a hindrance in smooth individual as well as organizational performance but practically things were different. I observed in the field that the employees felt more comfortable and performed better when they followed social moralities of gender consciousness. It

was also found out that kin roles were transposed on the non kin male-female relation in order to maintain their close professional relations in a gender specific social context; such relationship allows satisfying the professional demands of close relationship despite maintaining the gender specific behavior. This is because of their socialization in gender specific Pakistani culture and general social environment.

When she insisted on filling the gap, a manager (an ex-army major) stood up from his chair and sat down on a vacant chair on his side. Now two chairs remained vacant between the females and males. All the participants enjoyed this as he has satisfied the instructor's demand without changing the indigenous logic of maintaining the bio-sphere between males and females.



Sitting arrangements after trainer's recommendations

This situation as a case has depicted the priorities of female as well as male employees to respect their cultural value of gender consciousness and their attentiveness to adhere the moralities of maintaining the bio-sphere. It also reflected that it was not that only females

maintaining their bio-sphere in the firm but males also acknowledged the significance of this value and tried to sustain the set traditions. This case additionally has proved that male-female free interaction in Shifa is different from western gender egalitarian interaction.

There are enough witnesses in the field to argue that professionals at Shifa were very conscious about cultural values and moralities; therefore they used various strategies to release a situational pressure demanding gender free mixing. The in-depth field data has revealed that employees did not consider gender free interaction as a suitable strategy to improve their performance at Shifa, rather they believed that it would add to its problem. Because of this confirmed belief, the senior professionals had never supported the complete execution of a western model in Shifa; and refuted those HR professionals who tried to up root the prevailing setup. In line with this back ground, foreign trained HR managers could not sustain their career in Shifa.

Another reason of this employee behavior could be the influence of the religion Islam. The indigenous values of gender considerations and bio-sphere management are the basic pre-requisites of Islam and are unchallengeable in Pakistani setting. The filed data has unleashed that priorities of professionals to maintain the indigenous values, which are also the religious norms, sometimes put them in a tough situation; they did not change their priorities even at the cost of their career. Anyhow, this sort of pressure could not strategically survive. The following case will be very helpful to illustrating the described phenomenon.

# Case 2: Priority of maintaining the Bio-Sphere

Ms. Sadia Ajmal<sup>2</sup> (29 years) married with two kids; she was working with SIH as a senior HR trainer for the last four years. She did her M. Phil. in Organizational Psychology from Quaid-e- Azam University, Islamabad. She was a very confident and expressive lady and an experienced professional with a strong hand on designing & delivering trainings programmes at Shifa. Due to her training skills and seniority, she had a fair influence in HR department. She participated in a training session which was conducted by a newly hired foreign trained human resource development manager. This training was about "Initiating Effective Team work in Shifa".

The training was going on very well and an exercise was in progress regarding team bond issues. The facilitator divided the audience in to three groups irrespective of their gender. She later narrated the pre-requisites of this exercise; one of these pre-requisites was that all the team members had to hold the hands of each other. This announcement created a chaos among the audience, as almost all the teams contained both male and female members. Males held the hands of each other but girls/ladies were not ready to give their hands to males. When she insisted on it, Sadia, who was a member of the second team, refused to do it in spite of the fact that she was an immediate junior of the facilitator. This negation could be very harmful for her professional career but even then she was not ready to hold the hand of any male. It's a cultural taboo which was also religiously "haram" (taboo). Hence, she prioritized to keep her values at the cost of her career. Off course, she faced negative consequences for this action. In fact she not only refused to accept the order of her boss, but also disturbed the training session. She was

<sup>&</sup>lt;sup>2</sup> Pseudonyms are used instead of real names.

reciprocated by her boss in the job appraisal and annual compensation practices; but her respect among the employees, especially her own team increased. While on the other hand, employees' agitation against Aysha's philosophy at all levels became quite empirical. Her team members were very upset and did not feel comfortable to work under her command; whereas some senior colleagues in other departments believed that her promoted ideas were creating problems. The senior management was upset about the negative developments in the firm. The situation was unfavourable for Aysha, so she resigned. This case highlights that the male-female interaction in Shifa was managed on indigenous cultural moralities; and official orders which directly clash with local moralities were refuted.

The field data has revealed that Shifa management acknowledged the value of this phenomenon ('maintaining bio-sphere' in male-female employees' relations) as it saves them from many problems faced by almost all the western/modern organisations i.e. 'employee sexual harassment' (Luthans 2008). There is sufficient evidence in the field to infer that Shifa's social environment was not like western organisations; anyhow it was also different from the general societal layout. It, actually, depicted the confluence between the indigenous moralities and diffused management model. Therefore, the new inductees always faced problems to adjust themselves into the prevailing system of Shifa. The field data has also unleashed that well-adjusted employees in Shifa developed particular behaviors (openness, flexibility and absorption) which were different from the generally prevailing behavioral models. This point can be explained with the help of the following case.

