The Skills of Staffing

"I am Convinced
that although training and development
are important,
Recruitment and Selection
are
Much More Important"

-Stephen R. Covey

CASE CHAPTER 2

Six Sigma Constructions W.L.L: Passionate to Help Local Economy through Recruiting Local Workforce

Adel Ali Yassin Alzyoud

College of Administrative Sciences, Applied Science University (ASU), Bahrain. adel.alzyoud@asu.edu.bh

Abstract

The case study is about a major construction company operating in Bahrain. The case underlines a successful business entity and their struggle in recruiting and retaining local workforce. The case sheds light on one of the major issues faced by oil rich GCC economies whilst offering details on the plausible reasons causing the issue. The case presents the issue with an insight on what could be the possible reasons behind locals not staying in the construction sector jobs. The case ends with an undecided note to encourage readers to critically analyze the situation and underline objective reasons behind the issue and suggest action plan for effective solution of the issue for the business.

Synopsis

It was a bright sunny Monday of June 2019 when Abdulla Juma, the founder and CEO of Six Sigma Construction W.L.L received a news from the company's HR unit. A news that was not very encouraging to kick start a good day. He received email forwarded by the HR manager with resignation letters attached of two of the employees. What was more disappointing was the fact that both the individuals were local Bahrainis; something that Mr. Juma doesn't want to see as a patriotic countryman. He took a deep breath, expressing sadness and grief as both of the guys

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were hired not more than 6 months ago and the company has tried their best through providing them everything possible to ensure they stay with the business. He was undecided what to do and how to get local workforce to stay in the business.

Six Sigma Constructions W.L.L

Six sigma Constructions W.L.L is a one of the leading construction companies in Bahrain. The company is engaged in many constructions activities since it first started in 1999. Since then, the company has successfully completed dozens of projects ranging from domestic homes, entities to government projects. The company employs staff specialized in all areas to meet the project needs responsively. Today, Six Sigma stands with a total workforce of 219 including project managers, shift incharge, construction workers, surveyors, program designers, site and operating engineers, estimators, electricians, carpenters, mason, heavy driver, welder and architects. As per the Senior Manager Projects Adel Al-Aradi,

"We are progressing and currently working on nine different projects in Bahrain with six in the final tender phase. Six Sigma has a good reputation with more than two decades of experience and expertise. We are also working to expand its business in neighboring countries. The company has a good knowledge and understanding of the construction work and meeting customer requirements is what we never compromise on which has made us reach where we are now"

The CEO

Mr. Abdulla Juma, the owner and Chief executive officer of Six Sigma is a renowned and reputable businessman in Bahrain. As a civil engineer himself, he is passionate for the construction business. He worked for a major construction company in UAE-United Arab Emirates for 13 years whereby, his last position was Chief Civil Engineering Technologist. Therein, he worked on different international projects and received

massive appreciation and acclaim for his phenomenal work. In his words, he explained,

"I love building things. It is in my blood and I have been very successful Alhamdullilah in my journey since day one. My hard work has paid me off and I truly believe in it. Things have been growing and our clients have trust in our services. At Six Sigma I always strive to instil the culture of not just meeting the project demands but exceeding them. I personally engage myself in all projects to make sure that all the projects are completed with the same spirit of exceeding projects requirements. More importantly, I love my country and I always aspire to see it looking nice and beautiful. So when we make buildings, homes, malls bridges and commercial units, I see them as an opportunity for myself and my company to make my country look nice and beautiful through giving the best output."

He further stated that,

"Importantly, this is becoming more important these days when Bahrain is facing economic challenges and kind of facing problems in keeping up with all the responsibilities of the nation. I as a blessed Bahraini have a duty to my country to give back to the society in return through helping local people get good employment to support their families."

Economy of Bahrain

Bahrain is a small oil-based economy in the Middle East region. The country got independence from Britain in 1971 and is governed through constitutional monarchy system. Bahrain is one of the countries with more expatriate compared to locals. The foreigners account for nearly 55 percent of the total population. The country is divided into four governorates which are capital (central), Muharraq, Southern and Northern. Bahrain has a modern economy with availability of all high-tech facilities. The people of Bahrain are termed to be very humble and welcoming and is center of attraction to thousands of tourists visiting middle east. Despite being an oil rich economy, the country is on the move of diversifying its focus from natural resources with the long-term

aim of becoming a sustainable economy under the visionary leadership of His Majesty King Shaikh Hamad bin Isa Al-Khalifa (Bahrain, 2019).

The country has recently imposed VAT- value added taxes on some of the goods following the footsteps of neighboring gulf countries like UAE and Saudi Arabia. Similar to them, Bahrain also aspire to bring transformation its economy through focusing on the agenda of Bahrainization. The country has revised and issue list of occupations and work sectors whereby, it wants to cut down on expatriates to support and provide better employment opportunities for the people (LMRA, 2019). The country also recently released a list of 35 jobs to be kept only for expatriates thus downsizing on the currently employed foreign workers (Arabian Business, 2019). The country is undergoing increasingly tougher economic situations with decreasing foreign direct investments and seemingly less business activity compared to previous years. The country has also been obtaining financial support from the rich neighboring countries; a much-needed thing for the country at this point in time (Forbes, 2018).

