

UNIVERSITY OF SOUTHAMPTON

FACULTY OF BUSINESS, LAW AND ART

**Uncovering The Role of Privatisation in Organisational Routines:
Evidence from the Saudi National Water Company (NWC)**

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ABSTRACT

The primary purpose of this research is to explore the changes in a Saudi Arabian organisation's routine practices following privatisation. The aim is to understand the changes that arise in such practices in the context of the work setting of a developing nation, as this area of study has largely been overlooked by researchers. More specifically, it explores the major factors driving change to the organisational routine practices and the way that change processes occur. In essence, the study demonstrates the impact of change on perceived organisational performance.

The present research employed a longitudinal single case study to facilitate a robust and rich investigation, with the help of a social constructionist approach, in the quest to acquire a deep insight and a thorough understanding of organisational routine practices in a natural setting. The qualitative case study approach helped to generate new and interesting issues. To develop a framework systematically data were gathered through triangulated methods consisting of semi-structured interviews, documentation and observation. The data were then subject to analysis based on Miles and Huberman's (1994) approach, as well as Braun and Clark's (2006).

On the basis of the analysis of thirty seven transcripts along with observation and document analysis, the findings were that there no changes in organisational routines following the privatisation of the NWC. The only change observed was linked to artefacts (ex. standard operating procedure (SOP)), as opposed to organisational routines (either ostensive or performative). Thus, the perceived organisational performance has not improved as a result of privatisation

Interviewees identified many factors and justified their perceptions of why the routines remained unchanged in the NWC workplace. According to the findings, the NWC and any other organisations that have been privatised need to change both types of routines, namely the ostensive and performative routines, in order for actual change to occur. In other words, mere changing of SOPs (artefacts) will not be sufficient to change the actual routines that are made up of ostensive and performative aspects.

This study has a significant contribution to the theory by identifying new factors and their roles in changing all types of organisational routines. Policy makers and managers will benefit from the research findings by taking these factors into their consideration before privatisation taking place in order to change organisational routine successfully.

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DECLARATION OF AUTHORSHIP

I, Mukhlid Almutairi, declare that this thesis and the work presented in it are my own and has been generated by me as the result of my own original research:

Uncovering The Role of Privatisation in Organisational Routines: Evidence from the Saudi National Water Company (NWC)

I confirm that:

1. This work was done wholly or mainly while in candidature for a research degree at this University;
2. Where any part of this thesis has previously been submitted for a degree or any other qualification at this University or any other institution, this has been clearly stated;
3. Where I have consulted the published work of others, this is always clearly attributed;
4. Where I have quoted from the work of others, the source is always given. With the exception of such quotations, this thesis is entirely my own work;
5. I have acknowledged all main sources of help;
6. Where the thesis is based on work done by myself;
7. None of this work has been published before submission.

Signed: *Mukhlid Almutairi*

Date: 18/7/2017

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Abbreviations

G20	Group of Twenty
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
IMF	International Monetary Fund
KSA	Kingdom of Saudi Arabia
MENA	Middle East and North African Region
NWC	National Water Company
COMPAS	A system that connects different departments and integrate different systems
MOWE	Ministry of Water and Electricity
OPEC	Organisation of the Petroleum Exporting Countries
SAMA	Saudi Arabian Monetary Agency
SAR	Saudi Arabia Riyal
CDCSI	Central Department of Statistics and Information
SEC	Super Economic Council
SMEs	Small-Medium Enterprises
SOEs	State-owned Enterprises
STC	Saudi Telecom Company
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
WTO	World Trade Organization

Chapter 1: Introduction

The topic of this research is the ‘Privatisation and Organisational Routines in Saudi Arabia’, with a particular focus on the National Water Company (NWC) as a case study. This introductory chapter contains a brief account of privatisation and organisational routines. It reflects on the research aim, the objectives and the research questions. A short description of the research methodology, the significance of the research contribution and the thesis structure are provided, and conclusions are drawn.

1.1 Background

Privatisation is a topic that is rife with complexity, and has been the core feature in economic policies since the early years of the 1980s in developed as well as developing nations. Incentivised privatisation programmes with a focus on state-owned enterprises (SOEs) were introduced by governments to bring their performance in line with those in developed countries, address the poor performance of the SOEs and respond to international bank requirements (Roberts and Saeed, 2012).

There are several definitions of privatisation (most are discussed later). However, this study adopts the following definition: privatisation calls for the transformation *of SOEs into private ones* (Bruton et al., 2015).

Although privatisation has seen significant growth globally, there are still concerns about the concept and its implementation in various cultural and political environments at a global level. More specifically, there are concerns about what will happen to the previous organisational routines and whether the organisation has, in fact, successfully changed them (Becker and Lazaric, 2009; Pentland, 2011; Almutairi et al., 2014). Changing organisational routines to ones that are more effective is one of the main goals of privatisation, because it is postulated that this will improve the overall performance of the organisation. It is believed that this will purportedly improve its performance as a whole (Helfat and Winter, 2011).

Organisational routines are the repetitive patterns of performance or recurrent implementations within an organisation (Cohen et al., 1996; Becker, 2004; Pentland and Feldman, 2005). On its own, an organisational routine is an attainment of repeated performance by an organisation over a certain period of time (Cohen et al., 1996). In contrast, a random or haphazard organisational activity, which is not recurrent in nature and takes place only once, could hardly be considered routine (Becker, 2004).

Organisational routines were first considered an important analytical unit in organisational analysis by Nelson and Winter (1982). Routines are systemic processes that provide theoretical bases from which to understand and analyse the changes within an organisation. Nelson and Winter (1982) argue that understanding such routines and the changes over time is the only way to understand organisations and how they operate. Organisational routines have the potential to change within an organisation incrementally (Feldman, 2000; Feldman and Pentland, 2003; Becker et al., 2006; Becker and Zirpoli, 2008; Parmigiani and Howard-Grenville, 2011), and such changes open up an interesting avenue for researchers to analyse, examine and explain how they occurred (Becker, 2004). To achieve this, the concept of routines suggests that they are designed to adapt to and be modified by the organisation in response to changing market environments. However, data on the tendency of the organisation to change its routines due to privatisation are very scarce (Pentland et al., 2011; Vromen, 2011; Ouda, 2014).

1.2 Significance of the Study

The previous section states the importance of privatisation to changes to organisational routines, and the need to undertake a thorough investigation to assess the potential impact of any changes. Thus, this research focuses on the role of privatisation in organisational routines in an extensive study in Saudi Arabia. As stated in the methodology section, this study is undertaken as a single case study to investigate changes in organisational routines in the NWC, a public company that in 2009 turned private.

Claims have been made that the privatisation of the NWC has resulted in several changes including to its organisational routines. This case study provides enriching data for the development of a study framework explaining to what extent privatisation has played a role in organisational routine change and highlighting its foundations and its drivers (if any). The study employs a qualitative method to enable novel issues and ideas relating to the topic to emerge. This method is suitable, as there are no pre-developed hypotheses to investigate. This study explores changes in organisational routines after privatisation and the drivers for that change. The findings are expected to provide theoretical and empirical experience with regard to changes in organisations in Saudi Arabia, and the water sector in particular.

The organisational routines (for example, hiring, training and budgeting routines) are a comparatively recent and emerging trend in the field of management sciences; to date, management scholars have conducted empirical research to evaluate the nature, scope and function of organisational routines (Parmigiani and Howard-Grenville, 2011; Miller et al., 2012; Pentland and Hærem, 2015). Although considerable work has been done in the field of organisational routine, there are still many aspects that remain unclear, such as the role of privatisation on changes to organisational routines, and these require further empirical investigation (Becker and Lazaric, 2009; Helfat et al., 2009; Pentland, 2011; Vromen, 2011). Hence, this study could be considered as empirical research that adds value to the existing body of knowledge.

Further, there has been only a limited number of empirical studies on the topic in varying empirical contexts – for instance, some researchers explored one routine in one organisation (Howard-Grenville, 2005), some explored a single routine throughout multiple company divisions (Pentland, 2003b), some explored several routines within one organisation (Feldman, 2000; Feldman, 2003) and others examined a single routine in many organisations (Pentland and Reuter, 1994). The focus of this study is on the

role of privatisation on changes to organisational routines in one organisation (NWC) in a new context – Saudi Arabia.

Based on the above review of the types of studies in the topic, the literature gap lies in the empirical exploration of a single routine in different divisions of a single organisation pre- and post- privatisation. Added to this, the literature on organisational routines reveals the impact of several variables on changes to organisational routines, most of which focus on the factors that influence such changes rather than how they influence this change. In addition, some studies have been limited to exploring to some factors and excluded others, consequently there is limited in-depth research on organisational routines, particularly in developing countries.

1.3 Research Aim and Objectives

This study aims to explore critically the role of privatisation in changes to organisational routines and aspects related to such changes, in the context of the NWC in Saudi Arabia during the period 2009–15. Specifically, the primary objectives of this study are as follows:

- To provide an insight into and investigate the ways in which privatisation has influenced organisational routine changes in the context of Saudi Arabia.
- To reveal the main factors that contribute to organisational routine changes due to privatisation and to figure out these routines change.
- To investigate to what extent privatisation has played a positive or negative role in introducing new organisational routines that may have led to the promotion of perceived performance in the NWC.

1.4 Research Questions

Privatisation has gained currency worldwide and there are numbers of studies in this regard. For example, Kousadikar and Singh (2013) demonstrate that privatisation may be evidenced to improve the efficiency and profit generation of state-owned firms. The authors noted that successfully privatised sectors include insurance, banking, civil aviation, telecoms and power. Similarly, the attitude of university students on the

privatisation of higher education in India was examined by Sarmah (2013). His findings showed that students had positive attitudes.

As far as GCC countries are concerned, studies that examine employees' attitudes towards privatisation are still few and far between. A study by Almutairi et al. (2014) examined the attitude of employees and management towards privatisation in Kuwait and found that a successful privatisation initiative should be limited to the following privatisation forms: outsourcing, deregulation and joint venture partnerships. The findings revealed that the process of privatisation would face challenges owing to the lack of competition and profit incentives in public firms, with some projects entailing social responsibility that cannot be achieved by the private sector. In other words, for privatisation to be achieved, some employees may have to be laid off for fear of extensive government regulations. The analysis of the findings also showed that privatisation had to be limited to light to moderate industries such as communication, luxury goods and services. Other strategic enterprises such as education, electricity, health and water should continue to be monitored by the government. The author reached the conclusion that successful and effective privatisation can lead to enhanced quality of goods and services.

In a related study, Ram and Prabhakar (2011) looked into the influence of privatisation on employees' job satisfaction in Oman's public sector telecom company, Omantel. Their findings showed that the majority of the respondents were satisfied with their jobs after privatisation, compared to the case prior to privatisation. They also found that the job satisfaction level was greater among older and more experienced staff.

Along a similar line of study, Ouda et al. (2014) conducted a review of Saudi water supply service privatisation initiatives in international privatisation models and industry practices. They highlighted the need for a more extensive reform framework both inside and outside the sector to guarantee that short-term results are achieved for the development of a successful privatisation model. The findings revealed that the Saudi model is not

distinct in structure and performance, and that long-term performance and sustainability of the model are inconclusive. The researchers thus call for accurate assessment in light of the criteria established for financial and technical aspects.

On the other hand, the impact of privatisation on organisational routines has been neglected by previous studies. Prior studies (e.g. Becker and Lazaric, 2009; Rerup and Feldman, 2011; Aroles and McLean, 2016) have focused on the topics of routines change and stabilisation. In the past, routines were considered as stable entities that were enacted by the participants in the routine in a recursive or mindless manner (Parmigiani and Howard-Grenville, 2011; Howard-Grenville et al., 2016). In recent times, the conceptualisation of routines as generative systems has revealed that change, akin to stability, forms the core of the routine dynamics (Rerup and Feldman, 2011; Feldman et al., 2016).