## Case 3: Collective Buying in Queue System

Amir Ibrar<sup>3</sup> (35 years) was a lab technician. In cafeteria, he was standing in the queue to buy his meal. It was peek lunch time and the cafeteria was full of all types of customers (employees, clients, patients and their relatives, suppliers etc.) All tables were full while there was a long line of customers in front of the counter. Amir's turn was after three clients. He was hungry and it seemed difficult to wait for his turn. He looked around and then saw Imran Ahmad (department of marketing) entering in cafeteria with two other colleagues. Imran straightly came to him and gave him money to buy food for him and his friends. He quickly mentioned the food items that were to be bought for them and moved towards the other end. Soon he was back with a meal tray which was forwarded to Imran for their meal.

Later, he positioned himself besides the cash counter and waved to Amir. In the meantime, all three clients in front of him were served and it was Amir's turn to select the food items. He had given the trays to the waiter and mentioned the items of his choice. Imran came forward, took both of the trays and headed towards a table that his friends occupied in the meanwhile. They all sat together and had their meal in a light environment.

The above mentioned case has revealed that indigenous implicit moralities of reciprocity redefine the diffused ways of situation handling and give way to practices that are more close to local style. Therefore, individuals standing in queue exhibit quite different perception and behavior from the way it is conceived and used in native setting. The

<sup>3</sup> Pseudonyms are used instead of real names.

field data has figured out that when some individual exhibited diffused behavior and personality traits, it did not mean that they no longer carried their indigenous traits; though these traits could be strongly influenced by capitalist culture. Anyhow when Pakistanis followed some foreign practice/ trait, they pursue it with indigenous perspective. This interfacing of local models of behavior with foreign practices/institutions gives way to environmental flexibility.

Field data has also disclosed situational considerations and flexibility as the most important features of Shifa's organisational culture which allowed the management to upgrade the indigenous model to satisfy the basic requirement of capitalist market besides the effective handling of local work force to achieve the organisational targets of profit maximisation and market sustainability. The employees', who could sustain their career with Shifa for a longer time period, developed flexible attitudes towards issues, people, surrounding and life besides a confirmed believe on the value of indigenous wisdom. It is observed in the field that the work environment in Shifa inculcated self confidence among the employees to redefine issues, information, principles etc. for the effective management of various situations and solving the problems.

It was experienced (discussed in the previous paragraphs) in the field that female workers generally maintained indigenous limits of morality and transposed classificatory kin relationship to freely interact with male colleague. My assumption is that their interaction with male colleagues definitely added to their perception, world view and experiences (positively/negatively) which would be fairly different from the world view of a house

wife or from a woman working in a traditional organisation. Consistent with this back ground, female professionals may be exhibiting different behavior while interacting with their family members, brother, husband and others; similarly their family members may be exhibiting different behaviours in Shifa which is simply unthinkable outside the boundaries of this hospital. For example the way Sadia's husband took Ibrar and interacted with him; this would be simply impossible with some other male in the general social setting. The field data has revealed that male employees also developed different behaviours/traits (positive/negative) while working together with female colleagues although in a modest environment. These traits may be different from their contemporaries; could allow them to better understand their family life and match up with their counter parts; and in turn change family members' behaviours. There are sufficient evidences in the field data to argue that a particular hybrid social setting of Shifa had not only influenced the individual and collective behavior of its employees but it also had fairly affected the behaviour of their family members; especially when they were in the firm.

In the contemporary world of global media and political economy, which has established a craze for western culture as 'the only model' of prosperity and success, the behavioural changes inculcated by Shifa's experience (which in fact, do not undermine cultural and religious moralities) are highly appreciated by the market and society. The field data has revealed that Shifa developed its brand name and there was a good demand of Shifa in the job market; and professionals were interested to join Shifa even at a comparatively lower salary packages and longer working hours. Anyhow, Shifa management was quite

choosy in this regard; they only wanted to hire those workers who provided one to two years commitment. Field data has highlighted that a good number of fresh graduates from various universities would like to join Shifa for internship because it was believed that its work experience inculcated self-confidence, communication skills and professional grooming. During the field work, I met with young professional who were very hopeful that with one to two years Shifa experience, they might get a very good job in international private organisations with a standard pay package.

#### Conclusion

The field data has unleashed that Shifa did not offer good pay packages and demanded longer working hours as compared to other medical organisations working in twin cities. In spite of this, to my amazement the HR department always faced pressure for employee induction. There could be two main reasons for this pressure; higher unemployment ratio and special features of organisation. The first reason may not be very valid because Shifa did not offer general office jobs; it was a medical organisation which offered particular jobs and only trained workers could qualify for those jobs (training in those areas is not very common in Pakistan). I would like to clarify here that in Pakistan, the demand of medical workers is always more than its supply to the market. Over the years, it has further intensified due to the contemporary trend of Medical Corporation especially in the capital and other big cities (Karachi, Lahore, etc.). To make this phenomenon vivid, I would like mention here that within the capital city six standard medical corporations are working; anyhow none of them can maintain the standards of Shifa.

