

A sample survey analysis of the effectiveness of training and development initiatives in Bahrain's financial sector on employability of Bahraini nationals in 2015

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Abstract

Purpose – Bahrain has been the center for financial services industry in the Middle East since 1970s as a result of the national strategy of diversification of its economy from oil-based resources to financial services. Since then Bahrain has also become the center for training and development for the Bahraini nationals with the aim of recruiting Bahrainis as employees of choice by the sector. The purpose of this paper is to analyze the effect of training and development initiatives on the employability of Bahrainis in the financial services sector in 2015. To this end, pioneering initiatives were undertaken by the government in creating institutions for training and continuous education in Bahrain. The Economic Vision 2030 of Bahrain lays emphasis on a vibrant private sector with Bahrainis being the employees of choice.

Design/methodology/approach – The study is a mixed approach using quantitative and qualitative methods through the use of a survey questionnaire and secondary data to analyze the impact of training and development on the employability of Bahraini nationals in the financial sector as of 2015.

Findings – The findings show that training and development lead to career progression which impact employability rates of Bahrainis in the financial services sector for the selected sample of financial sector employees.

Research limitations/implications – The study is limited by only a cross-section of data collected via questionnaire and does not consider the historical development and analysis of employability rates in Bahrain over the years. The questionnaire has some limitations and there are expected possible biases in the responses.

Originality/value – Given the sensitivity of the topic of research, the analysis has policy implications for the labor market of Bahrain due to the Bahrain 2030 Vision of privatization and diversification and is the first study of its kind for the financial sector of Bahrain.

Keywords Bahrain, Employability, Labour market, Diversification, Financial services industry, Career progression

Paper type Research paper



1. Introduction

The Kingdom of Bahrain is an archipelago, with a land mass of 780 square kilometers. One of the six states in the Gulf Cooperation Council (GCC), Bahrain has a long history and reputation of openness and liberal economic policies. It was the first GCC nation to discover oil and the first to identify the need to diversify its economy. It is the first Arab country in the Gulf region where the elections for parliament were held and women

could vote and run for elections. It is also the first Arab country who had a complete labor reform system for developing the skills of its workers. Central banking and regulatory functions were carried out in Bahrain since 1973 by the Bahrain Monetary Agency (BMA) which today is the Central Bank of Bahrain (CBB) – shortly after Bahrain held complete independence from the Great Britain (Bahrain Association of Banks, 2015).

Bahrain's financial sector is well developed and diversified; this is evident by the remarkable presence of a wide range of local, regional, conventional and Islamic financial institutions with a combination of retail and wholesale banks, insurance companies, brokers and advisors as well as security brokers and mutual funds. Bahrain is thus a leading financial center in the GCC. The sector is one of the largest employers, with a total of 66 percent of the work force being Bahraini nationals. Overall, the financial sector is accountable toward 16.7 percent of Bahrain's gross domestic product (GDP).

Bahrain has a reputation for education and training in the financial services sector. The Bahrain Institute of Banking and Finance (BIBF) was set up by the Amiri decree under the Specific Council for Vocational Training and Development for the financial sector under the auspices of the CBB (the then BMA) in 1981 and has since then played a vital role to support training and continuous education of the employees of financial sector in Bahrain. BIBF supports the financial sector by providing quality training, education, assessment and development services and ensures the delivery of internationally recognized and accredited professional programs and courses. BIBF has grown from 450 participants in the banking sector in 1981 to more than 18,000 participants within the financial sector in 2014 alone. BIBF provides training and development solutions across the major business segments which include accounting, finance, banking, insurance, Islamic finance, management, leadership and information technology.

The paper describes the financial sector of Bahrain, its social structure and institutions and the role of education in Bahrain in Section 2, followed by Section 3 which discusses the purpose of the study, literature review, research methodology and analyses the results, Section 4 discusses the limitations and finally Section 5 discusses the results of the study and provides further recommendations.

2. Bahrain's economy

This section discusses Bahrain's economy with an emphasis on the financial sector; its social indicators and institutional infrastructure and finally discusses the impact of training and education initiatives in Bahrain for the financial sector growth and enhanced Bahraini employability rates.

Bahrain is the smallest of the economies in the GCC, having a GDP (at current prices) of \$33.8 b in 2014 and \$24.2 b in 9M15. Real GDP growth was reported at 4.5 percent in 2014 and is 2.9 percent for 2015. The long-term growth potential of the country is estimated to be in the range of 3-3.5 percent. (*Bahrain Economic Quarterly*, March 2016, EDB, Bahrain)

With a 16.7 percent share in Bahrain's 3Q'15 GDP, the financial sector is the largest contributor to Bahrain's economy after the oil and gas sector. Its contribution is trending upwards, both owing to a rebound in the sector growth, as well as a declining share of hydrocarbons in the current oil crisis. The unified regulator of the financial sector in both banking and insurance since 2006 is the CBB, which has played a key role in establishing a robust regulatory framework with agile supervision embedded within its regulations.

