

Social Capital in Jordan: The Impact of Wasta on Employee Selection in Banks Operating in Jordan

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Acknowledgments

“...Say: ‘Are those equal, those who know and those who do not know? It is those who are endowed with understanding that receive admonition’”. (Qur’an, 39:9)

Doing a PhD is a long, exciting, demanding, and rewarding journey. In undertaking this journey one seeks to advance our knowledge and understanding of this world. I have been blessed with having some of the most supportive people to help me in this quest. Firstly I would like to thank my director of studies, Dr. Ani Raiden, and my second supervisor, Dr. Susan Kirk, for being my critical friends who I could always rely on in seeking advice and reflections. Secondly I would like to thank Dr. Sophie Strecker for all the emotional support she gave me and for bearing with me in my most stressful moments. This thanks extends to all my friends at the graduate school and basketball court of Nottingham Trent University for giving me some of my most memorable times during my study years.

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Abstract

This thesis explores the practice of intercessory *wasta*; the strong family and tribal-based connections secured in networks in the Arab world. In doing so the social capital lens, particularly bonding and bridging social capital, is adopted as the main lens to investigate HRM, recruitment and selection, and line managers' perceptions of the impact of *wasta* on employment selection in Jordan. Identity research, namely social identity theory, social categorisation theory and role identity theory, is used to extend on and critique social capital theory as the main theoretical lens in exploring *wasta*. Often the use of *wasta* in employee selection is related to favouritism and nepotism and the many negative outcomes of not adhering to merit-based selection. The researcher adopts a qualitative and interpretivist approach in conducting and analysing seventeen in-depth interviews in fourteen case study banks operating in Jordan.

By being the first research to explore the impact of *wasta* on employee selection in banks operating in Jordan using the social capital as the main theoretical lens, particularly bonding and bridging social capital, this thesis contributes to knowledge in respect of social capital and *wasta*.

It was found that, contrary to the general premise that social capital is beneficial for both job seekers and organisations when utilised in employee selection, *wasta* has both positive and negative outcomes depending on the way the intermediary is used. On the one hand *wasta* can be used by calling on a powerful intermediary who can help grant individuals unfair access to employment that is beyond their qualifications, skills, knowledge and abilities. *Wasta* can also be used as part of an exchange process where individuals can be employed in exchange for a present or future benefit bestowed on the organisation or the decision maker by the intermediary. Organisational context is relevant in this respect however. In banking, not all roles are open to *wasta*. Where the possible negative impact on the organisation poses too great a risk decision makers feel able to resist even strong *wasta*. Importantly the findings also highlight some positive uses of *wasta*. These

emerged mainly in the context of wasta as a method to transfer information over structural holes between the organisation and the job seeker.

Abbreviations

CEO	Chief Executive Officer
CJB	Central Bank of Jordan
CV	Curriculum Vitae
EU	European Union
GPA	Grade Point Average
HR	Human Resources
HRM	Human Resource Management
IT	Information Technology
JD	Jordanian Dinar
UK	United Kingdom
USA	United States of America
WTO	World Trade Organisation

Arabic terms

Jaha (جاهة): a delegation of elders, usually used to mediate between conflicting parties or to represent and support a groom's request for a bride's hand in marriage.

Riba (ربا): a concept in Islamic finance referring to charging interest in financial transactions, an act which is forbidden under Islamic laws as the teachings of Islam views it to be an exploitive practice.

Sheikh (شيخ): a leader or head of an Arab tribe, family, or village.

Wasit or Waseet (وسيط) : an individual mediating between two parties.

Bamon alek (بمون عليك): a dialect Arabic term which refers to a practice where an individual requests something from another asking if that individual will do the favour due to the emotional value he perceives himself to have by the other person.

Diwan al khedma al madaneyah (ديوان الخدمة المدنية): The civil service bureau.

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Chapter one: Introduction

The concept of social capital first appeared in literature a century ago when Hanifan (1916: 130) used it to describe the 'tangible substances' such as good will, fellowship sympathy, and social intercourse among individuals and families who make up a social unit. Hanifan (1916) argued that these substances add value to the daily lives of people by satisfying individuals' social needs and therefore, potentially improving the living conditions of members of the whole community substantially. Only a handful of research has referred to this concept until the 1980's (e.g. Sealy et al., 1956; Homans 1961; Loury 1977). Interestingly, none of these researchers cited earlier research on the concept but have used the same umbrella term to encapsulate the vitality and significance of community ties (Woolcock and Narayan, 2000).

During the last three decades, however, social capital has re-surfaced as a concept of great interest and potential to help understand and explain how social structures and informal networks impact political, social, and business practices at the societal, organisational, and individual levels. The basic premise of social capital theory is that, much like other forms of capital, an investment in social relations is expected to yield returns (Lin, 2005). This is held to be true at all the aforementioned levels, particularly in the developing regions of the world where informal institutions such as extended families and tribes replace dysfunctional and inefficient formal institutions of governance and management. This situation is most apparent in Arab Middle-Eastern countries, where social networks are viewed to be of particular importance in helping members to attain their political, social and financial goals (Hutchings and Weir 2006b; El Said and Harrigan, 2009; Weir et al., 2015).

This research study examines how the use of social capital aids individuals in attaining employment in banks operating in Jordan. Social capital theory forms the main theoretical lens underpinning this research project in order to

explore the practice of *wasta*, a widespread practice in Jordan and throughout Arab Middle Eastern states, which refers to the utilisation of social networks to attain a specific goal (Ronsin, 2010). However, using social capital as the main theoretical lens in exploring *wasta* has its limitations. It can be argued that *wasta* is such a complex phenomenon that exploring it from this perspective only will reduce the ability to achieve a holistic understanding of this social practice. As such, in order to achieve a deeper level or critical analysis, identity theory is used to expand on and complement the use of social capital theory in exploring the impact of *wasta* on employee selection. This is because this research is focused on exploring *wasta*'s impact on both the individual seeking employment and the organisations that hire applicants based on their *wasta*. The thesis explores the different forms of social capital prevalent in Jordan and the potential implications of utilising one's social connections to attain employment on HRM.

In this chapter the context of the research is outlined. Firstly, by introducing the concept of *wasta* and exploring the different theoretical lenses through which *wasta* can be viewed. This section is concluded with a justification for the use of social capital as the main underpinning theoretical framework. Identity theory is explored explaining the benefits of its use as an extension to social capital theory in exploring *wasta*. An overview of social capital theory is presented in the next section. This is followed by a section introducing identity theory. Jordan, its socio-economic environment, the banking sector and Human Resource Management (HRM) practices is then explored. 'The *wasta* paradox' is then critically presented, followed by a section highlighting the research problem. An overview of the research aim, objectives, and questions follows. The original contribution to knowledge of this research is presented in the subsequent section and finally, the structure of the thesis is presented.

1.1 Introduction to Wasta

Linguistically, wasata (وساطة), better known as wasta (واسطة), is an Arabic word that means 'the middle', and is associated with the verb yatawassat (يتوسط) (to mediate): to steer conflicting parties toward a middle point, or compromise (Cunningham and Sarayrah 1993: 1). In classical Arabic wasata is used to refer to the mediation act, while a wasit (وسيط) is the person who performs it. In spoken Arabic in the Middle East, however, the word wasta is used to refer to both the act and the person (ibid).

Conceptually, wasta can be defined as favouritism based on tribal and family affiliation (Cunningham and Sarayrah, 1993: 1). It is argued to be a widespread practice that has a substantial impact on political, social, and business interactions in the Arab Middle East, particularly Jordan (Loewe et al., 2007; Berger et al., 2014). In Jordan, it is a practice that was historically used to mediate between conflicting parties, namely tribes living in the area now known as Jordan. This use was termed intermediary wasta (Cunningham and Sarayrah, 1993). Subsequently, it was more prominently used to achieve a specific goal with the help of a patron (Mohamed and Hamdy, 2008) which is termed intercessory wasta (Cunningham and Sarayrah, 1993). Modern day wasta is practiced for a variety of reasons. Firstly it is used for political aims, to win parliamentary elections (Brainine and Analoui, 2006). Secondly, it is used for social aims, such as in pre-arranged marriages, to help a male obtain the approval of a potential bride or her parents (Cunningham and Sarayrah, 1993). Finally, it is used for economic aims, to secure a job or promotion, or cutting through bureaucracy in government interactions (Loewe et al., 2007; 2008).

However, the practice of favouritism through social networks, such as the practice of wasta, is by no means limited to the Arab culture although the terminology for wasta-like practices changes across regions and countries; e.g. *Guanxi* in China, *Blat* in Russia and nepotism (or pulling strings) in the UK. These practices are similar to wasta in their core characteristics since individuals are using their social networks to achieve their goals (Gold and Nofal, 2012; Smith et al., 2012). Nevertheless, although some researchers

treat these practices as different faces of the same coin (e.g. Smith et al., 2012), it can be argued that the difference in origins of each practice, for example tribalism in the case of *wasta* (Cunningham and Sarayrah, 1993), Confucianism for *Guanxi* (Hutchings and Weir, 2006a) and communism for *Blat* (Onoshchenko and Williams, 2013), leads to a difference in how individuals interact and the processes and procedures they go through to achieve a goal in each of these practices. For example, it is argued that *Blat* is generally viewed by its patrons as a positive practice due to a historic reliance upon it in countries where it prevailed during soviet times (Onoshchenko and Williams, 2014). This is because in the Soviet command economy, having friends in strategic places was very advantageous because the possession of money did not guarantee access to commodities, goods and services which were in short supply, but these could be made accessible using personal connections (*ibid*). As such, *Blat* was viewed positively by people because it was needed and involved helping other individuals without the need for a direct re-payment (Onoshchenko and Williams, 2013). On the other hand, while the act of mediation between conflicting tribes in the tribal times of pre-establishment Jordan was viewed by society as an honourable and positive act, modern day intercessory *wasta* involves different and conflicting emotions (Cunningham and Sarayrah, 1993). This use of *wasta* is sometimes viewed as a corrupt or unjust act which contradicts with the teachings of Islam, the main source of ethical guidance for the majority of people in the region (Hutchings and Weir, 2006a; Mohamed and Hamdey, 2008). For example, using intercessory *wasta* to hire an unqualified individual for a job where other applicants are more suitable can be ethically problematic (Karolak, 2015). This might lead to a more clandestine use of *wasta* for these purposes by its practitioners (Cunningham and Sarayrah, 1993). As such, these differences impact on how, and indeed if, each of these practices can be managed by policy planners and business and Human Resources (HR) managers in each of the different countries they are practiced.

Wasta is argued to be an important determinant of how economic activities are organised and resources are allocated in the Arab Middle Eastern region

in general (Gold and Noufal, 2012), and particularly, in Jordan (Cunningham and Sarayrah, 1993). Nevertheless, unlike Guanxi and Blat, even economists who specialise in researching the Middle East have yet to sufficiently explore the impact of *wasta* upon business practices in countries of this region (Hutchings and Weir, 2006b; Gold and Narwhal, 2013; Weir et al., 2015).

Up until now no formal statistics examining the spread of *wasta* in Jordan, or any explicit governmental attempts to measure its social utility in Jordanian society have been produced. There is also a lack of empirical research on the extent to which *wasta* impacts upon business practice in Jordan, particularly in employee selection where *wasta* is argued to have a big influence on the way employees are selected in organisations operating in Jordan (Cunningham and Sarayrah 1993; Loewe et al., 2007, 2008). There is, however, a tacit acceptance of the huge influence *wasta* has on general business practice, HR and employee selection practices in particular by individuals living in these societies. This is usually brought to light through word of mouth and the occasional news report (Gold and Noufal, 2012).

For many years the research on *wasta* has consisted of a handful of studies only (e.g. Cunningham and Sarayrah 1993; Abdalla, et al. 1998) which have examined the practice of *wasta* in different Arab countries and in some cases attempted to generalise this to the rest of the region (Brandstaetter, 2013). However, these studies lacked either methodological rigour, or empirical data, and sometimes both. Academic interest in the subject has increased in recent years, which has prompted more in-depth explorations of this social phenomenon. This has produced studies focusing on the practice of *wasta* from several theoretical perspectives such as Institutional Theory (e.g. Loewe et al., 2007; Sidani and Thornberry, 2013; Barnett et al., 2013; Brandstaetter et al., 2015), Attribution Theory (e.g. Mohamed and Hamdy, 2008) and Social Capital Theory (e.g. El-Said and Harrigan, 2009; Tlass and Kauser, 2011; Bailey 2012; Kropf and Newbury-Smith, 2015).

The aforementioned studies can be criticised in several ways. The first criticism is that the majority focus on the negative side of *wasta* while dismissing potentially positive outcomes, such as increasing social solidarity

in communities where wasta is practiced (El-Said and Harrigan, 2009). Secondly, many of these studies neglect the potential necessity for the use of wasta in the developing Arab countries, where the existence of weak formal institutions leads to the need to resort to wasta in order to achieve goals (Berger et al., 2014). Thirdly, most of this research was either not empirically informed or reliant upon data collected for other purposes, whether primary or secondary, but which were not specifically designed to explore the business utility of wasta. Fourthly, the majority of this research attempted to generalise results from one country to the whole Arab Middle East (Loewe et al., 2007; Berger et al., 2014). As such there remains a gap in our empirically-informed understanding on how wasta impacts the political, economic and social environment in each specific Arab country where it is practiced.

This gap in understanding of wasta includes our knowledge of the way it impacts the employee selection process in organisations operating in Jordan. The arguments presented in this section highlighting the prevalence of wasta in the Arab Middle East and the major impact it appears to have on business and HR practice, and particularly employee selection, lead us to appreciate the importance of understanding both its positive and negative outcomes. This research aims to aid in addressing this gap by utilising social capital theory, aided by identity theory, to conceptualise wasta and thus, explore the perceptions of managers who work in banks operating in Jordan and the impact of wasta on employee selection in these organisations.

The next section will provide a review of the different theories of wasta research to justify the use of social capital theory as the main lens to study wasta.

1.2 Approaches to Wasta research

As indicated earlier, wasta is a phenomenon that manifests itself in a wide range of political, social, and business situations. As a consequence, it has been explored by researchers from a variety of social science disciplines

which include: sociolinguistics (e.g. Sakarna and Kanakri, 2005), social development (e.g. Makhoul and Harrison, 2004), state-society relations (e.g. Ronsin, 2010), law (e.g. Al-Ramahi, 2009), and business, economics and Human Resources (e.g. Hutchings and Weir, 2006a, 2006b; Mohamed and Hamdy, 2008; Berger et al., 2014; AlHussan et al., 2015). As outlined previously, this has resulted in wasta being explored from several theoretical perspectives such as Institutional Theory (e.g. Loewe et al 2007; Sidani and Thornberry, 2013; Barnett et al. 2013; Brandstaetter, 2013), Attribution theory (e.g. Mohamed and Hamdey, 2008) and Social Capital Theory (e.g. El-Said and Harrigan 2009; Tlass and Kauser, 2011; Bailey 2012; AlHussan et al., 2015; Kropf and Newbury-Smith, 2015). It is worth noting at this point that no academic research has explored wasta solely from the identity perspective. A summary review of key research on wasta is presented in Table 2.2 below.

Table 1.1 Summary of key wasta research

Theme	Author(s)	Methodology & Methods	Research Theme
Institutional theory	Cunningham and Sarayrah, (1993)	Qualitative, stories	This is the first book to solely focus on wasta utilising two explanatory theories (Arena theory and Rational choice theory) to explore and explain the use of this concept in Jordan.
	Hutchings and Weir, (2006a)	Secondary data, informal conversations, semi-structured interviews, surveys, company reports analysis, and the researchers experience	Compares Guanxi, wasta, and the role of trust, family, and favours in underpinning these traditional modes of interpersonal connections and networks and considers the continued relevance of these practices as China and the Arab world internationalise and modernise. Concludes by providing insights and recommendations for Western managers who want to work in these regions.
	Loewe et al. (2007)	Mixed methods, Interviews and survey questioners	Identifies the reasons for the widespread of favouritism (wasta) in Jordan, its positive and negative impacts and produces several recommendations on how to combat it.
	Loewe et al. (2008)	Mixed methods, Interviews and survey questioners	Builds on previous research by the same authors arguing that the reasons for the widespread use of wasta in the business environment in Jordan is due to Jordanians not seeing any alternative for achieving their goals.
	Ronsin, (2010)	Qualitative, literature review	Explores the historical background of wasta and how this practice evolved with the evolution of Jordan from tribes that reside in the area to its current form as a modern state resulting in the current practice of wasta in 'modern' Jordan.
	Smith et al, (2012)	Quantitative, survey scenarios	Investigates the cultural specificity of Guanxi, wasta, and Jeitinho which have been identified as indigenous processes of informal influence arguing that while these practices are seen as culture specific, they are actually culture-related rather than culture-bound.
	Sidani and Thornberry, (2013)	Qualitative, literature review	Examines the practice of nepotism in the Arab world from an institutional theory perspective, adding a theoretical background to the exploration of the practice of wasta in business in the Arab world.
	Barnett et al, (2013)	Literature review	Provides a critical literature review investigating the origins of wasta, the fields from which this concept has been researched and identifies the gap in this field. Deducts that wasta will be prevalent in the Arab countries' business environment as long as the benefits it reaps to the individuals in the tribe surpass what they can attain trading outside the tribe.

Attribution theory	Mohamed and Hamdey, (2008)	Quantitative, questionnaires	Explores the impact of wasta on the hiring process and the attribution effects of wasta on perceptions of competence and morality of the users of wasta.
	Mohamed and Mohamed (2011)	Quantitative, questionnaires	Builds on the previous research from one of the researchers exploring the negative perception of individuals who are hired through wasta from colleagues and society regardless of the qualifications and experience these employees have.
Social Network analysis	Hutchings and Weir, (2006b)	Secondary data, informal conversations, semi-structured interviews, surveys, company reports analysis, and the researchers experience	Explores the implications of internationalisation for Guanxi and wasta and the role of trust, family and favours in underpinning these traditional models of networking. The paper concludes by drawing some implications for management development professionals and trainers.
The Social Capital theory	El-Said and Harrigan, (2009)	Secondary data	Portrays wasta as a form of social capital prevalent in the Arab world providing a thorough review of the evolvement of bonding and bridging social capital in Jordan
	Tlaiss and Kauser, (2011)	Secondary data, authors' own knowledge, informal interviews, survey questionnaires	The paper offers insights into similarities and differences between the Arabic concept of wasta and the western idea of networking and mentoring.
	Bailey, (2012)	Social construction, qualitative, focus groups	Examines wasta from the social capital theory perspective. Gives background to using a qualitative/ subjective approach in research exploring wasta.
	Gold and Naufal, (2012)	Quantitative, survey questionnaire	Views wasta as a 'form of currency' outside of normal business practice focusing on the more controversial intercessory wasta. Recommends that any policy suggestion to target wasta should not focus on specific characteristics thus significantly complicating any future policy.
	Fawzi and Almarshed, (2013)	Post Positivist, survey	Investigates the application and methods of recruitment practices of banks in Saudi Arabia and the effect of Saudi culture especially nepotism (wasta) on the ability of these practices to attain effective employees.
	Aljbour et al, (2013)	Quantitative, survey questionnaires	Examines the relationship between expatriate non-Arab managers training and their ability to network (use wasta) in the Arab world.
	Berger et al, (2014)	In-depth interviews, survey questionnaire	Develops and tests a measurement scale to examine social networks in an Arab context (wasta) providing a critical literature review on the origin and evolvement of wasta in the Arab world.

Other perspectives:			
modernization theory	Sabri and Bernick, (2014)	Secondary data, survey questionnaire	Examines the patterns of civic engagement in polities of the Arab world based on the perspectives of modernization theory and utilitarianism.
Comparative studies	Abdalla et al., (1998)	Statement survey Questionnaire	Provides a literature review on the benefits and draw backs of nepotism in family managed organisations operating in developed (USA) and developing (Jordan) countries.
The Socio-linguistics perspective	Sakarna and Kanakri, (2005)	Survey questionnaire	Discusses the forms of wasta, periods in which it flourishes the channels in which intermediation operates along, and the forces that drive wasta.

The table above provides an insight on the different approaches and theoretical lenses wasta was studied through. Each perspective offers distinct insights into the practice of wasta. For instance, researchers adopting the institutional theory perspective have contributed to research by exploring how wasta was used as a mechanism to access and distribute resources through informal institutions such as tribes in regions where historically formal institutions were weak or almost non-existent (e.g. Cunningham and Sarayrah, 1993; Loewe et al., 2007; Sidani and Thornberry, 2013). As such, this research has been celebrated for deepening our understanding of the function wasta served as a source and regulator of resources where formal governing institutions are absent. Moreover, Cunningham and Sarayrah (1993) argue that the institutional function of wasta as a method to attain and regulate the distribution of resources is not limited to this historical use by tribes residing in Jordan in the years following the country's establishment. Although formal governing institutions are more advanced in Jordan nowadays, these are often inefficient and dysfunctional. As such, wasta acts as a parallel system or informal institution to provide and regulate these resources (Cunningham and Sarayrah, 1993; Loewe et al., 2007). However, this parallel informal system is criticised for being time consuming, costly, and lacking ethical justice as it provides individuals rent-seeking abilities and favours people who have access to wasta over those who don't (Loewe et al., 2007).

However, the majority of researchers who adopt an institutional lens in researching wasta are criticised for focusing on the negative impacts of wasta on social and business practice while neglecting any potentially positive outcomes. This is apparent in the definitions and wording used by institutional researchers to describe wasta. For example, Sidani and Thornberry describe it as nepotism, while Loewe et al (2007) define it as favouritism, and Barnett et al., (2013) relate it to cronyism.

Research exploring wasta from the attribution theory perspective has advanced the understanding of different stakeholders' attitudes on the process of practicing wasta (e.g. Mohamed and Hamdy, 2008; Mohamed and Mohamed, 2011). The same negative perspective of wasta identified in research using the institutional theory seems to be adopted by researchers using attribution theory.

Mohamed and Hamdy (2008) and Mohamed and Mohamed (2011) studied *wasta* through the attribution theory lens to explore how employees hired with the help of *wasta* were perceived negatively by colleagues and society, regardless of their qualifications and performance. The negative perception of *wasta* in this string of research is evident in these pieces of scholarship which depict *wasta* as an immoral practice that has several negative impacts on business and employees' morale.

There has been a recent surge in the number of researchers exploring *wasta* utilising a social capital lens in studying this concept (e.g. El-Said and Harrigan, 2009; Tlaiss and Kauser, 2011; Bailey, 2012; Gold and Naufal, 2012; Fawzi and Almarshed, 2013; Aljbour et al, 2013; Berger et al, 2014; Alhussan et al., 2015; Kropf and Newbury-Smith, 2015). Researchers adopting this perspective view *wasta* as a form of social capital which is prevalent in Arab Middle Eastern countries such as Jordan (El-Said and Harrigan, 2009), Lebanon (Tlaiss and Kauser, 2011), the United Arab Emirates (Bailey, 2012), and Saudi Arabia (Fawzi and Almarshed, 2013). There is consensus among these researchers that *wasta* is a form of currency or favours exchange between individuals that is neither innately positive, nor negative, but which might produce outcomes that are positive or negative.

The use of social capital theory as a lens to explore *wasta* is argued to be helpful in revealing both the possible positive and negative outcomes of *wasta*, providing existing research with a more holistic view of this practice (El-Said and Harrigan, 2009: 1237). Much of the appeal of social capital theory comes from its capacity to bring in and reflect on the importance of both formal institutions and informal/ normative networks such as the ones based on *wasta* (Burt, 2005, 2015; El-Said and Harrigan, 2009: 1237). As such, social capital theory helps us achieve the deep understanding of *wasta*-based informal institutions that the institutional theory perspective provides, while still enabling us to achieve a more balanced assessment of any possible positive and negative outcomes of this practice.

However, studying *wasta* using a social capital lens can be problematic for several reasons. Firstly, previous research on social capital has been criticised

for being fragmented and lacking in conceptual clarity (Robison et al., 2000). This leads to a difficulty in applying social capital concepts to wasta research due to the lack of consensus on what constitutes social capital (Patulny and Svendsen, 2007). Secondly, there is a risk of applying social capital concepts in reductionist ways that limit our perception of uses of wasta for social gain and losses to individuals and groups. This approach neglects critical aspects, such as the enforcement of equality through procedural justice guidelines. Thirdly, the review of wasta literature reveals a complex relationship between many influential factors that interact when wasta is practiced, many of which cannot simply be ignored or reduced to a social gains/losses dichotomy. Finally, previous research on both social capital theory in general, and on wasta utilising a social capital theory lens, can be criticised for largely focusing on the positive outcomes of utilising social capital while neglecting any negative outcomes of the practice of wasta.

To overcome the first criticism of the fragmented views and lack of conceptual clarity, the review mainly draws on the work of researchers exploring social capital from a networks perspective. These include Granovetter, (1973, 2005), Bourdieu (1986), Coleman (1988, 1990), Burt, (1992, 2005, 2015), Portes (1998), Fernandez et al. (2000), Woolcock (1998, 2001) and Lin (2000, 2001, 2005). To overcome the second criticism of social capital reductionism the theory will be applied critically, drawing upon different critiques of the theory to ensure that the social capital lens is used in both an objective and critical way. As such, identity theory will be used to extend and critique the social capital lens in exploring wasta. The use of identity analysis in social capital theory further enables the exploration of antecedents of social capital (Kramer, 2006). It also aids in understanding the psychological reasons why individuals participate in the creation of social capital; an issue generally neglected by social capital researchers (ibid). The critical and objective application of social capital theory alongside the use of identity theory analysis provides a valuable tool to unpack the complex practice of wasta. It assists in exploring wasta's impact on employee selection in the case study banks operating in Jordan, thus addressing the third criticism of previous research namely on social capital.

Undertaking the aforementioned steps will provide a balanced and extensive view of the practice of *wasta* and its outcomes, thereby, also addressing the forth criticism of focusing on the positives of social capital while neglecting any negative outcomes. The next section introduces social capital theory, providing an overview of the concept and relevant research. It concludes by identifying the gap in existing knowledge of this concept.

1.3 Introduction to Social Capital theory

As indicated at the beginning of this chapter, the concept of social capital has been at the forefront of research in a variety of different fields of social sciences over the past thirty years. Although generally used to refer to resources embedded in social networks which can be accessed or mobilised through ties in these networks (Lin 2001), this concept has been examined by researchers from the fields of sociology (e.g. Granovetter, 1973, 2005; Coleman, 1988, 1990; Portes, 1998), political sciences (e.g. Putnam 1995; 2000), ethics (e.g. Ayios et al., 2014), and economy, business and human resource management (e.g. Woolcock, 1998, 2000; Carrie and van Buren, 1999; Fernandez et al., 2000). All these researchers have utilised social capital as a core concept in explaining how an individual's social network impacts on his/her access to different resources and their ability to achieve goals and aspirations (Burt, 2005).

The primary assumption in the majority of research on social capital theory is that social networks 'have value' that can be acquired by the members of such networks (Putnam, 2000: 18-19). This value is attained by providing important assets and resources to these members which tend to improve the productivity of both individuals and groups in similar ways, and their access to other forms of capital such as physical and human capital (ibid).

It is important to point out that many researchers exploring social capital have sought to define this concept using a general 'umbrella' term that aims to encompass all possible types of social capital (Patulny and Svendsen, 2007). However, this approach does not allow for distinguishing between different

types of social capital resulting from different forms of relationships in different social networks. This results in a very generic understanding of the concept, which leads to an inability to analyse its different features (ibid) and possible outcomes (Woolcock, 2000). This thesis avoids relying upon this generic definition of social capital by building on the work of Lin (2000,2001, 2005), Gittell and Vidal (1998), Woolcock (1998,2000), Putnam (2000) and Burt (2000,2005), and by studying social capital through a social networks approach that typifies social capital in relation to the different groups or networks it exists in.

This approach is selected as it is deemed a coherent and accessible theory which helps to distinguish between different forms of social capital and their expected outcomes. This is done by identifying two major types of social capital; bonding and bridging social capital, which were outlined and explored by researchers from different disciplines in social capital research (e.g. Gittell and Vidal, 1998; Putnam 2000; Patulny and Svendsen, 2007).

Bonding social capital results from intra-community or intra-group relationships and networks that occur most frequently in families, kinship and specific ethnic or other similar groups bound together by shared identities, interests, or places of residence (Gittell and Vidal, 1998). Examples might include members of the same family or tribe, members of a book club or residents of a specific neighbourhood. Bridging social capital results from cross-social or geographical associations and connections as well as other specific identity lines (ibid). This might include relationships between members of different social classes, different occupations or different geographical areas. Both bonding and bridging social capital are explored in detail in the next chapter and employed here to achieve a deeper understanding of wasta practice throughout the different social networks in Jordan.

As alluded to earlier, there has been a multitude of research on how social capital can help societies (e.g. Putnam 1995; 2000; Helliwell and Putnam, 1995), organisations (e.g. Baker, 1990; Fernandez et al, 2000) and individuals (e.g. Flap, 2002) achieve political, social and economic progression. However, the majority of this research has focused upon developed western countries

(Kropf and Newbury-Smith, 2015). Few researchers have focused on how social capital impacts the aforementioned functions in developing and emerging economies on the macro, meso, and micro levels (Morris, 1998; Acquaah, 2007). Nevertheless, there has been a recent surge in research attempting to increase our understanding of the utility of social capital in these developing and emerging economies. However, these attempts have been limited to research in several emerging economies such as China (e.g. Batjargal and Liu, 2004) and India (e.g. Morris, 1998) with little reference to the developing countries of the Arab Middle East (Acquaah, 2007). Therefore, a gap persists in our understanding of the role social capital plays in the social, political and economic environment in Arab Middle Eastern countries such as Jordan (Kropf and Newbury-Smith, 2015).

Since previous research on social capital theory has been criticised for prioritising the positive outcomes of social capital, rather than negative outcomes or 'the dark side of social capital' (Woolcock, 1998; Silkoset, 2008; van Deth and Zmerli, 2010), this can also be used to understand social capital studies of *wasta*, which mostly focuses upon the positive outcomes of using *wasta* to increase social solidarity and achieve individual and group aims, while often neglecting *wasta*'s negative outcomes (e.g.: Makhoul and Harrison, 2004; Al-Ramahi, 2008; Tlaiss and Kauser, 2011; Aljbour et al., 2013). As outlined previously this has left a gap in existing research that studies *wasta* in a balanced and objective manner, accounting for both positive and negative potential outcomes from using *wasta* in different contexts.

The limited research focusing on the possible negative outcomes of social capital has explored the possible negative outcomes of using social capital on the societal, organisational, and the individual. On the societal level, an anticipated negative outcome is that while social capital may result in social and psychological support for individuals in a network, this can be at the expense of the development of broader identities of these individuals (van Deth and Zmerli, 2010). This assumption is based on the argument that an individual's utilisation of his/ her social networks can limit their individual identity to the small group they belong to, thus reducing their interest in the wider common good of society (ibid). On an organisational level these negative outcomes are embodied in

free-riding by non-performers who rely on the network to cover their under-performance in employment (ibid). Finally, on an individual level, negative outcomes relate to the limited development of individuals' skills, where they rely solely on social capital to achieve their goals. Such individuals neglect to develop their human capital – the knowledge, skills, competences, and other attributes embodied in individuals that are relevant to economic activity (OECD, 1998: 9) – which plays a major role in the development of the individual and the society at large (van Deth and Zmerli, 2010). These studies can be criticised for drawing their conclusions based on limited empirical data, thus leaving a gap in our understanding of the possible negative outcomes of social capital on the societal, organisational and individual levels (Silkset, 2008; van Deth and Zmerli, 2010). Emphasising this argument, Woolcock (1998) highlights that the majority of research on social capital has considered it a positive 'resource' that should be maximised. Instead, Woolcock (1998) argues that the perceived benefits of social capital come with drawbacks or 'costs', while the aim should be to optimise social capital in a given society, and not to maximise it (ibid).

This is an important point in relation to this research, as there seems to be a strong contrast between the prevailing perspectives of social capital researchers who emphasise the positive outcomes of social capital. While, on the other hand, researchers of *wasta* have mainly focused on the negative outcomes of its use.

Another criticism of much of the research conducted into social capital is that researchers have neglected to explore in detail the motives for individuals to participate in the creation of social capital (Kramer, 2006). While most researchers exploring this topic agree in their view of social capital as a group commodity (Putnam, 2000), there have been little attempts to explain why individuals actively engage in behaviours that contribute to the creation and maintenance of social capital for the group rather than focus on their own benefit or free-ride on the efforts of other group members (Kramer, 2006). This gap in social capital research is coupled with researchers' negligence of exploring the psychological motivators for individuals to engage in inner and outer group networks (ibid). These criticisms are addressed by extending the social capital lens to include identity theory.

The benefits of extending the theoretical underpinning of this research to include identity theory are twofold; first, as identified earlier in this section, social capital is derived from the networks of association linking interdependent actors. An important question which identity theory addresses here is concerned with the conditions under which those actors will invest in the creation and maintenance of such networks. Second, while researchers of social capital theory mainly identify two types of social capital, bonding and bridging social capital, and highlight the different benefits and drawbacks of each type, there remains a need to explore what leads individuals to participate in each form of social capital accrual. A series of studies exploring identity in social capital helps us in answering this question by exploring the corresponding levels of identification and categorisation of the self and others (e.g. Brewer and Kramer 1986; Brewer and Gardner 1996; Hogg and Terry 2001; Sedikides and Brewer, 2001).

The aims of this research are to aid in filling the identified gaps in knowledge by exploring how social capital, in the form of *wasta*, impacts employee selection in organisations operating in Jordan. As such, it contributes to both our understanding of social capital theory by providing a critical view of how social capital operates in Jordan, and to our understanding of *wasta* and its impact of the employee selection practices in organisations operating in Jordan. The following section introduces identity theory and provides an overview of how it will be used as an extension to social capital theory in exploring *wasta*.

1.4 Introduction to Identity theory

Since the early 1980's there has been a focus on how individuals identify, perceive, and label themselves and others, and how these processes and their outcomes impact the way an individual interacts with others. This research was first developed in the disciplines of psychology and sociology and later on extended by researchers from other fields such as organisational behaviour, management studies, and HRM (Kramer, 2006; Bothma et al., 2015).

Two theoretical streams have dominated this research, namely; social identity theory (and extensions of this theory) and identity theories (sometimes referred

to as role identity theories). Both streams have the common aim of explaining the way individuals view themselves and others, and the way they formulate their identity and perceptions (Bothma et al., 2015).

The first stream of theories includes social identity theory which was first introduced by Tajfel (1981) and Tajfel and Turner (1985) and then later on developed by a number of other researchers (e.g. Hogg and Terry, 2000; Hitlin, 2003; Hogg and Ridgeway, 2003; Olkkonen and Lipponen, 2006). This stream also included self-categorisation theory developed by Tajfel's student John Turner as an extension of social identity theory (Turner, 1987). Here, the term identity is used to refer to common identification with a 'collectivity' or social category (Tajfel 1982; Turner, 1987). The second stream includes identity theory (Stryker and Serpe, 1982; Stryker and Burke, 2000) and identity control theories (Burke, 1991). Identity here is used with reference to what is termed 'self', which is composed of the meanings attached by persons to the multiple roles they typically play in highly differentiated contemporary societies (Stryker and Burke, 2000).

Despite the fact that research from these two streams originated from different disciplines and was designed to explore different issues, theories from both streams are often associated with each other and sometimes used interchangeably. As such, using an extended view of identity theory by including social identity aspects is useful to attain a deeper level of analysis in this research. This can be justified by the following two arguments. Firstly, although differences exist between the two theories, they are more differences in emphasis than in kind, and linking the two theories can establish a more fully integrated view of the self and identity (Stets and Burke, 2000). Secondly, it can be argued that both streams aim to provide insights on complementary issues. For instance, theories from the first stream (social identity theory and social categorisation theory) explore the issue of social structure (which deals with the formation, activation and outcomes of individuals' identities). On the other hand, theories of the second stream (identity theory and identity control theories) deal with the socially constructed self-concept (which is perceived to be a product of individual behaviour). As such, both streams of theories help in explaining how individuals formulate and activate their identities and how they interact with

others based on how they categorise and identify different groups of people (Hogg et al., 1995; Bothma et al., 2015).

This is particularly important for this thesis as exploring issues of identity and the different roles individuals undertake is important to understand what motivates individuals to participate in wasta seeking and wasta providing behaviour; a core issue that identity theory helps us to illuminate. However, there still remains a need to understand how individuals identify and categorise themselves into different inner and outer groups (Turner, 1987) as this identification and categorisation links to the bonding and bridging social capital analysis. As such, the use of identity theory in this thesis will draw on aspects of social identity theory to develop a more nuanced picture of identity issues in wasta and to respond to the gaps of using the social capital lens in exploring the ways wasta is practiced in employee selection.

The next section introduces the country of Jordan, its socio-economic environment, the Jordanian banking sector, and HRM research in Jordan.

1.5 Jordan

Jordan, officially the Hashemite Kingdom of Jordan, is an Arab country located in the politically turbulent Middle East region. Jordan is bordered by the countries of Saudi Arabia to the south and east, Iraq to the north-east, Syria to the north, and Palestine and Israel to the west. The population was estimated at 6,460,000 individuals in mid-2013 (The World Bank, 2015). The capital is Amman where more than half of the population reside. Adding Zarqa and Irbid, the second and third most populated cities, this makes up the majority of the countries' population (ibid).

Originally known as the Emirate of Transjordan, the country emerged as a result of the post-World War I division and colonisation of the region by Britain and France and which placed it under British mandate (Robins, 2004). In 1946, Jordan became an independent sovereign state. After the loss of the West Bank during the 1948 Arab–Israeli War, Abdullah I took the title King of Jordan.

The country came to be known as The Hashemite Kingdom of Jordan as of 1 December 1948 (ibid).

1.5.1 The Jordanian socio-economic environment

In terms of social structure, Jordan is a country known for its tribal society where social status and political life are strongly affected by the nature of the country's social setting (Branine and Analoui, 2006; Rowland, 2009; Sharp, 2012). The tribal structure of the Jordanian society is directly linked to the country's historical formation. Tribes predate the advent of Islam and Christianity and still play a major role in the social, political and economic environment in Jordan (Rowland, 2009).

It is important to point out that in the context of this research, tribalism does not denote the traditional image of nomads who live in the desert. Rather, it refers to an intangible emotion that entails a varying degree of loyalty to a tribe, as well as a sense of belonging to a certain social group (Rowland, 2009). As such, the use of the word tribalism hereafter denotes a keen tendency to rely upon family, clan and tribal ties in navigating the economic, social and political domains (Ryan, 2010).

In terms of social division, the majority of Jordanian society consists of two groups: East Bank Jordanians and West Bank Jordanians, where the extended families and tribes currently living in Jordan come from either the former or later. East Bank Jordanians lived in Jordan before the 1948 and 1967 Arab-Israeli wars, and they tend to be more tribal. West Bank Jordanians (better known as Palestinian-Jordanians) immigrated to Jordan as refugees from Palestine after the aforementioned wars and became Jordanian citizens. They tend to come from cities and are less tribal. The rest of the population consists of Circassians (1%) and Armenians (1%) (CIA World FactBook, 2014).

This social structure also relates to the economic activity of these groups. Although the original East Bank Jordanians are no longer a majority population group in Jordan, they still dominate the country's political and military

establishments. They tend to seek employment in the public sector or the military as a first preference (Cunningham and Sarayrah, 1993). On the other hand, Jordanians of Palestinian origin comprise an estimated 55-70% of the population. They tend to gravitate towards private sector employment due to their exclusion from certain public sector and military positions (Sharp, 2012). The loss of their positions and connections after the war lead Palestinians to be more business-minded than East Bank Jordanians (Cunningham and Sarayrah, 1993). As such, the private sector in Jordan is dominated by Palestinian-Jordanians, although their dominance is diminishing as a changing economic environment has forced East bank Jordanians to seek less comfortable but higher paying jobs in the private sector (Cunningham and Sarayrah, 1993; El-Said and Harrigan, 2007).

This social structure affects the structure of organisational ownership in Jordan, as many organisations from various sectors are family-owned. In small organisations, typically the father is the owner/manager and the rest of family are employees. In larger organisations, the oldest male member of the family assumes the role of the Chief Executive Officer (CEO)/ General Manager (GM) and the management of different functions is allocated to immediate family members with a tendency hire members of their extended family, tribe or individuals of the same origin e.g. Palestinian or East bank Jordanian (Al-Rasheed, 2001). This also affects the way employees are selected in many organisations, whether small or large. Many employees are selected on the basis of their relationship to the ownership/ management of an organisation. As such, many organisations are tacitly connected to certain families and tribes (Abdalla et al., 1998; Al-Rasheed, 2001)

Such organisations become known as being owned either by families from Jordan (East bank Jordanians), or Palestinian-Jordanian families, those who are more dominant in the private sector. This dominance is also due to the fact that many families who owned businesses in Palestine moved their business to Jordan when they immigrated after the 1948 and 1967 wars at a time when the Jordanian economy was still in its developmental stage (Cunningham and Sarayrah, 1993). Subsequently, these family-owned organisations expanded

and some developed to be large organisations on national, regional and multinational levels. Examples of such family businesses that reached multinational level include Al-Hikma pharmaceuticals, The Arab Bank, and Nuqul group, whose ownership and management are controlled by members of a certain family.

In the year 2000 Jordan joined the World Trade Organisation (WTO) and worked on strengthening its trade links with countries such as the USA, Japan and the countries of the European Union (EU) as well as other Arab countries. Foreign direct investments were encouraged and many foreign companies were attracted to invest in Jordan, despite its limited natural resources (Branine and Analoui, 2006). Notwithstanding these developments, Jordan has experienced an increase in poverty, inequality, and unemployment, volatile economic growth and low productivity and a significant increase in nepotism and corruption in public institutions (El-Said and Harrigan, 2009: 1235).

There is a tacit understanding that the practice of *wasta*, which originated from this tribal social structure, is widespread and has a major impact on business practices in general and employee selection in particular (Brainine and Analoui, 2006; Loewe et al 2007; El-Said and Harrigan, 2009). It is so socially engrained that some claim the practice of *wasta* is the only way for many people to obtain employment in Jordan (Brainine and Analoui, 2006: 150). This makes it an important phenomenon to be studied in pursue of a more holistic understanding of Jordanian employee selection practices.

The increase in the number of multinational organisations operating in Jordan after it joined the WTO has prompted several researchers to study HRM practices in the country, and how Jordanian culture, specifically *wasta*, impacts these practices (Abdalla et al., 1998; Branine and Analoui, 2006; Al-Husan and James, 2009). The majority of this research remains descriptive and ad hoc, resulting in a gap in existing knowledge on HRM practice in Jordan and the effects of social and cultural factors, specifically *wasta*, upon these practices.

The following section introduces the Jordanian banking sector, highlighting the classifications of the banks operating in this sector and providing a brief preview of its history.

