

Social capital in Jordan: wasta in employment selection

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Abstract

Social capital has emerged as a concept of great interest and potential to help understand and explain how social structures and networks impact political, social and business practices at the collective and individual levels. The basic premise is: investment in social relations will yield expected returns. Extant research has largely focused on the West; our knowledge of how social capital plays out in the Middle East is limited. We marry social capital with 'wasta', the strong family and tribal based connections secured in networks in the Arab world, and investigate HR managers' perceptions of wasta in employment selection in Jordan. Often use of wasta in employment selection is related to favouritism and nepotism and the many negative outcomes of not adhering to merit-based selection. Through in-depth interview data we reveal a more nuanced and multifaceted view of wasta in employment selection. When examined through the social capital lens six distinct themes emerge: (i) wasta as an enabler to get jobs, (ii) wasta as social ties/ solidarity, (iii) wasta as a method to transfer/ attain information, (iv) wasta as a guide in decision-making, (v) wasta as an exchange, and (vi) wasta as pressure. Our findings confirm that at times wasta grants individuals unfair access to employment that is beyond their qualifications, skills, knowledge and/ or abilities. However, organisational context is relevant. In banking, not all roles are open to wasta. Where the possible negative impact on the organisation poses too great a risk

HR managers feel able to resist even strong *wasta*. Context also emerges as being of key importance with regards to the background and business model of an organisation. Family businesses tend to operate *wasta* more frequently and extensively using tribal connections, religious networks and geographical area based networks as a key source in hiring. Despite globalisation and international nature of banking, *wasta* and tribalism feature strongly in daily business conduct in Jordan. Our paper illuminates the positive effects of *wasta*, e.g. as a method to transfer information, together with discussion on the dangers of ‘cloning’, a (lack of diversity), and the dangers of an incompetent workforce .

Keywords: *wasta*, social capital, Jordan employee selection.

1. Introduction

The concept of social capital has been at the forefront of research in the different fields of social sciences in the past century. Researchers from the fields sociology (e.g: Granovetter, 1973; Coleman, 1988; Portes, 1998), political sciences (e.g: Putnam 1995; 2000), ethics (e.g: Ayios et al., 2014), and economy, business and human resource management (e.g: Woolcock, 1998; Carrie and van Buren, 1999; Fernandez et al., 2000) have utilised social capital as a core concept in explaining how an individual’s social network impacts his/her access to different resources and ability to achieve goals and aspirations (Burt, 2005).

The primary assumption of social capital theory is that social networks ‘have value’ that can be acquired by the members of such networks (Putnam, 2000: 18,19). This value is attained by providing important assets and resources to members which tend to improve the productivity of both individuals and groups in similar ways to other forms of capital such as

physical and human capital (ibid). The 'added value' view of social networks is a point of general agreement between social capital researchers in the aforementioned different fields.

In the countries of the Arab Middle East the practice of utilising social networks to attain goals is locally known as *wasta*; roughly defined as favouritism based on tribal and family affiliation (Cunningham and Sarayrah, 1993: 1). *Wasta* is argued to be a widespread practice that has a substantial impact on political, social, and business interactions in the Arab Middle East, particularly Jordan (Loewe et al., 2007; Berger et al., 2014). In Jordan *wasta* was historically used to mediate between conflicting parties, namely tribes living in Jordan, which later became more prominently used to attain a specific goal with the help of a patron (Mohamed and Hamdy, 2008). Modern day *wasta* is practiced for a variety of reasons including political aims; using *wasta* to win parliamentary elections (Brainine and Analoui, 2006), social; the use of *wasta* in pre-arranged marriage to help a groom in getting the approval of the potential bride or her parents (Cunningham and Sarayrah, 1993) and economic; the use of *wasta* to secure a job or promotion, or cutting through long red tape in government interactions (Loewe et al., 2007; 2008).

Until recently research on *wasta* has been limited, however, academic interest in the subject has increased in recent years resulting in more in-depth exploration of this social phenomenon. This manifested in a number of more theory based research outputs (e.g: Loewe et al 2007; Mohamed and Hamdey, 2008; El-Said and Harrigan 2009; Tlass and Kauser, 2011; Bailey 2012; Sidani and Thornberry, 2013; Barnett et al. 2013). The majority of these studies, however, can be criticised for focusing solely on the negative outcomes of *wasta* while neglecting any positive outcomes, attempting to generalise findings from research on one country to the whole Arab Middle East, and its lack of empirical data to support presented arguments. Hence there is a gap in our empirically-informed understanding

about how *wasta* impacts the political, economic and social environment in each specific Arab country where it is practiced.