On 15<sup>th</sup> of March 2008, the way United States Officials took control of Shifa to provide medical aid to their high officials injured in a bomb explosion at F-6 markaz (Jinnah Super market) highlighted the confidence of foreigners on the system of Shifa International Hospital. This incident promoted the image of Shifa as a reliable service organization in the market. It was observed that there was good market demand for Shifa at the time of this research.

According to my observations, other than modern medical technology and tools (almost available in all contemporary medical organisations in Islamabad) the most important thing which was specially offered by Shifa (to its clients and employees) was 'flexible-hybrid social environment'. This environment was resultant of a conscious balance which was maintained between the local moralities and international modern aspirations, as the organisation was mainly working with local workforce in the capitalistic market (political economy).

Shifa's founding members were always interested to upgrade the system on international medical standards. In order to actualize their dream of international standard organisation, the senior management followed diffused management models but at the same time they did not want to undermine the local moralities. This was because of two main reasons: first, their personal experiences were very positive with local wisdom (develop Shifa on indigenous model of Vartan Bhanji-reciprocal obligations maintain among the members of a social circle); and second, they wanted to effectively utilize the local work force to achieving the organisational goals.

It was also gathered during the field work that the senior management of the hospital, at a stage, wanted to completely execute diffused HRM practices; but the results were extremely negative and problems of high turnover, conflicts, dissatisfaction and demotivation were experienced. In line with this back ground, the contextual practices were used as a strategy to satisfy the contradictory assumptions of a diffused (western) model and indigenous ways of regulating work force. It has without a doubt proven their effectiveness in achieving the corporate goals.

In response to the managements' strategy of contextual practices, the workers' use to redefine the unfamiliar (diffused) office requirements into more familiar normative institution. For example close male-female official interactions transformed into classificatory kin relations, which were further reinforced by the acknowledgement of family males.

Field data has confirmed that individually and collectively employees' exhibited close male-female communication and interaction, (done through indigenous ways) which was different from the prevailing practices. This hybridised organisational culture is highly appreciated by professionals and the community because it has allowed professional modesty without undermining cultural and religious moralities. Especially in the age of Information Technology and global media when staying away from the influence of western culture is impossible, this is quite an achievement. This hybrid model is a good contribution to the market and intellectual knowledge for achieving strategic corporate goals in local markets.

# The Analysis, Conclusion and Recommendations

#### 7.1 Introduction

This chapter aims to analyze and interpret the field data presented in the preceding chapters for developing a reliable conclusion and generally applicable theory. This chapter, in fact, is going to connect and sum up the diverse aspects of the field data with the help of selective analytical tools of relevant anthropological theory. The first section focuses on the analysis based on the theoretical framework of 'Vartan Bhanji', presented by Zekiye Eglar (1960) and extended by Hamza Alavi (1978). As discussed in chapter 2 and 5, this theory has been chosen due to its direct relevance with the field situations. In the later section, research data will be concluded and recommendations will be offered to facilitate Shifa management to effectively upgrade the system.

### 7.2 The Analysis

The basic postulation of my research is that embedded 'shared assumptions' of social (people) organisations influence employee management policy depicting diffused management model; which subsequently gives way to a corporate culture reflecting confluence of local and foreign cultural values. This process reciprocally affects the embedded shared assumption and organisational behavior, as well as to some extent general social environment. In this regard, the role of HR professionals, especially HR manger as the team leader is assumed to be of significant value since they redefine and execute HR policy (based on diffused HR model) according to local aspirations.

The basic idea of this theory is that Vartan Bhanji is networks of relationship in which 'people feel free to ask favours of each other' (Eglar 1960:105); and the recipient party places itself under obligation to the donor party (1960: 106). This conceptual tool can be used to evaluate the complex situation of Shifa in which the management wanted to follow impersonal policy along with extending favours to applicants/employees. Actually the way, the founding members of Shifa gathered the financial (equity of 5 million), technological and human (medical consultants and other technical) resources to establish this corporation; placed them, the management and the whole system under the obligation to the sponsors and supporters of the hospital. Therefore, these sponsors' and supporters' right to ask for favours for themselves and their closely related people was considered justified (recipient and donor both); different levels of facilitations were given to their referred applicant/employee/client in accordance with the nature of obligations (strong obligations or moderate obligations) maintained with them.

The field data has revealed that the variation in human resource management practices was mainly due to different levels of symbolic debt (outstanding obligation) which had to be repaid by accommodating the applicant/employee from their social circle. As the scale to extend facilitation in the obligatory relations was not constant but varied according to the nature of relationship; therefore facilitation extended in employee management practices was not constant. Although, it was also witnessed in the field that despite obligatory expectations, sometimes the request to accommodate a particular applicant/employee was not considered due to serious gaps between the applicant/employee's skills and job requirement. There is enough witness in the field data

to establish that basic requirements of the HR policy were fulfilled besides satisfying the prevailing aspirations of obligatory relationship; as Shifa being a corporation has to meet international standards of operations like ISO 9000 (International Standard of Operations) and others (Annual Report 2005). Consistent with this trend, the field data has unleashed that the role of obligatory relations and related expectation was transforming in Shifa. There are sufficient evidences in the field data to infer that the local system of obligatory relations and impersonal HR policy influenced each other bi-directionally rather than unidirectional.

