



# Middle-East JOURNAL OF BUSINESS

**January 2017**  
**Volume 12, Issue 1**

**ISSN 1834-8777**

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*With a focus on Ethical and Sustainable Business*

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## From the Editor

### The Business of War



I am sorry, but I have felt in my heart the death of every single murdered Syrian. How could you call yourself human and not be horrified at the nightly torture and genocide we see on the news - and of course it is not just in Syria; previously it was Yemen, Palestine, Iraq, Libya and so many other places; my grief is universal. The Murderers and their paid 'allies' are now even trying to disband the ICC (International Criminal Court) - in order to escape their labels of 'war crimes/genocide/crimes against humanity/baby killers/child torturers'.

Having previously destroyed the hospitals and their maternity wards - what is the market price for killing mothers and babies these days? - and then targeting Medical Centres, on November 19, a Children's Hospital was targeted and bombed in Aleppo. If we as a society can accept that it is alright to

sink to the depth of murdering sick children then we have no value at all. We not only taint the planet and our species, we taint the entire universe.

**Let us be frank here. War is a very lucrative business.** Theft on a grand scale (armed robbery) is what war is and always has been about. History shows that warmongers and their 'allies' are the ones who share in the spoils of territory gained and property stolen from the corpses of the murdered. "Allies" pocket the money from the sale of arms and weapons of mass destruction, paid by those investing in these wars. And the 'allies' have a vested interest in keeping these wars going until there is no more money left to take, and no-one left to kill. They are happy to destroy the lives of both protagonist and antagonist for money. And so they do.

The "ally" also secretly laughs at their so called 'war clients'; such easy money to be gained from those who hate so much they would sink to such depths - would you respect the person who pays you to kill his innocent brothers and their children?

The entire Middle East region and the Muslim world have all been the victims of such allies and by implication, all of us who do not stand up are stained with the ever flowing blood of the victims.

In alphabetical order, the countries spending the most on war are China, Russia, Saudi Arabia and the US. Not one of these countries is under attack by another country - war is their business model as it is also that of many lesser spending nations.

The Defence (war) Budgets of nearly all countries are the biggest financial outlay of all 'human services' and all 'national budgets'. Global annual military spending tops \$1.2 trillion. What criminal, criminal country or criminal organisation would not like to get their hands on all that easy money? War has always been the precinct of the murderer, torturer, rapist, liar and thief. Perhaps even worse are the mercenaries - those who have no vested interest in the outcome of a war - mercenaries are there for their own profit. The Business of War. Surely if we could see above the smoke and the dust and the stench of war - we would see how obvious and bankrupt it all is and learn to put some value on our own lives and the lives of our fellow humans, even if our so-called allies don't.

In recent television footage from Aleppo I saw a father carrying his bombed, bloodied daughter, but there was no hospital left to take her to or no ambulance to call.

*"How many times can a man turn his head and pretend that he just doesn't see."*

**Blowing in the Wind.**

by Bob Dylan.

Poet, Songwriter, Nobel Laureate 2016.

Lesley Pocock, Chief Editor

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# Analyzing performance in the UAE manufacturing industry using the high performance organization framework

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## Abstract

In the past 15 years there has been a strong drive for excellence in the United Arab Emirates (UAE). However, in their strive for excellence UAE organizations depend heavily on excellence frameworks developed in the Western world. But when applying these management techniques one has to take into account the context in which they are used as literature has shown that Western management techniques cannot indiscriminately be transferred into non-Western contexts. This article describes exploratory research in which an HPO framework, as developed by de Waal (2006, 2012) is tested in the UAE context at a manufacturing company, in order to gauge whether this framework can be used successfully at an UAE organization to evaluate this organization's performance and to point out improvements. The research results showed that the HPO Framework is able to accurately evaluate the situation of this manufacturing company and to yield targeted recommendations to improve the performance of the company.

**Key words:** high performance organizations, HPO Framework, United Arab Emirates, organizational performance, manufacturing industry

## Introduction

In the past years there has been a strong drive for excellence in the United Arab Emirates (UAE) (McLaurin and Mitias, 2008; Rashid Al Maktoum, 2012). The rulers of the Emirates have introduced several excellence awards, both for the public and private sectors. As a result, terms such as efficiency, effectiveness, customer service and total quality management are much used in the local business world (Al Gergawi, 2009; Mansour and Jakka, 2013). In their strive for excellence UAE organizations depend heavily on excellence frameworks developed in the Western world, such as the Malcolm Baldrige Excellence model and the EFQM (European Foundation of Quality Model). However, when applying these management techniques one has to take into account the context in which they are used (Holtbrügge, 2013; Rees-Caldwell and Pinnington, 2013). Literature has shown that Western management techniques cannot indiscriminately be transferred into non-Western contexts as these techniques might not work or work in a different way in these non-Western contexts, because of the impact of local culture (Elbanna and Gherib, 2012; Matic 2008; Palrecha, 2009; Wang, 2010). At the same time research on globalization increasingly finds that the transfer of especially Western management techniques - which started to get traction with the increase of multinational and global companies - is leading to similar patterns of behavior in Western and non-Western organizations. This opens an avenue for high performance techniques - developed in the West - to be applied in the UAE (Bowman et al., 2000; Costigan et al., 2005; Zagersek et al., 2004).

This article describes exploratory research in which an HPO framework, as developed by de Waal (2006, 2012) is tested in the UAE context, in order to gauge whether this framework

can be used successfully at a UAE organization to evaluate this organization's performance and to point out improvements. The research question is therefore formulated as follows: Can de Waal's HPO Framework be used to evaluate the performance of a UAE organization and to come up with tangible recommendations? This HPO Framework has been previously applied twice at UAE organizations, but only to identify best practices and best ideas. In this article the HPO Framework is used to the full extent (which entails conducting a questionnaire, interviews, and a feedback workshop with management) for the first time at an organization in the UAE, to evaluate its performance and to identify areas for improvement. The theoretical contribution of this research can be found in the extension of knowledge about how to implement HPO frameworks in the Middle Eastern context and about the cultural aspects which play a role in such implementations. The practical contribution will be that other UAE organizations can start using the HPO Framework as the basis for their improvement efforts, and that managers applying such frameworks can prepare themselves for the cultural aspects which might influence such improvement efforts.

### High Performance Research in the UAE

Because of the strong drive for excellence in the UAE it does not come as a surprise that there is quite a lot of academic literature on excellence and (high) performance in the UAE. For instance, Siddique (2004) examined the impact of job analysis on organizational performance among 148 UAE companies and found that a practice of proactive job analysis - supported by: good HR information systems, an HR department heavily involved in strategic planning, and a strong emphasis on competency-based characteristics of employees - was strongly related to performance. Behery (2011) looked at the impact of high involvement work practices on trust and commitment in a service organization in the UAE and found a positive relation. Elbanna (2012) examined in 174 public and private UAE organizations whether slack and planning (comprehensiveness of strategic decision making and extensiveness of strategic planning) contributed towards organizational performance, and found that both slack and comprehensiveness were predictors of performance and that this performance varied with the age of an organization. This same result was basically found by Fadol et al. (2015) who looked at the mediating role of extensiveness of strategic planning on the relationship between slack resources and organizational performance in UAE hospitals. These authors found that the positive relationship between slack resources and organizational performance was indeed mediated by the effort that was put into the strategic planning process.

Whiteoak and Manning (2012) investigated the relationship between employees' perceptions of supervisors' emotional intelligence and organizational outcomes in a government-run UAE organization. They uncovered that supervisors' emotional intelligence was related to higher job satisfaction and group task satisfaction, which in turn were related to higher workgroup attachment, which was related to better organizational performance. Suliman and Al Harethi (2013) examined the relationship between perceived work climate and work performance in a UAE security organization, and found that

organizational climate and its components significantly predicted work performance. Abdalla Alfaki and Ahmed (2013) assessed the impact of information and communication technology (ICT) and education on improving the technological readiness of UAE organizations and on strengthening the global competitiveness of the UAE. They concluded that ICT and education increased productivity and competitiveness of a UAE organization, but also that the UAE was still lagging behind most transformation economies with regards to technological readiness which impeded the country's ability to absorb, adapt and create new technology and knowledge. Al-Ansaari et al. (2015) examined the role of a particular strategic orientation (technology, alliance, market orientation) of 200 small and medium-sized enterprises in the UAE, and found that market orientation had a more positive effect on business performance compared to technology and alliance orientations. Suliman and Kathairi (2013) examined the links between organizational justice, organizational commitment (i.e. employees' loyalty) and job performance in three UAE government organizations, and found a positive relation between these factors. Shah and Dubey (2013) studied the relationship between market orientation (involving gathering intelligence about customers, competitors, channels, and intermediaries and disseminating that intelligence through various functions of an organization for implementation) and organizational performance in the financial sector of the UAE, and uncovered a strong positive correlation. Pettaway et al. (2015) identified six dimensions shaping employees' perceptions of organizational effectiveness in a UAE institution of higher education, being a holistic impression of the organizational effectiveness of the institution; opinion of employee convenience services; views concerning employee involvement; perception of the security and appearance of the campus; opinion regarding the helpfulness of employee support services; and the organization's focus on continuous improvement. Zacca et al. (2015) measured the impact of network capability (NC) on the performance of small enterprises in the UAE through knowledge creation and two dimensions of entrepreneurial orientation (competitive aggressiveness and innovativeness). They found that NC was positively related to knowledge creation and competitive aggressiveness and innovativeness were key mediators between knowledge creation and firm performance. Al-Dhaafri et al. (2016) looked at the joint effect of entrepreneurial orientation (EO) and total quality management (TQM) on the performance of the Dubai Police, and confirmed the positive effect of EO and TQM on organizational performance.

When looking at the literature discussed, it is conspicuous that the majority of studies are not holistic of nature, i.e. they do not look at the complete picture of the potential relationships of the processes, resources and culture in the organization and organizational outcomes, but only at possible links between a specific organizational item and performance. This type of specialist research is valuable but it does not provide a complete overview of the factors that mutually influence the performance of UAE organizations. There is therefore a risk that a UAE organization starts to focus on one factor in isolation without knowing its effects (either positive or detrimental) on other factors in the organization and in the end on organizational performance. Only three research studies found seemed to be of a holistic nature. Abdulla Badri et al. (2006) empirically



tested the causal relationships between the Malcolm Baldrige National Quality Award (MBNQA) Education Performance Excellence Criteria and organizational outcomes for 15 UAE universities and colleges. They confirmed that all their hypothesized causal relationships in the Baldrige model were statistically significant, with leadership being the key driver for all components in the Baldrige System. De Waal et al. (2014) analyzed the effectiveness of the internal and external processes of a UAE training company against a framework of high-performance organization characteristics, and thus uncovered best practices based on the company's underlying strengths and also identified opportunities for improvement. In a similar vein, de Waal and Frijns (2014) looked at the workings of a subsidiary of a multinational enterprise operating in the UAE using the same HPO Framework, and found that the applied framework could successfully be used to evaluate the performance and the underlying processes which created this performance of the case company. Thus de Waal's HPO Framework, which is of a generic and holistic nature, has been applied successfully twice in the UAE context. However, the framework was only used to identify best practices and best ideas without applying a full diagnosis, which entails conducting a questionnaire, interviews, and a feedback workshop. In this study we apply de Waal's HPO Framework for the first time fully to evaluate the mechanisms and performance of a manufacturing company in the UAE. In the next section, the HPO Framework is introduced.

### Theoretical Framework: the HPO Framework

The High Performance Organization (HPO) framework was developed based on a descriptive literature review (Phase 1) and an empirical study in the form of a worldwide questionnaire (Phase 2) (de Waal, 2006 rev. 2010, 2012a+b). The first phase of the study consisted of collecting the studies on high performance and excellence that were to be included in the empirical study. Criteria for including studies in the research were that the study: (1) was aimed specifically at identifying HPO factors or best practices; (2) consisted of either a survey with a sufficient large number of respondents, so that its results could be assumed to be (fairly) generic, or of in-depth case studies of several companies so the results were at least valid for more than one organization; (3) employed triangulation by using more than one research method; and (4) included written documentation containing an account and justification of the research method, research approach and selection of the research population, a well-described analysis, and retraceable results and conclusions allowing assessment of the quality of the research method. The literature search yielded 290 studies which satisfied all or some of the four criteria. The identification process of the HPO characteristics consisted of a succession of steps. First, elements were extracted from each of the publications that the authors themselves regarded as essential for high performance. These elements were then entered in a matrix which listed all the factors included in the framework. Because different authors used different terminologies in their publications, similar elements were placed in groups under a factor and each group - later to be named 'characteristic' - was given an appropriate description. Subsequently, a matrix was constructed for each factor listing a number of characteristics. A total of 189 characteristics were identified. After that, the

'weighted importance', i.e. the number of times a characteristic occurred in the individual study categories, was calculated for each of the characteristics. Finally, the characteristics with a weighted importance of at least six percent were chosen as the HPO characteristics that potentially make up a HPO, these were 54 characteristics.

In Phase 2 the 54 potential HPO characteristics were included in a questionnaire which was administered during lectures and workshops given to managers by the author and his colleagues all over the world. The respondents of the questionnaire were asked to indicate how well their organization performed on the various HPO characteristics on a scale of 1 (very poor) to 10 (excellent) and also how its organizational results compared with its peer group. Two types of competitive performance were established (Matear et al., 2004): (1) Relative Performance (RP) versus competitors:  $RP = 1 - ([RPT - RPW] / [RPT])$ , in which RPT = total number of competitors and RPW = number of competitors with worse performance; (2) Historic Performance (HP) of the past five years (possible answers: worse, the same, or better). These subjective measures of organizational performance are accepted indicators of real performance (Dawes, 1999; Heap and Bolton, 2004; Jing and Avery, 2008). The questionnaire yielded 2,015 responses of 1,470 organizations. With a correlation analysis and a factor analysis 35 characteristics with both a significant and a strong correlation with organizational performance were extracted and identified, and categorized in five factors. The factor scales showed acceptable reliability (Hair et al., 1998) with Cronbach alpha values close to or above 0.70. These five factors and their accompanying 35 characteristics show a direct and positive relationship with the competitive performance of the organization. The factors have since 2007 been validated for many countries, based on data collected worldwide from approximately 3,000 organizations, both profit and non-profit. Therefore it is important to mention that they basically remain unchanged regardless of the type of organization being diagnosed, the type of industry involved, or the country in which the organization is based.

The research yielded the following definition of an HPO: "an organization that achieves financial and non-financial results that are exceedingly better than those of its peer group over a period of time of five years or more, by focusing in a disciplined way on that which really matters to the organization" (de Waal, 2012, p.5). The five HPO factors are:

**1. Management Quality.** Belief and trust in others and fair treatment are encouraged in an HPO. Managers are trustworthy, live with integrity, show commitment, enthusiasm, and respect, and have a decisive, action-focused decision-making style. Management holds people accountable for their results by maintaining clear accountability for performance. Values and strategy are communicated throughout the organization, so everyone knows and embraces these.

**2. Openness and Action-Orientation.** An HPO has an open culture, which means that management values the opinions of employees and involves them in important organizational processes. Making mistakes is allowed and is regarded as an opportunity to learn. Employees spend a lot of time on

dialogue, knowledge exchange, and learning, to develop new ideas aimed at increasing their performance and make the organization performance-driven. Managers are personally involved in experimenting thereby fostering an environment of change in the organization.

**3. Long-Term Orientation.** An HPO grows through partnerships with suppliers and customers, so long-term commitment is extended to all stakeholders. Vacancies are filled by high-potential internal candidates first, and people are encouraged to become leaders. An HPO creates a safe and secure workplace (both physical and mental), and dismisses employees only as a last resort.

**4. Continuous Improvement and Renewal.** An HPO compensates for dying strategies by renewing these and making them unique. The organization continuously improves, simplifies and aligns its processes and innovates its products and services, creating new sources of competitive advantage to respond to market developments. Furthermore, the HPO manages its core competences efficiently, and sources out non-core competences.

**5. Employee Quality.** An HPO assembles and recruits a diverse and complementary management team and workforce with maximum work flexibility. The workforce is trained to be resilient and flexible. They are encouraged to develop their skills to accomplish extraordinary results and are held responsible for their performance, as a result of which creativity is increased, leading to better results.

