

Flexible Staffing Practices in Dubai: a Study with Reference to Atkinson's Model

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Introduction

Peripheral staffing, also known as flexible staffing has emerged as a strategic choice for most of the organizations across the globe. Though, a few researches have come-up with new ideas, the significance of the contribution by Atkinson has remained the main guiding framework in the specific domain. The present study attempts to evaluate the observations of the 165 middle level executives employed in six medium scale organizations in three main industries, located in Dubai, the financial and commercial hub of the Middle East. Recommendations have been developed and further scope of expansion of research has been empirically suggested.

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Flexible practices in the organization often reflect the calculated decisions, though just the whim or impulse is also not uncommon in many cases. From the business point of view, unpredictability has sharply increased because of the choice set before consumers has never been so diverse and great. Today's customers have the expanding ability to shop around through access to mobile phones, motorcars, tele-text and internet. A study on one thousand university students in India across three major cities has revealed that almost 40% of them prefer shopping of electronic gadgets online, whereas, the same rate increases up to 80% among European and American students (Sanders & Sydney, 2009). In the given situation, the business establishments are in increasing competition to provide convenient shopping opportunities through extended opening hours, tele-sales, on-line sales etc. In employment terms, such flexibility in current and medium term activities has caused many employers to extend the use of temporary employment policies. These have taken a variety of forms associated with the new concept of 'complementary

workers' (Royce, 2010). The other techniques becoming popular in such situations are the extensive use of short term contracts, casual and temporary agency staffs, in-house and out-sourcing contracts, implementation of weekly hours as well as annual hours systems etc. Another conceptual development in this context is 'going beyond contract', which denotes flexibility in terms of both vertical and horizontal ways. In the vertical sense, employees carry out work which could be regarded as above their job, such as supervisory or managerial aspects, and work below their level, such as cleaning up or helping out in routine tasks. In the horizontal sense, employees' skills and knowledge are stretched to cover a variety of activities in the areas, which are related to, but not within the areas of job descriptions in strict sense (Stredwick & Ellis, 2008).

Core & Peripheral Workforce Model

In the enthusiastic analysis of flexibility in the early 1980s, the seminal and much quoted model depicting the divisions between 'core' and 'peripheral' workforces has been developed. John Atkinson and his colleagues have classified the workers into 'core', 'first peripheral', 'second peripheral' and 'external groups'. Under this model, the 'core' workers are full time permanent career employees whose security is won at the cost of accepting 'functional' flexibility both in the short term (multi-skilling, multi-responsibilities) as well as in the longer term (career changes, lateral movements). Their terms and conditions

reflect their importance with a raft of benefits and salary increases depending on their achievements and those of the team and the organization. The 'first peripheral' group enjoy less job security and access to career opportunities. Atkinson has termed this kind of jobs as 'plug-in' jobs, which means that such jobs are not skill specific to the organization, but is filling the gap type as and when required type of situations. As per the model, the 'second peripheral group' is the extension of the first, with much part-time working, twilight shifts, zero hour and short term contracts with maximum flexibility. Such terms and conditions in general minimize organizational commitment to the employee, job security and career development. The other major group of recruitment as per the model is known as 'external groups', which attempts to give additional support to numerical flexibility by filling positions which are very mundane like office cleaning, very specialized IT services or any other services on purely contract or self employment basis. The model has also talked about extended use of trainees, who bring with them some form of public subsidy through the latest re-badging of government regulations like apprentices under Apprenticeship Act in India, Youth Training Scheme under NSE program in UK etc. Table 1 shows the basic differences of different types of staffing on the basis of some key parameters:

Despite the popularity of this model, it does not fit every situation in practice. Though, in the food chains like McDonald's, KFC etc., operations very much depends on second periphery of

Table 1 Differences of Staffing Types under 'Core & Peripheral Workforce Model'.