Another vital concept of this theory of 'reciprocation' states that material (gift) and immaterial (help) presentations offered is not voluntary but actually involuntary; so the debt has to be repaid, although at a succeeding occasion (Alavi 1978:8). This concept has facilitated to comprehend the sever reaction of employees on the execution of impersonal policy at two levels: firstly, old supporters and employees conceived it as a denial of their right to be reciprocated by Shifa management; and secondly, impersonal HR policy (being different from personalised ways of employee management) was considered as useless procedures. In this regard, the field data has pointed out that the conflicting assumptions of impersonal HR policy and personalised indigenous practices of employee regulation were managed through paternalistic management style; the official demands were met through personal relations.

The concept of maintaining reciprocity independent of (present) good or bad relations among the members of obligatory network (Alavi 1978:9) assists in understanding the

paradoxical situations when opposing employees/ supervisors/managers supported each other in front of a third party, in appraisal report and in a compensation request. This was in fact done to repay the past outstanding debts (obligation) as reciprocation of the obligation is the basic rule of 'Vartan Bhanji' relations. Hence, fairly independent of present unfriendly relations, employee/supervisors/managers/ would like to promote workers/colleagues that may be taken as deception by an outsider but to inhabitants of local culture it is normal. After the repayment of the due obligations the opposing behavioural models could be witnessed. These (models) remained very helpful to explore why the past allies were not extending favours but hampering each other's progress; such cases were quite few in number as relations were maintained strategically.

The idea of maintaining the face value of less affluent members of the network (through returning the extra money at the end of the ceremony (Alavi 1978:10) has facilitated me to comprehend why skilled workers and even HR professionals would like to work for and support the less skilled worker with whom they maintained a close relationship. It may seem cheating to a foreigner but to local people it is a normative way of providing another chance to indigent people to survive; besides it obliges the recipient to serve the facilitator in the same coins. However, there were cases in the firm in which the facilitator was not expecting any material or professional support e.g. when an HR supervisor was favouring a peon. This may again be meaningless to a foreigner, especially from Anglo-Saxon culture (based on material logic of capitalism), but it is a mean of achieving respect (izzet) in the local system.

The analytical tool of 'symbolic debt' (outstanding obligation), which is paid with an added value to sustain relationship through continual exchange (Alavi 1978:8-9), is highly significant to explore employees' loyalty with the supervisor/employees (social network) who supported her/him in the his/her selection process. This act of facilitation is considered to be a 'symbolic debt', which obliges her/him to subsequently contribute to the strength of network by supporting its members—through his/her office with (further) expectations to be recognised in future. In this regard, field data has clearly revealed that employees' back ground and social network reference is considered in almost all the employee management practices.

The chain of obligations due to reciprocation of symbolic debt develops consistent relationship among employees; and employees & management which transforms employee relations into moral relations. These relations give way to cohesive work team with loyal individuals who personally take the work responsibility of each other and provide genuine facilitations to improve the performance quality. These social networks with horizontal as well as vertical connections within department, in other departments, in the organisation, in other organisations and at large in the society are quite influential to facilitate in achieving individual as well as organisational goals. The inception of Shifa is justification of this stance; its (Shifa's) sustainable survival is based on maintaining the balance between personal connections and impersonal management model. This is because being a corporation (shares are enlisted in the share markets of Karachi, Lahore and Islamabad) it has to follow international standards of business (Annual Report 2005).

The analytical tool of 'Symbolic debt' (outstanding obligation) may also be employed to evaluate the phenomenon of de-motivation, dissatisfaction and high turnover on the strict execution of impersonal policy. This is because employees (used to of maintaining obligatory relationships through paying and expecting repayment of debt) did not feel connected with Shifa, so they did not own the organization anymore—therefore they were less motivated to continue their career with the firm and left the job on any good offer. Considering this situation, the field data has unleashed, that HR professionals at Shifa realized the problem and facilitated applicants/employees with references, nonetheless within the limits of policy, to develop motivated and loyal work teams. This system helped HR professionals to create symbolic debts (obliging) on the applicant/employee and his/her supporters inside/outside Shifa; which may be used in future to achieve individual, departmental or organisational objectives.