Appendix 1 lists the characteristics of the HPO Framework. The HPO research shows that there is a direct and positive relationship between the five HPO factors and competitive performance: the higher the scores on the HPO factors (HPO scores), the better the results of the organization, and the lower the HPO scores the lower the competitive performance. The research also shows that all HPO factors need to have equal scores. An organization can evaluate its HPO status by having its management and employees fill in the HPO Questionnaire, consisting of questions based on the 35 HPO characteristics with possible answers on an absolute scale of 1 (very poor) to 10 (excellent), and then calculating the average scores on the HPO factors. These average scores indicate where the organization has to take action to improve in order to become an HPO.

### The Case Company

The case company, which prefers to stay anonymous, is a manufacturing company based in Dubai since the 1960s. The ISO 9001 certified company manufactures a diverse range of products and offers a range of services from its facilities in Sharjah, Dubai and Abu Dhabi. The company is one of the largest manufacturers of building materials for the construction industry. The company prides itself on manufacturing products to international quality standards, ensuring timely delivery, and providing exceptional service. The company has a robust Quality Management System that ensures that its products and services surpass customers' expectations and that continuous improvement is part of every operational process. In addition, the company stays focused on finding new ways to

design, produce, sell and deliver quality products at economic prices. The company has approximately 1,000 employees.

Until 2009 the company had been growing both in revenue and profit but since that year the company was on a downward trajectory. From 2012 the downward slope halted and the company's performance stabilized and even increased slightly. In this, the company had more or less precisely followed industry developments in the UAE, in which until 2008 there had been robust growth (+8 percent per year), from 2009 to 2010 a decline (-19 percent per year) and in 2011 to 2013 an increase again (between +3 and +6 percent per year). It was projected there would be a continued growth from 2014 onwards, however international competition was also expected to increase. This was because of the increased popularity of the free trade zones in the UAE, joint ventures, and open trade policies which made it easier for foreign companies to establish themselves in the region. In addition, there was increased interest of local companies to move into the field in which the company was operating. Therefore, the company decided it needed to understand better whether the company had the factors in place to allow it to be competitive, or if those factors had to be improved and strengthened.

### Research Approach and Results

The authors were approached by the company and after a first visit in which the authors and the company got acquainted, the company decided to undertake the HPO Diagnosis. The HPO Questionnaire was tailored by the authors to reflect the organizational structure, organigram and set-up of the company and then put in an electronic format. A link was sent to the company's contact person who forwarded this link to all managers and employees who had access to a computer. For people with no electronic access a special room with computers was set-up where these people were invited to partake in the questionnaire. In the questionnaire, managers and employees were asked to rate the company on the 35 HPO characteristics, on a scale of 1 (the company does not satisfy the characteristic at all) to 10 (the company satisfies the characteristic completely). It was decided by the company's management to only survey 'white collars' (from Supervisory level and up) for the reason that the education level of the 'blue collars' was deemed too low to understand the HPO Questionnaire properly. Most of these workers were expatriates with limited knowledge of English, on average a primary educational level, and also had limited knowledge of the company as they only worked in the factory. In total, 183 valid questionnaires were received, out of a possible total of 220 respondents, resulting in a response rate of 83.2 percent. The scores of all respondents were averaged for the five HPO factors and the 35 underlying characteristics and put in a graph (see Exhibit 1), indicating the company's HPO status relative to an HPO and to the average of the HPO scores for UAE organizations as collected in the database of the HPO Center. To be considered high-performing, an organization needs to have an average score of at least 8.5 on each HPO factor (de Waal, 2012). As can be seen from Exhibit 1 the company was an average performing one, in line with other UAE organizations. In fact, as the graphs for both are the same shape, it can be stated that the company was a typical UAE organization at the time of the diagnosis.

Subsequently, twenty one-hour interviews were conducted by two of the authors with managers and employees, at the Dubai and Sharjah locations. Notes were taken during the interviews while confidentiality was guaranteed to the interviewees. The authors analyzed the data from the questionnaires and the interviews, to identify areas where the case company performed well and areas where the company could improve. After this, based on the analysis, a feedback presentation was given to the management of the company. During the presentation the analysis and recommendations were presented and discussed, and questions of the management team were answered. Finally, a draft of this article was sent to the company for review and approval.

### Analysis

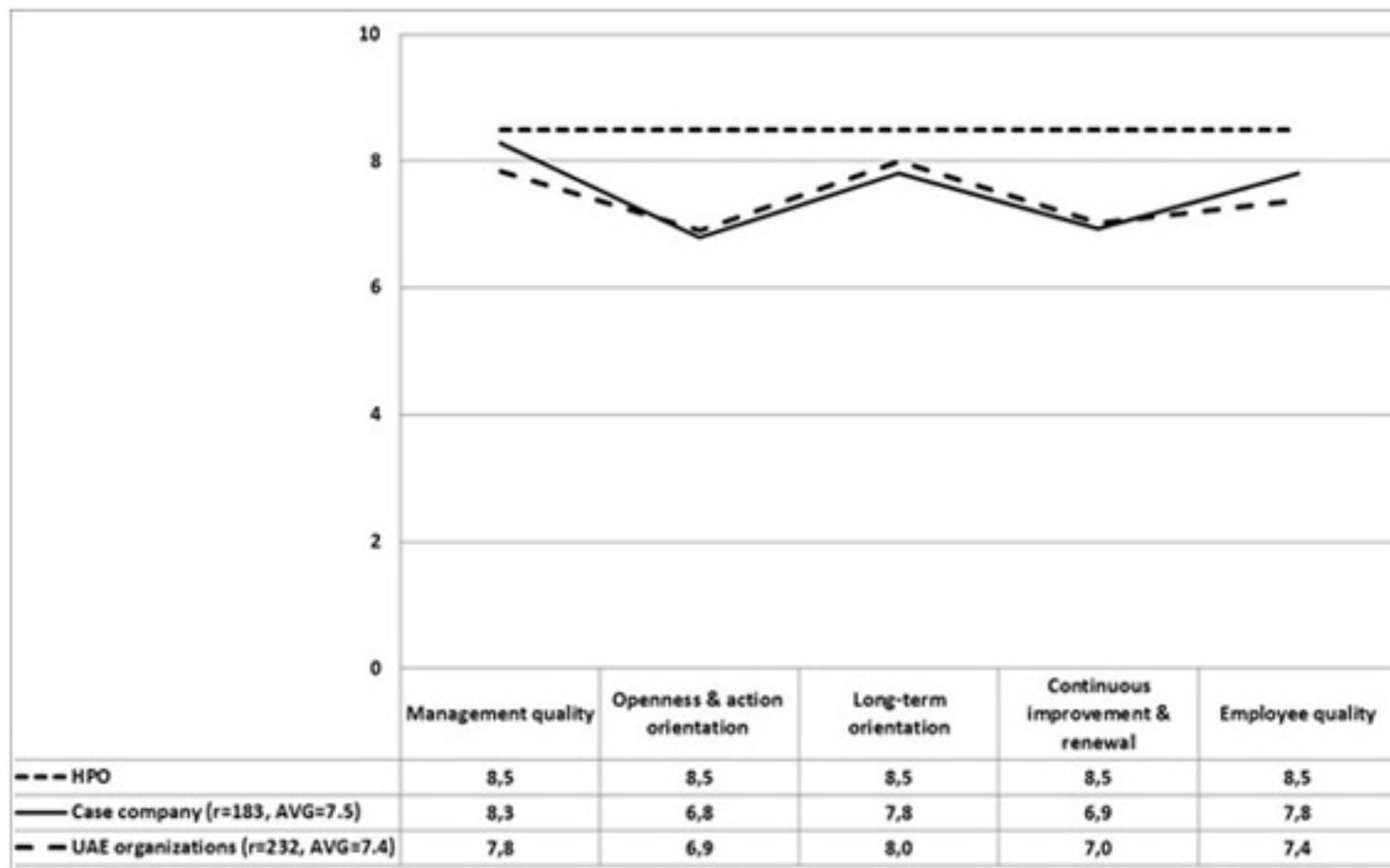
The analysis first concentrated on the strong points of the company as it needed to keep and use these while working on becoming an HPO. The case company enjoyed an excellent reputation in the market, mainly because of its good technical workforce. In addition, managers and employees were loyal to the company, while at the same time the company was loyal to them and also organized lots of social activities to increase a 'family feeling'. As one of the interviewees put it: "This is a beautiful and unique company." The analysis yielded three main recommendations which were aimed to advance the company from an average to a high performing company.

### HPO recommendation

#### 1: Prepare managers for the future

Despite the high score for HPO Factor management Quality (8.3) it became clear from the interviews that many of the managers had mainly relied during their career advancement at the company on their intrinsic motivation and on self-development, illustrated by this remark from one of the interviewed managers: "I rely on my own knowledge and I take notes from colleagues ... but that is not enough." The company did employ a human resource manager but this person mainly had an administrative task, i.e. handling personnel information mutations and salaries, and was not concerned with the development aspects of the human resource function as management did not deem this necessary. Thus, many of the managers were seen by the employees as people with high integrity who could be trusted and who did their best, but who sometimes lacked the management skills to be resolute, especially with holding employees and fellow managers accountable, as they had never formally learned how to do this. The recommendation therefore was to prepare management for the HPO future by giving the human resource manager more maneuvering room to introduce management development programs focused on management skills and to make these programs mandatory. The main part of the programs had to be the introduction of the Plan-Do-Check-Act cycle, as this would be an excellent technique to make sure processes would be fully executed and the people responsible for these processes would be held accountable for their results

**Appendix 1: HPO scores of the company versus the average scores of UAE organizations**





(Carter, 1994). A related recommendation therefore was that there should be consequences when people did not stick to the cycle and/or did not perform as agreed (Ferguson et al., 2010; Furnham and Taylor, 2011). Also, a promotion to management should always be accompanied with an introductory management training for the newly promoted manager (Sahni, 2011; Hendricks and Louw-Potgieter, 2012; McNeill, 2012). The programs could also be the basis for a coherent management team, i.e. a management team which speaks from one mouth and does things in a uniform way, for example by agreeing on standard operating procedures, taking time to understand each other, sticking to decisions, and communicating the same message to employees (Higgs, 2006; Hansen, 2009; Carmeli et al., 2012). This was sorely needed because one of the consequences of the organically grown management team was that there had not been enough guidance for managers in how to behave to each other and the rest of the organization, how to make sure a consistent message was communicated, and how to create a uniform way which should be used when dealing with (non-performing) employees. As the transition to HPO requires different behavior and performance on a higher level, the management team should give the right example to the people in the company and become a role model of HPO behavior (Kouzes and Posner, 2010). Working on this recommendation would mainly benefit the HPO factor Continuous Improvement & Renewal because management would get a more professional and tighter grip on the quality of process execution.

#### HPO recommendation

### 2: Increase morale of employees

As mentioned before people in the company were very loyal to it, illustrated by this comment of an interviewee: "People are not asking for an arm and a leg, just give them a finger and they will retire here." However, this did not necessarily mean they were satisfied with everything that happened in the company. The recommendation was to increase morale of employees by creating more transparency about the on-goings in the company. By providing employees regular updates on the company's situation and explaining the basis for management's decisions (which is not the same as asking permission of employees for these decisions), employees would feel better informed which increases commitment to the company (Gobillot, 2007; Detert et al., 2010). Management should also deliberately, when contemplating a change or update of rules, evaluate the consequences of this change for employees, then set the proper timing and make sure the employees are informed immediately. Another recommendation originated from a remark made by an employee who was interviewed, "We should not only grow economically but also with our heart", meaning that management should create more balance between their managerial interest in employees (i.e. about work-related issues) and social interest in employees (i.e. about personal issues) (Déniz-Déniz and Saá-Pérez, 2003; Mittal and Elias, 2016). This could be done by managers taking more time to understand and interact with employees, for instance through regular team meetings, and by having an open door policy which really invites people in but where managers themselves also go out to do regular work floor walking (Bufe and Murphy, 2004; de Waal, 2012). Working on this recommen-

dation would mainly benefit the HPO factor Openness & Action-Oriented because management would create more openness in the organization.

#### HPO recommendation

### 3: Strengthen internal cooperation

Just as many other organizations, the case company also suffered from the silo-effect. This effect refers to the occurrence in which people view their membership and loyalty belonging to a certain unit of the organization and consequently they behave in a manner that benefits their unit but could be detrimental to the organization as a whole (Sy and D'Annunzio, 2005). This makes silos inward-focused, self-protecting organizational units whose 'walls' hinder collaboration and slow execution of processes (Stone, 2004). Therefore, the company had to cultivate cooperation between departments, by adapting the evaluation and reward structures so that these balanced rewards between unit and company results. Also, management had to look for synergy opportunities between units and divisions, discuss these with the parties concerned, and then make collaboration happen through creating sharing mechanisms within the company. An important part of fostering collaboration is to strengthen the feeling among the management team members that they together have to make the company a success and bring it to the HPO status, as illustrated by an interviewed manager: "Management is not a tennis game but a team sport" (Hansen, 2009). Working on this recommendation would mainly benefit HPO factors Continuous Improvement & Renewal and Openness & Action-Oriented because management, by fostering more cooperation and alignment in the organization, would create a higher quality of process execution and more dialogue throughout the company.

#### Follow-Up of the Diagnosis

The case company went energetically to work with the recommendation. Regarding recommendation 1 "Prepare managers for the future" it was noticed that people at the higher managerial levels tended to stay long with the company, in general 15 to 20 years and sometimes even until retirement. This however resulted in a motivation issue for people at the middle management level as they were not seeing many career advancement opportunities. As a result they tended to just stay and work with a certain inertia, without bringing much innovation and added value, or they would resign after some time. The HR manager therefore proposed several actions to keep these managers at the company and at the same time prepare it, in regard to its management quality, better for the future: start investing in the young generation by investing in campus recruitment campaigns locally and abroad so that ambitious people would enter the company; offer fresh graduates a graduate program whereby they would be trained and mentored by the most senior managers at the company; provide training for middle-management on-the-job; implement a new performance appraisal system that would help to identify managerial talent; and free-up senior managers from certain responsibilities to be taken over by middle managers who in this way got an opportunity to grow.

Certain circumstances influenced the approach to deal with recommendation 2 "Increase morale of employees." Just



before the HPO Diagnosis was conducted, a precious benefit was taken away from the company's employees. In the past, they were granted a Festival Leave whereby they got two days of paid leave for religious purposes. This benefit was taken away by management without any notice, announcement and explanation which was seen as very unfair as employees were working long hours and a long week as the company was one of the few organizations in the UAE to work a six-day week. In addition, the Festival Leave was considered by employees as a way to respect diversity and everyone's religious belief so management's decision did not go down well. This decision came on top of another benefit deleted by management a year earlier, to comply with local law. This concerned employees newly married who were before granted some days of unpaid marriage leave (sometimes up to thirty days) and a cheque of AED 2,000. These two decisions caused employees to start losing trust in management, and in fact enticed them to forget those times when management promptly took care of the neediest at the company. For instance, the company silently takes care of families of (ex-) employees who passed away, and pays for surgery and for medical cures for seriously ill employees thereby going beyond what is its responsibility as stated by the law. After the HPO diagnosis, the case company granted all employees a comprehensive medical coverage package which was put in place before this became compulsory by law, so this gesture was taken very positively by employees. In addition, management organized a year end party for all employees with traditional dances and food; and in 2016 the company switched to new working times so employees had alternate Saturdays off. Finally, in regard to recommendation 3 "Strengthen internal cooperation" the company started with organizing team-building activities so that people got to know each other better and were more willing to mutually cooperate.

### Conclusion, Limitations and Future Research

The research question dealt with in this article was: Can de Waal's HPO Framework be used to evaluate the performance of a UAE organization and to come up with tangible recommendations? The results of applying this framework at the case company show that this is indeed the case: the HPO Diagnosis yielded an accurate picture of the current state of this UAE company and also originated several practical recommendations for improvement. The company's management team commented the HPO diagnosis to be insightful and objective, and found it to be a great starting point for their reflection on how things could be improved, starting from the main recommendations that quickly became the main focus areas to work on. The results of the diagnosis were also presented to the Chairman of the case company who appreciated these and urged the management team to indeed start improving things based on the recommendations. Finally, the HR Manager was the most satisfied person with the HPO Framework as it allowed her finally to implement several sorely needed changes. Therefore, we can conclude that the HPO Framework offers a holistic improvement framework which looks at the complete picture of the relationships of the processes, resources and culture in the organization and organizational outcomes, and therefore can yield tangible recommendations with which an organization can indeed improve its performance.