1.5.2 The Jordanian banking sector

The banking sector in Jordan, as in many countries, is considered the bedrock of the economy as banks play a major role in financing the Jordanian economy's activities (CJB, 2015). The sector is unique compared to other countries and can be divided into two systems – the conventional banking system (known as commercial banks) and the Islamic banking system, where banks operate according to the teaching of Islam (Zeitun and Benjelloun, 2013). Although banks operating under each system function differently (the main principle of Islamic banks is the prohibition of *Riba*, or interest, and this has a substantial impact on the way these banks operate), banks following both systems are governed by the same authority which is the Central Bank of Jordan (CJB). The CJB was established in 1964 as an independent institution which acts as a fiscal agent for the government. The CJB regulates the operational, economic and financial activities of existing banks and sponsors the creation of new banks and other financial institutions (CJB, 2015). Although the CJB is seen as a relatively active and competent regulator in financial issues by the major banking classification institutions (Al-Fayoumi and Abuzayed, 2009), we know very little about how effectively this regulation is applied with regards to employee selection in Jordanian banks.

Apart from the classification of banks operating in Jordan as either Islamic or commercial, they can also be categorised by their place of origin depending upon whether they were established either as national banks (in Jordan) or subsidiaries of foreign banks operating in Jordan (ibid). Foreign subsidiaries include commercial multinational banks (e.g. Standard Chartered) and regional banks which are either Islamic (e.g. Al Rajihi Bank) or commercial (e.g. Bank Audi).

The sector currently consists of 26 banks with 695 branches across the Kingdom, 15 of which are listed on the Amman Stock Exchange. The banks are listed in Table 1.2 Below.

Table 1.2 Banks in Jordan

Bank	Commercial	Islamic
National	Arab Bank	
	Arab Banking Corporation (Jordan)	
	Arab Investment Bank	
	Bank of Jordan	Islamic International Arab Bank
	Cairo Amman Bank	Jordan Islamic Bank
	Capital Bank of Jordan	Jordan Dubai Islamic Bank
	Jordan Commercial Bank	
	Invest Bank	
	Jordan Kuwait Bank	
	Jordan Ahli Bank	
	Societe Generale de Banque/ Jordanie	
	The Housing Bank for Trade & Finance	
	Bank al Etihad	
	Standard Chartered	
	Egyptian Arab Land Bank	
Foreign	National Bank of Abu Dhabi	
	Citi Bank	
	Rafidain Bank	Al Rajhi Bank
	National Bank of Kuwait	
	Bank Audi	
	Blom Bank	

Source CJB (2015)

Since the establishment of the country, the Jordanian economy has been affected by several internal and external shocks, crises and regional instabilities. These include the 1989 financial crisis, the first and second Gulf Wars in 1990/1991 and 2003, and most recently, the regional political changes occurring at the end of 2010 that came to be known as the Arab spring. These events have had a negative impact on the economic environment in Jordan. This then affected the banking sector, as it had to respond to the risks that came with such regional instability (Zeitun and Benjelloun, 2013).

Nevertheless, in spite of the plethora of events that have been taking place since the end of 2010 following the Arab spring, the well-capitalized and highly regulated banking sector proved resilient, maintaining incremental expansion and growth during these turbulent times (AWRAQ Investments, 2013). This sector remains a major source of employment in Jordan.

Despite this slow but steady growth, there has been very limited research on HRM policies and practices in banks operating in Jordan (Alkalha, et al., 2012) with no research focusing on how these banks select their employees and the extent to which *wasta* impacts this process. This has left a gap in our understanding of the impact *wasta* has on employee selection processes in this vital sector of the Jordanian economy.

The following section explores the previous research on HRM practices in Jordan highlighting the gap in knowledge on how *wasta* impacts on HRM and employee selection policies and practices in organisations operating in Jordan.

1.5.3 Human Resource Management research in Jordan

As highlighted in the previous section, there has been a scarcity of research exploring Human Resource management practices in the Arab Middle East in general (Abu-Doleh and Weir, 1997; Abu-Doleh, 2000) and Jordan in particular (Al-Hasan, et al., 2009) This is evidenced by the findings of Afiouni et al., (2013) who, through their meta-data study, found that research exclusively exploring HRM practice in the Arab Middle East region only started in the mid-1990s and

remained scarce until 2006, with a total of 23 articles which exclusively focus on HRM in the Arab Middle East in this 13 year span. It can be argued that this paucity in research exploring HRM practice in organisations operating in Jordan negatively impacts the ability of managers and HRM practitioners in the country to improve their strategies and practice due to their inability to inform their practice through relevant research (Aladwan et al., 2014).

Research, however, has picked up pace since then as several researchers embarked on exploring HRM in the Jordan at the strategic, managerial and operational levels (e.g. Branine and Analoui, 2006; Al-Hasan, et al., 2009; Al-Raggad, 2014).

Whilst there has been an expansion in the quantity of research exploring HRM in Jordan, most research was either theoretical and the findings were generalised to the whole Arab Middle East region (e.g. Iles et al., 2012), or empirical work that focused on the more affluent countries of the Arab gulf such as the United Arab Emirates and the Kingdom of Saudi Arabia with the findings being transferred to the Jordanian context (e.g. Metcalfe, 2007). Little research has focused on HRM practice in Jordan while drawing on empirical data from the country itself.

The scarce empirical research exploring HRM practice in Jordan can be divided into two groups that approached researching HRM in Jordan from two different perspectives. The first group are researchers that viewed HRM practice in Jordan (as in the rest of developing countries) as originating from Anglo-Saxon countries where organisations operating in Jordan 'import' their policies and practices from western countries such as the U.S.A., UK, and France. This group of researchers focused on how these policies and practices are moulded to fit into the Jordanian environment (e.g. Al-Hasan, et al., 2009). While others exploring management and HRM practices in The Arab Middle East (including Jordan) viewed Arab management and HRM practices as indigenous to the region and born out of the Arab culture (e.g. Weir, 2003). Both sets of researchers acknowledge the need for HRM practitioners to take into consideration the impact culture has on HRM practice in the country.

Despite this recent surge in research exploring HRM practice in the Arab Middle East and Jordan, there is still little knowledge on how these practices are impacted by the prevalent use of *wasta*. This is particularly true when it comes to employee selection, where it is argued that *wasta* has a substantial influence on the way job seekers pursue and attain jobs and the way organisations select employees (Cunningham and Sarayrah, 1993; Brainine and Analoui, 2006; Loewe, 2007, 2008; Ronsin, 2010)

The next section explores the *wasta* paradox which creates a complexity in researching *wasta*.

1.6 The *Wasta* paradox

Paradoxically, *wasta* is widely practiced while being simultaneously denied and frowned upon publicly by its practitioners and beneficiaries (Danet, 1989). Complex and conflicting emotions surrounding the topic run deep, and often people from Arab countries of the Middle East deny the influence of *wasta*, while practicing it regularly (Cunningham and Sarayrah, 1993: 4). Moreover, while in the majority of public social settings people exhibit a negative opinion on the practice of *wasta*, in other situations the ability to bestow or receive the benefits of *wasta* can be a source of great pride (Gold and Naufal, 2012).

Attempts to aid in filling the gap in *wasta* research are further complicated by the aforementioned paradox of widespread practice of *wasta*, and its concomitant denial by practitioners. This significantly adds to the complexity of data collection undertaken for this thesis and the analysis of this data as it is submitted that straight and to-the-point questioning on the use and influence of *wasta* will result in denial of its use and practice when empirically researching this topic (Cunningham and Sarayrah, 1993).

An additional difficulty in researching *wasta* is that, similar to the concept of social capital, previous research has used the term '*wasta*' loosely and in a generic way, as an umbrella concept to describe any attempt of utilising social networks by individuals to achieve a goal in the countries of the Arab Middle

East. This adds to the complexity of researching *wasta* as previous researchers did not reach a clear consensus on a definition of *wasta*. This research aims to address this problem which is discussed in the following section.

1.7 The research problem

As stated previously, there remains a gap in our understanding of social capital in the form of *wasta* in Arab Middle Eastern countries, and how it affects employee selection practices in organisations operating in Jordan. This gap also extends to our lack of knowledge on who engages in the practice of *wasta* in employee selection and how managers in these organisations manage this practice when it comes to selecting employees.

The explanation as to why this gap exists is twofold. Firstly, there is a paucity of *wasta* research, particularly when compared with research on similar practices of *Blat* in Russia and *Guanxi* in China (Loewe et al., 2007: 3). Secondly, research studies on *wasta* conducted in Jordan have been very broad (Branine and Analoui, 2006; Loewe et al, 2007; Al-Husan and James, 2009) with limited empirical research exploring the possible impact the practice of *wasta* can have on business, HRM and employee selection in organisations operating in Jordan.

This research is designed to address this gap in knowledge by analysing the perceptions of managers working in banks operating in Jordan, and their experiences of how *wasta* impacts employee selection processes in these organisations. The next section introduces the research aims and objectives.

1.8 The research aims and objectives

In order to address this gap in knowledge, this research aims to explore the perceptions of managers in selected banks operating in Jordan on the impact of social capital, in the form of intercessory *wasta*, on employee selection practices in these banks. To fulfil the research aim the following research objectives were set:

1. To explore the interviewees' views on how social capital, in the form of intercessory wasta, is used in the employee selection process within the case study banks.
2. To identify interviewees' perceptions of the reasons and outcomes underlying the use of social capital, in the form of intercessory wasta, in an employee selection context.
3. To examine how HR practitioners and line managers deal with the exercise of social capital, in the form of intercessory wasta, throughout the employee selection process.

1.9 The research questions

In correspondence to the set research objectives, the resulting research questions are:

1. How does intercessory wasta, influence the employee selection process within the case study banks?
2. What are the reasons and outcomes underlying the use of intercessory wasta in an employee selection context?
3. How do HR practitioners and line managers deal with the exercise of intercessory wasta throughout the employee selection process?

1.10 Contribution to knowledge

On a theoretical level, the unique contribution of this thesis is that it is the only research to critically explore intercessory wasta empirically using social capital as the main theoretical lens, with particular emphasis on bridging and bonding social capital in the context of employee selection in organisations operating in Jordan. The thesis also draws on identity theory to extend on and critique the use of the social capital lens. This adds to our understanding of intercessory wasta and the impact it has on employee selection. It also expands the

boundaries of social capital theory by exploring the possible negative outcomes of using bridging social capital, which is generally viewed as producing positive outcomes when adopted in employee selection practices.

On a practical level this is the only research to have explored the perceptions of managers on the impact of intercessory wasta on employee selection in banks operating in Jordan and the motives underlying its use in this context. Based on this exploration, suggestions on how to reduce intercessory wasta's possible negative impact on these banks are provided. This renders the findings of this thesis a vital resource for managers to combat potentially negative effects of this practice in these organisations while still capturing its possible positive outcomes.

1.11 Structure of thesis

The purpose of the introduction chapter is to set the context for the research by introducing the concept of wasta, social capital, identity theory, the country of Jordan, and its socio-economic environment, and provide a preview of the Jordanian banking sector. A critical description of the practice of wasta in Jordan and the different approaches to wasta research laid the foundation for discussions in the second chapter. The wasta paradox was highlighted and the research aims, objectives, questions and contribution to knowledge were presented. An overview of the research structure concludes the chapter.

Chapter two provides a critical literature review of existing research on the concepts of social capital, identity, and wasta. The chapter starts by exploring what social capital is by critically examining the previous definitions of the concept in order to establish a working definition for the purposes of this thesis. Wasta is then explored and defined through a social capital lens. A section on identity analysis in exploring wasta follows. Levels of social capital are then explored in the subsequent section. This is followed by a section exploring the social networks perspective in social capital research which includes brokerage,

closure, intermediation and an examination of the concepts of bridging and bonding social capital and identification and categorisation. The section is completed with an exploration of the history of social networks in Jordan. The chapter is concluded with a section titled social capital in employee selection. This section critically discusses the issues of inequality of social capital in employee selection, identity in employee selection, HRM in Jordan, and *wasta* in employee selection.

Chapter three starts with a section exploring the research philosophy. This entails an exploration of the ontology and the epistemological standpoint. The research approach is then discussed, followed by a section exploring the research design which discusses the relationship between theory and research, the case study and the research sample. The data collection methods are then explored and the methods of analysis utilised are discussed. A section exploring the ethical considerations and the steps undertaken to adhere to the ethical standards is then presented. A section entitled 'challenges in the field' follows, highlighting the different challenges the researcher encountered in collecting and analysing the data. A section discussing the limitations of the data is then presented before the summary section which concludes the chapter.

Chapter four contains the data analysis and discussion. The first section presents the different definitions of *wasta* offered by the interviewees. The following sections each correspond to the different themes identified in the data analysis; *wasta* as an enabler to get jobs, *wasta* as social ties/ categorical social identity, *wasta* as a carrier of information, *wasta* as a guide in decision-making, *wasta* as an exchange/ role identity, and *wasta* as pressure. Each section contains a subsection discussing the implications for HRM. The chapter is concluded with a summary.

In chapter five the conclusions of this thesis are drawn. The first section summarises the key points of each chapter of the thesis. The following section demonstrates how the research aim was met by accomplishing the three objectives. The key findings of the investigation are then interpreted and the contributions to knowledge of the thesis reiterated. In the next section the

limitations of the study are presented. This is followed by the implications for future research for social capital, identity theory, and HRM in Jordan and the countries of the Arab Middle East. The chapter then concludes with implications for HR policy and practice.

Chapter 2: Literature review

The primary assumption of social capital theory is that 'social networks', which provide important assets and resources to their members, 'have value' in that they tend to improve the productivity of both individuals and groups in similar ways to physical and human capital (Putnam, 2000: 18,19). The benefits of social capital for communities, organisations and individuals have been discussed by many researchers in the field (e.g. Putnam, 1995, Granovetter, (1973, 2005), Bourdieu (1986), Coleman (1988, 1990). On a community level, mutual trust and reciprocity, which are major aspects of social capital, are argued to be of primary importance for facilitating the everyday functions of members of the community. It is further argued that social capital helps the members of a community live a healthier life, be more productive and be happier (Putnam, 1995; 2000). On an individual level, the use of social capital is a vital facilitator for individuals who tap into and mobilise the ties in their social network to acquire resources and attain their aims (Coleman, 1988). This is argued to be especially true in countries and communities where many social and state rights are weakly developed or enforced, as is the case in the country of Jordan (El-Said and Harrigan, 2009: 1237).

This chapter critically explores social capital theory, examining both the positive and negative outcomes of utilising social capital in the employee selection process. In doing so identity theory is used to complement the social capital lens in studying *wasta*. The chapter starts by defining how social capital is understood, and how identity theory is related to notions of social capital accrual and use. A working definition of social capital, specifically for the purposes of this thesis is then developed. A critical review of identity research is then presented. A section defining *wasta* through the social capital lens follows. This is achieved by firstly, critically analysing definitions of *wasta* adopted by researchers from varied theoretical positions. This then enabled the development of a working definition of *wasta* through the social capital theory lens. A section on identity analysis is then presented. This is followed by an examination of the different levels of social capital and how identity theories unpin these. The various themes in social capital research are then explored in

a critical literature review on the conceptual history of social capital theory's main theoretical developments. Because this research project studies the use of social networks, or *wasta*, in the Arab Middle East, and as outlined section 1.1, the review mainly draws on the work of researchers exploring social capital from a networks perspective, including Granovetter, (1973, 2005), Bourdieu (1986), Coleman (1988, 1990), Burt, (1992, 2005, 2015), Portes (1998), Fernandez et al. (2000), Woolcock (1998, 2001) and Lin (2000, 2001, 2005). This section starts with exploring the concepts of brokerage, closure and intermediation in social capital. This review continues with the exploration of the different types of social capital namely bridging and bonding social capital and corresponding identity theory levels. A critical analysis and evaluation of these concepts is then presented and used to explore the history of social networks in Jordan. A section on social capital in employee selection follows where earlier literature on inequality is social capital, identity in employee section, HRM in Jordan, and *wasta* in employee selection is explored. A summary concludes the chapter.

2.1 Definition of Social Capital

As indicated in section 1.3 social capital has become increasingly utilised in a range of social science disciplines such as economics, social psychology, and political sciences (Tzanakis, 2013). Due to this surge in social capital research, some researchers (e.g. Kwon and Adler, 2014) argue that social capital is no longer an emerging concept, and that in the last three decades it has developed into a field of research in its own right. As such, contributions to social capital can be made in the different disciplines in which the concept is utilised rather than by work on the concept itself (ibid). Therefore, this thesis contributes to social capital literature by adopting this concept for research in the field of human resources.

Although it is true that social capital theory research has traversed a large number of disciplines and has become an independent research field, it has been argued that researchers of the concept have yet to agree on a clear definition of social capital (Sabatini, 2006). The following review will analyse the

literature to evaluate previous definitions and explore their usefulness in the context of this research. Building on this analysis a working definition of social capital is constructed for the purposes of this research.

2.1.1 Defining Social Capital

As indicated earlier in this section, conceptual ambiguity appears to persist in social capital literature. This ambiguity translates into literature as previous researchers of social capital theory have used a range of terms to describe it loosely in reference to the use of social networks in attaining goals. These terms include referring to social capital as: social glue (e.g. Putnam, 1995), community spirit (e.g. Loury, 1992), community networks (e.g. The World Bank, 1999), civic society virtue (e.g. Putnam, 2000), community life (e.g. Fukuyama, 1999), and social resources (e.g. Bourdieu 1983). Researchers have built different conceptualisations on these terms, largely deriving from the theoretical background of their research. These definitions have then been adopted by other researchers using this concept in a different social science discipline which has then added to existing conceptual confusion (Social Analysis and Reporting Division Office for National Statistics, 2001).

This lack of agreement between researchers in defining social capital is reflected in the difficulty of the operationalisation of this concept (Tzanakis, 2013). Two different and broad approaches of viewing social capital are identified. The first approach consists of researchers who focus on the sources of social capital; the factors that distinguish it from other forms of capital and how it can be accessed by individuals and organisations (e.g. Woolcock, 1998; Sandefur and Laumann 1998; Lin, 2001; Kwon and Adler, 2014). Researchers adopting this view generally explore the dynamics and possible benefits of social capital outcomes while recognising that any benefits might come with drawbacks (e.g. Sandefur and Laumann, 1998) or risks (Adler and Kwon, 2002). The second approach consists of researchers who have focused on the positive outcomes of attaining a large stock of social capital and the benefits this brings to society (e.g. Putnam, 1995, 2000), organisations (e.g. Fernandez et al., 2000) and individuals (Bourdieu, in Bourdieu and Wacquant, 1992). Researchers from

this strand usually neglect any possible negative outcomes resulting from accumulating a large stock of social capital for societies, organisations, and individuals (Tzanakis, 2013). This research can be said to align with the ethos of first approach as it explores both possible positive and negative outcomes of using *wasta* in employee selection and as such reflects a more balanced perception of the outcomes of social capital.

Researchers from both approaches have tried to use different indicators in an attempt to measure the stock of social capital which individuals, organisations or societies possess. However, it can be argued that these researchers have yet to achieve a universally acceptable way to measure social capital successfully. There are several reasons for this which has been identified by researchers from the World Bank (2011). Firstly, the most comprehensive definitions of social capital are multidimensional in that they incorporate different levels and units of analysis. Secondly, any attempt to measure the properties of inherently ambiguous concepts such as "community", "network" and "organisation" is correspondingly problematic. Thirdly, there have not been many long-standing surveys designed to "measure" social capital, and contemporary researchers have had to compile indexes from a range of approximate terms, such as measures of trust in government, voting trends, memberships in civic organisations, and hours spent volunteering which are only proxies or indicators of social capital (The World Bank, 2011). Despite these difficulties in measuring social capital, there have been several well-received attempts to use these proxies to measure social capital through a combinations of qualitative studies (e.g. Knack and Keefer, 1997; Narayan and Pritchett, 1997), comparative studies (e.g. Putnam, 1993, 1995, 1998), and quantitative research studies (e.g. Portes and Sensenbrenner, 1993). However, these approaches are short of producing a universally accepted means of measuring social capital. Building on this, this research adopts the premise that that social capital in itself is not something measurable. Therefore there will be no attempt to do so in this research.

As a result of the different approaches to understanding social capital that neither take into consideration nor build upon other views on this concept, a lack of consensus remains as to what exactly social capital is (Woolcock, 1998).

On the one hand, it can be hypothesised that establishing an exact definition of social capital will assist in measuring and applying it in the social, business and policy contexts. Yet on the other hand, it can be argued that the ambiguous and complex nature of this concept and the diversity of its research and application in different social science fields make the production of a universal definition and measurement criteria almost impossible. As such, most previous researchers of social capital theory have adopted a more pragmatic approach. Because of the difficulties in defining social capital authors tend to discuss the concept itself, its intellectual origin, the diversity of its applications, and some of unresolved issues and criticisms associated with it before adopting a particular school of thought or adding their own definition to literature (Adam and Roncevic, 2003).

This researcher adopts the latter approach by critically reviewing previous definitions in order to create a working definition of social capital in the context of the present thesis. This approach is chosen because it allows to capture the essence of social capital that is relevant to the focus of this thesis and use it as the main lens to view *wasta* without having to deal with different social capital issues that are not relevant to the thesis's main topic.

In the next section various different definitions are critically analysed.

2.1.2 Earlier definitions of Social Capital

Definitions of social capital have been developed by researchers from a variety of disciplines including sociology (e.g. Granovetter, 1973; Coleman, 1988; Portes, 1998), political sciences (e.g. Putnam 1995; 2000), ethics (e.g. Ayios et al., 2014), and economy, business and human resource management (e.g. Woolcock, 1998; Carrie and van Buren, 1999; Fernandez et al., 2000). An overview of some of the key definitions is provided in table 2.1 below which presents them in chronological order, thus illustrating the development of the concept over time.

TABLE 2.1 DEFINITIONS OF SOCIAL CAPITAL

Author	Definition
Bourdieu (1985)	The aggregate of the actual or potential resources which are linked to position a durable network of more or less institutionalised relationships of mutual acquaintance or recognition (p.248).
Coleman (1988)	Identifies social capital by its function not as a single entity but a variety of different entities with two elements in common: they all consist of some aspect of social structures and they facilitate certain actions of actors within the social structure (p.302).
Baker (1990)	A resource that actors derive from specific social structures and then use to pursue their interests; it is created by changes in the relationship among actors (p.619)
Loury (1992)	Naturally occurring social relationships among persons which promote or assist the acquisition of skills and traits valued in the marketplace...an asset which may be as significant as financial bequests in accounting for the maintenance of inequality in our society (p.100).
Schiff (1992)	The set of elements of the social structure that affects relations among people and that are inputs or arguments of the production and/or utility function (p.161).
Burt (1992)	Friends, colleagues and more general contacts through whom you receive opportunities to use your financial and human capital (9).
Putnam (1993)	Features of social organisation, such as trust, norms, and networks, that can improve the efficiency of society by facilitating coordinated actions (p. 167).
Portes (1995)	The capacity of individuals to command scarce resources by the virtue of their membership in networks or broader social structures (p.12).
Woolcock and Narayan (2000)	The norms and networks that enable people to act collectively (p.3).
Lin (2001a)	Resources embedded in one's social networks, resources that can be accessed or mobilised through ties in the networks.
Adler and Kwon (2002)	The goodwill that is engendered by the fabric of social relations and that can be mobilised to facilitate action (p.17).

Source: Ali et al. (2015)

Several differences between these definitions can be identified. These differences relate to the focus of each researcher when defining social capital. Some researchers consider social capital as being a resource (e.g. Baker, 1990; Portes, 1995), others focus on the relationship element of social capital (e.g. Loury, 1992; Schiff, 1992), while some researchers' definitional focus encompasses both the resource and relationship aspects (e.g. Bourdieu, 1985; Lin, 2001a). Finally, another strand of researchers focus their definitions on the

different features of social capital such as shared norms, trust and networks (e.g. Putnam, 1993; Woolcock and Naryan, 2000).

On the other hand, common to all of these definitions is their identification of social capital as a resource which is 'embedded' in a network of actors and which can only be mobilised by interaction with other actors. In other words, social capital is an intangible resource that cannot be utilised individually as it resides in the ties between members of one or more social networks (Coleman, 1988). This means that it can only be operationalised by the actor when interacting with other actors in the network, as opposed to, for example, financial capital, which is a physical resource that can be used without the need to utilise connections with other actors or individuals in the network. Through such relations or ties or even through social networks in general, an actor may generate new resources. The actor can also capture, use or borrow other actors' resources (Lin, 2005). This feature of being embedded in networks, as shared by these definitions flows from the general premise that social capital is network-based. Accordingly, Woolcock and Naryan (2000) identify four different perspectives for researching social capital; 1) the communitarian view, 2) the networks view, 3) the institutional view, 4) and the synergy view. It can be argued that the networks view largely outweighs the three other views due to its impact in contributing to research (ibid). As such the network view of social capital is adopted in this research, in line with the vast majority of scholars who have contributed to the discussion (e.g. Bourdieu, 1985; Lin, 2001; 2005; Coleman, 1988, 1990; Flap, 2000; Burt, 1992, 2000, 2005; Putnam, 1993, 1995, 2000).

The notion of network embeddedness can be linked with the structural and relational dimensions of social capital identified by Granovetter (1992) and Nahapiet and Ghoshal (1997). The structural dimension of social capital includes social interaction, which refers to the location of an actor's contact in a social structure of interactions and which provides certain advantages to this individual. Due to their position in a social network members can then use their contacts to get jobs, to solicit help from other members and to access specific information (Granovetter, 2005). This can be made compatible with the approach by researchers who focus on the relationship aspect of social capital

in their definition of the concept (e.g. Loury, 1992; Schiff, 1992). From this perspective a member's location in the social network can be also identified as a source of social capital (Mouw, 2006; Kwon and Adler, 2014). It can be deduced from these arguments that, where a member can receive and provide resources and information due to their position in the network, he or she will be able to utilise their position to exchange these resources with others (Cullinane and Dundon, 2006). This can be linked with the notion of power in social exchange, where Blau (1964) argues that individuals can establish power by supplying others with needed benefits. In this case this is information as well as resources that the individual has access to due to their position in the network.

On the other hand, relational dimensions refer to assets that are rooted in these relationships such as trust, which can act as a governance mechanism for embedded relationships (Tsai and Ghoshal, 1998). This can be linked with the other two identified groups of researchers who define social capital by focusing on resources (e.g. Baker, 1990; Portes, 1995) or on features of social capital such as trust (e.g. Putnam, 1993).

Finally, a unique definition of social capital is introduced by Coleman (1988) who suggests:

“By its functions not as a single entity but a variety of different entities with two elements in common: they all consist of some aspect of social structures and they facilitate certain actions of actors within the social structure”.

Coleman (1988, 302)

This definition helps us understand that while social capital is perceived as a form of capital similar to financial and human capital, unlike these forms of capital, it is inherent in the structure of relations between and among actors. In other words, it does not exist in the actors themselves or as a physical product but rather arises through changes in the relations among persons that facilitate action. As such, Coleman's identification of the function of social capital lies in the fact that the actors recognise the ability of social capital to attain a certain resource or achieve their interests (Coleman, 1988).

Several criticisms can be made of these attempts to define social capital by examining the empirical and theoretical work behind them. The first criticism is the aforementioned lack of conceptual clarity (Woolcock and Narayan, 2000). The second criticism concerns a lack of explanation in most social capital research of how utilising social capital produces positive or negative outcomes on the societal, organisational, and individual levels (Lin, 2005). The third criticism considers the limited linkage between different researchers' works in that most of research does not build on previous researchers' work (Lin, 2005; Patulny and Svendsen, 2007).

However, as highlighted throughout the thesis so far, the main criticism of the majority of previous research and resulting definitions is that it largely emphasises the positive outcomes of social capital, while ignoring any potential negative outcomes resulting from its utilisation. Much of the empirical and theoretical work on social capital stresses the broad positive outcomes generated from high levels of social capital stock in societies (e.g. Putnam, 2000), organisations (Tsai and Ghoshal, 1998), and individuals (Flap, 2002).

At the societal level positive outcomes include high political participation (e.g. higher number of voters or people involved in political parties) and high levels of interpersonal trust between members of society, which benefits society as a whole (Putnam, 2000). At an organisational level they include help for individuals in finding jobs and facilitating inter-unit research exchange (Tsai and Ghoshal, 1998) support in product innovation (Rindfleisch and Moorman, 2001), reducing turnover rates (Shaw et al., 2005), support of knowledge transferral (McFadyen and Cannella, 2004), and strengthening of supplier relations (Adler and Kwon, 2002). Finally, at the individual level it was found that social capital aids individuals to achieve different goals through the help of social connections (Flap, 2002) such as attaining a job (Fernandez et al., 2000), better access to information (Granovetter, 2005), and a better quality of life (Woolcock, 1998).

In order to achieve a balanced view of the outcomes of *wasta* using a social capital as the main theoretical lens, the definition of social capital in the context of this thesis should recognise both its potential possible positive and negative outcomes. As such, based on these criticisms of previous definitions a working

definition of social capital is devised for the purposes of this research. In devising this definition two main issues have to be addressed:

Firstly, in order to achieve the aim and objectives of this research in exploring the impact of social capital (wasta) on the employee selection practices in banks operating in Jordan, the definition of social capital has to be able to capture its essence in the context of this research – the use of social capital by members of social networks in employee selection.

Secondly, the definition must account for the criticisms of previous definitions of social capital. It should be able to provide conceptual clarity and clearly define the sources, outcomes (both positive and negative), and the type of relationships that social capital is created from. As such, the definition should have the conceptual clarity needed to address these issues and to provide a balanced view of the outcomes of social capital.

The working definition for social capital adopted in the context of this research is as follows:

Working definition of social capital

“The resources embedded in one’s social network or group, which could be either closed, such as a family, kinship or religious group, or open, such as a friendship, social club or organisation’s employment group, whereby these resources are viewed as ‘credit slips’ that can only be operationalised by interacting with other actors in or across the members of these groups”.

This definition responds to the two aforementioned points. Firstly, it corresponds with the context of this research as it supports the premise that social capital is embedded in the ties that connect members of social networks or groups. These networks or groups could be relatively closed as in cases of groups based on kinship or religion, or open, as in cases of friendships or an

organisation's employees. These resources can be used as credit slips exchanged by members in order to achieve goals (such as gaining information or employment). The use of these credit slips, however, can have both positive (attaining employment for one individual), or negative outcomes (the inequality of injustice that this brings to other job seekers). Therefore, this definition enables us to operationalise the concept of social capital as a lens through which to theorise wasta.

Secondly, this definition responds to the criticism of previous definitions of social capital. First, by clearly defining the network, exchange, and relations aspects within social capital, it provides a conceptual clarity of the term "social capital". Secondly, as this definition builds on previous definitions, it takes into consideration their strengths and weaknesses and tailors the concept to the purposes of this research project against the background of the critical analysis and evaluation of the aforementioned definitions. Thirdly, it clearly demonstrates that social capital is viewed as a 'tool' in that the resources or credit slips could produce either positive or negative outcomes, depending on how they are used. As such, it provides a balanced view of the outcomes of using social capital.

This working definition is used throughout the research to identify what is meant by social capital in this thesis.

In summary, this section examined several definitions of social capital introduced by earlier researchers who studied this concept in different disciplines and utilised different schools of thought in devising them. These definitions either focused on social capital as a resource, on the relationship aspect of social capital, or on both of these aspects. Another group of researchers focused on features of social capital such as shared norms, trust and networks. These were further linked with structural and relational dimensions of social capital. However, the embeddedness of social capital was found to be common to all of these definitions; i.e. being a resource that can only be mobilised by interacting with other members of social networks. Criticisms of these definitions were discussed, including the aforementioned conceptual ambiguity, a lack of understanding on how utilising social capital

produces both positive and negative outcomes, limited logical interrelation and link between the researchers' work, and a focus on the positive outcomes of social capital while neglecting any possible negative outcomes. A working definition of social capital for the purposes of this thesis was constructed based on the criticisms of previous definitions.

This working definition is used in section 2.3 to explore the concept of *wasta* in order to construct a working definition for this concept in the context of this thesis. The following section provides a critical review of identity research in order to use this concept as a critical and complementary aid for the social capital lens in researching *wasta*.

2.2 Critical review of Identity research

The narrowest definition of identity offered by psychologists suggests that identity is a cognitive construct of the self, fundamentally relational and self-referential, that answers the questions 'who am I?'. The typical psychological concept of the self as a collection of personality traits primarily focuses on the individual, as such this is known as 'individual identity' (Korte, 2007). However, several researchers from this and other disciplines have concluded that limiting identity to this definition overlooks the external environment, mainly the different social and group settings, which impacts on the formulation and the dynamic changes in identity over an individual's lifetime (Kramer, 2006; Korte, 2007; Davis, 2014). In response, other researchers in the field have sought to define identity based on the impact different social, work, and organisational settings have on the formulation and constant reshaping of the identity. The outcomes of this field of study, emphasises the group influence and the social nature of identity (Korte, 2007).

In their unified perspective of social identity theory and identity theory Burke and Stets (2009) define an identity as:

“A self-categorisation in terms of a social category referring to a class, group, or role as represented in the prototype or identity standard”

(Burke and Stets, 2009: 20)

This definition highlights two main aspects of identity to explore. The first aspect is the identification and categorisation of self and others based on in-groups and out-groups such as members of different social classes, work departments or even tribes. This is addressed in social identity and social categorisation theory (Tajfel and Turner, 1979; Turner, 1987). The second aspect is the identification of self-based on the different roles an individual undertakes addressed by identity theory (States and Burke, 2000).

Both of these identity theories are relevant for this study, therefore have been utilised to inform the analysis of *wasta* presented in this thesis which will approach identity as defined by Burke and Stets (2009).

The concepts of identification and categorisation derived from social identity and social categorisation theories are based on the idea that membership in social groups is an important determinant of individual behaviour (Davis, 2014). In other words an individual's behaviour will be formulated and changed in accordance with the group they ascribe to. Social groups are collections of individuals who coordinate their action in some way (ibid), and these may include voluntary membership of groups such as book clubs or non-voluntary membership groups such as the social class, social cast, or tribe.

However, it is important to highlight that membership in social groups is not 'one-dimensional' but rather a complex issue for two main reasons. Firstly, individuals vary in the degree to which they participate in social groups and might also be able to change their group memberships (Davis, 2014). For instance, a member of a certain organisational department (HRM or marketing) might be much entrenched in this group participating in all its activities and largely basing his or her behaviour from the group's norms and values. On the other hand, another individual might be a member in the same department group but much less active in his or her participation and identification with the group. This will impact the ease an individual chooses to leave a group or

change membership (in this instance move to another organisation or department) (Stets and Burke, 2009).

Secondly, social groups vary in size and structure, and differ in the ways in which they establish trust and cooperation among their members (Davis, 2014). For example, membership in book clubs usually entails participating in small sized groups where restrictions for new members are minimal. On the other hand, entering a higher social class, which are much larger groups, is much more restricted by financial and educational attainment.

Despite these identified complexities, social identity theory and social categorisation theory help us understand how individuals formulate their identity in relation to other individuals. The ethos of these theories is that individuals' favour others who they believe are in the same group as them (in-group members) (Hornsey, 2008). Tajfel and Turner (1979) argued that the motivating principle underlying competitive intergroup behaviour is a desire for a positive and secure self-concept. This argument was based on two assumptions. First, people are motivated to have a positive self-concept, as such it flows naturally that people should be motivated to think of their groups in a positive way as 'good' groups. Second, people evaluate their group by comparing them to relevant 'other' out-groups (Stets and Burke, 2000). As such, striving for a positive social identity, group members are motivated to think and act in ways that achieve or maintain a positive distinctiveness between one's own in-group and relevant out-groups (Koter, 2007; Hornsey, 2008). It was this argument that underpinned the research on intergroup differentiation and out-group derogation later confirmed by these researchers and others who build their work on their findings (Hornsey, 2008).

Through self-categorisation to a certain group membership, individuals develop a group level 'social identity'. This identity serves in setting what is perceived as the standard norms, values, and beliefs which guide the group members' behaviour (Turner, 1987). In adopting the group level social identity, the individual identity of the person recedes to the background, and the identity as a member of the group comes to the foreground and becomes the salient identity (Stets and Burke, 2000). As result of this change in the dominant

identity from an emphasis on an individual's identity to a group-based social identity there is a corresponding change in the motives, expectations, affective connotations, background knowledge, beliefs, norms, and values for the individual (Turner and Onorato, 1999; Koter, 2007). It is worth noting that when the social identity changes to become the salient identity individuals may even display motives and behaviour that are extreme, in conflict, or in contradiction with their personal identities (Ashforth and Mael, 1989). Essentially, this process leads to groups ascribing an identity, along with its behavioural norms, values, and beliefs, to their members, as well as to other groups, a process described by previous researchers as 'de-personalisation' (Koter, 2007; Hornsey, 2008).

The strength of a social identity varies according to the situation, the stronger the similarities within the in-group and the larger the differences between the in-group and other out-groups, the stronger the identity of the group (Hornsey, 2008; Davis, 2014). When social identity is more salient than personal identity, people perceive themselves less as individuals and more as members who represent the in-group (Koter, 2007). A by-product of this process is a tendency to stereotype and de-personalise oneself as a member of the in-group while at the same time stereotype and de-personalise (even sometimes 'de-humanise') others as members of out-groups (Koter, 2007; Hornsey, 2008).

Tajfel, (1982) and Turner (1987) argue that the engine for this process is enhancing self-esteem, one of the basic tenets of social identity theory. According to Tajfel and Turner (1979), the desire for certainty and positive self-evaluation are primary motivations for the tendency of a group to exaggerate the similarities among its members (in-group) and to exaggerate its differences from other groups (out-groups). In-group members often stereotype out-groups in negative or derogatory ways intended to enhance the status of in-group members. Stereotyping, prejudice, and conflict with out-groups are important consequences of social identity and self-categorisation (Tajfel, 1982, Turner et al., 1987).

The outcomes of this identification and categorisation process vary between positive and negative. On one hand, social identity helps individuals "*lighten*

their cognitive load' (Koter, 2007) by reducing uncertainty through categorisation or stereotyping (ibid). Identifying with others helps individuals assimilate with their in-groups, which is positive on the psychological level (and even on the social and financial level as highlighted in the discussion of social capital theory).

On the other hand, this perception of stability fosters rigidity, conflict, and prejudice between members of different groups (ibid). While pressures to conform to the group's social identity might lead to the positive aspects of group assimilation mentioned above. This pressure might lead to extreme behaviour, loss of individual identity (particularly when the group identity is in sharp contrast with the personal identity) and group isolation due to the categorisation of groups into comprehensible units by accentuating in-group similarities and out-group differences. Nevertheless, the pervasiveness of categorisation in society and the dependence of individuals on groups to function continually reinforces the importance of group membership and its consequences (Koter, 2007; Davis, 2014). Identification and categorisation is linked with bonding and bridging social capital in section 2.6.3

The second aspect of identity to be discussed is role identity. This concept was devised by researchers who focused on the internal dynamics of the self which impacts on the individual's social behaviour i.e. researchers from the identity theory strand (e.g. Burke 1991; Stets and Tsushima 2001; Stets and Burke 2003; Stets and Harrod 2004; Stets 2005). The basis of identity (also known as role identity), according to identity theorists, is vested in individual role-related behaviours (Stets and Burke, 1998; 2000). In other words, the main difference between identity theory and social identity and categorisation theories is in the basis on which individuals categorise themselves and others. While in social identity and categorisation theory this process is based on similarities with others creating the 'in-groups' and 'out-groups', in identity theory this process is based on the different roles (such as job roles) individuals undertake in their life (Stets and Burke, 2000).

Due to the difference in the way categories are made here in comparison with social identity and social categorisation theories, what defines a group is

different in the identity theory perspective. In this perspective a group is defined as: “a set of interrelated individuals, each of whom performs unique but interrelated activities, sees things from their own perspective and negotiates the terms of interaction” (Stets and Burke 2000: 228). As such, ‘role’ is the main categorisation unit which groups are based on and which an individual draws their identity from.

Role identity theorists have focused on the match between the meanings an individual who occupies a particular role attaches to that role and the behaviours that a person displays while interacting with others (Burke 1980; Burke and Reitzes 1981; Stets and Burke, 2000). This match includes the negotiation of meanings for situations and identities, and how they fit together to provide a situated context for interaction (Stets and Burke, 2000). In taking on a role identity, an individual adopts self-meanings and expectations to accompany the role as it relates to other roles in the group, and then acts to represent and preserve these meanings and expectations (Thoits and Virshup, 1997). In other words, the identity of this role becomes salient to the identity of this individual and it then influences the way this individual behaves, interacts with others, and interprets the meaning of these behaviours and interactions.

Most research on identity theory highlights that possessing a particular role identity means three main things; acting out role expectation, controlling the resources the role is responsible for, and managing the relationship and interaction between role partners (Hogg et al. 1995; Hogg and Ridgeway 2003; Stets and Burke 2003; Stets and Burke, 2009). It can be argued that the most important of these issues in this context is the second point; how individuals control the resources they acquire through their role, as this helps in explaining what motivates individual who undertake a particular role identity.

It was highlighted earlier in this section that social identity and social categorisation theories identify the motivation to interact with others in better self-esteem and self-perception. On the other hand, identity theorists put forward the proposition that if each role is to function, the individual undertaking this role must be able to rely on reciprocity and exchange relations with individuals in other roles (as opposed to social identity theory where reciprocity

comes from the in-group favours) (States and Burke, 2000). As such, individuals here do not view themselves as similar to the others with whom they interact, but as different, with their own interests, duties, and resources. Each role is related to, but set apart from, counter roles; often the interests of individuals undertaking these roles compete. As such proper role performance can be achieved only through negotiation (ibid).

An important point to emphasize here is that the process of constructing identity is complex as in reality individuals are members of different groups at the same time. These include different levels of identity: nationality, religious affiliation and occupational role. For instance, an individual can identify as a UK national but at the same time identify as a Christian and an accountant. As such an analysis of identity should take into consideration this complexity of different identity 'levels' and roles. This is further complicated by the argument that motivation to affiliate and participate in group activities differs depending on the level and role. This is exemplified by Salas and Salazar (2012) argument which links motivation to identify and participate in groups with the Individualism-Collectivism dimension from Hofstede's (1991) cultural framework. As members from collectivist cultures draw heavily on the group in their identification of themselves (identify as 'we') and are motivated to participate heavily in group activities as the groups success is viewed to lead to the individual's success. On the other hand, members of individualistic societies are argued to rely less on the group in their identification and as such have less motivation to participate in group activities and reciprocity (Salas and Salzar, 2012).

This section provided an overview of research on social identity, social categorisation, and identity theories. In doing so it explored the aspects of social and role identification, their motives and their formulation. The following section defines *wasta* through the social capital lens by critically exploring previous definitions of *wasta* from different theoretical underpinnings in order to establish a working definition of *wasta* for this thesis.

2.3 Defining Wasta through the Social Capital lens

As with social capital theory, researchers have yet to agree on a unified definition for wasta. Many researchers have used this concept in a generic way to refer to the use of social networks to attain goals by individuals in the Arab Middle East, with no reference to the different forms or types of wasta which can be used in different situations. As such, in order to achieve a working definition of wasta for the purpose of this thesis, the specific type of wasta this research explores must be identified.

As asserted in the introduction, the word wasta is used in spoken Arabic in the Arab countries of the Arab peninsula and Egypt to refer to a variety of different actions that range from an individual (or individuals) intermediating between conflicting parties to the provision of economic benefits, as in advocating for an individual to be hired for a job (Cunningham and Sarayrah, 1993). This generic use of the word wasta has resulted in attempts by researchers to typify the different uses of wasta in their conceptualisation of this practice. One of the most prominent typifications of wasta, outlined in section 1.1, is Cunningham and Sarayrah's (1993) division of wasta into two main types: intermediary and intercessory wasta.