Types of popular staffing practices	Nature of job roles	Nature of employment features	Compensation and benefit plan
Core staffing	Full time permanent career employees comprising managerial and executive cadre employees under the pay-roll of the organization.	Functional flexibility both in the short term (multi-tasking, multi-responsibilities) as well as in the longer term (career changes, lateral movements), maximum job security, maximum access to career opportunity within the organization.	Fixed compensation plan blended with raft of benefits and salary increases over the years (with or without any achievements).
First peripheral staffing	Temporary need based employment for a relatively higher skilled category of jobs than the second peripheral staffing. Such appointments are common in the context of vacancies created by labor turnover and requirement of overtime work, specially during peak seasons.	Such appointments are common in the context of vacancies created by labor turnover and requirement of overtime work, especially during peak seasons and term employment is common.	Weekly hour or yearly hour based payment. The rate of payment is however, same as the regular employees. No scope for increment, over the periods and under the direct payroll of the organization.
Second Peripheral staffing	Beyond the first periphery and providing operational support.	Popular practice is part-time working, twilight shifts, zero hour and very short term contracts.	Fixed payment. No scope for increment over the period and under direct pay-roll (till limited contract period) of the organization.
External staffing	Routine and need based.	Taken for giving additional support to numerical flexibility by filling mundane positions like office cleaning, IT support, electrical support etc. and mostly managed by external agencies or by self employed persons.	Fixed payment per visit or payment as per contract and not under direct pay-roll of the company.
Trainees	First hand learning under specific government schemes or regulations.	Mostly technical skills and directly applied for the traineeship.	Stipend is directly paid by the organizations and scope of absorption in regular workforce depends on performance and company policy.

Source: Atkinson and Meager, 1986

Despite the popularity of this model, it does not fit every situation in practice.

work-group, who are mostly part-timers in many parts of the world, the Information Technology industry in India, USA and many other countries, the project managers' appointments are being done on the same principle. Moreover, distinguishing the core of the business from periphery is becoming a serious philosophical argument over the years. British Airways, for example, were quite prepared to outsource both their cabin crew and aircraft maintenance operations in late 1990s and early 2000. However, under the glooming threat of deteriorating industrial relations scenario, the organization was forced to abstain from implementation of such a plan. In India, such philosophical argument is quite common over last two decades. Indian aviation industry, public sector dominated steel and manufacturing industries, banking and insurance industries and government run railways have witnessed several disputes and stalemates on the same issues (Antony & Merter, 2010).

Research Objectives

The present research attempts to study the different dimensions of flexible workforce model, with reference to Atkinson's model, as used in private sector industries in India. The research has been carried out by incorporating observations made by the selected executives of three different major private sectors, located at Dubai, United Arab Emirates.

The key objectives of the present research are:

- 1) To understand the flexible workforce model practiced by the selected private sector organizations in Dubai.
- 2) To study the effectiveness of the flexible work practice model practiced in the private sector medium organizations in Dubai, from the observations of the selected organizations' executives.
- 3) To compare the trends of opinions from three different industrial sectors.
- 4) To recommend necessary improvements in the situation.

Review of Literature

There have been number of surveys in the last few years which throw light on the movement towards growing flexible working practices across the world. Even several reports published by ILO have shown the growing tendency of informalization of workforce across the globe in almost all industries. The report on informal workforce rights, published by ILO (2008), has shown in the developing countries in Asia is booming only on the strength of informal workforce (Policy Studies Institute, 2009). The report has

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also predicted that by 2020, almost 70% of the skills would have been in such domains, which are purely temporary, need based and short term fixed payment oriented. The observations by Stredwick and Ellis (2008) on second periphery of staffing are found to be very similar to such observations. Another survey independently conducted by 'Policy Studies Institute, UK' known as 'Labor Force Survey' in 2010, has shown that in UK and in many parts of Europe the growth in the number of flexible workforce has been phenomenal over the last two decades. Casey et al. (2010) have identified the reasons like cost-competitiveness and impact of global recession for such developments. The same survey also shown that more than 50% of the total workforce in the five major industries in UK and in almost ten industries in three major economies in Europe like Germany, France and Netherlands were working on variable hours every week.