Despite the fact that the research question can be answered positively, there are several limitations to this research. As the HPO Framework was applied fully at only one company in one industry in the UAE, the research results cannot simply be transferred to other UAE companies in other industries. More research is needed in different contexts to be able to state that de Waal's HPO Framework is generally applicable in the UAE context. Another limitation is that the voice of blue collar workers at the company was not explicitly heard as they did not partake in the study. This could have created a positive bias, as from previous HPO research it is known that managers in general score higher on the HPO characteristics than employees (de Waal, 2012). Therefore in a next case study blue collar workers should explicitly be included. Finally, longitudinal research is needed at the case company (and other UAE companies) to evaluate if the recommendations which originate from the HPO Diagnosis in practice do indeed increase organizational performance.

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# Corporate Social Responsibility and Impact on Profitability of Banks in the United Arab Emirates

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## Abstract

Profitability is a key performance indicator that UAE banks measure periodically. However, the UAE commercial and Islamic banks differ in the profitability policy and pursuit as this illustrates the effectiveness of the organizations' operations. A common practice by banks globally and in the UAE, is Corporate Social Responsibility (CSR) to the stakeholders and environment. Banks engage in pyramid, intersecting cycles and concentric circles CSR models to win and retain clients, whose loyalty accounts yield higher profits. Moreover, CSR creates a positive image among bank customers who associate to be part of the social, environmental and sustainability initiatives and courses. This implies that CSR makes banks disclose their financial performance information better than their counterparts that are profitable. In terms of methodology, this study adopted the KLD approach where banks profitability performance is measured as sum of direct and indirect CRS investments and business. In the UAE, just like the rest of the world, profitability is defined by the Return on Equity (ROE), Return on Assets (ROA), Net Income to Sales, Earnings to Sales, Operating Profit to Assets (OPAT) and Return on Capital (ROC). This research explored previous positions that CSR has positive and significant correlation with UAE banks' profitability. The analysis study of Abu Dhabi Commercial Bank, Abu Dhabi Islamic Bank (ADIB) and Emirates Islamic Banks' CRS impacts on profitability were concluded to be either low impact or insignificant

**Key words:** CSR, profitability, Islamic banking, KLD approach, financial performance,

## Introduction

The term Corporate Social Responsibility (CSR) is very broad and varies with stakeholder participation and objectives. Generally, CSR entails how organizations manage their workers' welfare and rewards, embrace diversity, adhere to tenets of human rights and minimize harmful operations and effects to the environment and society (Blowfield & Murray, 2008; Carroll, 1979). Additionally, CSR entails how organizations govern their activities, legal obligations, economic transparency and ethical dispensation (Freeman, 1984). In many analyses, these CSR practices are embraced systematically and become the organization's culture (Hawa, 2012). However, in exceptional circumstances, some firms embrace a cluster of these CSR activities based on external pressure, for example issues to do with pollution of environment (Bolton, 2013).

A Corporate Social Responsibility Disclosure Index (CSRDI) is a tool used to determine criteria that organizations use to achieve various financial performance metrics including profitability. A typical CSRDI is composed on the organization having vision and mission, board of directors and top management focus, products and services, charitable and welfare activities, employee focus, debt management, community projects environmental conservation, legal and statutory supervision (El-Mosaid & Boutti, 2012).

Whenever banking institutions have been at the centre of some past global financial crisis, their profitability was affected by the operational and policy decisions (Bolton, 2013). Among the actions that banks implemented to reposition their images and brands was engagement in CSR and those in the UAE have embraced the band wagon. There are two aspects of CSR with relation to banks profitability (Orlitzky, et al., 2003). First, CSR can attract more customers to banks and

this can improve their profit values (Arshard, et al., 2015). The hypothesis that banks that act responsibly create a sense of satisfaction of sound management and secure financial deposits which many clients would like to associate with all the time has been proved (Scholtens, 2009). One of the few studies that contradict this position was by Ahmed, et al., (2012).

Second, CSR is itself a capital intensive process and can affect the profitability of the bank. There are arguments that banks should therefore focus on their core activities and only allocate a small percentage of resources towards CSR as a risk management strategy (Bolton, 2013). Research shows that some bank managers are likely to spend more resources on CSR at the expense of growing the profitability (Cai, et al., 2012). Such banks have a policy that more investments in CSR could lead to a more positive image and reputation, whereas the initiatives diminish the profit margins because of need for extra operational costs (Barnea and Rubin, 2010). In fact a study established that a bank's investment into CSR lead to its collapse and ultimately liquidation because of diversion from core business and concentration on the public relations exercise (Sigurthorsson, 2012). Another study established that over compensation of employees as a form of CSR places banks to liquidity risks which eventually affect their profitability (Gande & Kalpathy, 2012).

#### Past Studies on Effect Of CSR on Profitability

Whereas most studies on impact of organizations CSR have been on market environment, staff compensation, performance and other tangible and intangible forms of goodwill (Bolton, 2013), very few have covered banks and profitability, especially in the UAE. Various studies before the turn of the century indicate a positive relationship between CSR activities and banks performance often summarized by their profitability (Griffin & Mahon, 1997). The same trend was observed in successive studies after the year 2000 (Orlitzky, et al., 2003; Deckop, et al., 2006). Even more recently, research shows that banks with elaborate CSR tend to perform better than their counterparts (Shen & Chang, 2009).

Research shows that when banks have liquidity problems, this affects their profitability and ability to invest in CSR, yet potential capital investors prefer to engage with banks that have strong CSR initiatives to the society (Anderson & Meyers, 2007). This view was upheld by El Ghoul, et al., (2011) who added that banks with articulate CSR can access credit at low interest rates, have better risk management and generally positive valuation, all leading to better profitability. Moreover, banks with formidable CSR have good capital flows from client and stakeholder deposits and this enables management to explore more investment products and higher profitability (Cheng, et al., 2011).

El Mosaid and Boutti (2012) conducted a study on the effect of CSR to financial outcomes of Islamic Banks. Among the UAE institutions included in the study which are operated under Islamic banking regulations are Abu Dhabi Islamic Bank (ADIB) whose CSRD Index was 26.83 and Emirates Islamic Bank CSRD Index 25.61, both in 2010. The following table (Table 1 page 14) is a summary of the CSR dimensions as applicable in Is-

lamic banks in the UAE.

For regression analysis, El Mosaid and Boutti (2012) chose two profitability attributes, namely, Return on Assets (ROA) and Return on Equity (ROE) in relation to the CSR Index. During the year 2010, the ROA for ADIB was 1.47% while that of Emirates Bank was 0.21%, both better than the previous year. Additionally, the ROA for ADIB was 12.63% while that of Emirates Bank was 2.09% in 2010. However, the ANOVA test for all the tested banks profitability performance including ADIB and Emirates Banks established p-value for ROA at  $p=0.489 > 0.0005$  in 2009 and  $p=0.036 > 0.0005$  and these imply there are no statistically significant effects of Islamic Banks CSR on profitability. Additionally, the NOVA test established p-value of  $0.6555 > 0.0005$  in 2009 and  $p=0.078 > 0.0005$  which implies no statistically significant impact on ROE on CSR.

#### CSR Activities of Commercial Bank in UAE

**ADCB Corporate Social Responsibility Activities:** In the last two decades, there are specific challenges that ADCB was facing that necessitated board and management to implement some CSR steps towards better profitability (ADCB, 2010). These are broadly in areas of board efficiency, management capabilities, financial disclosures and investors and customer relations (IFC, 2010). The table at appendix II illustrates some of the ADCB challenges and the changes undertaken by the bank. The ADCB started engaging in CSR from the turn to this century with the realignment of their products and services geared for higher profitability. Therefore, ADCB reorganize the board followed by the management then specific operational aspects such as accounting transparency (ADCB, 2010). Nevertheless, as the ADCB sought to match the best practices globally and to remain competitive, the corporate governance aspects were also reviewed. The objective of ADCB was to become a national and regional role model for other banks. In the last quarter of 2007, the IFC carried out an evaluation to establish how ADCB manages their CSR and governance. Earlier on, ADCB had implemented various CSR policies aimed at strengthening the business operations and performance within the society (IFC, 2010).

Among the changes brought about by the CSR were more transparent roles of the managers, board members and selection of directors. Moreover, ADCB started a system of cooperation between the managers and board members to ensure banking risks are communicated and mitigated in time. The ADCB started a system where the stakeholders would get regular disclosure reports after audits in compliance with IFRS (IFC, 2010).

ADCB is involved in various community investments initiatives towards CSR. Most of these CSR investments operate under Memorandum of Understanding between ADCB and the community as beneficiary. In 2013, nearly 2,200 homes were renovated while 37,000 windows were fixed to prevent children falling through (ADCB, 2013). ADCB appreciates the need for supporting communities via fund collection at their ATMs and online portals. ADCB is involved in various health and safety initiatives under CSR umbrella. ADCB promotes works with Sheikh Khalifa Medical City staff to create awareness about different ailments on specific open days where the banks



Table 1: Islamic Banks CSR Dimensions Summary

Dimension	Abu Dhabi Islamic Bank (ADIB) and Emirates Banks CSRD by 2010
Banks Mission and Vision	ADIB and Emirates Bank did not have clear mission or vision commitment towards CSR whereas there were multiple activities on the sidelines with significant financial support. Both banks appeared to have operations around CSR as long as they were Sharia compliant. On the other hand neither of the banks revealed if the investments in CSR were not permitted by the board despite the colossal investments (El Mosaid and Boutti, 2012).
Board of Directors (BOD) and Senior Management	ADIB and Emirates Bank provided adequate information about the organizational structure but vary on the same about team leadership. However both banks did not disclose information about the BOD shareholding (El Mosaid and Boutti, 2012).
Banking Products	ADIB and Emirates Bank did not disclose much about their products especially when they engage in initiatives that do not have the vote of the shareholders. Additionally, both banks are protective on information about innovative products until when launched to the market. Such product information lacks even in the periodic financial reports if not hinted in the glossary (El Mosaid and Boutti, 2012).
Charitable initiatives and Zakat	ADIB and Emirates Bank embrace the giving of Zakat and actually mention the same annual statements. However, both banks did not elaborate where the Zakat contributions came from and the same trend was observed with donations for charity goals. Additionally, neither of the banks declared the <i>Qard Al- Hassan</i> (El Mosaid and Boutti, 2012).
Bank Employees	ADIB and Emirates Bank disclose the workforce numbers in their annual reports. However, neither of the banks provided information about workers welfare, compensation, remuneration and opinions (El Mosaid and Boutti, 2012).
Debt management	ADIB and Emirates Bank did not provide report on how they manage debts in their annual reports. Lack of this report puts to question the capability of the two banks to manage debts effectively (El Mosaid and Boutti, 2012).
Communal Initiatives	ADIB and Emirates Bank indicate their CSR to the community in their annual report including sponsors. Moreover both banks are active in caucuses that advocate for communal welfare and Islamic economics (El Mosaid and Boutti, 2012).
Environment Conservation	ADIB and Emirates Bank did not indicate how they work towards environmental conservation with regard to natural resources and efficient use of renewable energy (El Mosaid and Boutti, 2012).
Shariah Supervisory Board (SSB)	ADIB disclosed the names of SSB members while Emirates Bank did not. Both banks did not publish the pictures of the SSB members on the annual report. Both banks did not indicate the compensation of SSB members or the deliberation dates and issues discussed (El Mosaid and Boutti, 2012).



employees also benefit from free heart check-up (ADCB, 2013). The following table illustrates the sources of fund for the breast cancer campaigns.

**Table 2: ADCB mobilization of funds to fight breast cancer in 2013**

Breast Cancer Awareness Fundraising Events & Initiatives	Total (AED)	% to Total
ADCB Tree of Hope + Pink Polo	11,158	11%
ADC Anantara Ladies Luncheon	14,200	14%
ADCB Zayed Sports City 5 & 10 K Pink Run	20,247	20%
ADCB ATMs Donate a Dirham Programme	54,159	54%
<b>Total</b>	<b>99,764</b>	

Source: (ADCB, 2013, p.48).

ADCB collaborates with different stakeholders with agendas on environmental conservation. Among the bodies working with ADCB is Environ's services to manage electronic waste like all old electronic devices like computers, wires, mouse, printer and many more and ensure the bank adopts green initiatives. The following table illustrates the ADCB environmental footprints.

**Table 3: ADCB Environmental Foot Print**

ADCB ENVIRONMENTAL FOOTPRINT				
SOURCE	2010	2011	2012	2013
Water Consumption (m3)	41,181	31,955	5,755,954	6,271,110
Electricity (kWh)	12,671,333	12,211,333	39,477,277	38,975,068
Diesel Consumption	42,527	257,744	278,009	269,246
Petrol Consumption (L)	22,343	135,416	101,141	250,730
Total Fuel Consumption	64,870	393,160	379,150	519,977
Employee (Direct) Flight (Km)	N/R	N/R	346,916	3,161,318

Source: (ADCB, 2013, p. 50).

The following are the Green House Gas Emissions (GHG) for ADCB from 2010 - 2013.

**Table 4: ADCB GHG Related Emissions**

GHG EMISSIONS (TONNES CO2 EQ)				
Source	2010	2011	2012	2013
Water	N/R	N/R	79,201	86,289
Electricity	9,639	9,289	30,030	29,648
Diesel	116	703	758	735
Gasoline (Vehicle)	54	327	244	606
Air Flight (Travel)	N/R	N/R	69	389
Other Emissions (kgr)	N/R	N/R	985	740
<b>TOTAL GHG EMISSIONS</b>	<b>9809</b>	<b>10,319</b>	<b>111,287</b>	<b>118,407</b>

Source: (ADCB, 2013, p.50).

Many ADCB operations involve staff travelling with flights and the majority are about a three-hour journey. In 2010, ADCB started monitoring the mileage and possible emissions with ozone depleting potential. The following table (next page) shows the trends.

**Table 5: ADCB Related Emissions**

<b>OTHER EMISSIONS</b>				
<b>Source</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Nox Emissions (Kgr)	N/R	N/R	758	474
SO2 Emissions (Kgr)	N/R	N/R	227	266
Ozone Depleting Potential (CFC-11 Equivalent)	N/R	N/R	0	0
Total Other Emissions	N/R	N/R	985	740

Source: (ADCB, 2013, p. 50).

From 2013, as the ADCB electronic transactions increase, the same happens to the number of electronic statements and the paper it saves by the same. The Banks have realized huge savings from the e-statements while the e-waste has increased as shown in the table below.

**Table 6: E-Statement Savings**

<b>Paper Consumption and E-Statements</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Electronic Transaction vs Manual Transactions (%)	81%	85%	87%	91%
Retail e-statement subscriptions (total number at year end)	162,591	220,237	253,273	374,685
Retail e-statement subscription (monthly average of total subscribers)	162,591	220,237	253,273	313,685
Retail e-statement subscription (%)	28	45	50	71
Paper Saved by e-statements (Calculated by e-statement per customer per month)	3,902,184	4,593,936	5,682,120	7,535,496
Money Save by e-statement (AED) (Calculated as AED per Statement)	5,228,927	6,155,874	7,614,041	10,097,565
Paper Consumption (Tonnes)	N/R	173	215	279
Paper Recycle (Tonnes)	N/R	N/R	47	43
e-Waste (tonnes)	11.5	3.6	3.6	49.8

Source: (ADCB, 2013, p.51).

ADCB supports financial literacy by engaging other stakeholders such as the Emirates Foundation. This CSR activity completed within the Q4-2013. ADCB collaborates with various organizations, which have environmental conservation programs. These organizations include EWWS-WWF and the Emirates foundation. This initiative completed culminating into the bigger Abu Dhabi Sustainability Group (ADSG). ADCB uses sustainability as a measure of prequalifying their suppliers by providing them with a questionnaire for assessment of their procedures and status. ADCB managed to lower the energy usage by 1.3% in 2013. ADCB is in the process of cutting back paper usage with the 30% rise in 2013 attributed to 48% as customers were shifting to online platforms to long term benefits. Finally, ADCB deferred the waste recycling programs to 2014 and the progress will be captured in the 2015 reports (ADCB, 2013).