More specifically, the seminal study carried out by Feldman and Pentland (2003) explains how routines undergo changes and conceptualises routines into two types - *ostensive* routines and *performative* routines. The former is the ideal or schematic routine form or its abstract and generalised idea, or *routine in principle* (Feldman and Pentland, 2003). The latter type comprises distinct actions by specific individuals, at certain times and in certain situations – in other words, it is *routine in practice* (Feldman and Pentland, 2003). Moreover, the presence and the continuing interactions of the two types of routine form two generative systems that perform (performative aspects) distinctly from their representations (ostensive aspects) (Feldman and Pentland, 2003). According to prior authors (e.g. Mutch, 2016; Howard-Grenville et al., 2016), such distinctive roles lead to continuous routine changes.

As can be seen from the literature on privatisation and organisational routines, the topic has not been explored in depth and researchers in organisational behaviour reiterate their call for the need for studies to examine: 1) the role of privatisation on organisational routines; 2) whether

or not organisational routines change after privatisation; and if they do, 3) whether the ways that changes take place are worth looking into (Arocena and Oliveros, 2012; Jiang et al., 2013). Furthermore, previous studies recommend conducting research on the perceived change in organisational routines and performance, as such studies are still scarce (Siddiqi et al., 2012; Howard-Grenville et al., 2016), particularly in the context of developing countries (Parker and Kirkpatrick, 2005; Ouda et al., 2014; Almutairi et al., 2014).

Informed by the literature that I have read and data that I have collected, this research contributes to the body of literature on privatisation and organisational routines by offering a framework to explain the impact of privatisation on changing the types of organisational routines (Artifact, ostensive and performative) in Saudi Arabia. Moreover, the factors that either enable or constrain organisational routines in implementing change has been explored, along with their impact on perceived organisational performance. The study presents a longitudinal case study of a privatised organisation from public sector to private sector. It examines two job order routines (Salbouk and Alwasi plants). These are chosen specifically, as they embrace all features of the broadly accepted definition of organisational routines: they are repetitive (almost daily), they include recognisable patterns of interdependent actions, and they are carried out by multiple actors across organisations (Howard-Grenville et al., 2016) which is explained in detail in context chapter (3).

As a result of the above stance, my primary research questions are:

- What is the role of privatisation in the organisational routines change in Saudi Arabia?
- What were the main factors that led to changes or prevented changes in organisational routines within the NWC after privatisation?
- To what extent has the perceived change in organisational routines' practices had an effect on the perceived change in the organisation's performance?

1.5 Contributions of the Study

The research importance emerges from the fact that the topic of privatisation and organisational routines, within the context of the developing countries and particularly in Saudi Arabia, has not been adequately studied. Literature regarding employees' attitudes towards privatisation in Saudi Arabia remains scant (e.g. Al-Ghamdi et al., 2004; Alzahrani, 2012; Alotaibi, 2012; Ouda et al., 2014). Nevertheless, an overview of the studies indicates that their focus was mainly on the privatisation role in improving the public sector's performance and, added to this, they never directly addressed organisational routines. For instance, Alotaibi's (2012) study attributes the poor performance of public firms to several factors, including conflicting goals, government intervention, lack of competition and ineffective accountability. Similarly, Al-Modaf (2003) highlights the positive attitudes of the respondents to expected promotional criteria changes, salary and systems of hiring. He also highlights the negative attitudes of respondents towards expected changes in work time, workload, and job security. Meanwhile, Almutairi et al. (2014) reveal that public firms' department heads had positive attitudes towards privatisation in Kuwait, and that they are satisfied with it and its practices; and Algamdi et al. (2004) observed the employees' positive attitude towards privatisation, as they seem to be excited and prepared to acknowledge and adopt the privatisation policy. They recommended that the privatisation process in Saudi Arabia should be gradual and that employees should be allowed to contribute to the process. Along with the above studies, Alzahrani (2012) found a positive effect of privatisation in light of the employees' performance in the electricity company in Riyadh, Saudi Arabia.

In sum, the above studies reached the conclusion that successful privatisation calls for government support and the awareness of the employees. Added to this, public support in the form of managerial ability, legislative actions, selection and preparation of firms, and sufficient capital markets were important. Although the above studies contribute to literature, not one focuses on organisational routines, leaving a gap in the literature

that needs addressing (Eljelly, 2011; Russell et al., 2012; Dionysiou and Tsoukas, 2013; Ouda, 2014). Accordingly, there are four contributions of this research, as follows:

1. Filling the literature gap concerning the privatisation role and the two types of organisational routines (ostensive and performative), as well as their relationship to perceived organisational performance. This study explores the factors with significant roles in either changing organisational routines after privatisation or preventing the change from happening, and their impact on perceived performance.
2. Access to roles of actors in the organisational routines that facilitates drawing conclusions from raw data via a qualitative method, unlike studies that had access to top management teams and employed a quantitative method for data collection and analysis. This study uses a case study to explore the organisation and ultimately draw conclusions, as opposed to those that employ archival data.
3. The present study is one of the few that are conducted on the subject of privatisation in changes to organisational routines in Saudi society (a contextual contribution). This study is expected to encourage future studies, and authors in the country and others, to make use of qualitative methods for data collection to investigate organisations that have been privatised, to examine organisational routines.
4. This study contributes to practice as it presents the role of privatisation in organisational routines and the determinant factors that change such routines and influence the performance of the organisation. Thus, policy makers and managers could benefit from this study.

1.6 Research Methodology

This study employs qualitative methods and the social constructionist paradigm, in which the main concern is to acquire an understanding of the basic nature of the social world at the subjective experience level. The prevalence of social constructionism organisational behaviour research

leads to further demands and pressures on researchers to adopt an approach that explores changing routines in the context of organisations (Chen et al., 2013; Dittrich et al., 2016). More specifically, Feldman and Pentland (2003) stress the importance of understanding changes to organisational routines in action and, thus, the present research employs an interpretive method to meet the demands of prior studies.

As mentioned, this study is based on the social constructionist approach and as such, employs a qualitative case study method as recommended by Yin (2013), Stake (1995), Baxter and Jack (2008), Hancock and Algozzine, (2015). A qualitative case study method (Patton, 2002; Silverman, 2013; Yin, 2013) is suitable to explore research aspects that are enriched with information and knowledge, including the role of privatisation in organisational routine. Such a method enables the researcher to collect rich data and obtain an in-depth understanding of the phenomenon under investigation.

More specifically, this study focuses on a single case study, the NWC, to enable an in-depth exploration of details concerning privatisation and organisational routines. The researcher employs three different methods of data collection in what is referred to as triangulation. The primary source of data is in-depth semi-structured interviews, supported by documents and observation to provide richness to the study and specific details to reinforce information from other sources.

In relation to this, Glaser and Strauss (2009) state that, in the case of field studies, scholars often call for the review of documents, conducting interviews and observation in a simultaneous manner, because all data are relevant (Glaser and Strauss, 2009). Added to this, multiple methods often provide deeper insights into the study topic (Denzin and Lincoln, 2008). Also, the data analysis for the qualitative case study method employed follows the approach of Miles and Huberman (1994) in terms of data reduction, data display and conclusion verification as well as Braun and Clark's (2006) approach.

1.7 Research Structure

This thesis comprises eight chapters, with this introductory chapter being the first. In this structure, a brief review of the content of each chapter is provided.

1.7.1 Chapter 2

In Chapter 2, relevant studies dedicated to exploring privatisation and organisational routines are reviewed. The primary objective is to shed general light on privatisation and organisational routine changes, and to demonstrate and discuss factors that motivate the change. The importance of privatisation and organisational routines by looking into the change process, the factors behind them and an overview of privatisation in terms of its definition, objectives and background are addressed. The topic is discussed in the context of the Middle East, particularly the Saudi utility sector and sectors that were selected as candidates for potential privatisation. Ultimately, a review of privatisation of water supply services is conducted. In this chapter, organisational routines are defined, and light is shed on the topic and its characteristics throughout the discipline.

1.7.2 Chapter 3

The third chapter focuses on Saudi Arabia, the context of the study, with the aim of exploring organisational change in this context. Accordingly, a brief overview into the background of the country is provided, along with its general development over the years and the development of privatisation. The chapter provides the geography of the country, its population and the political system employed. Next, the government stance on business and economic systems is discussed by looking at the evolution of the development planning, including a brief overview of privatisation programmes. This is followed by the discussion of the country's private sector, which is the primary focus of the case study. A brief profile of the Saudi NWC is provided, along with the description of organisational routines

that have been chosen to be examined prior to and after privatisation in two NWC plants.

1.7.3 Chapter 4

In the fourth chapter, the research methodology employed is discussed. At the start, the research paradigms in the field of social science are presented. The current research is categorised as a social constructionist research, as it aims to explore organisational routines before and after privatisation in the organisational contexts it operates in. As such, the present study is a qualitative one that is grounded in a case study approach. The chapter provides an insight into the case study method and sets out justifications for adopting it as well as sampling and data collection methods. Finally, it concludes with trustworthiness and ethics sections.

1.7.4 Chapter 5

In this chapter, the analytical approach of the research is provided, as well as a thematic analysis section. Furthermore, the process of analysis is illustrated, based on Braun and Clark's (2006) method.

1.7.5 Chapter 6

Chapter 6 provides the major findings in a thematic manner, with citations from the interviews to support the statements. The extracts are labelled as codes and patterns that then form themes that are linked to the research questions. It also provides the main barriers of organisational routine from changing and their impact on perceived performance following privatisation.

1.7.6 Chapter 7

This chapter aims to conduct a comparison of the findings provided in the analysis chapter and the prior studies on privatisation and organisational routine topics. The chapter also reviews the research questions and describes both the themes that arose from the data and how they are related to the research questions. It provides a discussion of the factors preventing organisational routines from changing in detail (e.g. change resistance, lack

of training, motivation) and the perceived performance of NWC following privatisation.

1.7.7 Chapter 8

The eighth chapter contains the conclusion and summary of the study, the key findings and the main contributions (theoretical, empirical and methodological). It also provides the limitations and recommendations, with suggestions for future studies.

1.8 Conclusion

This chapter gives the research background, the significance of the study, and the research aim and objectives. Furthermore, the research questions and the potential contribution of the study are discussed, as well as the research methodology. In addition, the outline of the thesis structure is summarised. Finally, the following chapter will explore the relevant and current literature related to the research. Finally, the next chapter is the literature review.

Chapter 2: Literature Review and Conceptual framework

2.1 Introduction

This chapter explains the theoretical framework and examines literature concerning organisational change and resistance to change. Furthermore, it explores literature relating to the concepts and practices related to privatisation worldwide, but in the Middle East and Saudi Arabia context in particular. In Saudi Arabia, the main focus is on privatisation in connection with the water sector and particularly the NWC. The chapter also reflects on organisational routines – the definitions, characteristics and various factors attributed to routine changes – by covering a wide range of studies by a wide range of authors across disciplines. Figure 2.1 is the overview of the literature reviewed in the current study.