The total number of organizations in the financial sector is 404 with 113 institutions in the banking sector, 152 insurance companies and organizations and 60 investment firms and rest 75 organizations divided between capital market firms and funds industry (CBB Fact Sheet, 2015). Consolidation in the financial sector continues to be a priority of the regulator.

2.1 Social indicators and institutional infrastructure

Bahrain's population is currently at 1.3 million (approximately). Almost 34 percent of the residents comprise of expatriate work force, with the public sector offering the bulk of employment in the Kingdom. To develop an internal work force and reduce dependence on imported manpower for its specialized industries like engineering and finance over time, there has been focus on education and training to support Bahrainis become employees of choice. Institutions have been specifically set up to support Bahrainis in the initial phase of their careers like BIBF, Tamkeen among others. Unemployment rate has trended downwards over time while the relative competitiveness of Bahrainis is on the rise. Bahrain Vision 2030 lays clear objectives along the lines of human development, healthcare, education and the diversification of the national economy.

Bahrain has steadily ascended the Human Development Index, published by the United Nations Development Programme and falls in the "very high human development" category – ranking 45 out of 188 countries.

2.2 Training and continuous education in Bahrain

Tamkeen, formerly the Labor Fund, was founded in 2006 with the main objective of improving and developing the private sector and making Bahrainis the employees of choice. Tamkeen's goal is to create high value added jobs for Bahrainis. Its strategy is to capitalize and develop value added Bahraini skills and talents in rewarding careers and to support the development and enhancement of new and emerging industries (Allen Consulting Group, 2009).

3. Literature survey

Section 3 discusses literature review in the area of training and the contribution of education toward employability with particular emphasis on GCC economies.

3.1 Literature review

According to the Bahrain Economic Vision 2030, "We aspire to shift from an economy built on oil wealth to a productive, globally competitive economy shaped by the government and driven by a pioneering private sector – an economy that raises a broad middle class of Bahrainis, who enjoy good living standards through increased productivity and high-wage jobs." "Our society and government will embrace the principles of sustainability, competitiveness and fairness to ensure that every Bahraini has the means to live a secure fulfilling life and reach their full potential."

Forstenlechner (2008), states that a vast segment of the work force in the GCC is composed of expatriates from diverse nationalities. There have been continuous attempts in the GCC for many years to promote higher participation of locals in the national work force by introducing nationalization programs such as "Bahrainisation" (Bahrain), "Emiratisation" (United Arab of Emirates) and "Saudiisation" (Kingdom of

Saudi Arabia). This has been required due to the fact that about 60 percent of the GCC local population age is between 14 and 27.

Labor Market Regulatory Authority (LMRA) of Bahrain data show that though total employment rose during the period 2014-2015, yet there has been a higher percentage increase in expatriate labor between Q4 2014 and Q2 2015 compared to the Bahraini nationals. LMRA was set up in 2006 to help reform labor market through systematic rules and regulations for expatriate labor and for Bahrain's citizens and residents (Tables I-II).

GCC economies have high reliance on expatriate employees. Majority of the workforce in the private sector are expatriates. There are recent attempts by governments in the GCC to localize their workforce by nationalization programs such as Bahrainization, Saudization, Emiratization and Omanization. However, dependence on expatriate employees continues to be strong in the GCC. Short on finding suitable local candidates to fulfill professional positions and technically qualified jobs a large number of expatriates is required to support their economic and social development plans (Naithani and Jha, 2010).

Porter (1990) mentions "Education and training constitute perhaps the single greatest long-term leverage point available to all levels of government in upgrading industry." However, training is only one element toward prosperous development (Antwi and Analoui, 2008).

BIBF is the backbone of the financial sector in regards to training and education. Since its establishment in the first 33 years it trained over 200,000 people across 62 different countries (refer to Table III). This success has been durable and influential

Table I.
Bahrain labor
market division
(2014)

Employment	Value	Change (%)
<i>Total employment</i>	687,147	3.1
Bahrainis	156,338	2.5
Non-Bahrainis	530,809	3.2

Source: Bahrain Labor Market Indicators Q4 LMRA (2014)

Table II.
Bahrain labor
market division
(2015)

Employment	Value	Change (%)
<i>Total employment</i>	710,296	6.5
Bahrainis	158,437	2.5
Non-Bahrainis	551,859	7.7

Source: Bahrain Labor Market Indicators Q2 LMRA (2015)

Table III.
BIBF in numbers

Total number of professional academic qualifications completed in 2013	392
Total number of BIBF courses completed in 2013	968
Total number of students trained since opening	200,000
Total number of BIBF students in 2013	15,887
The number of measures which BIBF ranked "Outstanding" in a 2013 QAA review	4/5

for the continuous growth of the financial sector in Bahrain and BIBF is keen to keep up with continuous improvement by meeting sustainable development requirements in the industry.

Tamkeen was established in 2006 as part of Bahrain's national initiatives and Bahrain's Economic Vision 2030. Its task is to support Bahrain's private sector and place itself as the key driver of economic development. It is a semi-autonomous yet independent authority which formulates strategic and operational plans to use the fees collected by the LMRA from the private sector, in order to enrich the overall success of Bahrain by investing in Bahraini employability, job creation and social support.