Neathey and Hurstfield (2009) in their research observations have referred to the several reports published by different international bodies like 'Equal Opportunities Commission, UK', 'Raffle Foundation of Social Studies, UK', Commonwealth Group of Studies, UK and Australia, International Labor Organization etc. According to their observations, some trends are growingly visible in staffing practices not only in the developed economies, but also the developing economies across the world such as growing pressure on the core employees to become flexible in terms

of working conditions, including opting for flexible compensations. Same observations are also found in the studies by Beatson (2008), Hunter and MacInns (2009) etc.

Some exclusive studies on India on the same issue have given the following observations. Rao and Mishra (2008) in their studies on the growth of flexible staffing in India, have stated that such a practice existed in the unorganized sectors for long periods of time, but it started expanding to the organized sector since late 1990s at a faster rate. Based on the survey in the finance sector workforce pattern in India, they found that the insurance sector has been more pragmatic in adopting the informalization of workforce over other industries in the sector. Mishra (2009) in his study on the changing government regulations, have explained the dynamics of changing labor regulations in India, which are definitely opening up the scope of growing flexibility in staffing practice since 2000. However, the study further added that different states in India have adopted different levels of pragmatism and therefore, the rate of growth of such tendencies seems to be unequal in different parts of India. Sinha and Chatuvedi (2009) in their study on organized retail industry in India have found that except few executive positions, the sector is bound to experience large scale informalization in staffing practice in coming years. Bose and Mudgal (2010) have also identified the predominance of part-time workers and non-regular workers, employed on daily hours or weekly hours basis in one of the highly employ-

ment generating sectors in India, i.e. the leather industry. Their study further showed that such tendencies have fundamentally impacted the industrial relations environment in the industry as well. However, no significant study could be found in the context of Middle East. Dubai as an international business centre, located in the Middle East, has therefore been chosen for the present study.

Research Methodology

The present research has been conducted on the three major industries,

dominated by medium organizations, based in Dubai, United Arab Emirates. For the purpose of research, 12 organizations have been chosen based on the number of the total manpower employed there. Around 250 persons were employed in each of these organizations at the time of study. The industries chosen for the present study were: packaging, logistics and transportation and financial services industry. Total numbers of 175 respondents have been surveyed from 6 organizations, 2 each from three industries using simple random sampling without replacement (Table 2).

Table 2 Distribution of Respondents

Industry	Number of organizations from the industry	Total Respondents
Packaging industry	2	62
Logistics and transportation industry	2	51
Financial service industry	2	52

A structured questionnaire, comprising 15 questions has been designed and administered. The study was conducted from April to August 2015. The questionnaire has incorporated different parameters from Atkinson's Model and has used Likert scale to capture response patterns of the respondents. The questionnaire has been found to be reliable based on the Cronbach Alpha coefficient testing result of .73 at the pretesting stage. Once the questionnaire was found to be reliable based on the response of 40 respondents, same was used for the detailed study. Further, the data were analysed through the standard statistical tools like mean, standard deviation etc.

Data Analysis & Findings

Based on the analysis of response pattern, the emerging trends of opinion were identified as given in Table 3.

In most of the organizations, flexible work-system is quite prevalent.

It is found that in most of the organizations, flexible work-system is quite prevalent. On the issues of efficiency of work through flexible work system, level of compatibility of flexible work system with organizational objectives, need for modification of overall work system to

Table 3 Findings of the Response Patterns

No.	Statement	Mean	Standard Deviation
1.	Your organization has the regular flexible working practice	3.5	.87
2.	Flexible working practice in your organization is cost effective	2.7	.64
3.	Flexible work practice ensures efficiency in your organization	3.9	.57
4.	Flexible work practice system is compatible with the organizational objectives	3.1	.29
5.	Flexible work practice system in your organization is focused more on part-time workers engagement	2.6	.34
6.	Flexible work system needs to be modified more in your organization	3.9	.27
7.	More work should be given to the adhoc-workforce in your organization	2.2	.19
8.	As an executive, you are properly trained in managing ad-hoc workforce	2.9	.24
9.	Ad-hoc/peripheral workforce is adequately skilled to carry out their tasks in your organisation	2.8	.19
10.	Flexible/peripheral workforce is adequately compensated in your organization	2.7	.67
11.	Your organization is presently over dependent on adhoc/peripheral workforce than the industry standard	1.9	.31
12.	Your organization policy needs to be modified to incorporate more flexible work practices	2.7	.19
13.	Your regular responsibilities include supervising and managing the works done by ad-hoc workforce	2.6	.27
14.	You think that the quality of the work done by the ad-hoc/peripheral workforce could be better by making those done by the regular and core workforce of the organization	2.7	.67
15.	You think, more rigorous monitoring is required for the work done by the ad-hoc/peripheral workforce	2.9	.35