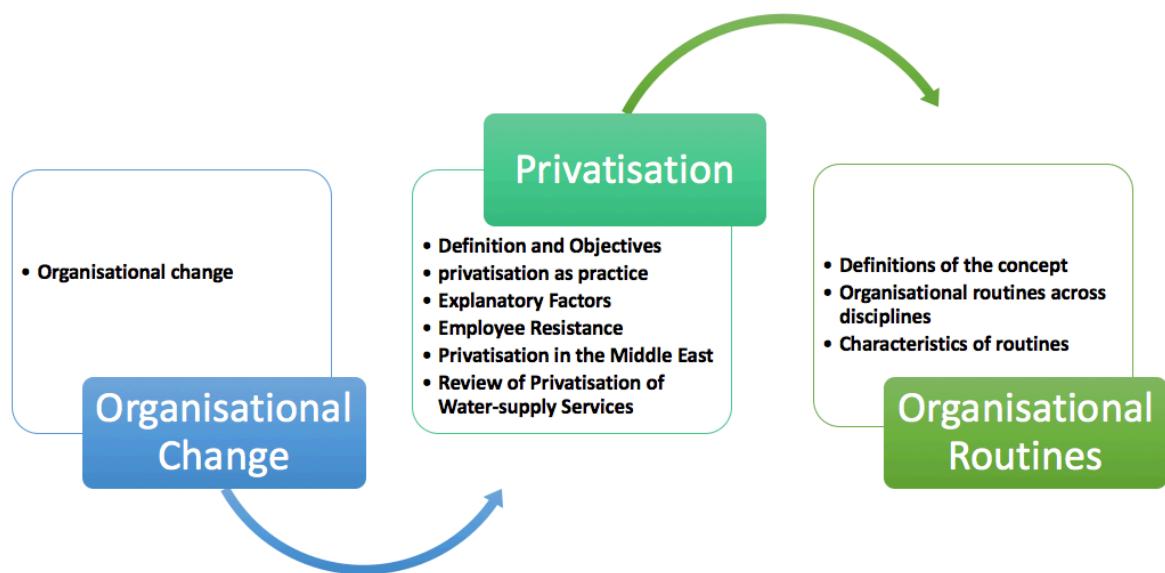


Figure 2.1 Overview of the literature review of this study

2.2 Theoretical Framework

Scholars' attempts to explain the organisational and managerial implications of privatisations involve three theoretical foundations that have

emerged from the field of organisation and economic research. These theories are primarily related to the topics of property rights, public choice and agency, as explained by Roland (2013), Dunleavy (2014), Marcellin and Mathur (2015). More specifically, organisation theory and economic theory posit that sustainable efficiency improvements may be achieved via privatisation policies that lead to positive changes in the organisation, and are distinct from SOEs in their appropriateness for a competitive market environment. With the transformation of public firms into private ones, their goals concerning organisational structure, corporate governance and goals undergo change.

SOEs' managers are criticised for the excessive attention that they pay to the objectives established by politicians, and their seeming lack of concern for those established by firms to maximise efficiency (Boycko et al., 1996). The circumstances in SOEs are rife with ambiguous goals and various conflicting objectives when it comes to political and financial decisions (Parker and Kirkpatrick, 2005). In contrast, in the private sector, it is notable that the goals are clearer, with a primary aim of maximisation of profit (Parker and Kirkpatrick, 2005).

In relation to the above, both public choice and agency theorists view goal and control as the core determinants of the effects of privatisation on an organisation (Roland, 2013). They propose that, after privatisation, top management-level turnover would likely be mitigated, after which stability would be re-established with the continuous aim of a specific strategic direction. To this end, agency theorists opine that control mechanisms used in private firms are likely to be more effective than those in their public counterparts (i.e. SOEs). This is attributed to the more effective control of managers in private firms than the SOE directors (Arocena and Oliveros, 2012).

Moreover, making changes to the corporate governance may modify the manner in which governments control SOEs, in that there is widespread belief among researchers that the level of political intervention in the SOEs

is higher than that in private firms (Bakker, 2010). Political intervention is more commonplace in public firms as the managers have ministers as consultants in order to reach financial or political decisions.

Considering the above discussion, three potential effects of privatisation are notable: the goals and objectives, corporate governance and organisational structure. In addition, there are factors that are fundamental to the privatisation changes and these include organisational size, operational technology, organisational environment, and organisational routine (Roland, 2013; Benn et al., 2014; Dahmarde and Barghandan, 2014). According to Dahmarde and Barghandan (2014), structure refers to a key element in the network of factors that determines organisational performance. There is an ongoing discussion in the organisational literature on the level to which organisational structure might change after privatisation. It is, however, noted that it is crucial for privatised companies to change their structure to ensure that decision making becomes expedient, and to mitigate the firm's tendency towards bureaucracy.

Evidently, there is a need to analyse the micro-level organisational changes and the transformation when SOEs convert into private firms (Aswicahyono et al., 2009). This includes the privatisation effects on changes to organisational routines and the way that these eventually influence performance (Knyazeva et al., 2013). Such an analysis would provide and clarify the nature of the transformation process to managers, along with the added implications for the organisation.

In organisational theory, organisational routines occupy a central role and the concept has been mentioned for many decades. Scholars have discovered that using the concept of routines has several advantages in the development of behavioural approaches. Such approaches are the antithesis of the old orthodox neoclassical approaches (Pentland et al., 2012; Mutch, 2016). According to scholars, routines have occupied a key role as a source of change and stability (Feldman and Pentland, 2016), where a distinction lies between ostensive and performative roles of routines. They

subsequently developed a theory concerning routines playing roles to contribute both to organisational change and stability. More specifically, the *ostensive* aspect plays a key role in directing the organisation and in embodying structure, while the *performative* aspect creates, modifies and maintains the *ostensive* aspect. Moreover, the *performative* aspect illustrates the actions taken by the firm.

In the present study, there are two levels of analysis - the macro-level and the micro-level. Macro-level analysis is limited to privatisation, whereby the three theoretical foundations that stem from the organisation and economic research are applied to determine the effect of privatisation in the NWC. Micro-level analysis relates to organisational routines, whereby organisational routine theory which was introduced by Feldman and Pentland (2003) is applied to show whether or not privatisation of the NWC results in it changing its routines (more explanation of this theory will be explained in routine section). If changes are noted, how those changes happened and what aspects of the organisational process were affected are determined, along with the factors behind the effects and how these affect the perceived performance.

2.3 Organisational change

Change is something that occurs when the old is replaced with the new. It is the shift from the old to the new, and the exchange of yesterday for tomorrow (Todnem By, 2005). Along the same lines, Langley et al. (2013) explain that change, like life, has a tendency to happen slowly and in an unsymmetrical manner that leads to attitude and thinking change, and is a reaction to unrelenting pressure, both in individuals and organisations. Several studies emphasise the importance of change to organisations, such as Greenwood and Hinings (1996), Piderit (2000), Pardo del Val and Martinez Fuentes (2003), Langley et al., (2013), to keep abreast of new technologies and the increasing demands of customers. Added to this, change also assists the navigation of organisations and their facilitation of growth. Against this background, champions of change have to resolve the issue of

resistance to change in order to bring about alignment (Langley et al., 2013). Therefore, change can be described as a process that leverages ideas and plans Todnem By (2005), and it is a crucial element in realising development and success, calling for effective planning for positive results and smooth development.

The primary aim behind organisational change is adaptation to the environment or enhancement of organisational performance, as explained by Battilana and Casciaro (2012). These authors provide descriptions of two different changes that could occur in an organisation, namely first order change and second order change. The former covers evolutionary incremental changes that include small or minor aspect changes that enhance the present situation while allowing the general framework to remain. The latter, on the other hand, covers strategic, revolutionary or transformational changes that include radical transformations and changes to the framework. The aim behind second order change is to search for new competitive advantages through change in the fundamental organisational capabilities.

In a related study, Self and Schraeder (2009) provide a discussion of the significance of change, the problems it brings and other issues concerning the meaning of change, the objectives of change and how to deal with change, with recommendations for effective change management policy. The primary aim of change is to adapt to the changes in the environment or to improve performance (Ribeiro Soriano et al. 2012). With regards to scope, organisational change can be distinguished as development change facilitating improvement of the present situation, transitional change facilitating the implementation of a new situation for a specific period, and transformational change facilitating the development of a new state that requires implementation (Alas and Sharifi, 2002).

2.4 Privatisation

Since the 1980s, privatisation has been deemed to be at the heart of economic policies in both developed and developing nations (Friedman, 1997). Accordingly, privatisation programmes have been established that are dedicated to SOEs. These programmes have evolved and as such, governments of developing nations have set up incentives to adopt plans in the hope of following in the footsteps of developed nations, particularly their reactions to international banks standards. This also holds true in how they address issues concerning the ineffective performance of state-owned firms.

Although privatisation has experienced significant growth, there are still concerns in terms of the concept and its implementation in various cultural and political environments at a global level (Boubakri et al., 2016). This section attempts to provide an insight into theoretical and empirical issues that are privatisation-linked, and empirical studies on this topic. In the first part of the chapter, the definitions of privatisation and objectives are provided and, in the second, a historical background around the world (Europe, Asia and the Americas), the Arabic world and Saudi Arabia, in particular) is reviewed.

2.4.1 Privatisation definition and objectives

Privatisation is a complex topic (Amado et al. 2017). According to Parker and Kirkpatrick (2005), the term has been employed to encompass various policies and the different points of view used by authors indicate the term's various definitions. For instance, some authors use the term to address the state's businesses sale of assets (i.e. SOEs). The following definitions exemplify this mode of employment:

1. Privatisation is the state-owned business transference into private control (Soyibo et al., 2001).

2. Privatisation is a two-directional process in that, first, it is transformed from public ownership to a private one, and second, it consists of minimisation of public monopoly (Schneider and Jäger, 2003).
3. Privatisation is the sale of a part, parts or all of a government's equity in enterprises owned by the state to the private sector (Ramamurti, 1992).
4. Privatisation is the transference of assets from the public sector to the private (Parker and Kirkpatrick, 2005).
5. Privatisation indicates transference of control in a permanent manner, whether because of ownership transfer rights from a public agency to one or more private parties, or a capital increase upon which the public sector shareholder has waived its subscription rights (Guislain, 1997).

These definitions deal with a single aspect – privatisation calls for the transformation of state-owned businesses into private ones that are owned by a shareholders' group. Privatisation in terms of practice and experience also evidences the various meanings that may be attributed to the term, other than simply the selling of SOEs.

In this regard, Hartley and Parker (1991) define privatisation as the inclusion of market forces into an economy with the aim of making enterprises work on a commercial basis. This notion indicates that privatisation comprises strategies such as denationalisation or the selling-off of state-owned assets, deregulation of the market, liberalisation of the market, competitive tendering, and the launch of private ownership and a market structure. Similarly, Boycko et al. (1996) describe privatisation as the combined elements of the re-appropriation of control rights over employment from politicians to managers, and the maximised cash flow ownership of managers and private investors. This notion was also advocated by Spindler's (2004) definition of the term, which states that it is the transformation of predominantly bureaucratised economic systems into those that are market oriented. Stated succinctly and clearly, privatisation under this notion includes an array of policy initiatives that are established

to modify the balance between public and private sectors and the services provided. To this end, privatisation may encompass any measure that leads to a temporary shift to the private activities sector by a public agency. This definition encapsulates sub-contracting, management contracts, lease of assets of SOE and concessions (Guislain, 1997).

With regards to the privatisation policy, in the UK the British government has four principle strands reflected within the policies, as identified by Clementi (1985):

1. The transference of ownership to the private sector, however and whenever feasible.
2. Facilitation of competition, or liberalisation.
3. Elimination of specific functions that the state sector used to be responsible for, or to sub-contract them to the private sector when this can be done at a reasonable cost.
4. Charging the public for services that were once rendered free of charge.

Another take on the term describes privatisation as the transference of the generation of goods and services from the public sector to the private (Pirie, 1985). Meanwhile, Kay and Thompson (1986) contend that the term represents the sale of state-owned assets, also known as *denationalisation*, the introduction of competition, also known as *deregulation*, and franchising to private entities when it comes to production of state-financed goods and services, also known as *contracting out*. The term 'privatisation' and its use/meaning differ considerably from one situation to the next (Commander and Killick, 1996). Some authors (Pirie, 1985) use the word to mean ownership transfer, while some, such as Haritos (1987), use it to refer to the function transfer from the state to the private sector. Also, Dodgson and Topam (1988) describe privatisation as the sale of government assets, through some or all of its shares or specific assets, while Claque and Rausser (1992) claim that privatisation has to apply both to the sale of government entities to private shareholders in Western economics, as well as the wholesale metamorphosis of such entities in East-Central Europe into private

ownership (Boycko et al., 1996). The first entails the transformation of ownership of shares from public treasury to private in a market economy, while the second entails the transformation of the game rules for all actors concerned and the creation of the market economy's institutions.