### CSR Activities of Islamic Banks in UAE

*Abu Dhabi Islamic Bank CSR Initiatives:* The ADIB CSR initiatives are managed by a Council to integrate the banks' business goals to the community and employees. However, it is important to state early that the ADIB investments for CSR are not published according to the findings in the last five years. Most of the CSR activities are merely described and qualified in successive financial and sustainability annual reports. Nevertheless, the ADIB recognized the importance of engaging in CSR as a way of giving back to the community (ADIB, 2014). ADIB participates in public financial education since 2011, by sponsoring programmes in high schools, colleges and Universities. This initiative is to empower people to make better financial decisions in life with the ability of confirming their progress via an online portal. ADIB has a Business Pulse where SMEs are provided with financial information and assistance to meet their needs. This portal also brings together various business heads who share their financial experiences and challenges in their SME organizations (ADIB, 2014). ADIB has invested heavily in their workforce in recognition of their human resource assets. This initiative motivates the workforce to give their best when handling banking customers. ADIB encourages workforce learning and career development by motivating training opportunities and financing appropriate courses. ADIB encourages workforce diversity because it enables close ties and excellence in customer service. ADIB nurtures the UAE local talents and has been recognized for the efforts with awards by the Emirates Institute of Banking and Financial Studies (EIBFS). ADIB has entered into collaboration with various Higher Education Institutions (HEIs) to further the Emiratization policy that is active in the UAE. By 2014, about 48% of ADIB workforces were UAE locals in line with the Emiratization goals (ADIB, 2014). ADIB is very active in environmental conservation initiatives to lower the 2014 carbon footprint by 20% annually. Due to ADIB efforts towards environmental responsibility, the bank has LEED Pre-Certification for Gold standards and is on its way to other esteemed recognitions. ADIB is active in minimizing paper materials using E-Systems, recycles waste and has invested in various energy saving processes within the banking facilities (ADIB, 2014).

In line with the Islamic banking work, ADIB supports the annual Islamic Finance Forum. ADIB also offers socio-economic solutions to the Islamic Finance world and offers rewards of up to \$100,000 to winning innovators in an annual competition with the 2014 event having more than 200 entries. ADIB sponsors Art and Science in Islam conferences to make the public aware of opportunities and history of their heritage. Around Ramadhan period ADIB always provides Iftar boxes to enable people to contribute to the aid of the less fortunate in the society. Collections are done from major public transit areas like Mosques, Banks and commuter areas. ADIB is also very active in assisting and sponsoring sports events. The last event in 2014 had over 2000 children participate in a football challenge. Finally, ADIB (2014) sponsored mass weddings to support people who are unable to do so on their own and avoid food wastage typical of such occasions.

*Emirates Islamic Bank CSR Initiatives:* The Emirates Islamic Bank is active in supporting social activities especially around the Ramadhan period. The objective is to create a lasting effect on the society. The bank supports the Zakat Fund Ramadhan Campaign (ZCRC) which mandates all Muslims to donate to the less fortunate people in society. The bank supports the Al Ajer Initiative (AAI) to enhance societal harmony and promote forgiveness. The bank has numerous multispectral collaborations such as with the government, civil society and non-government organizations with the climax of activities happening around Ramadhan period. The bank supports Emirates Foundation for Youth Development (EFYF) which undertakes numerous social philanthropic activities to improve public welfare. Finally, Emirates Islamic bank collaborates with the Dar Al Ber Society which is a leading charity support organization to distribute financial vouchers from AED 100-500 especially around the Ramadhan period (Emirates Islamic Bank, 2013).

### Methodology

The researcher applied mix qualitative and quantitative methods in this study (Saunders, et al., 2007). The qualitative study was applied in the critical literature review of the concept of CSR in commercial and Islamic banks in the UAE. This method was rational considering that Islamic banks hardly publish expenditures in CSR even though there is literature to confirm they undertake such activities. The Quantitative method was used in the analysis of impact of CSR to the commercial and Islamic banks' profitability. This method was justified because it is easier to summarize data and draw conclusions from trends. This study on the impact of CSR to UAE banks' profitability covered data from 2010 - 2014. This was rational because the activities are current and the impact is recognizable if not documented.

From the literature review, it is clear that the concept of CSR differs between the commercial banks and Islamic banks in the UAE, hence the visible differences in the profitability. However, other issues like size of bank could also be affected by the impact analysis. In order to harmonize the CSR effects and be able to generalize for the sampled UAE banks on assumption that some share customers, this study adopted the KLD Research & Analytics (KLD) (Bolton, 2013). Therefore, by decomposing the available CSR data, the research sought to establish its effect on the sampled banks namely, ADCB, ADIB and Emirates Islamic Banks. The focus on CSR was on issues like community initiatives, environmental conservation, health and safety and employee development. This research was an analysis of the impact of CSR on profitability hence the following equation was applicable:

*Profitability Performance = Direct + Indirect CRS Investments + Business*

*Therefore, KLD Profitability + KLD CRS + KLD Business.*



## Analysis

ADCB Analysis of CSR on Profitability: The ADCB CSR model resembles the intersecting circles according to Geva (2008). This is the analysis all the ADCB functions such as economic policies, ethical obligations, legal compliance and philanthropic commitments are all weighed by their customers to determine their retention and eventually the profitability (ADCB, 2014) as shown in the figure and table below.

**Figure 1: ADCB's Intersection Circles CSR Model**



Source: (Geva, 2008, Cited in Al-Tamimi, 2014, p.92).

The overall CSR changes at ADCB yielded various outcomes related to profitability. A summary of the effects of CSR at ADCB is illustrated in Appendix I (IFC, 2010) and the impact is minor. The CSR at ADCB has created additional knowledge to the management and board on how to tighten governance and increase profitability consistently. Such practices attract new clients to ADCB via word of mouth or publicity of the banks from periodic financial statements (IFC, 2010). Due to the numerous ADCB CSR initiatives, the profit has been rising yearly from AED 391 million in 2010 to AED 4,201 billion in 2014. For example, ADCB's direct investment in CSR in 2013 was AED 7.79 million as the bank shifted to e-statements managed to save the bank over 7,535,500 pieces of paper and recycled 49.8 tonnes of e-waste. Additionally, the ROE also increased from 1.54% in 2010 to 18.41% by 2014 (ADCB, 2014). The following table shows the calculations for ADCB using

*Profitability Performance = Direct + Indirect CRS Investments + Business*

Therefore, *KLD Profitability = KLD CRS + KLD Business*

Table 7: KLD Profitability of ADCB

Community Investment (AED)	2010	2011	2012	2013	2014
<b>Direct Community Investments</b>					
Donations	512,500	1,020,440	2,928,378	2,063,853	2,663,000
Sponsorship	5,823,707	11,052,685	7,763,353	6,422,651	8,000,000
Donation Islamic Group	N/R	N/R	397,300	724,105	800,000
<b>Indirect Community Investments</b>					
ATM Donations	N/R	N/R	818,969	764,494	500,000
e-Banking Donations	N/R	N/R	N/R	3,494,897	4,000,000
Total Direct and Indirect Community Investment	6,336,207	12,073,125	11,908,000	13,470,000	16,463,000
Percentage Annual Investment Increase	91%	-1%	13%	22%	
Total CSR Direct + Indirect Investment	6,336,207	12,073,125	11,908,000	13,470,000	16,463,000
Profitability (AED)	391,000,000	1,731,000,000	2,810,000,000	3,620,000,000	4,201,000,000

### Islamic Bank Analysis of CSR Impact on Profitability

Before delving into the Islamic banks CRS impact proper, it is critical to understand this concept in the Islamic context. Generally Islamic banking believes in collaboration or Shirikah, which implies that CSR is not separated or recognized as a legal entity. Therefore, it appears Islamic banks do not have a special treatment or CSR activities which perhaps indicates why most if not all financial and sustainability reports do not explicitly indicate the expenditures. Islamic banking believes that CSR is something which is natural and an obligation, whether it is real or abstract. Thus, stating the financial expenditures on CSR would look like imposing something that is assumed to be already happening religiously (Josuh, et al., 2015). Therefore, under the Zimmah theory, CSR takes place in Islamic banks on partnership basis as opposed to business basis as is typical with commercial banks. Moreover, Islamic banks have a principle of sharing loss and profits, therefore their financial statements have huge debt write offs equivalent to losses (Al-Khuli, 2003).

The ADIB model of CSR resembles the pyramid model proposed by Geva (2008). This is because there is more emphasis on the economic stability of the bank, followed by the legal, ethical then philanthropic aspects (ADIB, 2014) as shown in the figure and table below.

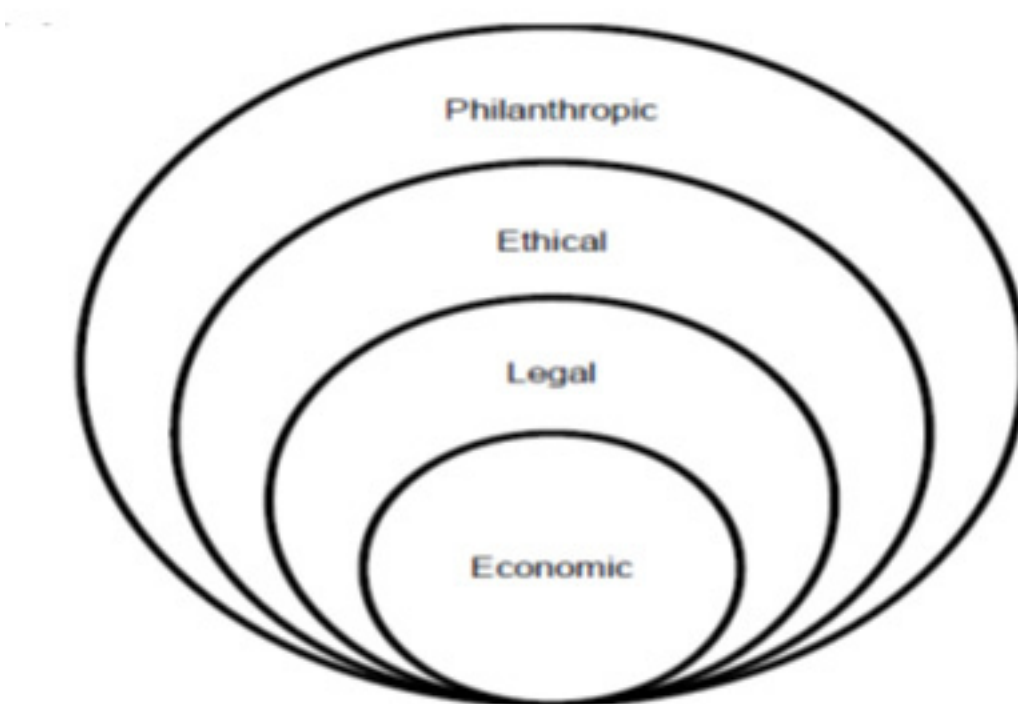
Table 8: ADIB CSR Investment vs. Profitability

ADIB	2010	2011	2012	2013	2014
Total CSR Expenditure (AED)	N/A	N/A	N/A	N/A	N/A
Profitability (AED) (Source: ADIB, 2014, p. 9)	1,023,600	1,155,100	1,201,200,000	1,450,200,000	1,750,700,000
CSR % to Profit	N/A	N/A	N/A	N/A	N/A

**Figure 2: ADIB Pyramid Model of CRS**

Source: (Geva, 2008, Cited in Al-Tamimi, 2014, p.92).

The Emirates Islamic Bank CRS model resembles the concentric circles as proposed by Geva (2008). This is because even though the bank has economic prosperity at the heart of the organization, there is strong consideration for legal compliance, ethical practices and philanthropic activities (Emirates Islamic Bank, 2004) as shown in the table and figure below.

**Figure 3: Emirates Islamic Bank Concentric Circle CRS Model**

Source: (Geva, 2008, Cited in Al-Tamimi, 2014, p.92).



**Table 9: Emirates Islamic Bank CSR vs. Profitability**

Emirates Islamic Bank	2010	2011	2012	2013	2014
Total CSR Expenditure (AED)	N/A	N/A	N/A	N/A	N/A
Profitability (AED) (Source: Emirates Islamic Bank, 2010- 2014)	59,340,000	-448,552	81,112,000	139,488,000	364,191,000
CSR % to Profit	N/A	N/A	N/A	N/A	N/A

Then after the decomposition of the annual CSR expenditure data with their corresponding profitability, it was established that the KLD impact was greater among the commercial banks than the Islamic Bank as indicated in the table below.

**Table 10: KLD Combined Profitability Impact**

	2010	2011	2012	2013	2014	Average
ADCB Profitability (AED)	391,000,000	1,731,000,000	2,810,000,000	3,620,000,000	4,201,000,000	2,550,600,000.00
ADIB Profitability (AED)	1,023,600	1,155,100	1,201,200,000	1,450,200,000	1,750,700,000	880,855,740.00
Emirates Islamic Bank (AED)	59,340,000	-448,552	81,112,000	139,488,000	364,191,000	128,736,489.60
Combined Average	150,454,533.3	577,235,516.0	1,364,104,000.0	1,736,562,666.7	2,105,297,000.0	1,186,730,743.2

## Conclusion

In conclusion, various studies in the last two decades support the view that CSR activities in banks lead to higher profitability. Nevertheless, this only applies to specific CSR activities especially when they align to the banks' core activities and business environment in the UAE. The studies show that CSR creates a strong bond between the banks and their stakeholders who pool their capital leading to banks stronger investment options and profitability (Bolton, 2013). The study established the CSR impact is greater in commercial banks as compared to the Islamic bank. This was attributed to the Islamic banks ideas of understanding and implementing CSR as well as concept of profitability where the banks undertake to share losses and profits.

The ADCB CRS approach anchors on sustainable business coexistence with the community and environment. Therefore, ADCB has established strong partnerships at these levels by investing into worthy causes that will leave a lasting socio-economic effect within the national market while conserving the environment. This paper concludes that the ADCB, which follows the intersecting circles CSR model, could be contributing to minor annual increments in profitability even though regression analysis has been accomplished to date on the same (IFC, 2010, ADCB, 2010; 2014) as shown in Appendix I. However, the paper concluded that the CSR accomplished in Islamic counterparts namely ADIB

and Emirates Bank have no significant impact on the profitability (El Mosaid and Boutti, 2012). The ADIB pyramid CRS model has actually yielded higher annual profitability while the Emirates Islamic Bank's concentric circle CSR model yields moderate profits as compared to the other two banks.

The current study merely had descriptive commitment and barely any data to compare with the profitability of the Islamic banks and this trend seemed to be widespread when the researcher was searching for similar information.

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# Assessment and recommendations for effective HR service delivery model implementation for organizations

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### Practical relevance of human-resources service delivery model

The focus of strategy in the global business world has shifted from strictly profiting from sources in the external environment to finding sources of profit within the organization. Human capital has therefore been increasingly recognized as an organization's greatest asset and the main source of competitive advantage. In order to assist the Strategic Human Resources Management (SHRM) large organizations have introduced human-resources (HR) service delivery models. David Ulrich's "Three-Legged" model for example proposes that both administrative "transactional" and strategic "transitional" services are delivered by three types of services: HR Business Partners (HRBP), Centres of Excellence, and Shared Service Centres. The model has proven to be a very popular choice with most large international companies and SHRM consultants (Harvard Business Review and Chartered Institute of Personnel and Development). However, to date the empirical research done on the model to confirm overall effectiveness has been very limited. The popularity of the model is therefore an interesting phenomenon, considering the financial and strategic consequences that can result from implementation of unsuitable HR service delivery models. Therefore, Joanna Harrop, an MBA-qualified HR executive, together with the Sir John Cass London Business School, conducted a research study evaluating the performance of the Ulrich model in 21 large international organizations in the United Arab Emirates.

The research focused on responding to the following two main questions:

- (1) "What is the practical relevance for organizations of D. Ulrich's SHRM service delivery model?"
- (2) "What are the major issues that contribute to the Ulrich model not fully supporting organizational needs?"

The empirical findings showed that the model has several limitations

The research confirmed that the Ulrich model has practical relevance to the current and future needs of organizations, as it logically and effectively combines transactional services, programme design, and strategic business support. However, the empirical findings showed that the model has several limitations that prevent it from fully supporting business needs. These limitations are identified under three themes: (1) limited strategic capability of HRBP; (2) incorrect use of metrics and measurements within the organization; and (3) lack of participation of line management.

There are many reasons identified by the research as to how and when the identified limitations occur. Some of the identified reasons are: low level of reduction of transactional workload within the HR role, limited strategic experience and abilities of the HRBP, and wrong recruitment practices in organizations. Two reasons for incorrect use of metrics and measurements are lack of HR ability to obtain the correct information, and lack of ability to apply the correct metrics and measurements. Finally, the main reason for lack of line management participation is the struggle of the HRBP to establish their credibility in the overall strategic understanding of the organization.

