

AMERICAN UNIVERSITY OF BEIRUT

HUMAN RESOURCES DECISION MAKING IN LEBANESE
ORGANIZATIONS

by
DIMA AMIN ABOU SUMSUM

A project
submitted in partial fulfillment of the requirements
for the degree of Master of Human Resources Management
to the Suliman S. Olayan School of Business
at the American University of Beirut

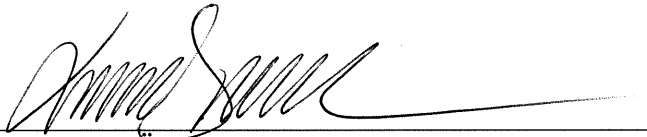
Beirut, Lebanon
April 2019

AMERICAN UNIVERSITY OF BEIRUT

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ACKNOWLEDGMENTS

“Life is about creating yourself”, the saying that always inspires me to achieve any of my too-many life goals; and one of these goals is to finish my Master Degree. But it’s not that easy! Goals cannot be achieved without the presence of supportive persons along the way...

So, I want to say big thanks to everyone who was there for me throughout the last two years...

I would start from my parents, my father and my mother, and my siblings, your presence is such a bless that always empowers me to confidently move on through life journey...Thank You

To the American University of Beirut that offers quality education...Thank You

To the two Doctors, my Supervisor Doctor Lina Daouk-Öyry and the Second Reader Doctor Fida Afiouni; thanks for the time you dedicated to answer all my questions on this project, and for the education and knowledge you provided through lectures...You really cared more than enough to make every step successful...

To all of you, I promise you will always be proud of me...

Words are speechless but as Shakespeare said: “I can no other answer make, but thanks, and thanks, and ever thanks...”

AN ABSTRACT OF THE PROJECT OF

Dima Amin Abou Sumsum for Master of Human Resources Management
Major: Human Resources

Title: Human Resources Decision Making in Lebanese Organizations

Purpose – The purpose of this study is to explore Human Resources Decision Making followed in decision making authority in the Recruitment & Selection and Training & Development functions in Lebanese Organizations. Specifically, this study aims to identify the challenges faced by HR professionals, such as ‘wasta’-based interferences and owner’s interferences in decision making and their impact on the process.

Design/methodology/approach – qualitative in nature, the study interviewed 20 HR professionals from Lebanese organizations of different industries and uses content analysis to answer research questions.

Findings – There were variations in decision making authority of HR Professionals in respect to the structure and role of HR function among Lebanese organizations. It is found that in companies with unstructured HR function, owners and/or top management are likely to interfere and decision making authority of HR professionals is therefore weak. Whereas in companies with structured HR functions, HR professionals enjoy strong decision making authority in light of top management insights and recommendations. Further, it is found challenges and owner’s interferences to be minimizing the decision making authority of HR professionals, delay and pause the ongoing processes of HRM. Yet, findings surprisingly found ‘wasta’ not to have any real impact on HRM decisions in particular on recruitment decisions.

Practical implications – The findings suggest further work on policies that frame the role of HR professionals within different HRM processes and the adoption of formal decision making processes or models to enhance the decision making authority of HR professionals.

Keywords Human Resources Management, Decision Making, HR Professionals, Lebanese Organizations

Paper type Research Paper

CONTENTS

ACKNOWLEDGMENTS	v
ABSTRACT	vi
LIST OF TABLES	x
Chapter	
I. INTRODUCTION.....	1
A. Background	1
B. Statement of the Problem	2
C. Purpose of the Study.....	2
II. LITERATURE REVIEW	4
A. Human Resources Management and Decision Making	4
B. Human Resources Management Department:	6
1. Structure.....	6
2. Role.....	9
C. Challenges faced by HR Professionals in Decision-Making Process	12
D. Wasta-Based Interferences	14
E. Research Questions.....	15

III. METHODOLOGY	17
A. Sample.....	17
B. Research Design:	21
1. Data Collection Methods: Individual Depth Interviews:.....	21
2- Recruitment of Participants:.....	21
C. Data Analysis.....	23
IV. RESULTS.....	24
A. Human Resources Department:.....	24
1. Theme 1: Structure:	24
2- Theme 2: Role	30
B. Theme 3: Steps of Decision Making Process of Recruitment & Selection and Training & Development roles:	33
1. Recruitment and Selection:.....	33
2- Subtheme 2: Training and Development:	36
C. Theme 4: Identification of Human Resources Management Decisions that are Within the Jurisdiction of the HR Professionals and those that Fall Outside their Boundaries:	40
1. Subtheme1: HRM decisions taken by HR Professionals:	40
2. Subtheme 2: HRM decisions that are not taken by HR Professionals:	41
D. Theme 5: Reasons Behind not Making HRM Decisions by HR Professionals:	45
E. Theme 6: Challenges Faced by HR Professionals in HRM Decision Making Process and its Impact on the Process:.....	50
F. Theme 7: Wasta-based interferences”, “Quotas”, Owners’ and/or top management Interferences Impact on Human Resources Decision Making Process:.....	55
1. Subtheme: Wasta- based interferences:.....	55
2. Subtheme 2: Owner’s and/or Top Management Interferences:.....	58
V. FINDINGS and DISCUSSION	60
A. Structure and Role of Human Resources Departments in Lebanese Organizations:	60

B. Decision Making Process Steps of Recruitment & Selection and Training and Development:	61
C. Human Resources Management Decisions: HR Professionals Authority to Make HRM Decisions and Reasons Behind not Making HRM Decisions by HR Professionals:	63
D. Challenges Faced, Owner’s and/or Top Management Interferences and Wasta-based Interferences and their impact on the Process:.....	64
CONCLUSION, LIMITATIONS & RECOMMENDATIONS ..	67
Appendix	
I. DATA COLLECTION FORM	70
II. CONSENT FORM.....	72
REFERENCES	76

TABLES

Table	Page
1. Demographic Profile of Participants.....	19
2. Distributions of Research invitations Response.....	22
3. Structure of HR Departments at Lebanese Organizations.....	27
4. Role of HR at Lebanese Organizations.....	32
5. Decision Making Process of Recruitment & Selection and Training & Development.....	38
6. Identification of HRM Decisions that are within the jurisdiction of the HR Professionals and those that Fall Outside their Boundaries.....	43
7. Reasons behind Not Making HRM Decisions by HR Professionals.....	48
8. Challenges Faced by HR Professionals in HRM Decision Making Process and its Impact on the Process.....	54
9. Wasta-based interferences”, “Quotas” an Owners’ and/or Top Management Interferences Impact on Decision Making Process.....	53

CHAPTER I

INTRODUCTION

A. Background

For Human Resources professionals, decision making is a basic, necessary, constant job responsibility and inevitable process (Chermack, 2003). Human Resource Management (HRM) Professionals, whether top management generalist, line managers, or personnel specialist, engage in an on-going process of decision making (Pate & Ryder, 1987). Moreover, making decisions is among the chief liabilities, risks, and daily-basis operation for human resources professionals (Sloan & Gavin, 2010). Consequently, a need of sound, logical, and risk-averting decision-making process is perceived among human resources professionals in the management of human resources (Flouris & Yilmaz, 2010). In Lebanon, up until the year 2000, HR was nothing but personnel function handling basic administrative tasks, such as payroll, employee files and social security social (Afiouni & Nakhle, 2016). Today, organizations see HR as a strategic partner (Afiouni et al., 2013) and Lebanese organization are building, structuring and preparing their HR departments. This is supported by recent studies that focus on HR Talent and the HR Competencies of the HR professionals (Ulrich et al., 2012) and belief in HR professional and managers' abilities and role in implementing HR practices and making effective HRM decisions. However, in Lebanese organizations Human resources decision making is being shaped by different challenges and phases of interferences; either owners' interferences in the very prevalent nature in Lebanese organization; the family business, or by different 'wasta' –based

interferences, quotas, sectarianism and political- based interferences (Afiouni & Nakhle, 2016).

B. Statement of the Problem

The specific issue addressed by this research is the impact of such interferences on the decision processes of HR professionals at Lebanese organizations. Specifically, considering the increasingly impactful role of HR to the performance of organizations (Rousseau & Barends, 2011), it is critical to better understand the impact of these interferences in HRM decisions and boundaries authorities of HRM related decisions.

C. Purpose of the Study

This project aims (1) to explore the Decision Making Process in the context of Lebanese Organizations' Human Resource Departments, (2) understand the steps followed by HR Professional in decision making; specifically in Recruitment & Selection and Training and Development functions, (3) identify HRM decisions taken by HR professionals and those that fall outside their boundaries, (4) identify the reasons behind not making HRM decisions by HR professional (5) identify the challenges faced by HR professionals during decision making process and (6) show how 'wasta' -based interference, owner's and/or top management interferences impact the process of HR decision making.

Beyond these main purposes, the study addresses employee perception about HR practices, professionalism levels, and comes up with true previous and current personal

experiences of Human resources Professionals with the different types of interferences.

This enriches and supports the study purposes and context.

CHAPTER II

LITERATURE REVIEW

The purpose of this qualitative research is to study Human Resources Decision Making in the context of Lebanese organizations investigating how different interferences and challenges shape and impact the process. The intent of this literature review is to provide academic and empirical foundations of the aspects which have contributed to the research problem and to connect this research to the literature related to human resource decision-making. In this chapter, literature related to relationship of Human Resources Management and Decision Making, Human Resource Department structure and role will be presented first. The literature then reviews the theoretical framework of the attribution theory and eventually addresses the research problem-, the challenges faced in decision making process the 'wasta' based interferences. A review of historical and current practices in decision- making, in particular to the management of human resources, is the research strategy for this study, in specific for its literature. A review of historical and current research is a widely used comprehensive strategy and highly accepted in qualitative studies (Onwuegbuzie, Leech, & Collins, 2012).