Tamkeen provides financial aid to Bahrainis in order for them to obtain globally accredited professional certificates in a wide range of fields which help toward the employability of Bahrainis and accelerates their career paths. Up to 2014 a total number of 7,854 Bahrainis obtained globally accredited professional certificates in areas of management, accounting, finance, compliance, risk management, ICT among others with 2,341 of them achieving such certifications in 2014 alone.

Bahrain has high literacy rates among youth segments (15-24 years) – with female literacy rate at 97.6 percent and male rate at 98.6 as well as high adult literacy rate of 94.6 percent. Education prepares the foundation of resources for labor demand within the economy. Research says that it is crucial to embed education, work skills and ethics in employment strategies to decrease resistance regarding change by preparing local capabilities from an early age for a changing economic environment.

Joshi *et al.* (2011) noted that for the past years the government has emphasized on enhancing the skill levels of Bahraini nationals, for which a few training and job schemes have been introduced. The intention is to gradually replace expatriates by Bahrainis in order to accelerate the employability rates of Bahraini nationals.

Studies point toward the disproportion and dilemma regarding the composition of the private sector work force toward expatriates. These are due to factors such as lack of alignment between education, training and labor market requirements. Often, poor skills and competencies of Bahrainis deny them credibility for private sector jobs and this factor has been identified as the major obstacle for local recruits (Al-Lamki, 2000). To tackle overwhelming proportion of expatriates in the work force, many GCC countries were given on the job training and development programs in order to promote the employability of nationals in the labor market (Khalaf and Alkobaisi, 1999).

In a previous study of the Saudi Labor Market, Al-Sultan (1998) emphasizes on economic and social aspects of "Saudiisation." He claims that "Saudiisation" can replace more than 4 million expatriate workers by contributing toward investments in their national human resources. He also points out that the constant reliance on expatriates has restricted the contribution of Saudi nationals in the labor market.

Reports have shown that the Labor Minister of Bahrain, Humaidan (2014) confirmed that the kingdom of Bahrain is working toward eliminating the existing "Bahrainisation" policy in terms of quotas (quantitative restrictions on the number of Bahraini employees in private companies). He adds that the quantitative restriction will be reviewed by the Ministry in order to eliminate the difficulties that are being faced in imposing government regulations on business owners, aimed at creating work opportunities for the Bahrainis in the private sector. In the report he pointed out that the implementation of the policy will be flexible and initiation of proper training will be made in order to provide Bahraini nationals with better job opportunities.

“Bahrainisation” policy is an obstacle for companies to reach out to all potential employees (both Bahraini and expats) and elimination of the policy will improve business operations in Bahrain by allowing companies flexibility in hiring employees to gain competitive advantage in the global market. This in turn will also enable Bahraini nationals to rise up to the internationally competitive labor market standards and be prepared for its challenges to become employees of choice.

Franklin (1985) argues that the practice for distributing a share of the country’s wealth to citizens in the form of benefits and subsidies emphasizes status and authority rather than productivity. The challenges of encouraging Bahrainis to go into vocational occupations, particularly when those occupations are looked down as having low social status, are formidable. Franklin’s argument states that, in order for Bahrainization to be successful, either the culture has to change toward vocational jobs or jobs should be created with the aim of providing status and authority to Bahrainis.

The root causes of unemployment of national workers are hence implanted in the employment policies and labor market involvement following the oil boom period in the post 1970s. The utilization of the public sector as an easy option for securing privileged employment for Bahraini workers, and its impact on the private sector have created inefficiencies in the labor market which have minimized employment growth for Bahraini nationals. In this sense, unemployment among Bahraini nationals is structural in nature. At the same time, there are cyclical and frictional unemployment too in the economy following oil price lows in recent times and political and social disruptions during Arab Spring in 2011.

Moreover, in a study on localization policies in the GCC region, Randeree (2012) highlights that a sustained progression of a national work force is most well accomplished by employing nationals in the private sector at entry-level jobs and then allowing them to work their way up through the organizational hierarchy by training and experience.

Randeree (2009) states that to successfully implement “Emiratisation” policy, organizations may face a challenge to identify current skills of their Emirati work force and identify knowledge and skill gaps. These actions will facilitate providing a detailed plan for employee development, training, performance and benchmarking. Thus, organizations are prone to be obliged to revise their organizational structure and to support change management with the goal of adopting “Emiratisation” successfully.

“Emiratisation” is not only for recruitment of UAE nationals in order to replace expatriates, it is a practice that aims to train nationals to enable them to acquire necessary skills for challenges of the assigned work.

Section 3 presents the research purpose, and details of the data analysis of the empirical research and is divided into eight subsections which discuss purpose of the study; sample selection; validity of the survey; reliability of analysis; details of empirical analysis; ethical consideration and finally findings of the study.