### Recommendations

The study established several recommendations for top management, HR professionals and line management in order to assist in the efficient operations of the HR service delivery model. These include better implementation of measuring and monitoring systems to make decisions based on facts, and the implementation of Cloud technology that can integrate talent and development programmes and assist in e-HR technologies. To save costs, a greater degree of outsourcing of some HR services is recommended for consideration, depending on the individual context of the organization.



### Limited strategic capability of the HRBP

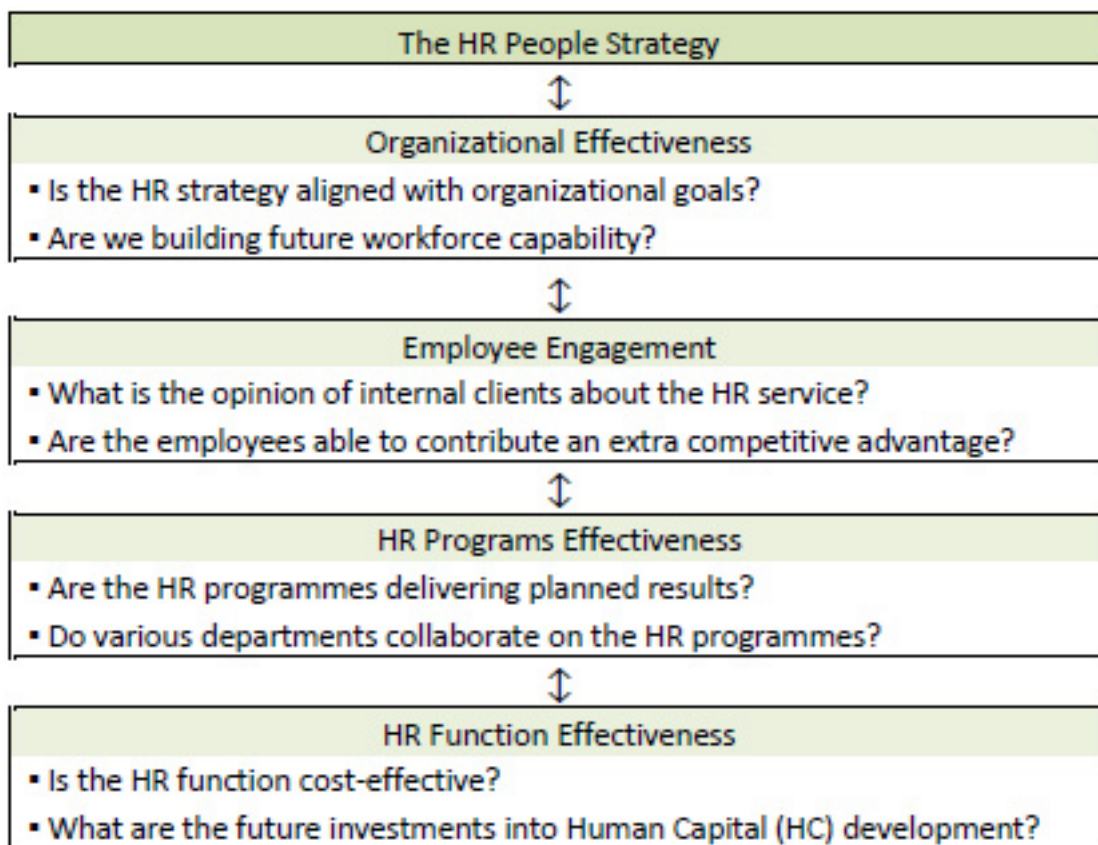
The following propositions include several pragmatic approaches to resolve each of the identified issues. In order to resolve the limited strategic capability of the HRBP it is first recommended to pay attention to the correct implementation of the model, as organizations often have problems with changing the way internal systems operate. Thus, employment of an external consultant might provide an objective evaluation of the effectiveness of the HR system delivery model in relation to the individual organizational strategy, and assist in the correct division of transitional and transactional work. Furthermore, recruitment for the HRBP should be carried out among candidates with HR and business qualifications and general business experience. Internal HR promotions to HRBP roles need to be made with care. This recommendation is likely not only to improve communication with the rest of the business, but also to give the role extra strength in negotiating with and coaching senior executives on human capital factors that they need to take into consideration while making strategic plans. Furthermore, it would assist in resolving the third identified issue, the struggle of the HRBP to establish their credibility in strategic understanding. It would also allow the HRBP role to stay united with both the business operations side and the HR function, enabling sharing of experiences and knowledge from different parts of the organization, thus preventing organizational units from operating in separate silos. In practical terms this also means that there will be fewer HRBP, as they will be highly skilled and more efficient. This will generate cost savings for the organization.

### The measuring and monitoring system

Ongoing measuring and monitoring of system implementation are required everywhere within the organization. The process of monitoring should start from correct implementation of a clearly-defined people strategy that can achieve success through deployment of Balanced Scorecards and Key Performance Indicators (KPIs). Organizations have long viewed benchmarks as useful guides for the HR function. However, the next generation of effective HR support is guided by measures dictated by specific and individual business needs and allocation of individual resources. Balanced Scorecards and KPI are recommended to manage human capital as an asset, direct the development of HR programmes and policies, and effectively measure workforce and business effectiveness and satisfaction.

A strategic alignment matrix will guide the correct measuring of identified individual core organizational competencies against the organization's performance level and allow specific action plans to be established.

The core competencies should be identified and scored cross-functionally by management in all organizational departments. The scores need to be placed in the strategic alignment matrix, which clearly highlights areas for urgent action.



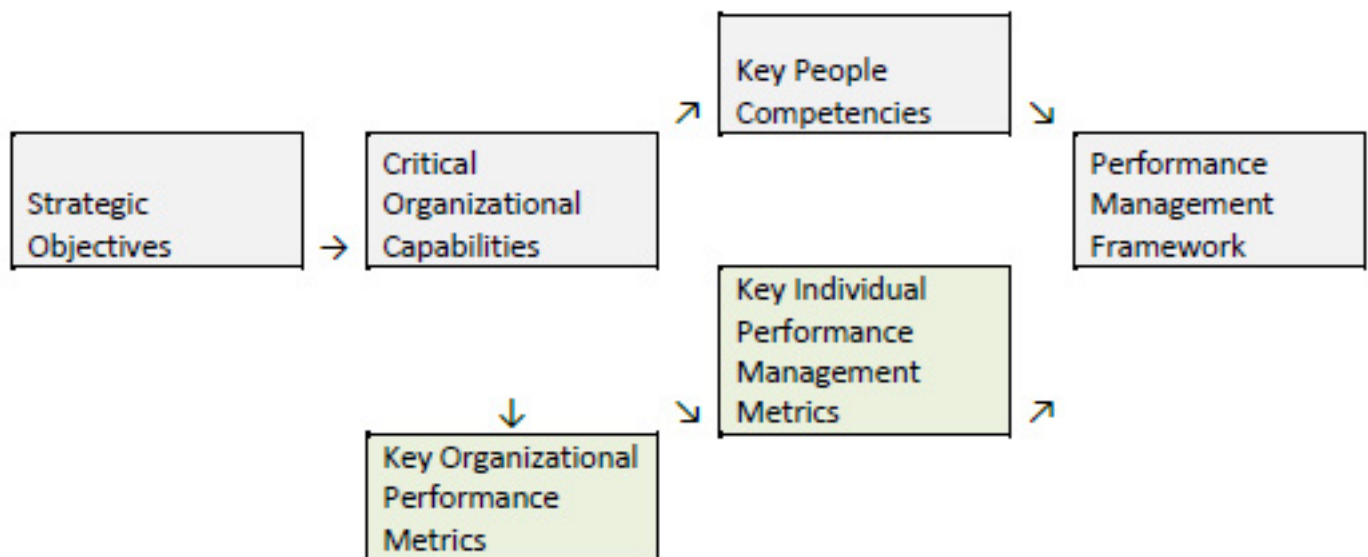
Organization' Core Competency	Strategic Importance (1 = not important, 5 = very important)	Organization's Performance Level (1 = very poor, 5 = very good)	Priority (Low, Medium or High)	Action Plan
e.g.				
Client experience	5	4	High	Performance Incentives.
Attrition/Turnover of Staff	5	3	High	1. Employee engagement questionnaire. 2. Revise: Recruitment, induction processes. 3 Phases of performance management. 4. Opportunities for development
etc.				

### BUSINESS PERFORMANCE LEVEL

5	URGENT ACTION	③	④		IMPORTANCE OF COMPETENCY
4	URGENT ACTION	URGENT ACTION			
3			URGENT ACTION	URGENT ACTION	
2			URGENT ACTION	URGENT ACTION	
1	2	3	4	5	

Business performance level being clearly defined and measured against critical organizational capabilities will provide a clear strategic context for talent management.

Human Capital Management (HCM) metrics and surveys will enable HR to measure its own effectiveness and demonstrate its value to the organization by maximizing return on people. The organization's strengths and weaknesses in HCM can be assessed by monitoring the performance of each one of 23 HCM practices that fall within five broad HCM driver categories. In general, improvements or declines in organizational performance can be tied directly to improvements or declines in HCM practices.



HCM Drivers	Leadership Practices	Employee Engagement	Knowledge Accessibility	Workforce Optimization	Learning Capacity
HCM Practices	<b>Communication.</b> Management's communication is open and effective.	<b>Job design.</b> Work is well organized and taps employees' skills.	<b>Availability.</b> Job-related information and training are readily available.	<b>Processes.</b> Work processes are well defined, and training is effective.	<b>Innovation.</b> New ideas are welcome.
	<b>Inclusiveness.</b> Management collaborates with employees and invites input.	<b>Commitment.</b> Jobs are secure, employees are recognized, and advancement is possible.	<b>Collaboration.</b> Teamwork is encouraged and enabled.	<b>Conditions.</b> Working conditions support high performance.	<b>Training.</b> Training is practical and supports organizational goals.
	<b>Supervisory skills.</b> Managers eliminate barriers, provide feedback, and inspire confidence.	<b>Time.</b> Workload allows employees to do jobs well and enables good work/life balance.	<b>Information sharing.</b> Best practices are shared and improved.	<b>Accountability.</b> High performance is expected and rewarded.	<b>Development.</b> Employees have formal career development plans.
	<b>Executive skills.</b> Senior executives eliminate barriers, provide feedback, and inspire confidence.	<b>Systems.</b> Employee engagement is continually evaluated.	<b>Systems.</b> Collection systems make information easily available.	<b>Hiring.</b> New employees are chosen on the basis of skill; new hires complete a thorough orientation.	<b>Value and support.</b> Leaders demonstrate that learning is valued.
	<b>Systems.</b> Leadership development and transition systems are effective.			<b>Systems.</b> Employee performance management systems are effective.	<b>Systems.</b> A learning management system automates aspects of training.

Source: hbr.org March 2007 Bassi, L., and McMurrer, D., Human Capital Management metrics.



### Lack of participation of line management

Close measurement of HCM practices as presented above could also assist in eliminating the issue of lack of participation of line management. The lack of motivation to participate is likely to be closely related to the organizational culture. There are many motivation-measuring tools with significant popularity, such as Hackman and Oldham's Motivating Potential Score (MPS). However, the most up-to-date relevant propositions on employee motivation vary widely depending on company processes. How to measure and improve motivation has been described in the Harvard Business Review (24 November 2015) and these methods are also recommended in the present paper for assistance in resolving the lack of participation of line management.



Source: hbr.org. November 2015. Primed to Perform in McGregor, L. and Doshi, N. "How Company Culture Shapes Employee Motivation".

The study shows that it is recommended for HR professionals to work on the implementation and adjustment of strategic and business plans together with line management from the beginning to build professional relationships and share knowledge. Correct job design can make this highly feasible.

### Conclusion

In conclusion, there is no such thing as a perfect strategic HR service delivery model. The Ulrich model is very flexible and can be adjusted to many, if not all, individual organizational needs. The organizational strategy should define the structure of the HR service delivery model. The model is a practical starting point that can be readjusted to the type and number of HR services required by individual organizations.

# Ethno-medicinal investigation of floral diversity of Bahawalnagar district, Punjab, Pakistan

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## Abstract

The current study was intended to explore and document the local medicinal plants that are being utilized by local dwellers of district Bahawalnagar, Punjab, Pakistan. For this reason ethno-medicinal survey was conducted and information was gathered by hakims (herbalists) and local inhabitants through unstructured interview, open ended questionnaires and informal discussions. Plants with their correct nomenclature were arranged by family name, vernacular name, common English names, scientific name, parts used and ethno-medicinal uses. Taxonomic status and nomenclature of plant was identified using field guides and flora of Pakistan. This study revealed that currently 50 plant species belonging to 23 families were utilized by traditional people for curing fever, diarrhea, sore throat and various other health disorders. These plant species were effective against wounds and snake bites and also serve as antiseptic as well as blood purifier agents. It has been concluded that this traditional knowledge not only helps the scientific community and conservationist organizations in preservation and conservation of medicinal plants but also enlightens the pharmacological, anti-bacterial and anti-proliferative activity for improving the health care facilities. The study recommended that herbal markets should be encouraged in the study area for eradication of poverty.

**Key words:** Medicinal plants, ethno-medicinal investigations, conservation, flora, ethno-botanical uses

## Introduction

Ethno-medicinal knowledge is an invaluable cultural heritage of an area that encompasses information regarding the pharmacological utilization and management of floral diversity by man. WHO assumed traditional medicine as the combination of knowledge, skills, beliefs and practices experienced by any culture to cure illnesses (Buragohain, 2011). Herbal remedies have been used since pre-historic time as cures in the pharmaceutical industry; advancement in scientific knowledge has thrived due to herbal pharmacology (Thirulmalai et al., 2009). Use of herbal medicines as alternatives to conventional medicine has increased worldwide. Rural people depend on herbal remedies because these herb based medicines are easily accessible as they are found in close proximity to homes, are adapted to the native environment so there are less side effects, and they are cost effective (Cheikhtuossef et al., 2011). Increasing awareness regarding traditional health practices all over the globe have averted the attention of scientists towards ethno medicines and the use of herbal remedies in the present scenario (Ahmed et al., 2014a, 2014b, 2015). However, evaluation of these herbal medicines on scientific grounds is necessary to make them acceptable for modern allopathy by identifying their active compounds and mode of action. Therefore throughout the world, several ethno-botanical surveys have been published on Ethno-medicinal utilization of plants and animals with a purpose to preserve the beneficial species. It has been estimated that 50,000 flowering plants are used for medicinal purposes around the globe (Govaerts, 2001; Schippmann et al., 2002).

Pakistan is blessed with diverse flora due its variant climate and edaphic factors. Almost 84 % of the population of Pakistan consumes herbal medicines for curing diseases (Mahmood et al., 2011). Rapid urbanization, declining economy,

scarce modern medical facilities and inflation has pulled the local community towards the traditional practices (Mahmood et al., 2013). People of almost every region of Pakistan have awareness about regional medicinal plants and this knowledge is being transferred among generations by formation of Tabbia Colleges and schools. Herbal remedies derived from indigenous knowledge are practiced on a large scale; however, there is no proper system for documentation of this precious knowledge. Therefore the present effort was made on the Bahawalnagar district of Punjab Province. The main purpose of the study was to document the medically important plants utilized by local people for treating illnesses and to convey information to the pharmacists and pharmaceutical companies to analyze the most valuable medicinal plants products to determine their antibacterial, antifungal pharmacological, and anti-proliferative activities.

### Study Area

The Bahawalnagar district is spread over 8878 sq. km area with hot and dry climate and the minimum and maximum temperature recorded are 110C and 500C. It comprises five administrative units (tehsils) namely Bahawalnagar, Chistian, Fort Abbas, Haroonabad and Minchianbad and one hundred and eighteen union councils. It is situated in south east of Punjab between 20-51 to 30-20 North latitude and 72-17 to 73-58 east longitude and 130 meters above sea level (Figure 1). Main crops of the area are cotton, wheat, sugarcane, rice, tobacco, corn and mustard seed while citrus, guava and date are major fruits of the study area. Main vegetables include turnip, tomato, cauliflower, potato and onion (Ahmed et al., 2014a, 2014 b).