2.4.2 A background to privatisation as practice

Privatisation is taking place on a global scale (Boubakri et al., 2013; Jiang et al., 2015). For instance, in the Americas, the US is the leading exporter of the idea, while Canada has initiated considerable privatisation programmes. Also, in Central and South America, several nations such as Mexico and Chile are following a similar privatisation practice (Letwin, 1988). Meanwhile, in Western Europe, the pioneer in establishing large privatisation programmes is the UK, with other countries such as France, Italy, and Germany following suit. Lastly, in the context of Asia, several countries have undertaken privatisation, including Sri Lanka, Bangladesh, Thailand and South Korea. In Saudi Arabia, on 11 November 2005 the Saudi Council of Ministers gave its formal approval of the 20 targeted economic activities, services and public utilities that were proposed for privatisation (see Table 2.1).

Two sets of consumers are benefited by the privatisation process, namely actual or potential consumers in the industry, and consumers who take advantage of the savings in resources accompanying privatisation. In the case of lower subsidies, consumers benefit through lower taxation. In other words, subsidies reflect actual resources that can be consumed somewhere else and, as such, privatisation will benefit consumers since privately owned firms are considered more incentivised to generate the goods and services that consumers prefer. Firms that are successful in knowing and satisfying the various needs of consumers earn profit and thrive. Management is thus more motivated to modify and adapt under privatisation towards generating profit (Beesley, 2013).

In the context of both developed and developing nations, state intervention was increasingly a focus in the 1970s. The majority of the debate on the matter concentrated on state intervention in resource allocation and the

facilitation of economic welfare (Andrisani et al., 2002). Added to this, the performance-ownership relationship was under close scrutiny and heavily debated. Specifically, this debate was on the external debts, budget deficits, and low tax revenue of the failed development model of the centrally planned economy. To this end, privatisation was brought forward as recourse for both developed and developing nations from increasing government intervention: the transference of some - or all - economic activities to the private sector, geared towards maximising economic efficiency. Privatisation was suggested for developing nations with a transition from a central planning to a market-oriented model.

The underlying debate of private ownership is that it forms a huge proportion of the market economy in which the agents react expediently to the signals from the market (Husain and Sahay, 1992). Moreover, it opens up numerous opportunities for income and wealth distribution, where the relevant groups influenced by privatisation - consumers, employees, new shareholders, taxpayers and service suppliers such as financial institutions - facilitate sales (Vickers and Yarrow, 1991). Private ownership also brings about incentives, boosting production efficiency, and affords enterprises a freedom from political interference in their decision-making processes (Domberger and Piggott, 1986). Most importantly, according to Mayer (1989), the main advantage for the government from privatisation is the sales revenue that flows from state-owned properties, as borrowing opportunity of the public sector are limited (Prasad, 2006).

Privatisation, in terms of reduction of costs and enhancement of quality, can be traced back to the fourteenth century, with specific attributions to Ibn Khaldun who authored *Al-Muqaddimah* (Alnajjar, 2005). According to Ibn Khaldun, politics and trade should be separated and state interference should not permeate economic aspects, as the state has various power sources that makes it dominant over the players in the economic field. Hence, the ruler or the state should refrain from taking part in economic activities. This contention is mirrored by Adam Smith (1776), who claimed in *The Wealth of Nations* that the state should play a minimal role in

economic activities and that there are only four conditions under which its interference is justified: 1) public goods; 2) externalities; 3) natural monopolies; and 4) products/services with zero marginal cost (Alotaibi, 2012).

After these pioneering authors, the privatisation notion became popular in scholars' works concentrating on its different aspects, with a common element being that the private sector demonstrates greater efficiency and effectiveness when it comes to economic activities than its public counterpart. In this regard, Peter Drucker, the Austrian-born management thinker, was cited by Andrisani, Hakim and Savas (2002) as the first to recommend local service contracting to private sector companies (Andrisani et al., 2002).

In the context of Great Britain, Margaret Thatcher's election in 1979 as Prime Minister was a monumental phase in privatisation history. After a year of her tenure, several municipal services were already being contracted to private sector organisations in Great Britain, acting as a benchmark for other similar activities. After a decade, several SOEs were privatised, including British Petroleum, British Aerospace, Jaguar, Rolls Royce, the National Freight Corporation, Cable and Wireless, British Airways, British Gas, British Telecom, and the water and electricity utility firms (Vickers and Yarrow, 1991). Added to this, public housing was sold to the individuals residing in them. Great Britain's major conservative policy mimicked specific local practices in the US, particularly in places such as Southern California, where public services like collection of waste were contracted to private firms (Ascher, 1987). This trend reflected the negative performance of public organisations following the nationalisation movement on a global scale. This transition was addressed by Pierre Guislain, who described the privatisation as taking over the nationalisation and public sector growth in the economy (Guislain, 1997). According to him, privatisation is akin to the nationalisation that took place in every economic activity area and in the majority of countries.

2.4.3 Explanatory factors of privatisation

Guislain (1997) argued that the extensive adoption of privatisation programmes at a significant pace that would have been difficult to predict a decade or so earlier could be attributed to many factors, the chief being the poor performance of SOEs in several countries. In fact, several SOEs were blatantly inefficient and their survival hinged on different subsidy types, like tariff protection against competing imports, inclination towards public procurement, exclusive rights, preferential credit access, state guarantees, tax exemptions and public subsidies.

In the context of South Korea, Kim and Chung (2007) demonstrated that SOEs in the past three decades had such disappointing performance that there were even doubts about their privatisation. At that time, policy makers were challenged by the fact that there was only a few SOE policy options to resolve related administrative and political issues. This held true for South Korea, where a major portion of the SOE sector performed below standard and the government was left with no alternative but to improve their performance before the privatisation initiative. The SOEs were shown to the local private sector to have digressed and brought about stagnation in the economy, in that they had to undergo government and bureaucratic interference that was politically and personally self-serving. SOEs were also employed as a redistribution mechanism for income that was more inclined to the privileged in the society.

In addition to the general reasons above, privatisation has been attributed to budget deficits and public finance crisis (Massey and Pyper, 2005). Guislain clarified this phenomenon by explaining that, as the state ran out of financial resources to counteract the SOEs' losses or to offer capital increases required for their development, privatisation seemed the only recourse. An apt example is that of the UK, where SOEs that have been privatised used to cost the treasury £50 million weekly; soon after privatisation, they actually *contributed* £55 million in taxes weekly (Guislain, 1997).

Yet another factor that brought about privatisation in several countries is the dynamic change experienced in the international economy (Firman and Fahmi, 2017), where companies are keen to develop alliances, and to employ versatile strategies in their response to the globalisation and technological innovation development challenges that they face. SOEs seemed to be lagging behind in their response to such changes, and proved inflexible in the face of the dynamic global economic environment (Massey and Pyper, 2005).

With regards to specific industries, there is no justification for the state to intervene in their infrastructure, despite the fact that such industries were long considered natural monopolies, as they were state-managed. To this end, a natural monopoly is said to arise when production technology, such as relatively high fixed costs, brings about the decline of long-run average total costs as the output expands (DiLorenzo, 1996). On the basis of this theory, a producer in such industries will consequently be able to produce at a more reasonable cost compared to its rivals, leading to the creation of a natural monopoly (Depoorter, 1999).

In essence, natural monopoly is a concept that represents a public policy issue. At one end of the spectrum, a natural monopoly indicates that efficiency in production would be better handled if one firm supplies the whole market; and at the other end, the monopolistic supplier would be inclined to exploit his power to maximise profits and benefits.

Despite the issue surrounding natural monopoly, there are various reasons underlying the notion adopted by major players, which is the fact that the private sector is not capable of investing the huge amount needed to run the industries. Moreover, owing to their innate strategic and vital nature, any error made by the industries (e.g. water and sanitation industry) is more likely to result in significant general public concern. Nevertheless, technological advances in these fields have led to the dissipation of natural monopoly and, in current times, several infrastructure industries are players in a large competitive environment (DiLorenzo, 1996).

Furthermore, privatisation has also been attributed to the increasing private investors' demand to take part in providing services and generating products in various sectors of the economy. Put differently, private capital noticed a gateway through which investment and profitability can be facilitated.

2.4.4 Privatisation and employee resistance

It has been noted in the literature that workers in the organisation have a tendency to resist change stemming from privatisation. This is a major factor and may influence such resistance. On the basis of the findings of Megginson and Netter (2001), privatisation is one of the top forces that drive change in the roles and relationships of the organisation. They add that public service workers possess extensive social networks, a high quality working life, and secure and safe employment. According to them, privatisation brings with it a sense of insecurity in the job owing to the new changes in management, the launch of new technology, or the learning of new concepts and procedures following privatisation. In this regard, employees have a high tendency to resist change. To avoid such resistance, it is important for the organisation to reconcile the structural goals and systematic changes, and facilitate job flexibility, as well as improve employment security and decentralise decision making (Burke, 2013).

Private organisations are capable of adopting technological changes in the company and of employing workers who are skilled in order to keep abreast with the changes, while public organisations may not be capable of implementing new technology. Their employees may need to be trained to learn new skills, and this may lead to insecurity in positions and work dissatisfaction and, ultimately, change resistance (MacAvoy et al., 2012). Moreover, public sector organisations exert effort to avoid adverse outcomes that may arise from technological change. Specifically, they focus on the long-term implications of the concentration of wealth and power, and on the heightening domination of public service provision by transnational corporations. According to Self and Schraeder (2009), increasing employee

opportunities can be provided by motivating them and letting them take part in the change aspects, in order that the organisational goals can positively affect the employees' perception of them.

The privatisation outcomes that affect employee relations, pay and terms and conditions have a wide range. A consistent set of factors affecting employee resistance to privatisation include privatisation timing, employee relationships with management, attitude towards organisation and technological changes, among others (Strebel,1996). Such factors affect employees' outcomes in light of their productivity, scope for expansion and other factors that are unique to the organisation.

Furthermore, Abeysinghe and Paul (2005) contended that technological changes will have an effect at the individual level, especially when an organisation is privatised in order to enhance its performance or to obtain competitive advantage in the dynamic competition. This could bring about many changes in the organisational structure, corporate culture and mission statement, among other aspects of the organisation. Farazmand (2002) stated that the changes may be supported by providing new training initiatives for employees and managers so that they may comprehend the nature of the changes, the reason behind the privatisation and the future goals of the company.

It is important for the company to create stability of changes by setting up systems that can develop different behavioural patterns among the employees. For instance, the company can launch a new performance appraisal system on the basis of employees' behaviour, and the results can be created to emphasize customer service and the development of employees. Currently, organisations are undergoing change for various reasons, thus it is important to identify the factors driving resistance to change. Against this background, the present external and internal scenarios have to be understood in order to determine the reason for the resistance, especially when it comes to technological change. Several matters mentioned can assist organisations in determining the issues

involved and reaching a decision on the way that the factors affecting organisations can be tackled.

Types of resistance to change

The different forms that resistance to change can take are active resistance, passive resistance and aggressive resistance (Dent and Goldberg, 1999). These can be categorised as organisation-level resistance, group-level resistance and individual-level resistance. The understanding of the different resistance types can shed light on their resolution and on how to facilitate compliance towards them.

Organisational-level resistance covers resistance to change owing to the following; culture, power and conflict, structure and differences in functional orientations. Group-level resistance includes resistance to change owing to group thinking, group unity, increasing commitment and group norms (Piderit, 2000). Individual-level resistance includes that due to the selective perception and retention, uncertainty and insecurity, and the habits of employees (Dent and Goldberg, 1999).

Generally speaking, employees display change resistance behaviours because of their low tolerance levels, so it is difficult for them to develop the new skills and behaviour needed for the new scenarios of change (Piderit, 2000). Resistance to change also occurs from employees' fear of learning new skills or an inability to adapt. The resistance hinges on how the employees are treated during the process of change and on the employee-organisation relationship (Self and Schraeder, 2009). Some changes may involve psychological dynamics called competing commitment, where employees do not go against change, but resist it, or do not implement it for several issues that they face (Folger and Skarlicki, 1999).

It is evident from the literature that change resistance is a common occurrence but its resolution is still a challenge for management. In prior sections, it was mentioned that organisations have to determine the reasons, factors and drivers of change resistance before planning and

formulating strategies to assist in addressing and resolving them. The successful implementation of effective strategies will assist employees in their performance enhancement and management in its resolution of change resistance issues.