Intermediary wasta refers to the act of mediating between two conflicting parties by a person (or group) of high status (Sarayrah, 1994). This has been historically practiced in Jordan when a sheikh (head of a tribe) mediates between two conflicting tribes to resolve a conflict. On the other hand, intercessory wasta refers to an act of intervention by an individual to attain a certain goal or objective such as obtaining a job, gaining admission to a university, securing promotion or receiving favourable treatment under the law (Cunningham and Sarayrah, 1993). The use of this type of wasta can even extend to practices on the fringes of legality such as using an intermediate (wasta) to avoid speeding fines (traffic offenses) or to influence a lecturer to change a university student's grade undeservingly (Ronsin, 2010: 1).

The dominant type of wasta in use in society has changed with the passage of time (Berger et al., 2014; Weir et al., 2015). It has been argued that this is due to the changing socio-economic structure of Jordan (Sharp, 2012). It

transitioned from a limited number of tribes living in the land now known as Jordan, who relied upon intercessory *wasta* to facilitate limited external interaction with other tribes and colonising governments, to then becoming a modern society where intercessory *wasta* is now utilised to aid in attaining different political, social, and economic aims such like those outlined previously (Cunningham and Sarayrah, 1993; El-Said and Harrigan, 2009; Berger et al., 2014).

Although the distinction between mediation and intercession sometimes becomes blurred (such as when a delegation of a business people approaches a governmental organisation to explore the possibility of doing business), this can be understood as mediation between the two parties or intercession in favour of business people to support them in their proposals. Mediation and intercession forms of *wasta* are viewed differently (Cunningham and Sarayrah, 1993:1). *Wasta* as mediation, by either a *jaha* (delegation of elders) or a single individual to resolve conflicts is valued by Jordanian society and viewed favourably. On the other hand, using *wasta* as intercession for one's benefit or to speed up a process might be viewed positively by those individuals benefiting from this *wasta*, but generally is perceived in a negative way by society (Berger et al., 2014)

It is proposed that contemporary use of the term *wasta* in Arabic spoken by Jordanians is tacitly understood to refer to intercessory *wasta*, which is the type of *wasta* practiced in everyday business life in the modern society of Jordan. This is evidenced by the fact that often in Jordan, as in most of the Arab Middle East, one can regularly hear a person stating that they will 'use their *wasta*', or that one has 'big *wasta*' implying the use of help from a patron in securing a certain aim (Neal et al., 2007). However, although intercessory *wasta* is currently the dominant type practiced in Jordan (Berger et al., 2014), both intermediary and intercessory *wasta* have had a vital role in the history of Jordan. Intermediary has been instrumental in settling tribal and family disputes and intercessory has been beneficial in dealing with Roman, Byzantine, Ottoman and British bureaucracies (Cunningham and Sarayrah, 1993; El-Said and Harrigan, 2009). The latter was eventually applied to business conduct in Jordan as illustrated in section 1.5.1 where it was suggested that many

organisations in Jordan are understood to be owned and managed by a particular family, with the majority of their hiring based on tribal and family based connections (Abdalla et al., 1998; Al-Rasheed, 2001).

The majority of research exploring *wasta* and its role in contemporary business practices focuses on intercessory *wasta* (e.g. Loewe et al., 2007; Mohamed and Hamdey, 2008; Sidani and Thornberry, 2013; Berger et al., 2014). Almost all definitions of *wasta* offered by researchers on this topic are aligned with intercessory *wasta* and the following section will explore these definitions in-depth. This is arguably due to the fact that intercessory *wasta* is mostly used in everyday social and business interactions. Barnett et al. (2013) described intermediary *wasta* as 'old' *wasta* and intercessory *wasta* as 'new' *wasta*. However, it is important to point out that although intermediary *wasta* is currently less prevalent than intercessory *wasta* in everyday life (El-Said and Harrigan, 2009; Berger et al., 2014), intermediary *wasta* still plays a vital and active role in cases such as those requiring conflict resolution for disputing members of an organisation (Cunningham and Sarayrah, 1993).

Sakarna and Kanakri (2005) indicate that there are two forms of intercessory *wasta*; indirect and direct. The former includes situations where an individual makes a request to the mediator implicitly. The latter, includes situations where help or support is requested from the mediator directly (Sakarna and Kanakri, 2005). An example of indirect request of *wasta* is a manager constantly reminding another manager that his son works in his department, which implicitly entails requesting support and help for his son in gaining promotion, or avoiding dismissal or punishment. This request can be made directly if the first manager (the mediator in this case) asks for direct help in any such matters for his son. This example illustrates how the practice of each of these two forms of *wasta* might play a vital role in business practice in general, and in HRM and employee selection in particular.

As this research is concerned with the impact of *wasta* on the modern day practice of employee selection in Jordanian banks, intercessory *wasta* is the main focus. Henceforth, any mention of *wasta* from will be in reference to this type of *wasta*. However, this does not mean that intermediary *wasta* is

neglected. This type of wasta is explored in the section on the history of social networks in Jordan. In order to understand this complex social construct an exploration of its origins and development is necessary. Additionally, exploring this type of wasta and its evolution will aid understandings of how wasta affects current social and business practices, and specifically, employee selection.

The next section will critically explore previous definitions of wasta as produced by subsequent researchers of the topic. This critique is informed by the working definition of social capital to create a working definition of wasta for the purposes of this thesis.

2.3.1 Earlier definitions of Wasta

Various definitions have been presented to explain and outline what constitutes the act of wasta. An examination of the key definitions results in identifying two major themes which emerge in the way these definitions view wasta. The first theme encompasses the view of wasta as a tool or process to attain goals. The second theme focuses on the structure and dynamics of the wasta network which provides the basis for the exchange of favours and reciprocation between individuals in the network (see table 2.2 below)

Table 2.2: Key definitions of wasta

Focus	Author	Definition
Tool or process	Fathi, (1993)	To employ a middle man, a broker, a go-between or an intermediary-usually a person or high social status and accepted rank- to achieve one's end.
	Al-Kilani, (2001)	The use of connections for personal gain.
	Makhoul and Harrison, (2004)	A social exchange which entails the intervention of a patron on behalf of a client or clients to obtain a service, a benefit or other resources for the client.
	Sakarna and Kanakri, (2005)	The process in which someone asks somebody to do a favour for him or for one of his relatives or friends. This favour, in the majority of cases, may violate regulations or standard rules in that a person may get more than what he wants or looks forward to. It may also be unfair in terms of forcing others to lose their rights.
	Whiteoak et al., (2006)	Having special help to get ahead in life, help that may not be available to others who are potentially competing for the same resource, job, contract, promotion, or life chances.
	Loewe et al., (2007)	Favouritism which is based on preferential treatment of relatives, friends, and neighbours or other acquaintances which is a widespread pattern of social interaction in many parts of the world.
	Mohamed and Hamdy, (2008)	The intervention of a patron in favour of a client to obtain benefits and/or resources from a third party.
	Al-Ramahi, (2008)	Literally means the middle and is associated with the verb yatawassat, to steer parties toward a middle point or compromise. Wasta refers to both the act and the person who mediates or intercedes.
	Smith et al., (2011)	The process whereby one can achieve goals through links with key persons in positions of high status.
	Bailey, (2012)	Implies that one is obtaining or providing favours to another.
	Gold and Naufal, (2012)	To use connections in order to gain something favourable outside of the usual norm... 'A form of currency' outside of normal business practice.
Brandstaetter, (2013)	An intercessory mechanism where one party is intervening on the behalf of a third party.	
Network	Hutchings and Weir, (2006a, 2006b)	Social networks of interpersonal connections rooted in family and kinship ties and implicating the exercise of power, influence, and information sharing through social and politico-business networks.
	Ronsin, (2010)	The use of informal channels (mostly based on kinship ties) to obtain any kind of services, such as avoiding a fine, speeding-up an administrative process, getting a job or a better grade at university.
	Barnett et al., (2013)	An implicit social construct, typically within a tribal group, which obliges those within the group to provide assistance (favourable treatment) to others within the group.

The first theme undermines definitions from researchers who view *wasta* as a tool or process in which an individual uses his/ her social ties to achieve a goal (e.g. Al-Kilani, 2001; Whiteoak et al., 2006; Loewe et al., 2007; Gold and Naufal, 2012). Definitions from this theme can be divided into two groups. The first group includes definitions focusing on the role of the mediator in attaining the goal (e.g. Fathi, 1993; Sakarna and Kanakri; 2005; Mohamed and Hamdy, 2008). The second group of definitions from this theme focused on the network's members such as relatives or friends (e.g. Sakarna and Kanakri; 2005) or people in high positions (e.g. Smith et al., 2011). As such, the focal point of definitions from this group is on the actors involved in the *wasta* process. These actors include the individual using his/her connections, the mediator, and the members of the network who can act as mediators, who possess the desired resource, or who can facilitate the fulfilment of the request.

The second theme includes a group of researchers whose definitions focus on the function of *wasta* as a process of interaction between individuals to acquire different types of resources (e.g. Hutchings and Weir, 2006a, 2006b; Ronsin, 2010; Barnett et al., 2013). As such, definitions provided by these researchers focus on the structure and dynamics of the network of individuals providing the basis for the exchange of favours and reciprocation between individuals in the network.

Common to all of these definitions is the assertion that *wasta* is a term used to indicate favouring people in several ways mainly based on tribal and kinship relations. However, it is worth noting that while some authors have devised their own definition of *wasta* or relied on previous definitions to identify what constitutes the act of *wasta*, other researchers have simply denoted *wasta* as a form of nepotism (Abdalla et al. 1998; Sidani and Thornberry, 2013), social networks (Saher and Mayrhofer, 2013; Tlaiss and Kauser, 2011), or social capital (El-Said and Harrigan, 2009) that is prevalent in the Arab countries of Middle East.

Several criticisms, however, could be presented about these attempts by researchers to define *wasta*:

Abdalla et al., 1998) without utilising any theoretical underpinning to explore this practice.

The second criticism is that many researchers who have attempted to define wasta did so by drawing upon the data and literature of previous researchers which was either not empirically informed or lacked methodological rigor (e.g. Al-Kilani, 2001).

A third criticism is that the majority of these researchers constructed their definitions from their data or literature, neglecting the fact that the modern day linguistic use of the term wasta refers to the interaction process, the middle person performing it, and the network ties between the interacting individuals (Cunningham and Sarayrah, 1993). As such the data and literature they draw upon in constructing these definitions is lacking in clarity.

Therefore, in developing the working definition of wasta for this thesis, these criticisms should be accounted for while also building on the adopted social capital lens in constructing the definition. The next section introduces the working definition of wasta.

2.3.2 Working definition for Wasta

In constructing a working definition for wasta in the context of this research, the criticisms of previous definitions are taken into consideration alongside the focus on intercessory wasta in business practice. By using the working definition of social capital as a lens, the working definition of wasta for this research is as follows:

Working definition of wasta

“The use of personal social networks to attain certain end goals using a currency of ‘favours’, exchanged between members of different groups, both on an inter- and intra-group level. Wasta generally involves the intervention of one or more patron(s) on behalf of the individual seeking the end goal which can range from renewing a passport to securing employment”.

This definition corresponds to the working definition of social capital introduced in the previous section. The use of favours exchanged between members of groups corresponds to the use of credit slips between members of social groups or networks in the social capital definition. Elements of the social capital working definition are found in the working definition of *wasta*. The definition also adheres to the network based perspective of social capital and encompasses issues of resources, network structure and dynamics. Finally, it provides the ability to observe both the positive and negative outcomes of *wasta* by not limiting the outcomes to positive ones.

This definition responds to the criticisms of previous definitions as it is based on a social capital perspective and thus avoids the conceptual ambiguity of previous definitions. Furthermore, it provides a balanced view of all the features of *wasta* as it refers to the interaction process, the middle person performing it, and the network ties between the interacting individuals. Moreover, it takes into consideration both social identity considerations, by referring to inter and intra groups, and role identity considerations, by taking into account the 'exchange' or reciprocity process that happens between members who might have different roles.

As the working definition of *wasta* has been established, it is now important to respond to the shortcomings of utilising the social capital lens in exploring *wasta*, introduced in sections 1.3 and 1.4 of the first chapter, and how by extending the theoretical framework to include identity theory will overcome this weakness. As such the identity analysis in social capital will be discussed in the following section.

2.4 Identity analysis in exploring *Wasta*

In sections 1.3 and 1.4 of chapter one it was highlighted that, despite the positive aspects of using the social capital lens in this thesis (namely its ability to provide a balanced view in researching *wasta*), it largely neglects explaining the psychological motives for individuals to participate in seeking and providing *wasta* rather than free-riding or relying on other members of the group to attain

it (Kramer, 2006). Furthermore, it was also indicated that using social capital theory in this context offers little insight into the complex mechanism in which individuals identify and categorise themselves and others into different groups, which determines the type of wasta (or social capital) used in each instance. In the light of this the identity lens will be used critically to address these shortcomings in exploring wasta.

As noted in section 1.4, a wider view of identity, which includes both identity theory and social identity theory, will be adopted. This can be justified due to the benefits that social identity theory offers in explaining the Psycho-social incentives for individuals to partake in the creation of social capital as a group commodity (Kramer, 2006). Furthermore, social identity theory provides us with insights on how the different levels of identity correspond to the different types of social capital (bonding and bridging) (Jiang and Carroll, 2009; Davis, 2014). This, in turn, help us identify the underlying reasons why wasta (social capital) is practiced. Identity theory, on the other hand, can offer us insights into the different roles individuals undertake in different contexts (Burke and Stets, 1998; 2000) and as such helps shed light on the roles these individuals undertake when engaging in a wasta 'transaction'. Finally, drawing on identity theory helps overcome the weakness of much of social capital research to date, namely that it orients from a largely economic perspective (Christoforou, 2012). This section will explore the use of identity analysis as an extension to the social capital analysis in this thesis by providing an overview of identity research expanding on what has already been introduced in section 1.4.

2.4.1 Identification in Wasta

As highlighted in the previous section, social identity and social categorisation theories identify the source of categorisation as the similarities and differences between individuals that create in-groups and out-groups. This can be linked with the concept of tribalism and its link to wasta. In tribalism, individuals identify themselves with the extended family or tribe based on their perceived similarity with the tribe members (same family name, tribal and geographical origin) (Rowley, 2009). This identification or categorisation leads tribe members

to behave in the way expected from them and comply with the values and norms of the tribe. This identification process also leads individuals to favour tribe members rather than members of out-groups. One outcome of this is that individuals might enact *wasta* in linking them to other group members and thus help them to achieve their goals (Cunningham and Sarayrah, 1993). This identification is not limited to the tribe level but also extends to wider groups such as religious groups (Muslim and Christian) and ethnic origin (East bank Jordanian and Palestinian- Jordanian).

On the other hand, role identification also lends itself to *wasta* practice. As highlighted by previous researchers of *wasta* (e.g. Cunningham and Sarayrah, 1993; Loewe et al., 2007; Berger et al., 2014) *wasta* practice is no longer limited to intra-tribe favouritism and includes providing *wasta* to individuals from different groups in exchange for present or future favours. Role identity comes into play here particularly in modern intercessory *wasta* in the business setting. Here, role identities could be useful in explaining the underlying reasons for individuals to act as a *wasta* for other from outside groups. This is expanded on in section 2.4.3 of this chapter.

The next section will explore the different levels, sources, and outcomes of social capital.

2.5 The Different Levels, sources and outcomes of Social Capital

As discussed in earlier sections of this chapter, the principal explanation shared by the various capital theories posits that investment in and utility of social capital will enhance its desirable outcomes at all levels, ranging from individuals to the whole society (Lin, 2001). Therefore, it can be deduced that social capital can be 'possessed' by individuals, organisations, and communities. In order to avoid ambiguity in analysing data it is important to be clear what unit (or level) of analysis this thesis is exploring. The next section explores the different levels of social capital and establishes the focus of this thesis.

2.5.1 The different levels of Social Capital

In terms of the level of analysis, previous research on social capital can be divided into three groups. The first groups are researchers who view social capital as a public good, studying it at a macro level (community) and focusing on the outcomes of having (or not having) a large stock of social capital for societies (e.g. Coleman, 1988,1990; Putnam 1995, 2000; Woolcock, 1998, 2000; Fukuyama, 1999, 2002). The second group are researchers who studied social capital on the meso level (organisations), viewing social capital as an 'asset' which organisations can possess. These researchers have focused on how social capital can be used to benefit organisations and the commitments or obligations resulting from the use of social capital by organisations (e.g. Pennings et al., 1998, Leana and Van Buren, 1999; Andrews, 2010). The third group of researchers have studied social capital at the micro level (individuals) viewing social capital as a private good and focusing on its sources and outcomes for individuals (e.g. Belliveau et al., 1996; Burt, 2000, 2005).

Researchers operating at the macro level understand social capital as a collectively produced 'resource' with its benefits reaped at the community level (Ayios et al., 2010). The thrust of much this literature is generally positive in describing the outcomes of social capital (ibid) and researchers adopting this view are usually criticised for neglecting the negatives outcomes of social capital upon societies (Woolcock, 1998; Portes, 1998). Social capital is generally perceived by these researchers as producing positive economic, social, and political outcomes at the societal level, based on the existence of intangible collective resources such as local solidarity, common norms, and trusting communities (Putnam, 2000). These positive outcomes are understood as benefiting the whole society and include macro effects like better mental health and education for members of the society and reduced crime rates (ibid).

Researchers examining organisational level social capital perceive it as a pool of resources that the organisation can tap into and use to attain other resources and achieve goals (Leana and Van Buren, 1999). While social capital here is perceived to be an asset that that can achieve positive outcomes for the organisation (Pennings et al., 1998; Andrews, 2010), many researchers

acknowledge that this asset can also be a liability or become an obligation that the organisation might have to deal with when social capital is utilised to acquire resources and attain goals (Leana and Van Buren, 1999).

Researchers who examine social capital at the micro level focus on both the benefits and drawbacks of possessing and mobilising social capital for individuals (Lin, 2005). Much of this research has adopted a network view of social capital (Woolcock and Naryan, 2000) exploring how an individual's membership in different types of social networks (bonding and bridging) has helped the individual in attaining resources and achieving different goals. On the other hand, many researchers adopting this view also highlighted the liabilities of possessing and mobilising social capital at the individual level and the risks associated with over-relying on social capital to reap these benefits. These include "free-riding" individuals, or those who rely solely on the network to achieve their goals (Granovetter, 2005). It can be argued that most of the work that views social capital in a balanced way comes from research which analysis social capital at the level of the individual.

As this research explores the impact of *wasta* on employee selection in banks operating in Jordan, it is concerned with how an individual utilises his/her social network to aid in obtaining employment. Despite that one objective of this thesis is to explore how this practice plays out in the organisation. The focus is not on the stock of capital the organisation collectively possesses but rather is on the individual's *wasta*, whether this individual is internal or external to the organisation. Therefore, this thesis focuses on the micro level of social capital in its analysis.

As the level of analysis is now established the next section explores the sources and outcomes of social capital.

2.5.2 Sources and outcomes of Social Capital

Several positive outcomes, and a limited range of negative outcomes that result from the use of social capital have been discussed by researchers and presented in section 2.1.2 of this chapter. On the individual level it has been

found that social capital positively aids individuals in achieving different goals through the help of social connections (Flap, 2002), such as attaining a job (Fernandez et al., 2000), better access to information (Granovetter, 2005), and achieving a higher quality of life (Woolcock, 1998). Negative outcomes relate to the limited development of individuals' skills, where they instead, rely solely on their social capital to attain their goals and thus neglect to develop their human capital, which is a major factor contributing to the advancement of the individual and the society (van Deth and Zmerli, 2010).

This can be related to the identified outcomes of *wasta* discussed in Section 1.1 as *wasta* has been perceived as producing positive outcome for individuals who use it to secure a job or promotion, or to cut through long red tape in government interactions (Loewe et al., 2007; 2008). On the other hand, it also produces concomitant negative outcomes and a lack of justice for individuals who do not possess *wasta*, and enabling "free-riding" by individuals who do (Cunningham and Sarayrah, 1993).

Both the positive and negative outcomes are produced by individuals mobilising social capital where they seek to attain a resource or achieve a specific goal and hence, there are underlying purposes behind mobilising social capital. This is discussed in detail by Lin (2001) who argues that social capital serves two different purposes: instrumental, and expressive. For instrumental action the purpose is to obtain additional or new resources (such as attaining a new job or a promotion). For expressive action the purpose is to maintain and preserve existing resources (such as maintaining a running contract) (Lin, 2005).

Previous literature (e.g. Burt, 2001; Lin, 2005) explains that the strategies deployed by individuals to pursue instrumental and expressive outcomes differ depending on the type of social networks they are members of, as each type of social network is deemed more compatible with achieving particular goals. The network strategy for expressive action is straightforward: to link with other individuals who share similar resources and who are more likely to be sympathetic to one's needs to preserve resources. Such individuals will more likely be prepared to provide support or help (ibid). These types of social ties are known as bonding social capital and will be explored in more detail later in

this chapter. The expectation is that bonding relations should be useful for accessing and mobilising necessary resources for expressive purposes (Lin and Ensel, 1989).

On the other hand, the network strategy for instrumental action is regarded as more complex since the targeted instrumental outcomes requiring 'advancement' depend on the 'quality' or 'richness' of resources available in the social network. The argument is that similar individuals usually have similar resources, which means that individuals who have rich resources are more likely to inhabit networks where members have similar rich resources and will be more likely to benefit from their bonding ties for advancement. Instead, for individuals who do not possess rich resources, such bonding networks may be poor or insufficient to pursue instrumental goals. Their bonding relations may constrain rather than facilitate instrumental actions and they will need to tap into their bridging relations (Lin 2005).

This argument is confirmed by Burt's (2005) closure and brokerage arguments. In Burt's view, an individual who acts as a broker of information between two groups or networks can connect members of different networks with each other, regardless of the richness of resources in a social network. Therefore, even if a network is lacking resources but is either open or benefits from the existence of one or more brokers, members of this network can benefit from the link the broker provides with members of other networks who are richer in resources. Closure and brokerage will be discussed in more detail in the following section.

Wasta can be used for both expressive (e.g. attaining a new job) or instrumental (e.g. maintaining a contract with the government) goals. However, this thesis takes into consideration that both bonding and bridging social capital can be used to attain expressive goals in the context of employee selection i.e. attaining employment. As such, both of these strategies are taken into consideration in the analysis of the data.

The following section discusses some key themes in social capital research from the social networks perspective linking them with research on wasta.

2.6 Social networks perspective in Social Capital research

The previous section explored the different levels, outcomes and sources or purposes of social capital, indicating that this thesis will focus on individual and instrumental social capital and pursue a balanced view of wasta's positive and negative outcomes. Building on this foundation, this section explores earlier research adopting the social networks perspective in social capital research. The first section is brokerage, closure, and intermediation which have been discussed at length by Coleman (1988) and Burt (2000, 2005). The second section explores bonding and bridging social capital by building on the work of Gittel and Vidal (1998), Putnam (2000) and other researchers. Finally, a section exploring the history of social networks in Jordan is presented mainly drawing on the research of Cunningham and Sarayrah (1993) and El-Said and Harrigan (2009). The analysis of each section is critically linked with wasta

2.6.1 Brokerage, Closure, and Intermediation

Closure of networks relates to how much the ties in a particular network allow for members of the network to link with other groups or networks. For any given network, density or closure of networks may increase information or resources sharing among participants, as individuals or as a group (Bourdieu, 1986; Coleman, 1990; Lin, 2000). Closed or dense networks are characterised by tight and strong ties between members, where the information and resources shared between members of the network are presumed to be highly redundant due to the assumption that similar individuals link together (Lin, 2001a). Little new information or resources enter the network if no external ties are utilised by members of this network (Coleman, 1988; Burt, 2001)

On the other hand, sparse or open networks may facilitate access to better or more varied resources such as information, or influence and control (Burt, 2001). This can be linked with Granovettors' (1973) strength of weak ties argument which states that external and usually weak ties between members of different groups are more likely to provide new information and resources to individuals of these different groups. This is due to the premise that the

dissimilarity of each groups member means that they have access to other types of information or resources that the different group members do not have access to.

Burt (2000, 2005) identified the role of an information broker, who is a member of one group or network, and who possesses a tie with a member or members of another group. These ties enable the broker to carry information from one network to another, through what is termed 'structural holes' between networks. These structural holes are the 'vacuum' between groups where members do not have ties with each other. Brokerage is deemed most useful when the groups that are linked together are closed or relatively closed. This is because the broker provides new information and access to resources which were not available to members of the other group. This situation is also beneficial for the broker as the possession of ties becomes valuable, particularly when few or no other brokers possess ties between these two groups (Burt, 2005). This can be linked with the notion of power introduced in Section 2.1.2 where it was argued that the position of an individual in the social network allows him/ her to access information and resources, which gives the broker a unique advantage. The broker will be in a powerful position where he/ she can exchange benefits needed by others for other resources (Cullinana and Dundon, 2006) or to influence and control the other members of the network who are in need of receiving mentioned benefits (Blau, 1964; Watson, 2002). The more closed the social networks, the more powerful the broker becomes (Granovetter, 1973).

This argument can be linked with *wasta*. As definitions of *wasta* discussed in section 2.2.1 have focused on the middle man or broker's role in the *wasta* process (e.g. Fathi, 1993; Sakarna and Kanakri; 2005; Mohamed and Hamdy, 2008) particularly Fathi's (1993) work where *wasta* was defined as: "*To employ a middle man, a broker, a go-between or an intermediary-usually a person or high social status and accepted rank- to achieve one's end*". This is also evident in Mohamed and Hamdy's (2008) definition of *wasta* as: "*The intervention of a patron in favour of a client to obtain benefits and/or resources from a third party*".

By linking the closure and brokerage argument to *wasta*, it can be hypothesised that tight-knit groups based on tribal and kinship affiliation will only be able to provide a *wasta*-seeker with redundant and limited information and resources such as access to information about jobs within the reach of the group. On the other hand, it can be assumed that in many cases *wasta* requests influence from brokers or middle men who have ties with members of other groups. These ties might include friendship or work connections which can be used to supply them with information about and access to a broader range of possible jobs. However, this is limited by Granovetter's (1973; 2005) argument that although these 'weak' ties might be more useful, actors who are linked with an individual with weak ties are less likely to act by 'helping' this individual. It is important to attain an understanding about the truthfulness of the strength of weak ties assumption in the context of *wasta*, the reasons that incite a broker to act on these request and the reasons behind the member requesting help to do so.

The next section explores the concepts of bonding and bridging social capital.

2.6.2 Bonding and Bridging Social Capital

As indicated in Section 1.2 two major types of social capital; bonding and bridging social capital, have been identified and explored by various researchers from different disciplines (e.g. Gittel and Vidal, 1998; Putnam 2000; Patulny and Svendsen, 2007). Lin (2005) refers to these as two layers of social capital and adds a third layer which is binding social capital describing it as the inner-most ties, characterized by intimate and confiding relations. This layer of social capital is not taken into consideration in this thesis because it is absorbed in the definition given for bonding social capital.

Bonding social capital refers to the capital resulting from ties in intra-community or intra-group social networks that occur most frequently between members of the same families, kinship and specific ethnic or other relatively similar groups which are bound together by shared identities, interests, or places of residence

(Gittell and Vidal, 1998). In other words it is the type of social capital that results from tightly-knit relations between members of the same, and usually 'closed' group. An example might include members of the same family or tribe, members of a book club, or residents of a specific neighbourhood. Shared interests and characteristics sustain ties in a "social circle" even though members may or may not interact among themselves (Lin, 2005). Here a 'collectivity' or institution provides the backdrop for membership or identity (e.g. Church, Mosque, tribe, sports club or social club). These relations, as mediated through the 'collectivity', provide members with a sense of belongingness which is known as the homophily principle (ibid). Fields (2003) indicates that in bonding close-knit groups there is a strong emphasis on internal group norms, attitudes and sanctions that govern the proper expectations and behaviours of participants. As a result, in-group loyalty is maintained and specific identities reinforced (ibid).

On the other hand, bridging social capital¹ comes about when associations and connections cross social, geographical, and other specific identity lines (Gittell and Vidal, 1998: 8). Examples are relationships between members of different social classes (e.g. middle and working class), different occupations (e.g. accountants and lecturers) or different geographical areas (e.g. relations between individuals from different cities or countries). One important argument presented by previous researchers on bridging networks is that as an individual reaches out of the direct bonding social network (where the relationships are between people who are similar in their characteristics, resources or interests) this individual is more likely to encounter ties with more diverse characteristics and resources. This is known as the heterophily principle (Granovetter, 1973; Lin, 2001; Burt, 1992). As relationships extend from the bonding network to another network through weak ties (Granovetter, 1973; 2005), their intensity decreases, the density of the network decreases, and, most crucially, resources embedded among members become more diverse or heterophilous (Lin, 2005).

¹ Another type of social capital, linking social capital, has been identified by authors such as Woolcock and Narayan (2000) and refers to the ties between people with a different authority or socio-economic status (i.e. vertical ties). As we are looking at informal social networks (such as networks based on origin e.g. Palestinian Jordanians and East Bank Jordanians) this type of social capital is not useful here and has not been taken into consideration.

Heterophilous resources not only reflect different, and more diverse and new resources, but also increase the chances of containing richer resources (ibid). This is similar to the work of Burt (2000, 2001, 2005) as discussed in the previous section. Using this lens, bridging social capital can be viewed as the outcome of the collection of ties that form an individual's 'wide' social network (Lancee, 2008). A wide social network is defined as a network that contains structural holes (Burt, 1992, 2001) and a bridging tie is one that spans a structural hole linking individuals from different 'groups' (Burt, 2002, 2005).

Both bonding and bridging social capital can have positive and negative outcomes. Bonding social capital groups provide their members with material and non-material benefits that allow them to "get by" in life (El-Said and Harrigan, 2009: 1237) and provide them with a sense of belongingness (Lin, 2005). However, on the negative side, the same networks that bind can also exclude as these bonding groups may create inward-looking groups and loyalties, which narrows the circle of trust and mutual reciprocity (ibid). Additionally, such networks, although important, may lack sufficient information, resources, and wider connections and links which are necessary for development, poverty reduction, and risk reduction by pooling individuals throughout the network (Putnam, 2000). Furthermore, there are examples of extremely negative ideas that are reinforced by bonding social capital groups such as the Mafia or Ku Klux Klan (ibid).

Bridging social capital is good for "getting ahead" in life because it provides a broader reach to those seeking social and economic gains beyond their immediate communities (El-Said and Harrigan, 2009: 1237). Bridging social capital is also important in establishing more generalised norms of trust and reciprocity, which, on a community level, could be considered more valuable for social cohesion, political stability and economic development than specific 'micro' forms of mutual trust and reciprocity (Sobel, 2002). Nevertheless, bridging social capital can be negative when "getting ahead" is attained by utilising immoral or illegal avenues. Such avenues may result in the restriction of access to resources (for example, access to jobs and universities) to a limited group and the emergence of powerful, tightly-knit groups that are not

held accountable by society and that can monopolise and use state institutions to pursue their own gains (El-Said and Harrigan, 2009). Such activity presents risks in terms of practices of corruption, nepotism and cronyism.

On an organisational level much of the focus has been on how bridging social capital can have positive impacts on the performance of both organisations (Newell et al., 2006) and individuals (Granovetter, 1973; Burt, 2005) who possess such relations. Burt (2005) discusses how actors who possess bridging relations between groups can attain advantages through these relations due to their access to information from both groups. These individuals can act as information brokers on employment vacancies in certain organisations, and identifying qualified employees to fill such vacancies. However, research on the negative utilisation of bridging social capital by both organisations and individuals still contains a gap that this research aims to fill.

It has been argued that, given the more tightly structured and exclusive nature of bonding social capital, it is likely that more negative practices will be associated with such a type of capital (Patulny and Svendsen, 2007). For example, Harris (2007) analysed the relationship between bonding social capital and the perception of corruption across counties and found that in closed groups, where specific reciprocity is highly valued, corrupt exchange is perceived more favourably as being positive reciprocity between peers. On the other hand, there is a general premise that bridging associations are more likely to generate positive externalities than bonding associations (Coffé and Geys, 2006). However, this research takes the view that both types of social capital can generate either positive or negative outcomes depending on the way social ties are used.

In evaluating the negative as well as the positive characteristics of both forms of social capital, it is apparent that both forms are important and serve different purposes. On the individual level bonding social capital is crucial for reducing individual vulnerability to external influences by using the strong ties within the closed network to provide the basic information and resources the individual needs whereas bridging social capital is important for empowerment of the

individual by providing him/ her access to new information and resources (El-Said and Harrigan, 2009: 1237).

This can be associated with Lin's (2005) argument, presented in the previous section, that social capital serves two different purposes: instrumental and expressive. The expectation is that bonding relations will help in attaining expressive social capital (the homophily principle), while bridging new relations will help in attaining instrumental new resources (the heterophily principle).

Although many studies have categorised social capital and a majority have identified bonding and bridging social capital as the relevant types, most of this research focuses on one type, either bonding (inter-group) social capital (e.g. Coleman, 1988; Portes, 1998) or bridging (intra-group) social capital (e.g. Paxton, 1999; Granovetter, 1973).

Researchers who have focused on one type of social capital have tended to neglect research that followed another approach, thus failing to build on it. As such, it was deemed that focusing on one type of social capital is unsatisfactory and that taking both types of social capital into consideration is necessary to achieve the level of detailed analysis required for this thesis. The distinction between both types of social capital allows for a distinction between the lower 'inner group' micro level and the higher 'intra-group' or 'societal' macro level. However, the majority of research focuses only on either one of these levels, where bridging social capital provides insights at the macro level and bonding social capital provides insights at the micro level. This produces a limited and partial understanding of social capital and fails to place the research in the wider context in which it operates.

Also, the bridging/bonding distinction serves as a critique of the dominant "*celebratory view of social capital*" which only focuses on the positive outcomes of social capital and neglects any possible risks or negative outcomes that might result from its utility (Portes and Landolt, 1996: 21). This is because distinguishing the different types of social capital enables us to better understand both the possible positive or negative outcomes of each type due to the more detailed analysis this more precise lens provides us with.

The advantages of the bonding/bridging distinction can also be a weakness if they are treated as two strictly mutually exclusive types (Patulny and Svendsen, 2007). The reality is that bonding and bridging distinctions often blur as some inner 'inter-group' relations can be viewed as outer 'intra-group' relations at the same time (Alder and Kwon, 2002). Notwithstanding these criticisms, the critical use of a bridging/bonding distinction helps in understanding the characteristics and expected outcomes of utilising social capital in different types of social networks.

For these reasons, this research focus on both bridging and bonding social capital because it catches the dynamics of the different types of networks and interaction between members both within and between them. Furthermore, it aids in understanding how different types of ties can lead to the operationalisation of *wasta* in different ways that produce different outcomes.

The next section will explore the Concepts of identification and categorisation from social identity and categorisation theories in order to complement and critique the use of bonding and bridging social capital in the analysis of *wasta*.

2.6.3 Identification and Categorisation

In section 2.4 a critical discussion of social identity and self-categorisation theories was presented alongside with identity theory. This section links these theories with social capital theory by offering a more nuanced picture of how people identify and categorise themselves in accordance with social identity and social categorisation theory. The section then explores the link between identification and categorisation on one side and bonding and bridging social capital on the other. The aim of this linkage is to provide a deeper level of analysis in exploring *wasta* from these perspectives.

As highlighted earlier in this chapter, social identity theory helps in explaining how a person's individual identity is re-framed in terms of others' identities to create their social or group identity. In effect, when people 'self-categorise' themselves in social group terms, they are motivated by social group goals rather than individual goals, making the group's characteristics their own personal characteristics, and thus incorporating social group identities into their

personal identities (Tajfel and Turner, 1979; Turner, 1987). However, this process is not simple, as individuals 'identify with' others in at least two ways, namely categorical and relational social identities (in addition to role identification which is the identity theory perspective) (ibid). As such, there is a need to distinguish and elaborate on the two ways in which they 'self-categorise' in order to understand how identity theory and social capital underpins the practice of *wasta*.

Relational social identities are said to derive from interpersonal relationships and interdependence with specific others (e.g. work colleagues) (Sluss, and Ashforth, 2007) while categorical social identities are said to derive from membership in larger, more impersonal collectives or social categories (e.g. religious or ethnic groups) (Brewer and Gardner, 1996).

Relational social identities are established where people interact in some functional way with particular individuals, such as in a division of labour that assigns them different interconnected roles, while categorical social identities are established where people see themselves being linked to many people, whether they know them or not, because they see themselves sharing some common cause or characteristic, despite all their other differences (Davis, 2014). Relational social identities, then, can be said to exist in social networks between heterogeneous groups of people (for example people from different occupation or ethnic origins), and thus provide a basis for bridging social capital.

In contrast, categorical social identities exist in social networks between homogenous groups of people (for example members of the same tribe), and thus provide a basis for bonding social capital (ibid). Explaining bridging social capital in terms of relational social identities and bonding social capital in terms of categorical social identities arguably gives us a deeper understanding of the basis for people's behaviour and motivation to participate in different social networks (ibid). It helps explain why different people who do not share a common interest or characteristics interact and trust one another through the established relational social identities. It also offers an understanding of the motives that lead people to provide other with favours when they categorise themselves as part of the same in-group.

Role identity, on the other hand, can be linked to both bonding and bridging social capital. It can be argued that individuals see themselves according to how their roles connect rather than in terms of individual interest (Stets and Burke, 2000). As such, the interests of the role prevail over individual interest and motives which explains why people adopting particular roles could aid others who do not share the same characteristics or interests by acting as their *wasta*. Conversely, it can be argued that people undertaking a specific role will only interact with a small number of people who are similar to them in that role (Davis, 2014) and as such this leads to the creation of tight knit bonding groups that support in-group favouritism.

This section explored how identification and categorisation links to bonding and bridging social capital. The next section will explore the history of social networks in Jordan using bonding and bridging social capital as a theoretical lens.

2.6.4 History of Social Networks in Jordan

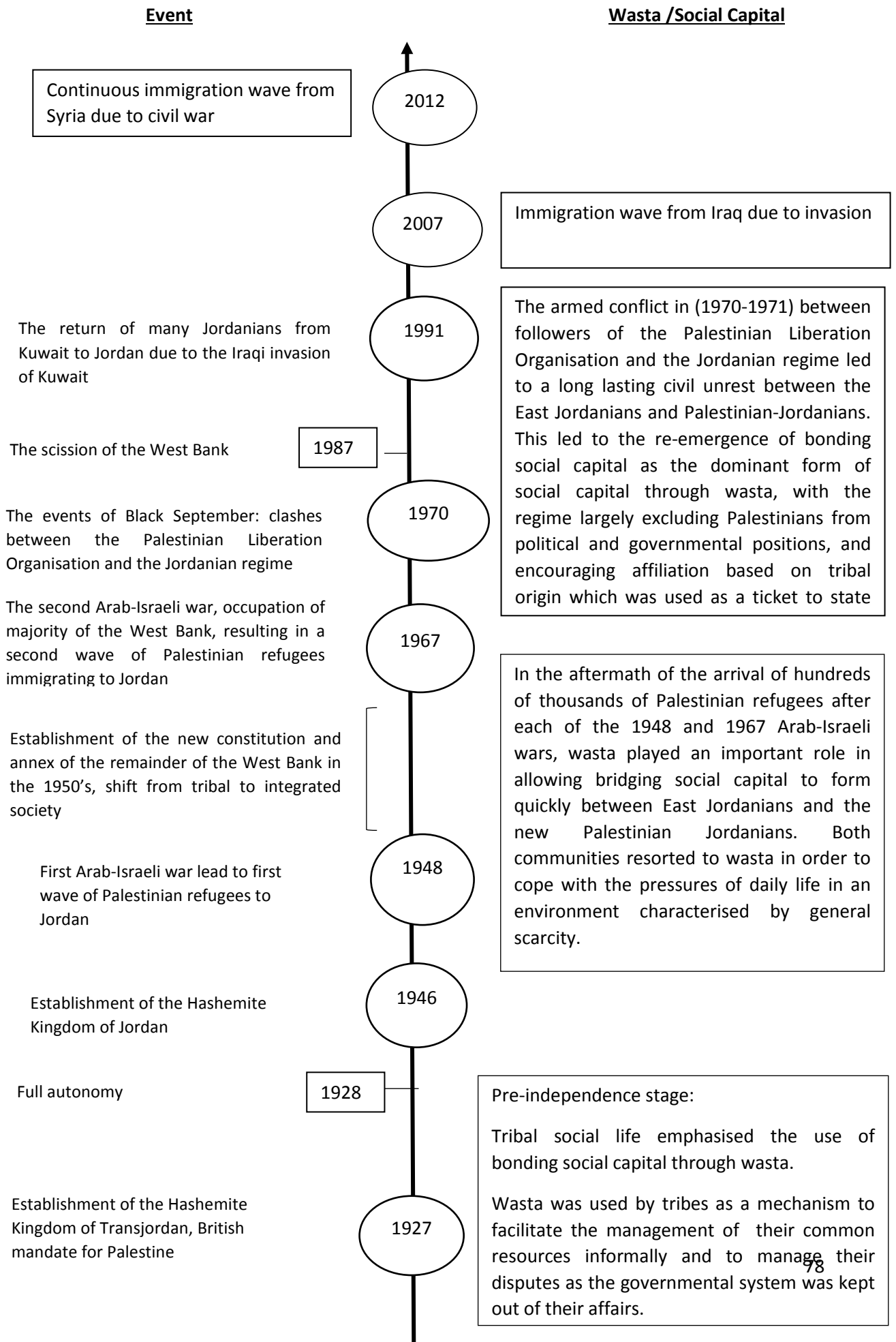
Informal social-based networks have existed in Jordan through the practice of *wasta* by the tribes that resided on the land prior to its establishment as a country (Sharp, 2012). However, the forms of these social-based networks have changed with the modernisation of society and the shift from a tribal and rural lifestyle to the urban city lifestyle that is prevalent in the big cities of Amman, Zarqa and Irbid (Cunningham and Sarayrah, 1993; El-Said and Harrigan, 2009; Sharp, 2012). Tribes which adopt a high reparatory bonding social capital made way for a more individualistic city lifestyle more closely characterized by the bridging form of social capital (Cunningham and Sarayrah, 1993). With this shift in the dominant type of social capital, the dominant type of *wasta* in use has also shifted from intermediary *wasta* to an intercessory form of *wasta* (Cunningham and Sarayrah, 1993; El-Said and Harrigan, 2009). This, in turn, has affected the way *wasta* influences business and HRM conduct in organisations operating in Jordan.