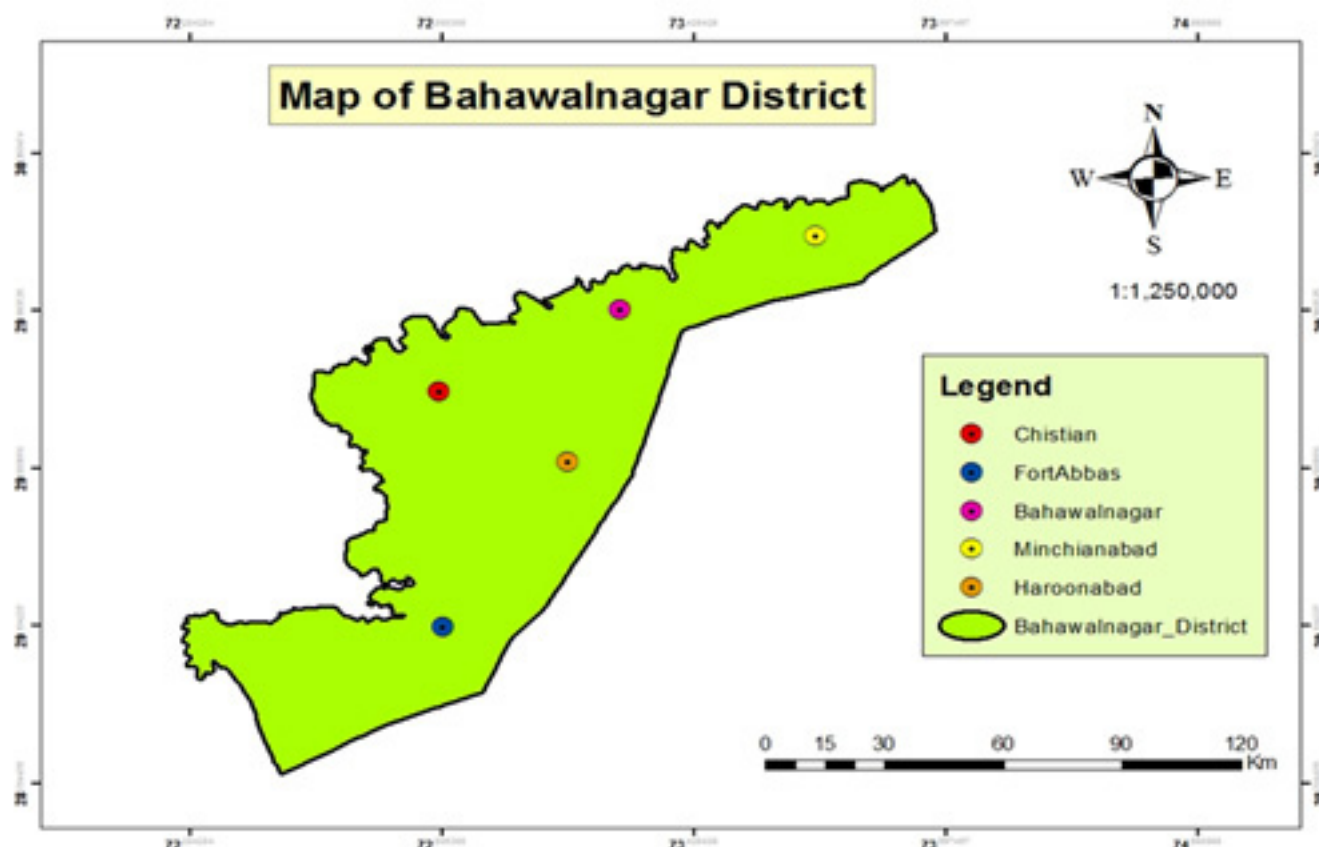
### Research Methodology

Research was accompanied by collection of both primary data and secondary data with a purpose to ensure a quality output. Primary data was acquired through field trips that were conducted in five tehsils of Bahawalnagar district. Field trips include informal discussions and conversations about the traditional medicinal use of wild flora with old people, randomly conducted unstructured interviews with 10 hakims and 30 open ended questionnaires were randomly circulated among local dwellers. Authentic publications were referred as secondary data for identification of taxonomic status and scientific nomenclature. Data gathered through primary methods were tabulated and further analyzed by applying computing frequencies, percentages, averages and then drawing pie charts to make the results more interpretative. The majority of the inhabitants interviewed were herbalist (hakim) and old dwellers who have good knowledge regarding the utilization of indigenous plants for treating various ailments. During the survey information about plant use, plant part used as drug, mode of preparation and vernacular name were recorded.

### Results

Survey of the field reveals that the study area is diverse in natural flora and 50 plants species currently belonging to 23 families are currently being used by the inhabitants of Bahawalnagar. It was observed that the area is rich in natural flora and the inhabitants are dependent on these plant resources especially for their food, shelter, fuel, timber, fodder and health care care. The plant species include grasses, shrubs, herbs and

Figure 1: Study area map



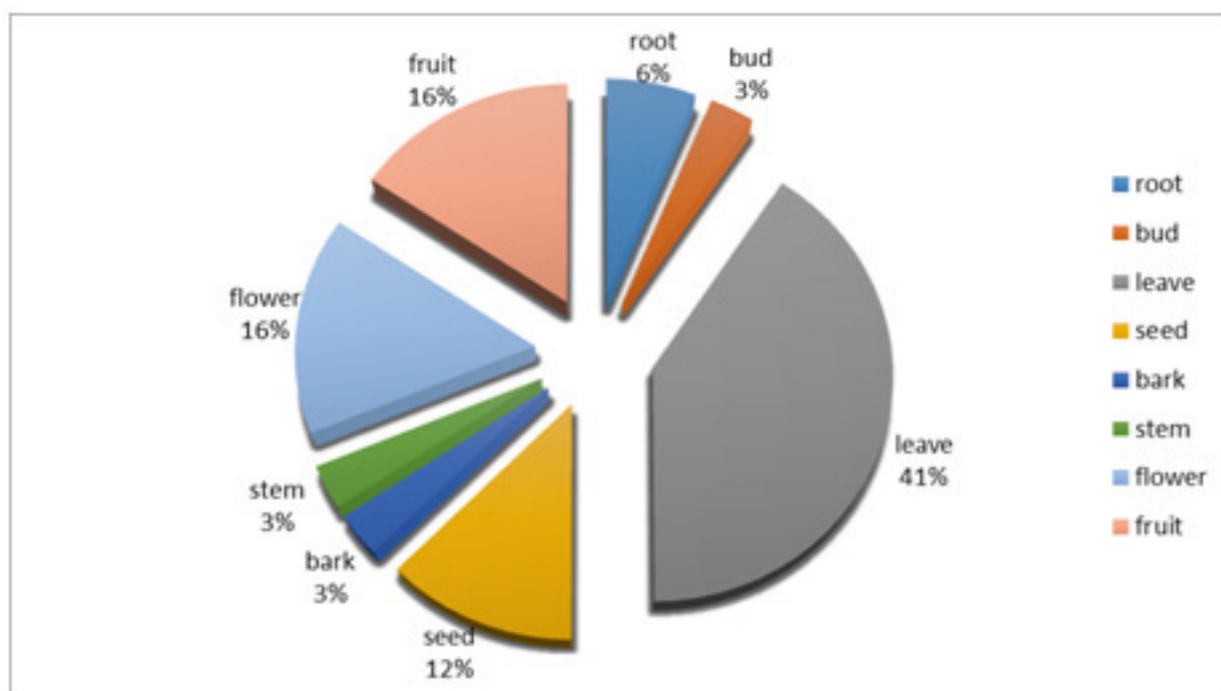


trees. These mentioned species are used as medicine, fodder, fuel wood, timber, furnishing material and food. Various plant species along with their ethno-medicinal uses, local names, common English names, family and the parts being used to cure different diseases are summarized in tabulated form (Table 1).

## Discussion

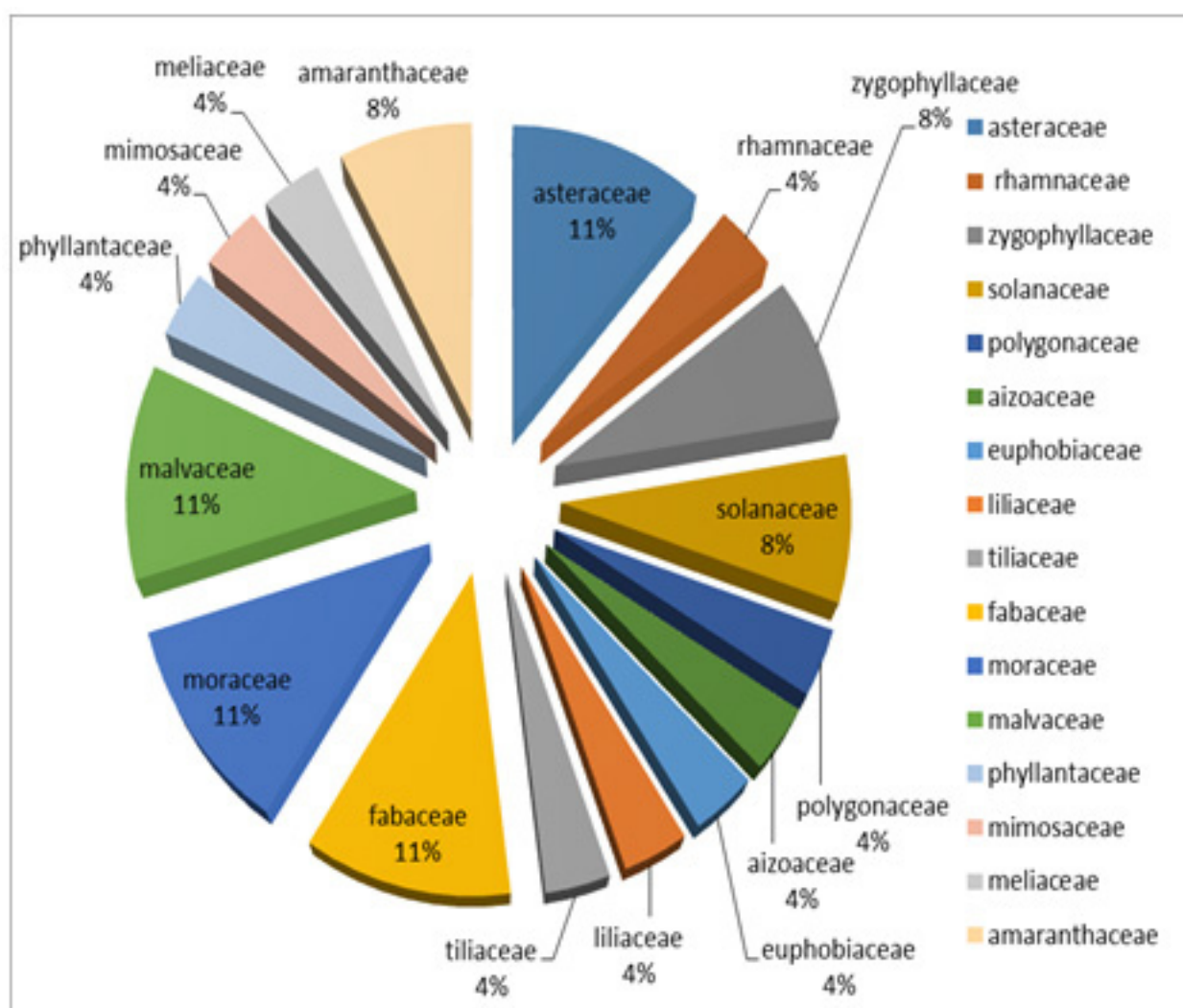
The District of Bahawalnagar has enriched flora that has significant Ethno-medicinal importance. 50 plant species have been identified that play an important role in human health. Drying of plant's parts to crush into the powder form, decoction like kawa (herbal tea) and making of murabba (jam) are the common method practiced by inhabitants of an area for curing disease. Common diseases of the district are headache, ulcer, piles, vomiting, fever, stomach disorders and sore throat. *Ziziphus jujuba*, *Oligochaeta ramose* and *Achyranthus aspera* are used as blood purifier while wounds and cuts are treated with *Aloe vera chinensis*, *Ficus religiosa*, *Hibiscus roca*, *Rhynchosia minima*, *Euphorbia hirta* and *Gisekia pharnaceoides*. As shown in Figure 2 most the dominant plant part used for medicine is leaves (41%), followed by flowers (16%), fruits (16%), seed (12%), root (6%), bud (3%), stem (3%) and bark (3%).

**Figure 2: Plant's part use in medicines by indigenous population of Bahawalnagar District**



Besides medicinal use, plant species mentioned in Table 1 also serve as shelter, fuel, fodder, vegetable, timber, construction material, animal fencing and furniture making is also done by these plants. *Chorchorus depressus* is used as a cooling agent and hair toner. Germicidal properties, anti-fungal and anti-inflammatory actions are performed by *Azadirachta indica*. Among 16 families, Asteraceae is the dominant and popular family in the district. Rhamnaceae, Zygophyllaceae, Solanaceae, Polygonaceae, Aizoaceae, Euphobiaceae, Lilaceae, Fabaceae, Moraceae, Meliaceae, Mimosaceae, Amaranthaceae, Tiliaceae, Phyllantaceae, Malvaceae families are also being utilized by local inhabitants in the Bahawalnagar district (Figure 3).

Figure 3: Ethno-botanically significant floral families present in Bahawalnagar District



## Conclusion

Ethno-botanical survey of floral diversity of the district Bahawalnagar, Punjab, Pakistan, gives a thorough depiction of natural wealth with which it is bestowed. Knowledge regarding the species diversity, taxonomic classification, ecological value, and ethno-botanical importance has been evaluated in the current study. The information presented in the study can be used as a beneficial tool for proper planning and conservation of significant plant species indigenous to the study area that are facing an over-growing biotic stress. This study can also serve as a useful piece of information for carrying out further work in the field of pharmacy, chemistry, taxonomy, and photochemistry.

**Table 1: Ethno-medicinal uses of floral diversity of Bahawalnagar district**

<b>Vernacular Name</b>	<b>Common English Name</b>	<b>Botanical Name</b>	<b>Family Name</b>	<b>Uses</b>	<b>Part Used</b>	<b>Diseases</b>
Neem	Margosa tree	<i>Azadirachta indica</i>	Meliaceae	Germicide, medicinal, anti-fungal, anti-inflammatory, anti-septic	Leaves, Fruits	Rashes and piles
Kiker	Arabic gum	<i>Acacia nilotica</i>	Mimosaceae	Timber, furnishing material, fuel wood, fodder, agriculture, charcoal and medicine	Leaves, Fruits, Flowers	Healing backbone pain, leucorrhoea, rashes and burns on skin
Mako	Black nightshade, garden nightshade	<i>Solanum nigrum</i>	Solanaceae	Vegetable and medicine anti-oxidant	Whole plant	Inflammation of Stomach, sore throat, fever, liver treatment and leucorrhoea
Baophali	Chorchorus	<i>Chorchorus depressus</i>	Tiliaceae	Cooling agent, medicine and toner	Whole plant	Heat surges
Barham dandi	Yellow thistle	<i>Oligochaeta ramosa</i>	Asteraceae	Medicine	Whole plant	Blood purifier
Amla	Gooseberry	<i>Phyllanthus emblica</i>	Phyllanthaceae	Hair toner, oil, medicine	Seed, Fruit	Stomach disorders
Puth kandi	Chaff flower	<i>Achyranthus aspera</i>	Amaranthaceae	Hair tonic, Anti-inflammatory	Whole plant	Asthma, fever, blood purification, piles, vomiting and kidney stones
Bui	Kapok bush, desert cotton	<i>Aerva javanica</i>	Amaranthaceae	Medicine, shelter, animal fencing	Flowers, Leaves	Diarrhea, against snake bite, relieving pain during pregnancy, kidney problems
Dudhkal	Sorel, bladder dock	<i>Launea nudicaulis</i>	Asteraceae	Medicine, fodder	Leaves	Itching, fever, constipation