A. Human Resources Management and Decision Making

Decision making is a key role in every aspect of business inclusive the management of human resources (Mittal, Goel, & Mohindru, 2013). Evolution of Human resources functions has drawn major focus on the impact of the function considering how

HRM decisions impact the organization holistically. Presently, HR function is examined to create incessant increase in productivity and organizational performance (Valentino, Porta & Nelson, 2013). Human resources professionals are challenged on a daily basis to make decisions impacting the organization (Sloan & Gavin, 2010). Demands for ethical, legal, impactful decisions require human resources professionals to possess human relations expertise, interpersonal skills, proper knowledge of employment law, and a practical understanding to the work environment challenges (Scimia, 2007; Chermack, 2003). As decision makers, human resources professionals should comply with and be aware of various concept, issues, trends, practices, laws and regulations. Human resources professionals engage in decision making in various ways. Researchers have “applied Investor in People”, a European quality standard based on four principles: commitment, planning, action, and assessment, to human resources research (Zavyalova & Kosheleva, 2013). The study targets 1,056 respondents at different industries. Results show that 42% of respondents said that their companies pay attention to personnel development. Engagement of HR professionals in decision making within the IT industries is through the participation in management meetings. Whereas, HR professionals within PR organizations participate in managerial decision making (Zavyalova & Kosheleva, 2013). Human resources function exists at all organizational levels: operational, managerial, and strategic. Currently, HR is given a strategic importance (McDonnell & Burgess, 2013, Afiouni et al., 2013; Florkowski & Olivas-Lujan, 2016). Study by Florkowski and Olivas-Lujan (2016) shows the impact of HR being linked to HR strategic involvement. This study aligns to that of McDonnell & Burgess, (2013) in terms of the strategic role HR plays. McDonnell & Burgess, 2013 argued that HR function is vital during a crisis period and able to provide

strategic assistance. A survey of human resources managers from 200 organizations post to 2008 global financial crisis found that the most common respond to the crisis were a decrease in recruitment (60%) and training (51%). HRM decisions by HR professionals to cut off costs have significantly helped the organizations to survive financially during the crisis (McDonnell & Burgess, 2013). Yet, despite this shift, certain leaders still doubt HR function to contribute strategically to the organization (Florkowski & Olivias-Lujan, 2016). This evident the need for the human resource function to be subjected to continued research. Further, decision support systems (DSS) have been developed to support the decision making process (Dulebohn & Johnson, 2013). Decision support systems allow the full automation of structured human resources activities (Yousfi, Dey, Saidi & Hong, 2015).

In the context of Lebanese organizations, to the best of our knowledge, the absence of particular literature and empirical studies of Human resource decision making in Lebanese organizations is problematic in indicating the implications of HR practices and the role played by HR and Lebanese Companies' HR departments. This study, to the best of our knowledge, is the first in Lebanon to explore the decision making process of human resources management at Lebanese organizations. Consequently, contributing to the scant literature of human resources management in the Lebanese context and in particular to that of the decision making.

B. Human Resources Management Department:

1. Structure:

Historically, Human Resource was viewed as part of organizational management and was embedded within administrative department or other departments like finance or

accounting. However, Ulrich, Younger & Brockbank (2008), argued that Human Resource departments should have their own structure and hierarchy (Ulrich et al., 2008). Numerous factors have significantly developed the structure of human resource management. Globalization, technology advancement, governmental regulations, changing roles and generational gaps have catalyzed the transformation of the Human Resource from a management function to a “value-creating” role within a separate department. Recent critical evaluation by the Society of human Resource Management (SHRM), the World’s largest professional HR society, shows that several Human Resource departments have transformed their HR structures over the last decade (SHRM, 2016). Strategic organizational changes, economic downturns, and dissatisfaction with HR’s contribution have led top executives to seek more flexible, business-focus and effective HR structure. According to the study, for the past 30 years, HR departments have mainly used four organizational structure designs each within different decision making patterns: *centralized HR*; Strong HR office serving as central decision-making authority that supplies HR services throughout the whole organization, *decentralized HR*: Autonomous HR functions located in separate business units (e.g. by geography or product line) mostly operating and making decisions independent of the other units, *mix of both/matrix HR*: a centralized-shared corporate HR body combined with other but relatively independent that benefit from both centralization and decentralization, *Outsourced HR*: a structure of HR that primarily uses external networks and brokers to perform and serve the HR function. Complementary to this evaluation is a study of American Companies with all staff sizes: small, medium and large in terms of the structure of the Human Resource Departments’ structure. Results show that for all staff sizes, 70.7% of all surveyed organizations used structure environment.

Accordingly, utilization of centralized HR structures decreases within an increase in staff sizes, whereas utilization of a mix of both structures (centralized and decentralized) increases with staff size. Therefore, centralized HR departments are more likely to be found in small organizations whereas a mix of both HR structures is found in large organizations. However, certain studies relate different types of organizations to the required structure of HR department. Ulrich et al (2008) identified three organizational types: *single-functional business, holding company and the allied-diversified organization*. The *single type of organizations* mainly possesses one corporate HR department primarily responsible for recruiting, training and rewarding the employees in all the organization. The company is usually small in size and tends to hire single HR Professional handling all HR functions. In this case, HR is centralized and flexible. Yet, if the organization grows in size, HR tasks are numerous and more complicated. Single HR generalist would not be able to deal with all tasks, strategies and policies. Therefore, the HR department that is still housed in the head office will hire HR specialists for the core purpose of developing policies and to be put into practice over all the offices (even if located abroad). A *holding company* is a form of multiple businesses units that are independently managed (Ulrich *et al.*, 2008). They are all common in terms of investment purposes, yet, there is no HR corporate. Each company will have its own HR department supporting business operations as per required objectives. HR within this type is decentralized and standardized. To successfully carry on HR function in a holding company, specific needs-identifications of each business and ensuring the embedding of HR departments are essential. Large companies come in the form of allied-diverse shared businesses. They are in between of being single businesses or holding companies. These types of organizations serve unique HR policies on business-units level

that are aligned to the corporate strategy and objectives. HR departments within shared services type are more efficient in particular when operating in several markets and various industries (Ulrich *et al.*, 2008).

In the context of Lebanese human resource management, the scant literature of human resources management practices marked the evolution of Human Resources departments. Ezzedeen and Swiercz (2001) examined HR function in a critical transformation period during the post-war privatization in Lebanon. The authors found that at the time the company was considerably growing, the HR department remained small in size, and failed to enjoy proper control and communication. HR unit used to report to the administrative department, which in turn prevented the HR unit from contributing to the business. Management viewed HR as operational and administrative as opposed to strategic, consequently had negative perceptions of the HR function. The review of human resource management literature by Afiouni and Nakhle (2016) supports the findings of Ezzedeen and Swiercz (2001). The authors argued that up until the year 2000, Human Resource function was merely a personnel department, handling basic administrative tasks such as employee files, complaints, payroll and social security. Yet, some organizations today view HR as strategic (Afiuoni *et al.*, 2013). Lebanese organizations are preparing, building, and structuring their HR departments.

2. Role:

Ulrich *et al* (2008) argued that Human Resources departments should operate as a business within a business just like any other organizational value-creating function (Ulrich *et al.*, 2008). Integration of both theoretical and empirical studies with past and

recent literatures indicates that the role of HR significantly and positively affect organizational performance outcomes (Huselid 1995, Gould-Williams, 2003; Ulrich et al 2008; 2015, and the necessity of alignment of HR functions in context with the organization's strategy (Ulrich et al., 2012, Schiemann 2012, Ulrich et al., 2015). Recently, the focus today is on leading and maximizing HR contribution (CIPD Profession Map Report, 2017; Ulrich et al., 2013). Central to this research is the focus on HR Talent and competencies of the HR professionals (Ulrich et al., 2012) within belief in HR professionals' abilities in implementing proper HR practices and making effective HRM decisions. Ulrich et al (2015) emphasized on the necessity of enhancing the skills of HR professionals to serve as credible business partners and implement effective HR practices (Ulrich., 2015). Further studies (e.g. SHRM, 2016; Oliver Wyman Report, 2016) expect the continuous transformation of human resources structure and role in respond to the environmental business changes in the future. Report by Oliver Wyman (2016) examines the "mega trends" that will transform the HR function over the next decade, in particular between the period 2020-2025. Generation gap is wider, factors of motivation, recognition and engagement are not identical, work-life balance expectations and concept of a career path or development are very different. Consequently, personal development in terms of company, career and title (especially that two third of generation Y value career development in their choice of employers), open, flat and agile organization, evolving of leadership models are all needed to be changed. In respond to these future transformations, human resources function is expected to ensure employee full engagement, customize human resources values propositions to manage the various worlds of different generations,

foster employee and career path development, reinforce organizations' agility and openness, and develop new managerial leadership models (Oliver Wyman Report 2016).

In the context of human resources management practices in Lebanon, the review of Afiouni and Nakhle (2016) as part of the handbook of Human Resources Management is the first and only attempt to review human resources management practices in Lebanon (Afiouni & Nakhle, 2016). Given the sectarian and demographic nature of Lebanon, human resources practices are naturally embedded in culture and addressed in terms of the society's norms and mores (Afiouni & Nakhle, 2016). Lebanese organizations are impacted by culture's emphasis on family religion, connections, and gender, reflecting in the bonds that form in the workplace. Further studies (e.g. Dirani, 2006; Ezzedine & Swiercz, 2001) stated that the HR profession in Lebanon is undeveloped and somewhat constant. According to Afiouni and Nkahlé (2016), this is because of the lack of any professional body governing the HR profession and any formal HR education regarding professional certificates and Academic Degrees. The fact is that HR managers in Lebanese organizations do not hold professional certification or Academic degree in HR. However, presently Human Resource function is turning considerably in Lebanon and some companies view it a strategic function (Afiouni et al., 2013; Afiouni & Nakhle, 2016). Several Lebanese companies are interested in employee engagement, talent and performance management. The change in perception for the HR function is due to the foundation of graduate and undergraduate studies in Human Resource Management in Leading universities, availability of professional HR network, possibility of acquiring recognized Human Resource Management certifications, and the organization of HR summit, events and conferences by academic and professional bodies (Afiouni & Nakhle, 2016).

C. Challenges faced by HR Professionals in Decision-Making Process

Human Resources decision making process entails daily and emotionally-stressful demands on human resources professionals to make effective and efficient business decisions impacting all affiliated stakeholders in the organizations for which they are employed (Rahman & DeFeis, 2009). Integrating of past and present literatures indicate common issues and challenges faced by HR professionals and managers in decision making process, inclusive to biases in decision making (Korte, 2003), individual values and ethics of HR managers that impact HRM decisions (David et al., 2006), HRM decisions made under extreme time pressure (Klein et al., 1986). Human resources professionals must consider if any prevailing laws exist at the local (i.e., city and county), state, and federal level (Calvasina et al., 2011; Woska, 2007). Situational practices and ever- changing dynamics in human resources trends and global economy must be considered in the decision making process of human resource management (Brunner & Colarelli, 2010; Calvasina et al., 2008a; Society for Human Resource Management, 2014a). Central to this is the report of Oliver Wyman (2016) of further challenges associated with the new role HR will play in 2020-2025. Human resources professionals must address the ethical codes of behavior and responsibility when making decisions (Bartels, Harrick, Martell, & Strickland, 2010; Society for Human Resource Management, 2009). Fairness concept is often considered whenever the decisions made by human resources professionals are not in alignment with desired needs and expectations of stakeholders (Bodah, McHugh, & Yim, 2008). Issues and challenges often arise from the different circumstances surrounding the

decision making environment in the management of human resources like persons, facts, events, relationships (Rahman & DeFeis, 2009). In this regard, Fox (2012) states that a common issue faced by human resources professionals when making decisions is an employee request to overturn and re-decide a decision made by his/her line manager or immediate supervisor (Fox, 2012). Consequently, concern for possible risks, costs, and liabilities, relevant to decision-making tasks is considered by Human Resource professionals (Calvasina et al., 2008b). Similarly, the concern heading from managers' push-back and interferences when taking ethical and lawful decisions is another common issue experienced in several organizations (Fox, 2012). Therefore, the challenge of making sound, ethical and legal decision requires Human Resources professionals' decision makers to possess proficient skills in human and employee relations, a fundamental knowledge of employment law, and a major approach to resolving personal and workplace dilemmas (Scimia, 2007) and to facilitate proper decision- making (Chermack, 2003). Complementary, the management of human resource is entitled to cultivate and maintain positive workplace relationships among the decision makers and its decision seekers (Society for Human Resource Management, 2014b; Walters, 2003).