The above discussion and analysis reconfirmed the main inferences established in chapter 5 that implicit assumptions of 'Vartan Bhanji' have fairly influenced implementation of HR policy in Shifa. This institution is based on the philosophy of daughter's right in her father's house; (all relations are established and regulated on this role) (Eglar 1960:108-109), by this it means that gender considerations were fairly made in employee management practices at Shifa. The gender-wise break up of employees' record (as presented in chapter 3) has confirmed this stance; the department wise break up of male and female workers has figured out a good number of female workers in particular departments e.g. radiology, nursing and human resource management whereas there were very limited opportunities for female workers in other departments. The concept of

gender consideration as the foundation stone of 'Vartan Bhanji' (Eglar 1961;108-109) can be also utilised to analyse why females were not equally hired in all department? Basically it (female open hiring) did not prove very result oriented in a society based on the principle of gender segregation and Shifa management was more interested to achieve targets; therefore female workers were hired on limited seats rather than on open merit. Consistent with the field data it can be inferred that female employees were hired depending upon the need of job or department. It can be rightly concluded that Shifa management was neither denying female workers nor unduly welcoming them on all the jobs but adopting a middle way to get benefits from both the perspectives; local (gender segregation) and foreign (gender egalitarianism).

The analytical tool of gender consideration as corner stone of 'Vartan Bhanji' (Eglar 1961:108-109) can also be used to analyse the corporate culture of Shifa. With the assumptions that HRM practices of a firm by determining the ways how employee interact and connect with each other to achieve organizational goals, actually develop a particular organizational culture. The analysis conducted in chapter 5 has unleashed that the basic assumptions of 'Vartan Bhanji fairly influenced the implementation of HRM practices in Shifa; consistently, it is inferred that gender consideration being the basic rule of Vartan Bhanji also influence organisational culture. In the realm of this research, organizational culture have loosely been considered as combination of material layout, social environment and individual as well as collective behavior in the firm (as discussed in chapter 6). Therefore, to evaluate organisational culture of Shifa, I begin by describing diverse styles of job space designing. Field data has established in chapter 3, chapter 5,

and chapter 6 that Shifa management was trying to cope up between conflicting assumptions of local as well as foreign HRM practices to achieve its interests of profit maximisation, modest impression and market sustainability. Therefore, depending upon the needs of the different situations different types of job spaces were designed; however one thing remained clear that Shifa management did not want to go against local moralities of gender consideration. Hence, generally the idea of job space designing in the firm was based on gender differentiation but as per the need of situation mix logic and sometimes the logic of gender egalitarianism was used to develop the job desks/spaces. In this material setting interaction among the male-female colleagues depicted all three logics but mostly employees interacted in their own close circles. Although, sometime close male-female interaction was also witnessed but the in-depth study of this phenomenon differentiated it from gender egalitarianism based free interaction on the basis of two reasons. First, a conscious bio sphere was maintained between male-female colleagues; and second, this relationship was generally transformed into family relationship e.g. fatherly figure, brother like, sister like and others. It can, therefore, be concluded that male-female free interaction was not only different from foreign but also from local male-female interaction models. There are sufficient evidences in the field data to conclude that male-female close interactions among Shifa employees depicted cultural confluence of local system and diffused HRM practices.

In view of the above mentioned analysis, I would like to advocate my basic research theme line, suggest certain modifications as well as substantiation to anthropological and cross cultural management theories. I will also extend some recommendations for Shifa

management; and finally, offer the implications of this study for society and development model.

#### 7.3 Conclusive Remarks

I have developed various postulations throughout my thesis to comprehensively investigate the research issue; my basic postulation as mentioned earlier is that, indigenous cultural patterns influence the application of a diffused human resource management model. Although diffused HR model provides the guiding principle; yet its functionality is significantly influenced by the local cultural values. In this regard my primary argument is that management models are implicit constructs and those who employ it (management model) give meanings according to their own shared perceptions.

In addition, I suggest that labour relations are embedded within kin relationship in Pakistan; therefore, (without being judgmental) reciprocal obligations and personal penetration are considered basic features of the employee regulation process. In this context, I have further advocated that there are three basic components of Pakistani culture which must be taken into account to understand employee relation in Pakistan: collective self-identification, inequality and gender consideration.

In my discussion while exploring basic constituents of Pakistani culture, I have also suggested that these cultural patterns act as foundation principles of all the sub cultures of Pakistan rather than just Punjabi culture. I have also argued that diffused human resource management model should be understood as an institution of its native culture depicting

its basic constituents: individualism, equality and gender egalitarianism. Subsequently, I have strongly argued that employee management practices at Shifa are contextual rather than constant; which fluctuate from personal considerations to a complete execution of policy. Consistently a general trend of facilitation within the policy rule was witnessed.

I have also shed light on competitive advantages of culturally adapted practices of diffused HR models to organise local workforce for achieving organisational goals in contemporary market. Additionally, I have contended that the harmonising role of HR professionals especially HR manger as the team leader is pivotal in achieving personal, departmental and organisational goals; as they are key players who redefine HR policy (based on diffused HR model) according to local aspirations. In view of this, the HR managers who tried to strictly follow impersonal employee management policy in Shifa (depicting diffused HRM model) to manage employees' problem-- intensified problems rather than providing solutions. This stance openly questions effectiveness of diffused human resource management models in organisations working with local employee in a native setting; as being less relevant to the needs and expectations of local employees at Shifa. I have also claimed that the results of the following diffused model has been off-putting in Shifa because it comes from western (Anglo- American) culture and is based on a contradictory philosophy to the local culture, as mentioned by Hofstede (2003: 171).