This shift in the prevalent type of social capital in Jordan has been fuelled by a number of key events in Jordan's modern history. El-Said and Harrigan (2009) provide a thorough review of the evolution of bonding and bridging social capital in Jordan from the period prior to the establishment of the country, where people resorted to intermediary *wasta* as a mechanism to solve local and community disputes (bonding social capital). The use of intercessory *wasta* facilitated the management of common scarce resources (bonding and bridging social capital), and enabled negotiation and intercession in dealings with central authorities under the Romans, Byzantines, and Ottomans (bridging social capital) (ibid). Under British rule, local citizens not only bonded together through *wasta* along social and geographic dimensions (same tribe, clan, region, or people of the same background), but also simultaneously bridged across others. Members of certain clans, tribes, or regions resorted to *wasta* to intermarry across clans and tribes, to solve disputes, and even to build alliances and social and economic networks with other, more differentiated groups (ibid). Thus, *wasta* helped people to cope with the harsh conditions of the desert environment and scarce resources. It also served as a substitute for weak formal institutions which resulted in a weak welfare system, therefore playing an important informal social safety net role (Cunningham and Sarayrah, 1993). This situation continued until 1948 when immigration into Jordan drastically increased after the 1948 Arab/Israeli conflict that resulted in the establishment of Israel and tens of thousands of Palestinian refugees entered a traditionally tribal society (ibid). The political and economic environments that prevailed in the 1950s and 1960s allowed for bridging social capital to form quickly between East bank Jordanians and their new Palestinian guests (who later gained citizenship and became Palestinian Jordanians). Palestinians immediately began the process of building trust, informal insurances, and a stock of social capital through intermarriages and participation in civil society organisations which allowed them to 'get ahead' financially and economically in their new society (El-Said and Harrigan, 2009). Organisations owned and managed by Palestinian families that moved to Jordan from Palestine after the war, or which were established in Jordan after their resettlement there, utilised their East bank Jordanian bridging connections to gain access to important resources (ibid). However, the 1970–71 civil conflict between the Jordanian armed forces

and the Palestinian Liberation Organisation, occurring during a period of bad economic conditions has decreased the stock of bridging social capital between East Jordanians and Palestinian Jordanians. This has produced more inward-looking bonding relations in each group. It has been argued that this has translated to the way organisations select employees, as many organisations have populated the majority of their employment contingent with individuals from their own group (East-bank Jordanians or Palestinian Jordanians) (Cunningham and Sarayrah, 1993; Al-Rasheed, 2001).

Before the advent of modern society in Jordan, social capital (mostly in the form of bridging social capital) played a positive role in building social and economic environments during the 'good' economic period (pre 1971). This strengthened relations between East Jordanians and Palestinian-Jordanians, allowing for economic prosperity of both groups and employment information to flow through the bridging ties between these groups. After 1971 (especially post 1989) government policies and economic hardship lead to an increase in negative bonding social capital during the 'hard' period, and stratification between, and within the two groups of East Jordanians and Palestinian-Jordanians restricted availability of most public sector jobs to East bank Jordanians (Cunningham and Sarayrah, 1993; El-Said and Harrigan 2009). Figure 2.1 below provides a summary of these events highlighting the main historical events that led to the shift in the type of social capital prevalent in Jordan.

Figure 2.1 Historical events that led to the the shift in the type of social capital prevalent in Jordan



Source: Author's own based on El-Said and Harrigan 2009)

These events have led to the dominance of bonding social capital through intercessory *wasta* in its current form in modern Jordan, as the nature and function of *wasta* itself has changed to reflect a more capitalist-based society. Here *wasta* is used more as a method to attain goals by individuals using mediators rather than as a dispute settlement measurement (intermediary *wasta*). This current form of *wasta* has been argued to have an impact on many business interactions, such as in attaining government contracts and securing jobs and promotions (Cunningham and Sarayrah, 1993; Loewe, 2007). Arguably, among the most apparent examples are employee selection activities in the majority of Jordanian organisations. This is evidenced by the observations of Brainine and Analoui (2006: 150) who state that in Jordan, vacancies are normally filled through connections and jobs are commonly offered to family members, relatives and friends, with very little consideration for their competence and achievements. This reflects the case in many Arab countries as Tlaiss and Kauser (2011) explain:

“It appears that *wasta* in the workplace is one of the most important factors affecting the recruitment and career success of individuals”

(Tlaiss and Kauser, 2011: 474)

Therefore, it can be argued that social capital (*wasta*) has a substantial influence upon the employee selection process in both its bridging and bonding form. El-Saeed and Harrigan (2009) highlight the current dominance of bonding social capital in business transaction practices in Jordan, as stated in much of the existing literature on *wasta* (e.g. Ronsin, 2010; Barnett et al., 2013). This issue will be explored in detail in the discussion and analysis chapter. The next section explores social capital in employee selection.

2.7 Social Capital in Employee Selection

A working definition of social capital has been proposed for this thesis, followed by a critical review of identity research. The different levels, sources, outcomes, and functions of social capital have then been explored. Moreover, a detailed exploration of the research on the social networks perspective in social capital has been discussed, highlighting the dynamics of ties in and between different types of social networks and linking it to corresponding identity concepts. This section builds on this by critically evaluating previous research on social capital and identity research in employee selection and linking it with *wasta*.

Previous research on social capital in the context of employee selection can be divided into two groups. The first group explored how individuals use their social capital in attaining and sustaining employment (Granovetter, 2005). On the other hand, the second group explored the perspective of the organisation by studying how organisations used social capital as a way to attract and assess possible candidates (e.g. Fernandez et al., 2000). This second group of researchers focus on the use of social capital by HR and recruitment managers to attain two main goals; attracting highly qualified employees, and assessing the 'fit' of potential candidates with the organisation and the job. This research is argued to cover both approaches as an investigation of the use of *wasta* by job seekers to secure employment entails an exploration of the reasons that lead decision makers in organisations to accept these practices and hire the job seeker based on *wasta*.

The first goal was researched by Fernandez et al., (2000) who argue that because employers often pay monetary bonuses to their employees for successful referrals suggests that employers view workers' social connections as resources in which they can invest and which might yield economic returns from better hiring outcomes. This argument is used to explore the means by which social capital garners returns (Lin, 1981) as despite the theoretical importance of this common feature of organisational life, the precise social mechanism at work in hiring via referrals remains obscure (Fernandez, et al., 2000). Four main findings came about from this research:

First, the returns of social capital vary with different kinds of jobs. Secondly, the explanation for this variation is dictated by the employer who tries to minimise potential risks and damage, and nurture commitment to develop a career with the firm by hiring through informal channels. Thirdly, as a result of this two-way process it is not good to expect that applicants who use informal job processes would necessarily obtain better jobs or incomes. Fourthly, the research concludes that there is a gap in research on contact persons in theory and research on networks and labour market outcomes as contact persons do not pass on information indiscriminately to whomever they are in touch. Instead they see the provision of information as an investment or as the payment of an outstanding debt (Grieco, 1987: 41-47).

Despite the fact that organisational social capital is not the key focus of this thesis, the fourth finding can be linked directly to the brokerage and the closure argument introduced earlier. It can be argued, based on this finding that brokers of information will not operationalise their ties except when there is a reason or need to, which might include benefits for the broker (Burt, 2001), pressure from group members (Putnam, 2000), or institutional factors such as the lack of formal institutions that enables them to attain a goal (Lin, 2001).

The second strand of research, which explores individual social capital which is more linked to the focus of this thesis, explores how job seekers utilise their social ties to get information about jobs (Granovetter, 2005). This research can be linked with the argument regarding the strength of weak ties, as it can be argued that possessing bridging social capital implies having access to unique information by connecting to other networks. These bridges create opportunities for upward mobility in the labour market (Granovetter, 1995; De Graaf and Flap, 1988). Bonding social capital resulting from strong close ties that are usually a characteristic of closed groups with similar members is arguably useful for getting 'a job'. On the other hand, utilising weak ties through bridging relations can bring in new information about 'good jobs' (Granovetter, 2005). However, Lin's (2000) argument on the inequality of social capital undermines this position, as this depends on the resources that reside in the original group. If a candidate's original group is rich in resources then bonding social capital can bring in information and opportunities for jobs. If the group suffers from scarce

access to resources, then bridging ties will be more useful. Lin (2000) found consistent evidence demonstrating that disadvantaged social group members are more likely to use information attained through their social ties in searching for jobs. This tendency is more common in less educated groups (Marx and Leicht, 1992), among blue collar employees (ibid), among labourers and construction workers (Falcon, 1995), and poorer job seekers (Green et al., 1995). As such, this is only helpful for jobs that do not require specific skills or qualifications which are in turn usually low paying jobs.

This tendency does not indicate that better positioned individuals do not use the information attained through their social ties in seeking employment. This must be viewed in combination with the argument that due to the nature of these jobs in the sense of high requirements as to qualifications and specialist skills, they are usually pursued by direct contact with the candidate who goes through formal employment methods, rather than relying solely on social ties (Lin, 2001). In other words, better jobs are offered to candidates provided they have specific skills, qualifications and experiences.

In term of bonding and bridging social capital, it is important to highlight that the utilisation of bonding social capital will help in attaining employment but that this is capped by the required skills and qualifications. As such bonding social capital will aid disadvantaged groups in getting jobs that allow them to get by. However, bonding social capital will be far more useful for more advantaged groups because it helps them attain very good jobs that allow them to build a career. The proviso that they have the qualifications and skills remains but it can be argued that these advantaged groups have these, or are at least more likely to have these. Bonding social capital, then, can restrict mobility because disadvantaged groups remain disadvantaged and advantaged groups are further advantaged. In the next section this argument is explored as it investigates inequality in social capital in employee selection.

2.7.1 Inequality of Social Capital in Employee Selection

The previous section explored the functions of social capital and how social capital is produced. This section explores another important theme in social capital research; the inequality in accessing social capital and the inequality that results from using social capital in the context of employee selection. This is of particular importance as social capital is implicated in both the reproduction and challenging inequalities resulting from social structures (Kwon and Adler, 2014). This has been discussed by Lin (2001) who described two types of defect in social capital that result from being a member of a particular group; capital defect and return deficit.

Return defect as examined by Lin (2001) is of particular importance in the analysis of the impact of acquiring social capital and the resultant inequalities among social groups. The basic premise is that inequality in different types of capital, for example human and social capital, contributes to social inequality in socioeconomic achievements and quality of life. Lin (2001) presented evidence suggesting that the use of social capital criteria in the hiring process is conditioned by position types within organisations. The results demonstrate that an employee's social capital tends to be less influential for lower-level employees and more influential for higher-level positions. This was justified by the researcher due to the important role senior management and other high-ranking employees play in building up strategic inter-organisational networks for the interests of corporate business (Leenders and Gabbay, 1999). In terms of re-production, the social capital of tight-knit networks, embodied in the person reaping rewards from such relations, might aid members of these groups to exclude outsiders and preserve these benefits (Lin, 2001). For example a personal recommendation of candidates is likely to result in a smaller and more concise set of suitable potential employees for the organisation, whereas an open call entails much more of a selection process that must be worked through before reaching satisfaction (Kropf and Newbury-Smith, 2015). This may be good for the organisation but not necessarily for the skilled applicant who spent time and effort applying, without knowing that only those with personal ties would in reality be considered (ibid).

The need to understand the environmental and institutional factors in the context of employee selection is explored by Flap (2002) who argues that differences between societies in the job search process suggest that institutional conditions influence the degree of impact informal social networks have on the occupational career. This was based on the results of a previous study by De Graaf and Flap, (1988) who found differences in success rates in attaining employment through the use of informal networks between individuals residing in the United States of America (USA) and the Netherlands. The study indicates that people found their jobs through informal contacts more often in the United States than in the Netherlands. Furthermore, it was also found that the actual contact person also has a larger influence on occupational success in the United States (ibid).

This was found to be reflected in the practice of Guanxi in China where it was deduced that managers need to fully appreciate the importance of social connections and be aware that these social resources not only help firms gain legitimacy in host-country markets, but also enable them to gain institutional support that protects them from various environmental hazards (Ahlstrom et al., 2008; Xin & Pearce, 1996). Ahlstrom et al. (2008) argue that firms located in different regions with different ownership types face varying degrees of environmental pressure and receive different levels of institutional support from the state. Therefore, the extent to which CEOs and HR managers incorporate and implement social capital criteria in their HRM system should reflect a firm's actual new environmental conditions and the specific positional requirements (ibid). As such it is important to explore the different environmental pressures and institutional factors that lead to the interviewees' acceptance of wasta practices.

As such it can be concluded that the inequality that results from the use of social capital in seeking employment varies depending on the position in question (the higher the position the more people are excluded) and institutional factors (depending on the country the individual and organisation reside in). The next section explores identity in employee selection.

2.7.2 Identity in Employee Selection

The preceding two sections explored research on social capital in employee selection highlighting the benefits and resulting inequalities from using social capital in seeking employment by job seekers and for selecting employees by organisations. As highlighted in Chapter one, however, research on social capital is critiqued for neglecting the psychological motivators for participating in social networks and groups. As such, this section will critically explore existing research on identity in employee selection in order to understand the psychological motivation for both employees and employers in organisations to use social capital in the employment process.

Researchers from the HRM discipline highlight the importance of achieving a fit between the employee and organisation, otherwise termed person-environment fit, as it is argued that achieving such fit positively affects employee attitudes and behaviours (Boon et al., 2011; Bothma et al., 2015). It has also been claimed that self-identity and categorisation play a major role in applicants seeking employment in particular organisations and in the selection of particular applicants by organisation (Bothma et al., 2015). This is because organisations try to attract individuals who share the same values with the organisation while individuals, in turn, search for career opportunities in companies with values similar to their own (Ballout, 2007). This can be linked to the concept of categorical social identities discussed in section 2.3, where it was argued that categorical social identities are established when people see themselves being linked to many people, whether they know them or not, because they see themselves sharing some common cause or characteristic (in this case common values or other characteristics of fit between the job seeker and the organisation) (Davis, 2014). It was also argued that categorical social identities exist in social networks between homogenous groups of people, and thus provide a basis for bonding social capital (ibid). As such, it can be deduced that a psychological motivator for employees to seek employment in a specific organisation is the shared values or characteristics that aids in their self-identification with the organisation's 'group'. This motivator also works on the other side as organisations build their culture by selecting employees who are

easily 'absorbed' into the same category (Bothma et al., 2015). It can be argued that this is applicable to the structure of the Jordanian society discussed in chapter one where it was highlighted that members of the same ethnic group (East bank Jordanians or Palestinian Jordanians) tend to work in specific sectors and organisations where members of the same 'ethnic' group own or largely participate in these organisations as they categorise themselves with other members of this group. On the other hand, relational identification, which are derived from interpersonal relationships with others (Brewer and Gardner, 1996) and which was linked earlier to bridging social capital can further be linked with the use of *wasta* outside the family or tribe sphere. This is based on the argument that such identification links together individuals from different families and tribes but identify with each other based on relationship connections such as friendship and acquaintance.

It is important to explore the truthfulness of these assumptions and linkages alongside the extent role identity impacts the process of *wasta* in employee selection at organisations operating in Jordan.

The next section explores research on *wasta* in employee selection and its impact on HR policy.

2.7.3 Human Resource Management in Jordan

As highlighted in section 1.5.3 of Chapter one, there remains a lack of systematic research that could present a comprehensive image of the current state of HRM strategies, policies and practices in organisations that operate in the Arab Middle East in general and Jordan in particular (Branine and Analoui, 2006; Altarawneh, 2009; Iles et al., 2012; Aladwan, 2014).

The little empirical research available highlights that HRM policies and practices which do exist in Jordan are impacted extensively by Jordan's national cultural values, particularly tribalism, religion, and *wasta* (Iles, 2012; Aladwan, 2014). This is reflected in the formal institutional environment in Jordan such as government's policies and bureaucratic procedures which in turn impact on HRM policies and practices in organisations operating in Jordan (Aladwan,

2014). It is worth noting here that researchers argue that while there are many laws and regulations that govern the practice of HRM in Jordan these are weakly and selectively applied due to being impacted by the aforementioned cultural characteristics and values, particularly *wasta* (Cunningham and Sarayrah, 1993; Iles, 2012).

This links to the 'maturity' of HRM strategies, policies, and practices in the country as there is no clear evidence regarding the participation of HR managers in strategic decision-making or the design and establishment of HRM practices in either the Jordanian private or public sectors (Branine and Analoui, 2006). Furthermore, research uncovers that while most Jordanian organisations have a personnel or HRM department at their headquarters, including separate divisions at the local or regional level (Branine and Analoui, 2006), in many organisations operating in Jordan (as with most Arab countries), the role of HRM departments does not go beyond the administration of candidates' files from the recruitment process to the retirement stage (Branine and Analoui, 2006; Aladwan, 2014). It is worth noting here that while there are several multinational organisations operating in Jordan who 'come-in' the country with developed HRM policies (Al-Husan and James, 2009), many local organisations in Jordan operate with ad-hock HRM policies (Aladwan, 2014) which could be either written or tacit ways of practice.

This 'informality' of HRM policies and practices in Jordan can be linked to *wasta's* impact on these operating in Jordan, as it is argued that this impact extends to all the different function of HRM in the organisation. The influence of *wasta* can be seen from the early stages of the employee selection process, where a candidates' ability to obtain an intermediary who has a connection with an organisation plays a major role in their chances of getting selected for the job (Cunningham and Sarayrah, 1993; Hutchings and Weir 2006a). Whilst formal employee selection policies focus on the attributes of the candidate and their fit with the Job, using *wasta* in employee selection ignores these requirements and can enable unqualified candidates to attain the job over qualified candidates with no *wasta* (Cunningham and Sarayrah, 1993).

This influence extends to the function of training and development, where employees who possess *wasta* are favoured to participate in training and development activities (such as external conferences and workshops) regardless of their training needs or merit (Altarawneh, 2009). It can be also seen in performance appraisal and discipline, where an employees' *wasta* can provide preferential appraisal and spare him/ her disciplinary action when in the wrong (Cunningham and Sarayrah, 1993). Finally, having *wasta* can even impact reward management, where salaries and bonuses are given depending on an employees' relationship with ownership and management (Al-Husan et al., 2009).

Despite the fact that previous research emphasised this impact of *wasta* on the different HRM functions our knowledge of this impact is still limited as there still remains a need to explore this topic with empirical research. Furthermore, there still remains a gap in our knowledge on the reasons and outcomes of the use of *wasta* in HRM functions in Jordan.

This is of particular importance in the context of this thesis, as Abu-Doleh (2000) argues that without understanding and highlighting the nature of HRM policies and practices and the HR managers' role in Jordanian organisations, little can be expected to develop and effectively enhance HRM strategies and professional practice in Jordan. This emphasises the clear need to understand the impact *wasta* has on HRM policies and practice, particularly employee selection in organisations operating in Jordan. The next section explores research on *wasta* in employee selection.

2.7.4 Wasta in Employee Selection

It is argued that in Jordanian organisations, employee recruitment and selection process is largely ad hoc and informal, and in need of rigorous research attention if it is to enhance and support the competitive advantage of the business it represents (Al Fayyad, 2005; Aladwan, 2014). Most employee selection practices have been described by researchers as hardly objective or systematic nor based on merit and ability (Aladwan, 2014). This is due to the fact that in Jordan, as in most Arab countries, the practice of *wasta* is the only way for many people to get employment (Brainine and Analoui, 2006). This

leads to vacancies being normally filled through connections and jobs commonly offered to family members, relatives and friends with very little consideration of competence and achievements (ibid).

Wasta affects the process of employee selection as a means of utilising help provided by an intermediary, and which might not be available to other candidates competing for the same job or promotion (Whiteoak et al., 2006). This intermediary can be a person who is directly connected to the organisation where the candidate wants to work through ownership, by being an employee there, or by knowing an employee there. The intermediary is typically from the same tribe or family (a bonding tie) but could also be a friend, a business contact or an acquaintance of the candidate or his/her family (a bridging tie) (Cunningham and Sarayrah, 1993; Loewe et al., 2007). This can diminish any form of equality by providing advantages to a group of individuals who may not necessarily have earned them (Tlaiss and Kauser, 2011: 478).

However, that does not mean that the use of wasta will automatically guarantee employment even for qualified individuals who might be a perfect fit for the job, as many individuals may use wasta in applying for the same job. Cunningham and Sarayra (1993) state that many qualified Jordanians who seek public-sector positions do not obtain jobs, even with the help of wasta. Ministries, and other employers, use objective tests to screen out most applicants, and then the wasta process begins. The objective tests provide a rationale for eliminating a large pool of applicants who the agency or employer does not wish to consider. However, some who have not passed the test end up being included in the final application stage and may even be selected for the job by virtue of wasta (ibid).

Several negative implications can result from the use of wasta in employee selection. These include reduced workplace diversity since individuals hired through relative and tribal connections are likely to represent homogeneous groups. Albdour and Altarawneh's (2012) study on the banking sector in Jordan confirms that workplace diversity has a significant correlation with job engagement (Albdour and Altarawneh, 2012: 99). This explains how relying solely on wasta in employee selection can have a negative impact on employee

job engagement, which can subsequently result in a deterioration in organisational performance. Furthermore, as alluded earlier, *wasta* is perceived in a negative manner by Jordanian society (Hutchings and Weir, 2006a: 149). Thus, companies that avoid the use of *wasta* and which are perceived to operate ethically by its employees and the community will not only benefit from better employee engagement, but will also be perceived more positively by stakeholders in the wider community (Jensen and Sandström, 2011). Moreover, where *wasta* is the rule in employee selection for certain organisations, people with appropriate qualifications may not be appointed to their positions and those that are appointed may not be able to do the job (Makhoul and Harrison, 2004: 25). Furthermore, it has been argued that organisations in Jordan which practice nepotism through *wasta* will face hardship in attracting and retaining qualified employees who have no family connections within the organisation (Abdalla et al., 1998: 555). This is attributed to the sense of injustice non-family member employees might feel within these organisations. It is also expected that such firms will conflate family problems with business performance, and find it difficult to fire or demote inadequate or unqualified relatives (ibid: 556).

However, *wasta* can have a positive impact on employee selection for both the candidate and the organisation. For example, as pointed out in the previous section, a personal recommendation of candidates is likely to result in a smaller and more concise set of suitable potential employees, thus saving both time and money for the organization seeking a qualified candidate for a particular vacancy (Kropf and Newbury-Smith, 2015). Furthermore, it can be argued that the use of *wasta* in employee selection can provide the organisation with an employee who can be trusted, as in many cases this individual comes with a 'guarantee' from the intermediary (Cunningham and Sarayrah, 1993; Karolak, 2015) and will work very hard in order not to shame this intermediary (Karolak, 2015). Trust is an important aspect in the Arab work environment (Weir, 2003) and managers regard having an employee who is trustworthy as vital for the everyday operations of the organisation (Al-Rasheed, 2001). Employees, on the other hand, can also utilise *wasta* as it will allow them to attain employment relevant to their qualification and skills in a country that suffers from a high level of unemployment (Oukil, 2015), which is a useful aspect when viewed from the

organisational social capital perspective. Finally, it can be inferred from these positive outcomes that managers can also use *wasta* as a means of securing skilled employees in a country that, for a variety of social and economic reasons, lacks them.

However, it is worth pointing out that these positive outcomes of *wasta* in employee selection are under researched since the majority of research has thus far focused on the negative outcomes of *wasta* (El-Said and Harrigan, 2009; Berger et al., 2014; Weir et al., 2015)

Further to these identified implications of using *wasta* in employee selection it is important to recognise the vital role social networks play in the business environment in Jordan, as part of the Arab Middle East (Weir et al., 2015). This leads us to link this view with what critical literature identifies as difficulties in applying different 'best practice' employee selection models in practice generally, as these approaches or 'frameworks' have been met with accusations of 'cloning' or lack of diversity (Sparrow and Bognanno, 1993 in Raiden and Sempik, 2012) or an overall focus on inputs rather than outputs (Raiden and Sempik, 2012). Although employee selection is considered key for organisations, existing research has usually paid little attention to how it takes place in real-life situations (König et al., 2010). This research, however, recognises that *wasta* plays a vital role in real-life employee selection practice in Jordan. As such, it takes a practical view, researching employee selection practices in organisations operating in the country and how *wasta* impacts on policies and practices of employee selection. These arguments highlight the rationale for this study in exploring both the positive and negative outcomes of *wasta* utilisation in employee selection by organisations operating in Jordan and how *wasta* impacts employee selection policies. There remains a gap in knowledge in terms of understanding how *wasta* impacts on employee selection policies and practices in these organisations. A primary aim of this research is to address this gap in empirical knowledge.

2.8 Chapter summary

This chapter has critically explored *wasta* using social capital as the main theoretical lens complemented and critiqued by the use of identity theory to examine the implications of utilising social capital in the employee selection process. The chapter started by defining what social capital is by presenting and critically analysing several definitions of social capital by key researchers in the field. This analysis was used in constructing a working definition for the purposes of this research. A critical review of identity research came next. A section exploring the different definitions of *wasta* followed and this was used in combination with the working definition of social capital to construct a working definition for *wasta* through the social capital lens. This was followed by a section discussing identity analysis in exploring *wasta*. The different levels of social capital were then examined and it was concluded that the focus of *wasta* in this thesis is upon the individual level. The section also included an exploration of the sources and outcomes of social capital. This was followed by a section exploring different themes in social capital research through the networks perspective including brokerage, closure, and intermediation, bonding and bridging social capital, identification and categorisation, and the history of social networks in Jordan. The chapter was then concluded with a section exploring social capital in employee selection practices by examining the research on inequality in social capital, identity in employee selection, HRM in Jordan, and the impact of *wasta* on employee selection in Jordan.

Chapter three: Research Methodology and Methods

This investigation into the impact of waste upon employee selection processes, will be guided by the research philosophy and methods described in this chapter. Issues related to the methodological approach adopted are explored and the associated research approach, design and data collection methods selected are examined. The data analysis process is critically discussed followed by ethical considerations. A reflective and critical research diary including challenges in the field is presented. The limitations of the data are discussed and a summary concludes the chapter.

Establishing a research framework is vital to achieving the research aim and objectives in a systematic and valid manner. In building a framework for this research, Creswell's (2003) framework for research design, which builds on Crotty's (1998) groundwork to design a research framework, will be utilised. Creswell's (2003) research design consists of three elements: the first relates to knowledge acquisition and is divided into two concepts: ontology (the researcher's stance toward the nature of reality) and epistemology (how the researcher knows what he or she knows). The second element relates to strategies of enquiry, which can be either qualitative, quantitative, or mixed (Creswell, 2003; 2014). The third element is concerned with the data collection and analysis procedures adopted. Figure 3.1 demonstrates the research framework for this thesis.

The chapter will begin with an exploration of the research philosophy adopted in this research. This will be followed by an examination and justification for this research approach adopted, followed by a section discussing the design of the research. This is followed by sections examining the data collection and data analysis methods. Ethical considerations are then explored. A summary concludes this chapter.

Figure 3.1 Research Framework (after Creswell, 2003)



Source: Author based on Creswell (2003)

3.1 Research philosophy

Qualitative methods are conventionally adopted for research that seeks to explore a poorly understood or under-researched phenomenon. Qualitative research is therefore exploratory by nature and is applied to research topics where there are no palpable variables to examine. Wasta in the Jordanian banking context, and specifically, its potential influence on employee selection processes is one such topic. In the Jordanian environment wasta has received little empirical research (e.g. Cunningham and Sarayrah, 1993; Loewe et al., 2007, 2008; Branstatier et al, 2015). How wasta is practiced in this context, and how it is experienced, remains a largely unknown phenomenon. As such, this research required a qualitative approach capable of providing an in-depth understanding of the participants' 'life-worlds' – how those experiencing wasta 'live' that very experience (Creswell and Clark, 2007). The selection of research methods in this project was guided by a set of principles derived from research philosophy literature.

Researchers begin a project under certain assumptions about how, and what they will learn during their inquiry. These claims might be called knowledge claims (Creswell, 2003); paradigms (Mertens, 1998; Lincoln and Guba, 2000; Bryman, 2004); philosophical assumptions, epistemologies, and ontologies (Crotty, 1998); or broadly conceived research methodologies (Neuman, 2000). The different names given to these concepts leads to confusion for researchers who are either reading other researchers' works or embarking on their own research. Nevertheless, although there are some differences in the wording of each concept, the core of these different terms refers to the same thing: a set of beliefs that prescribes how research in a specific discipline should be implemented and how the results should be interpreted (Bryman 2004; Tashakkori and Teddlie, 2010). For clarity, this research will use the terminology of ontology and epistemology to describe the different levels of research philosophy adopted in this research. This terminology is used due to the detail it provides in describing each level of philosophy rather than to group them into one (Crotty, 1998).

Section 3.1.1 is concerned with establishing the ontological standpoint of the research. Section 3.1.2 presents the epistemological paradigm that underpins the project, which are the philosophical assumptions about what constitutes knowledge.

3.1.1 Ontology

In being concerned with participants' experiences of *wasta*, this research adopts a qualitative and subjective stance. As such, this research is philosophically aligned with existentialism in that it is concerned with describing human experience as being 'lived and conscious' (Smith, 2007). Methods associated with this branch of research philosophy allow the researcher to capture information pertaining to social actors' lived experiences. For the subjectivist researcher, there are marked differences between the natural and the social world. In the natural world, specific actions repeatedly produce specific results. In the social world, humans interpret situations and behave accordingly (Dilthey, 1977). It is the aim of the qualitative researcher to

understand such interpretations, and it is the objective of this research to explore how participants interpret and respond to wasta in the context of Jordanian banking and employee selection processes.

3.1.2 The epistemological standpoint

Within the realm of business and human resource management cultural studies, epistemological paradigms have been widely categorised into two main standpoints. Researchers often refer to the categorisation of Guba and Lincoln (1985) who apply the terms 'scientific' and 'naturalistic inquiry' to describe these two paradigms, or Tashakkori and Teddlie (2010) who use the terms 'positivist' and 'constructivist', whereas Bryman and Bell (2012) refer to them as 'positivism' and 'interpretivism'. For clarity, this research will use the terms positivism and interpretivism when referring to these two approaches. A third set of beliefs eventually emerged known as the pragmatic approach which aimed to resolve the disagreements of the two subsequent epistemologies (Tashakkori and Teddlie, 1998; Johnson and Onwuegbuzie, 2004).

The first standpoint, identified here as the positivist standpoint, is an epistemological position that advocates the application of the methods of the natural sciences to the study of social reality and beyond (Bryman and Bell, 2011). According to a positivist epistemology, science is seen as the way to get at truth, to understand the world well enough so that it might be predicted and controlled (Krauss 2005). Thus, methods used in the natural sciences are considered the only way to attain 'answers' genuinely warranted as knowledge (Bryman and Bell, 2011).

On the other hand, an interpretive epistemology embodies the views of researchers who are critical of the scientific model to the study of the social world. These researchers share the view that the subject matter of the social sciences (people and their institutions) is fundamentally different from that of natural sciences (Bryman and Bell, 2011). Therefore, the study of the social world requires a different logic of research procedure, one that reflects the distinctiveness of humans as against natural order (ibid). In other words,

interpretivism takes into consideration the subjective nature of social science and the inevitable role of the values and interpretations of the social actors within it (Saunders et al. 2012: 137).

The nature and understanding underlying these two standpoints have been a great source of debate. For example, Burrell and Morgan (1979) discuss the influence that a paradigm position can have on the resulting research design approach. For instance a largely quantitative research method can be indicative of an underlying positivist epistemology, whereas a qualitative approach is more akin to constructionism (ibid). However, while these types of research design may be indicative of the nature of a paradigmatic position, they are not fixed, since research adopting a positivist approach may employ qualitative methods and research aligned with constructionism might use a quantitative research method (Crotty, 1998; Bryman, 2004).

Researchers adopting the pragmatic epistemology associate pragmatism with the nature of the research questions developed (Creswell, 2003). These researchers argue that it is not possible to conduct research in a single-dimensional epistemology (Johnson and Onwuegbuzie, 2004). Instead, a 'what works' strategy allows researchers to focus on questions that cannot be addressed by a purely positivist or interpretivist epistemology (ibid). Pragmatism is orientated with real-world practice. Its concern is with application and solutions to problems (Patton, 1990). Researchers adopting pragmatism focus on the research problem and pluralistic approaches are used to derive knowledge about the problem (Patton, 1990; Tashakkori and Teddlie, 1998; Johnson and Onwuegbuzie, 2004). Darlington and Scott (2002) have additionally asserted that, in line with the pragmatic epistemology, many decisions that are made while designing a research study are not based upon philosophy, but on practical issues related to the type of methodology that may be best suited to the study. Therefore, the pragmatic paradigm rejects a strict choice between quantitative and qualitative approaches and a strict adherence to positivism or interpretivism (Creswell, 2003; Johnson and Onwuegbuzie, 2004).

Many pragmatists (e.g.: Patton, 1990, Tashakkori and Teddlie, 1998) believe that the pragmatic approach has resolved the disagreements of the two subsequent epistemologies. This conviction was supported by the fact that many studies adopting this stance have employed a mixture of qualitative and quantitative research to good effect (Meekers, 1994; Morse, 1991). Despite this, Tashakkori and Teddlie (1998) acknowledge that there remains a lack of accuracy regarding the terminology used by pragmatic researchers. Furthermore, it appears that many researchers who adopt pragmatism only do so as a means to get around many traditional philosophical disputes (Johnson and Onwuegbuzie, 2004). Finally, although pragmatism has worked moderately well when put under examination, many current researchers have rejected this philosophical stance because of its logical and practical failing to solve many philosophical disputes (ibid).

Based on the argument presented here on the characteristics of each of these epistemological standpoints, this research adopts an interpretivist epistemology. The selection of the interpretivist epistemology is justified for its fit with the aims and data collection methods of this research. Furthermore, adopting an interpretive epistemology allows taking into consideration the subjective nature of the interviewed managers' perceptions of wasta and the inevitable role of the values and interpretations of these social actors in constructing these perceptions. Thus, the selection of an interpretivist epistemology is deemed to be suitable for this research.

3.2 Research Approach

Research approaches are the plans and procedures for research that span from broad assumptions to detailed methods of data collection, analysis, and interpretation (Creswell, 2014). The research methods chosen in this investigation are qualitative. Semi-structured interviews will be carried out with participants to understand their experience of a world potentially influenced by wasta. Semi-structured interviews allow for the collection of rich qualitative data and enable participants to think, speak and be heard (Reid et al., 2005: 22).

This method forms the basis of this subjective and interpretivist project (Deetz, 1996), and is considered sufficient to satisfy the aims and objectives set out in section 1.7 and reiterated in the following section. Firstly, in order to frame some of the methodological decisions made throughout this project, a discussion of different approaches is offered below.

Quantitative research is an approach for testing objective theories by examining the relationships among variables (Creswell, 2014). These variables can then be analysed and measured using statistical tools procedures, producing knowledge usually based upon numeric data. Researchers who engage in this form of inquiry typically have assumptions about testing theories deductively and a focus on being able to generalise and replicate the findings (ibid).

Qualitative research, broadly defined, refers to "any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification" (Strauss and Corbin, 1990: 17). Researchers undertaking a qualitative approach in their research seek to explore and understand the meaning individuals or groups ascribe to a social or human problem (Creswell, 2014). This research process involves: data typically collected in the participant's setting, data analysis inductively building from particulars to general themes, and the researcher making interpretations about the meaning of the data (ibid). Researchers adopting this approach focus on individual meaning, and the importance of rendering the complexity of a situation (ibid). Where quantitative researchers seek causal determination, prediction, and generalisation of findings, qualitative researchers instead seek clarification, understanding, and extrapolation to similar situations (Hoepfl, 1997). As such, a qualitative approach results in a different type of knowledge than the knowledge resulting from quantitative inquiry (ibid).

Finally, a mixed methods research is an approach to inquiry involving collecting both quantitative and qualitative data, integrating the two forms of data, and using distinct designs that may involve philosophical assumptions and theoretical frameworks (Creswell, 2014). The core assumption of this form of inquiry is that the combination of qualitative and quantitative approaches

provides a more complete understanding of a research problem than either approach alone (Johnson and Onwuegbuzie, 2004).

In practice quantitative and qualitative studies are not rigid, or distinct polar opposites. Rather, qualitative and quantitative approaches represent different ends on a continuum (Newman and Benz, 1998). Research tends to lean to either to the quantitative or qualitative side of this continuum rather than being a pure representation of one of these ends (Creswell, 2014).

A qualitative approach has been adopted as a means of accessing rich qualitative data relating to the construction of *wasta* in employee selection processes. Relatively small sample sizes are considered adequate for such investigations, as the priority is to develop in-depth understanding of participants' lived experiences, rather than generalisation of findings (Creswell, 2009: 13).

The next section discusses issues in research design. It begins by presenting the aim and objectives of this research and demonstrates how these will be addressed. This is followed by a section on the relationship between theory and research. The case study is then presented before concluding the section with a discussion of the research sample.

3.3 Research design

A research design provides a framework for the collection and analysis of data (Bryman and Bell, 2011). A choice of research design reflects decisions about the priority being given to a range of dimensions of the research process. These include expressing causal connections between variables, understanding behaviour and its meaning in a specific social context, or generalising findings in application to groups larger than the research sample (ibid).

The design of the research process has been drawn out from the aims and objectives of the research. As discussed in chapter one, this research aims to explore interviewees' perceptions on the impact of using social capital

(intercessory wasta) in employee selection practices in the case study banks. In addressing this overarching aim, the following objectives have been set:

1. To explore the interviewees' views on how social capital, in the form of intercessory wasta, is used in the employee selection process within the case study banks.
2. To identify interviewees' perceptions of the reasons and outcomes underlying the use of social capital, in the form of intercessory wasta, in an employee selection context.
3. To examine how HR practitioners and line managers deal with the exercise of social capital, in the form of intercessory wasta, throughout the employee selection process.

In order to achieve these aims and objectives, interviews will be carried out with human resource managers, recruitment and selection managers, and line managers who are involved in employee selection. This will help glean the insider's perspective regarding the general influence (if any) of intercessory wasta. The data produced in these interviews will be analysed in order to investigate the possible impact of intercessory wasta on formal employee selection practices. Alongside data analysis, a broad body of literature relating to intercessory wasta in Jordan will be called upon to frame this research.

Table 3.1 illustrates how each of the research objectives is addressed.

Table 3.1 Addressing research objectives

Research objective	Required Data	Data Collection Methods and Source
To explore the interviewees' views on how social capital, in the form of intercessory wasta, is used in employee selection process within the case study banks.	Qualitative Data: Formal and informal employee selection practices in case study banks	Primary data: Semi-structured interviews Secondary data: Literature review
To identify interviewees' perceptions of the reasons and outcomes underlying the use of social capital, in the form of intercessory wasta, in an employee selection context.	Qualitative data: Managers perceptions of the reasons and outcomes of job seekers to use wasta in seeking employment in their current organisations and other organisations	Primary data: Semi-structured interviews Secondary data: Literature review
To examine how HR practitioners and line managers deal with the exercise of social capital, in the form of intercessory wasta, throughout the employee selection process.	Qualitative data: Managers perceptions on how they deal with wasta requests in their organisations Secondary data: Systematic critical literature review on wasta	Primary data: Semi-structured interviews Secondary data: Literature review

3.3.1 The relationship between theory and research

Social science recognises two main approaches that represent the relationship between theory and research for each project. These are deductive and inductive approaches (Walliman, 2006; Bryman and Bell, 2011). A deductive approach is concerned with developing a hypothesis (or hypotheses) based upon existing theory, and then designing a research strategy to test the hypothesis (Wilson, 2010). When following this approach, a research project usually begins with a theoretical consideration which is then developed into a hypothesis (or hypotheses). This is followed by data collection, the testing of the hypotheses (or hypotheses), and then the confirmation (accepting) or

rejecting (nullifying) this hypothesis (or hypotheses) (Bryman and Bell, 2011). This way of reasoning is often used in a quantitative approach (ibid). On the other hand, a research study following an inductive approach usually starts from specific observations which are built upon to create general theories, from the particular to the general (Babbie, 2013). Research following this reasoning begins with a set of observations leading to the discovery of a pattern that represents some degree of order among all given events (ibid). The inductive approach is often used in qualitative research strategy (Bryman and Bell, 2007)

In practice, research is not purely deductive or inductive as the majority of research has elements of both approaches. Although this research uses some aspects of the deductive approach (such as building on the literature to construct the interview schedule), it leans towards an inductive approach as it will explore the propositions made about *wasta* by interviewees and, taking into consideration the context of the study, and develop its findings based upon the observation of empirical data (Saunders et al., 2012: 146).

3.3.2 The case study

This research adopts a case study design. Fourteen banks operating in the Jordanian banking sector form a setting to explore the perceptions of managers regarding the impact of intercessory *wasta* on employee selection processes. Case study research involves the study of an issue explored through one or more cases within a bounded system (Creswell, 2007). Researchers disagree as to how case studies are to be understood. Some refer to it as a research design, while other see it as a methodology or even a research method (Creswell, 2007; Van Wynsberghe and Khan, 2007; Yin, 2014). In its most general view a case study could be a methodology, a type of design in qualitative research or an objective of study, as well as a product of inquiry (Creswell, 2007). In this research, the case study is regarded as part of the research design. However, similar to Stake's (2005) argument, it is viewed as choice of object of study rather than a methodology. Therefore, these banks are regarded as "the arena" where perceptions of *wasta* are explored. The use of the case study design is particularly relevant when the research requires an

extensive and in-depth description of a social phenomenon such as *wasta*, as it allows a focus on the 'case' at hand, and to retain a holistic and real-world perspective (ibid).

3.3.3 The research sample

Sampling involves selecting units of analysis (e.g. people or groups) in a manner that maximises the researcher's ability to achieve the research objectives by answering the research questions (Tashakori and Teddlie, 2003; Saunders et al., 2009). The unit of analysis refers to the individual case or group of cases that the researcher wants to express something about when the study is completed. Therefore, this is the focus of all data collection efforts (Tashakori and Teddlie, 2009). There are two dominant processes to sampling in social sciences which are probability sampling and purposive sampling. Other sampling processes include convenience sampling and mixed methods sampling (ibid). The selection of one of these processes is determined by both the purpose and philosophical underpinnings of the research. In terms of philosophical underpinnings, this research adopts a constructionist ontology and an interpretivist epistemology. Therefore, a large sample size is not needed here, as the aim is to study a small sample to generate in-depth data. Moreover, the aims and objectives of the research further stipulate the need for in-depth data in order to understand the impact of intercessory *wasta* on the employee selection process in the case study banks. This need for in-depth data from a small sample is suited to purposive sampling. According to Tashakori and Teddlie (2009) the characteristics of the process of purposive sampling are:

- Addresses specific objectives derived from the research questions. Therefore, the researcher selects cases that are rich in information in respect to these questions.
- Often selected using the expert judgment of researchers or their informants.
- Focus on the depth of information that individual cases can generate.
- Typically small (usually thirty or fewer cases, depending on the research questions and type of research conducted).

This research utilises a specific type of purposive sampling which is snowballing (chain) sampling. This is a popular purposive sampling technique that involves using informants or participants to identify additional cases who may be included in the study (Patton, 2002). A snowballing sampling strategy is derived from the content, aim and objectives of this research. Considering the importance of social networks in the form of *wasta* in Jordan to pursue one's aims, the researcher has used his own social network to identify possible cases to participate in the research study. The researcher identified human resource managers, recruitment and selection managers, and line managers who are involved in employee selection processes in their respective organisations as cases who are able to provide rich, in-depth information as appropriate to this research project. The selection of these individuals for the study's sample was based on the researcher's past work experience as a recruitment officer in a bank based in Jordan. In this role, the researcher dealt with *wasta* requests on a daily basis and as such was able to assess which positions in the bank were subject to requests of *wasta*. This experience provided the most valuable insights into the practice of *wasta* in employee selection in banks. This selection of the sample was considered to be vital for the aims and objectives of this research.