3.2 Purpose of the study

The purpose of the research study is to assess the impact of training and development on the employability of Bahrainis in the financial services sector and their career progression in the sector in 2015 using the questionnaire collected.

Research objectives. Objective I: identify whether success of training and development leads to an increase in employability rate of Bahrainis in the financial sector.

Objective II: assess the success of training and development in increasing employability rates of Bahrainis in the financial sector.

Objective III: investigate whether training and development lead to career progression of Bahraini nationals in the financial sector.

3.3 Sample selection

Participants of the survey are chosen from Bahrain's financial sector employees. Different level of employees: entry-level, analysts, managers and senior managers have been randomly targeted. The sample size has been selected by convenience sampling approach. The questionnaire was distributed to 198 employees from a mix of the financial sector companies and 106 of them responded. Analysis was done using 106 respondents' comments and answers to questions. Questionnaire can be looked up in the Appendix.

3.4 Validity of the survey

The survey questions were tested for content validity and were designed to correctly measure whether training and development improve employability rates of Bahrainis in the financial sector and lead to career progression. The survey was tested through a pilot test on 50 participants and modified accordingly (Figure 1).

The survey had a few close ended questions where participants were asked to identify the type of financial sector and the size of their organization. The participants were also asked to identify whether they undertake training regularly and if they were given the choice to pick their own training courses. They were then asked to state whether the training and development had an impact on their career progression. In addition, they were asked whether there was Bahraini representation in their respective organizations at the higher management levels.

3.5 Reliability

Part of designing the questionnaire was to check for internal consistency. Reliability of the responses of the results of the survey was checked manually. Questions with no



Figure 1.
Theoretical
framework
(construct): training
and development
improves
Bahrainization rates
of the work force in
the financial sector

responses were considered invalid and removed. The results were measured for consistency in the answers among all participants. The internal consistency of the questionnaire was measured using SPSS for the Cronbach α which is used when the survey has multiple Likert questions (1 = strongly disagree, 5 = strongly disagree), to determine if the scale is reliable. The results of the test showed a reliability of 0.801 and 0.731 which is considered as an acceptable value (Table IV).

3.6 *Data analysis*

The data collected was analyzed using SPSS for descriptive and analytical statistics in order to display and analyze the raw data collected.

3.7 *Ethical consideration*

Respondents were given the choice to participate in the survey. The questions in the survey were carefully written to make sure and guarantee that no offensive or confidential questions were included. The survey was cautiously designed to gather truthful and sincere responses from the participants. Company details were not included in the questions to guarantee the confidentiality of identity of the participants and the organizations they represented. A disclaimer was added to ensure participants that the survey is strictly for academic purposes and that their responses are confidential and not to be shared with any other party. However, findings of the survey would be shared with participants upon completion of the research study and at their request.

3.8 *Findings and analysis*

This survey was distributed only among Bahrainis in the financial sector. Below are the questions and responses collected from the survey.

Descriptive statistics: demographic description. In Table V first column Valid 1 and 2 are codings of the options participants had to select from. The options were changed to codes because SPSS software used in the analysis understands only numerical language. 1 stands for male and 2 stands for female.

Table IV.
Reliability test

Cronbach α	Number of items
<i>Part A: training and development</i> 0.801	9
<i>Part B: career growth</i> 0.731	5
Total	14

Table V.
Analytical results

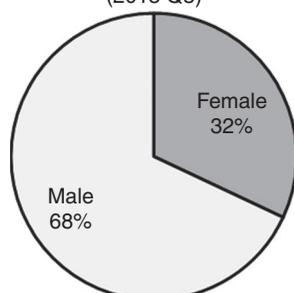
Gender	Q1. Please state your gender			
	Frequency	%	Valid %	Cumulative %
1 (Male)	58	54.7	54.7	54.7
2 (Female)	48	45.3	45.3	100
Total	106	100.0	100	

Based on the results of the survey, the total numbers of respondents are 106 with 58 respondents being males and 48 respondents being females. However, there seems to be a significantly higher percentage of male representation in the private sector of Bahrain as shown in Figure 2.

Figure 2 shows that this is the case in the private sector as a whole and not only in the financial sector. The figure shows that males represent 68 percent of the private sector employment whereas females represent only 32 percent of private sector employment.

The results of Table VI show that the majority of the respondents which is 74 out of the total 106 respondents fall in the age group of 25-34 years followed by 25 out of the 106 falling in the age group of 18-24 years and five of 106 are in the age group of 35-44 years and the rest of the two fall in the age group of 45-64 years (Table VII).