This research sets to close this gap by attempting to understand how *wasta* impacts the employee selection process in banks operating in Jordan. Using social capital theory as the underpinning theoretical framework, 17 managers in 14 banks operating in Jordan were interviewed to examine how they perceive the impact of *wasta* in the employee selection process in the Jordanian banking sector. This research is of particular importance as one of the main utilities of modern day *wasta* lies in its use as a way for job seekers to secure jobs by the of an intermediary (Cunningham and Sarayra, 1993; Brainine and Analoui, 2006; Mohamed and Hamdey, 2008; Mann, 2014). This is argued to the point that it is claimed that in Jordan the practice of *wasta* is the only way for many people to get employed (Brainine and Analoui, 2006: 150), rendering *wasta* an important phenomenon to be studied in order to gain a holistic understanding of employee selection practices in the country.

The next section introduces the country of Jordan and the social structure of the country. This is followed by a detailed literature review on *wasta* in employee selection. A section on social capital theory follows. The methodology and research methods of the research are presented after, followed by the discussion and analysis section. The paper is then concluded and the research findings are presented.

2. Jordan and its social structure

Jordan, officially the Hashemite Kingdom of Jordan, is an Arab country located in the politically turbulent Middle East region. Jordan is bordered by the countries of Saudi Arabia to the south and east, Iraq to the north-east, Syria to the north, and Palestine and Israel to the west. The population has been estimated to reach 6,460,000 individuals mid-2013 (The

World Bank, 2015). The capital of Jordan is Amman where the majority of the population reside alongside the cities of Zarqa and Irbid.

The country emerged as a result of the post-World War I division and colonisation of the region by Britain and France and was placed under British mandate (Robins, 2004). After the loss of the West Bank during the 1948 Arab–Israeli War an influx of Palestinian refugees resulted in dividing the Jordanian society into two groups; East Bank Jordanians (who lived in Jordan before 1948) and West Bank Jordanians (better known as Palestinian-Jordanians) who immigrated to Jordan as refugees from Palestine after the 1948 and 1967 wars with Israel and became Jordanian citizens. The rest of the population consists of Circassians (1%) and Armenians (1%) (CIA World FactBook, 2014).

This social structure also links to the economic activity of these groups as the original East Bank Jordanians, although no longer a majority in Jordan, remain predominant in the country's political and military establishments where they tended to seek employment as a first option (Cunningham and Sarayrah, 1993). Jordanians of Palestinian origin, on the other hand, who comprise an estimated 55-70% of the population, generally tend to gravitate towards working in the private sector due to their exclusion from certain public sector and military positions (Sharp, 2012). The loss of their positions and connections due to the war lead Palestinians to be more business minded than East Bank Jordanians (Cunningham and Sarayrah, 1993). This social structure translates to the ownership of organisations as in Jordan, as many organisations from various sectors are family-owned, where the father is the CEO and owner/manager and the majority of those employed/hired are members of the same family, extended family and tribe (Al-Rasheed, 2008).

In the year 2000 Jordan joined the World Trade Organisation (WTO) resulting in an increase in the number of foreign companies investing in Jordan despite its limited natural resources

(Branine and Analoui, 2006). This has prompted several researchers to study HRM practices in the country, and how Jordanian culture, specifically *wasta*, impacts these (Abdalla et al. 1998; Branine and Analoui, 2006; Al-Hasan and James, 2009). The majority of the research is still descriptive and ad hoc, however, so that there still remains a gap in our knowledge on HRM practice in Jordan and the effect of social and cultural factors, specifically *wasta*, on it.

The next section discusses the practice of *wasta* in employee selection in organisations operating in Jordan.

3. Wasta in employee selection

As indicated in the introduction, like other Arab countries, in Jordan the practice of *wasta* is the only way for many people to get employed (Brainine and Analoui, 2006). This widespread practice of *wasta* leads to vacancies being normally filled through connections and jobs commonly offered to family members, relatives and friends with very little consideration of competence and achievements (ibid).

Wasta plays in the process of employee selection as a means of utilising help, provided by an intermediate, which might not be available to other candidates competing for the same job or promotion (Whiteoak et al., 2006). This intermediate can be a person who is directly connected to the organisation where the candidate wants to work, through ownership or by being an employee there, or knows somebody who is. The intermediate is typically from the same tribe or family but could also be a friend, a business contact or an acquaintance of the candidate or his/her family (Cunningham and Sarayrah, 1993; Loewe, 2007).