Tapping into the researcher's social network was an effective way to acquire access individuals. The researcher contacted previous work colleagues, immediate and second line family members, friends, and acquaintances, either to help directly, or contact people in their own social networks to build up the required sample of individuals acting in employee selection positions in banks operating in Jordan. Each interviewee was asked at the end of the interview to provide recommendations on who to interview after. This bypassed the need to use formal methods of contacting the gate keeper in these banks to provide access. Thus, *wasta* was used in order to research *wasta*.

This approach to securing the interviews was deemed both beneficial and necessary for two reasons. The first reason is the nature of the phenomena under exploration, as argued in section 1.6, the *wasta* paradox. *Wasta* entails conflicting emotions of pride with being able to bestow *wasta* benefits (Gold and Naufal, 2012), while sometimes being ashamed of using it due to its negative

perception in society (Cunningham and Sarayrah, 1993; Hutchings and Weir, 2006a). Using *wasta* to reach the interviewees gave them peace of mind and made them open to speaking about *wasta* as they viewed the researcher as being trustworthy, since the researcher was introduced by a mutual intermediary (Karolak, 2015). The second reason for which the use of *wasta* to secure interviews was deemed necessary is the long red tape for processes in Jordan (El Said and Harrigan, 2009) which entailed that the researcher would have to wait for extended periods of time in Jordan for the formal gate keeper to allow access to the interviewees. This would have been further complicated by the nature of work in the banking industry, particularly in human resource departments, where access is restricted due to the sensitivity of the work done in these departments. This can be related to the argument by Easterby-Smith and Malina (1999) who emphasise that, in practice, official gatekeepers often only enable limited access, selecting individuals and parts of the organisation that they wish to showcase. As such, using *wasta* to secure the interviews was deemed vital for attaining the data necessary to complete this research.

This snowballing from the researcher's social network secured seventeen interviews with managers in fourteen different banks operating in Jordan. Table 3.2 presents the organisation codes and titles of the interviews managers.

Table 3.2 Interviewed managers' job roles

Bank	Actual Title
A (pilot)	Compensation and Development Manager
B (pilot)	Country Human Resources Officer
C (pilot)	Head of Human Resources
D (pilot)	Head of Human Resources
E	Head of Human Resources
E	HR Operations Manager
E	Branch Manager
F	Branch Manager
G	Senior Human Resources Officer
H	Executive Vice President / Head of Human Resources
H	Personnel and Payroll Department Manager
I	Executive Manager / Strategic Initiatives
J	Recruitment Centre Manager
K	Head of Human Resources
L	Assistant Manager, Talent Manager
M	Human Resources Officer
N	Head of Human Resources Division

The table above highlights the variety of positions of the individuals that were interviewed. However, although the job titles vary depending on the organisation, these interviewees all come under one of the three identified job roles: human resource managers, recruitment and selection managers, and line managers. Table 3.3 presents the interviews conducted.

Table 3.3 Interviews

Bank/ Code	HR Manager	R&S manager	Department Manager
A (pilot)	X		
B (pilot)	X		
C (pilot)	X		
D (pilot)	X		
E	X	X	X
F			X
G		X	
H	X	X	
I	X		
J		X	
K	X		
L		X	
M		X	
N	X		

This table highlights the breakdown of the interviewees by position as majority of the interviewees (9 out of the 17) had job titles that fall under the job title of human resource manager. These included interviewees A, B, C, and D who were the pilot sample. 6 of the interviewees came under the job title recruitment and selection manager and only 2 where line managers.

The next section presents the data collection methods.

3.4. Data collection methods

Semi-structured interviews were selected as the means of data collection to address two primary considerations. First, they are well-suited to explore the perceptions and opinions of respondents regarding complex and sensitive issues (wasta) and enable probing for more information and clarification of answers (Barribal and While, 1994). Second, because semi-structured interviewing allows for flexibility in question formulation, the varied educational and personal histories and the different communication capabilities of the sample group can be navigated and adapted to (ibid). The ability to change the words of questions while retaining meaning in semi-structured interviews

acknowledges that not every word has the same meaning to every respondent and not every respondent uses the same vocabulary (Treece and Treece, 1986). This helps the respondents to better understand the questions and encourages them to respond freely using terminology of their choice. Finally, the fact that the interviews were conducted face-to-face helped the researcher to read the body language of the interviewee and conduct the interview in accounting for the answers of the interviewee as well as their body language.

In this research, an informal semi-structured interviewing technique was adopted and all interviews lasted between thirty minutes and one hour. This interviewing style is recommended for qualitative analysis because it enables rapport to be developed and is well suited to in-depth and personal discussion (Reid et al., 2005: 22). Throughout semi-structured interviews, interviewees are encouraged to communicate informally, as friends rather than strangers (Madill, 2011). This is relevant to the subject matter itself, as trust is an important aspect for acquiring information in social networks (Putnam, 1993). A conversational style of interviewing was employed and all interviews were conducted on a one-to-one basis in a private setting agreed between the researcher and participants (usually an interviewee's office also in empty meeting rooms in the banks). These conditions galvanised an environment where participants could speak openly and freely about their lived experience (Smith, 2011). Interviews were recorded on a dictaphone and later transcribed. However, four interviewees did not agree to the recording of the interview, and notes were taken instead. Participants were given brief details about their interview schedule and consent was obtained prior to interview commencement. The interview schedule was divided into four main sections, each designed to facilitate good communication flow to produce rich data from which super-ordinate and subordinate themes could be extracted (Myers & Newman, 2007). The interview schedule was constructed with reference to Leech's (2002) recommendation to begin with 'grand tour' questions and then progress to more specific, probing questions. The interviewees were asked to talk about the recruitment and selection process in their organisation, after which, they were asked to critically assess this process by reflecting on whether it brought in qualified candidates and what they would do to improve it. This

opened up the conversation, allowing interviewees to talk about the informal practices occurring in the employment process in their organisations, or in other words what ‘the real world’ practice was. Interviewees were then asked about cultural factors and how they affected recruitment and selection in Jordan. If interviewees mentioned *wasta* they were asked to define it and elaborate on this, and follow up questions were asked. If they did not mention *wasta* or if they used another word, they were asked either to explain *wasta* and its perceived impact on the recruitment and selection process or to explain the synonym and elaborate on this topic. The interview schedule can be found in appendix B.

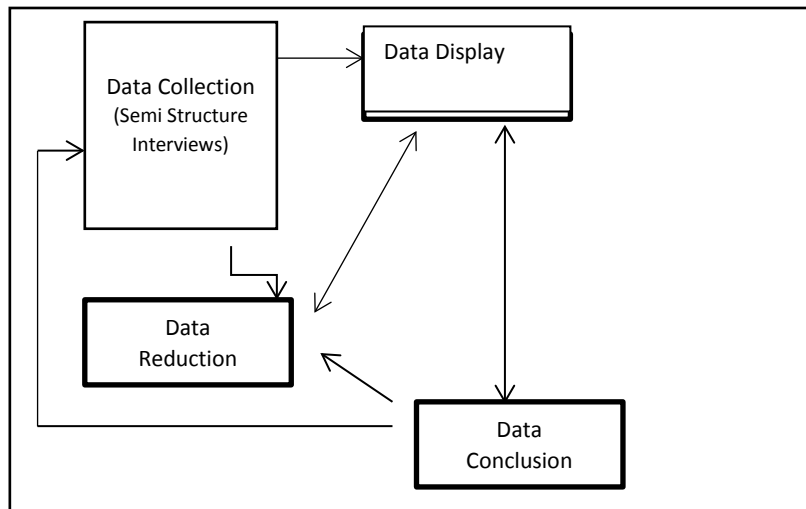
3.5 Methods of Analysis

The researcher has adopted the use of thematic analysis to interpret data because it allows a link with various concepts appearing in the data and literature, e.g. *wasta* in the literature and how it relates to the interviewees’ views.

Thematic analysis is a method for identifying, analysing and reporting patterns (themes) within data (Braun and Clarke, 2006: 6). It moves beyond counting the explicit words and phrases and focuses on identifying and describing the main implicit and explicit ideas and coding them into themes for analysis purposes. This allows for easy linkage and comparability between the main themes and the subordinate themes (Namey et al., 2008: 138).

This research study adopts the Miles & Huberman (1994) model for the thematic analysis process. Figure 5 illustrates the three link stages: data reduction, data display, and data conclusion.

Figure 3.2 Three link stages of thematic analysis



Source: Miles & Huberman (1994, p: 12)

In following this approach to analysis, all of the interviews were fully transcribed and translated to English. Notes for each of the interviews that were not recorded were also organised and structured to follow the flow of the interview. The researcher then went on to read all the interview transcripts and notes going iteratively between these and the literature on *wasta* and social capital. Several themes were then identified for codification and this process was repeated until themes were satisfactorily identified and the analysis was completed. The data was reduced by extracting the quotes which are presented in the discussion and analysis chapter to exemplify and explain the points they are used to explore. Conclusions were drawn based on the contrast of these perceptions with the literature.

The next section presents the ethical considerations of the research. The section starts by exploring issues of confidentiality, security, and the retention of research data discussing the informed consent of participant. This is followed by a section on exploring informed consent and freedom of participation in the research.

3.6 Ethical considerations

Most notably, two main issues arise which relate to ethics. The first issues relate to confidentiality of the data and the security of the participant and researcher. The second issues relate to the retention of research data (Bryman and Bell, 2011), assuring informed consent and freedom of participation in the research. These issues are dealt with throughout the entire data collection process and participants are regularly made aware of the processes involving the management of their data and any personal information.

Prior to data collection the researcher has addressed these concerns by attaining ethical approval for a research project granted by the Nottingham Trent University College of Business, Law and Social Sciences. Attaining this ethical approval and closely following the processes upon which the application was approved meant that the research was conducted in an ethical and safe way for both the researcher and research participants. Care was taken throughout the entire data collection and analysis processes to ensure ethical processes were stringently followed. These issues will be explored in detail in this section.

3.6.1 Issues of confidentiality, security and the retention of research data

As one of the focal issues in this research is the exploration of *wasta*, which can be considered a sensitive topic particularly in the business world in Jordan, participant identities and the banks in which they work were kept secret by assigning pseudonyms to each participant. Prior to the interviews each participant was presented with a 'participant information sheet' (see appendix B). This sheet provided the following information for participants: regarding the purpose of the study, the researcher and supervisory team, the funding source of research, reasons why these participants were approached for the interview, and how their anonymity will be ensured.

Care was taken to ensure that participants and the organisation they work for cannot be identified in the writing up of the thesis. Any identifiable information was omitted from any publications and participants were allocated pseudonyms to ensure anonymity.

The recordings and transcripts of interviews were handled only by the researcher, according to data protection principles and the approved research protocol.

Data from the interviews were digitally recorded, anonymised, and brought to the UK on a password protected computer that was kept with the researcher at all times during travel.

Hard copies of research notes were kept in locked filing cabinets, and all electronic files were kept on password protected computers which are not accessible to any other university staff or students.

In line with good practice, at the end of the study all transcripts will be archived. However, the transcripts will be made fully anonymous before they are archived. Once the transcripts have been archived the recording of the interviews will be destroyed and the relevant files erased from the computer.

3.6.2 Informed consent and freedom of participation in the research

All participants were provided with a participant information sheet prior to the interview and were given the opportunity to ask questions and discuss the intentions of the research. Regarding consent to participate, this sheet provided information for participants on their rights with respect to non-participation, in case they subsequently decide not to participate. After reading this sheet any information which was not clear was explained by the researcher and participants who agreed to be involved in the project were asked to sign a written consent form (provided in appendix D). Permission to record the interviews was acquired prior to the interview and in cases where this was declined notes were taken during the interview.

In both the participant information sheet and the written consent form, potential participants were assured that their participation is entirely voluntary and that they are free to decline to take part if they choose to. These documents also explained that if they do choose to take part and subsequently change their mind, they will be free to withdraw at any time up until the submission of the resulting thesis.

The next section explores the challenges the researcher faced in conducting the interviews. It starts by reflecting on access and the researcher's role in the field, and concludes by outlining how the researcher addressed language issues faced when transcribing the interviews.

3.7 Challenges in the field

Conducting research is a complex process that requires the researcher to reflect on daily basis on issues ranging from high level issues such as the research aims, objectives and methodology, to real-world practical issues such as the practicalities of data collection and issues of interpretation and language. The aim of this research was to explore the impact of wasta on the employee selection process in the case study banks operating in Jordan. This aim and the research concept stems from the background of the researcher as a person was born and raised in Jordan and who has worked as a recruitment officer in a bank in Jordan dealing with wasta on daily basis both on personal and professional levels. This section discusses access issues faced by the researcher in conducting his research and language issues faced when transcribing the interviews.

3.7.1 Access and the researcher's role in the field

In conducting a research based in the UK and targeting a developing country as Jordan the researcher faces several cultural issues particularly in attaining access to organisations in order to conduct data collection. In what is termed the developed world this is usually done through formal ways such as sending

e-mails or phoning the targeted organisation to establish a connection. Sometimes this access can be gained informally through a gate keeper who can facilitate an access point to the organisation. In Jordan, however, this is majorly done in one way, tapping into the researcher's social network (the use of wasta). In using wasta to study wasta the researcher had to face several ethical and practical issues. Here, it was essential to ensure that access was attained in an ethical way without forcing the participant into participation through influence and social pressure. As such, wasta had to be used to secure access but not to impose it upon the interviewee.

The researcher had the benefit of being seen as both an insider and outsider at the same time. The insider perception was due to the fact that the researcher is a Jordanian from Palestinian origins who speaks Arabic. The outsider perception came from the fact that the researcher lived a considerable part of his adult life in the UK and was conducting his research in a 'western' institution. The latter fact provided the researcher with a certain perceived 'prestige' that was very valuable in that he was well received by the interviewees, most of whom most of were happy to share their insights with him. This unique status of being an insider/outsider proved to be very beneficial in discussing the very sensitive topic of wasta as many interviewees used Arabic expressions while perceiving that their statements will not affect them afterwards because the research is conducted in the UK. This point can be linked with the perceived benefit of acquiring an insider status in wasta network by non-Arabs presented by Hutchings and Weir (2006a).

3.7.2 Language issues

The interviews with the HR managers were carried out using both Arabic and English languages interchangeably, this was done to insure that all participants are able to explain themselves comfortably and able to communicate what they wanted to say. Interestingly, although all of the participants' first language was Arabic, almost all of them reverted to English when explaining several concepts. This especially happened when referring to concepts and terms relating to human resources and employee selection. In contrast whenever interviewees

spoke about *wasta* they only did so in Arabic. This proved challenging during translation as the researcher had to play back every line several times and reiterate between the different parts of the interview to make sure that meaning was not lost in translation.

Most participants had good English communication skills. However, even when the interview was carried out mostly in English some grammatical and speaking errors occurred during the interviews. It was important to ensure that what was said from both sides was fully understood. Therefore, when possible, the researcher tried to summarise and give an interpretation of the main points made by the interviewee in response to each question before moving on to the next question.

To explore any important issues and occurring themes in each of the interviews, interview recordings were transcribed verbatim. This has been done in the greater part of all interviews except for some small parts where the sentences were refuted by the interviewee.

In order to ensure that the transcription and translation of the data was done correctly and in a manner that conserved the intended meaning of this data, the following steps were taken:

Firstly, I went through the interview recordings minute by minute going back and forth between different paragraphs to verify that the translation of each Arabic word, sentence and paragraph to English was correct grammatically while still preserving the original meaning of what the interviewee said.

Secondly, a meeting was arranged with the director of studies (Dr. Ani Raiden) and an academic member of Nottingham Business School staff (Dr. Hafez Abdo). Dr. Hafez speaks both Arabic and English and was invited to the meeting to discuss and validate the transcription and translation of the interviews. During this meeting, three copies of a single translated interview transcription were provided to each participant of the meeting. I highlighted three separate sections of the transcription document from different parts of the interview conducted with one person. These three parts ranged from 3-5 minutes of recording time and were selected to be played because they contained different HR and cultural terminology, and because they were spread out through the

interview to insure that they were representative of the whole interview. The recording was then played and validated by Dr.Hafez to insure that the translation of the HR and cultural concepts from Arabic was correct and maintained the same meaning in English. The translation of several concepts, wording and linking words were then discussed by all parties involved in the meeting and Dr.Hafez confirmed he was satisfied that the translation of the interview data in English reflected the original meaning in Arabic.

3.8 Limitations of the data

Despite the best efforts of the researcher to conduct a study that is methodologically rigorous and precise, it is important to address the limitations of the data collated. These limitations can be divided into three issues; limitations of the methodological level, limitations of access and limitations of the volume of data.

As highlighted in section 3.1 this was a qualitative research study designed to explore the impact of *wasta* on employee selection in the case study organisations. Qualitative research was selected due to the exploratory nature of this study which corresponds with the little empirical research available on the practice of *wasta* in Jordan (e.g. Cunningham and Sarayrah, 1993; Loewe et al., 2007, 2008; Brandstaetter, et al, 2015). It is important to acknowledge, however, the limitations in terms of the generalisability of this data. Whilst generalisation was not an aim for this study, it is important to highlight that 17 interviews will limit the extension of the findings of this studies to a wider context. Rather, the focus was on achieving data authenticity; conveying the interviewees' perceptions of the use of *wasta* in the work place, and plausibility of data; ensuring the active role of the reader in making sense on the context (*wasta*) and relating it to their own background and experience (Golden-Biddle and Locke, 1993). It is worth noting that during the pilot study 25 questionnaires were distributed to employees of the HR departments in the case study banks of the pilot study. These, however, these elicited little useful data as respondents tended to deny the use of *wasta* in any form and, as a result of this, were dismissed. This was attributed to the complexity of researching *wasta*

where in some situations people will outright deny its use while in other situations they are proud of being able to access *wasta* or bestow it on others (Cunningham and Sarayrah, 1993; Gold and Naufal, 2012). This confirms the usefulness of using semi-structured face-to-face interviews where the researchers can gain the trust of the interviewee in the process of the interview and as such be able to attain deeper insights and in-depth answers to sensitive topics such as *wasta*.

In terms of limitations in access to data it is important to highlight the benefits for using the researcher's social network to research *wasta*. These include gaining interviewees' trust and avoiding the long red tape usually found in organisations operating in Jordan (discussed in section 3.3.3), and being viewed as an insider-outsider by interviewees (discussed in section 3.7.1). Using social networks to research *wasta*, however, has its downside as it limits the research sample to the family, tribe, friend, former work colleagues, acquaintances of the researcher and their social networks.

Whilst every precaution was taken to ensure free participation (discussed in section 3.6.2), and to attain a diverse background of respondents by tapping into different social networks. It is important to highlight the aforementioned limitation of accessing the interviewee sample using the social network of the researcher. It is believed, however, that the benefits of accessing data this way outweigh the drawbacks in the context of this research, as researching *wasta* using *wasta* has enabled the researcher to attain very in-depth data that could be very difficult to attain using formal gatekeepers (Karolak, 2015).

Finally, it is important to highlight the limitations of the volume of data. Due to the fact that not all interviewees were as open as others in talking about *wasta* practice in their organisation. This led to having little relevant data from some of the interviews. The overall data from the interviews, however, remains very in-depth and useful in providing us with an insight from professionals who are in everyday direct contact with *wasta* in the context of employee selection. This is very beneficial for providing a building block for research seeking to understand the perceptions of *wasta* and its impact on employee selection in Jordan.

The next section provides a summary of the chapter.

3.9 Summary

This chapter explored the research methodologies and methods adopted in conducting this research. The first section explored the research philosophies adopted highlighting the subjective ontological stance and interpretivist epistemological view point in undertaking this research. The research approach was discussed in the following section highlighting the qualitative nature of this thesis. A section exploring the research design followed where the methods of achieving the research objectives were discussed, the deductive approach was outlined and the reason behind selecting the purposive snowballing sampling and the sample cases was explained. The use of semi-structured interviews as a method of data collection was then explored followed by an explanation of the use of thematic analysis to analyse the data from the interviews. In discussing the ethical issues the methods undertaken to insure the confidentiality and security of the participants were outlined alongside the steps undertaken to ensure the safe retention of research data. Furthermore, this section highlighted how informed consent was obtained and the how freedom of participation in the research was explained to participants. Challenges in the data collection process were then explained where the researcher reflected on challenges which were entailed in the use of WhatsApp to secure the interviews and the difficulties entailed in researching this sensitive topic. The section also explored the benefits of being perceived as an insider/outsider by the interviewees and the language/ topic difficulties that faced the researcher. Finally, the limitations of the data were presented.

Chapter 4: Analysis and Discussion

This chapter presents analysis and discussion of data collected from seventeen interviews conducted with HR, recruitment and selection, and line managers from the case study banks. A networks perspective of Social Capital Theory, namely bonding and bridging social capital was used as the underpinning theoretical framework to analyse this data. This was supported with the use of identity analysis to critique and complement the social capital lens. Six themes were uncovered as a result of analysing these interviews. These assisted in answering the research questions and achieving the overarching aim of the research, to explore interviewees' perceptions on the impact of using social capital (wasta) in employee selection practices in the case study banks. In achieving the research aim, the data analysis addressed the set research objectives, which mirror the research questions. These objectives are:

1. To explore the interviewees' views on how social capital, in the form of intercessory wasta, is used in the employee selection process within the case study banks.
2. To identify interviewees' perceptions of the reasons and outcomes underlying the use of social capital, in the form of intercessory wasta, in an employee selection context.
3. To examine how HR practitioners and line managers deal with the exercise of social capital, in the form of intercessory wasta, throughout the employee selection process.

This chapter will first explore the different definitions of wasta offered by the interviewees in order to develop an understanding of what wasta means to these interviewees and to set the context for the main data analysis. The body of the chapter will be structured around the six identified themes:

- Wasta as an enabler to get jobs
- Wasta as social ties/ categorical social identification
- Wasta as a method to transfer/attain information
- Wasta as a guide in decision-making

- Wasta as an exchange/ role identity
- Wasta as pressure.

Each theme includes a sub-section exploring the implication for HRM. Finally, the chapter will be concluded with a summary.

4.1 Defining Wasta in Employee Selection

In each of the interviews, the interviewee was asked how he or she would define wasta. The definitions of wasta offered by the interviewees are presented in table 4.1 below.

Table 4.1 Definitions of wasta by interviewees

Interviewee	Definition
A	<i>“Wasta is a way, it’s a tool, and it’s an entry...way to open the door. For example, if I know someone who has authority and who knows people and is well known...according to our culture there is nothing wrong if this person recommend[s] me to work in one of the banks”.</i>
B	<i>“Wasta means having a connection in an important position who can help you in getting what you want – coming from the word wasataa – this wasta could be your relative, a relative of your parents, or an acquaintance. Usually the wasta is a relative or to a lesser extent, someone who studied or worked with you and who becomes your wasta in achieving your goal”.</i>
C	<i>“A person who lets you get into an organisation or business and makes it easy”.</i>
D	<i>“In economics you learn that marketing is [a] tool for distorting economics. This is one definition by an economics professor, wasta has the same definition for HR. it distorts the basic[s]...[of HR practice]”.</i>
E	<i>Did not define wasta. Simply stated: “It [wasta] is the worst thing in the world”.</i>
F	<i>Did not define wasta. Simply stated: “Wasta is the origin of all corruption”.</i>
G	<i>“To put somebody in the wrong place and in the wrong time, and he is the wrong person”.</i>
H	<i>“A person intervenes to employ somebody who is either qualified or not qualified so this is not a condition”.</i>
	<i>“Someone who push[es] something for another one... someone</i>

I	<i>you don't know if he fits in the organisation. Okay, but you use your power in order to get him on board. Okay, this is a simple definition of wasta".</i>
J	<i>Did not provide a definition for wasta. Simply denoted it is no longer applicable in Jordan.</i>
K	<i>"Wasta is when you get someone who does not fit with the job, this is wasta".</i>
L	<i>Did not provide a definition for wasta. Simply denoted it is a very bad practice.</i>
M	<i>"My definition of wasta is: someone bringing in people to attain an opportunity which in a normal situation would be hard for him to attain".</i>
N	<i>"Wasta is hiring a candidate for a position that he does not fulfil the requirements for. If you have three different candidates that are highly qualified and a candidate that is less qualified that somebody know[s] and brought it [the candidate's C.V] to you, which influence[d] and you accepted to hire him, and you ignored the other three qualified candidates, this is wasta".</i>
O	<i>"I define it [wasta] as a recommendation from someone in a high position in the government sector or in the country itself and...at the end it is a recommendation, but sometimes he pushes very hard to hire him regardless of his experience or knowledge or skills. This is the definition of wasta in my opinion".</i>
P	<i>"Sometimes you do have a pressure from a certain senior position or you might have pressure from someone who wants to...who is an investor or a business man, or whatever who wants to hire someone".</i>
Q	<i>"Wasta is: I know you, whether I know you on a personal level or whether I happen to be someone high up in the government or someone who is influential in one way or another and somebody comes to me; one of my relatives, somebody that I know and says, 'You know I am trying to get a job. Can you talk to someone at [name of bank N]?', and they will come and give the CV and then we are forced to hire him".</i>

Each interviewee offered a different definition for wasta that denotes what the practice of wasta meant to him/her. Almost all of the definitions were offered during the conversations about employee selection and highlighted the use of wasta in this context. It can be argued that this demonstrates the perceived prominence wasta has in the employee selection function, as highlighted by previous research (e.g. Cunningham and Sarayrah, 1993; Loewe et al., 2007).

The analysis of the definitions offered by the interviewees led to the identification of two ways in which wasta in employee selection is viewed. The first view, reflected in the definitions provided by respondents A, B, C, and O,

entails the perception of *wasta* as a recommendation provided by the intermediary to the decision-maker to hire the job seeker he/she is intermediating for. This can be seen in the definition provided by interviewee A, who states:

“Wasta is a way, it’s a tool, it’s an entry...way to open the door. For example, if I know someone who has authority and who knows people and is well known...according to our culture there is nothing wrong if this person recommend[s] me to work in one of the banks”.

This view of *wasta* entails a job seeker using his/her social capital to reach a person in a high level position who is then able to provide this individual with a recommendation to support him/her in the quest to secure a job at the organisation. In analysing the language used by this interviewee, the use of the word ‘tool’ to describe *wasta* reflects earlier definitions discussed in section 2.3.1. This depicts *wasta* as a tool or process for securing a certain goal (e.g. Al-Kilani, 2001; Whiteoak et al., 2006; Loewe et al., 2007; Gold and Naufal, 2012). The use of the word ‘recommend’ here suggests that the intermediary is only ‘offering’ this job seeker to the organisation, without trying to impose this individual upon the organisation using the intermediate’s high status and perceived powerful position. However, this recommendation was sometimes supplemented by a follow up or push from the interviewee. Interviewee O’s definition exemplifies this case:

“I define it [wasta] as a recommendation from someone in a high position in the government sector or in the country itself and...at the end it is a recommendation, but sometimes he pushes very hard to hire him regardless of his experience or knowledge or skills. This is the definition of wasta in my opinion”.

Interviewee O indicates here that in some instances the intermediate may push for a job seeker to be hired after the recommendation is given by trying to persuade the decision maker to hire this individual, without forcing him/her or trying to influence the decision by using the intermediate’s power.

Despite interviewee O’s assertion that the intermediary might push very hard to hire the candidate, an analysis of the language used by interviewee O to

describe *wasta* here entails that it is still perceived as a recommendation and, as such, aligns with the rest of the definition of this view of *wasta*. It is worth noting here that in interviewee A's definition the example of *wasta* highlights that the person acting as an intermediate will be somebody that the interviewee (or job seeker) knows on a personal level, which reflects the provision and request of favours based on personal relational identification (Brewer and Gardner, 1996). On the other hand, interviewee O's definition did not specify the type of relation between the interviewee and the intermediate acting as a *wasta*. An analysis of both definitions, however, highlights the importance of the role (being in a powerful, authoritative, or high governmental position) the intermediate must possess in order to act as a *wasta* for the job seeker.

The definition offered by interviewee B details this view of *wasta* by highlighting the individuals who can potentially act as an intermediary for job seekers. As this interviewee stated:

“Wasta means having a connection in an important position who can help you in getting what you want – coming from the word wasataa – this wasta could be your relative, a relative of your parents, or an acquaintance. Usually the wasta is a relative or to a lesser extent, someone who studied or worked with you and who becomes your wasta in achieving your goal”.

In this definition the focus was on identifying the individuals who can possibly act as an intermediary or broker between the individual seeking employment and the organisation. The respondent expressed her view that the majority of time, individuals who act as an intermediary or *wasta* for a job seeker are members of the same, bonding group, such as family members, sharing close ties with the job seeker. However, it was stated that intermediaries can also be individuals who share membership of different groups and usually have weak, bridging ties with the job seeker, such as in the case of study acquaintances. All these 'types' of possible intermediates, however, come under the umbrella of personal relational identity group (relations with people who the job seeker knows on a personal level and as such the relationship derives from this personal identification). This definition reflects definitions from earlier researchers as discussed in section 2.3.1 which, in defining *wasta*, focused on

the network's members, such as relatives or friends (e.g. Sakarna and Kanakri, 2005), or people in high positions (e.g. Smith et al., 2011).

This view of *wasta* entails its use by job seekers as a way to facilitate and assist in securing a job through the linkages with the organisation that the intermediary provides. This is reflected in interviewee C's definition of *wasta* as:

"A person who lets you get into an organisation or business and makes it easy".

As such, the linkage and ease of access provided by the intermediary is a main factor for *wasta*'s use as perceived by the respondents. This use of *wasta* will be discussed in detail in section 4.4 titled *wasta* as a carrier of information.

The second view of *wasta* encompassed definitions that perceive *wasta* as a way to forcefully attain the job or to use the intermediates' high status or powerful position to influence the decision to hire (definitions by interviewee H, N, I, K M, and Q). This view can be exemplified by the definition offered by from Interviewee I:

"Someone who push[es] something for another one... someone you don't know if he fits in the organisation, ok, but you use your power in order to get him on board, ok, this is a simple definition of wasta".

It can be understood from this definition that the view of *wasta* here reflects the use of a job seeker's social ties to reach an intermediary who will aid this individual in securing the job by either influencing or forcing the decision to hire him/her. This view was further detailed by interviewee H who defined it as:

"A person intervenes to employ somebody who is either qualified or not qualified so this is not a condition".

In this definition the interviewee states that *wasta* implies the intervention of an intermediary to employ a candidate, regardless of this candidate's qualifications. As such, it can be deduced that the sole factor upon which the employment decision is based is the candidate's connection to an intermediary who is capable of leveraging this decision in his/her favour. This is further affirmed in the definition offered by interviewee N who states that:

“Wasta is hiring a candidate for a position that he does not fulfil the requirements for. If you have three different candidates that are highly qualified and a candidate that is less qualified that somebody know[s] and brought it [the candidate’s C.V] to you, which influence[d] and you accepted to hire him, and you ignored the other three qualified candidates, this is wasta”.

Here, interviewee N suggests that he even perceives an intermediary’s intervention as necessary for the selection of an unqualified candidate, despite the availability of other candidates who are more qualified to do the job. This definition reflects the argument that in many organisations in Jordan and the Arab Middle East HR managers place more weigh on the candidate’s informal networks and personal relationships rather than the fit of qualifications and experience with the job (Hutchings and Weir, 2006a).

Finally, similar to the definition offered by interviewee B as discussed above, the definition of wasta provided by interviewee Q identified the different individuals who might act as an intermediary in the wasta process. However, in this case the intermediary’s intervention is a forceful one rather than a recommendation. This is evident in the following definition by this respondent:

“Wasta is: I know you, whether I know you on a personal level or whether I happen to be someone high up in the government or someone who is influential in one way or another and somebody comes to me; one of my relatives, somebody that I know and says, ‘You know I am trying to get a job. Can you talk to someone at [name of bank N]?’, and they will come and give the CV and then we are forced to hire him”.

It is worth noting that the first three definitions from this group do not refer to the type of the relationship between the job seeker and the intermediate. On the other hand, this definition details this relationship, highlighting that it can be based on either personal relational identification between the job seeker and the intermediate, or based on categorical social identification between the candidate and the intermediate. This is because both parties see themselves sharing a common characteristic, despite not knowing each other on a personal level and having other differences (Davis, 2014).

This definition focuses on the structure of the network that provides the basis for *wasta* connections, as exemplified by family networks (relatives) and other networks based on personal acquaintances. It particularly highlights the dynamics of ties between members of the networks, such as the role of power, where members of the network use their ties to members in high positions to help them gain employment. As such, it corresponds with definitions of *wasta* offered by the researchers discussed in section 2.3.1, which focus on the structures and dynamics of networks of individuals, and which provides the basis for the exchange of favours and reciprocation between individuals (e.g. Hutchings and Weir, 2006a, 2006b; Ronsin, 2010; Barnett et al., 2013).

This view is particularly reflective of the definition of *wasta* offered by Hutchings and Weir (2006a: 143) which highlights the role of different social networks in facilitating the sharing of information to attain goals for members through the exercise of power and influence. They identify *wasta* as:

“Social networks of interpersonal connections rooted in family and kinship ties and implicating the exercise of power, influence, and information sharing through social and politico-business networks”.

Adopting the power perspective to analyse definitions adhering to this view, it can be argued that this entails two different ways in which *wasta* can function, in terms of how the power of the intermediary is used. The first way is in using *wasta* to pressure the higher management/ownership of an organisation in order to ‘force’ the decision maker to hire the job seeker (definitions by respondents K, M and Q). The second way is in using an intermediate’s high status or powerful position, whether internal or external to the organisation, in an attempt to influence the decision to hire (definitions by respondents H, I, and N). Both approaches involve the use of powerful actors in a social network to help secure employment.

It can be observed from table 2.1 and the subsequent discussions that more interviewees defined *wasta* through the second, more forceful or influential view than those who viewed it as a recommendation. Moreover, the interviewees who did not define *wasta* referred to the first view of *wasta* when discussing it during their interviews. Based on these observations it can be posited that the

interviewees perceive this use of *wasta* to be more prevalent in the case study organisations. It is argued that this use of *wasta* to substitute formal and systematic merit based employee selection policies and practices produces several negative outcomes for the organisation (such as the possible underperformance of the employees hired in this way) and other potential candidates (who lose employment opportunities for not having these ties). These arguments and associated outcomes will be explored in detail in section 4.2, entitled ‘*wasta* as an enabler to attain jobs’, where the use of *wasta* as a forceful way to secure jobs is discussed, and also in section 4.7 entitled ‘*wasta* as pressure’, where the use of *wasta* to influence the decision to hire is discussed.

From this examination of definitions offered by the interviewees it can be argued that all these definitions are accounted for in the working definition of *wasta* in this thesis, which is as follows:

“The use of personal social networks to attain certain end goals using a currency of ‘favours’, exchanged between members of different groups, both on an inter- and intra-group level. Wasta generally involves the intervention of one or more patron(s) on behalf of the individual seeking the end goal which can range from renewing a passport to securing employment”.

This working definition covers the different perceptions of interviewees in the sense that *wasta* can be used in a variety of ways, particularly in securing employment. It also reflects the different types of networks as identified by interviewees as well as the different actors who can act as intermediaries to help in securing employment. As a result, the working definition, developed and discussed in section 2.3.2 and reiterated here, appears to provide an accurate reflection of definitions appearing both in the literature and as provided by the interviewees.

In summary, *wasta* is viewed by the respondents in two ways with regards to employee selection practices. The first view includes definitions that focus on *wasta* as a way to recommend a candidate to an organisation or to transfer

information between the organisation and the candidate (wasta as a carrier of information and wasta as a guide in the decision to hire). The second view conceives wasta as a way to force an applicant into an organisation or influence the decision to hire (wasta as power and wasta as an enabler to attain jobs). Furthermore, the definitions inform us about the different types of networks that social ties can be used in, as wasta in seeking employment (wasta as social identification, wasta as an exchange). They also inform the type of identification (relational or categorical) that motivates individuals to participate in wasta. These themes constitute the body of this chapter. The next section explores the first theme, the use of wasta as an enabler to get jobs.

4.2 Wasta as an enabler to get jobs

During the analysis of the interviews, it emerged that one of the most common uses of wasta is by job seekers as a way to secure employment without the need to adhere to the set qualification standards, skills, and experiences required for the job.

This use of wasta was first highlighted in the definitions of wasta offered by interviewees H, M, N, I, and Q, discussed in the previous section, where respondents perceived wasta as a way to either forcefully attain a job or to use an intermediate's high status or powerful position to influence a hiring decision. This section discusses the use of wasta as a forceful way to attain a job by intervention of higher management/ownership. The use of wasta as a way to influence the hiring decision will be discussed in section 4.7.

Interviewee C indicated that she is sometimes forced by the general manager to adhere to the request of wasta when hiring a particular candidate:

“The negative is when someone comes and you say ‘No, this person is not good or competent’, and tell the general manager ‘Sorry, this person does not fit with us’, and he says ‘No, hire him’”.

In this situation the respondent is explaining how she receives CV's from the general manager for individuals seeking employment. The interviewee indicated

that the candidates then go through the formal selection process after which the candidate is deemed to fit with the job requirements or not. The respondent further explained that in the majority of cases where she deems a candidate as being unfit for a job the general manager does not pursue this further. However, in some situations the general manager tells her to proceed by hiring the candidate despite their lack of qualifications or fit with the job. In such situations the decision maker in the selection process perceived that he/she was forced to hire the candidate despite holding reservations about their capacity to perform the job.

This situation reflects the definitions offered by respondent's K, M and, Q, introduced in table 4.1 and discussed in the previous section, where the interviewee's highlighted that *wasta* is used to force the decision maker responsible for employee selection, usually the HR or recruitment and selection manager in the case study organisations, to hire a particular candidate. As such, *wasta*, as the candidate's social capital (*wasta*) can be understood as being the sole reason for decision makers (the HR, recruitment and selection managers) to hire the candidate, and thus is an enabler to find jobs. The hiring is done regardless of his/her qualifications, skills or fit with the position.

In this situation an individual seeking employment uses his/her social ties to reach out to an intermediary (usually somebody in a high position) with the power to force the decision maker to hire this candidate, even though he/she lacks the required skills and qualifications for the job. As such, this group identified *wasta* as a 'forceful' form of intercession that enables job attainment by means that are outside standard employee selection processes. This echoes definitions by Sakarna and Kanakri (2005) and Gold and Naufal (2012) discussed in section 2.3.1. These researchers describe *wasta* as a way to gain something favourable, outside of normative processes (Gold and Naufal, 2012) or which may violate regulations or standard rules (Sakarna and Kanakri, 2005), therefore, conforming to this view of *wasta*.

Interviewee M was also subjected to this practice of *wasta*, having to hire candidates due to 'orders' from his manager, despite his conviction that they did not meet the personal specifications or criteria set for the job post. When asked

why job seekers refer to *wasta* to attain employment, the interviewee responded:

*“To create an opportunity [...] he is not able to attain, so in a normal situation he will not be able to attain this opportunity. So for example we select the candidates who have the highest GPAs and who have an ‘excellent’ mark and somebody has a ‘good’ mark. This individual will not be a candidate so he will look for a *wasta* so it could find him an opportunity to be hired”.*

It can be understood from this statement that in a normal situation a candidate will not be considered for the job if they do not meet the job requirements, since the formal procedures indicate that only candidates with the highest GPA's (grade point average) are to be put forward for selection. As such, candidates who have not achieved such grades utilise their social ties to reach an intermediary who can influence the decision to hire. In this case, this results in them bypassing the formal procedures and securing the job despite the fact that they do not meet the person specification for the role. This was previously highlighted by Cunningham and Sarayrah (1993) who indicate that candidates who perceive that they have little chance in attaining a particular job they applied for seek *wasta* to complement and supplement their qualification in an attempt to secure this job.

The interviewees linked this use of *wasta* with what they viewed as a perceived need by job seekers to use *wasta* as a way to guarantee securing a job. This was further discussed by the interviewee Q who explained that the use of *wasta* is perceived by job seekers to be very important to attain an edge in the very competitive Jordanian job market, explaining that:

“The best edge is to get the prime minister to come in and talk to the CEO and tell him ‘I want this person in that position’, and automatically he will get it”.

Here the interviewee explains that *wasta* is perceived by the job seeker to provide him/ her with an edge over other candidates, as using a person in a position of power such as the CEO of the company as an internal intermediary is seen as the way to secure employment by candidates according to this interviewee. Interviewee I also affirmed the perceived importance of a job seeker's social capital in attaining employment, when she stated:

“You cannot limit the usage of wasta because it is built in our minds. So when people say ‘bamon alek’, they get hired in the organisation.”

In this statement the interviewee perceives wasta as something deeply engrained in the mindset of Jordanians. In explaining the perceived need for job seekers to use wasta to secure a job, interviewee C highlighted how such requests rely on the emotional value of the social ties between the intermediary and the decision maker. She indicated that an intermediary who is seeking employment for a job seeker will play upon the emotional value that the decision maker attaches to them, in order to ‘enforce’ the hiring of the job seeker. This is highlighted in the interviewee’s reference to ‘bamon alek’, which is an Arabic term where somebody requests something because he perceives himself as being emotionally valuable to the other person. This perception of having some value can be linked with the in-group favouritism as identified by Tajfel and Turner, (1979). Social identity theorists argue that individuals will favour others who they identify as members of their in-group. In such instances the need to satisfy the expectations of group members, whether the in-group is the family, tribe or ethnic origin; Palestinian or Jordanian, members of the same religion; Muslims or Christian, overcomes the ‘need’ to comply with merit based selection and is prioritised over achieving organisational goals and objectives (Hutchings and Weir, 2006a).

4.2.1 Implications of using Wasta as an enabler to get a job on HRM

This perception of wasta as being the only way to get hired has become common practice for candidates seeking employment in the Jordanian banking sector, regardless of their qualification levels or fit with these jobs. This was clearly indicated by interviewee E who, when speaking about how this impacted the ‘structure’ of employees in the bank he works at, explained that:

“There are at least 5% of employees here who are unable to perform [because they were hired through wasta].”

This statement highlights interviewee E’s perception that the wide use of wasta as an enabler to attain jobs by individuals who do not possess the required qualifications and skills has resulted in many employees who are unable to

satisfactorily perform their jobs in the bank he works in. Interviewee Q confirms this widespread practice by stating:

“We do the majority of our hiring through wastas to be honest with you...we are probably the one bank in Jordan that hired the highest number of people through wasta and not through qualifications”.

Here interviewee Q illustrates the extensive use of this practice in her organisation, which reflects the reliance on wasta as an informal policy for employee selection. These two statements exemplify the general perception held by the majority of interviewees that wasta is used as an enabler to attain jobs, as many positions in the case study banks are being held by candidates who lack the required skills and qualifications for the job due to this practice.

The selection of a candidate who does not possess the required skills and qualifications results in a mismatch between the individual occupying the job and the requirements of the job. This mismatch leads to an inability to perform the requirements of the job by the employee hired through wasta (Cunningham and Sarayrah, 1993). This mismatch is reflected in other statement offered by Interviewee K who describes wasta as follows:

“Wasta is when you get someone who does not fit with the job, this is wasta.”

Interviewee N further expanded on this point by stating:

“Wasta is recruiting a non-suitable candidate in a non-suitable position. If the candidate was found suitable for the position it’s not wasta”.