PERCENTAGE OF BAHRAINI IN
PRIVATE SECTOR BY GENDER
(2015 Q3)



Source: General Organization
for Social Insurance Statistical
Report 2015 – Quarter 3

Figure 2.
Bahraini employees
in private sector
by gender

Age groups	Q2. Please specify your age group			
	Frequency	%	Valid %	Cumulative %
1 (18-24)	25	23.6	23.6	23.6
2 (25-34)	74	69.8	69.8	93.4
3 (35-44)	5	4.7	4.7	98.1
4 (45-64)	2	1.9	1.9	100
Total	107	100	100	

Table VI.
Analytical results

Organization size	Q3. What is the size of your organization?			
	Frequency	%	Valid %	Cumulative %
1 (Micro)	4	3.8	3.8	3.8
2 (Small)	8	7.5	7.5	11.3
3 (Medium)	23	21.7	21.7	33
4 (Large)	71	67	67	100
Total	106	100	100	

Table VII.
Analytical results

The results show that the majority of the respondents were from large organizations which were 71 out of the 106, followed by medium organizations which had 23 respondents, eight respondents from small organizations and finally, four respondents from micro organizations (Table VIII).

Results show that the majority of the respondents, which is 50 out of the 106, work in commercial banks, 27 respondents work in investment banks, 11 respondents who selected “other,” followed by seven working in retail banks. Insurance companies and asset management firms together had four respondents and finally, three were from brokerage firms (Table IX).

Most of the respondents held a title of advisor/analyst which included 35 of the survey respondents, followed by 20 respondents in both categories at entry level and at assistant manager level. In total, 16 respondents were managers, three were senior managers and six held C-level position and six were directors. To ensure we get a variety of responses, this question was added to identify their line of work (Table X).

Table VIII.
Analytical results

Organization type	Q4. What type of financial sector is your organization?			Cumulative %
	Frequency	%	Valid %	
1 (Commercial bank)	50	47.2	47.2	47.2
2 (Investment bank)	27	25.5	25.5	72.6
3 (Insurance company)	4	3.8	3.8	76.4
4 (Asset management)	3	2.8	2.8	79.2
5 (Retail bank)	7	6.6	6.6	85.8
6 (Stock brokerage)	4	3.8	3.8	89.6
7 (Other)	11	10.4	10.4	100
Total	106	100	100	

Table IX.
Analytical results

Job title	Q5. Which of the following most likely matches your job title?			Cumulative %
	Frequency	%	Valid %	
1 (Entry level)	20	18.9	18.9	18.9
2 (Advisor/analyst)	35	33	33	51.9
3 (Assistant manager)	20	18.9	18.9	70.8
4 (Manager)	16	15.1	15.1	85.8
5 (Director)	6	5.7	5.7	91.5
6 (Senior manager)	3	2.8	2.8	94.3
9 (C-level position)	6	5.7	5.7	100
Total	106	100	100	

Table X.
Analytical results

Years in service	Q6. How many years have you been in service?			Cumulative %
	Frequency	%	Valid %	
1 (Less than 5 years)	53	50	50	50
2 (5-10 years)	41	38.7	38.7	88.7
3 (10-15 years)	10	9.4	9.4	98.1
5 (15-20 years)	2	1.9	1.9	100
Total	106	100	100	

In total, 53 from 106 respondents have less than five years of work experience in their organizations; 41 have five to ten years of service, ten have 15-20 years of service and two have more than 20 years of service. Those results show that majority of the respondents are with less than five years of service to 15 years of service.

Training and development. Table XI shows that 75.5 percent of the respondents feel they are not challenged with new tasks after attending training programs in contrast to 24.5 percent who agreed that they get challenged with new tasks.

Respondents who agreed that they get challenged with new tasks added further comments, some of which stated that:

After a specific task oriented training we are expected to handle the task in a more professional manner and excel i.e. expectations from my seniors would be higher.

One of the major challenges I face after attending a training program is I try to align and implement what I learned in my day to day activity at work, as some trainings might be impossible to attend in our culture.

They allow me to get more knowledge and information in order to take on new tasks.

Being exposed to complicated tasks and given more responsibility.

The results provide evidence that the majority do not feel that the training programs they attend are beneficial to them or are aligned with their current day to day work activities. This could raise some questions on the effectiveness of continuous education for the employed professionals for upskilling them to higher level jobs in the organization and could be considered as a follow up area of research (Table XII).

Meanwhile, among the majority of the respondents, around 71.6 percent said that training programs help enhance their employability skills leaving 28.3 percent claiming that it does not improve their employability skills. The results show that training programs are beneficial and they maximize productivity and performance effectively of the trainees. Respondents who agreed that training programs enhance employability skills left comments which include:

If a person has a clear direction to the next roles of the career path, they should focus on developing the additional skills and requirements for the prospective job and training is definitely a good option. For example, getting training for being a successful people's

Q16. After the training program I am challenged with new tasks				
Challenged?	Frequency	%	Valid %	Cumulative %
1 (Yes)	26	24.5	24.5	24.5
2 (No)	80	75.5	75.5	100
Total	106	100	100	

Table XI.
Analytical results

Q18. Training programs help enhance my employability skills				
Response	Frequency	%	Valid %	Cumulative %
1 (Yes)	76	71.7	71.7	71.7
2 (No)	30	28.3	28.3	100
Total	106	100	100	

Table XII.
Analytical results

manager would be a plus in your CV and increases your chances of getting a new role where you will be handling a team.