Several negative impacts can result from the use of *wasta* in employee selection. These include reduced workplace diversity (Albdour and Altarawneh, 2012), damaging the organisation's image (Hutchings and Weir, 2006: 149), inability to perform the job by

candidates hired through *wasta* (Makhoul and Harrison, 2004: 25), hardship in attracting and retaining qualified employees who have no family connections within the organisation (Abdalla et al., 1998: 555)., and mixing family problems with those of business (ibid: 556).

Wasta, however, can have a positive impact on employee selection for both the candidate seeking employment and the organisation. The organisation can utilise its employee's social network to attain other qualified employees who can 'fit' with the organisation quickly (Fernandez et al., 2000). While a qualified candidate can utilise his/ her social network to be 'seen' by the decision maker in the organisation in a sea of other candidates. It is worth pointing out, however, that these possible positive outcomes of using *wasta* in employee selection are under researched as the majority of research focused on the negative outcomes of *wasta* (El-Said and Harrigan, 2009; Berger et al., 2014).

The previous arguments highlights the rational of this study in exploring both the positive and negative outcomes of the use of *wasta* in employee selection by organisations operating in Jordan. There remains a gap in knowledge in terms of understanding how *wasta* impacts on employee selection in these organisations. A primary aim of this research is to address this gap in empirical knowledge. The next section discusses social capital theory.

4. Social Capital Theory

As alluded in the introduction, various researchers from different fields have researched the concept of social capital. In their attempt to understand how social capital functions various definitions have been devised by these researchers to help in identifying what is meant by social capital. An overview of these definitions is provided in table 1 below.

Table 1: Definitions of social capital

Author	Definition
Bourdieu (1985)	The aggregate of the actual or potential resources which are linked to position of durable network of more or less institutionalised relationships of mutual acquaintance or recognition (p.248).
Coleman (1988)	Identifies social capital by its function not as a single entity but a variety of different entities with two elements in common: they all consist of some aspect of social structures and they facilitate certain actions of actors within the social structure (p.302).
Baker (1990)	A resource that actors derive from specific social structures and then use to pursue their interests; it is created by changes in the relationship among actors (p.619)
Loury (1992)	Naturally occurring social relationships among persons which promote or assist the acquisition of skills and traits valued in the marketplace...an asset which may be as significant as financial bequests in accounting for the maintenance of inequality in our society (p.100).
Schiff (1992)	The set of elements of the social structure that affects relations among people and are inputs or arguments of the production and/or utility function (p.161).
Burt (1992)	Friends, colleagues and more general contacts through whom you receive opportunities to use your financial and human capital (p.9).
Putnam (1993)	Features of social organisation, such as trust, norms, and networks, that can improve the efficiency of society by facilitating coordinated actions (p. 167).
Portes (1995)	The capacity of individuals to command scarce resources by the virtue of their membership in networks or broader social structures (p.12).
Woolcock and Narayan (2000)	The norms and networks that enable people to act collectively (p.3).
Lin (2001)	Resources embedded in one's social networks, resources that can be accessed or mobilised through ties in the networks
Adler and Kwon (2002)	The goodwill that is engendered by the fabric of social relations and that can be mobilised to facilitate action (p.17).

All these definitions have in common their identification of social capital as a resource that is embedded in the network of actors, something that cannot be utilised without collaboration with other actors. This is exemplified by Coleman's (1998) definition of social capital by its function which highlights the premise that any benefits that are reaped from one's social network can only be mobilised by interacting with other members of the network. This argument flows from the general premise that social capital is network-based which is acknowledged by all scholars who have contributed to the discussion (Lin, 2005).

Several positive outcomes of possessing social capital have been identified by previous research. On the society level these general positive outcomes consist of high political participation and high levels of interpersonal trust between members of society benefiting society as a whole (Putnam, 2000). On an organisational level they include help for individuals in finding jobs and facilitating inter-unit research exchange (Tsai and Ghoshal, 1998) support in product innovation (Rindfleisch and Moorman, 2001), reducing turnover rates (Shaw et al., 2005), support of knowledge transfer (McFadyen and Cannella, 2004) and strengthening of supplier relations (Adler and Kwon, 2002). Finally, on the individual level it aids the ability on individuals to attain goals through the help of social connections (Flap, 2002).