Therefore, I have further argued that the culturally adapted HR model can maintain professional standards without losing the support of the social system and gives way to a hybrid model. Such a model will help in extending technological as well as social

strength to the organisation in consistence with Trompenaars perspective (1994:3). My thesis provides a demonstration in some of the areas of human regulation practices in which a balance is maintained between the indigenous moralities and diffused assumptions to strategically solve employee issues. In addition, it is validated that reconciliatory HR practices result in cultural confluence of local and foreign characteristics. This corporate culture contextually depicts local, foreign or mixed logic to handle diverse requirements of different situations. The study has confirmed that this particular corporate culture has fairly inspired employees' mind sets and behaviors; and affects their interaction with their family members and in turn influences their (family members') behavior. In this way, I have explored the way organisational social environment affects employees' as well as their close family members' behavior in the organisation. But, I have not extended my study beyond the organisation due to time constraints and indirect relevance of this issue with the main concerns of research. From the personal observations and interaction with some Shifa employees, it is found that their behaviour in their families is somehow different (more open, flexible, liberal etc.) from the other members and in turn their close family members (husband, wife, kids etc.) respond differently to them. At this point I am making a final statement of this thesis that indigenous social institution shapes up the diffuse human resource management model applied in a commercial organisation and creates a hybrid organizational culture. This organizational cultural in turn influences indigenous social institutions and behavior models within the organization and to some extent outside the organization. I would like to conclude that the hybrid model of Shifa is not only a good contribution to the business

market and intellectual knowledge for achieving strategic corporate goals in local markets, but it is also an institution of gradual social change.

## 7.4 Recommendations

In the light of my research findings, I would like to make a few recommendations regarding human resource management practices which may facilitate Shifa management for the further improvement and uplift of the management system.

First, I suggest Shifa management to consider focused group interviews and discussions, besides tests and individual interviews as selection methods to evaluate employee's attributes, especially for human resource management & training officials. This will facilitate management to induct employees who can effectively adjust into the Shifa system.

Second, a succession plan (career map), which is an essential part of human resource management policy, is still not formally designed and adopted in Shifa. The field data strongly recommends the Human Resource Management department to chalk out succession plans for every job; this will not only help HR professionals to generate clarity among the employees about their future in Shifa but it will also facilitate them to control a high employee turnover rate.

Third, I strongly recommend behavioral, besides technical trainings for new as well as old employees; this will help Shifa to maintain its standards. In this regard, Human

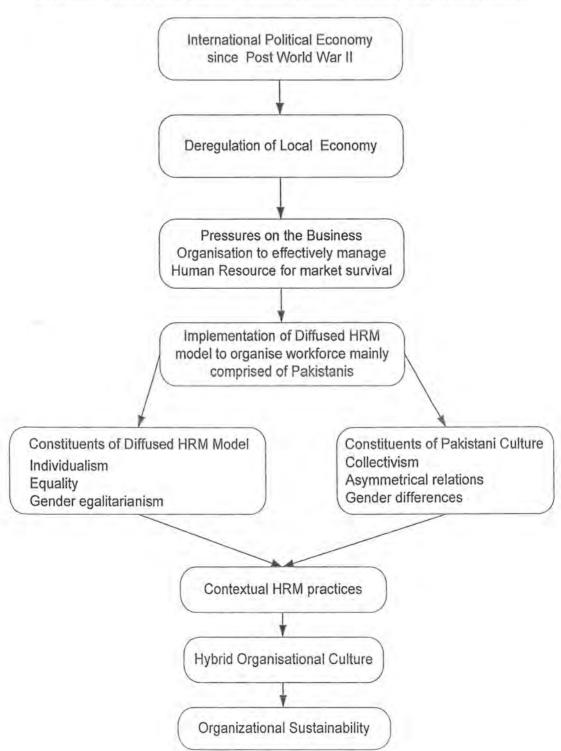
Resource Training and Development section need to be activated. This department can develop collaboration with various universities and institutes; subsequently cost effective trainings and workshops can be organized in Shifa. For behavioral workshops or trainings cross cultural perspective must be considered.

Last but not the least, I strongly propose cross cultural training of human resource managers which will help them to internalize that various cultural models of organising workforce have their own strengths and weaknesses; consistently synergistic (combined) practices can facilitate them to satisfy local workforce as well as requirements of contemporary business.

I am strongly extending this recommendation because I have personally experienced that the HR manager who was exhibiting a synergistic model in Shifa (in form of contextual HR practices to which research findings declare more suitable to handle local workforce in a changing market), himself was not satisfied with these practices and considered himself corrupt due to the general impression of people—as discussed by Trompenaars (1994:32). During my field work, I observed him in great stress, which to my judgment was due to his internal clash; otherwise he was managing issues in the most effective manner by using various techniques of reconciliation, minimising, and utilizing presented in cross cultural management literature (Schneider and Barsoux 2003:255-259; Adler 1997: 10 4-106; Trompenaars 1994: 175-177).