It adds to my corporate value, allowing me to become a vital asset in the company.

Every employee needs training programs on a regular basis to improve his/her ability in work in all areas. Like for an example, simply training in Excel, intermediate and expert, will improve his/her skills to do his job faster and more professionally.

Depending on the training program each training has enhanced different skills, for example, communication skills, team work, sales and problem solving skills.

I knew how to build financial models but after a course in financial modeling I can develop quality, engagement specific models at par with industry standards and best practices.

It does not always at all times apply to me directly; however, it effectively promotes new ways of thinking, growth and mindset, be it technical or personal.

The above comments show the many benefits employees get from attending training programs – whether it was enhancement in their technical work or confidence, competence or personality. Enhancing employability skills helps employees enhance their capacity to work as well as utilize opportunities at work, allowing more scope for creativity and self-satisfaction at work. The future prosperity of a country depends on the number of employed and how well they perform at work (International Labour Office, 2010) (Table XIII).

Moreover, 60.4 percent of the respondents feel that training programs help them rise up their career ladder; however 39.6 percent feel that it does not help them go up their career ladder. The former left comments, some of which include:

You get equipped with knowledge and confidence which help improve career progression.

Training adds value and is considered positively correlated to growth within the organization.

Builds confidence to take on challenging tasks and responsibilities; ultimately, enabling one to carve out space for him/her to add value.

Every training program gives me the ability to grow more as a leader and grows the potential in me in getting a higher position.

Training programs usually give you the technical skills needed to progress in your career, which could help in creating a business case for why you should get promoted.

It is evident from the comments above that training does play an important role for employees to go up their career path. The creation of career paths will encourage self-enrichment in the national work force through the implementation of on the job training programs (Bahrain News Agency, 2013).

Human capital is enriched by the education, training and development which are essential to enhance the productivity and effectiveness of performance of the workforce (Table XIV).

Response	Q20. The training programs help me up my career ladder			Cumulative %
	Frequency	%	Valid %	
1 (Yes)	64	60.4	60.4	60.4
2 (No)	42	39.6	39.6	100
Total	106	100	100	

Table XIII.
Analytical results

The results show that 44.3 percent agree that their manager develops them for career progression whereas 55.7 percent disagree that their manager develops them for career progression. Below are a few comments from respondents on how their manager develops them for career progression:

My manager would usually give me one- to- one sessions regarding where I want to direct my career path and what I want to specialize in. He then gives me options on what kind of training courses I could take that would help me specialize in this field.

Delegates work to me and give me recognition.

Although my current department has limited career progression, the topic of career progression relative to opportunities at hand, is strong I believe. Generally, my managers always look into building a good mix of how to self-manage, manage others, and capitalize on our strengths while working on our weaknesses. It is not perfect, but my managers try.

It is evident that a significant percentage agrees that their managers put effort in helping them in their career progression; however it shows that larger percentages disagree. One reason why managers do not help their employees could be due to fear of being replaced. Managers should realize that decentralizing could lead to many benefits. Iqbal (2007), states that decentralizing could lead to easing unnecessary burden on the manager. Another benefit of decentralizing is that it makes the manager confident about capabilities of his subordinates as well as increases the level of motivation by allowing participation of his subordinates in decision making and executive processes (Table XV).

Furthermore, 65.1 percent of the respondents feel that top management encourages training and development of Bahrainis in the organization; however, 34.9 percent do not feel that top management encourages training and development of Bahrainis in the organization.

The ones that agreed commented on why they agree; some of the comments are shown below:

Graduate development programs are available only to locals.

The topic of training is pushed for, although unfortunately, not as systematic as it should be, but it is pushed for.

Response	Q27. My manager develops me for career progression			Cumulative %
	Frequency	%	Valid %	
1 (Yes)	47	44.3	44.3	44.3
2 (No)	59	55.7	55.7	100
Total	106	100	100	

Table XIV.
Analytical results

Response	Q29. Top management encourages training and development of Bahrainis			Cumulative %
	Frequency	%	Valid %	
1 (Yes)	69	65.1	65.1	65.1
2 (No)	37	34.9	34.9	100
Total	106	100	100	

Table XV.
Analytical results

They encourage us to attend courses as much as we can.

They encourage us verbally to get professional certifications. And usually promote staff who obtains such certifications.

The comments from respondents above show that employees will produce better and perform more effectively when top management allows ownership of their jobs and to train them in order to strive for excellence. For the rest of the ones who feel otherwise, it could be due to numerous reasons like size of the company where training is not part of the companies' payroll.

Additionally, according to Table XVI, 51.9 percent feel that top management promote high performing Bahrainis whereas 48.1 percent feel otherwise. This shows that training and development are important drivers in improving employability rates and career progression among Bahraini nationals. In this case, instead of hiring non-Bahrainis to take over higher level jobs, current Bahraini employees can be trained and groomed to take over such jobs giving a chance for Bahrainis that are educated and unemployed to enter the market. The respondents who agree that top management promotes high performing Bahraini employees left comments, shown below:

It would be much easier to promote Bahrainis as it would cost less to the organization and help in easier communication within the organization and that would give extra motive for other Bahraini staff to work hard so they can achieve such promotions.