imbibe the flexible work-practice; very high level of positive opinions have been found. However, a moderately positive trend of opinion is found in the response patterns regarding the issues of cost effectiveness of the flexible work-system, higher orientation of involving part-time workers as a part of implementing flexible work system, level of executive training and preparedness to manage adhoc/peripheral work-force, quality of work done by the peripheral/adhoc workers etc. On the issues of overdependence on the adhoc/peripheral workforce or giving more work to the same group of workers, a negative opinion is clearly visible in the response patterns.

While comparing the response patterns from three different industries, covered in the present study, the main trends are as in Table 4

It is found that the responses from the packaging industry are more positive on the issues of regular practice of using flexible work system, efficiency caused by flexible work-system, need for modification of the existing flexible work-system at the work-place and the need for rigorous monitoring for the ad-hoc/peripheral workforce. Whereas, on the issues like regularity of use of flexible work-system, efficiency due to flexible system of work, compatibility of the existing flex-

Table 4 Comparison of Response Patterns from Three Different Industries

No.	Statement	Mean score (Packaging)	Mean score (Logistics and transportation)	Mean score (Financial services)
1.	Your organization has the regular flexible working practice	3.1	4.1	3.2
2.	Flexible working practice in your organization is cost effective	2.7	2.5	2.9
3.	Flexible work practice ensures efficiency in your organization	3.6	4.3	3.9
4.	Flexible work practice system is compatible with the organizational objectives	2.9	3.5	3.1
5.	Flexible work practice system in your organization is focused more on part-time workers engagement	2.9	2.7	2.4
6.	Flexible work system needs to be modified more in your organization	4.3	4.1	3.6
7.	More work should be given to the adhoc-workforce in your organization	1.9	2.4	2.1
8.	As an executive, you are properly trained in managing ad-hoc workforce	2.7	3.4	2.6
9.	Ad-hoc/peripheral workforce is adequately skilled to carry out their tasks in your organisation	2.6	2.9	3.1
10.	Flexible/peripheral workforce is adequately compensated in your organization	2.6	2.7	2.0
11.	Your organization is presently over dependent on adhoc/peripheral workforce than the industry standard	1.7	2.1	1.8
12.	Your organization policy needs to be modified to incorporate more flexible work practices	2.9	2.4	3.0
13.	Your regular responsibilities include supervising and managing the works done by ad-hoc workforce	2.8	2.7	2.5
14.	You think that the quality of the work done by the ad-hoc/peripheral workforce could be better by making those done by the regular and core workforce of the organization	2.6	2.7	2.8
15.	You think, more rigorous monitoring is required for the work done by the ad-hoc/peripheral workforce	2.9	3.1	2.7

ible work-system with the organizational objectives, need for modification in the existing flexible work-system, adequate training given to manage ad hoc/peripheral work teams etc., response patterns

from logistics and transportation industry seems to be highly positive. Finally, the executives from financial services industry recorded most positive opinions on the areas of regular flexible work sys-

tem in their organizations, growing efficiency due to flexible work-system, compatibility of the flexible work-system with the organizational objectives, need for modification of existing flexible work system, adequately skilled level of the existing ad hoc/peripheral work-force, need for modification of organizational policy to imbibe flexible system etc.

Major Findings & Recommendations

A general trend of unanimity can be observed in the response patterns from the executives across three industries. However, some deviations and differences are also visible on some of the issues. Based on the overall response patterns and the general trends of response patterns following observations and a few subsequent recommendations can be made:

Logistics and transportation sector has witnessed relatively higher engagement of ad hoc/peripheral workforce than the other two sectors.