Probing to the Lebanese organizational context, the review of the management of Human Resources in Lebanon provided by Afiouni & Nakhle in the handbook of human resource management in the Middle East examines a group of cultural and institutional challenges shaping human resources practices in Lebanon such as demographic factors, gender, family, religion and education (Afiouni & Nakhle 2016). However, In the light of the absence of the particular decision making literature in the context of Lebanese

organizations (to the best of our knowledge) when studying the challenges faced by HR professionals in the human resources decision making at Lebanese Organizations.

D. Wasta-Based Interferences

‘Wasta’ – an Arabic word literally meaning ‘intermediary’, involves the use of a personal connection to reach any certain goal (Sidani & Thornberry, 2013). ‘Wasta’ could be based on connections relevant to friendships, affiliations, nepotism, quotas and sectarianism. In this research, different types of connections are used interchangeably and considered as ‘wasta’-based interferences. Review of past and recent studies indicates the prevalent reliance on ‘wasta’ for employment purposes in Arab Countries and Middle East (Cunningham et al., 1994; Arasli, Bavik, & Ekiz, 2006; Tlaiss and Kauser, 2011a; Mohamed, A. A., & Mohamad, M. S., 2011; Sidani & Thornberry, 2013; Afiouni & Nakhle, 2016). It has been found nepotism to significantly and negatively influence human resource management and human resources decisions (Arasli, Bavik, & Ekiz, 2006). In Lebanon, the country most distinct characteristic is its diverse population comprising up of 18 religious groups being officially recognized by the Lebanese government (Faour, 2007), ranking Lebanon the most religiously diverse country in the Middle East (Afiouni & Nakhle, 2016). Harb (2010) argued that Lebanese people, particularly the youth, strongly identify with their families and their sect. The findings of Afiouni and Nakhle, (2016) supports this in that sectarianism is so prevalent among the Lebanese people, in particular impacting career decisions and Human Resource Management practices. They elaborate that job seekers often tend to apply for jobs in organizations within the same religion or

sect, and similarly organizations do seek employees within certain preferred sect. Additionally, political leaders who are likely to be business men and sect leaders, often intervene through ‘wasta’ to place individuals within organizational jobs. Consequently, sectarian-based job discrimination is a common practice and essential condition to work entry in Lebanon. Further studies (e.g. Tlaiss & Kauser, 2010) relevant to Lebanese female managers’ perception regarding career advancements barriers shows that the lack of ‘wasta’ is a major obstacle to female career advancement. Supplemented studies (i.e. Tlaiss & Kauser, 2011b) revealed that female managers perceive ‘wasta’ to be opposed to education and accomplishments, being the most necessary catalyst of career progression. In the context of studying human resources decision making in Lebanese organizations, the prevalence of sectarian and political ‘wasta’ in Lebanese organizations strongly impact recruitment, selection and development decisions (Tlaiss & Kauser 2010; Tlaiss & Kauser 2011a; Afiouni & Nakhle, 2016). Further results of the studies reviewed above are that the public sector in Lebanon has allocated religious quotas in recruitment for public positions to guarantee fair representation of sects and achieve equality among religious groups. Yet, in the private sector, quotas are not the rule, and organizations often follow an implicit recruitment process favoring specific sects over the others.

E. Research Questions

In the context of Lebanese organizations, this study poses and aims to answer the following six research questions:

- How is the HR department structured? What role does the Human Resource department typically play?
- What are the steps followed in decision making process for Recruitment and Selection and Training and Development processes? Who is involved in the decision- making process? Who has the final decision?
- What HRM decisions are typically within the jurisdiction of the HR Professionals and which (HR related decision) fall outside the boundaries of the HR Professionals?
- What are the reasons behind making final HRM decisions by other managers (probably the General Manager or the owner of the company) and not by the HR Professionals?
- What are the challenges faced by HR professionals and managers in decision-making? How does it impact the process?
- How “Wasta”, “Quotas”, Owners’ and/or top management interference impacts the decision making process of Human Resources Management?

CHAPTER III

METHODOLOGY

Human Resources professionals at Lebanese organizations engage in daily-process of decision making impacting organization strategies and Objectives. The problem addressed in this research is that Human Resource decision Making is being shaped by different types of interferences and challenges. HRM Professionals at Lebanese organizations are not deciding for HRM decisions. Given the context of this study, qualitative research is a fit and the best to answer research questions. Qualitative method through individual depth interviews aims to study the Human Resource decision making in the context of Lebanese organizations, understand detailed steps followed by HR Professional in decision making; specifically in Recruitment & Selection and Training & Development roles, and identify HRM decisions taken by HR professionals and those that fall outside their boundaries.

A. Sample

The sample of this research consists of 20 Human Resource professionals at Human Resource departments in Lebanese organizations of various industries. This sample is relevant for the purposes of this research in that it allows the generalization of the findings of the research study. Table 1 shows the Demographic and Organizational profile per the 20 participants. The profile of the participant organizations is as follows: FMCG (N=9) 45%, Medical & Pharmaceuticals (N=3) 15%, Engineering & Construction (N=2) 10%, Hospitality (N=2) 10%, Communication & Media (N=1) 5%, Banking (N=1) 5%,

Logistics & Freight (N=1) 5% and Furniture and Mobility (N=1) 5%. Four companies (N=4) 20% are Family-Local Business, Seven companies (N=7) 35% are Family-Regional Business, one company (N=1) 5% is Family-Offshore, two companies (N=2) 10% are Family-Multinational, two companies (N=2) 10% are Local Business, one company (N=1) 5% is Regional Business, one company (N=1) 5% is offshore, and two companies (N=2) 10% is Multinational. Ten companies (N=10) 50% are medium size (50-150 Employees), 3 companies (N=3) 15% are big (150-500 Employees) and 7 companies (N=7) 35% are large (More than 500 Employees). Demographic profile of participants is as follows: Eleven participants are males (N=11) 55% and nine participants (N=9) 45% are Females. Six Participants (N=6) 30% are aged 20-29, nine participants (N=9) 45% are aged 30-39, two participants (N=2) 10% are aged 40-49 and three participants (N=3) 15% are aged 50 and above. For education level, participants are distributed as follows: One participant (N=1) 5% has high school diploma or less, four participants (N=4) 20% have Bachelor Degree, 13 participants (N=13) 65% have Master Degree and two participants (N=2) 10% have post-graduate qualifications. Further, organizational profiles of the participants are as follows: Tenure in organization; 17 participants (N=17) 85% ranges between 1- 10 years, 1 Participant (N=1) 5% ranges between 11-20 year, and two participants (N=2) 10% range between 21-30 years. For years of experience in HR in the current organization, four participants (N=4) 20% has less than 1 year experience, ten participants (N=10) 50% has 1-4 years experience, four participants (N=4) 20% has 5-9 years experience and two participants (N=2) 10% has more than 10 years experience. For total HR experience, two participants (N=2) 10% has 1-3 years experience, five participants (N=5) 25% has 4-7

years experience, six participants (N=6) 30% has 8-10 years experience and seven participants (N=7) 35% has more than 10 years experience.

Table 1. Demographic and Organizational Profile of Participants

Participants	Gender	Position	Type of Industry	Business Profile	Size
Participant 1	Male	Group Talent Acquisition Manager	FMCG	Family Business-Regional	Large
Participant 2	Female	HR Manager	FMCG	Family Business-Regional	Big
Participant 3	Male	Group HR Manager	FMCG	Family Business-MNC	Large
Participant 4	Female	Senior HR Manager	FMCG	Family Business-Regional	Medium
Participant 5	Male	Talent Acquisition Manager	FMCG	Family Business-Regional	Large
Participant 6	Female	HR Executive	FMCG	Family Business-Local	Medium
Participant 7	Male	Senior HR Manager	FMCG	Local	Large
Participant 8	Female	HR Coordinator	FMCG	Family Business-Regional	Medium
Participant 9	Female	HR Manager	Furniture & Mobility	Family Business-Regional	Medium
Participant 10	Female	HR & T&D Coordinator	Hospitality	Family Business-Local	Medium
Participant 11	Male	Head of HR Department	Banking	Regional	Large
Participant 12	Male	Operation Manager	Engineering & Construction	Family Business-	Medium

				Local	
Participant 13	Male	Back Office & Administrative Manger	Hospitality	Local	Medium
Participant 14	Male	General Manager	Engineering & Construction	Family Business-Local	Medium
Participant 15	Female	HR Manager	Logistics & Freight	Family Business-Offshore	Medium
Participant 16	Female	HR Generalist	Medical & Pharmaceuticals	MNC	Large
Participant 17	Male	HR Consultant	Communication & Media	Family Business-Regional	Medium
Participant 18	Male	Associate HR Manager	Medical & Pharmaceuticals	Regional	Big
Participant 19	Male	VP- HR & Organizational Development	FMCG	Family Business-MNC	Large
Participant 20	Female	HR Executive	Medical & Pharmaceuticals	Offshore	Big

B. Research Design:

1. Data Collection Methods: Individual Depth Interviews:

This research is qualitative study where the data collection method is Individual Depth Interview. Qualitative research analyzes data from direct fieldwork observations, in-depth, open-ended interviews, and written documents (Patton, 2005). The primary advantage of depth interviews lies in the interviewer's ability to pursue in-depth information relevant to the topic studied using follow-up questions to further probe responses (McNamara, 1999). In-depth interviews are useful when detailed information are wanted about a person's thoughts and behaviors or want to explore new issues in depth of a certain context (Boyce, 2006). The research interview is divided in to three parts: the first is demographic; includes demographic data about the participants, the second includes question about the company's HR department structure and role, and the third includes questions related directly to the research topic and research questions. The total number of questions is nine (See Appendix I). After being conducted, the interviews were transcribed for the readiness to analysis.

2- Recruitment of Participants:

A contact list of 160 organizations is obtained after searching top online directories and website including Kompass, 5 indexes of Lebanon, Yeleb, Lebanon Business Directory, Forbes magazine, and Marcopolis Reports of Lebanon (Macroplis presents the Lebanon report focused on investment and doing business listing top organizations within specific industries). Listed organizations are of the following industries: Fast Moving Consumer Goods (FMCG)- Exporters, manufacturers-retailers and

distributors, hospitality, consultation, contracting and construction, engineering, medical and pharmaceutical, information technology, marketing and media. Companies were called by phone to establish contact with the HR department. Researcher briefly explained the study and requested the specific email for the HR professional. Invitation email within the Consent form (See appendix II) was sent to HR professional. At the close of the study, 31 organizations responded (19.37%), 3 companies were removed for ineligibility (1.8%) (i.e. less than 50 employees), 8 companies apologized to participate and were canceled (5%) and 20 companies remained as usable response and consisted the sample of this research study (12.5%) (See table 2). Organizations that consented to participate in the study were again contacted to schedule interview meeting time. Human Resources Professionals were interviewed in person in a private setting; the company's HR department. The interviews lasted for 30 up to 45 minutes. Interviews were recorded upon the consent of the interviewees.