Gokhru	Small caltrops	<i>Tribulus terrestris</i>	Zygophyllaceae	Medicine. Anti-allergic	Leaves	Cough, sore throat
Anjeer	Fig	<i>Ficus carica</i>	Moraceae	Fruit, medicine	Leaves, Fruits	Piles, stomach disorders
Peepal	Wisdom tree	<i>Ficus religiosa</i>	Moraceae	Medicine	Whole plant	Heart diseases, vomiting, healing of wounds, constipation
Berri patta	Fiddle tree fig	<i>Ficus lyrata</i>	Moraceae	Anti-depressant, anti-allergic, medicine	Whole plant	Asthma, cough, diarrhea, migraine
Gurhal	Shoe flower, china rose	<i>Hibiscus roca</i>	Malvaceae	For hair growth, used as food, medicine	Leaves and flowers	Ulcer, healing of wound, headache
Tali	Rose wood	<i>Dalbergia sissoo</i>	Fabaceae	Fodder, furniture, fuel, railway carriages, sporting goods, farm implements, and shade	Leaves, Root, Wood	Vomiting, piles, bleeding
Pholi	Wild stafflower	<i>Carthamus oxyacantha</i>	Asteraceae	Herbal tea, oil and medicine	Seeds, Flowers, Oil	Relieving joint pain, ulcer, skin problems
Aloe vera	Aloe vera	<i>Aloe vera chinensis</i>	Liliaceae	Skin cleanser, anti-allergic, medicine	Leaves, Pulp	Wound healing, burn treatment, cuts, insect stings, pimple treatment, treatment of cuts and burns
Tin pinda	Snout bean	<i>Rhynchosia minima</i>	Fabaceae	Medicine	Leaves	Wound healing, piles, asthma

Dhoodak	Garden spurge	<i>Euphorbia hirta</i>	Euphobiaceae	Medicine	Leaves	Diarrhea, ulcer, wounds and burn healing, kill intestinal worms
Balu ka sag	Sand herbage	<i>Gisekia pharnaceoides</i>	Aizoaceae	Medicine, cooked as vegetable	Whole plant	Ulcer, wound, cuts, fever, joint pains,
Phog	Desert teak	<i>Calligonum polygonoides</i>	Polygonaceae	Vegetable, fuel wood	Stem, Buds, Flower	Fever, dryness of mouth, joint pain and gastric problem
Dhatura	Thorn apple	<i>Datura alba</i>	Solanaceae	Medicine, germicide	Leaves, Seed	Asthma, digestion and muscular pain
Tirkindi	Caltrop, puncturevine	<i>Tribulus longipetalous</i>	Zygophyllaceae	Medicine	Whole plant	Infertility treatment
Beri	Indian date, red date	<i>Ziziphus jujuba</i>	Rhamnaceae	Medicine, food, fodder, fuel, construction material	Leaves, Root, Fruit, Bark, Seed	Cough, diarrhea, fever, hair growth, blood purifier,
Chag	Rattle bush	<i>Crotalaria burhia</i>	Fabaceae	Medicine, fodder, shelter making, fuel wood	Whole plant	Swelling, joint pain
Khara	Woolly seablite	<i>Suaeda fruticosa</i>	Amaranthaceae	Fodder, vegetable, medicine	Stem, Leaves	Jaundice, pile, blood purifier, snake bite
Boyha	Desert cotton	<i>Aerva javanica</i>	Amaranthaceae	Fuel, fodder, soil binder, medicine	Flower, Stem, Leaves	Healing of wounds, asthma, diabetes
Wanverri	Bine weed	<i>Convolvulus arvensis</i>	Convolvulaceae	Medicine	Flower, Fruit, Seed, Stem, Leaves	Constipation, skin disease, diabetes, cancer

Kore tumma	Desert gourd	<i>Citrullus colocynthis</i>	Cucurbitaceae	Medicine, anti-venom	Seeds, Leaves	Snake biting, insect biting, diabetes, blood purifier
Unthkanda	Camelthorn	<i>Alhaji maurorum</i>	Fabaceae	Laxative, expectorant	Flower, Fruit, Leaves, Stem, Seeds	Cough, fever, flu, hepatitis, throat infection, piles
Kikri	Gum Arabic tree	<i>Acacia modesta</i>	Fabaceae	Antiseptic	Fruit, Leaves, Stem, Bark	Liver infection, fever, piles
Maina	Burclover	<i>Medicago polymorpha</i>	Fabaceae	Medicine	Fruit, Leaves, Stem, Flower	Cold, diabetes, heart burn
Senji	Sweet clover	<i>Melilotus indicus</i>	Fabaceae	Antiseptic	Fruit, Leaves, Stem, Flower, Seeds	Chronic renal problem, gas troubles, gastric problems, piles, liver infection, insect biting
Drucey	Sponge tree	<i>Prosopis cineraria</i>	Fabaceae	Medicine	Leaves, Stem	Diabetes, liver infection, diarrhea, remove bladder and pancreas stone, fever, flu
Sheena	Chia	<i>Salvia hispanica</i>	Lamiaceae	Medicine	Leaves, Stem, Root	Insect biting, skin diseases
Toot	White mulberry	<i>Morus alba</i>	Moraceae	Antiseptic, toner	Fruit, Leaves, Seeds, Bark	Throat infection, hepatitis
Bohar	Sacred fig	<i>Ficus religiosa</i>	Moraceae	Anti-venom	Fruit, Stem, Bark	Snake bite, fever, flu



Chooznee	Red-chickweed	<i>Anagallis arvensis</i>	Myrsinaceae	Medicine	Fruit, Leaves, Seeds, Flowers	Eye diseases, gynecological problems, sexual illness
Safaeda	Australian oak	<i>Eucalyptus oblique</i>	Myrtaceae	Fodder, medicine	Fruit, Leaves, Flower, Bark	Regular bowel, respiratory tract infection, skin diseases, epilepsy, toothache, fever, flu
Jammu	Black plum	<i>Syzygium cumini</i>	Myrtaceae	Fruit, medicine	Fruit, Leaves, Seeds, Bark	Gastric problem, cancer, constipation, diabetes
Joe	Wild oat	<i>Avena fatua</i>	Poaceae	Fodder, medicine	Fruit, Leaves, Seeds, Flowers, Stem	Gynecological problems, diabetes, dysentery
Jayee	Common oat	<i>Avena sativa</i>	Poaceae	Fodder, anti-inflammatory	Fruit, Leaves, Seeds,	Gynecological problem, diabetes,



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# Determinants of the use of social networking sites: Example of a South Asian state

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## Abstract

For the social, enthusiastic and subjective advancement of a person, Social Networking Sites (SNSs) give an essential milieu that in the end drives the human experience to the new period. Bangladesh is one of the top nations where Social communication sites are embraced quicker. The reason for this study is to decide the variables affecting the Bangladeshi clients to receive long range informal communication destinations. It will legitimize the social, instructive, innovative and different variables behind the appropriation of Social communication sites like Facebook, Twitter, and MySpace. The paper is calculated in nature and suggests that a future exploration can be directed with the Structural Equation demonstrating way to deal with and sort out the essentialness and the relative significance of these variables behind the Typical clients' appropriation of informal communication destinations in Bangladesh.

**Key words:** social networking, Bangladesh

## Introduction

In this new period, social networking sites have accomplished an overwhelming leap forward. A huge number of individuals are presently joined with these, and both online and traditional exercises come about the extended stage that influences the usual state of mind (Chan, 2011). The informal community can be characterized as a profile-based platform which permits clients, and it includes going by, Survey and cooperating the perspectives and sentiments between and among the individuals through social and personal experiences. On these persons can be sought in light of console depictions with a specific end goal to convey and cooperate and in the meantime social marvels can be found (B. Mathews, 2007).

Overall, long range social networking sites give flexibility to the people with the goal that they may show themselves; they can oversee and express their particular virtual world through their particular page. Despite the fact that the reaction to the prominence of SNS is incredible in business and social cooperation, it is a tiny bit slower in the academic world where the grouping of adaptable applications is principal (Booth & Matic, 2011).

Numerous individuals are utilizing the most recent media innovation; SNSs specifically are to satisfy their mental and social needs. The utilization of SNSs is stretched out even to the instructive and religious reasons while the significance of SNSs has additionally ascended their viability in conveying business matters. This type of social collaboration or correspondence has turned out to be progressively typical in our day to day lives (Greenhow, 2011). It has become another society for individuals to utilize Social Networks to upgrade their status, transfer new photographs and/or video. Social

Networks to upgrade their status, transfer new photographs and/or video. Social networking is turning out to be a piece of our joint action. This new culture or way of life is effortlessly acknowledged by the typical clients' especially typical young people who have been presented to ICT and PCs from their initial years (P. F. Bone, 1992). Numerous studies have been attempted on the use of long range social networking destinations, inspiring individuals' discernment on its security and components (Y. Chen, Q. Wang, and J. Xie, 2011).

In any case, little study has been led by the elements behind the SNS's utilization especially among the run of the mill clients. It is to be noticed that customers are not speculative like others because of their profound and social personality though recognizing their thought processes behind the appropriation of SNSs is urgent and expected to be exceptional. Considering all the above components, the study is compelled to investigate the fundamental causes that impact on Bangladeshi clients to embrace the long range informal communication destinations and to help the key part players in building up the arrangement on the utilization of interpersonal interaction sites among the clients.

Social networking sites have turned out to be a vital part of the day to day life for grown-ups as well as for the adolescents. They are receiving the SNSs significantly all the more firmly (J. Hawkins, S. Bulmer, and L. Eagle, 2011). Moreover, social networking among the users, especially adolescents as the future pioneer of the general public, are regularly mistaken in their decisions which may, in the long run, cause a huge misfortune for them, their family and all people. Making sense of the variables and nature of use may help the key players to take motivational or restorative measures in regards to the use of Social networking sites (J. C. Sweeney et al., 2012). The examination may have numerous sub-regions or a possible stage to study Bangladeshi clients and their selection of SNSs as little or no study has been done on this issue.

## Literature Review

Interpersonal interaction has ended up driving activity in the online world in the most recent couple of years. Unmistakable virtual group sites, for example, Facebook and Twitter begin from SNS. These destinations are the most celebrated in the realm of interpersonal interaction and blogging. Also, every month around 50 to 70 million active clients append with Facebook and Twitter. Beforehand, interpersonal interaction sites concentrated on the cooperation between undergrads and employees; then it included other social gatherings like secondary schools, organizations and different geographic groups (Chan, 2011). To outline the profile with a particular page of the clients without anyone else's input, social networking sites, for example, Facebook utilizes "sort oneself into being" equation. In the parts of utilization and capacities like fusing data and specialized apparatuses, for example, blogging, portable availability and additionally photograph and video sharing, wikis and visiting, social networking sites may shift.

A fascinating reality is found that an average individual client spends around 20 minutes every day with the long range in-

formal communication destinations, for example, Facebook where two thirds of its customers, at any rate, open their records once a day. MySpace was the unique utilized system administration site until the predominance presentation of Facebook, which is exceedingly imaginative and allows the clients to interface with the system with particular email addresses. In 2007 Facebook passed the record of MySpace by having 20 million individuals and 1.6 billion site hits each day. In 2008, Facebook turned into the quickest developing interpersonal interaction site with a development rate of 150% from June 2007 to June 2008 (Haque, Momen, Sultana & Yasmin, 2013).

## A. Socioeconomic and demographic factors as the key Element of SNSs

In the utilization of PC and web, demographic and financial divergences are urgent as the capacity to utilize these innovations has turned out to be a logically more fundamental worry to monetary achievement (L. Harris and A. Rae, 2009). There are assortments of explanations behind which individuals use the internet and they utilize it in various ways. In various sorts of groups of any general public, the perspectives of Information and Communication Technologies (ICT) are immensely diverse (C. Greenhow, 2011). All the more frequently, web use is dependent on specifications of society and religion in particular (S. Lilley, F. S. Grodzinsky, and A. Gumbus, 2011).

As indicated by the discoveries of a few investigations, Internet use can be sorted into three types such as social, recreation and academic. It is found by numerous studies that, age is a huge element that has consequences for Internet use (Harris & Rae, 2009). For instance, while utilizing the internet, youthful era and old era have diverse goals. Scanning enthralling things, playing diversions, talking and so on are the principle scopes where young age invests their energy on the internet.

Then again, the more established aged Internet clients for the most part shop on the web, send and get messages, seek well-being tips and so forth (B. Mathews, 2007). It is specified in numerous studies that, youngsters use the web and Social Networking Sites (SNS) more frequently than more established individuals. Thompson (2010) finds that regarding certain exercises like scanning, informing, downloading and obtaining, age is identified with the utilization of the web. The outcome passes on that, as far as downloading and reporting exercises, age is adversely associated and it emphatically corresponds with obtaining activities. Consequently, plainly, however, more young individuals use the web all the more yet, the most seasoned individuals have more prominent buying power (H. S. Bansal and P. A. Voyer, 2000).

## B. Social Information Sharing in SNSs

Informal communication destinations or SNSs have turned out to be an integral part of the day to day life for the majority of the web clients. As the name portrays, SNSs permit the person to wind up unmistakable in online and access social networking. It turns out to be popular to the point that very nearly four out of five web clients have the SNSs account around the

world. With the high web education rate, Bangladesh is particularly some portion of this developing pattern. Strangely, 60 percent of these clients are young with age ranges from 13 to 25 (alexa.com).

The Internet is the passage to the Social Networking Sites. It is progressively being utilized and has turned into an absolute necessity for the vast majority around the globe. Other than being a wellspring of data, the web is dealt with as a successful wellspring of correspondence and social connection. Already, individuals were utilizing messages, forums, gatherings and texting to convey information in the digital world (Salman, 2010). Since the presentation of web 2.0 innovations, correspondence using web has transformed into another shape. Web 2.0 is connected with the application like online networking and being alluded to as the second era of web advancement which in the end offers a present-day social stage for those arrangements with intuitive components for clients of mass support.

With the most widely recognized online networking, for example, Facebook, Twitter, and YouTube, clients get to utilized new sorts of original, mass and interpersonal correspondence like virtual gathering and visits in the work environment and online groups. SNSs lead the late charge of human experience and turn into a sign for enthusiastic, social and intellectual improvement especially for the adolescents, devouring a substantial bit of their time (B. Mathews, 2007). Correspondence and connection may now happen through the Internet in a virtual world or the internet without facing each other at the same spot and same time.

By and by, just a few SNSs are internationally acknowledged by a large number of people. A significant portion of the interpersonal interaction sites like Facebook, MySpace, Friendster, YouTube and Twitter permit the person to frame a part based online correspondence. They can post their profile data like photo, client name and permit imparting in inventive ways like passing on private and open messages and sharing photographs online (L. Harris and A. Rae, 2009).

### **C. Technological Advancement behind the Adoption of SNSs**

Innovative progression in the Information and Communications (ICT) make it workable for individuals to connect for all intents and purposes (M. Rosoff, 2011). A portion of this study is to substantiate that ICT is one of the numerous elements that has affected young people's appropriation of Social Networking. A large number of youngsters worldwide are utilizing Social Networking day by day. There are a huge number of Social Networking Sites accessible in numerous nations with various dialects for different purposes (Carlos et al., 2011).

The more up to date propelled advancements incorporate Smart cellular telephone and the broadband Internet. This innovative progression has in a roundabout way upset adolescents' day by day exercises, an example of the cooperation, their conduct, and way of life. Examinations demonstrated that adolescents lean toward utilizing SMS, MMS, email and Social

Networking Sites to speak with their companions, family, and educators. Teenagers are the most dynamic clients of cellular telephone and the broadband Internet (Kennedy, 2011).

They are investing a greater amount of their energy and cash on mobile telephone and the broadband Internet. The way that innovation is turning out to be all the more promptly accessible at a lower cost has given more choices for young people to live their lives and day by day exercises utilizing the most recent cutting edge advancements, for example, Social Networking Sites, SNSs (J. Hawkins, S. Bulmer, and L. Eagle, 2011).

### **D. Knowledge Allocation with SNSs**

Aside from the social and mechanical components, clients are all the more frequently utilizing interpersonal interaction destinations for learning and sharing thoughts and information. Huge numbers of them use YouTube to download informative video while some of them make one of a kind Facebook aggregates or turn into a part to upgrade their limit the learning (Social bakers, 2011). In this way, the exploration will legitimize the constituting components like social, innovative and instructive thought process behind the reception of long range interpersonal networking sites among the Bangladeshi clients. Further SNSs, for example, Facebook is broadly used to find and to pick up data as indicated by people's needs.