They keep on choosing Bahrainis to do higher jobs (Table XVII).

Furthermore, 83 percent state that they have Bahraini representation in executive management level and 17 percent state otherwise. The 17 percent could represent a mix of off shore banks and small international firms. The majority 35.8 percent said that they have Bahraini CEOs, followed by 20.8 percent stated that they have Bahrainis holding the C-level executive jobs, 19.8 percent said they have Bahrainis holding senior management levels and rest said they held general management positions. This representation on the sample tells us that Bahraini employees do not only serve entry and middle-level jobs but also hold senior and executive positions in the financial sector.

Table XVI.
Analytical results

Response	Q31. Top management promote high performing Bahrainis			Cumulative %
	Frequency	%	Valid %	
1 (Yes)	55	51.9	51.9	51.9
2 (No)	51	48.1	48.1	100
Total	106	100	100	

Table XVII.
Analytical results

Response	Q33. Do you have Bahraini representation in executive management level?			
	Frequency	%	Valid %	Cumulative %
1 (Yes)	88	83	83	83
2 (No)	18	17	17	100
Total	106	100	100	

3.9 Hypothesis testing

The hypotheses from the research can be summarized into the following two null hypotheses (*H01*, *H02*) with corresponding alternative hypotheses (*H11*, *H22*), respectively:

- H01*. Training and development do not improve Bahrainization rate in the financial sector (null hypothesis).
- H11*. Training and development improve Bahrainization rate in the financial sector (alternate hypothesis).
- H02*. Career Progression of Bahraini employees do not lead to improvement in Bahrainization rate (null hypothesis).
- H22*. Career progression of Bahraini employees leads to improvement in Bahrainization rate in the financial sector (alternate hypothesis).

Tables XVIII and XIX show linear regression results using SPSS software for the gathered data from the survey. These tests help to examine the relationship between the dependent variable, namely, Bahrainization rates and the independent variables, namely, training and development; and career progression.

From Table XVIII, the proportion of variance in the dependent variable (Bahrainization rate) which can be explained by the independent variables (training and development; and career progression) is explained by $R^2 = 0.58$. R^2 provides an overall measure of the strength of association between Bahrainization rate and the training, development and career progression variables. R^2 does not reflect the extent to which Bahrainization rate is associated with training and development opportunities and career progression. The strength of the relationship is moderately strong and shows that training and development and career progression have a positive impact on Bahrainization rate in the financial sector.

In Table XIX *t*-value for the independent variables: training and development is 3.187 and career progression is 1.531 with *p*-value < 0.05. Hence both *H01* and *H02* are failed to be accepted. Hence *H11* and *H22* are failed to be rejected which means more training and development lead to higher Bahrainization rate and more career progression leads to higher Bahrainization rate in the financial sector. This finding is

Model	<i>R</i>	R^2	Adjusted R^2	SE of the estimate
1	0.581 ^a	0.245	0.229	0.4732619343

Note: ^aPredictors: (constant), Growth (career progression), TRAINING

Table XVIII.
Regression results

Model	Unstandardized coefficients		Standardized coefficients		<i>t</i> -value	Sig.
	<i>B</i>	SE	β			
1 (Constant)	2.293	0.327			7.011	0.000
TRAINING	0.317	0.099	0.307		3.187	0.002
Growth (career progression)	0.126	0.083	0.147		1.531	0.029

Note: Dependent variable: BAHAVR (Bahrainization rate)

Table XIX.
Coefficients and
t-values

aligned with study done by Alarissa (2014) where it is indicated that national managers perceive skilled non-Bahraini employees as essential but also as a threat. The above results suggest GCC countries need to empower their nationals with enhanced training and development opportunities and provide further career progression opportunities to fulfill nationalization targets over time.

4. Limitations

The sample size was lesser than the aim of the research. The findings are a general reflection of training and development and career progression on Bahrainization rates in the financial sector; however, a larger sample size is needed to provide a more detailed study of the survey.

The questionnaire displays some limitations including potential bias in the replies. Despite the fact that respondents were asked to fill in the questions and answers as honestly and correctly as possible, this cannot be entirely guaranteed without some margin of error. Additionally, there is a lack of qualitative tools to complement the quantitative findings of the survey. The outcomes may represent a small portion of the evidence and information which is collected via primary research however, in order to get more detailed and conclusive answers additional inspection and research must be done in depth.

The research aims to determine whether or not training and development along with career progression improves employability rates of Bahrainis in the financial sector. Each variable needs to be examined in greater detail to provide broader information about the impact they have on Bahrainization rates.

In terms of scope, it is clear that the sole use of qualitative data analysis is not sufficient to approach the topic of Bahrainization. Impacts from the Bahraini economy, government policy and the GCC environment were all influential in drawing out aspects and conclusions. Similar studies in Bahrain will be of use to confirm these findings and detect trends in work practices and the success of the government's renewed strength in establishing Bahrainization. Other comparative studies can be extended to GCC countries that face labor issues similar to those in Bahrain.