Table 2. Distributions of Research Invitations Response

Items	Number
Interviews Distributed	160
Total Response	31
Unusable Response	3
Apology and Cancelation	8
Usable Response	20
Total Responsive Rate	19.37%
Usable Responsive Rate	12.5%

C. Data Analysis

Given the qualitative nature of the research, content analysis is mainly the data analysis technique to be used. It is also known as Template Analysis or Thematic Analysis. Content analysis examines language intensely for the purpose of classifying large amounts of text into an efficient number of categories that represent similar meanings (Stemler, 1990), and aims to provide knowledge and understanding of the phenomenon under study” (Downe-Wamboldt, 1992). Consequently the text is “coded” or broken down into manageable categories (words, sentences...) and a thematic table is obtained permitting the analysis of collected data. However, in his overview of content analysis, Stemler (2001) explained that when used properly, content analysis is a powerful data reduction technique where its major benefit comes from the fact that it is a systematic, replicable technique for compressing many words of text into fewer content categories based on explicit rules of coding (Stemler, 2001). The researcher worked on the transcribed interviews and obtained thematic tables of themes, subthemes, categories accompanied with different quotes as literally said by HR professionals. Discussion of the data analyzed is done to obtain research findings.

CHAPTER IV

RESULTS

This research is exploratory and qualitative in Nature. Content Analysis breaks down big-transcribed data of individual depth interviews into themes, subthemes, categories and descriptive codes presented in thematic tables.

A. Human Resources Department:

1. Theme 1: Structure:

Analysis of the structure of human resources department among the Lebanese organizations shows the absence of structured HR department in some companies and the prevalence of two structures: centralized and decentralized departments (see table 3). Within the *absence of structured HR department*, HR is run with with 1-2 HR generalist(s) acting as an HR manager, and sometimes with an assistant or admin. It is commonly to say that there is no HR department. HR practices are unstructured and informal, the focus is mainly on certain roles over the others, and some roles are absent. For example Participant 9 said:

“Companies run recruitment and payroll only, training and development, compensation and benefits, performance management are not present”.

This is more likely to present in medium companies ranging between 50-150 employees. Top authorities like the owner and/or General or Operation manager are more likely to interfere on the ongoing processes of HR. Human resources professionals have weak decision making authority. Organizations have negative perception of HR role, do not

believe in, trust and/or significantly rely on HR function as a key role to increase organizational performance. HR is run without an allocated budget. More approach to real HR function starts with *centralized and decentralized departments*. *Centralized HR departments* could be either *single-structured* or a *division*. Within *single-structured*, HR functions are run by 5-8 of HR specialists headed by an HR Manager. For instance, Participant 7 said:

“HR here is a structured department. We are eight persons here, two recruiters including talent acquisition, 1 training and development, two for compensation and benefits, and one HR assistant, and the HR manager”.

This type of departments is prevalent in big companies and sometimes medium. Top authorities coordinate the function with the HR manger and provide their recommendations. Human resources professionals have strong decision making authority. Organizations positively perceive HR function. *Centralized-division* HR department are mostly present in leading companies of large employees scale (more than 500 employees). HR function is a single- division housed in the head office and split into functional HR units serving the whole group in and outside Lebanon. Possibility of operational HR managers’ presence in the group’s companies. Each unit is headed by specialist manager and the whole division is headed by an HR director. For example, Learning and Development unit is headed by Training Manager. Number of HR employees within the division varies between 10-40 employees depending on how large the company is. HR practices are professional and structured. Top authorities coordinate with the division and provide recommendations and insights of the function. HR professionals have independent-strong decision making Authority. HR is strongly perceived positive and viewed as a

strategic-business partner and relied on to increase organizational performance. Another structure of HR department is the *decentralized*. Within this structural type, HR function is autonomous and located in separate business units. It is more prevalent in big companies with offshore offices and when the company operates regionally. Two to five HR specialists run the HR function each to his separate company. HR is structured and formal. The major attribute of this department is the independent-decision making authority of each department from the others. Top authorities also coordinate and recommend. HR is positively perceived.

Table 3: Structure of HR Departments at Lebanese Organizations

Theme	Subthemes	Categories	Descriptive Category Codes	Quotes
Structure	No HR Structure/Department	Operational	General saying is “no HR department”.	P15: “No HR Department here, You can consider me HR Generalist A-Z HR functions, acting as an HR manger”. P4: “I and the admin run the HR here; we don’t have training and development”. P9: “They interfere a lot. There is no autonomy of the HR”.
			Functional HR run by 1-2 HR Generalist and sometimes with an assistant or admin	
			Medium companies (Usually).	
			Unstructured HR practices, Focus on certain HR roles over others, and absence of some other roles	
			Top authorities interference.	
			Weak decision making authority by HR Professionals	
			Negative perception of HR	
	Centralized	Single-Structured	HR functions run by 5-8 of HR specialists headed by an HR Manager	P7: “HR here is a structured department. We are eight persons here, two recruiters including talent acquisition, 1
			Medium and big companies	
			Structured HR practices	

			Top authorities coordination and recommendations	training and development, two for compensation and benefits, and one HR assistant, and the HR manager”
			Strong decision making authority by HR Professionals	
		Division	Single-centralized HR division of Functional HR Units serving the whole group. Possibility of Operational HR within the group’s companies.	I19: “It is a department of several units. We are 15 people, central HR at our corporate head office here, i.e. we are 15 at the head office, but there is other HR in the operations on the field’
			Top and Leading Companies	
			Large Scale Organizations	
			Range of 10-40 HR employees	
			Professional-structured HR role and Practices	
			Top authorities coordination and recommendations	
			Strong-independent decision making authority by HR Professionals	
			Positive perception of HR	
	Decentralized	Decentralized Department	Autonomous HR functions located	P18: “Our Company is

			in separate business units, run by 2-5 HR specialist	regional and operates with 18 offshore offices. The HR department is structured and decentralized”.
			Regional, Off shore companies	
			Big and large Companies	
			Structured HR practices	
			Top authorities coordination and recommendations	
			Strong-independent decision making authority by HR Professionals	
			Positive perception of HR	

2- Theme 2: Role

Role played by HR is significantly related to the structure. Analysis of the role played by Human Resources Departments at Lebanese organizations reveals two roles HR play: operational and strategic (See table 4). Within the operational HR role, HR practices are unstructured, simply and informally performed by 1-2 generalist. Sequential Processes and procedures are likely to be absent. Policies are old and out of date. Yet, HR professionals take the initiative to rewrite old policies and design simple policies that organize these functions at a very typical and beginner level. HR remains a peripheral role. Participant 20 said:

“Basically I handle all the functions. I only have someone assisting me in the payroll. Even policies are present but are old like 3 years ago; there are things that are not modified so I’m currently fixing everything”.

This role is usually prevalent in medium companies and sometimes in big companies. Unfortunately but interestingly, these companies of operational HR functions are likely to stay few years without HR, i.e. without HR generalist to run the function. Participant 15 stated:

“The company had an HR Generalist before and it stayed two years since they hire the current HR”.

The second role is *strategic*. As described by Ulrich et al (2012) HR Business Partner Model, HR is a key organizational partner role and managers rely upon to increase organizational practices. HR professional are aware of internal and external factors impacting the company. They have access to crucial information to write and design organizational strategies yielding positive outcomes and guidance to the company. HR

departments are structured and practices are of professional policies, procedures and policies. HR is likely to be strategically performed in big, top-leading companies.

Since HR function varies among different Lebanese Organizations, analysis for the coming parts continues to differentiate between the different structures and roles of HR; unstructured HR function i.e. companies with no structured HR department and operational role, and structured HR function inclusive to companies of centralized and decentralized structure of strategic HR role.

Table 4: Role of HR at Lebanese Organizations

Theme	Subthemes	Descriptive Subthemes Codes	Quotes
Role	Operational	Operational HR run by 1-2 HR Generalist and sometimes with an assistant or admin	P9: “It is a weak HR department. We are two, We handle the following functions: recruitment, payroll, I have work on policies and procedure like the employee handbooks, compensation and benefits. There are no training and development and employee relations”
		Informal-unstructured HR practices and processes	
		Focus on certain HR roles over others, and absence of some other roles	
		Strategies are old and simple, absent roles are organized with simple policies	
		HR professionals attempt to rewrite and make new policies at a typical level	
		Medium and sometimes big companies.	
	Strategic	HR is a key business-Partner	P19: “All our work is strategic at this unit’
		HR professional design organizational strategies that positive outcomes	P11: “First I have to set the HR strategy that allows the business strategy to be realized”
		Professional HR practices	
		Structured HR departments	
		Leading and big companies	

B. Theme 3: Steps of Decision Making Process of Recruitment & Selection and Training & Development roles:

Before probing into the analysis of the decision making process for recruitment & selection and training & development roles, it is necessary to elaborate the processes of these two roles and point on the differences between in terms of steps followed, level of professionalism, and implementation among the sample organizations. All companies run the normal process of recruitment; screening, interviewing, selecting. Yet, within companies of structured HR function and practices, candidates are more likely to run a sequential-structured process of competency-based interviews, subject to technical and behavioral tests, and structured evaluation for selection. Unlike companies within unstructured HR function where recruitment is merely a process of screening, interviewing, selecting. Similarly, companies within structured HR role go the process of Training Need Analysis conduction and performance appraisal to best identify gaps and training needs. These companies run training on regular basis either annually or quarterly. However, within companies of unstructured HR, training is simply and irregularly conducted as a result of simple meeting of the HR professional with the heads of department and line managers to identify training needs.

1. Recruitment and Selection:

Analysis of decision making process steps for recruitment and selection shows that with all companies the process starts with the HR after receiving a demand through a formal request by management to fill certain vacancy or new job opening(s). HR professionals run screening, select candidates for the interview, and run the first interview.

One company noted the interference of CEO (the owner) at the level of screening;

Participant 15 said:

“I received CVs and screen, I choose among and discuss about them with the CEO, these who he agrees on them are scheduled for an interview”.

Involvement of other parties in the process starts at the level of the other interviews and at the level of decision making; i.e. final decision. In companies of unstructured HR function, for junior and low levels positions, the head of the department or line manager of the entity requesting candidates runs second interview to address technical competencies. Both the HR manager and the head discuss, negotiate and make the final decision. For managerial levels and key positions, top authorities such as the owner, Vice President, CEO, chairman, General Manager, are involved to run a third interview and decides on selected candidate(s). Yet, five companies (N=5) 25% of unstructured HR function noted the involvement and interference of General Manager or/and owner in all position levels of recruitment where they finally decide and select. Participant 16 said:

“The third interview is with the GM even for any position”.