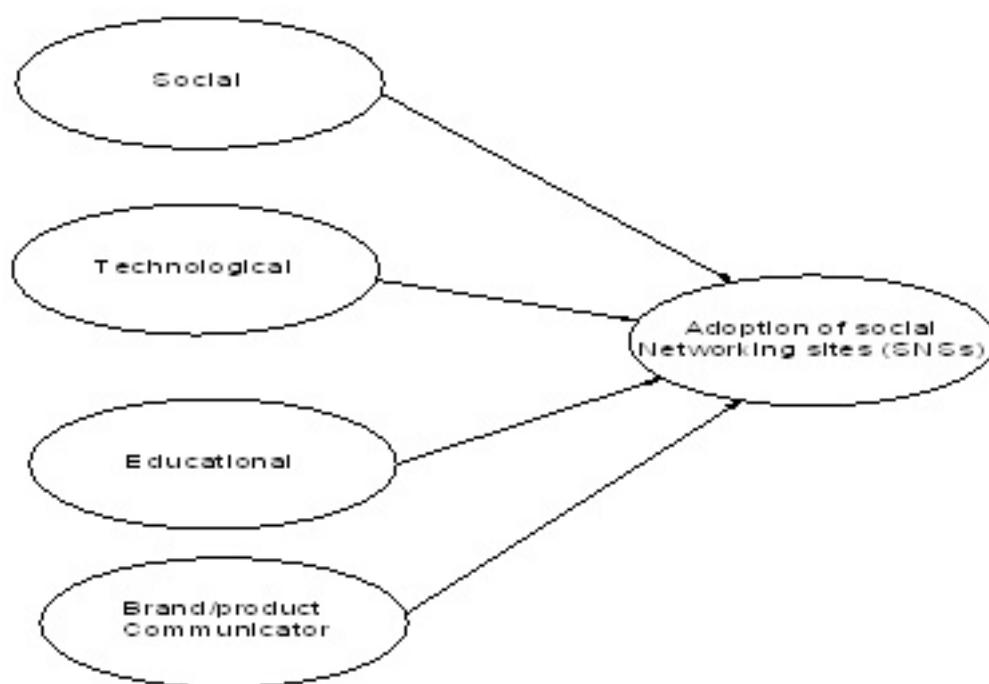
A contextual analysis finds an actuality that Facebook can substitute exemplary web crawlers on account of having required data. Also, it clarifies how the clients of Facebook experience nature where they take an interest to work together keeping in mind the end goal to get the required data. Here the data is not restricted inside the circle of the web rather it might originate from referrals of individual encounters and print sources (K. Murray, 1991).

As SNSs offer social data, it is dealt with as a wellspring of both training and excitement since it is on a very basic level intended to divert and teach the clients. Interpersonal organizations are presently exceptionally well-known frameworks for the reasons of data sharing, association and correspondence over the web. Client to client communication and occasion association are conceivable on these social networking sites (J. Neff, 2010). As of late keeping in mind the end goal to shield digital assault, limitless applications with adequate security and propelled execution are included, for example, spam email, the web seek and so forth. Affirming consistent quality and trust are extremely vital in intelligent and worthwhile association with loved ones at each and every time. SNSs point to a development towards a web search tool.

### **E. SNSs as a Media of Product/Brand Communication**

SNSs have increased enormous business significance in the range of business correspondence. For example, Facebook has the present estimation of \$85 billion, and it hopes to win more than \$22 billion of income and \$234 billion of business sector esteem in 2015. It has turned into the business sector pioneer in the realm of online networking as well as in the general





business sector field (Chapleo, 2011). SNSs clients do not have to pay to utilize or enroll their records; consequently, it is thoroughly free of expense for global customers.

Thus SNSs clients have no compelling reason to endure any monetary loss. It is much the same as telecast TV, however on SNSs, for example, Facebook or Twitter advertisements resemble flags and are focused on promotions. Moreover, it gives great choices to deal numerous virtual items and recreations. Cakes and champagne like virtual items are accessible here on this site and in 2010 general offers of virtual knickknacks was up to \$1.6 billion (Booth & Matic, 2011). SNSs can be characterized as an original foundation to use its clients as social capital. SNSs dependable support are utilizing their unique name and valid data as opposed to any vagueness. Here on this site, sponsors can find their real clients by investigating their official profiles. By obtaining the data of clients' lives and their loved one's alliance, organizations can alter or section their required gatherings for the fitting offers. SNSs give a massive prospect to the business substances to find out about the precise demographic components furthermore the exact social ties and the systems they have a place with, for example, family, collaborators, schoolmates, peers. It gives worthwhile data to the business organizations consequently as the clients of Facebook add data from different sources.

Sponsors are pulled in to show their advertisements on the site as the quantity of SNSs clients are expanding. For example, the Interactive publicizing authority says that the number of Facebook clients is more prominent than any TV systems in the world (C. Page and D. Meyer, 2000). This site has turned out to be imperative for the sponsors since it gives accurate data of demographic qualities of clients and these attributes may incorporate the data of age, sex, interests and buying inclinations and so on. Business customers and promoters discover SNSs as an expert on the issues of their advantage. A promot-

ing analyst office Nielsen has joined with this, so as to assess the effect of long range informal communication on the issue like brand mindfulness (D. Godes and D. Mayzlin, 2004). As indicated by the disclosure of Nielsen, Facebook clients, for instance, are 30 percent more inclined to know, remark or share the publicists' message if they discover any of their companions like it or comment on it.

Organizations get a liberal open door by SNSs fan pages to append with the real clients. The fan page has turned out to be popular to the point that numerous individuals now like to move from the principle brand site to SNSs fan sites (K. Murray, 1991). Nowadays, email and instant messages from sponsors are not liked by people, and they regard these as a sort of intrusion (D. L. Duffy, 2009). Under this thought, SNSs have turned out to be extremely key strategies as they permit clients to lean toward or despise certain advertisements and take in the reasons for their dislike. By keeping up the interests of both customers and sponsors, SNSs have turned out to be exceptionally proactive (S. Quinton and S. Harridge, March, 2010). It implies that publicists can tweak their promotions given the decision criteria of clients as SNSs take after the customer enthusiasm on particular plugs.

### Conceptual Framework

From the above-examined writing, it is to be noticed that there are a few components that may bring about the reception of long-range social networking sites, for example, social, innovative, enlightening and even instructive variables especially among the clients in Bangladesh. As Bangladesh is a multiracial nation, revelations brought about for this selection may not be the same for the particular race of the country. The paper is theoretical in nature where likely causes are underlined behind the reception of Social networking destinations while a future exploration should be possible in an observational way taking into account diverse races as the directing variables.

### Derived Hypothesis

From the above-discussed literature, the following hypothesis is developed which is depicted in above diagram.

**H1:** Social factors influence the adoption of social networking sites.

**H2:** Technological factors influence the adoption of social networking sites.

**H3:** Educational factors influence the adoption of social networking sites.

**H4:** Brand or product communication-related factors influence the adoption of social networking sites.

### Methodology

Since the central goal of the study is to evaluate the part and relative esteem, for example, instructive, innovative, social and brand determination behind the reception of social networking sites (SNSs) among the young Bangladeshi Users, a review based self-regulated poll is utilized to gather the reaction of the clients. A supported inspecting procedure applies to pick the respondents for the general investigation of primary questions; it can deliver the standard results (Hair et al., 2010). Direct information about the study is gathered from different spots of Bangladesh. In gathering the information, up close and personal overview is used in the greater part of the cases. The study applies five-point Likert scales as the scaling strategies where the reactions are run from emphatically differ to concur unequivocally. The aggregate of 280 surveys was disseminated. Be that as it may, 200 remain substantial for the information investigation. With the thought of cost, time and different imperatives, achievement rate of more than 60 for every dollar is humble in shopper based review. To pick the right items for each constituting factors, exploratory factor analysis (EFA) is utilized. It is tended to as the viable factual instruments to inspire the essential things from the numerous with the inclusion of least dangers (Sekaran, 1996). To test the speculation of the study and legitimize the relative significance of the constituting factors behind the selection of interpersonal interaction sites, a regression analysis is considered with the utilization of SPSS 17.

### Demographic profile of the respondents:

Of the aggregate respondents, around 31% are females in the examination with 68 males. It demonstrates that not at all like the support in advanced education, men are not hesitant to utilize long range interpersonal communication sites.

Since the study is intended to uncover the active clients' assessment on the components behind the selection of Social interaction sites (SNSs), the majority of the respondents (80%) are in the age group of 18-25. Whatever remains of the interviewees are mature from 25 to 35 years.

Regarding the academic status of the respondents, relatively few respondents have a Master's and Ph.D. degree while the greater part of them are in understudies of either recognition

or undergrad level of study. Among 200 respondents, 83 for each penny of them are undergrad degree substitutes. Interestingly, just around 16 for each dollar value is experts' level substitute.

The general demographic picture of the respondents mirrors the goal of the study since it intends to separate the relative significance of the components connected with the selection of destinations among the Bangladeshi clients.

### Analysis and Results

#### Factor Analysis:

Exploratory factor analysis (EFA) applies, as stated earlier, to sort out the items for each construct. Principle component analysis is used in the analysis to examine the responses of the study. Table one in the following gives the modest reliability statistics of the study where the value of overall Cronbach's Alpha is over .80. In all aspects, the study is conducted with the adequate number of sample and produces the significant value in Sphericity test. The great value of Bartlett's test and KMO value more than .60 clearly show that exploratory factor analysis would be appropriate for the study.

**Table 1: Reliability**

Reliability Statistics	
Cronbach's Alpha	N of Items
.867	28

Once the applicability of EFA is finalized, the study needs to configure the number of factors it might associate with. Based on the Eigenvalue 1 and more, most of the researchers extract the number of factors. On this way, the study comes up with five factors where more than 60 per cent total variance is explained. Rotated component matrixes (see Table 3) organize and settle the possible associated items with the constituting factors. Since the dominant group of statistics signifies the loading .40 and more for an item to fit with the factor, the study suppresses the loading less than .40 and finally comes out with varimax rotation results. The table with the loading value ranges from .63 to .88 shows the perfect fit of the items with the associated factor where higher loading indicates the better affiliation. Total 17 items are loaded into five constructs, and none of the elements of the final table is insignificant.

#### Hypothesis testing:

In statistical modeling, regression analysis is a statistical process for estimating the relationships among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables.

Table 2: KMO

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.794
Bartlett's Test of Sphericity	Approx. Chi-Square	1100.985
	df	171
	Sig.	.000

Table 3: Rotated Component Matrix

	Component			
	Educational Factor	Social Information Sharing factor	Technological factor	Educational Factor
ED1				.708
ED2				.756
ED3				.521
ED4				.475
SI1		.751		
SI2		.812		
SI3		.726		
SI6		.548		
TE1			.727	
TE2			.815	
TE3			.602	
TE4			.416	
BC1	.492			
BC2	.732			
BC3	.802			
BC4	.756			
BC5	.594			
BC6	.724			
BC7	.690			
Extraction Method: Principal Component Analysis.				
Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 6 iterations.				

**Table 4: Model Summary**

Model Summary <sup>a</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.632 <sup>a</sup>	.399	.385	.53265
a. Predictors: (Constant), BC, SSI, TE, EDU				
b. Dependent Variable: AD				

**Table 5: ANOVA**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	32.955	4	8.239	29.039	.000 <sup>a</sup>
	Residual	49.650	175	.284		
	Total	82.604	179			
a. Predictors: (Constant), BC, SSI, TE, EDU						
b. Dependent Variable: AD						

**Table 6: Coefficients**

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.621	.318		1.951	.053
	EDU	.012	.077	.011	.158	.874
	SSI	.522	.064	.512	8.207	.000
	TE	.116	.060	.127	1.951	.049
	BC	.143	.065	.150	2.181	.030
a. Dependent Variable: AD						

Within the scope of the research examined, a regression analysis has been carried out to determine the factors that influence the adoption of social networking sites among Bangladeshi young generation. The inter-relationships between the dependent mean and adoption of social networking sites was assessed through the use of regression, and the dependent means are Educational, Social, Technological and Brand Communicator.

The model's adjusted  $R^2$  square value is 0.385, which means that the independent variables can explain or predict 40% of the variability of the dependent variable, i.e. adoption of social networking.

Analysis of variance (ANOVA) is a collection of statistical models used to analyze the differences between group means and

their associated procedures (such as "variation" among and between groups).

The F value of the test for the data is 29.039 (Table 5). The p-value associated with this F value is tiny, 0.000 which is less than alpha value 0.05. The study shows that there is positive significant impact of these independent variables on the dependent variable and the model applied is significantly good enough in predicting the dependent variable.

Table 6 outlines the coefficients of the regression results. In mathematics, a coefficient is a multiplicative factor in some term of a polynomial, a series or any expression; it is usually a number, but in any case does not involve any variable of the phrase.



This test finds out the effect of particular independent variable impact on the dependent variable; the study finds that the Hypothesis of Social (H1), Technological (H2), and Brand Communicator (H4) are supported by the intention of the basis of beta coefficient. Here, social information sharing, followed by the effect of brand communication and technological advancement are respectively most important to influence on the adoption of social networking sites for the underlying young people of Bangladesh. However, another hypothesis that is the effect of Educational factor on the overall adoption of SNSs is not supported as the p-value for the case is not significant. In other words, young people are yet to find use of social networking sites for educational purposes efficiently.

### Conclusion and Limitation

For the social and intellectual improvement of online surfers of any age including the young people, the development of social networking gives a noteworthy achievement. The study delivers an imperative milieu for the key part players and partners to reveal the hidden components behind this appropriation of social networking sites. It demonstrates that Bangladeshi users are additionally not hesitant to utilize long range informal communication destinations where technological headway quickens the utilization of SNSs. Implying that, they use social networking sites since it turns out to be so natural to access because of the most recent technological advances, for example, Smartphone and different devices. Dealing with the social associations with a various gathering of individuals including loved ones is another primary explanation for the selection of SNSs. A significant portion of the young people are utilizing Social communication destinations to broaden the learning opportunities and trade education values.

Among the numerous variables, the study has uncovered the most significant factors that cause the appropriation of Social communication destinations especially among the young Bangladeshi Users while the relative significance of the elements likewise appears in the examination. In any case, reception of long-range social networking sites is not restricted to these variables while numerous different studies demonstrate the diverse elements.

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# Facts tell, stories sell

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## **Clinical, medical and aesthetic dermatology**

Aesthetic dermatology nowadays is taking the lead and the trend is on high demand and competition. There are many reasons in fact for wanting it, however the main points can be briefed in the following points: wanting to look good, attending a special occasion and wanting to look their best, for marital changes, career wise, boosting up after a tremendous weight loss.

To establish a name in the aesthetic world, it is mandatory to focus on your existing patients and build a rapport and loyalty which will bring more patients (word of mouth referral) when the previous patients were happy, content and satisfied with your work and their expectations were met. It is important to make your patients feel special and valued and to keep a personal connection with them.

Patients usually share their experience with their friends, and thus it is vital to make it a positive one. It is necessary to promise less pain with faster results and lesser down time and on top of that cheaper and affordable if possible when applying prices. Educate your patients through the many options by discussing with them their wishes, anticipations, what is their thinking and liking and their main reasons for aesthetics and why they chose you specifically. Never disclose any of your patients to anyone even if you wish to promote your business, without their consent and hide their identity.

Every patient has their own reasoning for a change; it could be boosting self esteem, rising confidence, relaxation, feeling hot and sexy, attractive and appealing to opposite sex, professional career, pampering, a treat for one's self, looking great, contentment, pleasure, looking younger, wanted, feeling wonderful and the list goes on....etc.

The overall experience, is transformation, if results are met carefully and effectively.

The whole idea is about buying, is what we want and not what we need.

In aesthetics what matters the most is the outcome and results, thus patients would not really care about technology and features. They just want outstanding results that can put their mood at a high level and boost their spirit.

Make yourself stand out from the crowd differently and do not be the same as everyone else. It is important to find what makes you different, and what you can offer that no-one else does, and what do you do better than anyone else.

Talk the same language as your patients, and be congruent, authentic and be your true self. Use before and after photos and request a written testimonial and write an educational article that touches main patient's points and concerns and that can be commented on and shared.

Ask your patients their main problems that they want to change the most and how that will affect their emotions and vulnerability.

Patients constantly need assurance, safety, reliability, accountability, responsibility, special caring, compassion, confidence, credibility, and major trust in you. Take into account the patient's emotions and needs. Look after your patients and make them feel significant and important. Answer their worries and meet effectively their overall satisfaction.

Many patients come and say, I didn't know you did that and thus maximize up sells by the services you do and provide.

Summer is always the best time to make a change, hope, renewal, relaxation, and feeling good, satisfied - thus make it a positive experience with appealing positive changes.

Your patients are a real reflection of you and your patients are a perceived value. Thus do things with great care and consistency, every time.

To sum up, aesthetic work is great and needs a great care in application and meeting patient's expectations and demands. Knowledge is useless without action, and thus getting into the aesthetic business is rewarding if taken wisely, fully and carefully.