1. It is observed that flexible work-system is quite prevalent across all three sectors, covered by the present study. Executives are also quite aware of the same development. However, might be due to nature of the work, logistics and transportation sector has witnessed relatively higher engagement of ad hoc/peripheral workforce than the other two sectors, covered by the study. There is scope for further engagement of such a work-practice in the other two sectors as well as respondents from all these three sectors have positively opined regarding the contribution of such practices in terms of greater efficiency and cost effectiveness.
2. On the issue of compatibility of such practices with the overall organizational objectives, a high positive trend of opinion can be witnessed across sectors, though in the financial service sector, the same is found to be more compatible than the other two sectors. As the logistics and transportation sector is found to be more dependent on this flexible work-force system as visible through the response patterns and as per the report published by Labor and Employment Report (2015), published by Dubai Chamber of Commerce, they need to look after the issue of compatibility more than the remaining two sectors, covered by the present study.
3. It is also a noteworthy development that the executives employed in the logistics and transportation sector are better trained than those from other sectors covered by the study. It can be linked to the cause that this sector employs highest number of such people among all three types of sectors, covered by the present study. Though, other two sectors have recruited relatively less number of ad-hoc/peripheral workforce, yet with the growing trend of such work-force strength, training to manage such workforce needs to be emphasized.

According to Thomson and Relis (2011), executives and managers of the 21st century, needs to develop the skills to manage the workforce engaged not on regular pay-roll, but will play crucial roles for organizational sustainability across global markets.

4. As per the present study, ad-hoc/peripheral workers employed in the financial services industry seem to be better trained than those in the other two sectors. This might be due to the relatively more formal nature of business model adopted by this industry. Not only in Dubai, which is known as the financial hub of the Middle East North Africa region (MENA), financial service sector across the globe is found to be more progressive in delivering training to the employees. In the present study, the other two sectors have been found to be falling short of that practice, though they hire more ad hoc/peripheral workforce than the financial service sector. They can develop their industry specific training models for such types of employees to make their HR and strategic priorities more sustainable. Even, this can reduce the need for rigorous monitoring of ad-hoc and peripheral workforce at their workplaces as visible in financial sector, where such need is found to be less than in the case of other two sectors.
5. Finally, on the issues of regular monitoring, supervision and management of the ad hoc/peripheral workforce has been made a part of the regular responsibility, almost same level of

response patterns have been found across the three sectors. Systematic efforts can be developed to make this responsibility to be simple, hassle free and more effective by applying industry specific initiatives.

Limitations & Conclusion

The researcher acknowledges a few limitations of the present study which can be overcome in subsequent researches.

1. Though attempts have been made to maintain the highest level of integrity in collecting response patterns, some minor duplications might not be denied as the single source questionnaire has been used to collect the feedback from the respondents. This can be overcome by expanding the sample size in future.
2. The study has been made, based on the responses collected mainly from middle level executives of the respective sectors. Therefore, some bias in response pattern cannot be denied completely, though wide variety of responses across sectors on various issues can prove the validity of the results of the present research.
3. The research can be enriched by applying causal impacts on the several outcomes by applying advanced data analysis process.
4. The study can be made more practically applicable by adding many other dimensions of managing ad-hoc/peripheral workforce in other industries as well.

5. A cross location study across sectors of different geographies is also highly recommended.

The Atkinson's model of work-force composition planning can be a strategic guideline in many sectors and industries, though further modifications can be done on it.

As per the observations made by different globally known consulting firms like Deloitte, McKinsey etc. the practice of flexible work-system will become a more strategic compulsion than preference. The same opinion has been reflected in different studies and reports published by International Labor Organization, World Economic Forum, International Monetary Fund etc. Therefore, the Atkinson's model of work-force composition planning can be a strategic guideline in many sectors and industries, though further modifications can be done on it. The present study has used the same model as a reference model and has attempted to develop the research around it. Future studies on the same issues, based on the same model or other models will definitely enlighten the research community more.

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