The general negative outcomes of social capital have been mentioned briefly in some studies on the society, organisation and individual levels (Silkose, 2008; van Deth and Zmerli, 2010). On the societal level, although social capital may result in social and psychological support for individuals in a network, the individuals utilisation of their social networks limits individual identities to small groups ones thus reducing their interest in the wider common good of society (van Deth and Zmerli, 2010). On an organisational level the negative outcomes are embodied in free-riding by non-performers who rely on the network to cover their under-performance (ibid). While on an individual level it can result in limiting the development of skills for individuals who rely solely on their social capital to attain their goals (Gittel and Vidal, 1998). These negative outcome, however, remain under-researched and are not explored to the same level as the in-depth analysis undertaken on the positive outcomes of social capital both generally and in business practice (Silkose, 2008; van Deth and Zmerli, 2010).

This is an important to highlight the contrast between the prevailing views of researchers on the positive outcomes of social capital, while wasta on the other hand has generally been

perceived as a practice characterised by negative outcomes by its researchers. This has translated into a limited perspective when previous research examined *wasta* using a social capital lens. As such research tended to focus on the positive outcomes of using *wasta*, largely ignoring the negatives associated with its use. This has led to a gap in understanding any possible negative impacts of *wasta* when studying it from a social capital perspective.

A theoretically defined mean to distinguish between different forms of social capital and its expected outcomes is typifying social capital based on the different groups or networks it exists in (Lin, 2001; Gittell and Vidal, 1998; Woolcock; 1998; Putnam; 2000). The main two types of social capital identified by researchers are bridging and bonding social capital. These are explored in the next section.

4.1 Bridging and bonding social capital

Gittell and Vidal (1998: 8) introduce the concepts of bridging and bonding social capital. Bonding social capital refers to intra-community or intra-group networks that occur most frequently in families, kinship, specific ethnic or other relatively similar groups, bound together by shared identities, interests, or places of residence (ibid). These groups provide their members with material and non-material benefits that allow them to ‘get by’ in life (El-Said and Harrigan, 2009: 1237). The same networks that bind can also exclude however. They create inward-looking groups and loyalties, which narrows the circle of trust and mutual reciprocity (ibid). Such networks, though important, may lack sufficient information, resources, and wider connections and links which are necessary for development, poverty reduction, and risk pooling (Putnam, 2000).

Bridging social capital, on the other hand, comes about when associations and connections cross social, geographical, and other specific identity lines (Gittell and Vidal, 1998: 8). Bridging social capital is good for ‘getting ahead’ in life because it provides a broader reach

to those seeking social and economic gains beyond their immediate communities (El-Said and Harrigan, 2009: 1237). Nevertheless, bridging social capital can be negative when 'getting ahead' is attained by utilising immoral or illegal avenues. Such avenues may result in the restriction of access to recourses (e.g. access to jobs and universities) to a limited group and the emergence of powerful, tightly knit groups. Such activity presents risks of corruption, nepotism and cronyism.

Both forms of social capital are important and serve different purposes: bonding social capital for reducing individual vulnerability, bridging social capital for empowerment, social cohesion and political stability (El-Said and Harrigan, 2009: 1237).

On an organisational level much of the focus has been on how bridging social capital can have positive impacts on the performance of both organisations (Newell et al, 2006) and individuals (Granovetter, 1973; Burt, 2005) who possess such relations. Burt (2005) discusses how actors who possess bridging relations between groups can attain advantages through these relations due to their access to information from both groups they are connected with. These individuals can act as brokers of information such as the availability of vacancies in certain organisations or qualified employees who can fill those vacancies. There still remains, however, a lack of research on the negative utilisation of bridging social capital by both organisations and individuals, a gap that this research aims to fill.

The next section explores the history of social networks in Jordan and how different types of social capital, through the practice of *wasta*, prevailed in certain times.

4.2 Social capital in Jordan

Informal social-based groups have existed in Jordan, through the practice of *wasta*, even prior to its establishment as a country by the tribes that resided in the land. The form of these

social-based networks, however, has changed with the modernisation of society and the shift from tribal and rural lifestyle to the urban city lifestyle that is prevalent in the big cities of Amman, Zarqa and Irbid. With the shift in the type of dominant social capital, the type of wasta used has also shifted. Tribes which carry with them a high reparatory bonding social capital made way to a more individualistic city lifestyle that carried a more bridging form of social capital. This can be argued to be a reflection of the shift from intermediary wasta to an intercessory form of wasta.