As such, it appears that the interviewees who are subjected to this forceful use of wasta only deem the intermediation to hire a certain candidate to be a wasta if it creates a disparity between the candidate who is hired and the skills, qualifications and fit needed for the job this candidate occupies.

Most of these interviewees, however, highlight that the widespread practice of this forceful use of wasta usually extends only to existing vacancies in the organisation they work at. This was confirmed by interviewee O who, when speaking about this use of wasta in the bank he works at, said:

“Actually we apply it to the approved vacancies here. There are no cases where we open a new vacancy to fit the new wasta. No, we have our vacancies and wasta come to these vacancies.”

This is in agreement with the findings of the majority of previous researchers who explored the impact of wasta on HRM policy and practice (e.g. Loewe et al, 2007; 2008). Interestingly, however, interviewee Q attributed an even stronger effect to the use of one’s social capital as an enabler to get jobs. She stated that this use of wasta is so prevalent and influential in the bank she works at, they even create jobs to employee job seekers who use such wasta:

“Sometimes we hire them because of the wasta when there really isn’t a vacancy for them to have.”

This finding highlights that wasta could have such a substantial influence that it surpasses any form of written or unwritten policy and leads to the creation of a job specifically for the candidate who has this wasta regardless of the organisation’s need for the creation of this job.

It is important to note that several interviewees highlighted their perception that the banking sector is characterised by a certain degree of specialisation. Not all positions are subject to this use of wasta as certain minimum skills, abilities and qualifications are required. This is clearly evidenced by the following statement of interviewee C:

“Let me tell you, for example, our general manager forces on us to hire somebody in the corporate division and specifically in the RM [relationship manager] position but sorry, the qualifications do not fit and this person does not know how to do the analysis required in this position, so he cannot tell me to do this. Neither can he tell me to put him in finance or IT because he is not qualified. But he can tell me to put him in certain positions which are the front line positions such as a teller, an admin position, an operator or at the help desk [...] what I mean is that for these certain junior positions there is no problem in doing this”.

This statement demonstrates that candidates would not be hired based on wasta for such highly skilled or specialised positions, but that they may be hired

for more junior positions based on wasta. It can be deduced from these statements that there is a perception that although this use of wasta seems to be widespread, it is limited to certain 'general' jobs and does not extend to highly specialised or highly skilled jobs like those in the finance or Information technology (IT) departments.

However, the forceful intervention of an intermediate to hire a candidate who lacks the necessary qualifications, skills or fit with the job, was deemed by interviewees as being a practice that would produce several negative outcomes for the organisation. Interviewee L explains:

"[...] if you get somebody through wasta and he is not qualified to work they will definitely have an effect on the bank. Firstly they are gonna [going to] spread negativity around them, people will know that he came through wasta and that he does not work and if he is a manager of somebody the people under him will not work but on the contrary. Organisation and every level wasta is something that is not [good]."

The statement highlights the first of the perceived negative outcomes of using wasta as an enabler to attain jobs for individuals who are not qualified for it. This is the feeling of inequity by colleagues, managers, and individuals working under the employee hired through wasta, as they see this person as being unqualified and unable to do the job. This corresponds to the findings of Mohamed and Hamdy (2008) who, using Attribution Theory to explore the perceptions of students on employees hired through wasta, found that these employees will be perceived negatively by other stakeholders in the organisation (including colleagues). This negative perception impacts on the motivation of these employees (as any accomplishment they do is attributed to them having wasta) and the motivation of other employees due to the feelings of unfairness.

Interviewee N explains how this feeling of inequity impacts the organisation, stating that:

"It will affect as well the morale of the qualified individuals. Lost opportunity, it is not only...its double the impact. What I mean is if you accept to hire (an) unqualified candidate for a position you lost due to his poor performance and

you lost the opportunity of an excellent candidate that could have performed, so it's double the cost. And as well the candidate; you lost his morale and willingness to apply to reputed organisations in the country."

It can be understood from the statement that the interviewee perceives that this feeling of inequity causes the de-motivation of different stakeholders. This then affects productivity and ultimately, will negatively impact on the organisation's profits, a point which constitutes the second perceived negative outcome. The latter point is confirmed by the findings of Abdalla et al., (1998) who argue that hiring candidates for a job they are not qualified for due to family relations will eventually lead to decreased performance of the organisation and eventually reduced outcomes and profit.

The statement also highlights a third negative perceived outcome of the use of forced *wasta* in hiring unqualified employees, that of the associated opportunity cost where the organisation loses out on qualified candidates who have been overlooked because *wasta* intervened to hire the unqualified candidate.

This issue of opportunity cost loss was highlighted by Interviewee O, who stated:

*"It is all negative, that sometimes you kill the trended [potential] candidates when you hire someone *wasta* you don't give a luck [chance] to other good candidates".*

Despite the fact that *wasta* is no longer limited to tribal and family networks (Cunningham and Sarayrah, 1993) this point can be linked with the argument that in organisations which focus on employing relatives as a policy, it is expected that the employees' first interest will be family issues at the expense of the organisation. Such organisations will face hardship in attracting and retaining qualified unrelated employees. This is because such employees might avoid working in these organisations due to fear of nepotism or favouritism by management (Abdalla et al., 1998). It is also expected that such firms will mix family problems with those of business, and will find it difficult to fire or demote poor performing relatives employed in these companies (ibid).

The same interviewee introduced a fourth negative outcome; the impact of hiring an unqualified candidate upon product and service quality:

“It will affect the whole organisation that we don’t deliver a good quality of service that, you know, the human capital service is a major asset of the organisation. If you hire unskilled staff or people that don’t have the knowledge and skills we need [that] will affect the whole organisation, in term of quality, and in terms of service, and in terms of everything.”

Here, the interviewee confirms the view that hiring an unqualified employee who does not possess the skills and knowledge needed for the job will have a substantial negative impact on the whole organisation, highlighting how this affects the organisation’s outputs such as a bank’s products and services.

This claim was echoed by interviewee P who, when talking about the negative impact of using *wasta* to force the employment of a job seeker, stated:

*“It would affect the organisation performance of course if you get someone on board though a *wasta* and you believe he is not qualified, so definitely, whether he was in a very junior position mistakes would occur, and yet for the organisation itself he wouldn’t be the best fit for the organisation to move forward”.*

The interviewee here supports the view that the negative outcomes of this use of *wasta* affects the organisation as a whole, even if the position that the *wasta* candidate was hired to is a junior or general one.

The fact that *wasta* is used to attain employment is consistent with the majority of previous studies on *wasta*, namely that this is the main modern day use of *wasta* (e.g. Cunningham and Sarayrah, 1993; El-Said and Harrigan, 2009; Berger et al., 2014) and that *wasta* is perceived to be a major determinant in employee selection (Brainine and Analoui, 2006). Existing literature on social capital theory also highlights the importance of using one’s social capital in seeking employment (Fernandez, 2000). As such, the findings in this respect appear to confirm what previous research has found.

However, the findings from this theme are novel in two different respects. Firstly, previous researchers who explored *wasta*’s impact on employee selection

treated all types of wasta as one by only examining the role of the intermediary in linking the job seeker with the organisation. However, data from the interviewees helps us explore in detail the different roles the intermediary can adopt in the wasta process, such as being a powerful actor influencing the decision making process (which was discussed in this section), being a broker of information between the job seeker and the organisation, being a middle man in the exchange process, or simply providing a recommendation to the organisation (which will be discussed in the following section).

Secondly, while existing social capital literature generally presents social capital usage in seeking employment positively by highlighting its positive impacts on both the organisation (who gets qualified candidates) and job seekers (who receive a job) (Fernandez, 2000)., the data presented here suggests that the dominant use of social capital as an enabler to secure jobs is overwhelmingly viewed by interviewees as negatively affecting the feelings of other qualified candidates, colleagues, managers, and employees working under the individual recruited solely on the basis of wasta. This also negatively affects organisational performance, diminishing the products/service quality and profit of the organisation.

This section explored the theme of using wasta as an enabler to attain jobs. Several interviewees indicated that an individual's social capital (wasta) can operate as the sole factor in their attaining a job, as opposed to other factors such as skills, qualifications and fit with the job. In such cases the candidate is hired despite lacking the qualifications, skills or fit with the job but only for general roles rather than for specialised or highly skilled jobs. The use of wasta as the only factor in selecting employees raises several implications for HRM policies and practices in the organisation. Some of these are negative and includes issues such as employee motivation; feelings of inequity from the different stakeholders which causes the demotivation of people who work with this individual. It also impacts the recruitment and selection of the organisations as it results in a negative opportunity cost for the organisation which overlooks other qualified candidates. Finally, it impacts the productivity of the organisation's employees as it results in poor product or services quality due to the lack of fit between the employee and the job and eventually causes a loss

of profit for the organisation. This negative view of wasta contradicts the positive view of social capital researchers who explored social capital's usage in employment attainment (e.g. Fernandez, 2000). Finally, it was found that interviewees perceive that this practice of wasta was prevalent since job seekers view it as their only means of access to employment. The next section explores the second identified theme, wasta as social ties.

4.3 Wasta as Social Ties/ Categorical Social Identity

This section discusses the second identified theme which relates to the social ties the candidate uses to assist him/her in attaining employment. The focus of this theme was on the discussions which explored tight-knit closed social groups. These were further analysed by using social capital theory and in particular bonding social capital (Gittell and Vidal, 1998; Putnam 2000; Lin, 2005; Patulny and Svendsen, 2007) and linking it to categorical social identities (Davis, 2014).

This use of wasta is reflected in the definitions of wasta offered by interviewees B and Q, discussed in section 5.1, where the focus was on the different actors who may play the role of intermediary in the wasta process.

For example, interviewee B's definition suggests that the person mediating for the candidate is usually an individual from a close group sharing the same family name, origin, workplace, or place of residence as the candidate. The interviewee gave an example of a direct relative (relative of father or mother) or an acquaintance (study colleague) where this relation can assist in attaining a certain goal including employment.

Interviewee C builds on this argument indicating that the intermediate (wasta) could be an indirect relative or member of the tribe as she stated:

"Look, my manager is from one of the tribes in Jordan and I am from one of the tribes in Palestine but I as an HR keep distance from my family [in hiring] and I even notice that my manager does the same. Now sometimes there is a certain pressure. What I mean is that sometimes he comes to me and tells me..."

[Manager C's name] we want that person. But not always. How much is the percentage? What I see in other banks in a lot more. For me it's sometimes one or two people from the Tribes [hired on tribal basis] but not a lot of people are hired this way".

In analysing this statement it can be suggested that despite the acknowledgment of hiring based on social ties in the organisation she works at, the interviewee indicates that this is done on a very small scale and is due to pressure from her manager who acts as an intermediary for his relatives. However, this interviewee suggests that this happens in other banks on a much larger scale which reflects the *wasta* paradox discussed in section 1.6, which argues that *wasta* research is made more complex due to the generally negative view of *wasta*. Therefore, the interviewee may be distancing herself from *wasta* practices by downplaying the scale of *wasta* practice in the bank she works at.

In discussing the rationale for job seekers' widespread use of social ties in banks, interviewee A pointed out that some banks in Jordan are known to be family businesses, making them more receptive to social capital methods of attaining employment:

"Actually, we have some banks in Jordan that are family business which is actually some kind of wasta, a couple of them actually".

Here, the interviewee argued that due to the family based nature of the ownership and management of many of local banks in Jordan, many job seekers utilise their social ties to secure employment at these banks. Interviewee N supports this observation, explaining that this has a major impact upon how these organisations hire employees:

"If you go to some banks you would see most of them are Christians or if you go to the Islamic bank of Jordan you will see almost 100 percent of employees are Muslims. If you go to X bank in Jordan you would find that most of them are from Palestinian origin".

This was also confirmed by manager B who stated:

“If for example you work at company ‘x’ which is a Christian organisation you will find that most of the employees are likely to be Christian. While if you work at an organisation that is owned by a Palestinian family or individual, then again, most likely the majority of the employees of that organisation will be Palestinian”.

These statements highlight a perception of one widespread practice of *wasta* as being rooted in social ties when selecting employees in the case study banks. The interviewees detail a tacit practice of selection based on tribal and religious affiliation in many banks operating in Jordan. This is argued to result in the majority of the organisation’s employees sharing the same religious or ethnic background, which in turn shapes the ‘identity’ of the bank (being a Muslim, Christian, East Jordanian, or Palestinian Jordanian bank).

These statements describe the different types of in-groups (e.g. being Palestinian or Muslim) that form the basis for organisations identification with the candidate. The statements highlight that this shared identity acts as a criterion for organisations in their employee selection. It is important to highlight, however, that the interviewees here do not directly discuss the psychological motivation for job seekers to pursue jobs at organisations which reflect these affiliation, nor do they explain why organisation employ job seekers on this basis. This can be linked with the process of categorical social identification explored in section 2.6.3. Categorical social identities are said to “derive from membership in larger, more impersonal collectives or social categories” where members of such groups have a common value or characteristic but don’t necessarily know each other on personal basis (Brewer and Gardner, 1996). It was further argued that this type of social identity exists in social networks between homogenous groups of people, and thus provides a basis for bonding social capital (Davis, 2014). In these statements individuals identify a commonality with others; being from the same ethnic background (e.g. Palestinian Jordanian), or belonging to the same religious group (e.g. Christian). This identification provides a psychological motivator for individuals to accept acting as an intermediary or *wasta* for job seekers despite the fact that they might have other different characteristics or that they don’t know them personally. Despite these references to religion as the main distinctive

characteristic or identity commonality between the bank's ownership/management and employees, it should be noted that this is also closely linked with family and tribal affiliations. A statement by interviewee C further elaborates this:

"I was told by one of my colleagues who is Jordanian Christian and who was hired by one bank and was told to hire his own team. However, he was also told that the priority in hiring was first for a Jordanian Christian, then to a Jordanian Muslim, then a Palestinian Christian then to a Palestinian Muslim".

Both East bank Jordanian and Palestinian tribes and families are known to be either Muslim or Christian (Cunningham and Sarayrah, 1993) which adds another dimension to the type of group (i.e. being an East bank Jordanian Muslim or Palestinian Jordanian Christian). This point is confirmed in the example given above from personal experience given by Interviewee C.

Other types of commonality also appear in statements of the interviewee's. These include shared region of residence or place of birth, as manager B suggests:

"I know another bank where, because the HR manager is from a tribal background and is not from Amman but from the north, most of the people who get hired there are either from Al-Karak [a city in the north] or from his family [his relatives]. This happens on a big scale, not a small one".

It can be argued here that the use of *wasta* deriving from social ties draws heavily on the identity of the organisation and its ownership/management. This facilitates employment based on such identities that represent a close knit inward-looking social network that is founded upon family, religion or region of birth or residence.

Adopting the social capital lens, particularly bridging and bonding social capital, and with reference to the discussion presented on bonding social capital in Section 2.6.2 – where bonding social capital is defined as intra-community or intra-group networks that occur most frequently in families, kinship, specific ethnic or other relatively similar groups bound together by shared identities, interests, or places of residence (Gittell and Vidal, 1998: 8) – it can be argued

that candidates' attempts to secure employment through the utilisation of relationships with people of shared origin (Jordanian, Palestinian), religion (Christian, Muslim) or geographical location (e.g. Amman or Al- Karak), with members, managers and owners of the banks, reflects the bonding form of social capital.

These banks function as inward-looking social groups where the bonding relationship between its members provides them with material and non-material benefits that allow them to "get by" in life (El-Said and Harrigan, 2009: 1237). As members of this group can act as a *wasta* for a candidate seeking employment just because he/ she share the same origin or religion, or comes from the same city or region. The *wasta* here acts either as an intermediary to help the candidate attain employment at the organisation, or helps the candidate by finding another intermediate that is in a position to help the candidate gain employment. Interviewee M explains this process:

"When somebody wants to use someone as a wasta who will he look for?! Either someone from his relatives or 'his people', or somebody close to him from his surroundings. So either through his father, or through his grandfather, or through someone from his relatives, or through a friend, and tell him 'I want this or that. Who do you have from your surrounding that can help me with this...?' From the collectivist stance you will find that he will help him whether he is his friend or relative, or just from his surrounding, he will help him. And he will also try to get him someone from his side which is a famous individual, whether a person who works at the government or holds a high position, or who has certain connections to help him, and he will go search for this connection and go back to him and tell him 'Yes, I found this person who can help you. Go and see him'."

This quote demonstrates that the use of *wasta* as social ties can have positive outcomes by helping individuals seeking employment. This help comes from what the interviewee described as 'the individual's people'; family, friends and close acquaintances who either act as an intermediary, or use their social ties to locate an intermediary who can help in securing a job for this individual.

Banks that hire employees based on social ties were perceived by the interviewees as doing so for three main reasons, the first of which was highlighted in this statement by interviewee D:

“I am not aware of any certain law or regulation which really governs the recruitment process. It’s just that you have a minimum pay that is set by the government basically that you have to pay a minimum... salary...that If you have a term contract it is different than a [an] open-end contract...these types of things, but it doesn’t really govern weather you choose candidate A or B ...this is the type of information we get from regulations”.

Here, the interviewee perceives that the laws regulating employment only govern issues such as minimum wage and contractual issues. Although she is an experienced HR practitioner with many years’ experience working in HR departments of banks operating in Jordan, she stated that she is not aware of any employment laws to prevent discriminatory selection practices in banking and other sectors in Jordan. Hence, this was highlighted as the first reason for this wide spread practice, - a lack of regulation or implementation of existing laws that govern employee selection in Jordan.

This relates to the review of researchers of social capital in Jordan presented in section 1.1 who argued that weak dysfunctional formal institutions regulating Jordanian society, have made way for the informal system (El-Said and Harrigan, 2009; Weir et al., 2015). This can be interpreted to have impacted HR policies and practices in banks operating in Jordan as it produced the widespread practice of banks selecting candidates through informal social ties, regardless of their skills, qualifications, and fit with the job disregarding systematic and merit based selection methods (Hutchings and Weir, 2006a). Interviewee B confirms this perception:

“The regulators have not enforced any laws or regulations on the recruitment and selection process of organisations in Jordan. Usually this has resulted in organisations recruiting based on connections, both tribal and friendships driven, and you know that most business here are family businesses and this even goes for large banks as, at the end of the day, as there are also family businesses. There are few businesses that are ‘organisations’ in the sense that

their operations are governed by processes while the rest are family businesses”.

This statement further explains the perception that the lack of enforcement of formal laws and regulations to govern employee selection has led family owned banks to be able to hire candidates based solely upon their membership of the family based network. This has deeper effects as Interviewee H suggests:

“The nature of Jordan; first tribalism. What I mean, it is a political party as everybody wants to benefit their relatives and friends so this impacts in a big way”.

The interviewee explicitly states that he perceives the tribal nature of the Jordanian society to be a key factor for the use of close strong ties based, in many cases, on family membership as the sole criterion in employee selection. Hence, the second reason identified by the interviewees is the tribal mentality prevalent in Jordanian society, which drives members of the tribe to express solidarity with other members by acting as a *wasta* for them. Interviewee F also supported this argument:

“Wasta is a product of the tribal mentality here”.

This loyalty to the tribe and solidarity with its members is an element of the bonding groups’ exchange, discussed in section 2.6.2, where solidarity with other members of a close knit bonding group facilitates the exchange of information and resources, which in this case such means access to employment. It also reflects in-group favouritism resulting from identification with the members of the tribe as discussed by Tajfel and Turner (1989) and presented in section 2.6.3.

The statement from manager N outlined the third and final reason for the prevalent use of social ties in employee selection:

“Organisations in Jordan grew and most of them started as family businesses and they grew and they became corporates and it is not easy to switch from a family business to a corporate culture”.

This statement relates to the nature of the historical development of Jordan's economy where, as discussed in section 1.5.1, the majority of local organisations evolved from family businesses that started in Jordan or Palestine. These organisations are perceived by the candidates to be applying a family mentality in their hiring practices despite having expanded to a regional or multinational scale in some cases. Manager N explains this in two statements:

“I think it is linked to the methodology of economical growth. Jordan mainly...it's was built in the past 50-70 years and most of the businesses started indeed as family businesses and even the Arab bank one of the biggest organisations in Jordan, it started as a family business, ok, for 'Shoman'. If you go to 'Al Hikma' one of the biggest organisations in Jordan it started as a family business, now they became a corporate and they are listed in the stock market but it is still kind of a family business, ok. So the reason is that these organisation(s) grew. Maybe with time, after years when the stock holders and shareholders of these organisations, over the years, change and vary and there would be diversity within the shareholders, then this culture will start to demolish...eventually”.

In this statement manager N provides examples of some of organisations that are linked with Jordanian families such as the Arab Bank which was established and run by the Shoman family over a number generations, despite growing from being a local bank established in Palestine (which later on moved to Jordan after the Arab Israeli conflict) to multinational status. The interviewee uses these examples to support his view that these organisations are still governed by a family mentality in selecting employees from their own in-group (Palestinian Jordanians in this case). This can be seen in the terminology the interviewee uses as he states that in the future he expects that these organisations will diversify when stock and shareholders change, thus implying that they are not diverse at the moment. This confirms the claims of Afioni et al., (2013) who argue that HRM practices in the countries of the Arab Middle East (including Jordan) are still in an evolutionary stage and yet to achieve maturity.

These three reasons illustrate how this use of wasta is deep-rooted in the Jordanian mentality. This relates to the discussion in section 1.1 on how the practice of wasta has developed with Jordanian society's evolution from tribes that use intermediation for conflict resolution into informal groups and organisations which are bonded together by origin, religion, or geographical location, and which use intercession to achieve business goals and secure employment for its members (Cunningham and Sarayrah, 1993).

4.3.1 Implications of using Wasta as Social Ties on HRM

During the interviews several discussions revolved around the impact of using wasta in the selection of employees who share a common characteristic and as such identify as members of the same in-group.

The majority of the identified implications were perceived to be negative in their impact on HRM in organisations where this use of wasta prevails. This is because hiring candidates based on their membership in these inward-looking bonding groups also exclude candidates who do not share the same characteristics as its members. Since banks hire candidates as based upon their geographical origin or religion, they have been perceived in a negative way and accused of adopting discriminatory practices by interviewees. This is exemplified by the statement of interviewee G who, when discussing the existence of hiring based on religious affiliation in some banks operating in Jordan, stated:

"This discrimination, it is not clear but it exists".

In this instance the interviewee was referring to banks that he perceived to have an employee selection policy that is based on religious, and arguably, tribal affiliation. This highlights that although this practice is not apparent he believes it to be prevalent in many banks operating in Jordan. This shows that selecting employees based only upon shared characteristics is viewed negatively by some interviewees as a discriminatory act.

This negative outcome can be linked to the argument presented in section 2.6.1 where it is believed that the information and resources shared between members of closed or dense networks are highly redundant due to the assumed similarity of members of these networks (Lin, 2001). Therefore, following the arguments of Coleman (1988) and Burt (2001), banks who hire employees on the basis of their social ties will have little flow of new information or resources into the organisation if no external ties are utilised by members of this network. This lack of diversity of new information and resources has a major impact on HRM in these organisations as it can restrict creativity and innovation in practice that can provide a bank with a distinct competitive advantage (Albdour and Altarawneh, 2012). Finally, if the qualification of the candidate hired do not fit the requirements of the position this can negatively impact the organisation and other candidates as discussed in the previous section. Furthermore, using the social identity lens, it can be argued that through identification on the basis of tribal or religious affiliation, these organisation are practicing in-group favouritism that excludes outer group such as members of other tribes or religions.

This theme identified how *wasta*, as social ties, reflects members of the same close-knit groups using their bonding social capital to attain employment in organisations that they identify with and categorise themselves in based on shared characteristics, which include religion (Muslim or Christian), origin (East bank Jordanian or Palestinian Jordanian), or geographical location (e.g. being from West Amman or a city in the south or north of Jordan). Banks' hiring of employees due to their social ties was attributed to three main reasons by the interviewees: firstly, the lack of existence and implementation of laws that govern employee selection in Jordan, where informal hiring practices had replaced dysfunctional formal practices; secondly, the prevalence of a tribal mentality in Jordanian organisations, where members of tribes are expected to demonstrate solidarity with other members in exchange for resources such as employment; and thirdly, the nature of evolution of Jordanian organisations, of which, most are family owned/managed and have still maintained a family mentality where employment decisions prioritised direct and indirect family members, regardless of the scale of the organisation. Hiring employees based

on their social ties has several implications on HRM practice as it was perceived as a positive for job seekers who get help in a highly competitive Jordanian job market. However, the negative implications seem to outweigh the positives, as interviewees believed that hiring based on this type of *wasta* constrains employee diversity in the organisation, resulting in the exclusion of candidates who do not share the same characteristics as its members. The resultant negative effects on HRM and organisational performance are those as discussed in the previous section.

The following section discusses the use of *wasta* as a method of transferring information between the candidate and organisation.

4.4 Wasta as a carrier of information

A third use of *wasta* was uncovered during the interviews; as a method to transfer information about a job seeking candidate to an organisation, and conversely, about a vacancy in an organisation to the candidate. In this type of *wasta*, the intermediary acts as a broker of information between the individual seeking employment and the organisation which seeks an employee. Information brokers are members of one group or network who possesses a tie with a member or members of another group, thus allowing them to connect these groups (Burt 2000, 2005).

This type of *wasta* was explored in section 2.6.1, based on the work of Burt (2000, 2001, 2005) who examines the role of information brokers in the transfer of information over structural holes, which are vacuums of social ties between members from the same or different networks and which prevent the transfer of information and resources (ibid). This use of *wasta* was identified in several statements made by the interviewees where they define *wasta* or discuss its use in employee selection processes. An example is the definition from interviewee A. In the first section of this chapter it was argued that this definition is consistent with several definitions discussed in section 2.1 (Fathi, 1993; Al-Kilani, 2001; Mohamed and Hamdy, 2008; Brandstaetter, 2013) which portray *wasta* as a tool or process used to establish links between individuals, and

which enables them to acquire different types of resources (in this case the resources involve the employee selection practices which reward both the candidate, who gets the job, and the organisation, who get a qualified candidate).

Another example on this use of *wasta* is given by interviewee C who, when explaining the different types or uses of *wasta*, stated:

“Look there is many types of wasta and some of them might be good. There is a wasta that opens the door for a person and tells you come checkout this person and sometimes he is very good and I am happy with this wasta. This is a good wasta. But the other type of wasta is when I want to enforce this person”.

This statement illustrates that this interviewee recognises two different types of *wasta*. The first type is the use of an intermediary to impose an individual upon an organisation (*wasta* as an enabler to attain jobs) which was discussed earlier as the first theme. The second type is using an intermediary to introduce the individual to the decision maker in the organisation (the HR or recruitment and selection manager) in order to establish an information link between the job seeker and the organisation. The same interviewee elaborated on this point, indicating:

“For example I sometimes get some CVs that are sent from the general managers and he tells me, [Interviewee C’s name] Can you see these for me?’. So these are brought in as wasta. When I interview them these fit the profile I am looking for and I think ‘Yes this is what I am looking for’ and they go through the regular procedures but they do fit. But what he did is open the door for them to get their CV to us”.

This example indicates that interviewee C perceives the use of *wasta* as being a carrier of information, to be a positive thing, since *wasta* here entails that the candidate is referred to the recruitment and selection/ HR manager on recommendation and goes through the employee selection process like any other candidate. This positive view of this use of *wasta* was echoed by interviewee B who states:

“The wasta that is here is a sort of acceptable wasta to us which is a ‘referral’, where you refer someone that you know is good (qualified) and we will give you money for referring that person. But this person goes through the routine selection process and you are just acting as a recruitment agent in that you brought me the CV and after that it goes through the regular selection process”.

In this statement interviewee B explains that she also sees using wasta as an information carrier to be a positive thing, echoing interviewee’s C stipulation that the candidate should go through the formal selection process like other candidates for this practice to be a positive one. Interviewee B goes on to suggest that her organisation even pays money to an employee who acts as an intermediary to provide them with a qualified candidate.

Finally, interviewee K shared this positive perspective about this type of wasta by stating:

“Wasta can also be beneficial for organisations as it is equivalent to having a head hunter working on your behalf. When someone sends me a good CV I see this as a positive thing”.

Here, interviewee K highlights a possible positive outcome from using wasta as a carrier of information about the candidate. It can provide a saving of time and money for the organisation, as the intermediary is acting as a head hunter on their behalf and securing good quality employees who go through the formal vetting process to assess their abilities and fit with the job. This view is consistent with the findings of AlHussan et al., (2015) who found that wasta can act as a risk minimiser for an organisation as the fact that an intermediary recommending an individual provides the organisation with a guarantee, as he/she will want to maintain his trustworthy status so will only recommend an individual who he/she perceives to be able to do the perform adequately. This corresponds to the findings of previous HRM research in the context of the Arab Middle East, which highlights that a personal recommendation of candidates is likely to result in a smaller and more concise set of suitable potential employees, thus saving both time and money for the organization seeking a qualified candidate for a particular vacancy (Kropf and Newbury-Smith., 2015).

A main issue to highlight here is exploring what motivates individuals to act as an intermediary (or *wasta*) between the job seeker and the organisation. This can be explained through the concept of role identity, as it can be argued that whilst the intermediary might not extrinsically benefit from this process this individual might act as a *wasta* as he/ she see themselves according to how their roles connect rather than in terms of individual interest (Stets and Burke, 2000). In such circumstances, the importance of the role prevails and might prompt individuals to act as a *wasta* to others, even where they do not share characteristics or interests. The benefits for the intermediary could be either intrinsic or extrinsic. The benefits for the intermediary will be explored in section 4.6 (*wasta* as an exchange/ role identity).

From these statements it can be argued that the interviewees perceive *wasta* here as a referral of a candidate to the organisation, bridging a gap between these two parties. Using social capital theory to analyse these statements, it can be argued that *wasta* here embodies the 'brokerage' aspect of social capital identified by Burt (2005) where an intermediate acts as a broker of information 'carrying' this information over structural holes between both groups – the individual seeking employment and the organisation seeking an employee.

The interviewees do not perceive this *wasta* as an endeavour to influence the decision to hire or to impose the candidate upon an organisation, but rather as an attempt to provide a link between both parties. In this case, the intermediary suggests a candidate option to the individual(s) responsible for selecting employees, identified in the case study banks as the human resource/recruitment manager. Information about the candidate's credentials and skills are 'carried' by the intermediate through the structural holes between the two groups and the organisation are made aware of this candidate and his/her credential and skills. The candidate then goes through the usual selection process as any other candidate and is hired only if deemed to be the most suitable candidate in terms of qualifications and experience.

4.4.1 Implications of using *Wasta* as a carrier of information on HRM

This use of *wasta* as a carrier of information can have several implications for HRM in the organisation where it is practiced. These implications can be either

positive or negative. This first positive implication relates to the recruitment and selection policy of the organisation as an intermediary can act as a 'connection' point between qualified candidates and the organisation. This is evidenced in the statement by

Interviewee N who states:

"For me I receive hundreds of CVs each week so I would not be able to look into these hundreds of CVs. but if a CV was brought to me, you know, it was flashed, brought to me out of these hundreds of CVs and I found it suitable, then yes. So basically I cannot call this wasta".

Here, the interviewee describes how wasta can be used by an intermediary who brings a candidate's CV to the decision maker and if this CV is perceived to be suitable then this candidate can be considered for employment. It can be understood from this statement that the interviewee perceives using wasta, albeit not calling it wasta, as a recommendation to be helpful for the candidate by providing him/ her with an opportunity to stand out to the organisation as distinct from a large number of applicants, especially in a job market like Jordan's which is characterised by chronic high unemployment (El-Said and Harrigan, 2009: 1235). As highlighted in section 2.7.4 a personal recommendation of candidates is likely to result in a smaller and more select group of suitable potential employees, thus saving both time and money for the organisation seeking a qualified candidate for a particular vacancy (Kropf and Newbury-Smith, 2015). Here, the use of an intermediary who carries the information about the candidate to the HR/ recruitment and selection manager overcomes the information gap that could otherwise prevent this.

The second positive implication was outlined by interviewee A who stated:

"Good people in banks, mostly they are known in Jordan. I might sound a little bit 'not very scientific' in what I am saying but this is a fact about banking. For example if I want to hire a branch manager. Basically, branch managers are known in Jordan [as] Jordan is a very small market and I don't need to look for more than four or five banks in the main branches or the area branches. I want to hire in order to attract some people you know".

In this statement interviewee A highlights that due to the small size of the Jordanian banking sector, 'good' candidates suited to certain positions are limited in their number, and as such, adopting an employee selection policy that utilises *wasta* as a carrier of information was perceived to be of particular benefit to organisations since this *wasta* connects a HR/ recruitment and selection manager with qualified candidates which can be very beneficial to the HR/ recruitment and selection manager, particularly in specialised jobs which require specialised skills and qualifications. This is especially true in Jordan, as although there is an abundance of individuals seeking employment, the country suffers heavily from brain-drain of highly skilled workers who emigrate to work in the high-salary gulf countries. This leaves a gap in the market for highly skilled technical jobs (El-Said and Harrigan, 2009). The individual is likely to benefit here by being offered a better career opportunity in an organisation that recognises his/her qualifications, skills and experience.

This reflects the findings of Fernandez et al., (2010), discussed in section 2.8, who found that many employers try to minimise risk and the potential damage of hiring unqualified candidates, and promote commitment to develop an individual's career with the firm, by hiring through informal channels.

A third positive implication was recognised by interviewee I who explained her perceived outlook for employing a qualified candidate through social ties:

"You're bringing new blood to the organisation. You're bringing in new thoughts, new ideas if it is a good wasta. What I mean is good wasta is a referral. It is not a wasta. Sometimes it works, sometimes it will not work. The effect is you bring in new blood, new ideas to the organisation where maybe they can improve processes, policies, procedures. It depends on the staff, him or herself, okay".

Here the interviewee highlights that using social ties via a referral brokerage of information might be beneficial for the organisation by bringing in new perspectives from employees who can improve the organisation. This particular point can be related to bridging social capital, linking members of different networks. This is because implying that the broker is bringing in new blood indicates that the broker is bringing in individuals from a different network who do not share the same characteristics of the members of the organisation

(Gittell and Vidal, 1998). This also links to relational social identity, where individuals identify with others who they know personally and as such provide them with favours (in this case a recommendation) based on this identification. As such, the benefits of having a diverse employment culture are arguably only achieved when bridging social capital is used. These benefits are embodied in increased job engagement (Albdour and Altarawneh, 2012) and organisational commitment (Albdour and Altarawneh, 2014).

The final positive outcome was explained by interviewee C who stated:

“Now in all honesty my personal experience with referrals is good. Why? Because the person who sends the referrals to us knows the culture and environment that we have, so he/she already knows that this person is suitable with not ‘the position’...let’s say, he can be with this entity as our culture is a bit different”.

In this statement the interviewee suggests that the intermediate’s knowledge of both the organisation and the candidate provides them with the ability to assess both parties’ fit with each other, resulting in the organisation obtaining an employee who fits the culture of the organisation. This can be further linked with role identity where the basis of the identification is the role the intermediate is acting in and which constitutes the basis for favour provision and reciprocity (Davis, 2014).

This fit was deemed to be important by many interviewees. For example, interviewee A stated:

“Now in [Bank A] in particular the most important thing is for this person to fit in our culture and it’s still a very different culture among the other banks”

Interviewee A attributed this need for the employees fit with the organisational culture to the fact that Bank A is an Islamic bank and as such, she perceives that employees must reflect the bank’s cultural image. This perceived need for the employee to fit with a culture was highlighted as an important factor by many of the interviewees and extended to other commercial (non-Islamic) banks, both local and multinational. Interviewee L explained this:

“In the culture of [Bank I] we target [specific] people. When we want to hire we look for people from specific universities to take from. For example, specific locations, especially that we are a service bank that has most of its branches in west Amman. We have some locations in Irbid, Aqaba and Zarqa. Fine you employ people there from the same culture of these areas but all of our, let’s say, top branches are based in west Amman so the culture is already different there, the mentality of people is different, the way they deal with each other is different, and the network is different. So any person who comes to the bank, we check his culture, his background, where did he study starting from the school up to the university, then the location he lives in, who is his network, who are his friends and who are the people who he deals with which is the network that he developed from school and university, and his appearance and his look. So we are targeting the people who we want to hire. We don’t get people...in our culture, we don’t hire.... Now as a society we have all types of people and all people are good and blessed but at the end of the day, we go and target certain people that we want”.

In this statement interviewee L exemplifies the perceived importance of ‘fit’ between the organisational culture and the candidate’s culture, as highlighted by many of the interviewees. Although achieving this fit was perceived by the interviewee’s as a positive outcome of using *wasta* as a carrier of information, none of the interviewees outlined why they perceived this to be so important or what benefits this fit may yield. Interviewee L expressed a belief that there can be very negative results for the organisation for not achieving this fit:

“If you don’t hire people from a certain culture to reflect your image and branding, image and mission of the bank for your targeted customers, then you fail”.

From this statement it can be said that the interviewee perceives cultural fit as a sign of the employee’s ability to reflect the characteristics of the organisation’s identity and culture. Adopting a social capital lens in exploring this reveals a close knit bonding group that excludes outsiders who do not share the group’s characteristics, leading to a group characterised by close similarities and where deviation from the norm results in sanctions (Burt, 2005). This also links to

social categorisation as discussed by Turner (1987) where it was argued that identification with other based on certain characteristics brings the danger of extremely closed in-groups that provide favours and resources to members of the in-group while excluding out-group members.

As such, this practice will possibly lead to having a contingent of very similar employees in the organisation. This lack of employee diversity could lead to several negative outcomes for the organisations HRM like reduced organisational creativity, which stifles organisational progression and constrains the ability to solve problems (Albdour and Altarawneh, 2012, 2014). These negative outcomes from a lack of employee diversity will be discussed in the next section.

In this section the use of *wasta* as a method to transfer information between the organisation and the potential candidate was explored. Based on the work of Burt (2000, 2001, 2005) the intermediary is perceived to be a broker of information between the individual seeking employment and the organisation seeking an employee. This was further linked with the concept of role identity where it was argued that the intermediary acts as a *wasta* between the candidate and organisation due to the role they undertake (Davis, 2014). This use of *wasta* was perceived by the interviewees to have several implications to the HRM of the organisation. Firstly, it provides the candidate with an opportunity to stand out to the organisation, as distinct from a large number of applicants. Secondly, it connects a HR/ recruitment and selection manager with qualified candidates which can be very beneficial to the manager, particularly in specialised jobs needing particular skills and characteristics. Thirdly, it brings in employees with new perspectives, leading to increased organisational diversity, employee engagement and commitment. Fourthly, it provides the organisation with an employee who fits the culture of the organisation, which arguably increases engagement and reduces tensions in the organisation (Albdour and Altarawneh, 2012, 2014). The next section explores the use of *wasta* as a guide for decision making in employee selection.

4.5 Wasta as a guide in decision-making

In this section the interviewees' perceptions of the use of wasta as decision making aid is examined. In this case, wasta is identified as one of a number of reasons for the decision to hire a candidate. This use of wasta emerged in a discussion with interviewee B who views this use of wasta as a guide in selecting employees according to the philosophy of the organisation's management:

“Every organisation has a philosophy/direction from top to bottom and the HR department's role is to implement this philosophy or direction. What I am trying to stress here is that most organisations in Jordan do not have philosophies or written policies to prevent this as they are family businesses...[]. Other examples of the biases that could occur during the R&S process is [are] some questions asked during the interview such as asking about the candidate's father's job, and at the end of the process the selection process is based on this criteria not on the candidate's merit. What I am trying to explain is that if there is no genuine intention from the organisation's owner/ CEO/ board of directors to be an equal opportunity employer and to...[] adopt a merit based selection process, there is no legislative authority to protect people's rights to an equal opportunity employment and selection will be based on family, area and religious affiliations...etc”.

Here this interviewee perceives the hiring strategies (or lack thereof) adopted by family owned organisations, which according to her comprise most of the organisations in Jordan, as being a major driver for adopting the use of wasta as part of employee selection processes. The interviewee attributed this to the lack of laws regulating employee selection processes in Jordan's banking sector, which might otherwise prevent any possible discriminatory employee selection practices. This lack of regulation leaves the onus on owners, the senior management, and the HR/ recruitment and selection manager to select employees based on their merit rather than taking into consideration the candidate's wasta and social connections with the organisation.

In the opinion of this interviewee, the absence of any legal guidance (and HRM policy to interpret this) allows managers to either hire through the utilisation of merit based selection, or else on wasta based criteria. However, she does not say that wasta is the only factor which decides how people are hired within the organisation, as is the case where wasta becomes an enabler to secure jobs. As such, wasta here is not viewed as an enabler to get a job but as one factor to be considered in the decision to hire. This is confirmed by interviewee Q, who states:

“Wasta how far it goes also depends on how the executive management wants it”.

This suggestion, that many banks operating in Jordan do not adhere to equal opportunity employer practices, as mentioned in the above quotes, was observed in several interviews. In these interviewees, a candidate's wasta and background is used as one selection criterion in the decision to hire a candidate. This is evidenced from the statement of Interviewee N:

“Wasta is hiring a candidate for a position that he does not fulfil the requirements for. If you have three different candidates that are highly qualified and a candidate that is less qualified, that somebody know and brought it to you which influence and you accepted to hire him, and you ignored the other three qualified candidates, this is wasta”.

Although this interviewee starts by defining wasta as an enabler, in the sense that it allows for unqualified people to get a position, he then clearly indicates that it is a guide in decision-making, rather than the sole reason for hiring the candidate. He suggests that although wasta allows for less qualified people to get employment, qualifications are still regarded in the selection process. Therefore, wasta is an additional criterion to supplement the lack of qualifications of a candidate, when compared to his competitors.

The use of wasta as an important guide for managers to use in selecting employees was found to be deeply rooted in the minds of many interviewees. This is exemplified by Interviewee L who stated:

“If you don’t hire people from a certain culture to reflect your image and branding, image and mission of the bank for your targeted customers, then you fail”.

The interviewee here highlight that he perceives a need to select candidates from a certain culture and background which is seen to be reflective of the bank and its customers. Here, in addition to credentials and qualifications, criteria such as the candidate’s social network, social background and place of birth and residence play an important role in the selection of employees at the bank. This was further highlighted by interviewee H who stated:

“It’s whoever has wasta and access to favouritism which might affect this decision”.

This interviewee is suggesting that access to wasta to will enable a candidate to be considered in the bank he works at but states that this only acts as one of the factors in the decision to hire.

As such, it can be deduced that this use of wasta will result in hiring employees who are very similar to the employees already working in the organisation. These employees embody the members of the in-group identification by the organisation. This arguably results in several negative outcomes on the HRM of the organisation due to a lack of diversity in the employee pool, including, a lack of creativity which stifles the organisation’s progression and reduces its ability to solve problems (Albdour and Altarawneh, 2012, 2014). These negative outcomes contrast sharply with the benefits of having a diverse group of employees, as discussed in the previous section.

Interestingly, this echoes the findings of El-Said and Harrigan (2009: 1237), discussed in Chapter Two, who argue that this lack of regulation from the formal institution in Jordan has enabled informal institutions such as tribes and extended families to replace these legislative regulations with criteria of their own. This can be seen in some organisations where business, family, geographical, and religious affiliations are used as criteria in the decision to hire candidates (Cunningham and Sarayrah, 1993).