Participant 10 commented:

“The final decision is General Manager, I recommend and consider this but he decides, sometimes the HR manager and GM are on conflict on certain decisions, where the final decisions at the end falls to the GM. The decision authority is to the General Manager. The GM decides for everything, he is the major decision maker”.

Participant 15 said:

“The third interview is with the CEO that supposed to be only for managerial positions, but actually the CEO likes to interfere in everything, he is tough and would like to interfere in everything even”.

Majority of companies of structured function of HR, the recruitment specialists run the first interview, heads of department or line managers run the second interview for technical competencies, and the recruitment manager runs the third interview. The three parties coordinate and negotiate, with recommendations of top management and final decision taken in consensus with strong decision making authority of the HR professional. Similarly, for managerial position, General Manager or Vice President or HR Director (in case of single division structure) are involved in the third interview and finalize the decision of the selected candidates. Owners, in case of family business, don't interfere in decision making. Surprisingly, only one company of structured-division noted the involvement of general manger in the recruitment process of all positions. Participant 3 said:

“The first interview is with the HR, second with the entity requesting candidates third is with the GM, and the final decision is for all of us”.

Further different decision styles exist with companies of structured HR function. One company works on level interviews where HR is the first decision maker. Participant 7 said:

“The first filter is from HR, anyone that doesn't pass here, is eliminated, they should pass the HR level to move to the second filter level”.

One company of decentralized structure run complicated process of recruitment, systemic-American based, of several interviews and different involvement even for low-level positions. Participant 18 stated:

“For normal positions, after vacancy, declaration and screening, the first interview is with me, second is with IOM, then candidates goes within a test, then interview with the head of departments, then with the managing director. The process may sometimes end at any level. As for the final decision, nothing here I decide alone we all act to other and decide”.

Another company of structured division utilizes decision making metrics that specify the designated decision makers of each HR function and its level. Decision making involves the internal customer who has vacancy and requests candidates; HR duty is to ensure eligible candidates as per required profile. Participant 19 said:

“As for the final decision, we have decision making metrics, if low-level employee maybe the GM of the meant company decides alone, if high-level employee maybe the VP decides with HR maybe if top executives maybe CEO will decide, so decision making metrics decides specifies who approves what.” (See table 5)

2- Subtheme 2: Training and Development:

Analysis of decision making process steps of training and development for companies of unstructured HR function shows the involvement of HR generalist in the design of simple-unstructured training where the owner or General Manger interfere to agree on the training content and approve the budget and sometimes with the involvement of the HR, especially that within this structural type, HR is more likely to be run without an allocated budget or within a low budget. Participant 17 said:

“I and the HR officer then put the training plan, and submit it to the GM to approve, recommend and agree”.

Participant 16 said:

“The HR and supervisor decide for the budget”.

Similarly, companies within structured HR function run training and development with the budget set previously by top management. HR training specialist or unit conduct training need analysis, performance appraisals, job evaluation and meet with heads of departments to identify training gaps and prioritize needs within the recommendation and insights from the top management conduct. HR training specialists set the training plan for the next year and submit several proposals to the top management that decides on one of the proposal and approve the budget. Participant 7 said:

“The budget is set by the VP and CFO and we need to align our needs with the budget”.

Similarly, within single-division structure, HR committee is involved in the process.

Participant 11 said:

“When the process is finished the trailing plan is written, and the training plan is prepared by the HR department, I oversee it, for recommendations, modifications, then it will be raised to the HR committee to approve it with the budget and so on. The HR committee is 4GMs, Chairman, and Risk Manager”. (See table 5)

Table 5: Decision Making Process of Recruitment & Selection and Training & Development

Theme	Subthemes	Recruitment & Selection	Training & Development
<p>Steps of Decision Making Process</p>	<p>Companies of Unstructured HR Function</p>	<ul style="list-style-type: none"> - Normal process of screening, interviewing, selecting in all companies. - HR Generalist runs the first interview. - Involvement of heads of departments for addressing technical competencies. - Involvement of top authorities such as owner, CEO, GM for managerial positions. - Involvement of top authorities even for all positions - Possible involvement of top authorities even for all positions - Coordination among the involved parties with possible interference of top management, such as the owner or/and GM. 	<ul style="list-style-type: none"> - Informal determination of training needs and training implementation. - Involvement of HR generalist and heads of department to identify training gaps and needs with owner or GM recommendations. - Interference of General Management to agree on the training content and approve training budget.
	<p>Companies of Structured HR Function</p>	<ul style="list-style-type: none"> - Structured steps like examination and tests within companies of structured HR role. HR Specialist runs the first interview. - Involvement of heads of departments for addressing technical competencies. - Involvement of top authorities such as the owner, CEO, GM for managerial positions. - Possible involvement of top authorities even for all positions - Coordination among the 	<ul style="list-style-type: none"> - Conduction of TNA, performance appraisal, job evaluation, and setting of training plans and programs. - Involvement of HR training specialist and heads of department to identify training gaps and needs with owner or GM recommendations. - General Management chose among several training plans proposed by HR training specialist/unit and approve budget.

		involved parties with recommendations of top management in companies	
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C. Theme 4: Identification of Human Resources Management Decisions that are Within the Jurisdiction of the HR Professionals and those that Fall Outside their Boundaries:

In the previous part, we examined the steps followed in decision making process of recruitment & selection and training & development, identified the involved parties and those who makes and takes the final decision. Within this section, we will identify other HRM decisions that are taken by HR professionals and those that are not for other HR functions like compensation and benefits, employee relations and any other relevant HR aspects or issues like annual leaves, promotion, and holidays (see table 6).

1. Subtheme1: HRM decisions taken by HR Professionals:

Human resources professionals in companies with structured HR function have strong authority to decide for all functional HRM decisions with the consideration of top management recommendations. Participant 1 said:

"None of the HR decisions are taken beyond or got influenced" and participant 7 said:

"Luckily, since we have good structure, all decisions related to HR responsibility are entrusted with HR".

Decision making authority varies in companies with companies of unstructured HR function and exhibits two cases. The first is partial or shared authority by HR professionals with the owner, CEO, or GM to take HRM decisions. Participant 4 noted:

"Every HR decisions are finalized by us the HR, the CEO, and Line manager" and

Participant 6 said:

“There is no any decision without the knowledge of the GM, Decision making starts from the HR but it needs the approval of General Manager”.

The second case indicates a weak authority to HR professionals to decide for HRM decisions as a result of top management authorities’ interferences to take HRM decisions.

Participant 10 said:

“Everything approvals need to be from the GM. We can’t recruit, train or forecast without the GM final approvals. Although HR has its roles, HRM decisions are finally approved in a way that the decision authority falls to the GM and HR manager”.

2. Subtheme 2: HRM decisions that are not taken by HR Professionals:

Analysis reveals different human resources decisions that are not taken by the HR professionals. While HR professionals in companies with structured HR function decides for all operational HR functions, certain HRM decisions fall out of the jurisdiction of HR professionals. Strategic decisions such as: decisions of structuring the HR department or restructuring certain HR functions are decided by the top management. Likewise decisions to design new policies and strategies or refine old ones. Participant 5 said that:

“Certain decisions like structuring or restructuring require direct interference, the decision come from the owner for example to establish new department with certain number of employees” and participant 11 said :

“Basically all functional or operational decisions are made at the HR level. But new policy has to be approved, a new modification to a policy according to our charter has to be approved by not only the HR committee but also the board of directors”.

Besides the partial or weak authority HR professionals have in companies of unstructured HR functions and the interference of top management in almost all HRM functions decisions, decisions relevant for compensation and benefits inclusive to payroll, bonuses, salary increase are out of the jurisdiction of HR professionals. In other words, these are monetary and financial-relevant decisions, Participant 12 said:

“The owner decides for the bonuses, compensation and benefits, everything financial”
and participant 17 said

“The HR decision I don’t decide for is the salary increase which is part of compensation and Benefits. The GM who is the owner decides for this”.

Analysis identifies different HRM relevant- decisions that are not taken by HR professionals regardless of the companies’ HR structure and role. Participant 13 said:

“Termination is not on my decision. Also, if he needs annual leave, the operation manager approves.”

Further, budgetary decisions are all approved and decided by the top management within all companies.

Table 6: Identification of HRM Decisions that are within the jurisdiction of the HR Professionals and those that Fall Outside their Boundaries

Theme	Subthemes	Companies of Unstructured HR Function	Companies of Structured HR Function	Quotes
Human Resources Management Decisions	HRM decisions taken by HR Professionals	- Two cases: (1) Partial/shared authority with the owner, CEO, or GM of HR to take HR decisions or (2) Weak authority to HR professionals to decide as a result of owners and/or top management interferences.	Strong authority to HR professionals to decide for all functional HRM decisions with the consideration of top management recommendations in companies within structured HR function.	P1: "None of the HR decisions are taken beyond or got influenced". P4: "Every HR decisions are finalized by us the HR, the CEO, and Line manager". P6: "There is no any decision without the knowledge of the GM, Decision making starts from the HR but it needs the approval of General Manager"
	HRM decisions that are not taken by HR Professionals	- Compensation and benefit decisions such as: salary increase, bonuses, & benefits. . - Budgetary and Monetary decisions.	- Strategic Decisions such as: Structuring and re-structuring decisions, design of new policies and strategies or refinement of old ones - Budgetary and Monetary decisions. .	P5: "Certain decisions like structuring or restructuring or holidays require direct interference, the decision come from the owner for example to establish new department with certain number of employees". P 11: "New policy has to be approved, a new modification to a policy according to our charter has to be approved by not only the HR committee but also the board of

				directors” P17: “The HR decision I don’t decide for is the salary increase which is part of compensation and Benefits. The GM who is the owner decides for this”.
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D. Theme 5: Reasons Behind not Making HRM Decisions by HR Professionals:

Analysis identified four reasons behind making final human resources management decisions by parties other than the HR professionals; most probably by the owner or top management authorities such as the CEO, or General Manager (see table 7). Majority of HR professionals, particularly in companies of unstructured HR function, refer the reason of not making HRM decisions to *the nature of business*, in particular the *prevalent nature of family business in Lebanese Organizations*. The owner (who is often the CEO) is likely to interfere holistically in business aspects inclusive to human resources management function and finalize HRM decisions. As stated by participant 9:

“At the end it is their company. Because you are in family business context, they have their own vision and you have to abide”.

To some of the participants family interferences are extreme. Participant 4 said:

“Small decisions, admin decisions, memo that we want to send, all this must be centralized with the CEO to give the okay, eve small things, it is very centralized. Because it is family business I think”.