This shift in the prevalent type of social capital in Jordan has been fuelled by several historical events. El-Said and Harrigan (2009) provide a thorough review of the evolution of bonding and bridging social capital in Jordan from the early stages of the establishment of the country. They indicate that social capital (mostly in the form of bridging social capital) played a positive part in building the social and economic environments in the 'good' times (pre 1971). Government policies, economic hardship and poverty, however, lead to an increase in negative bonding social capital in the 'hard' times after 1971 (especially post 1989) and stratification between and within the two groups of East Bank Jordanians and Palestinian-Jordanians (see appendix 1 for an overview of these events).

These events have led to the dominance of bonding social capital through intercessory wasta in its current form in modern society, as the nature and function of wasta itself has changed to reflect a more capitalist-based society. This current form of wasta has been argued to have a extensive impact on business interactions. Arguably one of the most observable are employee selection activities throughout the majority of Jordanian organisations as argued in the previous section.

This research has set forth to examine these claim as it aims to explore the impact of modern day wasta on employee selection in selected banks operating in Jordan. The next section presents the research methodology and methods.

5. Research methodology and methods

This section presents the methodology of the research and the selected research methods.

5.1 Research methodology

The main aim of this research is concerned with how the interviewees who work in banks in Jordan view the effect of wasta on the process of selection in their organisations. This implies that these social actors have an impact on the external world in which they live and interact as they make sense of these interactions and phenomena. Thus, this reseach ontological view is aligned with the position of constructionism.

In terms of epistemology this research adopts an interpretive approach. The selection of this approach is justified for its fit with the aims and data collection methods as it takes into consideration the subjective nature of social science and the inevitable role of the values and interpretations of the interviewees in it, thus making the selection of the interpretive epistemology suitable for this research.

Finally, a qualitative strategy has been adopted as this strategy is appropriate in seeking in-depth data which is needed to understand a very complex social construct (wasta) from a relatively small sample (Creswell, 2009: 13) such as the one in this research.

5.2 Research methods

17 semi-structured interviews were conducted with managers from 14 banks operating in Jordan. Semi-structured interviews were used as the flexibility this method entails eases in exploring the perceptions of the interviewees of the sensitive issue of wasta and enables probing for more information and clarification.

The next section presents the discussion and analysis of the interview data.

6 Discussion and analysis

This section presents the discussion and analysis of the interviews, six themes that demonstrate different ‘utilities’ of wasta emerged from analysing the interview discussions using the social capital lens.

6.1 Wasta as an enabler to get jobs

During the analysis of the interview discussions it emerged that the interviewees perceived the main use of wasta to be an enabler to attain a job by candidates seeking employment. The interview data indicates that wasta could act as the key factor why people attained employment according to the interviewees. As such, wasta as an enabler to get jobs is to be understood as an individual’s social capital (wasta) operating as the sole factor in the employee attaining the job, rather than any other factor such as skills and qualifications.

Many interviewees, however, pointed out that in banking a proportion of the jobs available need certain minimum skills, abilities and qualifications which prevent people from being hired in such positions based on their wasta. They further indicated that such candidates would be hired for more ‘generic’ junior positions based on wasta, thus confirming that social

capital (wasta) does in fact act as an enabler to get a job in the banking sector, albeit not any job in the banking sector.

This findings from this theme confirms the claims of previous researchers who state that one of the main modern day uses of wasta is to requesting help from an intermediate in attaining employment (e.g. Cunningham and Sarayrah, 1993; El-Said and Harrigan, 2009; Berger et al., 2014).

These findings, however, are novel in a different respect though. As while existing literature on social capital generally views the use of social capital in seeking employment positively, highlighting its positive impacts on both the organisation (who gets qualified candidates) and job seekers (who receive a job), the data suggest that it is overwhelmingly viewed by the interviewees as something that has negative impacts on the organisation and other candidates applying for the same job. The interviewees cite reduced morale of other employees, lost opportunity for other more qualified candidates and ultimately a deterioration in the quality of service the organisation offers as negative impacts of utilising wasta in such manner.

The next section explores the second identified theme; wasta as social ties.

6.2 Wasta as social ties

This section discusses the second theme identified which relates to the social ties the candidate uses to aid him/her in attaining employment. The focus of this theme was on the discussions which explored the close inward looking social groups that aid the candidate in attaining employment. These were further analysed by using social capital theory and in particular bonding social capital.