An example of the use of such informal regulations can also be found in a statement mentioned in section 4.2 where an interviewee stated that she knows an HR manager in another bank who is from the city of AL-Karak in northern Jordan, who focuses on hiring people from either that city or from his family. In this interviewee's view, this practice is not limited to this bank but happens in many banks operating in Jordan. In section 4.2 it was explained that this statement clearly illustrates that regional affiliations were a reason to hire a candidate and, as such, are exemplary of the fact that social capital and the social network in particular, functions as a reason for hiring.

Another implication of this statement is that social capital and identification are an element in the decision-making process, albeit not the sole element. This is because, although the interviewee does suggest that most people the HR manager hires are from a certain region, she does not say this is the only reason he hires them, regardless of qualifications, skills etc.

An additional example which demonstrates how the origin and religious affiliations of the candidate might guide the employee selection decision was given by interviewee C, whose quote was also mentioned in section 4.2 to illustrate that social ties provide a reason for hiring. She specified that she knew of a Jordanian Christian who was told to hire candidates in a certain order of priority. Specifically he was asked to hire Jordanian Christians first, then Jordanian Muslims, followed by Palestinian Christians and Palestinian Muslims. She said this was due to the bank management's covert hiring strategy, where Christian Palestinians are the preferred employees. This is a clear indication that a candidate's social ties as a member of a certain ethnic (East bank Jordanian or Palestinian Jordanian) and religious (Christian or Muslim) group constitutes an important criterion for employee selection. However, the use of the word priority indicates that this is not the only criterion in the process.

Using *wasta* as a guide can be linked with social identification and categorisation as discussed in section 2.4.1 (Identification in *wasta*). Self-categorisation with a group based on a shared commonality (ethnic background, religious affiliation or place of residence) leads members of the group to behave in a certain way that is expected from them and carry the values and norms of

the group. It also leads them to favour members of this group. Here, the identification or categorisation leads HR managers to favour hiring employees who share the same ethnic background, religious affiliation or place of residence.

The same manager also extended on this when talking about the employee selection practices in another bank:

“They select ‘hire’ in their own way. The head of HR there works in a Jordanian Christian bank and they come and do ‘shopping’ where they go to our branches and attract our employees who fit their profile. I will not do this for a customer service position going to other bank’s branches and ask around for Muslim or Christian customer services employees but they do it”.

Here, the interviewee describes how this bank uses religion as a selection criterion, outlining how the bonding relations between members of the same group helps a bank attract employees who are working in the same bank she work at. Although this may seem beneficial for the individuals being sought, as the interviewee hinted that salary scales are higher in the other bank, this comes drawbacks for members of this group. She explained:

“[]...what happens is that another bank, whom the management are Jordanian Christians, attract these Christian customer service girls that I have here. For example, what is happening now for me is that I am avoiding hiring Christian girls and going for Muslim girls because what he (they) have done is attract four of these girls from me by paying them a lot more, and as much as you try adjusting the salary scale it will not work, so he comes and takes them ‘the Christian girls’ and keeps the Muslim ones here. No, I will try to keep just hiring Muslim girls.”

Here, the interviewee explains how this practice can have an opposite effect, indicating that due to her perception that other banks are always attracting employees from the same group (Christians) from the employees at the bank she works at, she has stopped hiring people from that group.

From a social capital perspective, this quote provides a major finding in understanding the dynamics of bridging and bonding social capital, both in, and

between the different social groups in Jordan. Previous literature (e.g. Cunningham and Sarayrah, 1993; El-Said and Harrigan, 2009; Ronsin, 2010) identified two major social groups in the Jordanian society, Palestinian Jordanians and East Bank Jordanians. It was also argued that bonding social capital happens between members of the same groups and bridging social capital happens between members of the different groups. However, these groups were further divided by the interviewees into two sub-groups according to religious affiliation (namely Islam and Christianity). The interviewee refers to a priority in hiring along both ethnic and religious affiliations. Thus, the main four groups identified by the interviewees were: Muslim Palestinian Jordanians, Christian Palestinian Jordanians, Muslim East bank Jordanians and Christian East Bank Jordanians. This is of particular interest here. The same social capital relations between members of different groups identified in the previous sections as bonding social capital (between members of the same ethnic groups; East Bank Jordanians and Palestinian Jordanians) can instead be perceived in these quotes as bridging social capital (bridging between Muslim East bank Jordanians and Christian East bank Jordanians or bridging between Muslim Palestinian Jordanians and Christian Palestinian Jordanians). This links to the criticism of social capital theory discussed in section 1.3 where it was argued that the strength of the bonding/bridging distinction can also be a weakness if they are treated as two mutually exclusive types (Patulny and Svendsen, 2007). The reality is that bonding and bridging relations often become blurred, as some inner 'inter-group' relations can simultaneously be considered outer 'intra-group' relations (Alder and Kwon, 2002).

4.5.1 Implications of using Wasta as a guide in decision making for HRM

Using a candidate's wasta as a criterion in employee selection processes can have several implications on both the candidate and the organisation.

From the candidate's side, utilising one's bonding social capital to access members of the same group in seeking employment may prove very beneficial

as this gives the candidate an advantage over other candidates who are not members of this group. This use of *wasta* resembles Port's (1995: 12) definition of social capital as being an individual's capacity to command scarce resources by the virtue of their membership in networks or broader social structures. It also resembles the benefits of social capital introduced by Flap (2002) who indicates that on the individual level, social capital aids individuals to attain goals through the help of their social connections (Flap, 2002). The interviewees' quotes featured in this section indicate that these social connections could be based upon business, religious, ethnic or family affiliations. However, this could be disadvantageous to other candidates who are not affiliated with same group as the owners/managers of the organisation, or to those who possess the right qualifications and experience for the job but do not have any social connections to help them in attaining this job.

Another positive implication of using *wasta* as a guide for candidate selection appeared in interviewee A's statement, discussed in section 4.2, where she stated:

"Good people in banks mostly they are known in Jordan. I might sound a little bit 'not very scientific' in what I am saying but this is a fact about banking. For example, if I want to hire a branch manager. Basically, branch managers are known in Jordan [as] Jordan is a very small market and I don't need to look for more than four or five banks in the main branches or the area branches, I want to hire in order to attract some people you know".

Here, the interviewee outlines that this use of *wasta* as a guide for candidate selection could prove to be a successful policy for the organisation. It aids in identifying candidates who, in addition to having the necessary qualifications, are seen by the organisation's decision maker (HR or recruitment and selection manager) as being a good fit with the organisation. This is seen to be particularly useful in the small Jordanian banking sector where there is a scarcity of qualified individuals who can hold certain positions as this interviewee posits.

This however, may also have a negative impact on the organisation as it limits the diversity of the organisation's employees. This may produce a lack of

variety in the ways of thinking available to members of the organisation, limiting the problem solving techniques they acquire and thus, reducing the organisation's efficiency and effectiveness (van Deth and Zmerli, 2010). Interviewee Q highlights the first of these negative outcomes:

“Hiring is the biggest area where we suffer from wasta, and I say suffer because as a result of the wasta, we are hiring unqualified people, putting them in positions where they are not being productive, and as a result of it we are becoming overstaffed. Because if I have two employees in a branch that has a total of seven on its manpower plan and two of the seven are not qualified and are not producing, that branch is not meeting its goals. And so a lot of these people, we take them as outside the actual numbers of the manpower plan. For these two people I need at least another person that's going to come in and be productive and we take them through the wasta, whether they are qualified or not”.

Although the interviewee begins this statement by indicating that the performance of branch suffers from wasta in employing candidates who are not qualified for the positions assigned to them, she later points out that the organisation she works in takes on employees through wasta whether they are qualified or not. Thus, it could be inferred that although this organisation utilises wasta as an enabler to get a job, here, it also functions as a guide to select employees who might already possess the required qualifications for the job. The negative impact here is that branches become overstaffed after hiring these employees using wasta as a criterion in the decision to hire, instead of addressing a genuine need for a qualified employee to fill in the post. This results in free-riding by non-performers who rely on the whole employee network to cover their under-performance (van Deth and Zmerli, 2010).

Similar to the use of wasta as an enabler to attain employment, here, wasta can be only used in certain job positions and not in the others deemed by the interviewees to be too critical to use wasta as a criterion in the hiring decision. Interviewee H explains the type of job position where wasta can be used as a criterion for hiring:

“Maybe there are positions in the bank that don’t need technical or, let’s say, financial skills, but in need of relations or acquaintances. These are the ones that I told you that people might work in using wasta”.

From this statement, wasta appears to be used here as a guide in the decision to hire a candidate since the position in question does not require specific technical or financial skills, but favours a candidate with a good social network of relations and acquaintances. Here, basing the employee selection policy based on wasta is deemed an acceptable practice by the interviewees, and can potentially enhance the output of the selection process for this position as candidates are hired on the basis of the quality of their social networking and are likely to be able to take advantage of their networking skills and contacts for the organisation’s benefit.

Interviewee B expanded on this point by stating:

“If you need someone in the compliance department you will not hire someone who is not qualified just because he is a wasta. Because compliance is something very important and as a bank you can get fined for thousands of Dinars if it was found that you do not comply with the central bank’s regulations. Do you understand what I mean? The cost of non-compliance is very high. So I will prefer to hire somebody that is an expert in this field regardless of their religion, race...etc”.

Conversely, some jobs were deemed too critical to use wasta as a guide in selecting a candidate. Interviewees attributed this to the fact that these jobs require a high level of technical and financial knowledge where the cost of hiring a candidate who does not possess the exact level of required qualifications and knowledge, was deemed too high to adopt wasta as a hiring criterion. This was exemplified by the statement above where interviewee B stated that wasta will not be used as a criterion in candidate selection in the compliance department, due to important nature of this job where hiring an unqualified candidate in this position could cost the bank millions of Jordanian Dinars (JD's) if he/she makes mistakes that result in non-compliance with the central bank of Jordan’s regulations.

Throughout the different interviews, it became apparent that the use of *wasta* as a guide in the hiring decision was perceived by the majority of interviewees to be less widespread in the banking sector in comparison to other sectors in Jordan. This was attributed to two factors. The first factor was highlighted by interviewee H who, when discussing the use of *wasta* by job seekers as an additional criterion to get selected in the banking sector stated:

“No, in banking it is less...Because banking is a critical sector. What I mean is the person who wants to work in the banking sector has to have at least an initial understanding of...or the basics and sense of banking”.

From this statement the interviewee perceives that a large proportion of job positions in the banking sector need a certain amount of technical knowledge, which limited job seekers in pursuing these jobs through *wasta*. The second factor was perceived to be the very high cost incurred from non-compliance with regulations when hiring applicants who are not fit in such specialised jobs, as highlighted in the last quote from interviewee B.

This section explored the use of *wasta* as a guide in the decision to hire a candidate. Here, *wasta* is one of the criteria in the organisation’s employee selection policy. It was argued that this use of *wasta* stems from the philosophy of organisational leaders where the majority of organisations in Jordan are family owned/managed. Due to a lack of regulation in Jordan’s banking sector regarding employee selection processes, this use of *wasta* has become widespread throughout banks operating in Jordan. This use of *wasta* resembles the use of bonding social capital between members of the same social groups. It also reflects in-group favouritism by members who identify based on a certain commonality (categorical identity). These groups may be based on ethnicity or origin (East bank Jordanians and Palestinian Jordanians), religion (Christian and Muslims), geography (being from a certain area or city) and family ties (being members of the same tribe or sharing a last name). Moreover, an interesting finding deriving from this is that these bonding social relations can also be viewed as bridging relations in some instances, as the two main social groups; East bank Jordanians and Palestinian Jordanians, were further divided by some interviewees, based upon their religious affiliation (Muslim East bank

Jordanians, Christians East bank Jordanians, Muslim Palestinian Jordanians and Christian Palestinian Jordanians). This categorisation of different Jordanian social groups in Jordan was related to criticism of social capital theory which argues that this distinction between bonding and bridging social capital is complex and the boundaries between the groups are often blurred (e.g. being a member of the East Bank group while also being member of the Christian group). Therefore, both types of social capital and the associated group membership should not be understood in a mutually exclusive manner. Finally, the benefits and drawbacks of utilising *wasta* as a criterion in employee selection decision making were presented for both the individual and organisation. The following section explores the use of *wasta* as an exchange mechanism when hiring a candidate.

4.6 Wasta as an exchange/ Role Identity

This theme emerged from the perception of *wasta* being used as part of an exchange process that affects the decision to hire a certain candidate. In the different interviews it was revealed that a candidate might use his/her social capital by attaining an intermediary to assist the candidate's hiring by an organisation as part of an exchange process. In return for hiring a candidate, the candidate's intermediary (*wasta*) is expected to provide something in return either to the individual who makes the decision or the organisation itself. This is usually not specified at the time and may be something tacitly acknowledged, such as the maintenance of an ongoing deal or business arrangement, or something given by the intermediary in the future. The use of social capital (or *wasta*) in this way was linked with the concept of role identity.

The use of *wasta* as an exchange mechanism was perceived to have a positive impact on HRM by some interviewees, where accepting a request to hire a candidate was something that benefits the candidate (who gets a job) and the organisation (who benefits in the present, or future, in exchange for hiring the candidate). It also re-enforces the connection between the organisation and the

intermediate, strengthening of the intermediate's social ties. Interviewee H provides an example:

“There is something called social courtesy. For example, if I have a person of high status who has 50 million in deposits in the bank and this person comes to me and tells me I want to hire my nephew or niece, I will hire them in order to keep this 50 million deposited in my bank”.

It can be understood from this statement that the decision to hire a candidate was based on the intermediate's capability to provide the bank with a reward (depositing the 50 million Jordanian Dinars the bank in this case). As such the candidate may be utilising either bonding social ties (such as those with an uncle as in the above quote) or bridging social ties (those with friends or business connections) in reaching the intermediary who is able to facilitate this exchange. This is also exemplified in the definition of *wasta* by Interviewee B, also mentioned in section 6.1:

“Wasta means having a connection in an important position who can help you in getting what you want – coming from the word wasataa – this wasta could be your relative, a relative of your parents (your mom or dad), or an acquaintance (someone you studied with). Usually the wasta is a relative or to a lesser extent, someone who studied or worked with you and who becomes your wasta in achieving your goal”.

This can be linked with the concept of role identification as discussed in section 2.4.1 and 2.6.3. As highlighted by previous researchers of *wasta* (e.g. Cunningham and Sarayrah, 1993; Loewe et al., 2007; Berger et al., 2014) *wasta* practice is no longer limited to intra-tribe favouritism and includes providing *wasta* to individuals from different groups in exchange for present or future favours. Role identity is arguable relevant here particularly in the practice of modern intercessory *wasta* in the business setting. In undertaking a particular role individual might use this role to generate self-interest via reciprocation and exchange of favours with individuals from different roles (Davis, 2014), it can be argued that in many of these instances individuals see themselves according to how their roles connect rather than in terms of individual interests (Stets and Burke, 2000). As such, the interests of the role

prevail over the individual interest and motive which explains why people talking particular roles could aid others who do not share the same characteristic or interest by acting as their *wasta*. These quotes reflect this case as individuals used *wasta* to generate self-interest.

4.6.1 Implications of using *Wasta* as an exchange on HRM

The use of *wasta* in the exchange process was viewed both positively and negatively in its impact on HRM. This is illustrated by the view of *wasta* as a 'social courtesy' in the quote from interviewee H above. However, it also emerged that the positive impact on HRM of this use of *wasta* was contingent on the candidate possessing sufficient qualifications and skills for the job he/she is hired for.

Interviewee B:

*"This is one of the policies that we have 'relatives are not allowed'....family members, of course there is a full definition of what the term family members' means 'first, second and third degree....etc' and this is published to all employees. Again when you are being recruited you are asked these questions then you sign your contract after the selection is done and you are going through the on-boarding process. In this way we reduce a lot the use of *wasta* in the R&S process. The *wasta* that is here is a sort of acceptable *wasta* to us which is a 'referral' where you refer someone that you know is good (qualified) and we will give you money for referring that person. But this person goes through the routine selection process and you are just acting as a recruitment agent in that you bought me the CV and after that it goes through the regular selection process".*

The Interviewee clearly describes an exchange process here, albeit a different one compared to that described by Interviewee H above. Here, *wasta* is described as a referral by the intermediate where information about the candidate is exchanged for a financial reward. As such the financial benefit is acquired by the intermediate and the organisation benefits by finding a suitable candidate. Although this exchange is of a different type is not key to the argument, a candidate's social capital (*wasta*) is still central as without this

there would be no exchange process. Wasta here is a part of the exchange process because a candidate's social ties with the intermediate, whether bonding or bridging ties, enable the exchange to happen. Hence, the candidate's social capital also triggers the exchange process as, without this, it would not have taken place.

This is consistent with Coleman's (1988) definition of social capital by its function discussed in section 1.3. Here, it was argued that this view of social capital helps us understand that, unlike other forms of capital such as financial and human capital, social capital is inherent in the structure of relations both between, and among different actors. In other words, a candidate's social capital does not exist in him/ herself or as a physical product but arises through changes in the relations between them that facilitate action. Therefore, the interviewees' examples align with Coleman's (1988) identification of the function of social capital which lies in the fact that the organisation's leaders recognise the potential for using wasta to attain a certain resource or to pursue their own interests.

However, this use of wasta was viewed to have negative impacts on HRM by interviewees when they were pressured to hire the candidate to facilitate the exchange process despite the fact that the candidate did not possess the required qualifications and skills for the job.

Therefore, wasta as a pressuring tool can have two uses, as identified by the interviewees' answers. The first is its use as a mechanism to influence the decision maker to hire a specific candidate (which will be explored in the next section). The second use is as part of an exchange (which will be explored in the remainder of this section).

This pressure to hire a candidate to facilitate an exchange process was identified by interviewee Q who states:

"It's one of these things 'Hey my nephew has graduated and cannot find a job, hire him at your organisation'. This is the way they say it (spreading) their muscles not asking if you can see the person and check if he fits or doesn't fit for the job. 'Hire him' okay. And then the problem is, 'You don't scratch my back, I don't scratch yours', so if you refuse people a lot of times when you come to

do...so if it's somebody in a ministry or whatever and you come to do something in that ministry, because you haven't hired his nephew or his brother or whatever he will obstruct your transaction".

Here, the candidate clearly states that she is pressured to hire a candidate regardless of his/her qualifications. It is clearly indicated that this forms part of an exchange process, as she said if *"You don't scratch my back, I don't scratch yours"*. This indicates that the repeated refusal of such exchanges will have negative consequences for her as people will not grant her work requests and be uncooperative in the future. This further links the use of wasta as an exchange mechanism with role identification. This is apparent in the last quote as the interviewee highlights that other individuals, who hold a different role, will exclude her from the favour exchange if she does grant wasta request to hire candidate who they offer or suggest to her.

Two main sources of pressure to hire a candidate to facilitate an exchange were identified from the interview discussions. The first source was identified in the previous quote where an external intermediate could offer something to the organisation due to the fact that this intermediate holds an important position, or role, such as somebody who works at a ministry or who is a senior governmental employee.

In this case the interviewee is forced to hire a certain candidate due to the intermediate being able to facilitate other business for the organisation, such as governmental dealings (in other words use their role to facilitate the exchange). As such the decision maker and/ or organisation will run the risk of being hindered in future transactions by this intermediate if the wasta request is not fulfilled. This was exemplified in the previous statements by interviewee Q and H, where interviewee Q highlighted that she needs to accommodate wasta requests as people will not accommodate her work requests in the future, while interviewee H states that he has to accommodate these wasta requests in order to guarantee a large deposit for the bank he works in.

The second source of pressure to hire a candidate to facilitate an exchange as identified by the interviewees C who stated:

“For example now I have a case about an individual that ‘they’ want to hire for the sake of a specific deal etc. We tried to put this person in several positions and he did not fit in any of them. Where should I put him? This burdens me as an HR. This is also wasta.”

This quote makes it clear that the person who puts pressure on the interviewee to facilitate and exchange is not the intermediate but an internal source in the organisation, such as a more senior manager or other department managers (individuals who hold a senior role) who might demand that a candidate is hired in order to facilitate a deal or to gain an advantage for the organisation (facilitate the favour exchange).

This was further explained by Interviewee C who continued:

“Sometimes, it was the case that they needed to get a certain deal and they told me “come on we have to hire that person to get the deal done” and I told them ‘Okay, it is your call but if you want me to hire this individual where do you want me to put him?’ It happens”.

Since the interviewee refers to ‘a specific deal’ and ‘a certain deal’, we can clearly see the dynamics of an exchange in her examples. In order to obtain a ‘deal’, the interviewee has to hire the candidate brought to her by the intermediate. As such the social capital, or wasta, of this candidate serves as a condition for the exchange.

In both quotes interviewee C indicates that this is problematic to HRM because she is in a position where she is forced to hire someone in exchange for a ‘deal’, which leads her to hire a candidate with no specific vacancy for him/her to fill. The interviewee identified several other negative effects from using wasta as a trigger for this exchange:

“For example when someone has an account or a big deposit and you as a bank have to hire me. This is where there is a problem that results in ‘negativity’ which affects the work and the other employees who question the basis of employing that individual, the salary he is getting, his qualifications...etc, and when this person comes as a wasta and he is not suitable for the position he will affect the business and we as HR don’t know where to put him”.

This quote highlights the negative implications of hiring a candidate through *wasta* as an exchange on HRM. These implications are not limited to the employee selection function, but extend to all the other functions such as performance management, where the interviewee highlighted this by saying “*affects the work*” and reward management “*the salary he is getting*”. This corresponds to the findings of previous researchers who explored the impact of *wasta* on these different HRM functions (Altarawneh, 2009; Al-Husan et al., 2009)

Furthermore, this quote highlights that these implications are not limited to the performance of the candidate hired through *wasta*, but extend to the entire department and even the organisation as a whole, where the this employee’s colleagues question his/her, salary, qualifications, and ability to perform their job. This creates a general inequity in the organisation. It also confirms the views of Mohamed and Hamdey (2008) as discussed in the literature review, where they argued that a candidate selected through *wasta* will be subject to negative feelings and questioning about his/her qualifications and ability to perform, by their colleagues, superiors, and employees working under him/ her.

Interviewee N referred to an arguably more serious consequence of the utilisation of *wasta* as an exchange:

“Wasta, maybe if we want to re-define it wasta, is abusing the position for personal benefits. If I was a corrupted HR manager and I would abuse my position to satisfy an external party that I believe in one day this party will be helpful for me, this is abusing my position, this is wasta.”

This quote demonstrates how owners and managers can utilise *wasta* to facilitate an exchange that will benefit them personally, rather than seeking benefit for the organisation. Here the decision-maker is unethically, and even unlawfully, using the organisation’s resources for personal gain, in the form of a current or future favour or help, in exchange for hiring a certain candidate. This relates to the discussion on the possible negative outcomes of using bridging social capital discussed in sections 2.5.2 and 2.6.3 where it was argued that bringing social capital can be negative when the individual uses it for purposes of “getting ahead”, and has attained a significant reward through immoral or

illegal avenues (such as hiring an individual who is not qualified in exchange for a the reduction of government red tape) (El Said and Harrigan, 2006. A direct result of using wasta in such a manner is that jobs only become accessible to a limited group of individuals who possess such roles, or who possess ties with people who can provide the decision maker with a reward. This can result in the emergence of powerful, tightly knit groups that are not accountable to society and that can monopolise and use state institutions (such as ministries and governmental organisations) for their own gains.

Interestingly, it appears that there is a large contrast in the perceptions of the interviewees on how widespread this form of wasta is in the Jordanian banking sector. As some managers perceive it to be widely practiced in both the banking sector and Jordan in general. Interviewee Q expresses this view:

“Wasta is something that we have created and we are attached to, and we hang on to for whatever reasons. What I mean is that I think people give it much more importance because they gave it the importance it has become a tool because they gave it the power to do this. But if everybody stopped using wasta, ok, it would be that same problem because I wouldn’t expect you to return the favour. Everybody would just do their work properly and things would move along the right way. But that’s it, it’s something engrained in us”.

Here, interviewee Q perceives the use of wasta as an exchange mechanism as being widely practiced in Jordan and its banking sector due to the importance Jordanian people attribute to this practice as an effective way to help them attain their goals.

Interviewee N builds on this argument explaining:

“When I said that in the private sector the influence of wasta would be much lower because people are after money. What I mean is these organisations are made for profit, so it may happen once a while, if he accepts to hire someone as a favour for a good client or something...this is in the private sector for example, in any organisation. But the owner of the business cannot accept to continue doing it because he will end up losing his business”.

This interviewee perceived the use of wasta as an exchange mechanism to be less common in the private sector (including banking) attributing this to the negative impacts this practice could have on the financial performance of the organisation, particularly if the hired employee is not qualified for the position, and where managers in such organisations cannot accommodate this.

Although the interviewees acknowledged that different banks practice this use of wasta to different degrees, ranging from not practicing it at all to it being common practice, interviewees perceive that the use of wasta as an exchange mechanism occurs more in local banks. The interviewees attributed this to the fact that in these organisations the decision making is concentrated in the ownership/management, meaning that the pressure to hire a candidate as part of an exchange process falls mostly upon HR/recruitment managers. Interviewee C argues this:

“As much as the HR will defend their position at the end of the day, in all honesty, HR has a consultant role, and they have a business role, and they will tell us ‘We want this person’ for the sake of business, and we as HR will say ‘No’ and tell them our opinion and advice. But you can’t sometimes just say no and forbid it because the general manager will tell you ‘I want to hire him’ and you can’t say no”.

Conversely, the use of wasta as part of an exchange process was perceived to be practiced much less in multinational and regional banks where the decision to hire must be justified to higher management who may be based in other countries and where internal regulation is perceived to be much more strict. Interviewee A explains:

“It is so relieving for (an) HR person and especially in the recruitment if you have your policies set and especially from a foreign country ‘even an Arab foreign country’ ok! It’s much easier because we have the tendency as Jordanians to break all the rules, to have more exceptions than the policies. In the commercial banks, yes it happens all the time. But in foreign banks, and I do believe in all the foreign banks, not just (bank A), this is much, much, much less than any other local bank”.

This statement can be linked to the argument presented in section 2.2, based on Teagarden and Schotter's study (2012) on favours as a medium of exchange of social capital. Here it was argued that, at an organisational level, two of the major reasons why favours are prevalent in business in emerging markets are the presence of institutional voids and strong reciprocity norms. Based on interviewees' perceptions it can be said that in Jordan, local banks were created and remain operational solely in this environment which means they construct and adapt their internal practices according to a lack of external regulation which creates a need to utilise favours and exchanges. On the other hand, multinational and regional banks have developed their internal systems either after expanding their branches abroad or before moving to Jordan and thus did not suffer from institutional voids or the need for constant reciprocation. This point constitutes an important finding in exploring why the use of *wasta* in an exchange process may be more prevalent in local banks than in regional and multinational banks operating in Jordan.

This section explored the use of *wasta* as part of an exchange mechanism where a candidate is hired in exchange for a favour provided by the candidate's intermediate. It further links this process to the concept of role identity, where it is argued that identification with the role an individual undertakes might prevail over their other mechanisms of identification. This identification can lead to use the role to facilitate an exchange of favours and information with other who possess different roles. In this process the candidate uses his/her bonding or bridging relations to attain employment in a certain organisation through an intermediary who can provide the organisation with something in return for hiring the candidate. This use of *wasta* was perceived by some interviewees as something positive to the organisation's HRM when the candidate possesses the right qualifications and skills for the job, as everybody involved benefits from this exchange. However, this was perceived to have a negative impact on HRM when the decision maker was pressured to facilitate this exchange, either by an external intermediate or by the ownership/management of the organisation, if the candidate lacked the qualifications and skills required for the job. The negative impacts of such practices were identified as perceptions of inequality and the demotivation of the hired candidate's colleagues which can harm the

performance of the whole department. Another serious negative outcome is the possible use of wasta to facilitate an exchange for the personal benefit of the ownership/management, if this also impacts the organisation's performance negatively. Finally, it was found that this use of wasta was perceived by interviewees to be more widespread in local rather than regional and multinational banks operation in Jordan, due to the existence of institutional voids in these organisations and the need for constant reciprocation to facilitate their operations in the Jordanian business environment. The next section explores the use of wasta as a pressure mechanism to hire a certain candidate.

4.7 Wasta as pressure

In the previous section the utility of wasta as a pressure mechanism was touched upon when discussing the use of an intermediate to pressure the decision maker to hire a candidate as a part of an exchange process. This section builds on this by exploring the general use of wasta by a candidate as a pressure mechanism to attain employment at a certain organisation. In such cases, the candidate utilises his/her social ties, whether bonding or bridging, to reach an intermediate capable of exerting pressure on the decision maker, and then get hired. As such the intermediary's ability to exert pressure on the decision maker through his/her perceived power is key to secure the job seeker's employment. This theme is of particular importance as the discussions on this utility of wasta constituted a major part of the discussions on wasta in many interviews.

The use of wasta as a pressure mechanism was identified as the most prevalent use of wasta in the sphere of employee selection. This can be exemplified by the statement of interviewee Q, in section 4.4, which demonstrates that this is one of the most common usages of wasta in employee selection:

“Hiring is the biggest area where we suffer from wasta, and I say suffer because as a result of the wasta we are hiring unqualified people, putting them in positions where they are not being productive...[] we take them through the wasta whether they are qualified or not”.

Although the candidate does not specifically state the type of wasta she was referring to here, it can be inferred from the use of the word ‘suffer’ in describing the hiring of candidates who come through wasta that the interviewee is pressured by somebody else to make this decision. This can be better seen in the statement from interviewee A, where the interviewee clearly details how the pressure to hire a candidate plays out in the employee selection process:

“I am talking about the banking sector in general, that there is nothing called a rule that is enforced on everybody. For example, you have a recruitment cycle that is going fine. You have a vacancy you are filling. You have five candidates that were interviewed. Three were shortlisted. Those three are going for the final interview, then whoop parachute there is a candidate that is coming to be hired the next day. This happens all the time. Those three people who were interviewed once, twice, three times and they are going for the final interview, they are just being apologised to and that’s it, ‘we are sorry’. This is who came to us in a parachute because somebody important came and told us ‘Hire him’ without going through the process. This is what is wrong”.

Here it is clear that the interviewee perceives this use of wasta as being highly prevalent in the Jordanian banking sector. While this statement can be perceived as an example of wasta being used as an enabler for the candidate to attain a job, it can also be interpreted as an application of pressure from the intermediate who is utilised by the candidate to influence the decision maker, due to the intermediate’s senior position, which enables him/her to apply pressure on the decision maker to hire the candidate.

As highlighted by the interviewees here, the pressure comes from the owners/managers of the bank who are providing favours to the in-group members while disregarding the organisational goals and strategies. This corresponds to the findings of Hutchings and Weir (2006a) who highlight that in many

organisations in the Arab Middle East (including Jordan) social ties prevail over systematic and formal HRM processes.

4.7.1 Implications of using Wasta as pressure on HRM

This issue was discussed in depth by all of the interviewees who indicated that wasta is practiced in Jordan. The general view was that this use of wasta results in negative impacts on HRM in the organisation. This can be seen in the definition of wasta by interviewee C introduced in section 6.3 who describes this practice positively as the intervention of an intermediary which facilitates the job seeker's introduction to the HR/ recruitment and selection manager in the organisation the candidate seeks employment in. Interviewee O exemplifies this by stating:

“Yes, there is some pressure sometimes to recruit some people even if they don't have the knowledge and skills that we need but sometimes we proceed [in] the hiring process if a big wasta called”.

Here the interviewee is confirming that he is exposed to pressure to hire a certain candidate and has to comply to it in some instances, particularly when the pressure is applied by an influential intermediate who he described here as a 'big wasta'.

Interviewee N discussed this further:

“From my own experience...I have experienced some parties trying to influence hiring people that they knew and when I went back to them and told them ‘Sorry, the candidate was found unsuitable’, I was never faced with pressure from this party to accept the candidate, so people understand”.

Here the interviewee states that although he does not comply with the pressure to hire, he still faces this pressure from intermediates seeking employment for candidates.

The previous discussions emphasise that when pursuing such wasta, the candidate has to seek somebody who he/ she perceives to have an influence over the individual responsible for the hiring decision in order to be able to exert pressure on this decision maker to hire the candidate. In such cases the

candidate can seek the intermediate using one of two social capital channels; the candidate's bonding or bridging social ties. Here, the role the intermediate holds as an individual who is able to provide this favour is key in persuading them to act as *wasta*.

As discussed in previous sections, the utility of bonding social ties to attain employment implies that the candidate pursues help from the close group that shares the same identity, interests, or place of residence as the candidate. This intermediate could be someone from the same origin, tribe, family or geographical area of the candidate. The use of shared ethnic origin as a way to seek an individual who can act as an intermediate that exerts pressure on the decision maker was outlined in a discussion with interviewee B, previously discussed in section 6.1:

"If, for example, you work at company 'x' which is a Christian organisation (organisation owned by a Christian family or individual) you will find that most of the employees are likely to be Christian. While if you work at an organisation that is owned by a Palestinian (from Palestinian origin) family or individual then again, most likely the majority of the employees of that organisation will be Palestinian (from Palestinian origin). This is what is evident in Jordan and whoever tries to do something opposite to this will find that the board (of directors) decisions and organisation and country culture to be strongly against him".

In this case the pressure exerted on the decision maker will come from the ownership/management of the organisation who acts as an intermediate for a candidate who shares the same ethnic origin with the intermediate(s) (individuals who they self-categorise with as being members of the same in-group). Clear reference to pressure is provided in the last sentence where the interviewee indicates that, if the decision maker goes against this practice, he/she will find strong resistance from the different stake holders (owners, managers, and even the community).

An example that could be understood to refer to the use of pressure to hire a candidate based on shared tribal affiliation is provided by interviewee C and was discussed in section 6.1, where the interviewee indicated that her manager,

who is from a tribe that originates from northern Jordan sometimes comes to her and tells her that he wants her to hire somebody from his tribe despite her assessment that the person in question is not qualified for the job position.

Finally an example is provided on the exercise of pressure to hire a certain candidate due to shared religious affiliation. This is evident in the following quote of interviewee C, introduced in section 6.2 where the interviewee states:

“I was told by one of my colleagues who is Jordanian Christian and who was hired by one bank and was told to hire his own team. However he was also told that the priority in hiring was first for a Jordanian Christian, then to a Jordanian Muslim, then a Palestinian Christian, then to a Palestinian Muslim”.

The use of the word ‘priority’ here can lead us to infer that there is a certain pressure applied on the decision maker to hire candidates based on a preferred religious affiliation as the main criterion, followed by origin of the job seeker as the second most important criterion. Similar to the previous example of origin, the bank’s management/ownership here acts as an intermediate for the candidate, applying pressure on the decision maker due to shared religious affiliation and origin between the two parties. It is worth noting here that, as explored in the literature review, self-categorisation is a very complex issue as a member can self-categorise themselves with others based on two or more different ‘shared characteristics (i.e. religion and origin here) (Stets and Burke, 1998; 2000). This complexity lends itself to exploring the motives of intermediaries to act as a wasta based on shared characteristics as individuals have different characteristics that they share with different in-groups which impacts their decision and motive to act as a wasta.

All these quotes exemplify and evidence how bonding social ties can be utilised by a candidate to pressure the decision maker into hiring him/her through an intermediary. The intermediary is motivated to assist the candidate due to the usually strong relations that are a characteristic of membership in groups that are based on origin, religious and geographical affiliation.

On the other hand, a candidate can utilise his/her bridging social ties by seeking an intermediate who does not form part of the same social group and who does not share the same characteristics. As mentioned in the previous

section and in the literature review, these ties are usually weak and can include relations based on business affiliation and friendships (Granovetter, 1973, 2005). This is exemplified by Interviewee C, who provides evidence of how the use of business relations can help a candidate attain employment:

“For example when someone has an account or a big deposit and you as a bank have to hire me.”

This statement can be understood to exemplify how a candidate can use the fact that he has a large deposit in the bank to pressure the decision maker to hire him by way of influencing the management/ownership, who will then act as an internal *wasta* because they do not want to lose the deposit. As such, they will pressure the decision maker to hire the candidate in order to keep the money in the bank.

Another use of social ties is when a candidate reaches out to an important person, such as a Member of Parliament (MP) or a minister, to help him/her attain a job by pressuring the decision maker. As interviewee A suggests:

“We get a lot of referrals from wastas and people in the house of commons, and MPs, and ministers, and all of those people. First of all, we don’t say no. We can’t say no of course. We actually receive them and as much as possible we say, ‘Okay fine, we will make an interview’ and everything..[]”

This could be an example of the utilisation of bonding social ties if the intermediate in question is part of the same social group (family, tribe or geographical area). Equally it could be an example of bridging social capital if the connection is a weak one and consists of, for example, a friendship connection.

In this example, pressure again surfaces clearly as the interviewee indicates that she cannot say no when someone is referred to her by an MP or a minister and has to accommodate this request by at least interviewing this candidate. This is done to demonstrate that the intermediate is ‘valued’ and that attempts are being made to accommodate this request from a powerful figure.

The final example is provided when the candidate utilises his connection to an investor or business man who has business with the bank to pressure the decision maker to hire him/her. Interviewee P explains this:

“I guess sometimes you do have a pressure from a certain senior position or you might have pressure from someone who wants to...who is an investor, or a business man or whatever who wants to hire someone. It might be a junior post and you are able to hire that person, yet at the same time what we are saying, that he might not be the most qualified or yet he might be taking the opportunity from someone else who is more qualified, which does not have the wasta, which is not fair”.

It can be understood from the last statement that there are restrictions applied to this utility of wasta as, similar to other types of wasta, the pressure to hire a candidate can only help this candidate to attain employment in junior positions or positions that are not considered critical for the bank's operations due to non-compliance costs or the high technical skills required (see section 6.1). This point is further exemplified from the statement of interviewee B:

“If you need someone in the compliance department you will not hire someone who is not qualified just because he is a wasta. Because compliance is something very important and as a bank you can get fined for thousands of Dinars (Jordanian currency) if it was found that you do not comply with the central bank's regulations. Do you understand what I mean? The cost of non-compliance is very high. So I will prefer to hire somebody that is an expert in this field regardless of their religion, race...etc”.

This point demonstrates how the pressure to hire candidates in these jobs diminishes due the high cost of non-compliance that might occur if a manager forces the decision maker. The pressure to hire a particular candidate is also reduced if the job requires a specific technical knowledge or qualifications. This was addressed by interviewee C in section 4.2 of this chapter, who explained how using wasta as an enabler to attain employment in her organisation was only limited to general, rather than technical or highly skilled jobs.

Due to this perceived limitation of using wasta as a pressure mechanism to attain employment in 'generic' jobs that are not critical to the organisation, it

was argued by the interviewees that this type of wasta was less prevalent in the banking sector than in other sectors in Jordan. Interviewee P asserts this:

“It might not be less but I think in the banking sector the competition you have and the skills required wouldn’t make you hire as much people for pressure from the culture or peer pressure because you need some certain skills, certain positions that would actually need some certain talents that would lift the organisation in another direction or make it move forward. So you can’t just be hiring anyone through wasta that would not fit because you are looking for a certain skills, you have in the banking industry twenty-six banks in Jordan now and the competition is tough so I don’t think they can afford to, unless it is a very junior position, which does not need much or a talent or skill to move this organisation forward”.

The interviewee here explains that banking is a very competitive sector and as such the specialised skills that are needed in many of the jobs in banking reduce the ability to hire through wasta due to pressure from an intermediary.

However, his use of wasta remains a major concern for managers who, as a result of this pressure on HR to hire a certain candidate, now have to deal with several negative impacts of having an unqualified employee. Interviewee A discussed such negative impacts on the performance of the organisation:

“First of all, bad performance. Bad performance that you are not able to admit. Because his manager knows that this person came through wasta, so he will be forced to...[] evaluate him as ‘minimum very good’ so that the employee is not upset. Okay, so you end up being evaluated on performance that he is only actually doing a quarter of, which is a fake performance. This is the first issue. This leads to frustration of the other staff who are much more...and usually they are more qualified and doing a better job, ‘better performance’, than this persons. Eventually this will affect the whole performance of the department because conflicts will arise and where is he going at the end? It couldn’t be much worse, could it?”

The interviewee indicates here that the manager has to give this employee a higher evaluation than he/she actually deserves, to not upset the employee and his/her wasta. This demonstrates how this type of wasta can have an on-going

impact on the organisation after the hiring process is completed. As can be seen in the last quote, this negative impact is not limited to the performance of the individual but also results in a feeling of inequality that negatively impacts the morale of the whole department, who may perceive that this employee is receiving underserved high evaluation.

In order to reduce pressures put on them by the different wastas, the interviewees devised several methods to accommodate such requests without needing to hire unqualified employees. In multinational and regional banks this is done by prescribing decision making to the headquarters outside Jordan when pressured to hire an unqualified candidate. Interviewee A asserts:

“It is so relieving for (an) HR person, and especially in the recruitment, if you have your policies set and especially from a foreign country, even an Arab foreign country, okay! It’s much easier because we have the tendency as Jordanians to break all the rules, to have more exceptions than the policies. In the commercial banks, yes it happens all the time. But in foreign banks, and I do believe in all the foreign banks not just (Bank A), this is much, much, much less than any other local bank”.

It can be inferred from this statement that, similar to the use of wasta as social ties/ categorical social identity, managers in local banks are more prone to pressure by intermediates to hire candidates, while managers in multinational and regional organisations whose headquarters are based outside Jordan can use this to avoid hiring a certain candidate. Managers in local banks cannot do so. This argument is supported by the same interviewee:

“[] the candidate knows and wasta knows that this is a foreign bank, which makes things much easier, and that the decisions of the banks come from Saudia Arabia and cannot be disputed as they are according to the policy. Thus, the wastas that come to us are not very negative and very imposing as the ones that go to other banks. Because in other banks the wastas that come go directly to the manager, and the manager or CEO is the decision maker so if he is the decision maker and he is bringing the wasta and saying hire him, it does make a huge difference than if the decision maker brings the wasta and says

put him in the process, because saying put him in the process entails that if the candidate is fit he is hired but if he doesn't he will not be hired”.

Here the interviewee is suggesting that local banks are more prone to the pressure of internal intermediaries (senior management in this example), who are perceived to have more power undertaking this role in local banks than CEOs in regional and multinational banks who are limited in their power by the headquarters of the bank.

This is perceived by the interviewees to makes local banks a target for candidates aiming to use this type of *wasta* to acquire a job. Interviewee E, who works at a local bank, stated that they try to reduce this pressure in several ways:

“We try to limit the use of wasta by using the exam; interviews and post recruitment evaluation”.

Here, the interviewee indicates that his organisation tries to limit the pressure from intermediaries by using an exam to filter out unqualified candidates. Then he is able to explain to the intermediary that he is unable to hire this candidate due to the candidate failing the exam. However, in another part of the interview the same interviewee highlights that this has not been a successful method to eliminate this use of *wasta* as it is still practiced in the bank he works at. *“We try to filter wasta through the use of different tests that the candidates undertake, but it is still here”.*

Interviewee O also alludes to the use of exams in reducing the pressure to hire a candidate through *wasta*:

“Actually the most effective tool is conducting the exam for all staff and that you have in your policy that if people fail in the exam that there is no chance for them to be hired. This is a more effective tool (the most effective tool)”.

Here, it appears that this method is more successful in this bank as the interviewee sees tests as the most effective tool to limit pressure to hire unqualified candidates.