2.4.5 Privatisation and Motivation

Motivation is the inclination of the individual to exert optimum effort towards achieving organisational goals, tempered by their ability to satisfy some need (Gilley, 2005). This indicates that motivation has three major elements, namely effort, organisational goals and needs. The authors further elaborate that motivation covers enhancing the performance of employees via assistance, guidance and discussions with them. This highlights the managers' responsibility within an organisation to motivate their employees to improve its performance. In a similar line of study, Self and Schraeder (2009) state that motivation can be provided to employees by counselling them – an activity that covers discussion with employees on the issues that they face in work performance. This can be possible through promotion and appreciation following performance appraisals.

There are several motivation theories dedicated to examining the approaches to achieving the needs of the individual. These include the expectancy theory by Vroom (1964), the need theory by Maslow (1954), the reinforcement theory by Skinner (1971) and the goal theory by Karoly (1993) (Schnake et al., 2007). The literature indicates that motivation predictors include job satisfaction and organisational commitment.

According to Yusoff and Kian (2013), managers can maintain stability and obtain consensus among employees in order to overcome resistance through the establishment of an effective feedback system, communication channels and suitable training. Such factors motivate employees and assist in their accomplishments of goals.

In a related study, Gilley et al. (2009) indicate that workforce discussion lays down respect in the workplace, and it can be a useful tool to develop

employees' self-esteem. It is thus important for management to act fairly with every employee to avoid the bias and mistrust that could lead to resistance (Strebel, 1996). In addition, motivated employees were evidenced by Van Dijk and Van Dick (2009) to be more inclined to change adaptation than their unmotivated counterparts who resist change. On this note, motivation varies from time to time and from one individual to the next when the change process is about to be initiated. This indicates that at the initial new technology implementation, management's guidance, motivation and training of employees and their relaying of the purpose behind the change and their duties are significant to the process of change (Yusoff and Kian, 2013).

2.4.6 Privatisation in the Middle East

Implementation of privatisation in the Middle East and North African Region (MENA) is lagging behind, according to the OECD (Organization for Economic Cooperation and Development). The pioneering country that has taken up and endorsed privatisation as a policy is Morocco, closely followed by neighbouring countries such as Tunisia, as well as Jordan and Egypt (Khosrowshahi, 1997).

The process of privatisation took a positive turn when it accelerated after 2003, although this involved the divestiture of the major firms, for instance Telecom Egypt in 2005, Turk Telekom in 2005, Bank of Alexandria in 2006, and Tunisia Telecom in 2006. However, some strategic infrastructure firms were included in the divestiture plan, specifically in the transport sector. These include the national airlines of both Egypt and Morocco, and the port container terminals of Morocco, Tunisia and Egypt as well as energy sectors in Egypt (oil firms) and Turkey (electricity distribution network) (Kauffmann and Wegner, 2007).

In 2011 the Arab Spring or the Arab Renaissance as it was known in the Middle East, forced some of the ruling regimes in the region to step down, while others are still undergoing turmoil and extensive protests. According to Almutairi (2014), several analysts predicted that the political turmoil

could initiate a political change whereby the government's control and management of assets would be shifted to the private sector (Ouda, 2014). Towards this end, the political ideology would be established according to the privatisation wave that was expected to come to the Middle East, whereby wealth is expected to be more evenly distributed for a more diversified economy that would shift its focus away from natural resources (Almutairi, 2014).

Consequently, the primary privatisation aim being pushed through by the governments of the Middle Eastern Area is to obtain access to global knowledge. More specifically, although every nation in the Middle East has unique features, there are commonalities among them that sets them apart from the rest of the world. In the Middle East, some of the major drivers of privatisation are its political and social situation, corporate ownership and governance, financial systems and the labour market, as well as the legal systems (Celâsun, 2013).

Privatisation of utility sector in the Middle East

In the Middle East, the privatisation of public institutions including water, energy suppliers, telecommunications, and banking and insurance is proliferating, particularly in the case of Gulf Cooperation Countries (GCC) countries. Bahrain is a good example, and the country is undertaking economic diversification via the Supreme Privatisation Council. Also, Abu Dhabi has employed steps towards the privatisation of public utilities and, in Oman, a report published in 2007 by Kamco Research stated that the Capital Market Authority of Muscat's Securities Exchange has adopted the golden share mechanism, where certain major state-owned firms are urged to offer stakes for public investment while leaving the power of veto in the hands of the government in cases where it has a minor stake in the firm (Ghanem and Elfakhani, 2011).

Despite the promise of successful adoption of privatisation in the Middle East, without a doubt the process of privatisation is a complex process that takes significant time and requires accurate conceptualisation, as well as

planning. Generally, it comprises stated aims of policy, the applicable mechanism, re-engineered firm structures and an implementation plan that hinges on the mentioned mechanisms and structures. It is unfortunate that, in many instances, the GCC privatisation programmes were launched at the implementation stage without proper planning or effectively defined strategic objectives and a robust policy framework, all of which would allow the process stages to be efficiently and effectively implemented (Ghanem and Elfakhani, 2011).

Despite the few studies conducted on the topic in the context of the Middle East; for instance in Saudi Arabia (Al-Modaf, 2003; Al-Ghamdi et al., 2004; Alhomeadan, 2004; Alzahrani, 2012; Ouda 2014), United Arab Emirates (Mansour, 2008), in Kuwait (Madzikanda and Njoku, 2008) and in Oman (Ram and Prabhakar, 2011), their findings highlight that poor performance among public firms is attributed to several factors including conflicting goals, government intervention, lack of competition and ineffective accountability. They are of the consensus that successful privatisation initiatives need public support, managerial ability and support, legislative actions, firm selection and preparation, as well as appropriate capital markets.

Based on the above literature, it is clear that the impact of privatisation on organisational routines has not been the focus of these studies. This lack of focus is addressed in this study. Furthermore, to the best of the author's knowledge, the factors that lead to that change or prevent change to organisational routines from happening have not been explored, revealing another gap in the field of study.

Privatisation in Saudi Arabia

After Saudi Arabia joined the WTO (World Trade Organization) in 2005, the international body required it to open its market to foreign investments. This was a signal for poor-quality companies to improve in order to compete with the foreign companies that were now slowly entering the country. The

only recourse that the Saudi government had to acquire competitive advantage was to privatise local companies.

Various procedures were reviewed by the Saudi government in terms of privatisation of government businesses. As mentioned, the government has been cutting down its dependence on oil as the main source of income and, in so doing, has approved the strategy of privatisation. Privatisation aims to encourage the optimum contribution of the private sector in the production and provision of different goods and services. Specifically, the Super Economic Council, the body responsible for supervising the programme and the relevant companies, established eight primary objectives (SEC, 2014):

1. To improve the national economy in terms of efficiency and competitive advantage to tackle challenges and competition at the regional and international levels.
2. To improve the private sector in its investment and effective participation in the national economy and in the maximisation of its domestic production share, in order to realise national economic growth.
3. To extend Saudi citizens' participation and growth in productive assets.
4. To boost domestic and foreign capital to invest in local businesses. Privatisation reflects the commitment of the government to reform the economy and to attract international investments. It also assists in the development of the capital market and searches for new mechanisms to attract international capital and to boost the country's domestic savings.
5. To increase the employment opportunities and maximise the employment of the national work force while guaranteeing the increment of individual citizens' income.
6. To provide timely and cost-efficient services to all citizens as well as investors.
7. To rationalise public expenditures and minimise the government burden in terms of the annual budget through providing opportunities for the private sector to finance, operate and maintain specific services.
8. To maximise government revenues via the returns of activities contribution to be shifted to the private sector and to maximise the profits gained from selling government properties.

Sectors that are candidates for privatisation

The Saudi Council of Ministers gave its formal approval for the 20 targeted economic activities and services and public utilities that were proposed for privatisation on 11 November 2005. The list is provided in Table 2.1 below. This raises the importance of carrying out comprehensive research of the impact of privatisation on organisational routine changes in developed and developing countries and Saudi Arabia in particular.

Table 2-1 List of sectors and Industries targeted for privatisation

1	Government shares in government corporations, including: <ul style="list-style-type: none">• Saudi Electric Company (SEC)• Saudi Arabian Basic Industries Corporation (SABIC)• Saudi Arabian Mining Company (Maaden)• Saudi Telecommunication Company (STC)• Local oil refineries• Banks	11	Municipal services, e.g.: <ul style="list-style-type: none">• Construction of slaughter houses and their operation• Transportation Services• Collection of municipality revenues• Cleaning services• Waste disposal
2	Government shares in the paid-up capitals of Arabic and Islamic joint venture companies	12	Roads, such as operation and maintenance of the present Expressway department
3	Water and drainage	13	Telecommunications
4	Saline water desalination	14	Industrial cities services
5	Air transportation and services	15	Government Hotels
6	Airport services	16	Sports clubs
7	Railways	17	Educational services
8	Postal services	18	Social services
9	Flour mills and silos	19	Agricultural services
10	Seaport services	20	Health services

Source: Adapted from the Ministry of Economy and Planning (2014)

2.4.7 Review of privatisation of water supply services

In the past few decades, several countries have been dependent on privatisation in order to facilitate the financing, development and management of infrastructure facilities in the water sector (Kwak et al., 2009). Nevertheless, this privatisation drive has been impeded by a number of factors that constrain its successful achievement, such as inaccurate initial information concerning the condition of water infrastructure, a lack of investment environments, the high level of capital intensity, significant initial outlays, a long investment payback period, and the great risk posed by fixed assets. Compounding the matter further is the fact that successful water services privatisation hinges on the existence of effectively applied regulatory mechanisms (Beecher, 2013).

Regarding this topic, one of the most comprehensive studies, which covered 22 empirical tests and 51 case studies, was conducted by Pérard (2009). His results show that the private sector's participation in water supply failed to have a systematic, significant and positive influence on its efficiency. In a related study, Lee (2011) investigated the effect of privatisation on access to water supply and affordability in the case of Malaysia, with the help of data regarding household expenditure. His findings reveal that privatisation did not appear to enhance access to treated water and that ownership of the organisation did not have an impact on its efficiency, particularly with weak regulatory policies. On the whole, Lee's findings show that it is crucial for the government to re-evaluate issues concerning the equity, access and affordability of varying institutional alternatives to the water service.

In contrast to what was anticipated, another study reports that privatisation failed to lessen the government's burden when it comes to financial investment and that the private sector was not inclined to play a key role in bringing about and fulfilling water and sanitation goals (Hall et al., 2005). Estache et al. (2001) show that infrastructure services were negatively affected by the perception that privatisation degrades the disenfranchised population of the countries, particularly in the case of transitional and

developing countries. Despite this perception, there are some instances (for example, France – Barraqué, 2003) in which governments were successful in benefiting the poor by maximising the participation of both private sector contribution (Estache et al., 2001), as measured through the growth in the water connections, and the enhanced efficiency of water supply in the disenfranchised areas of the countries.

In similar studies, Hailu et al. (2012) examined the effect of water service privatisation in the Bolivian context and compared the performance among cities where the service was privatised in some cities, and publicly provided in others. Their findings showed that water access by low-income consumers increased under the provision of the privatised firm, although the privatisation did not succeed in achieving all the aims in the contract. In addition, the tariff increases called for full-cost recovery that ultimately led to public outrage, which called for the government to renationalise the company.

In the context of the Arab Region, the government's economic role is predominant, with the private sector accounting for less than 50% of the GDP of the countries, and the public sector (with the inclusion of state firms) constituting over a third of the formal employment, in comparison to other countries' average of 18% (with the exception of China) (Kikeri and Kolo, 2005). In the past few years, Arab policy makers have been inclined to adopt privatisation in their strategies and reforms as it is aligned with the complete structural modifications that aim to minimise deficits in the countries' budgets, to meet the demand for the services of both water and sanitation, and to improve the delivery of service in terms of performance and efficiency (Hamouda et al., 2008; UNDP, 2014). In line with this, privatisation agreements have been entered into or considered in several Arab Nations - Jordan, Lebanon, Qatar, Bahrain, Egypt, Kuwait and the Kingdom of Saudi Arabia (Hamouda et al., 2008; UNDP, 2014).