When defining wasta many interviewees focused on the intermediate (wasta) explaining the possible individuals who can act as a wasta for the candidate, for example manager B defined wasta as:

“Wasta means having a connection in an important position who can help you in getting what you want [...]...this wasta could be your relative, a relative of your parents (your mom or dad) or an acquaintance (someone you studied with). Usually the wasta is a relative or to a lesser extent someone who studied or worked with you and who becomes your wasta in achieving your goal”.

This definition suggests that the interviewee perceives that the person mediating for the candidate is usually an individual from a close group that shares the same identity, interest or place of residence as the candidate. The interviewee here gave an example of a direct relative (relative of father or mother) or an acquaintance (study colleague) where strong ties between group members can be utilised to attain a certain goal such as employment.

Interviewee A attributes the prevalence of this utility of wasta in the banking section in Jordan to the fact that some banks in Jordan are known to be family businesses where such practices are more accepted and common. Tribal and group based hiring was perceived to be occurring in many banks that are professed to draw their identity from the origin of their owners (East Bank Jordanians or Palestinian Jordanians), particularly local banks, and this even extends to the religion of the owners (Christian or Muslim). It also appeared that this type of hiring happens based on the geographical place of birth and living.

These banks act as inward-looking social groups where the bonding relation between its members provide them with material and non-material benefits that allow them to “get by” in life (El-Said and Harrigan, 2009: 1237). As members of this group can act as a wasta for a candidate seeking employment just because he shares his origin, religion or comes from the

same geographical area. The *wasta* here either acts as an intermediate himself to help the candidate attain employment at the organisation or helps the candidate by finding another intermediate who is in a position to help the candidate gain employment.

Two negative results of this utility of *wasta* identified in the literature review are confirmed here. The first is the exclusion of candidates who do not share the same characteristics as the group's members. The second is the negative perception of banks who hire candidates based on their origin, religion or the geographical area by the different stakeholders.

The following section discusses the use of *wasta* as a method to transfer information between the candidate and the organisation.

6.3 Wasta as a method to transfer information

The third theme uncovered deals with the use of *wasta* as a method to transfer information about the candidate to the organisation and about a vacancy in the organisation to the candidate.

This type of *wasta* was perceived in a positive way as the use of *wasta* here entails that the candidate is referred to the recruitment/ HR manager as a suggestion and goes through the employee selection process like any other candidate. Interviewee C considered *wasta* here as a referral of a candidate to the organisation that bridges the gap between these two parties. Using social capital theory to analyse this utility of *wasta*, it can be argued that *wasta* here embodies the 'brokerage' aspect of social capital identified by Burt (2005) where an intermediate acts as a broker of information 'carrying' this information over structural holes between two groups; the individual seeking employment and the organisation seeking an employee. The interviewees here do not perceive *wasta* as an endeavour to influence the decision to hire or to force the candidate on the organisation, but rather as an attempt to

provide a link between both parties. In this case, an intermediate 'wasta' suggests a possible candidate to the individual(s) responsible for selecting employees, identified in the case study banks as the human resource/ recruitment manager. Information about the candidate's credentials and skills are 'carried' by the intermediate over the structural holes between the two groups; the candidate and the decision maker(s) in the organisation who are made aware of this candidate and his/her credential and skills. The candidate then goes through the regular selection process as any other candidate and is hired only if deemed to be the most suitable candidate in terms of qualifications and experience.

Several positive outcomes for the use of this type of wasta are identified for both the organisation and the individual seeking employment by the interviewees. For the individual seeking employment it includes an opportunity to be 'seen' by the organisation from a large number of applicants. For the organisation it includes providing the recruitment/ HR manager with information about qualified candidates which can be particularly beneficial for specialised jobs that need particular skills and characteristics. In addition it brings in 'new blood' of employees who can improve the organisation. Finally, it provides the organisation with an employee who fits the culture of the organisation.

The next section explores the use of wasta as a guide in decision making on who to select.

5.4. Wasta as a guide in decision-making

This section analyses and discusses the interviewees' perception on the use of wasta as a guide for managers in their decision making process on who to hire. In this case, wasta was identified as a reason, but not the sole reason, for the decision to hire a candidate. This utility of wasta emerged during a discussion with Interviewee B who views this use of wasta as a guide in selecting employees as a product of the management's 'philosophy'. The interviewee perceives the ethical ethos (or lack thereof) adopted by family owned organisations, which

make up most organisations in Jordan according to her, to be a major cause for accepting the use of wasta as a factor in selecting employees.