Within the nature of family business family members are also likely to interfere. As noted by participant 8:

“The context is family business, we have the uncle that always interferes, and actually I have a conflict with him. He interferes a lot and in this case I don't have the authority to decide or act”.

Another reason behind interferences in HRM decision making is the *perception of organizations to HR function*, specifically in companies of unstructured HR function where HR is negatively perceived. Management doesn't fully trust and believe in the role of HR and are likely to interfere to finalize HRM decisions. Participant 9 said:

"First, in most cases I'm not a decision maker, feeling like we are an executer rather than a decision maker. They don't know what HR is, they don't understand and trust it, all their needs are personnel". Owners or general managers don't fully trust HR professionals who recently have joined the company and tend to interfere and make final HRM decisions. As noted by Participant 20:

"Since I'm new, my decision making power still like minimal, and not that effective. At the beginning, it was harder for me to get approval to give my opinion and to make the decision; especially the GM is adapted and used to handling everything alone".

Some HR professionals refer the reason behind the interferences to the *importance and criticality of decisions being taken*. Almost all participants noted the interferences in monetary and financial decisions like: budget, salary increase, organization of events. Participant 6 said:

"The owner interferes only for budget and market share. In other words when it is about money" and participant 1 said that: *"At Profit and Loss, like certain exercise and events, they interfere for the cost and approve"*.

Strategic decisions of structuring, designing and refining policies and strategies, new job openings are critical and note the interference of top management. Participant 5 said:

“Certain decisions like structuring or restructuring require direct interference, the decision come from the owner for example to establish new department with certain number of employees” and participant 11 said:

“New policy has to be approved, a new modification to a policy according to our charter has to be approved by not only the HR committee but also the board of directors”.

Further reason is the current economical situation of the country. All companies without exception have complained the economic downturn and its consequences on the business. For this reason, owners and top management are likely to interfere holistically in the business processes and functions including HR function, assess and finalize every situation and relevant decisions to be taken. For example, participant 6 said:

“Due to the current economic situation, they need to know about everything and interfere to make any decisions”

Table 7. Reasons behind Not Making HRM Decisions by HR Professionals

Theme	Subthemes	Descriptive Criteria Codes	Quotes
<p>Reason Behind others' interference (making final HRM decisions by other managers, probably the owner or GM)</p>	<p>The Nature of the Business</p>	<p>Prevalence of Family Business Nature: - Interference of the owner. - Interference of other family members.</p>	<p>P4: "At the end it is their company. Because you are in family business context, they have their own vision and you have to abide". P8: "The context is family business, we have the uncle that always interferes, and actually I have a conflict with him. He interferes a lot and in this case I don't have the authority to decide or act".</p>
	<p>Perception of the Organization</p>	<p>Negative organizational perception of HR function: - Some organizations of unstructured HR function lack trust and believe in HR role. - Lack of trust for new HR professional joiners.</p>	<p>P9: "First, in most cases I'm not a decision maker, feeling like we are an executer rather than a decision maker. They don't know what HR is, they don't understand it, all their needs are personnel". P20: "since I'm new and they have been, my decision making power still like minimal, not that effective. At the beginning, it was harder for me to get approval to</p>

			give my opinion and to make the decision; especially the Gm is adapted used to handling everything alone”.
	Importance of Decisions	<ul style="list-style-type: none"> - Financial decisions such as budget, salary increase, events. - Structuring and Re-structuring decisions. - Making new policies and strategies and refining current ones. - New job openings. 	<p>P1: “At Profit and Loss, like certain exercise and events, they interfere for the cost and approve”.</p> <p>P6: “The owner interferes only for budget and market share. In other words when it is about money”.</p>
	Current Economical Situation	Necessity of the organizations to look after whole processes in the light of the current economical downturn of the country.	P6: “Due to the current economic situation , they need to know about everything and interfere to make any decisions”

E. Theme 6: Challenges Faced by HR Professionals in HRM Decision Making Process and its Impact on the Process:

Analysis of challenges faced by HR professionals in human resources decisions making process identified group of internal and external challenges (see table 8). The most internal reported challenge is the *budget*. In companies with unstructured HR function, HR is either run with low budget or with no budget. Whenever decisions are made budget is a major challenge, and budgetary decision are always approved and taken by the owner or top management. Participant4 said:

“We don’t have budget for HR, this is a challenge, they are still not adapted to HR, currently because we are working we need budget, so every time we are looking for where to get money, it is not based on budget but on projects” and Participant 2 said:

“Budget issue is how to increase the budget of HR, they don’t believe in HR, so they keep its budget always low, we have budget only for recruitment”.

Similarly, some companies of structured HR function reported budget challenges where HR professionals when taking HRM decisions should consider and align with the allocated budget of HR. Participant 3 noted:

“Budget is a challenge, because every time we go into fight with Group CEO for the budget, he interferes at his level, as follow, we prepare the whole budget for HR, to validate the budget we sit with the Group CEO, we negotiate, we go into fights”.

Interference of the owner or/and top management in HRM decision making process is another reported major internal challenge, in particular in companies with unstructured HR function Participant 10 said:

“Another challenge is that decision authority or final decision is always from the GM”.

This is referred to the nature of family business in the Lebanese context, negative perception and lack of trust in HR function by these organizations consequently leading to owner or general management interferences to finalize HRM decisions and minimizing decision making authority of HR professionals. Participant 8 reported:

“The biggest challenge here is integration. As I was explaining to you, there is a lot of difficulties, and conflicts with everyone, the uncle i.e. the brother of the owner is responsible at one of the parts here and does whatever he want, he interferes a lot, and it is difficult to integrate or coordinate with him,. Integration of roles here is very difficult”.

Another reported challenge is the negative perception of employees to HR function and lack of trust in HR professionals to make crucial decisions demanded by them. As noted by Participant 17:

“Challenges are in fact mainly the perception of employees, when employees based on several experiences for several years before have been demanding certain things and not getting them, it is hard to convince that we are changing. This perception is difficult to change. Some employees have been asking for increase since 4 years, so if we tell them that we’ll consider they don’t believe us, they lost trust with the HR this is the biggest challenge.

This perception is above all any other challenges Within my experience, I have been with 17 companies before, this is the most company the employees have lost trust with HR”.

Analysis shows that *resistance to change* is among the faced challenges. Employees especially the old ones are likely to fear and resist change. HR professionals have to consider employees perception to change when taking HRM decisions. This may pose changes, pause or delay the process. Participant 3 said:

“Challenges depending on the level of the decision to be taken, it is the alignment with the second entity, always there is resistance to change , there is a new procedure, you still find a GM or sales manager or that says no I don’t want to work with this I am already adapted to this. So decision we are taken need to be discussed before in a diplomatic way to convince them, so this is one of the challenges to have all top managers standing by your side and supporting you” and Participant 20 said:

“The most difficult thing currently at the company is the old employees, when you are making something new, when you are doing some changes; you have a lot of rebellions”.

Other internal challenges are referred to *the nature of decisions being taken*. HR professionals are challenged by critical decisions such as termination of employees due to bad performance or ethical considerations, elimination of employees due to downsizing, challenge to hire right people and challenge to make fair decisions. Participant 2 said:

“Challenges occur on every level. In terms of interview to chose the right applicant, to be fair it is really difficult at the level of final selection” and Participant 3 said:

“Termination because of bad performance or big mistakes. We have to deal with the package, try to find him work outside, we don’t leave our people, the big challenge here is even when we are letting them leave, we make them leave with positive attitude. It’s really one of the biggest challenges. Downsizing is also a challenge”.

HR professionals are also challenged by time pressures and the environment or culture where the decision is taken. Participant 5 said:

“Time is the only challenge we face” and participant 18 noted:

“The biggest challenge even for decision making is that I moved to regional exposure, and working with 18 offices. So I have a global mindset I have to deal with, different thinking, each country of different culture. At the level of decision making, the challenge is the culture”.

Single external challenge is identified; *the challenge of competition*. HR professionals are challenged to make right HRM decisions in terms of basic salary, bonuses, benefits, work-life balance to achieve external equity and retain their employees. Participant 13 said:

“Another challenge is the competition; employees have no loyalty for the brand”.

Interestingly only one company showed no faced challenges. Not surprising that this company is Multinational. Participant 16 said:

“At our company there are no challenges. MNC differ from the nature family business”.

Table 8. Challenges Faced by HR Professionals in HRM Decision Making Process and its Impact on the Process

Theme	Subthemes	Categories	Descriptive Criteria Codes	Impact
Challenges Faced by HR Professionals in HRM Decision Making Process and its impact on the process	Internal Challenges	Budget Challenges	<ul style="list-style-type: none"> - HR is either run with low or no budget. - Challenge to align with allocated budget 	<ul style="list-style-type: none"> - Minimizing HR professionals decision making authority. - Delaying and pausing HRM ongoing processes.
		Owner or top management interferences	<ul style="list-style-type: none"> - Negative perception and lack of trust in HR function. - Nature of family business - Interferences to finalize HRM decision. 	
		Negative Employee Perception	Employees distrust the role of HR	
		Resistance to Change	Old people within the company that refuse to change	
		Challenges Relevant to the Nature of Decision Being Taken	<ul style="list-style-type: none"> - Challenge to hire the right people. - Termination decisions. - Downsizing decisions. - Decisions made under time pressure. - Culture Considerations. 	
	External Challenges	Competition	Achieving external equity to retain employees	

F. Theme 7: Wasta-based interferences”, “Quotas”, Owners’ and/or top management Interferences Impact on Human Resources Decision Making Process:

1. Subtheme: Wasta- based interferences:

All companies agreed on the prevalence of *Wasta-based interferences* in Lebanese culture. Participant 3 said:

“This is Lebanon, Wasta and Corruption, this how the country is working unfortunately”.

Analysis shows that all companies receive *wasta* in different forms of political affiliations, sectarianism, business affiliations, and personal relationships like friends, relatives and family members to place people in different employment jobs. Yet, majority of companies consider *wasta*-based candidates as any other normal applicants and found *wasta* not making any real impact on the HR decision making processes especially for recruitment decisions. HR professionals proceed with the whole recruitment processes with these candidates like any other applicants and look after their qualifications per the job requirements and as the main criteria for selection. Participant 5 said:

“We don’t have wasta. Wasta can bring him to apply to the company, the first and second interview but not at the stage of decision and employment, we receive huge amount of wasta from outside the company, but we proceed with them as normal applicants and we check with before employment” and Participant 17 said:

“You may be surprised by my answer; we don’t have wasta at all. They are considered as normal applicants and go with entire process very normally”.

Analysis also shows the brave and insistence of HR professionals in refusing different *wasta-based interferences*. Participant 3 said:

“Even if the employer or owner wants him, and I don’t want him because this will harm the work, and if he is imposing someone on me, and this is happening, 90% I refuse, if the guy doesn’t fit I refuse him, and I will be packed up by the CEO, and I will tell him that the candidate is not a fit, we negotiate but nothing is imposed on me. Has he imposed on me, I wouldn’t be here then! I might leave” and Participant 15 said:

“Here they have a lot of Wasta(s). But today since I join I am refusing to employ people in wsata trying to convince the owner that they are not good and it works at the end and consider my opinion and not employing people with wasta”.