Privatisation of the water sector in Saudi Arabia

According to the literature (e.g. Dore et al., 2004), the privatisation of water services can be traced back to the eighteenth century in Europe. In fact, the large-scale privatisation of water services has extensively spread in both developed and developing nations after the successes experienced by the UK towards the end of the 1990s (Abbott and Cohen, 2009). After several decades of water delivery privatisation, a widespread view among scholars is that water delivery is a complex service featuring high contracting costs (Guasch, 2004). A huge portion of literature investigating the privatisation of water utilities in terms of their performance over the past 30 years is of the consensus that it has primarily ended in failure (Araral, 2009; Tan, 2012).

More generally, others have reached the conclusion that evidence of an optimum structural style of water management (public or private) is still elusive. Nevertheless, the combination of effects of privatisation in many service firms has resulted in reforms that go beyond the split between pure public and pure private companies (Bel and Warner, 2008; Bel and Fageda, 2010). Such a trend has led to the greater use of public-private partnerships (PPPs) – partnerships that can be considered as a technique to extend a general procurement method that is akin to contracting out.

In addition, prior literature (e.g. Berg and Marques, 2011) has evidenced that the service management efficiency may hinge more on the normative and institutional frameworks than the management structure. However, despite this contention, the World Bank and other financial institutions have continued their quest to promote water supply privatisation and to market it as the best solution to the never-ending water supply issues in the developing nations. The premise behind this promotion primarily has its roots in two hypotheses – the *fiscal* hypothesis and the *efficiency* hypothesis. The former posits that privatisation will remove the financing burden of the government, while the latter posits that the performance of water utilities will improve when their ownership is shifted to private

entities, as such entities are evidently more efficient than public ones (Araral, 2009).

Studies focused on this topic include those of González-Gómez and Guardiola (2009), and González-Gómez et al. (2011) whose study samples comprised 744 and 741 municipalities respectively. Each piece of work employed different instrumental methods and different models to shed light on the privatisation decisions of the local government. The researchers underline the importance of financial constraints on the government's decision, particularly in the context of large municipalities. However, neither study touches on the role of privatisation in the change of organisational routines.

The Kingdom of Saudi Arabia (KSA) is characterised by an arid or semi-arid region with very limited water resources. Moreover, the annual population of the country has increased from 7 million to 27 million in the past four decades alone, and there is a marked increase in urbanisation from 50 to 80% of the total population (SDCSI, 2014). The revenues obtained from the high crude oil from the early years of the 1970s have driven increasing development and high living standards (Ouda, 2014). More specifically, in the past forty years, changes in the social climate including population, urbanisation and standards of living have generated a continuous and increasing demand for water supply services all over the country.

Throughout history, the water supply services of the KSA were managed by the public sector, which was unfortunately marred by ineffective performance with great quantities of water unaccounted for (35%), and low coverage (78%) (Alzahrani and Baig, 2011); no proper regulatory framework, and an ineffective organisational structure as well as performance. It is evident that water supply services in terms of performance failed to reflect the development of the country. In an effort to improve such services, the Kingdom established Vision 2005, in which the plan was to bring the water sector performance in the country up to that of other developed nations via privatisation, with an initial plan for partnership. Towards this end, the NWC

was launched with the aim of providing water supply services in 2008. The NWC is a joint stock firm that is government owned, with an initial capital of US\$5.86 billion (MOWE, 2014). The NWC strategy reveals the urgent need for better water provision with emphasis on water conservation, supply efficiency and equity, as well as security.

As mentioned, Saudi Arabia has minimal water resources, with an average rainfall of around 100mm every year (Ouda et al., 2013). While the per capita water *share* from natural water resources is around 188 m³ in 2010, the per capita average water *consumption* was around 650 m³ in the same year (Ouda et al., 2013; Ouda, 2014). As for the per capita water share in the Kingdom, it is far below what UNESCO has established as a water scarcity index (i.e.1000m³) and, as things stand, the country is currently suffering from scarce water conditions (Abderrahman, 2006). In 2010, the sustainable water resource produced around 6.44 billion m³ versus water demand for 17.86 billion m³, thus, highlighting a gap of 11.5 billion m³ in 2010 alone (Ouda, 2014). Such a gap in water supply and demand has historically been addressed via groundwater depletion and the desalination of sea water (Ouda, 2014).

It has been noted that the country's water supply services have always been managed by the public sector. However, several challenges have been faced by the company, and these include water shortage, high non-revenue water, low rates of collection, inefficient organisation, bureaucratic processes and staff development, ineffective infrastructure, limited coverage of sewerage collection, environmental challenges, poor customer service, poor operational costs, high capital expenditures and lack of authentic data (Ouda et al., 2014). The water shortage is reflected in the rationing of water owing to the gap in demand and supply, low water pressure, lack of complete network coverage and unreliable distribution (Ouda, 2014).

Before privatisation was introduced, the water supply was deemed to be inefficient in light of the organisation, process and staff development, and was described as involving lengthy processes when it comes to planning,

contracting and procurement, and as having inadequate asset management, minimal automation and lack of staff development and motivation. The aging water supply infrastructure compounds the matter further with its considerable leakage and relatively low coverage (a mere 78% of the population was supplied in 2008), with an unaccounted for water volume of around 35% (MOWE, 2014). Based on the literature reviewed, the distinctive typology between different sets of variables (fiscal motivations, economic efficiency, political processes, network effects and ideological attitudes) offers an invaluable framework for the analysis of the motivations behind the decisions of the government when it comes to public-private delivery. In spite of this, no comprehensive research has been carried out in Saudi Arabia on the role of the privatisation in organisational routine changes.

2.5 Organisational Routine

Organisational routine is a concept that has been gaining increasing attention following Nelson and Winter's (1982) study entitled *Evolutionary Theory of Economic Change*. Moreover, organisational routines were considered as guidance for developing organisations. For instance, it furnishes the expertise entailed in car design by offering the optimum logistics, or in computer manufacturing, among others. Despite the fact that similar concepts that relate to routines have been discussed in prior literature, such as habits in the old economics tradition, or standard operating procedures (SOPs) in behavioural economics, the routines proposed by Nelson and Winter laid greater focus on this role as a unit of analysis in their explanation of organisational behaviour, change and innovation. According to them, the core of their theoretical proposal is that behaviour of firms can be explained through the routines that they employ.

They further add that knowledge of such routine forms holds the key to understanding organisational behaviour, and that modelling the firm refers to modelling its routines and its changes over time (Nelson and Winter, 2002).

Ever since Nelson and Winter's proposed theoretical concept of routines, scholars have increasingly taken up organisational routines in their studies although, considering the popularity of the concept, there has been slow development in its clarification (Cohen and Bacdayan, 1994; Cohen et al., 1996). In effect, there is no consensus on the definition of the 'routine' concept (Salvato and Rerup, 2017). However, in an attempt to lay down the grounds for discussion concerning routines, it is required that organisational routines are defined based on prior studies in the literature.

2.5.1 Definitions of the concept

The various proposed views of the routine concept give rise to the question, 'When authors refer to the term organisational routine, what are they referring to, exactly?' There are four distinct descriptions of routines found in the literature; routines are defined as 1) organisational rules, 2) behavioural patterns, 3) dispositions or tendencies, or 4) generative structures. The last, generative structures, is adapted in this research since it includes both types of routine (ostensive and performative) and provides a solid theoretical foundation for assessing the relationship between them. These descriptions of routines are expounded in the original list of Becker's (2004) study. Each definition is explained in detail in the next sub-sections.

Routines as organisational rules

Some of the pioneering conceptualisations of the term routine were provided by the Carnegie School's treatment of organisational behaviour that considers firms as entities that follow a set of performance programmes and SOPs that are based on rules. Such performance programmes were referred to by March and Simon (1955) as highly complex and organised sets of responses to environmental situations. In other words, they explained that performance programmes are routinised to the level of simplified choice through the development of a specific response towards a defined stimulus. In this case, if search is eliminated but a choice exists in the form of a clarified, defined and systematic computing routine, it is possible to say that the activities are routinised (March and Simon, 1958).

The above contention highlights two characteristics of routinised performance programmes; namely, they provide the direction of programmes as fixed responses to defined stimuli, and they indicate that the persistence of routines lies in the elimination of search.

Routines as behaviour

Taking these pioneering insights of organisational behaviour into consideration, Nelson and Winter (2002) laid the foundations for an evolutionary theory of economic change that expounded long-run firm-level behaviour in the context of a dynamic environment. Viewed as a unit of analysis, Nelson and Winter transplanted the concept of SOPs proposed by Cyert and March (1963) within the mentioned context and referred to it as organisational routine (Pierce et al., 2002), while conferring on the term a more technical characteristic as a store of organisational tacit knowledge, and as a unit of selection and recombination that is similar to the concept of genes in evolutionary biology.

Nevertheless, contrastingly, instead of defining routines as the organisational routines expounded by the Carnegie School, Nelson and Winter defined routines as the sum of the day-to-day and predictable patterns of behaviour of the firm, hence transforming the conception of routines from rule-based to behavioural-based. Such a shift emphasised the notion that tacit knowledge, which is core to the routine operations, is more appropriately defined as behaviour than organisational rules.

To this end, some authors such as Cohen et al. (1996), Hodgson and Kundsen (2004), Hodgson (2008), and Feldman and Pentland (2003) show some ambiguities in aligning routines with the definition of behaviour, owing to the fact that some of the concepts of Nelson and Winter appeared to be related more to a general rule-like dimension/representation dimension of behaviour, not to behaviour itself (actual performance). The above notion can be exemplified by the authors' reference to routine as a target and, in one case, a source of imitation of a competing firm.

It is clear from this instance that the imitator lacks access to the tacit knowledge and as such, the question arises, 'what is being imitated or transferred? It may be argued that what is imitated or transferred would be the routine as a rule, and not as behaviour itself. This issue has resulted in different branches of conceptualisation in literature under the headings of cognitive dimension (the rule-like structure upon which the organisation is based) and behavioural dimension (the behaviour and the level to which tacit knowledge is involved in the capabilities of the organisation).

Routines as generative systems

The varying definitions have resulted in some authors' suggestion of combining the two dimensions, after which routines can be considered as a generative system instead of defining the routine on any of the two levels. This proposal was expounded by Feldman and Pentland in 2003. It is evident from Figure 2.2 (below) that the ostensive aspect denotes the cognitive dimension, while performativity denotes the behavioural dimension.

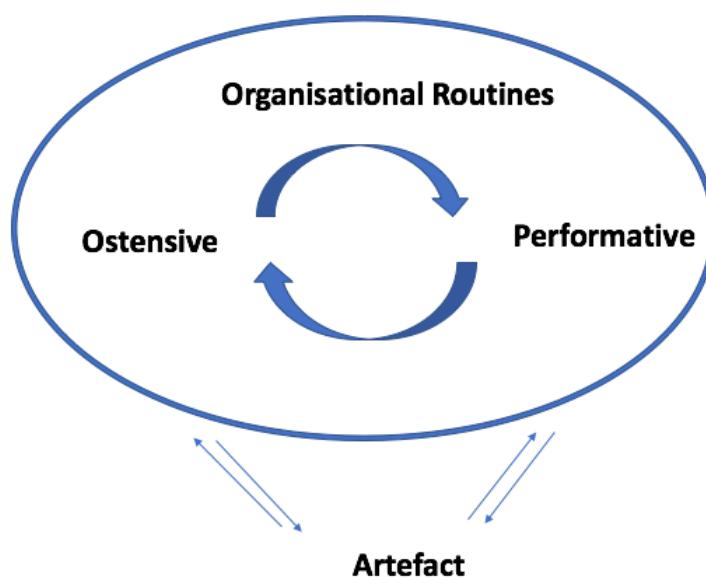


Figure 2.2: Ostensive, performative, and artefact (OPA) framework
Source: Feldman and Pentland (2003)

First, the ostensive aspect considers routine as an abstract entity in which the cognitive regularities and expectations enable the participant to direct, explain and refer to a particular routine performance. Added to this, such an aspect comprises the subjective interpretation of individuals. The authors attribute the difficulty to accurately pinpointing what the ostensive aspects are as a whole, which is a collection of partial and overlapping subjective perspectives. On the other hand, the performative aspect comprises actual performance by particular people at certain times and in certain places (Feldman and Pentland, 2003). The two aspects are deemed to be mutually constitutive and comprise the organisational routine.