This was attributed to the lack of laws regulating the process of employee selection in Jordan and its banking sector which might prevent any possible discriminatory practices in this process. This lack of regulations leaves the onus on the HR/ recruitment manager to select employees based on their merit rather than taking into consideration the candidate's wasta and social connections with the organisation. In this theme wasta is not the only factor based upon which people are hired within the organisation. As such, wasta here, is not viewed as an enabler to get a job but as something in between a method to transfer information and an enabler to get a job. This is confirmed by interviewee Q, who states:

“Wasta how far it goes also depends on how the executive management wants it”.

This suggestion that many banks operating in Jordan do not adhere to being equal opportunity employers was further observed in several interviews. In these interviewees' banks a candidate's wasta and background is used as a selection criterion in the decision to hire a candidate. Wasta thus is an additional criterion that could supplement the lack of comparative qualifications of a candidate, as compared to his or her competitors.

This perceived utility of wasta echoes the findings of El-Said and Harrigan (2009: 1237) who argue that this lack of regulations from the formal institution in Jordan has resulted in the informal institutions such as the tribes and extended families replacing these legislative regulations with criteria of their own. This can be seen in the banks where business, family, geographical, and religious affiliations are used as criteria in the decision to hire candidates

The following section explores the use of wasta as an exchange mechanism when hiring a candidate.

5.5. Wasta as an exchange

This theme emerged from the perceived utility of wasta as part of an exchange process that impacts the decision to hire a certain candidate. During the different interviews it was uncovered that a candidate could use his/her social capital by attaining an intermediate to help the candidate to be hired by an organisation as part of an exchange process. Here, in return for hiring a candidate, the candidate's intermediate (wasta) is expected to provide the individual who makes the decision or the organisation itself with something in return.

The use of wasta as an exchange mechanism was perceived positively by some interviewees, where accepting a request to hire a candidate was seen as something that benefits the candidate (who gets a job) and the organisation (who receives something in exchange for hiring the candidate). In addition it re-enforces the connection between the organisation and the intermediate resulting in strengthening of the intermediate's social ties. It also emerged, however, that the positive outlook to this utility of wasta was conditioned, with the candidate being hired possessing sufficient qualifications and skills for the job he/she is hired for.

The interviewees' perception of wasta as an exchange mechanism aligns with Coleman's (1988) definition of social capital by its function in highlighting that the organisation recognises the value of wasta in the ability of the intermediate to attain a certain resource or achieve their interests.

The next section explores the use of wasta as a pressure mechanism to hire a certain candidate.

5.6 Wasta as pressure

This section explores the use of wasta by a candidate as a pressure mechanism to attain employment at a certain organisation. In such case the candidate utilises his/ her social ties,

whether bonding or bridging, to attain an intermediate capable of exerting pressure on the decision maker to get hired. This theme is of particular importance as it was identified as the most prevalent utility of *wasta* in the sphere of employee selection. This issue was discussed in depth by all of the interviewees who acknowledged that *wasta* is practiced in Jordan with the general view that this use of *wasta* results in negative impacts on the organisation.

In the case of bonding social capital the intermediate could be someone from the same origin, tribe, family or geographical area of the candidate. In such case the pressure exerted on the decision maker will come from the ownership/ management of the organisation who act as an intermediate for a candidate who shares the same origin with the intermediate(s). It was noted that if the decision maker goes against this practice, he/she will find strong resistance from the different stake holders (owners, managers, and even the community).

On the other hand, a candidate can utilise his/her bridging social ties by seeking an intermediate who does not form part of the same social group and who does not share the same characteristics, these ties are usually weak and can include relations based on business affiliation and friendships. This is exemplified by Interviewee C, who provides evidence of how the use of business relations can help a candidate attain employment:

“For example when someone has an account or a big deposit and you as a bank have to hire me”.

This statement can be understood to exemplify how a candidate can use the fact that he has a large deposit in the bank to pressure the decision maker to hire him by way of influencing the management/ownership, who will act as an internal *wasta* because they do not want to lose the deposit. As such they will pressure the decision maker to hire the candidate in order to keep the money in the bank.

It was found, however, that similar to other utilities of *wasta*, the use of *wasta* as a pressure mechanism to attain employment was only limited to 'generic' rather than technical jobs that require specific qualifications and skills.