However, only one participant considers *wasta* as a plus at the level of final selection in case the referred candidate has the required qualifications and skills. Participant 7 said:

“We proudly don’t have wasta. We receive a lot of phone calls to the owners from high politicians, the only thing that would happen from the owner that this is a profile, please check the profile do not recruit but check the profile, if he fits, so if we ended up with 4 similar profiles, then the referred candidate has a plus, wasta is a plus here, but if he is not good he is not recruited then”.

Similarly, two participants go with *wasta* as a catalyst to the recruitment process.

Participant 3 also said:

“I go with wasta in one way, instead of interviewing the candidate in one month, I make it before this time, but this doesn’t mean to take him”.

Questions about wasta-based interferences pushed participants forward to identify factors other than *wasta* that may impact the process of decision making stated. Recommendations and referrals from owners and top management are prevalent in Lebanese organizations. Additionally, favoritism is identified by some participants to be impacting the process in particular in terms of personal affiliations and culture. Participant 9 commented on personal favoritism:

“There is a lot of favoritism at the workplace here. They know that this employee is a bad performer, or that he is cheating on them, but they never act. At the time they fired the Marketing manager for no reason and she is a good performer! They don’t like her”.

Participant 8 noted on cultural favoritism:

“As I told you, they prefer recommendations. They don’t employ people they don’t know. Plus the culture here is Armenian, so they prefer to employ Armenians. To me when they employed me, they kept on contacting me for a month; we know you, we heard about you, so please come join our company, and you are Armenian too, and based on this I was employed. Also, we cancel CVs that are far from the company’s location, or that comes from certain cultures” and Participant 11 said:

“We live in country where regions are divided, so for branch managers we hire from the community, from the local community and not from the outside”.

Further, none of the participants noted on the occurrence of quotas.

2. Subtheme 2: Owner's and/or Top Management Interferences:

Analysis of the impact of *owner's interferences* on Human Resources decision making process is mainly in the lack of consideration of the HR Professionals opinions. This in turn decreases the autonomy of HR professionals. Participant 9 said:

“As I told you, they interfere a lot. It shapes it in a way that there is no autonomy of the HR”.

Relevant to this, interferences of owners look to be impacting the business and organizational performance. Insights and recommendations from HR professionals on present policies and processes could yield positive outcome on organizational performance and reduces time and monetary expenses if being considered and accepted. Participant 2 said:

“Sometimes this interference is impacting the chairman rather than benefiting him, for example, he is paying the same bonus for everyone, this is my old friend or like that. Yet my advice was to formally evaluate our employees and provide bonuses based on certain regular scales we can create. Have he considered this, he would pay less money”.

The major impact of owner's interferences on the process is in minimizing the decision making process of HR professionals and finalizing HRM decisions. Participant 9 said:

“They interfere in everything and decide of everything, then why do they employ HR. Actually, I am thinking of leaving, we don't have decision making authority”.

Table 9: Wasta-based interferences”, “Quotas” and Owners’ and/or Top Management Interference Impact on Decision Making Process

Theme	Subthemes	Descriptive Criteria Codes	Quotes
<p>Impact on HR Decision Making Process</p>	<p>Wasta-based interferences</p>	<ul style="list-style-type: none"> -Wasta is a plus - Wasta is a catalyst 	<p>P7: “if we ended up with 4 similar profiles, then the referred candidate has a plus, wasta is a plus here”</p> <p>P3: “I go with wasta in one way, instead of interviewing the candidate in one month, I make it before this time, but this doesn’t mean to take him”</p>
	<p>Owner and/or Top Management Interferences</p>	<ul style="list-style-type: none"> - Lack of consideration of the HR Professionals opinions. - Impact on the business itself. -Minimizing HR professionals decision making authority - Finalizing HRM decisions. 	<p>P9: “They interfere a lot. It shapes it in a way that there is no autonomy of the HR They interfere in everything and decide of everything, then why do they employ HR. Actually, I am thinking of leaving, we don’t have decision making authority”</p>

CHAPTER V

FINDINGS and DISCUSSION

A. Structure and Role of Human Resources Departments in Lebanese Organizations:

The first and basic findings of this project reinforce the evidence on differences in structure and role of Human Resources function among Lebanese organizations and the variation of decision making authority with respect to the structure and role of HR function. In companies of unstructured HR function, HR is negatively perceived, owners and top management are likely to interfere in the ongoing processes of HRM and hence decision making authority of HR professionals is weak. More approach to real HR starts in companies of structured HR function. Yet, we cannot tell about absolute decision making authority. In these companies, HR function is run in alignment to organizational objectives and with constant coordination with top management that are likely to recommend and provide insights. HR professionals have strong decision making authority and are major decision makers. It was found that operational role is the salient performed HR role in Lebanon with half of the sample companies performing HR operationally. These are usually medium size companies and sometimes big companies. Strategic role is performed by leading, big and large scale organizations.

A relevant finding to the structure and role of HR is that the size of the company is not a determinant of the role played by HR and number of employees in the HR department. For example, a company of 120 employees is run by 1 HR professional (generalist) and a company of the same number is run by 3 HR specialists with a single

structured department. And while the companies that perform HR operationally (Half of the sample companies) range between 50 to 80 employees, three companies of administrative HR role within our sample are of the same size.

B. Decision Making Process Steps of Recruitment & Selection and Training and Development:

Findings reveal the differences between recruitment & selection and training and development roles in terms of steps followed, level of professionalism, and implementation among the sample organizations.

In companies with unstructured HR function, recruitment is merely a process of screening, interviewing, selecting and training & development is not a fulfilled role. Training is simple and informal conducted simply and four companies don't have training and development. Yet, in companies with structured function of HR, strategies and formal processes frame the execution of both roles. In all companies the process starts with the HR in screening, selection of candidates for interview and conduction of first interview. Involvement of other parties starts at the level of interviews. In majority of companies, heads of departments or line managers are involved for addressing technical competencies and top authorities such as owner, CEO, GM are involved for managerial positions. These parties are major decision makers in the process. Last step in decision making process is at the level of final decisions, in companies with unstructured HR function, the owner or top management are likely to interfere and finalize the selection decision. However, in companies with structured HR function top management are likely to provide

recommendations and final decision is made in consensus of the three: HR professional, head of department or line manager, and top management. Therefore, the steps of decision making process of recruitment and process is as follow: HR professional decisions at the level of screening, selection of candidates and conduction of first interview, decisions of the involved parties (Head of department or top management), interference of the owner or top management to finalize the recruitment decision(s) in companies with unstructured HR function, and consensus between the HR and involved parties with recommendations from top management to finalize the recruitment decision in companies with structured HR function.

Decision making process for training and development starts with HR professionals decisions to identify training needs as decided by the policies (i.e. the time to identify training need). HR generalist in companies with unstructured HR function simply and informally collect the needs while HR specialists in companies with structured HR function conducts training need analysis, performance appraisal, and job evaluation on certain regular basis. In all companies heads of department are involved and their input is important to identify and decide for training needs. The final step in decision making process for training and development is the agreement on training content and approving the budget. In companies with structured HR function, top management choose one training plan among several plans that are already proposed and designed by HR training unit or training specialist(s), whereas in companies of unstructured HR function, owner or top management agrees on the training content and may interfere in making changes to the content and finalize training topics and process and approve the budget.

C. Human Resources Management Decisions: HR Professionals Authority to Make HRM Decisions and Reasons Behind not Making HRM Decisions by HR Professionals:

Findings of identification of HRM decisions taken by HR professionals identify the decision making authority of HR professionals. HR professionals have a strong authority to decide for all operational HRM functions with the consideration of top management recommendations in companies within structured HR function. While in companies with within unstructured HR function two cases are noted; partial or shared authority of the HR professional with the owner, CEO, or GM of HR to take HR decisions, and weak authority to HR professionals to decide where different top management authorities interfere to take HRM decisions.

Findings identify HRM decisions not taken by HR professionals. It is found that strategic decisions fall outside the jurisdiction of HR and are mainly decided by top management in particular in companies of structured HR function. These are decisions of structuring and re-structuring decisions, designing of new policies and strategies or refinement of old ones, new job openings. Results also found monetary and financial decisions are not decided by the HR professionals but by top management like budgetary decisions (in all companies) and compensation & benefits decisions (especially in companies with unstructured HR function).

Findings further identify four reasons behind not making HRM decisions by HR professionals. The first is the prevalent nature of family business in Lebanese Organizations. This is not surprising as more than 90 percent of small-to-medium

enterprises in Lebanon are family-owned businesses (Saidi, 2004). Owners are likely to interfere holistically in the ongoing processes of the business. Another reason behind interferences in HRM decision making is the negative perception of organizations to HR function. In this case, management distrusts and lack belief in the role of HR and is likely to interfere to finalize HRM decisions. Another reason found was owners and/or top management interferences to assess and finalize important and critical HRM decisions like strategic and monetary decision as previously elaborated. Further, current economic situation forces owner and top management to holistically look after all ongoing processes and interfere to assess and finalize different decisions inclusive to Human Resources Management processes and decisions.

D. Challenges Faced, Owner's and/or Top Management Interferences and Wasta-based Interferences and their impact on the Process:

Study findings of challenges faced by HR professionals in HR decision making process identify 5 internal challenges and 1 external challenge. It was found budget to be the most internal faced challenge where HR is with run with low or no budget in companies with unstructured HR function and alignment to the specified budget in companies with structured HR function. Another reported challenge is the owner and/or top management interferences; this is mainly referred to the previous explained reasons. Another reported challenge is the negative perception of employees to HR function and lack of trust in HR professionals to fulfill HRM decisions impacting them in companies with unstructured HR function. Additionally, among the faced challenges is the resistance of change by employees. It is finally found challenges related to the natures of decision being taken such

as termination and downsizing and decisions made under pressure. However, One external challenge is found; the challenge of competition. It is found that HR professionals are challenged to make crucial HRM decisions relative to their competitors in terms of basic salary, bonuses, benefits, work-life balance to retain their employees.

Interference of owners and/or top management is prevalent in organizations with unstructured HR function. It is found these interferences to be one of the reasons behind not making HRM decisions and one of the faced challenges during decision making. These interferences along with all discussed challenges are found to minimize HR professionals' decision making authority, delaying and pausing the different HRM ongoing processes. Yet, the major impact of these interferences and challenges on the process of decision making ends on making the final HRM decisions by the owners and/or top management.