Figure: 4

Cultural Diversity and Human Resource Management Practices in Pakistan



## 7.5 Effect on Cross Cultural Management and Anthropological Theory

I suggest certain substantiations as well as modifications to cross cultural management and Anthropological theories respectively. I will start off by highlighting a theoretical perspective in cross cultural management with which my research results are consistent; I would then like to identify small revisions and recommendations, and finally focus on the contribution this research has made to the Anthropological theory of 'Vartan Bhanji'.

First of all, my research results show consistency with contemporary trend in cross cultural management researches; management especially human resource management is not an independent phenomenon but it is culturally dependent; therefore particular ways of organising can be much more appropriate in a culture than others (Hofstede 2003:239; Luthans 1998: 639; Trompenaars 1994:3). And collaboration of various cultural models can give an additional strength to a system (Trompenaars 1994:20).

Second, results also validate the perspective that local cultural considerations play a pivotal role in the success of a business (Trompenaars 1994:165), as well as in the triumph of a manager to satisfy his/her subordinates (Hofstede 2003:239).

Third, research findings support the perspective that the application of 'Universalistic' models is not going to reduce the cultural difference (and develop international convergency over time) but further intensify this phenomenon (Shaules 2007: 7; Hofstede 2003:238; Trompenaars 1994:4). This is because it develops unique recipes of differences

due to cultural confluence of the universalistic model and local cultural institutions (Yang 2003:30).

Fourth, it is also confirmed that the universal phenomenon of change is not universal in its nature but it (change) is taking place in every society and region due to the application of diffused management models (Universalistic in nature). This is in accordance with its own particular socio-political and economic setting, as field findings besides research results of various developing countries prove (Dalton 2007; Davila and Elvira 2005; Mariappanadar 2005; Aycan 2001).

Fifth, findings have substantiated that national culture does inspire the organisation system and its culture (Hofstede 2003: 236; Trompenaars1994: 138); it (national culture) does not override the organisational culture as mentioned by Laurent (1986). My research results have revealed organisational culture as confluence of national and foreign culture values (working as embedded assumptions of diffused human resource management model) which subsequently, at a limited level, influence indigenous cultural institutions and general social setting.

Sixth, in the light of research findings I would like to recommend a revision in the methodological approaches to study contemporary Human Resource Management practices and organizational behavior in Pakistani organisations as well as Asian developing countries. This can be done through examining conflicts and merges of indigenous cultural moralities and embedded assumptions of diffused management

models. For the better understanding of prevailing HR practices and organisational behavior, the corresponding cultural forces in the local setting need to be taken into consideration to examining current employee regulation and organizational transformation. The indigenous cultural framework should be employed to understand the unique perspective of nonwestern workforce like the way "Bartan Bhanji" is used to explore local realities. Being relevant to prevailing local realities Bartan Bhanji is a very useful tool to evaluate human resource problems and possibilities in the region of Punjab, Pakistan and South Asia- as this concept of gift economy (reciprocal exchange of gift and services) prevails throughout Asia and can be examined in relation with prevailing cultural values and beliefs. The analytical tool of VB describes the implicit principles of local mindset and their expectations, which are completely different from the western (North American) behavioral expectation. This methodological framework may be very helpful in cross cultural management practices within local organisations as well as multi-national companies generally working in Asia, South Asia and especially in Pakistan.

Last but not in any way the least, the most important contribution this research has made to the Anthropological theory is that it has applied the theory of 'Vartan Bhanji' in the field of cross cultural human resource management. Previously, this theory was used to analyze employee relationships in the rural areas within a traditional-agricultural setting (Lyon 2002). This research, for the first time, has employed this theory to explore human resource management practices in the corporate sector of recently liberalized economy of Pakistan; and the theoretical model of VB helped to understand the embedded reason due

to which HR practices fluctuate in a local organization following standardized HR policy. The research results additionally reveal that the satisfaction of obligatory expectations within the framework of HRM policy work, as organisational strategy to reconcile local and diffused HRM model, help management to fulfill the paradoxical expectations of local workers and international standards. This strategy is pointed as an essential characteristic of organisations to operate in the contemporary market (Trompenaars 1994: 3).

## 7.6 Implication for Society and Development

Obligatory relations and interventionist values, based on the embedded assumptions of collective-identification, inequality and gender considerations, are integral parts of all types of (formal and informal) social organisation in Pakistan. Individuals do not just act and perform on one's own behalf but rather on behalf of others. They support others because they know in return they will be facilitated. This system of reciprocal support and interdependence offers social and cultural coherence especially in the absence of national, linguistic, ethnic, and political uniformity. The managements' efforts to use diffused HR Management models for regulating local workforce in private, semi private and public organisation not only destabilizes the individual emotionally and inhibits his performance to achieve the organisational goals, but it also damages the embedded unity of employees. This all adds up to organisational problems by increasing de-motivation, dissatisfaction and employee dropout rate. My point is that local organisations as well as multi-national corporations working in Pakistan with local workforce cannot achieve the goals of profit maximisation and market sustainability until and unless, the management

understands and considers the value of indigenous moral assumptions and aspirations, which formulates the perceptions and mindset of the local employees. I believe that there is no harm in learning the lesson from other's successful examples; but 'as it is implication' of these models can create serious threats to the functioning and sustainability of the organisational as well as national economy, and in turn the political stability.