7 Conclusion

This research sets to explore the perceived impact of *wasta* on the employee selection process in banks operating in Jordan. When examined through the social capital lens six distinct themes emerge from the use of *wasta* in employee selection: (i) *wasta* as an enabler to get jobs, (ii) *wasta* as social ties/ solidarity, (iii) *wasta* as a method to transfer/ attain information, (iv) *wasta* as a guide in decision-making, (v) *wasta* as an exchange, and (vi) *wasta* as pressure.

The use of *wasta* as an enabler to attain jobs by individuals pursuing employment entails seeking an intermediate that can aid this individual to attain a job regardless of the job seekers qualifications. It was found that although this is perceived by the interviewees to be the most common use of *wasta*, this utility is limited to generic jobs and is not accepted when the job in question needs specific skills or qualifications or when the risk of hiring an unqualified candidate is perceived to be too high.

Wasta as social ties is practiced when the decision to hire a candidate is based on shared characteristics (religion, origin, geography) between the candidate and the owner(s) of the organisation. Organisations who hire based on social ties act as inward looking bonding groups where the strong bonding social ties are link together members of the same group and where these ties are re-enforced by replication of favours.

While the first two types of *wasta* are generally perceived in a negative way, the third type; utilising *wasta* as a 'broker' of information about the vacant positions to a potential candidate or about a qualified candidate to the decision maker in the organisation was perceived more

positively by the interviewees. This view comes from the interviewees perceiving this breakage of information as something positive for both the individual seeking employment (who gets to be 'seen' by the organisation) and the organisation (who get a qualified candidate in a country that lacks them in many fields).

The fourth identified utility of *wasta*; *wasta* as a guide in decision making is when a candidate's social capital is used as one, but not the only, of the criteria in the decision to hire. As such, *wasta* here, is not viewed as an enabler to get a job but as something in between a method to transfer information and an enabler to get a job. It was perceived that the use of *wasta* as criterion to hire is a result of the lack of implementation of formal regulations on employee selection in Jordan.

Using *wasta* as an exchange is practiced when the hiring is done in exchange for another benefit that can be bestowed on the organisation by the intermediate, this was viewed positively when the candidate has the required qualifications and skills for the job as such utility of *wasta* is then beneficial for both the candidate (who gets the job), the intermediate (who strengthens his/her social ties) and the organisation (who gets something in return for hiring the candidate).

Finally, the use of *wasta* as a pressure mechanism to hire a certain candidate, which is perceived to most widespread utilities of *wasta* in employee selection, was generally viewed in a negative way by the interviewees. In such case the candidate utilises his/ her social ties, whether bonding or bridging, to attain an intermediate capable of exerting pressure on the decision maker to get hired. Similar to other types of *wasta* this utility of *wasta* is limited to generic jobs and is not effective in jobs that require specific skills or qualifications.

Several findings emerged from the analysis of the interviews that help us close the gap in our understanding of how *wasta* impacts on employee selection in banks operating in Jordan.

Firstly, the findings indicate that *wasta* can be divided into several types where each type has a different 'process' and which are perceived to have different results whether positive or negative. This adds to our understanding of how *wasta* works in employee selection as previous research has limited all these types into one or two ambiguous concepts.

Secondly, although the findings confirm the view that *wasta* is highly prevalent in employee selection in banks operating in Jordan, it further adds to our understanding of the impact *wasta* has on employee selection. As it was found that this depends on the way *wasta* is utilised; if a candidate's *wasta* is accepted regardless of this candidate's qualifications this can result in several negative impacts on the organisation (reduced productivity), the employees (negative feeling and lower morale), and other candidates (loss or employment opportunity). *Wasta*, however, can be positive for the possible candidate (who gets a job), the intermediate (who strengthens his/her social ties), and the organisation (which gets a qualified employee) when the *wasta* is conditioned by the candidate achieving a specific threshold of qualifications and skills needed for the job.

Finally, these findings also add to our understanding of social capital theory, as contrary to the prevalent view that bridging social capital is generally 'good' while bonding social capital is more likely to have negative impacts. It was found that the use of bridging social capital to facilitate pressure and exchange was viewed to have severe negative effects on the organisation. Thus it can be concluded that the conditions of which social capital is used in are the determinant of its results rather than the type used.

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APPENDIX 1

THE EVOLUTION OF WASTA/SOCIAL CAPITAL IN JORDAN. SOURCE: RESEARCHER BASED ON EL-SAID AND HARRIGAN (2009)