Both aspects of organisational routine may be enabled or constrained by different artefacts, with artefacts being the physical manifestations of the routine. Feldman and Pentland (2003) further explain that such artefacts represent or indicate either the ostensive or performative aspects, where the ostensive aspect may take the form of written rules and SOPs (rules that are codified), whereas the performative aspect may comprise prior transaction histories or databases of workflow. Moreover, artefacts may also sometimes be misconceived as ostensive routines although they may just be related to them (Pentland and Feldman, 2008).

Organisational routines are characterised as dynamic, and routine dynamics refers to the study of internal dynamics contained in routines. The major premise underlying routine dynamics has evolved over the years, on the basis of several scholars' works (Feldman et al., 2016). In fact, an insight from routine dynamics research shows a close linkage between routines, practices and processes (Bresman, 2013; Pentland and Hærem, 2015). Routines dynamics has its basis in the premise that routines link inputs to outputs and practices, and that they arise via their enactment and in connection with other practices (Feldman and Orlikowski, 2011; Turner and Rindova, 2012).

Moreover, there are many ways that routines can overlap, intersect and be independent on each other and, accordingly, scholars have explored the

implications behind these interactions in terms of stability, change and innovation. One such work comes from Yi et al. (2016), who made use of simulation to project that interactions between routines can produce unexpected changes and that such changes may have a role in the performance of the organisation in the long run.

Based on the literature, this study is to examine this interlinking of the routines to find out to what extent this framework could explain the relationship and interaction of routines in the case of privatisation in Saudi Arabia, and particularly within the NWC. It will be used as a lens through which to observe the changes that take place in organisational routines. Furthermore, the factors that either enable or constrain the changes to organisational routines and its impact on perceived performance are explored and added to the framework.

Routines as organisational dispositions or capacities

The last perspective was proposed by Hodgson and Knudsen, who define organisational routines as an acquired disposition/capacity to express a specific behaviour or thought (Hodgson and Knudsen, 2004). Their view originates in the notion of habits advocated in the old institutional economics tradition laid down by Thorstein Veblen and the Pragmatist Philosophy of Charles Sanders Pierce and John Dewey (Hodgson, 2008). The authors defined dispositions as a subset of rules and, hence, they followed an 'if-then' structure. In this perspective, a specific feature that stands out in relation to the rules is evident from the Carnegie School in that rules are internalised more particularly in the case of procedural knowledge of the individual and integrated in the organisation routine. A disposition refers to the rules that are adopted and integrated into procedural knowledge – this *disposition* concept proposed by Hodgson and Knudsen differs from *behaviour*.

Therefore, in contrast to the notion that procedure/tacit knowledge is stored in the behavioural level (Nelson and Winter's 2002 definition of routines as behaviour), Hodgson and Knudsen view routines as dispositions that differ from the behaviour that they generate. Specifically, Hodgson (2008) states

that routines cannot be characterised as generative structures and the results of such structures. He adds that the point is about clarification of meanings of words and their ontological references, rather than the suitability of biological analogies. He further explains that a routine cannot be considered as both potentiality and actuality, as it has to denote either one or the other, not both.

On the basis of the above contention, Hodgson (2008) gives his definition of routines at the level of potentiality as an organisational disposition to boost conditional behavioural patterns in an organised group of individuals entailing a sequence of responses to arising cues.

2.5.2 Organisational routines across disciplines

Studies making up the literature dedicated to organisational routines mainly stem from three disciplines - economics, sociology and psychology. Specifically, the economic background of routines originates in classical economics, a field that largely overlooked the effect of individual decision making and positive firms' roles (Penrose, 1995). It was this disregard of the classical economic theory that urged the Carnegie School to shift in the other direction and focus on the ability of the organisation to modify and adapt itself through conscious choice and discretion of management (March and Simon, 1958; Cyert and March, 1963).

In fact, several theories have been developed from economic assumptions, such as the utility theory by Edwards (1954), suggesting that people are aware of the item's usefulness and can rationally assess its value through choices (Edwards, 1954). The violation of this notion is emphasised by Betsch, Brinkmann, Fiedler and Breining (1999) when they state that the attitudes do not require deliberate process, as they can be achieved automatically.

In relation to the above, Simon's (1976) pioneering notions of bounded rationality and its impact on decision making influence his and March's work and result in their definition of a firm's behavioural theory (see March and

Simon, 1958). This theory acknowledges that people do make a difference through their imposition of capabilities and limitations on the firm's selections of choices.

Moreover, behavioural theory is considered to be a crossover from economic theory to several concepts discussed in sociology and psychology, and it reflects the acceptance of the influence of the human factor among organisations. Owing to the division of labour's critical role in work accomplishment, coordination has become a crucial element for the effectiveness and efficiency of the firm. In fact, the acknowledgement of the human element in the firm is what shifts the organisational routine discussion away from economics and towards sociology.

Meanwhile, Bertels et al. (2016) propose a new picture of the way that organisational culture forms the routines enactment, particularly those that are novel to the firm. Their focus is confined to an organisation that imported a routine that was effective in other organisations of the same calibre. The authors caution against the replication and best practices and stress the routines' symbolic dimensions and the social influence entailed in their enactment.

Several researchers claim that routines are integrated systems (Cohen and Bacdayan, 1994; Egidi and Narduzzo, 1997; Hodgson and Knudsen, 2004) that introduce the social network notion (Pentland and Reuter, 1994; Feldman and Rafaeli, 2002). This research branch consists of analysis at both individual and organisational levels.

In relation to this, Nelson and Winter (2002) carried out a study of the economic sector based on an evolutionary point of view in order to highlight the disadvantages of the classical economic theory (Nelson and Winter, 2002). They initially addressed the changes in both economy and firms, after which they provided a description of organisational routines and the ways in which organisations perform tasks with the help of individuals. They state that organisational routines furnish a coordination method and a platform

for change. For a firm to change, it is important for organisational routines to change as well (Nelson and Winter, 2002). This branch of study is focused on analysis at the organisational level.

Other significant studies are by Feldman (2000) and Pentland (2003), who developed their argument drawing on the organisational change perspective stemming from organisational theory, administrative policy and organisational behaviour. To this end, organisational behaviour as a field of study lies at the intersection of economics, psychology and sociology. Additionally, it is close to the topic of organisational learning theory (Fiol and Lyles, 1985; Levitt and March, 1988), as well as to structuration theory (Giddens, 1984), as it minimises the gap between agency and structure. In this research branch, organisational routine in relation to change is present at the individual and organisational levels of analysis.

To sum up, the change in a firm's structure - from public to private and particularly by changing leadership - can lead to a significant difference in an organisation's performance. Change in performance entails organisational routine change. This means that privatisation might trigger change at an organisational routine level, and this is exactly what this study intends to explore.

2.5.3 Characteristics of routines

Although there is no consensus on how to define a routine, there is significant agreement on organisational routines' characteristics: they are a source of organisational memory; they are dependent and automatic, according to context; they are persistent; and they are path dependent. Each characteristic is explained in detail in the next sub-sections.

Routines a source of organisational memory

Among the most distinctive characteristics of organisational routines is their role as knowledge repositories within organisations. The results of organisational learning leading to the development of routines standardise the way in which organisational activities are carried out within learning

situations (Levitt and March, 1988). In this regard, routines are activated when such situations arise, hence it can be asserted that routines can provide the organisation with a source of organisational memory (Levitt and March, 1988).

At the same level of contention, Nelson and Winter (2002) describe routines as the locus of operational knowledge in the organisation, and routines comprise two interlinked aspects to allow them to be deemed as such. Specifically, at one end of the spectrum, routines are considered to be standardised organisational methods in the form of recipes, technologies or SOPs (Cyert and March, 1963) – they are related to a more general social or institutional context in which they provide a structure that accurately directs behaviour.

Nelson (1982) explains that the terms ‘technologies’, ‘standard operating procedures’ and ‘recipes’ are phrases involved in productive methods without specifying how such methods are to be appropriated by individuals or how coordination is achieved by them. At the other end of the spectrum, routines are considered to be organisational capabilities consisting of the individual habits/skills that are required to interlock and initiate sequences of events that offer the right degree of interpretation, coordination and action codes for the optimum performance of the organisation (Nelson and Winter, 2002; Cohen and Bacdayan, 1994; Hodgson, 2008).

Therefore, routines form the important link between structure and action (Pentland and Reuter, 1994), between the factors that comprise organisational behaviour and the capabilities/know-how required for their performance (Nelson, 1982). According to Nelson (1982), knowledge between *structure and action* is characterised as articulable and explicit, and can mostly be codified into descriptive and formalised procedures, whereas knowledge between *behaviour and capabilities* is characterised as tacit, in-articulable and executable in an automatic manner.

Routines as capabilities

As mentioned, 'routines as capabilities' are tacit, and they can be neither transformed into something explicit/formalised, nor encoded into other organisational memory forms such as databases and procedural documents. In this regard, the capabilities aspect of routines forms the organisation's most highly valuable storage of the specific operational knowledge (Nelson and Winter, 2002). The basis of such a dimension (capabilities dimension) of the organisational routine is tacit knowledge, commonly referred to as procedural knowledge, that is possessed by performers of the routine. To decrease the ambiguity of this conceptualisation in the literature, it can be noted that the consensus is on attributing habits/skills to the individual level and routines to the group/organisational level (Cohen et al., 1996; Dosi et al., 2000).

Moreover, Nelson and Winter (2002) state that the knowledge needed for the consistent interpretation of and response to organisational cues is relayed through procedural memory that is contained in habituated behaviour. Habits have several characteristics owing to the procedural memory that helps the interpretation and response of organisational messages. These characteristics are that: habits are learned, after which they are triggered by a social and physical context; they are enacted automatically without deliberation; and they provide action codes.

According to Zollo and Winter (2002), habits are learned in a social and physical organisational context either in a deliberate manner or in a semi-automatic manner. In specific problem-solving tasks, habituation is preceded by intentionality and deliberation, as posited by bounded rationality. Following an individual's determination of a specific solution to a problem that arises often, they will have a tendency to repeat the same solution over and over (Simon, 1955). This contention is supported by findings of studies in cognitive psychology that, when following repetitive behaviour in a relatively stable environment, a habit arises when the control of behaviour moves from cognitive mechanisms (governing deliberate thinking and problem solving) to an automatic mechanism that is contained

in procedural memory (Cohen and Bacdayan, 1994; Hodgson and Knudsen, 2004).

Routines are triggered, context-specific and automatic

After a member of the organisation has laid down a set of habits pertaining to knowing the job, a habit is triggered when a specific situation arises and, as such, habits and routines are context specific. A new employee would have to ask how an unfamiliar task is carried out or to choose a course of action. An experienced employee with suitable habits already established is simply able to carry out such habits. This ability comes from what Nelson and Winter refer to as 'remembering by doing', where the specific context triggers the right habit or skill. Through the specificity of the context and the automatic trigger, followed by habit enactment, the members are enabled to interpret and respond effectively to organisational cues. In this context, the mechanism entailed in the automatic interpretation and execution of the individual skill is the same as that which triggers automatic execution of multi-person routines, in which the habit/skill displayed by a member triggers that of another member (Nelson, 1982; Cohen et al., 1996).

According to empirical evidence, the interactive trigger is a mechanism that achieves routinisation. In a series of laboratory experiments, Cohen and Bacdayan (1994) illustrated that, following a series of iterations in a mutually incentivised card game, two of the players shifted from their intentional behaviour mode to an automatic behaviour mode in which the action of one player brought about a response from the other, to the extent that it resulted in a coordinated pattern of action sequences.