One solution was inferred from the answers of majority of the interviewees on how to reduce this pressure on the decision maker to hire candidates through this type of wasta. This solution can be seen in a statement from interviewee A:

“It starts from inside, when the bank or institution starts to respect their own policies and procedures, that’s when you eliminate the interference or the bad effect of wasta. What I mean is fine I cannot say no to any minister who would call the GM and say ‘Please I have someone who I am interested in, please hire him, not even just interview him’. Okay fine, we see this candidate, we interview him and if he is fit, and I am not saying that all the people who come like this are not fit and we don’t recruit them out of spite. No, there are a lot of good people who are actually good at university or good at their work but it just happens that they know someone important, so this according to them makes the distance shorter. Now, if it stops there and everybody understands that in such an organisation it’s ok for you to enter but what happens inside is an internal issue, like countries, it’s an internal issue, that no other country or no other external party are allowed to interfere, that when I think wasta becomes more healthy”.

It is suggested in this statement that the only method to really reduce such pressure is for the decision maker to be empowered by the ownership/higher management to be able to refuse to hire particular candidates under pressure from intermediaries. This includes cases when the candidate or his/her intermediate identify as members of same bonding group as the management/ownership (sharing the same religious, origin or come from the same city). It also includes cases when bridging social capital is involved (in the case when a businessman who works with the bank is requesting to hire a certain candidate).

Interviewee B elaborates on this point:

“This goes down to how strong your personality is as an HR. Are you an HR that is concerned with the satisfaction of the heads of departments ‘your peers’ because at the end if you are concerned with everybody being satisfied with you, having good status and good relations with everybody then you will let things slip (look the other way) for them all the time. It goes down to how much

‘diplomacy’ you have to try to enforce to be away from wasta and to select the most qualified individual, which relies on the strength on your personality, your relations with these heads and how diplomatic you are to be able to balance both, not to lose your relation with the concerned department manager and at the same time not to allow this situation to happen. Again, this relies on the personality of the HR and the extent to which he/she is supported by the policies and procedures of the place (organisation) he/she works in”.

Here the interviewee suggests that it comes down to the personality and character of the decision maker to be able to say no to pressures from individuals who hold different roles to participate in the favour reciprocation in a diplomatic way that does not diminish their relations with others. This requires that the ownership/management of the organisation and the HR/ recruitment and selection managers themselves are convinced by the importance of hiring a candidate based on qualifications rather than utilising the organisation as a place to satisfy the obligations of their bonding and bridging social ties.

Thus, it can be concluded that in order to limit this type of wasta and the negative impacts it has on the organisation the solution comes not from reducing the pressure externally, but internally both in a top-down (higher management and owners) and bottom-up (HR, recruitment and department managers) approach.

This section explored the use of wasta as a pressure mechanism by candidates in attaining employment by using either bonding or bridging social ties to reach an intermediate who is either is a member of the in-group or hold a role which enables him/ her to apply pressure on the decision maker to hire. It was argued that this utility of wasta was perceived to be one of the most prevalent in employee selection in banks operating in Jordan. It was further indicated that, similar to other types of wasta, the pressure to hire is reduced in jobs that requires specific skills and qualifications, and also in jobs where the cost on non-compliance that can result from hiring a non-qualified candidate might be very high. This has resulted in this type of wasta being less prevalent in banking than in other organisations that operate in different sectors in Jordan. This utility of wasta was perceived to have negative impacts on the performance of the

person employed through this type of wasta and the whole department he/she works in where morale is impacted due to the fact that the connection this person has can aid him/her even after the hiring is done. It was also perceived that this problem impacts local banks more than multinational and regional banks that can designate hiring decisions to headquarters outside Jordan, thus reducing the pressure from different intermediates and their candidates. Finally, although several ways to reduce this pressure to hire candidates was practiced by different interviewees such as test and designating the decision to other parties outside Jordan, it was perceived that the only way to really limit this type of wasta and its negative impacts on the performance of the organisation can come from within the organisation. This is achieved when the HR and recruitment managers are empowered to be able to say no to the different intermediates which can only happen when the ownership/management and different managers, including these managers themselves, are convinced to select employees based on merit. This means removing employee selection processes from the need to satisfy commitments resulting from different bonding and bridging relations.

4.8 Summary

This chapter presented the analysis and discussion of the data. In the first section the different definitions of wasta offered by the interviewees were presented and analysed. This analysis of the definitions offered by the interviewees led to the identification of two ways in which wasta in employee selection is viewed. The first view, represented the perception of wasta as a recommendation provided by the intermediary to the decision maker to hire the job seeker he/she is intermediating for. The second view of wasta encompassed definitions that perceive wasta as a way to forcefully attain the job or to use the intermediate's high status or powerful position (role) to influence the decision to hire.

Out of these perceptions six themes were identified which reflected the different ways *wasta* can be used in the context of employee selection, as perceived by the interviewees.

The first identified theme refers to the perceived use of *wasta* as an enabler to get jobs. Several interviews indicated that an individual's social capital (*wasta*) can operate as the sole factor in their attaining the job, regardless of the candidate's skills, qualifications and fit with the job. In such cases the interviewees argue that the candidate is hired despite lacking qualifications, skills or fit with the job. However, it was argued that this use of *wasta* was limited to general jobs that do not need specific skills or experiences, rather than specialised or highly skilled jobs. *Wasta* as an enabler to find jobs was perceived to lead to several implications on HRM. These include negative feelings from the different stakeholders, which results in negative outcomes for the organisation, such as poor quality of products or services and eventually loss of profit.

An interesting finding that emerged from the analysis of this theme is the contrast in the negative perception of the use of *wasta* as an enabler to secure jobs on HRM, which was found to be the most common use of *wasta* according to the interviewees, with previous researchers' findings, who explored the use of social capital in employee selection. As the general thrust of these researchers have perceived the use of social capital to have a positive impact on HRM, highlighting its advantages for the organisation and the individual seeking employment (Fernandez et al., 2000). On the other hand, all of the interviewees who discussed this use of *wasta* have stated that it has a negative impact on the organisation.

The second theme, *wasta* as social ties/ categorical social identification reflects members of the same close-knit groups using their bonding social capital to attain employment in organisations that share these characteristics with them (members of the same in-group). These characteristics include shared religion, shared origin, or shared geographical location.

The practice of banks hiring employees based on social ties was perceived by interviewees to be due to three main reasons. Firstly, the lack of existence and

implementation of regulations that govern employee selection in Jordanian informal hiring practices replaced dysfunctional formal ones. Secondly, the prevalence of the tribal mentality in Jordanian organisations where members of tribes are expected to demonstrate solidarity to other members in exchange for resources, such as employment. Thirdly, the nature of evolution of Jordanian organisations. Many interviewees argued that most organisations are family owned/managed and some of these have evolved into large organisations while retaining the family mentality as direct and indirect family members are prioritised for employment opportunities.

Hiring employees based on social ties/ categorical social identification was perceived to produce both positive and negative outcomes for HRM. The positive implications are acquired by candidates who are assisted in securing a job in a highly competitive Jordanian job market. However, the negative implications on HRM seem to outweigh the positives. Interviewees perceived that structuring the employee selection policy based on this type of *wasta* limits employee diversity in the organisation, thus excluding candidates who do not share the same characteristics as its members (i.e. who are not members of the in-group), and this negatively affects the organisation's performance, all negative implications which are identical to those discussed in the previous section.

The third theme explored the use of *wasta* as a method to transfer information between the organisation and potential candidate. This theme was based on the work of Burt (2000, 2001, 2005) on brokerage and closure where the intermediary undertake the role of an information broker between the individual seeking employment and the organisation seeking an employee. Interviewees believed this use of *wasta* to have several positive outcomes for both the job seeker and the employer organisation. Firstly, it makes the candidate visible to the organisation, standing out from a large number of applicants. Secondly, it connects an HR/ recruitment and selection manager with qualified candidates which can be very beneficial to the manager, particularly in specialised jobs that need particular skills and characteristics. Thirdly, it brings in employees with new perspectives. Fourthly, it provides the organisation with an employee who fits the culture of the organisation, something which interviewees deemed an

important characteristic as the employee reflects the culture and identity of the banks. However, this was argued to result in organisations having a closed knit, inward-looking group that excludes non-members (members of the out-group) (Burt, 2005). This then causes a lack of diversity in the employee pool which stifles the creativity of the organisation and reduces its ability to solve problems (Albdour and Altarawneh, 2012, 2014)

The fourth theme; *wasta* as a guide in decision-making, explored the perception of using *wasta* as a guide in the decision to hire a candidate. Here, interviewees suggested that *wasta* was used by the decision maker in the organisation as one of the criteria in the organisation's employee selection policy. It was argued that this use of *wasta* stems from the philosophy of the organisational leaders where the majority of organisations in Jordan are family owner/managed, which, due to the lack of the existence and implementation of laws regulating the employee selection process in Jordan and its banking sector, was perceived to encourage a more widespread use of this *wasta*. This use of *wasta* resembles the use of bonding social capital between members of the same social groups, based on ethnicity or origin, religion, geography, and family ties (self-categorisation based on a shared characteristic). Moreover, an interesting finding deriving from this study is that these bonding social relations can in some instances also be viewed as bridging relations since the two main social groups; East bank Jordanians and Palestinian Jordanians were further divided according to religious affiliation by some interviewees (e.g. Muslim East bank Jordanians, Christians East bank Jordanians, Muslim Palestinian Jordanians and Christian Palestinian Jordanians). This categorisation of different social groups in Jordan relates to the criticism of social capital theory as it was argued that this distinction between bonding and bridging social capital is complex, as the boundaries of both social groups often become blurred (e.g. being a member of the East Bank group while also being member of the Christian group). Therefore, both types of social capital and each social group should not be treated in a mutually exclusive manner. Finally, the benefits and drawbacks of utilising *wasta* as a criterion in the employee selection policy were presented for both the individual and organisation.

The fifth theme; *wasta* as an exchange/ role identity, explored the perceived use of *wasta* as part of an exchange mechanism where a candidate is hired in exchange for a favour provided by the candidate's intermediary. In this process the candidate is perceived to use his/her bonding or bridging relations to attain employment in a certain organisation through an intermediary who, through undertaking a particular role, can provide the organisation with something in return for hiring the candidate. This utility of *wasta* was perceived by some interviewees as a positive when the candidate possessed the appropriate qualifications and skills for the job as everybody involved benefits from this exchange. On the other hand, it can also have a negative impact when the decision maker is pressured to facilitate this exchange either by an external intermediate or by the ownership/management of the organisation, when the candidate lacks the qualifications and skills necessary for the job. This results in feelings of inequality among colleagues of the individuals hired for this reason and this can result in a decline in the performance of the whole department. Another serious negative outcome for HRM is the possible use of *wasta* to facilitate an exchange for the personal benefit of the ownership/management of the organisation, regardless of whether this impacts the organisation's performance negatively. Finally, it was found that this use of *wasta* is believed to be more widespread in local rather than regional and multinational banks, which interviewees argued to be due to the existence of institutional voids in these local organisations and the need for constant reciprocation to facilitate their operations in the Jordanian business environment.

The sixth theme; *wasta* as pressure, explored the perceived use of *wasta* as a pressure mechanism by candidates through the use of either bonding or bridging social ties to reach an intermediate who can apply pressure on the decision maker to hire. It was argued that this use of *wasta* was perceived to be one of the most prevalent in employee selection in banks operating in Jordan. It was further indicated by interviewees that, similar to other types of *wasta*, less pressure to hire is applied for jobs that require specific skills and qualifications, and also in jobs where the cost of non-compliance that can arise from hiring a non-qualified candidate are perceived to be very high. Based on the interviewees' perceptions, it was also argued that this has resulted in this type

of *wasta* being less common in banking than in other organisations operating in different sectors in Jordan. This use of *wasta* was believed to negatively impact the performance of the person employed through this type of *wasta*, as well as the department he/she works in. This translates to impact in the organisation's HRM as it harms employee morale due to the fact that this person's connections can still aid him/her even after the employee selection process is completed. It was also argued based on the interviewees' perceptions that this problem affects HRM in local banks from the case study more than multinational or regional banks as decision makers in these banks are able to designate the decision to hire to their headquarters outside Jordan, thus reducing the pressure from different intermediaries and their candidates. Finally, although the interviewees highlighted several methods they use to limit pressure put on them to hire candidates, such as using tests and designating the decision to other parties outside Jordan, it was stated that the only way to really limit this type of *wasta* and its negative impacts on the performance of the organisation must come from within the organisation. Interviewees believed this is achieved when HR and recruitment managers are empowered to be able to say no to the various intermediaries (who can apply pressure either because they are members of the in-group or because they have a particular role). This can only happen when the ownership/management and different managers, including these managers themselves, are committed to select employees based on merit. This depends upon a distinction between employee selection processes and requirements to satisfy commitments that result from different bonding and bridging relations.

Chapter five: Conclusions

This chapter rounds up and concludes the thesis, drawing together the findings from the data analysis and literature review sections. The chapter will begin by summarising the key points of each chapter of the thesis. The following section demonstrates how the research aim was met by accomplishing three objectives. The key findings of the investigation are then interpreted and the contributions to knowledge of the thesis detailed. In the next section the limitations of the study are presented. This is followed by a discussion of the implications for social capital theory, identity research, and HRM in Jordan future research. A section highlighting the implications for HR policy and practice concludes the chapter.

5.1 Summary of the thesis

The purpose of the introduction was to set the context for the research. This was achieved by introducing the core concepts explored in this thesis, namely those of *wasta*, social capital, and identity. *Wasta* was presented as being a form of favouritism based upon family and tribal affiliations. It was then explored by highlighting its historical roots, firstly as a means of conflict resolution through mediation (intermediary *wasta*), and which then evolved into the widespread practice of using an intermediary to achieve goals in Jordan and the other Arab world countries (intercessory *wasta*) (Cunningham and Sarayrah, 1993). The basic premise of social capital theory was then highlighted as concerning social networks that acquire value based upon their utility for attaining other resources and achieving goals. This was followed by an introduction of identity research highlighting how it is used to critique and complement the social capital lens in exploring *wasta*, namely its ability to highlight the motives for individuals to engage in *wasta* practice.

It was found that there is a limited understanding of how *wasta* affects employee selection in organisations operating in Jordan. Previous research has also focused on the positive outcomes of using social capital, coupled with a

limited understanding of how social capital influences political, social and economic activities in the countries of the Arab Middle East.

In this study, the social networks perspective of social capital was felt to be more pertinent because it provided a way to avoid the generic use of social capital by earlier researchers. Furthermore, using identity theory to critique the social capital lens provided further understanding of the psychological motives for individuals to engage in wasta. It also helped in taking social capital out of its economic focus, a main criticism previous research on social capital. Notions of bonding and bridging social capital drawn from the work of Gittel and Vidal, (1998), Putnam (2000), and Patulny and Svendsen (2007) were also adopted to help distinguish between different forms of social capital and their expected outcomes. These were then adopted to explore the different types of social networks in Jordan. A lack of research on the role social capital plays in the developing countries of the Arab Middle East was then situated. This enabled a discussion of the shortcomings of previous research exploring wasta using a social capital lens, which focus on the positive outcomes of using wasta while often neglecting any negative outcomes. Corresponding identity concepts (relational, categorical, and role identification) were then introduced through exploring the research streams of social identity and social categorisation theories (Tajfel and Turner, 1985; Hogg and Ridgeway, 2003) and identity theory (Stryker and Serpe, 1982; Stets and Burke, 2000; Stryker and Burke, 2000). This was followed by a section introducing Jordan, its socio-economic environment, the Jordanian banking sector and HRM research in the Jordanian context.

The wasta paradox was explored next. The difficulty of researching wasta was detailed as being a wide spread practice with a concomitant denial of use by its practitioners. Researchers use the term in generic and loose ways in order to denote the use of social networks in Arab Middle Eastern countries. The research problem was identified as a gap in our understanding of social capital in the form of wasta in Arab Middle Eastern countries and how this affects employee selection practices in organisations operating in Jordan. It was further argued that this gap also extends to our lack of knowledge on those who

actually practice *wasta* in employee selection and how managers in these organisations deal with this practice when it comes to selecting employees.

Chapter two explored *wasta* using the social capital theory as the main lens, and identity research as a secondary lens to unpack the *wasta* process and examine both the positive and negative outcomes of utilising social capital in employee selection. To account for the conceptual ambiguity of social capital, the chapter presented and critically analysed several definitions of this concept offered by key researchers in the field, and then adopted a definition of social capital for the purposes of this research. This working definition is:

“The resources embedded in one’s social network or group, which could be either closed, such as a family, kinship or religious group, or open, such as a friendship, social club or organisation’s employment group, whereby these resources are viewed as ‘credit slips’ that can only be operationalised by interacting with other actors in or across the members of these groups”.

A critical review of identity research followed, highlighting the different ways individuals identify based on their relationship with other individuals and membership of different groups (relational identification and categorical identification), and on the different roles they undertake (role identity).

A subsequent section explored different definitions of *wasta* and this was combined with the working definition of social capital to posit a working definition of *wasta* through a social capital lens where *wasta* is defined as:

“The use of personal social networks to attain certain end goals using a currency of ‘favours’, exchanged between members of different groups, both on an inter- and intra-group level. Wasta generally involves the intervention of one or more patron(s) on behalf of the individual seeking the end goal which can range from renewing a passport to securing employment”.

This definition established the basis for our exploration of *wasta* in this research project. A section discussing identity analysis in exploring *wasta* followed where the way individuals identify and self-categorise was linked with the practice of *wasta*.

The different levels of social capital were then examined and it was concluded that this research focuses upon social capital, or *wasta*, on the individual level. This was followed by a section exploring different themes in social capital research from a social networks perspective. This included exploring the concepts of brokerage, closure, and intermediation, bonding and bridging social capital, identification and categorisation, and finally the history of social networks in Jordan in order to construct an understanding of the current social groups in Jordanian society.

Chapter two then concluded by examining social capital in employee selection by exploring the issue of inequality of social capital in employee selection, followed by identity in employee selection, research exploring HRM in Jordan and the impact of *wasta* upon employee selection practices in Jordan.

In chapter three methodological issues were explored, the chapter started with a justification of the research philosophies where the use of the qualitative, subjective and interpretivist standpoints were discussed. This was then followed by a discussion of the inductive approach of the research and the use of the snowballing sampling strategy. The benefit of using *wasta* to reach the sample cases was discussed and a critical reflection of the data collection and analysis was presented in the section titled; challenges in the field. The limitations of the data were then discussed and the chapter was concluded with a summary.

Chapter four presents the data analysis and discussion. It begins by discussing the definitions of *wasta* offered by the interviewees that reflect the different experiences each interviewee had with *wasta*. These definitions, coupled with other statements from the interviewees, were used as the basis for creating six themes which reflect the different uses of *wasta* as perceived by the interviewees. These themes include: firstly, *wasta* as an enabler to get jobs reflects the use of *wasta* as the only criteria for selecting an employee; secondly, *wasta* as social ties/ categorical social identity reflects the use of bonding social capital by job seekers who share a common characteristic with the organisation in attempting to secure employment; thirdly, *wasta* as a carrier of information reflects the intermediary acting as a broker of information

between the organisation and the job seeker; fourthly, wasta as a guide in decision-making reflects the use of wasta as one of the criteria to select an individual for employment; fifthly, wasta as an exchange/ role identity, which reflects the use of social capital, facilitated by an intermediary who undertakes a particular role, as a part of an exchange of resources; and finally, wasta as pressure, which reflects the use of an intermediary who is in a powerful position by the job seeker in an attempt to influence the decision to hire in the candidate's favour.

5.2 The achievement of the research aim and objectives

The research aim in section 1.8 set out to explore the perceptions of managers on the impact of intercessory wasta on employee selection practices in selected case study banks operating in Jordan. This research aim was accomplished by meeting the three research objectives, as this section demonstrates.

The first objective was to explore interviewees' views on how social capital, in the form of wasta, is used in employee selection process within the case study banks.

To achieve this objective, the literature exploring the impact of social capital, identification, and wasta on employee selection was presented and critically discussed in section 2.8. This was used to situate relevant statements provided by interviewees where several different uses for wasta in employee selection in the case study banks were given. The first use, explored in section 4.2, is the use of wasta as an enabler to find jobs. In this case, a job seeker works with an intermediate who can forcefully secure them employment, regardless of the candidate's qualifications.

The second use is when the intermediary acts as a carrier of information between the job seeker and the organisation seeking an employee. This was linked to the work of Burt (2000, 2001, 2005) on brokerage between structural holes. In this situation the intermediary provides both parties with information about each other and if the job seeker's /qualifications are found to fit the job,

through formal vetting procedures, then their employment may be successfully negotiated.

The third way is when the job seeker uses an intermediary, who undertakes a particular role, as part of an exchange process where employment is offered to the candidate in exchange for a favour or resource that the intermediary provides in the present or the future.

The fourth way is when an intermediary is brought in by the job seeker to influence the hiring decision by using their perceived high status or power over the decision-maker in the organisation.

The second objective was to identify interviewees' perceptions of the reasons and outcomes underlying the use of social capital in the form of *wasta*, in an employee selection context.

The first reason was identified in section 4.2, which explored the use of *wasta* as an enabler to find jobs. Interviewees indicated that when a job seeker who perceives him or/herself as being unable to secure a particular job due to their lack of qualifications or fit with the job, *wasta* is used by accessing his or/her social ties and an influential intermediary who can forcefully secure the job for them despite their lack of qualifications or fit. It was argued by the interviewees that this use of *wasta* stems from Jordanians' perception of *wasta* as an indispensable tool to secure employment. This argument reflects the findings from earlier researchers of *wasta* such as Hutchings and Weir (2006a).

A second reason was identified in the subsequent section. Here *wasta* was argued to be requested and provided by individuals who share a common characteristic with the managers/ owners of the organisation (e.g. Religion, origin, area of living) and as a result categorise themselves to be from the same in-group. This commonality is a psychological motivator for intermarries to act as a *wasta* for the candidate. This reflects the use of bonding social capital between members of the same group (Gittell and Vidal, 1998; Lin, 2005).

A third reasons behind the use of *wasta* by individuals seeking employment was discussed in section 4.5 where the use of *wasta* as a guiding factor in the decision to hire was explored. In this instance, the interviewees perceived that

wasta was used by candidates because it provides an additional 'qualification' for them to be considered in the hiring decision. However, a candidate's wasta here, is not the only factor that will be considered in the hiring decision as other factors such as qualifications, experience, and skills are considered.

The third set objective was to examine how HRM practitioners and line managers deal with the exercise of social capital in the form of wasta, throughout the employee selection process.

In addressing this objective it was found that this depends on the type of wasta practiced in that organisation. Regarding 'forceful' uses of wasta, like using wasta as an enabler to attain jobs, interviewees who work in local banks owned by members of the same family or in-group, perceived such uses of wasta negatively but argued that there is no option but to comply with the pressure applied on them to hire the candidate. Regarding the use of wasta as power to influence the decision to hire however, different interviewees devised different approaches to limit the negative outcomes of the use of this wasta in their organisations. For instance, interviewees in local banks allocated these applicants to 'general' jobs that do not require specialised skills and qualifications and where the cost of hiring such applicants is minimal. Interviewees from regional and multinational banks attributed the decision to hire to headquarters outside of Jordan. This reduces wastas' power and the ability of the intermediary to influence employment decisions, as the decision to hire is declared to be out of the hands of those in the Jordanian social network.

On the other hand, the use of wasta as a guide to hire was perceived in a more positive way by interviewees as the use of social ties was argued to provide them with an employee they can trust and who they believe to fit the organisation's culture. This trust and perceived fit with the organisation's culture stems from the interviewees' view that the intermediary who knows both the abilities and characteristics of the prospective employee, and the culture of the organisation and requirements of the job. The interviewees assume that an employee hired in this way will be able to fit in directly and will be trustworthy. In this instance, the intermediary acts as a guarantor for the job seeker. Finally,

wasta used as an exchange, received mixed reviews from the interviewees and therefore, was managed in different ways. Some interviewees perceived this use of wasta as a positive practice to attain resources through exchange processes, which also results in strengthening ties with the intermediary, leading to better social connections for the organisation and better future access to resources. However, this positive view of the outcomes of wasta was dependent upon the candidate possessing the appropriate qualifications, skills and fit with the job. In such cases, interviewees welcomed and accommodated uses of this type of wasta.

On the other hand, this use of wasta was to have a negative impact on HRM by interviewees who were pressured to hire a candidate by an intermediary or higher management/ownership in order to facilitate an exchange process, despite the fact that the candidate does not possess the required qualifications and skills for the job. In this case, interviewees either complied with this pressure, by citing the direct influence from higher management/ownership or the need for the intermediary to facilitate other business for the organisation, or they attempted to limit the negative outcomes from hiring such unqualified candidates by assigning them to positions where the negative outcomes of underperformance will be minimal.

5.3 Key findings and contribution to knowledge

This section reiterates and details the contribution to knowledge of this thesis put forward in section 1.10. In doing so, we address the gap in knowledge as stated in the last section. The contribution to knowledge of this research is twofold:

On a theoretical level, the unique contribution of this thesis is that it is the only research to critically explore intercessory wasta empirically using social capital as the main theoretical lens, and with a particular emphasis on bridging and bonding social capital in the context of employee selection in organisations operating in Jordan.

On this level, it was found that the use of wasta in employee selection in the case study organisations reflects both bonding and bridging social capital. Bonding social capital is evident in the use of wasta as social ties where jobs seekers use their social ties to gain employment in organisations that are owned by members from the same extended family, tribe, origin (East bank Jordanians or Palestinian Jordanians), religious affiliation (Muslim or Christian), or geographical area of residence (East or West Amman or cities or the North or South of Jordan). The use of bridging social capital in the employee selection process can mostly be seen in wasta as an exchange/ role identity and wasta as power. In such instances, a job seeker uses his/her weak bridging social ties to reach out to an intermediary from outside the direct bonding group to secure the job. This is done either by offering something in return to the organisation (exchange) or influencing the decision to hire (power).

Furthermore, data from the interviewees helped us explore in detail the different roles the intermediary can have on the wasta process, such as: being a forceful actor in influencing the decision making process, being a broker of information between the job seeker and the organisation, being a middle man in the exchange process, or simply providing a recommendation to the organisation.

The use of identity research enabled exploring the motives for individuals to act as an intermediary for other individuals who they have a direct relation to (relational identification), or have a common characteristic that they share with (categorical identification) or due to the role the individual undertakes (role identity).

Finally, the implications of using wasta in the employee selection process were explored in detail in the discussion and analysis chapter, and then summarised in this chapter. It was found that both bonding and bridging social capital are perceived to have either positive or negative implications on HRM depending on the way wasta is used. Existing literature on social capital generally presents the use social capital in seeking employment as positively affecting both the organisation (who gets qualified candidates) and job seekers (who receive a job). Yet this is of particular importance as the interviewees also highlighted several negative impacts on HRM such as, the inability of unqualified

employees hired through *wasta* to perform and the negative reactions of other qualified candidates, colleagues, managers, and employees who end up working under this unqualified individual who was only hired either to facilitate an exchange, or because the organisation was pressured to hire him or//her. It was found that this harms the organisation's performance and by extension, the products/service and profit of the organisation. This finding expands the boundaries of social capital theory by highlighting the possible negative implications of using bridging social capital, an element which had previously generally been viewed as producing positive outcomes when adopted in employee selection practices. These findings also affect our understanding of *wasta*, as where previous researchers mostly focused on the negative outcomes of this practice, now both positive and negative outcomes are highlighted by the interviewees here.

On a practical level this is the only research to have explored the perceptions of managers about the impact of intercessory *wasta* on employee selection in banks operating in Jordan. By highlighting both positive and negative implications that are perceived to result from the different uses of *wasta*, the findings from the data analysis can be used to pinpoint the positive uses and outcomes of *wasta* for HR managers in the Jordanian banking sector. Furthermore, this analysis can be used to highlight the negative outcomes of using *wasta* to force unqualified candidates into the organisation or to influence the decision to hire such candidates since the long-term negative implications of such practices can be argued to outweigh short-term perceived positive outcomes such as gaining resources or demonstrating in-group favouritism and solidarity.

Based on this exploration, implications for HR policy and practice are discussed in the final section. This renders the findings of this thesis a vital resource for managers to combat any potentially negative effects of this practice in these organisations.

5.4 Limitations of the research

It is important to highlight that this research was both time and location-specific, and that its findings are based on perceptions of the participants and the researcher at a particular point in time. As such, studies conducted by different researchers may highlight different issues to the ones found in this research. Time was also a limiting factor as data was collected during very brief periods where the researcher could visit Jordan.

Furthermore, as discussed in section 3.8, this research faced three limitations; limitations on the methodological level (qualitative research, limited generalisability), limitations of access (access limited by the authors' social networks) and limitations of the volume of data (small data set, not all participants fully open). These were discussed in detail in section 3.8.

The strengths of this study lie in its interpretivist approach, which, as discussed in the methodology chapter, allowed the researcher to gather a richness of data relating to the reasons, outcomes and processes of using *wasta* in employee selection due to the insider view of the researcher combined with an outsider approach to data analysis.

5.5 Implications for future research

On a theoretical level, this research establishes a stepping stone for researching *wasta* and the role it plays in employment selection in organisations operating in the countries of the Arab Middle East.

5.6.1 Implications for Social Capital research

Future research exploring social capital theory in the countries of the Arab Middle East can build on the findings of this research by drawing upon different data sets encompassing both industry and country levels to further the understanding of the use bonding and bridging social capital in the different business and HRM functions.

Such an exploration should build on the balanced view of wasta presented here, to further explore its positive implications to both individuals seeking employment, and organisations hiring these individuals.

5.6.2 Implications for Identity research

As highlighted at the introduction on this thesis, to the best of the author's knowledge, there has been no previous research that explores wasta purely from an identity perspective. Although this research uses identity as a secondary lens to complement the main social capital lens, the use of the identity lens has helped in understanding the different psychological motivators for individuals to participate in wasta (relational identification, categorical identification and role identification). Future research using the identity lens in exploring wasta should further explore in more detail the process of identification from the perception of different stakeholders in the wasta process (job candidates, senior management/ ownership, and the community).

5.6.3 Implications for HRM research in Jordan and the countries of the Arab Middle East

The findings of this thesis can be regarded as an invitation to researchers of HRM in Jordan and the countries of the Arab Middle East to explore the impact of wasta on the different HRM functions empirically and systematically. Further research is needed to the intrinsic and extrinsic motives that lead different stakeholders to participate in wasta.

The next section explores the implications for HR policy and practice.

5.6 Implications for HR policy and practice

The findings of this research have several implications for the development of HR policies and practices that account for the impact of wasta on employee selection in organisations operating in Jordan. These implications can be divided to a macro (governmental) and micro (organisational) levels.

On the macro level governments can take steps in tackling the negative uses of *wasta* in employee selection in both the public and private sectors by issuing clear regulations that prevent organisations from hiring unqualified candidates based on un-objective criteria. In doing so, a clear definition of what constitutes *wasta* in the different HR functions should be issued alongside clear and firm penalties for participating in this practice.

Organisations should be required to publish annual reports on its employee selection throughout the year. These reports should be scrutinised by an independent committee to ensure fairness of the employee selection practices of the different organisations. This committee could also serve as a juror for complains about unfairness in employment selection.

On the micro level, organisations should be encouraged to formalise their HR policies and practices and have them available in writing for the different stakeholders. These policies should include a clear guidance to the criteria of employee selection, training and development, reward management and the different HR functions in order to avoid any confusion that could be used to hire unqualified candidates through *wasta*. Organisations should be required to announce the criteria clearly before any internal or external job posting.

Policies can also be devised to encourage the more positive uses of *wasta*, such as its use for the recommendation or as a carrier of information about qualified candidates. These can be implemented in a way similar to referral policies in western organisations where employees are rewarded when they recommend a candidate who passes through the different stages of the selection process and the probationary period.

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Appendix A

List of publications, conferences and doctoral symposia

Publications

Ali, S., Raiden, A. and Kirk, S. (2015). Social capital in Jordan: wasta in employment selection, The International Conference on Organization and Management (ICOM), Abu Dhabi, UAE, 22-23rd November 2015.

Ali, S.H., Raiden, A. and Kirk, S. (2013). The effect of Wasta on business and HRM conduct in Jordan. In: 27th Annual British Academy of Management Conference, 10-12th September 2013.

Ali, S., Raiden, A., & Kirk, S. (2013). Wasta in The Jordanian Culture: A Study In The Banking Sector. International Journal of Innovations in Business, 2 (6), 529-550.

Ali, S.H., Raiden, A. and Kirk, S. (2012). The transfer of western recruitment & selection frameworks into the Jordanian culture: a study in the banking sector. In: The Global Conference on Innovations in Management, University of East London, London, 22-24th November 2012.

Conferences and Doctoral Symposia

The International Conference on Organization and Management (ICOM), Abu Dhabi, UAE, 22-23rd November 2015.

The Nottingham Trent University Middle East and North Africa (MENA) region cluster first conference, 10th April 2014

Nottingham Business School Contemporary Perspectives on Work,
Employment and Diversity Symposium, 6th November 2013

The British Academy of Management Conference and Doctoral Symposium
9th-12th September 2013, University of Liverpool

Graduate school Spring Conference at Nottingham Trent University, 8th May –
9th May 2013

The Global Conference on Innovations in Management & Doctoral Symposium,
University of East London, 22nd-24th November 2012

Business, Law and Social Sciences Spring Conference at Nottingham Trent
University, 9th May – 10th May 2012

Appendix B



To what extent does the Jordanian culture affect the transfer of western Recruitment and selection frameworks to the country?

Interview schedule

Background information

1. Name of organisation.....
2. Location(s).....
3. Number of employees.....
4. Department.....
5. Name of interviewee.....
6. Job title.....
7. Telephone number.....
8. E-mail.....
9. Nationality.....
10. Gender.....
11. Age
12. Length of service:
 1. In current organisation.....
 2. In the HR department.....
 3. In current position.....

To what extent does the Jordanian culture affect the transfer of western Recruitment and selection frameworks to the country?

Interview schedule

- Introducing myself
- Short Introduction about research (aims, objectives, case study and data collection methods)

If there are any questions that you do not feel comfortable answering then please indicate this and we will move on to the next section. If there are any documents that you feel would be relevant to the topic of this interview but you do not have at hand at the moment then I will be pleased to receive them after the interview. I anticipate the interview will last around an hour. During this time you might refer to internal documentation or reports which might be useful for this study. If so, I would be very grateful if I could be provided with copies. Finally, would you mind if I record the interview? Thank you once again for agreeing to take part.

1. Can you describe the R&S process in [name of bank]?
2. How has this process been developed?
 - Was it developed unilaterally or in consultation with the subsidiaries / head quarters (for regional and MNC's)
3. How effective do you think the R&S practices are [name of bank]? Are these methods of recruitment able to give you the needed and qualified candidates to fill the vacancies? If yes why, if no why not? What can be done differently?
4. Are the HRM and R&S policies and procedures available in writing? Accessible to current and potential employees?
5. In your opinion what are the main factors which influence HRM policies and practices in general and R&S in particular in [name of bank]? (e.g. state/government controls, national culture, law)?

6. What are the main operating constraints and opportunities in Jordan today which affect HRM and R&S implementation in [name of bank]?
7. What are the main aspects of Jordanian culture (e.g religion, social structure...etc) affecting R&S practices in [name of bank]?
8. Can you describe how these factors affect the R&S practices? Examples??
9. How does Jordanian culture (the mentioned aspects in previous question) affect the implementation of HR and R&S policies and procedures in [name of bank]?
 - If wasta is mentioned here ask to elaborate / give examples if not ask: We heard that “wasta” can sometimes help to speed up processes/get what one wants (link to employment). What is your impression, speaking from your own experience
10. How has your organisation adjusted policies and practices to the local market concerning R&S? (Multinational and regional banks)
 - Can you describe the local market conditions
11. How would you modify these practices to accommodate culture / wasta (if mentioned) in Jordan?
12. Would you like to add anything which you think we did not cover in this interview and which would be important to this topic?

Appendix C

Participant Information Sheet

NOTTINGHAM TRENT UNIVERSITY

COLLEGE OF BUSINESS, LAW AND SOCIAL SCIENCES

Email: saad.ali2011@my.ntu.ac.uk

To what extent does Jordanian culture affect the transfer of western R&S frameworks to the country?

Thank you for agreeing to consider participating in this research project. Before you decide whether to take part in the research, it is important that you understand the reason why this research is being carried out, and what your participation will involve. I would be grateful if you would take time to read the following information carefully and discuss it with colleagues or other people if you wish. Please feel welcome to get back to me if anything is unclear, and to take as much time as you need to decide whether or not to take part.

What is the purpose of the study?

The aim of this study is to investigate how banking organisations in Jordan implement western R&S policies, procedures and practices in its own local context. It further aims to evaluate the effect of the Jordanian culture on the implementations of these policies, procedures and practices in the Jordanian business context.

The study builds on the scarce research available on HR practices in Jordan and focuses on how organisations implement and possibly modify western R&S policies and procedures. It further focuses on how HR managers and employees deal with the various cultural factors that affect the process of R&S in their organisations.

The main purpose of the study is to find out much more about the implications of Jordan's culture on the R&S process in Jordan and the expected benefits reaped from this research is to inform managers in the Jordanian banking industry on how to approach cultural issues related to the recruitment & selection process and how to modify imported R&S policies & procedures to fit with Jordanian culture.

The project commenced on the 9th of January 2012 and is expected to run until the 8th of January 2015.

This project is being undertaken with five organisations operating in the Jordanian banking industry and conducted within Nottingham Business School.

The method of gathering information is via survey questionnaires distributed to the HR employees in the case study organisations (200 questionnaire) and semi structured interviews with HR, R&S and the department managers involved in the R&S process in their organisations (15 interviews)

I am also studying background documents such as R&S written policies and procedures of the case study organisations in order to attain a better understanding of this process in the case study organisations.

Who is running this study?

The project is supervised by Dr. Ani Raiden as the director of studies and by Dr.Susan Kirk as the second supervisor, it is being undertaken by Sa'ad Ali as the main researcher who is based in Nottingham Business School / Nottingham Trent University.

Who is funding this study?

The study is funded by the University of Al-Isra'. This funding allows the project to be undertaken as a piece of independent, academic research.

Why have I been chosen to take part?

I am asking you to participate in the research, because of your position as an employee in the HR department in the banking sector in Jordan. I would therefore like to ask you to participate as a one of the approximately 215 people being involved across the case study organisations.

Do I have to take part?

Your participation is entirely voluntary. I have obtained your organisations permission to approach you, but you are free to take part or not, as you choose. Your organisation will not be told if you decline.

If you do decide to take part, you will be given this information sheet to keep, and you will also be asked to sign a consent form. You will still be free to withdraw at any time until the writing up phase of this research.

If you decide not to take part, or to withdraw at any stage, before writing up you will not be asked to give me any reasons.

What do you want me to do?

Depending on your working position in your organisation I would like you to either take part in an interview that will last 1-2 hours (for managers of HR, R&S and department managers involved in the R&S process) which will be carried out by myself, or to fill in a survey questionnaire which will take 10-15 minutes (for employees of the HR department) which will also be handed out by myself. These proceedings will take place in your workplace, and will be arranged at a time convenient to yourself. The topics to be covered are set out on the attached sheet. The interviews will be carried out following a pre-set schedule, although there will also be plenty of scope for discussing other issues as deemed appropriate during the interview.

I will ask for your written permission to record the interview to ensure that the information you give me is accurately recorded.

What will happen to the information I give in my interview?

The data provided through the survey questionnaire in the form of pre-coded questions will be inputted in a computer and analysed SPSS 19 data analysis computer software.

The recording of your interview will be transcribed using Nvivo computer software. I will then analyse the information and both sets of data will feed into my results.

At the end of the study all the data attained throughout both the survey questionnaires and interviews will be fully anonymised before they are archived. Any information that identifies you or your organisation, or that gives any clues to your identity, will be removed. I am confident that these precautions will ensure that no-one will be able to trace your provided data back to you or your organisation.

How will you protect my confidentiality and anonymity.

The interview recordings and transcripts will be handled only by me, in line with data protection principles and the approved research protocol. Hard copies of survey questionnaires and research notes are kept in locked filing cabinets, and electronic files are kept on password protected computers which are not accessible to any other university staff.

Once the research ends and the data is archived, the recording of your interview will be destroyed and the relevant files erased from our computers and any hard copies of data identifying research participants will be destroyed.

You will not be named or otherwise identified in any publication arising from this project unless your role forms part of a narrative that is already in the public domain (for example, if you were the named author of a published document or gave evidence to a public inquiry relevant to the study). No unpublished opinions or information will be attributed to you, either by name or position.

I will exercise all possible care to ensure that you and the organisation you work for cannot be identified by the way I write up my findings.

What are the possible benefits?

I hope that you will find the survey questionnaire or interview interesting, and will take satisfaction from helping to develop knowledge of this important topic. I also hope that you will find the results of the project helpful to your work by informing on how to approach cultural issues related to the recruitment & selection process and how to modify imported R&S policies & procedures to fit with Jordanian culture.

What will happen to the results?

The results will be used in producing a PhD thesis by the main researcher and the supervisory team. It is further anticipated that the results will be useful for organisations operating in Jordan which are interested in understanding the effect of the Jordanian culture on the implementation of western HR and R&S policies, procedures and practices.

It is further anticipated that several research papers will be published in relevant conferences and journals based on the data collected by the main researcher and the supervisory team.

The findings will also be of interest to professional bodies, such as; The National Centre for Human Resource Development in Jordan and The Chartered Institute of Personnel and Development.

I will also publish a short, executive summary of my results and recommendations and will circulate it widely amongst policy makers and relevant managers in the studied organisations.

How can I find out more about this project and its results?

For more information about this project, please feel free to email on sa'ad.ali2011@my.ntu.ac.uk.

I will send a copy of the executive summary to all my research participants, so you will be able to read about my findings.

Has anyone reviewed the study?

Before Nottingham Trent University agreed to on this study, it was reviewed by the graduate school committee as well as an independent assessor. I also report to the College Research Degrees Committee and The College Research Ethics Committee which are composed of individuals with a very long experience in research and academia.

Contacts for further information

Please feel very welcome to contact the main researcher further information, at the following address:

Sa'ad Ali
Nottingham Business School,
Nottingham Trent University,
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Nottingham NG1 4BU

Email: saad.ali2011@my.ntu.uk

Telephone: 00447414149982

Appendix D

NOTTINGHAM TRENT UNIVERSITY

COLLEGE OF BUSINESS, LAW AND SOCIAL SCIENCES

Email: saad.ali2011@my.ntu.ac.uk

**To what extent does Jordanian culture affect the transfer of western
R&S frameworks to the country?**

CONSENT FORM

Name of organisation

Please read and confirm your consent to being interviewed for this project by ticking the appropriate box(es) and signing and dating this form.

1. I confirm that the purpose of this project has been explained to me, that I have been given information about it in writing, and that I have had the opportunity to ask questions about the research.
2. I understand that my participation is voluntary, and that I am free to withdraw at any time without giving any reason and without any implications for my legal rights.
3. I give permission for the interview to be tape-recorded by the researcher, on the understanding that the tape will be destroyed at the end of the project.
4. I agree to take part in this project.

Name of respondent

Date

Signature