Workforce at Six Sigma

Six sigma has workforce to cater to all construction needs. The company has been working hard to bring the best for the business from the local and international market. For the lower construction worker jobs, majority of the employees come from Asian and low income middle eastern economies. In connection to the managerial and officer level workforce, the company has been trying hard to get hold of local workforce for long but seems to be very challenging till date. In total, there are 60 jobs in this category whereby, the company only has 16 local Bahrainis employed. The company has a dedicated HR department who looks into all staffing matters headed by Mr. Jameel Abdulameer who said,

"we have specialized HR functions in practice, and we work holistically to facilitate coming through bringing the best in business. Typically, the company hires through local job newspaper advertisements, career fairs,

external recruitment agencies, individual CVs received and industry referrals. we offer good salaries and competitive working environment. One can compare our salaries to any other construction tycoon in the sector with healthy benefits."

Problem

The company based on the aspirations of CEO Abdulla Juma has been working hard to recruit and retain local workforce particularly for jobs above the construction level. Therein, the business has been working hard through all means to get Bahrainis who can do this job. As per Mr. Jameel the HR manager,

"Six Sigma has always been unlucky in recruiting and retaining local workforce. We offer competitive salaries as mentioned earlier and as you can see that our offices are well equipped and maintained. The salaries offered are also very good and could be double checked with any other company in the market yet still, we are facing this problem."

Upon question pertaining to the reasons he said,

"there could be several individual reasons but principally what we have noticed the elements to be the causing this problem are nature of the job and industry and lack of role specific skills. We are trying to provide them with all the needed training to do the job but some how they fail to work upto the expectations.

He further mentioned,

"A year ago, we went in an agreement with the local training institute only for this purpose. Mr. Abdulla is himself involved in this and is the one who initiated to support local Bahrainis to get the necessary skills on the expense of the company in totality but.... They end up quitting the job. However, I believe that the lack of the skills is not a major issue it is the cultural element more importantly.

On question regarding further explanation to this, Mr. Jameel further stated that,

"culturally or say historically people in this part of the world are more inclined towards less physical work whereas, nearly all job roles in the construction sector have tough requirements compared to other sectors like retail, service, general academics which bounds people to travel, visit site, stay out in hot burning sun light. As a result, local people are found reluctant to take such roles. Though we have a few locals who have managed to stay on such jobs, but the number is very small".

Talking to CEO Mr. Abdulla Juma on the matter he mentioned,

"I am a believer in local people. I know they have the competence to learn new skills and be good employees. Out nation has done is and with phenomenal trading history we cannot underestimate out people. However, I believe people are lacking needed skills which is partly because of limited technical courses and degree programs offered in the country. We have more of social science infused degree programs. I am also board member for one of the private universities in Bahrain and have repeatedly advised them on this matter. I also work as advisor for a training institute and we proposed to recommend chamber of commerce to get public authorities to open vocational training institutes. This is a must for our economy specially if we look at the troubling economic situations in Bahrain and across the GCC region."

Aligning the situation with his company situation in recruiting local workforce he said,

"This is the same problem that we are facing in our company. When people don't have needed skills, they have to take extra measures and efforts to learn these things which at times becomes difficult for them."

Overall, the CEO seems to have a slightly different set of reasons to justify why his company is facing the issue of not being able to recruit and retain local workforce in comparison with the views of HR manager. Though, what he says makes sense and could be logically comprehended.

The company seems to kind of struggling with hiring and retaining local workforce. More of it is due to two major reasons however, it is inconclusive. There are many factors that could potentially affect workforce when it comes to stay in the job. Studies have mentioned workload and demanding jobs as one of the dangerous factors in this regard (Ahmed, Shah, Siddiqui, Shah, Dahri & Qureshi, 2017).

Aspirations of CEO

Mr. Abdulla Juma is a patriotic Bahraini. He loves to serve his nation and people and has high aspirations to serve the economy in any way possible. Towards the end of the discussion he mentioned,

"I have high aspirations for my country and its people. It always works with one objective which is to benefit my country's economy. Sadly, there is little I can do and the issues that we are facing, we are yet to find a concrete solution for them. This issue is faced by many GCC countries these days but at the same time it is the most critical element that requires urgent attention. We have determined to win this battle so we have not lost hope and will continue to look for better ways of tackling this issue until we reach a logical solution."

Discussion Questions

Q1: How do you see Six Sigma?

Q2: What challenges do you think the company is facing in terms of recruiting and retaining local employees?

Q3: Is there any contradiction between the views of Mr. Jameel and MR. Abdulla?

Q4: What seems to be the major reasons behind this dilemma? Justify?

Q5: Keeping yourself in the position of Mr. Abdulla, what will be your action plan?

Q6: As a CEO, what will you be expecting from HR department to facilitate you in achieving your action objectively?

Suggested Readings

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Exhibit 1: Bahrain Economic Details

GDP	71.17 Billion USD	
Real GDP Growth (In %)	2.3% (2019)	
Agriculture	Fruit, vegetables, dairy, seafood	
Total Population	1637,898 (47,000) migrants	
Employment Figures	Total 759,671	
	Bahrainis: 158,814	
	Non- Bahrainis: 600,857	
Unemployment Rate	3.9 %	
Government Debt to GDP	99%	

Exhibit 2: Top 10 Occupations in Construction Sector 2019 Q2

45000
40000
35000
30000
25000
20000
15000
10000
5000
0

Morrer Jascon Market Repaired Repaire

Top 10 Occupations in Construction sector 2018 Q2

Source: lmra.bh

Exhibit 3: Map of Bahrain



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