I suggest that attempts by Pakistani leaders, universities, businessmen and entrepreneurs' to execute diffused management, especially HR models while undermining indigenous wisdom to achieve maximum results in minimum possible time has resulted in contemporary precarious economic conditions in Pakistan. As witnessed during the last eight years' regime of Musharaff and his supported political government, the complete focus of Pakistan at micro and macro (from technological to social) level was on diffusion and its execution to attain economic prosperity, but the government has completely failed in its policies and its approach, the fiscal deficit has increased to 6.5 percent of the GDP from 4 percent (Chandran 2008: 3).

The point to be highlighted is that no country or nation can survive by undermining its own wisdom and following the rational of others; and vice versa or reconciliation between the two can bring better results as proven by the development model of China. Since the existence of Development theory, China is the only country which has improved its status from under developed country to a developed country; this remarkable achievement has been attained through incorporating indigenous wisdom

while competing in International market (Luthans 1998:644). China, which has not only acquired economic prosperity and sustainable growth but it has also captured one-third of the economy of the whole world (1998:644). Contemporarily, Chinese economy is a challenge to the economical sustainability of America and other developed countries (1998:644). Whereas on the other hand despite the great support by the Americans and the UN agencies, western management practices and models can help very little or nothing to improve the economic conditions of developing countries (1998:644). Hence, it can be rightly concluded that the application of diffused management models in accordance with indigenous cultural values can bring better results; and any approach undermining the significance of indigenous wisdom can never be successful in the local setting.

My recommendations for the sustainable growth of organisations in Pakistan are that the process of the growth should begin from existing resources (knowledge, practices, and properties) and later depending upon the need diffused models can be used. In short the natural and sustainable flow/process of growth is inside/out rather than outside/in—once the former stage is acquired then there is no harm in trying the later step but starting with the later can never yield sustainable growth as experienced at micro level in Shifa and at macro level during the regime of Ayub Khan (Khan 1995:328) and Pervaiz Musharraf (Chandran 2008). It is a need of the time that the value of indigenous wisdom and embedded institutions must be recognised and conscious efforts must be made by social scientists especially anthropologists, to organise generations tested world's oldest wisdom prevailing in the various (world's oldest Indus civilization exist here) regions of

Pakistan (Shehab 1989:14-15) because it is the real resource of Pakistan's prosperity and sustainable growth.

I have provided evidence for almost all of my research assumptions. In my thesis, I have demonstrated the value of indigenous institutions in redefining diffused human resource management model into culturally adapted HR practices which give way to sustainable growth of Shifa. The extensive literature review conducted in the second chapter reveals the deep rooted reasons due to which diffused western management models are falsely considered essential by the leaders and entrepreneurs of developing countries to yield prosperity. However various contemporary researches reveal reconciliation between local and international models to achieve business success (Schneider and Barsoux 2003:267; Adler 1997: 106; Trompenaars 1994:165). The research findings have also supported this phenomenon of reconciliatory human resource management practices as a basic reason of Shifa's success in the local market. It is also demonstrated that whenever the management has tried to execute strict HR policy depicting western management model, it added up to the management's problems rather than providing solutions. This is because impersonal and individualistic assumptions of this model are in a complete contrast to the embedded moralities of collective self-identification, inequality, personal considerations, and reciprocal exchange. It was quite interesting to explore that employees were quite conscious about their limits even in the system of reciprocal exchange; they expressed their dissatisfaction and resistance to the management. Shifa is a business organization; and its management focuses to follow those management strategies with the help of which they can achieve the organizational goals. Consistently,

HRM policy is flexibly used to cater local social moralities of reciprocal exchange. This, subsequently, connects the management and workers into moral relations and both the parties consider each other's limits. Hence, the management and employees both facilitate each other in solving problems, developing loyal work teams, achieving individual & organisational goals.

It can be arguably stated that these reciprocal social relations are not the only solution to employee problems and organisational growth but it is an important source of national consistency of Pakistan in spite of instability due to frequent political changes, unemployment, and high inflation. I just want to highlight those indigenous traditions of reciprocal exchange which connect the people at various social layers and integrate the resources, are viable reasons of a smooth running of Pakistan. The existence of reciprocal exchange and hybridisation is neither unique to Shifa and Pakistan nor unusual in human societies. The investigation of indigenous wisdom and reconciliation process (especially in the age of information technology and fast communication) in Shifa, a Pakistani organisation is therefore a good contribution in the pursuit of discovering the model of sustainable growth.

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