Interesting and surprising findings about *wasta* emerge in this study. While companies within our study all agree on the prevalence of different *wasta*-based interferences, it is found that *wasta* doesn't have a real impact at the level of qualifications and decision making process. Instead, *wasta*-based candidates are looked for their qualifications and fit to the job and run the entire recruitment process as any other normal applicants. While this contradicts with the findings of Afiouni and Nakhle (2016) in that *wasta* impact career decisions in particular recruitment, selection and development decisions. Yet, these findings are within the framework of this study and cannot be widely generalized. Further, such data is critical and we may consider participants' discreet and worry not to fully provide data about their companies. It was found that quotas don't exist among Lebanese organizations within our study. This is compliant with the findings of

Afiouni and Nakhle (2016) in that quotas, in particular religious, are more likely to dominate the public sector rather than the private sector. Further findings shows favoritism, especially personal and cultural favoritism, to impact the process of HR decision making process.

- Evaluation of Findings & Theoretical Implications:

Eventually, evaluation of study findings shows that all research questions are answered. And these findings are somewhat congruent with the study literature. This is due to the scant literature of Human Resources Management function in the Lebanese context and the absences of particular literature on Human Resources Management and decision making to the best of our knowledge.

CHAPTER VI

CONCLUSION, LIMITATIONS & RECOMMENDATIONS

Review of empirical research indicates the need for understanding and studying Human Resource Management (HRM) in Context (Susan & Schuler, 1995). In a little studied context, like Lebanon, in terms of Human Resources Management generally and in terms of Human Resources decision making specifically, this study, to the best of our knowledge, is the first of its kind that studies Human Resource Management in Lebanese context. In particular, it is the first in Lebanon to examine decision making process in Lebanese organizations' Human Resources departments. Academically, and similarly, it is the first study that examines HR decision making in Lebanese organizations among the HR Graduate Students at the America University of Beirut. Consequently, this study contributes to the scant literature of HRM in Lebanon in particular to that of the decision making. Further, his study contributes to a deep knowledge of the detailed steps of different HR functions decision making process, levels of interference of the owners and/or top management, and challenges faced during the process and the impact of these challenges, besides wasta-based interferences and owner's interferences on the process. Research findings are of great interest and value to HR practitioners as well as Lebanese organizations to know about.

- Limitations

This research has some limitations. First and foremost is the scant literature of Human Resource Management research and the absence of the particular literature of

Human Resources Decision making, to the best of our knowledge, in Lebanese context.

This means that the review and thoughts of the study's literature are often built on western literature which can't be applicable in the same manner on the context of other countries and regions like Developing or Arab countries. Relevant to this are the challenges identified by Afiouni & Nakhle (2016) when conducting HRM research in Lebanon. These challenges are: (1) the absence of research culture in the country, (2) difficulty of accessibility to human subjects, and (3) the unavailability of country-specific databases and statistics (Afiouni & Nakhle, 2016). Another limitation is the low responsive rate of companies to involve in the study. This extended the period designated to conduct the interviews from one month to a period of three months. Last limitation is that some of the HR professional participants are new at their companies, this limits the input of these participant regarding interview questions.

- *Recommendations:*

It was found that decision making authority of HR professionals in companies with unstructured HR function is minimal. Practical recommendations suggest further work on policies and procedures that frame the role of HR professionals within different HRM processes and the adoption of formal decision making processes or models. This specifies the role authorized to HR professionals, limits the interferences of owners and/or top management and therefore strengthens the decision making authority of HR professionals. Further, considerations of employee opinions when making HRM decisions would enhance employees' perception for HR function and maintain their trust in HR professionals' ability to make impactful and tactical decisions. Academically, recommendation for future

research is the increase of research in field of Human Resources Management in Lebanon and much understanding for the context. Additionally, investigation in specific topics in the context of Human Resources in the Lebanese context such as decision making is highly recommended.

APPENDIX I

DATA COLLECTION FORM

American University of Beirut

Dima Abou Sumsum

Human Resources Decision Making in Lebanese Organizations

Data Collection Form: Interview Questions

Demographic data (to be filled by the participants):

- Gender: Male Female

- Age: 20-29 30-39 40-49 50 and above

- Level of Education: High School Diploma or less Bachelor Degree Master Degree
Post- graduate qualification

- Type of Contract (Length): Permanent contract Temporary contract

- Type of contract (hours worked): Full-time contract Part-time contract

- Tenure in Organization: 1-10 years 11-20 years 21-30 years 31 years and above

- How long have you been a human resource manager in this organization?

Less than one year 1-4 years 5-9 years more than 10 years, specify:

What is the number of years of experience in Human Resource Management in total?

1-3 years 4-7 years 8-10 more than 10 years, specify:

When was the organization established?

- Profile of the organization:

Family Business Local Regional Offshore Multinational

- Number of employees of the organization:

Small 3-9 employees Medium 50-150 Big 150-500 Large more than 500,
specify:...

Questions about the Organization HR department:

- What are the main roles of the company's HR department?
- What is your main job as HR professional?

Questions relevant to the research topic:

- What are the steps followed in decision making process for Recruitment and Selection?
Who is involved in the process? Who makes the final decision?
- What are the steps followed in decision making process for Training and Development?
Who is involved in the process? Who makes the final decision?
- What HRM decisions are taken by you as HR Manager and which are not? Why? How do you deal with it? How do employees perceive it?
- What are the main challenges faced by you as an HR manager in the decision making process?
- What do you think about "Wasta"? How does it impact the HR decision making process?
- Does the owner interfere in the decision making process? How does this shape the HR decision making process?
- Who may, other than the owner, interfere in the HR decision making process? Why? How does this impact the process?

APPENDIX II

CONSENT FORM

Informed Consent Form

American University of Beirut

P.O. Box 11-0236, Riad El Solh, 1107 2020, Beirut, Lebanon

CONSENT TO SERVE AS A PARTICIPANT IN A RESEARCH PROJECT

Project Title: Human Resources Decision Making in Lebanese Organizations.

Project Director: Dr Lina Daouk-Öyry, Asst. Professor in Organizational Behavior, ld15@aub.edu.lb, 01-350000 extension 3777

Research Investigator: **Dima Abou Sumsum, daa58@mail.aub.edu, 00 961 76 112 606**

This informed consent form pertains to a research study that is concerned with studying the Decision Making Process in the context of Lebanese Organizations' Human Resource Departments. This study is a Master's Thesis research conducted by Ms. Dima Abou Sumsum, a graduate student at the American University of Beirut (AUB), and supervised by Lina Daouk-Öyry, who is assistant professor in organizational behavior and psychology at AUB. This study will be the first of its kind in terms of its importance of studying Human Resource Management in Lebanese context. In particular, it will be the first in Lebanon to examine decision making process in Lebanese organizations' HR departments.

A copy of the consent form will be kept with the participant

Nature and Purpose of the Project:

The purpose of this study is to study the Decision Making Process in the context of Lebanese Organizations' Human Resource Departments, increase the number of research studies in Lebanese Human Resource Context, and to gain a greater understanding of the steps followed by HR managers in decision making and the HRM decision taken by them and those that fall outside their boundaries.

For this purpose, 30 Human Resource managers of Lebanese organizations are recruited as participants for this study to be contacted via email, using Individual depth Interview as data collection method.

Explanation of Procedures:

As a research participant, you will be interviewed in person by the research investigator; at a secure private place (company's HR Office), and in English. These interviews are in-depth interviews in nature and hence you will be asked questions regarding the HR department role in the organization and your involvement as HR professional in the HR decision making process. Also, you will be asked to fill demographic data at the beginning of the interview”.

Your name will not be asked, this is an anonymous study and hence your name will not be recorded on data coding systems used in this study. Only the primary investigator and the project director will have access to the anonymous data. All results will be kept in a locked cabinet in the office of the primary investigator for seven years after which the data will be shredded. It is estimated that your participation in the survey will last no more than 30-45 minutes.

Participants will be approached at their offices in the organizations.

Potential Discomfort and Risks:

Participation in this study involves no more than minimal risks ordinarily encountered in daily life or during performance of routine physical or psychological examinations or tests.

Potential Benefits:

The potential benefit is that you will participate in a study that will contribute to the scarce body of literature available concerning decision making process in Lebanese organizations' HR departments. Another potential benefit is the opportunity to open-up through these interviews that might make you gain insight to certain factors that might have helped in shaping your experience as HR professional.

Costs/Reimbursements:

There are no costs associated with participation in this research.

Alternative Procedures:

Should you decide not to give consent to participate in this research, there will be no penalty and no alternative procedures. Consent to participate is totally voluntary and there are no penalties imposed if consent is not provided.

Alternatives to Participation:

Should you decide not to give consent to participate in this research, there are no alternatives to participation.

Termination of Participation:

Should you decide to give consent to participate in this research, your participation might be terminated by the principal investigator or research director if the results show that you have not reported honestly or truthfully since such biased response might alter the findings of the study.

Confidentiality:

Participation in this research is anonymous and the results of your participation will be kept confidential to the fullest extent possible. This means that no one will know about your specific results, as no identifiers (e.g. your name and contact information) are requested. No one will be able to link your answers to a specific interview. Only information that cannot be traced to you will be used in reports or manuscripts published or presented by the investigator or director. Raw data on data-recording systems will be kept in a locked cabinet in the office of the investigator for a period of seven years following the termination or publication of the study. After the seven years have elapsed, the raw data will be deleted (data entered on computer) and shredded (paper-based data). Additionally, data will be published in aggregate with no reference to participants' or organizations' names" after the word data.

Withdrawal from the Project:

Your participation in this survey is completely voluntary. You may withdraw your consent to participate in this research at any point without any explanation. Refusal or withdrawal from the study will involve no loss of benefits to which you are otherwise entitled nor will it affect your relationship with AUB/AUBMC"

Debriefing:

If you are interested in learning about the outcome of the study, you may contact and/or Dr Lina Daouk-Öyry or Dima Abou Sumsum(contact information provided below). After data

analysis will be completed, a summary of the results could be shared with you upon request.

Who to Call if You Have Any Questions:

The approval stamp on this consent form indicates that this project has been reviewed and approved for the period indicated by the American University of Beirut Institutional Review Board for the Protection of Human Subjects in Research and Research Related Activities.

If you have any questions about your rights as a research participant, or to report a research related concern, you may call:

Institutional Review Board (Ethics Committee), AUB: 01-350000 extension 5445

If you have any concerns or questions about this project, you may contact:

Dr Lina Daouk-Öyry, Asst. Professor in Organizational Behavior, ld15@aub.edu.lb, 01-350000 extension 3777

Dima Abou Sumsum, daa58@mail.aub.edu, 00 961 76 112 606

Participant’s Oral Consent:

If you are interested in participating in this study, your informed consent does not have to be in written format. By consenting you agree to participate in this research project. The purpose, procedures to be used, as well as, the potential risks and benefits of your participation have been explained to you in detail. You can refuse to participate or withdraw your participation in this study at any time without penalty. You are asked to keep this consent form.

Upon agreeing to participate, please set a time for the interview to the best of your availability, remember that all answers are anonymous.

Printed Name of Person Obtaining Oral Consent (PI or Co-PI)

Signature of Person Obtaining Oral Consent Today’s Date and Time

INSTITUTIONAL REVIEW BOARD APPROVAL STAMP:

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