The participants in this study were Bahraini nationals, both male and female employees from different financial organizations.

5. Conclusion and recommendations

Bahrainization is a sensitive topic to research about, which caused a challenge. It does not have a uniform strategy – not even in the policy itself. There is lack of past studies with regards to Bahrainization. Thus this research study can be expanded to a policy level study with further improvements to number of respondents and to take into account other factors like: business performance and human resource development. This research should be expanded to other sectors as well.

Although research is increasing in the area of nationalization and localization in the GCC, currently literature seems limited about Bahrainization in specific. Clearly, there is need for further research in the area of Bahrainization, taking into account the impact of training and development, business performance, human resource development and career progression. It should be conducted in all the different sectors.

This research proved that training and development and career progression have a positive impact on Bahrainization rates in financial sector through the use of quantitative and qualitative analysis. Organizations must be encouraged to build their

training and career progression strategies in order to get their employees equipped with knowledge and confidence while at the same time benefiting from the positive impact on the Bahrainization policy in the financial sector. Training and development is part of career progression which cannot be ignored and it is up to the organization to exploit the positives of this phenomena. For example; instead of employing someone new to take over a role, current employees can be trained and progressed to take over a specific role.

Conclusively, Bahrainization should not just be a Labor Market Policy; it should be promoted and encouraged as a way to improve the overall living standards of Bahraini nationals. If Bahrainization strategy is implemented properly by Bahrain's Government this will help Bahrainis to obtain the right jobs and achieve success in their career progression.

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Appendix. Questionnaire

Questionnaire: "Bahrainisation" of the Financial Sector

Brief: "Bahrainisation" should not just be a Labour Market Policy; it should be promoted and encouraged as a way to improve the overall living standard of Bahraini nationals. It should be implemented from an early stage which will then impact on Bahrainis' dominating their own countries Labour Market.

The questionnaire below is part of a research study which is a requirements of a Masters in Business Administration in Ahlia University. Your participation is highly appreciated in conducting the study. The aim of the study is to investigate whether training and developments helps in the "Bahrainisation" of the Financial Sector.

The questionnaire should take a few minutes to complete and the data collected will be used for this study only. The participants should be strictly Bahrainis in the Financial sector.

* Required

Demographic Data

Please state your gender: *

- Male
 Female

Please specify your age group: *

- 18-24
 25-34
 35-44
 45-64

What is the size of your organization? *

- Up to 10 Employees (Micro)
 11 to 50 Employees (Small)
 51 to 250 Employees (Medium)
 250 and more Employers (Large)

What type of financial sector is your organization? *

- Commercial Bank
 Investment Bank
 Insurance Company
 Stock Brokerage Firm
 Retailers Institution
 Asset Management Firm

Other:

Which of the following most likely matches your job title? *

- Entry Level
- Advisor/Analyst
- Assistant Manager
- Manager
- Senior Manager
- Director
- C Level Executive (CIO, CTO, CMO, COO, Etc)
- CEO
- Other:

How many years have you been in service? *

- Less than 5 years
- 5 to 10 years
- 10 to 15 years
- 15 to 20 years
- More than 20 years
- Option 6
- Option 7

Training and Development

I receive training on regular basis *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I attend training courses a minimum of 2 times a year *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I pick my training programs *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

My manager nominates me to training programs *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

My training programs are aligned with my job requirement *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Our training programs meet development needs for promotions at work *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

My manager encourages and supports my training *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

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I am hesitant to request for training *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Our organization promotes a learning and development culture *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

After the training program I am challenged with new tasks: *

- Yes
- No

If yes, specify how or give an example:

Training programs help enhance my employability skills *

- Yes
- No

If yes, specify how or give an example:

The training programs help me up my career ladder *

- Yes
 No

If yes, specify how or give an example:

Career Growth

My manager communicates openly about my career progress within the organization *

- Strongly Disagree
 Disagree
 Neutral
 Agree
 Strongly Agree

Career growth is limited in my department *

- Strongly Disagree
 Disagree
 Neutral
 Agree
 Strongly Agree

Career progress ladder was discussed when I first joined the organization *

- Strongly Disagree
 Disagree
 Neutral
 Agree
 Strongly Agree

Career progression is discussed in appraisals *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Bahraini employees have the employability skills to replace expat employees *

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

My manager develops me for career progression *

- Yes
- No

If yes, specify how or give an example:

Top management encourages training and development of Bahrainis *

- Yes
- No

If yes, specify how or give an example:

About the authors

Dr Subhadra Ganguli currently works in the Ahlia University as an Associate Professor in Economics and holds a PhD in Economics from the University of California in Riverside. Dr Ganguli has experience in academic teaching, training, research and quality assurance for the last 20 years in India, USA and Bahrain. Dr Subhadra Ganguli is the corresponding author and can be contacted at: sganguli@ahlia.edu.bh

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