Considering the above discussion, the question is whether or not knowledge held in a routine is solely reducible only to tacit knowledge of individual's habits. Hodgson (2008) explains that routines are not solely reducible to habits, but instead are present because of structured interactions of individuals that result in new properties, ones that are not the properties of the individuals. He further expounds that the properties of the whole cannot be seen by concentrating exclusively on the properties of its parts and

failing to take the structured causal interactions between them into consideration. Moreover, Nelson and Winter (2002) state that habits are developed and enacted by individuals while performing routines, and they are only meaningful and effective in the organisation if the organisation facilitates the enactment of such habits.

Routines are persistent

The persistence of routines is another of their well-known characteristics. Once a routine has been established in an organisation, it has a tendency to persist. Levitt and March (1988) contend that routines are independent of the individual actors who conduct them, and they will persist even after significant turnover of individual actors.

In the literature, there are several explanations for the persistence and stability of organisational routines, with the first by the Carnegie School as highlighted by March and Simon (1955), and Cyert and March (1963). They contend that routines persist as long as there is no gap between organisational aspirations and outcomes. In other words, organisations only dispense with their routines when they are forced (Cyert and March, 1963).

The second explanation stems from a transaction cost perspective in which, when changes are made to how things are done, some cost (either cognitive, physical, monetary or searching) is entailed. Hence, routines persist in order to minimise cost. The final explanation is provided by Nelson and Winter (2002) who explain the persistence of routines motivationally. According to them, routines comprise interlocked individual habits, and breaking/deviating from the structured interaction of individual would break the *status quo*.

Aligned with the notion advocated by the *Behavioural Theory of the Firm*, organisational members are not considered to be committed to the organisation's smooth functioning but, instead, coordination issues abound and arise regularly, and these are integrated into routine operations. To support such routines, control and reward systems are retained and are enacted regularly to keep the routine running smoothly (Nelson and Winter,

2002). However, although such systems often keep the routine going, they are confined to their motivation of organisational members who possess a greater level of behavioural discretion.

However, as per the assumption of this study, privatisation should not be considered as a normal system of control and reward to keep the balance in changes of routine. In fact, privatisation might lead to a dramatic change in organisational routine - or it might not. This study explores to what extent privatisation influences organisational routines.

Routines are path dependent

Routines are characterised as stable and persistent, and this affects the development and the direction of new routines in a path-dependent way. Past decisions affect future ones, as explained by Levitt and March (1988) and, for particular organisations with long histories and with multiple employee turnover, the reasons for a routine are frequently ambiguous; hence it becomes difficult to determine its purpose and effectiveness. The authors note that history's experiential lessons are encapsulated in routines so that this transforms the lessons, not the history, and that these are accessible to the organisational members who are not experienced in the latter (Levitt and March, 1988).

The above scenario could have a negative implication, particularly when competency traps are developed. In such development, companies build experience with inferior routines, to the extent that such routines become embedded in the organisation and destroy any chance of replacing them with superior routines. In other words, for companies to counteract such competency traps, they need to develop routines that enable learning and foregoing (Lam, 2000).

Stability and change in routines

Studies dedicated to routines have increased in recent years as authors have acknowledged their importance to organisations (e.g. Felin et al., 2012; Barney and Felin, 2013; Dittrich et al., 2016; Yi et al., 2016). Studies such as that of Dittrich et al. (2016) indicate errors/improvisation as a factor that

changes routines in a conceptualisation that is aligned with the metaphor of random variation and selective retention, and with the simulated outcomes.

Furthermore, there has been an increasing focus on the identification of the micro-foundations forming routines (Lazaric, 2011; Felin et al., 2012; Barney and Felin, 2013), with the recent work of Yi et al. (2016) providing an alternative method in which context and routines are constituted in a mutual manner while performing, enacting, reproducing and changing.

The above-mentioned studies have assisted scholars to recognise that organisational routines seem to be more ubiquitous in nature than they were previously viewed and have a role in several organisational domains. More importantly, the continuous forays into the topic are aligned with the indistinct boundary between the design and execution of routines and with the premise of effortful and emergent achievements. On the other hand, it is inconsistent with the routine formation theories that have their basis in the psychology/economic incentives of individual actors.

The routines' characteristics of persistence, stability and path dependence, as described in prior sections, may imply that organisations are not capable of transformation owing to their routines' stability and persistence. Nevertheless, this is far from the case, as organisations are capable of changing on the basis of their routines. The routines' stability enables an organisation to be on track and it assists it in changing its routines. Stable routines are the basis upon which organisations compare and learn (Knudsen, 2008). Routines that are not routinised to some extent would make it difficult to determine their effectiveness or otherwise in specific circumstances, and this could lead to difficulty in their selection and change. Stable routines also enable organisations accurately to predict actions adopted by the organisation and hence enable better connection and coordination with novel or reconfigured routines (Cyert and March, 1963; Nelson and Winter, 2002).

To summarise, the literature reviewed shows various definitions of organisational routines and a categorisation into: *organisational rules*,

organisational behaviour, generative systems and organisational dispositions/capabilities. Such definitions are used by different authors in ways that show the complementary aspects in generating organisational stability and change. Moreover, this review of the literature showed the common features of routines in that they are characterised as sources of organisational memory, as dependent on context, stable, and path dependent. This, however, does not mean that routines are not capable of change, as their stability enables organisations to change from a baseline, upon which learning is facilitated.

This research takes into consideration the overlapping and complementary nature of using these definitions. However, it adopts Feldman and Pentland's (2003) definition, which proposes a detailed, theoretical account of routines, in which performative and ostensive aspects of routines are distinguished, as first proposed by Feldman in 2000. Performative aspects refer to routine in practice, whereas ostensive aspects are routine in principle. In other words, the latter is described as abstract, generalised routine notions while the former is comprised of specific actions conducted by specific individuals in a specific location and period in time (Feldman and Pentland, 2003). None of the aspects could function without the other and each is significant to a routine's mutual constitution. Moreover, the ostensive aspects are considered resources that guide and account for actions, whereas the performative aspects regenerate, maintain and change their ostensive counterparts.

This dual characteristic of routines (performative and ostensive) encouraged further study from a practice perspective. According to D'Adderio (2014), this model resolves some of the challenges faced in studies concerning the debate of behavioural versus cognitive regularities as the basis of routines. It demonstrates that the behavioural (in the performative aspect) and cognitive (in the ostensive aspect) are interrelated and resolves the 'never/ever-changing world paradox' emphasised by Pentland et al. (2011). Such a paradox observes that, while routines may differ over time and as we observe them, they retain their routine-like characteristics, and such

characteristics facilitate our identification of them as basically the same action patterns. Advocates of the practice perspective employ the performative-ostensive distinction to explore the way various individual performances of routines generate change/stability throughout time.

The aim is to look into the two aspects of routine - ostensive and performative as well as artefacts - and to assess to what extent the perceived change in organisational routines due to privatisation have an effect on perceived organisational performance within the NWC.

2.4 Conclusion

This chapter has provided an explanation of the theoretical framework and an examination of the literature on the topics of organisational change and change resistance. It primarily aimed to provide an insight into privatisation and organisational routine changes, and to illustrate and discuss the factors motivating the changes. It highlighted the importance of privatisation and organisational routines by examining the change process, the factors that facilitate them and the privatisation concept in light of its definition, objectives and background. The chapter also conducted a review of privatisation practices on a global context, and in the context of Saudi Arabia's utility sector – the candidate selected for privatisation. The chapter ended by providing a review of the privatisation of the water supply services, and the definition of organisational routines as well as its characteristics.

Chapter 3: Context - Background to Saudi Arabia

3.1 Introduction

This chapter describes the background of Saudi Arabia in terms of its location, population, scope, cultural background and historical development. A brief account of Saudi Arabia's overall economic status, privatisation experience and water sector is also given. The chapter starts with a wider overview then takes a narrower view to focus on the NWC, which is the main case study of this research. Furthermore, the organisational routines that have been selected for the study are discussed.

3.2 The Arabian Peninsula

Saudi Arabia occupies four-fifths of the landmass of the Arabian Peninsula. It is one of the areas in which the first human settlers are recorded. The majority of significant civilisations stem from this part of the world, and they continue to have a crucial influence on the present world. Such civilisations are those attributed to successive prophets; beginning with Abraham and his son, Ishmael, and his later one, the Prophet Mohammed (peace be upon them). Abraham was the prophet who was commanded to construct the house of Allah 'God', namely the Kaaba in Makkah to which the believers have come to perform pilgrimage (Hajj) since Abraham's time.

One of the most crucial civilisations to have emerged from this location and which has influenced the world is the Islamic civilisation. Prophet Mohammed (peace be upon him) was born in Makkah and received his calling to the religion of Islam at the same place. Islam was first revealed to its followers in the Peninsula, and ever since has driven the development of the civilisations and states that have spread outwards towards Germany, France to the north, Portugal to the West and China to the east. The geographical location of the Arabian Peninsula, seen in Figure 3.2, adds to its importance, as it is located at the centre of the old world. This is a

significant junction that links the continents, particularly for the purpose of trading.



Figure 3.2: Geographical location of the Kingdom of Saudi Arabia

Source: weltkare.com

3.3 The Development of the Saudi State

KSA has been led by the family of Ibn-Saudi since 1744. The rule extends across three states, the first of which was the founding of the Ibn-Saud rule between 1744 and 1818. The second phase was from 1819-1931, when Ibn-Saud had an agreement with Mohammed Ibn Abd-Alwahab (an Islamic scholar) regarding the call to the Islamic teachings (Falgi, 2009). The main agreement involved the spread of Islam and the adoption of the rules of Shariah in the country. Ibn-Saud's mission remained the same in the second and third states (to develop a country that imposed Shariah as its constitution).

The present Ibn-Saud state (third phase) was established by King Abdulaziz Ibn-Saud (1880-1953) in 1932 (Alrasheed, 2010). The country's size has varied in the three phases of its development. In terms of size right now, Saudi Arabia is more than nine times the size of the UK, covering 2.15 million square kilometres (870 thousand square miles), with a population of more than 28 million (Saudi Arabian Monetary Agency (SAMA, 2014). Saudi Arabia is blessed with distinct and unique geographical and geological characteristics (Algaber, 1995). It contains one of the world's largest sandy deserts and green mountain ranges. Although the weather in the desert is extremely hot in the summer, it remains cool and rainy in the south of the country. Although in the desert the winter is extremely cold, it remains warm in the country's western provinces.

3.3.1 The political system

Saudi Arabia is described as a state ruled by a monarchy, as the King is also the prime minister of the country (Alotaibi, 2012). The pioneering King of Saudi Arabia was King Abdulaziz, and his male descendants took his place (Vogel, 2000). The three basic powers in the country are the executive, judicial and legislative powers, which are assigned to the King, who is expected to rule according to the teaching and guidelines of Islam. The country's constitution is based on the Quran and Sunnah.¹ The government of Saudi Arabia has no elections; instead, appointed are made by the King, who has absolute control over the country. Moreover, there is no parliament but, instead, a council referred to as the *Majlis A-Shoura* provides the government consultations.

Saudi Arabia is regarded as the founder of the United Nations and the Organization of the Petroleum Exporting Countries (OPEC), as it is one of the biggest oil production and exportation countries. Also, Saudi Arabia is among the founders of the Arab League and Gulf Countries Council (GCC) and is currently leading the Council of the Gulf Countries.

¹ *Sunnah* is the sayings of the Prophet Mohammed (PBUH).

Saudi Arabia is considered to be among the leading countries in the Middle Eastern region and in the globe, owing to its Islamic position and economic power. It is included in the Group of Twenty (G20), which has the world's largest economies as member states.

3.3.2 Social conditions

The citizens of Saudi Arabia are all Arabs and Muslims, and they are either Bedouins or civilians living in urban and rural areas side by side with their tribes and extended families. Prior to the discovery of oil, literacy was noted to be low but this has improved after government plans were implemented to educate Saudis and move Bedouins from deserts to urban areas for the purpose of education. Nevertheless, relationships among clans remain strong in Saudi culture, regardless of the significant economic and educational changes in the country's status.

One of the social factors that distinguish Arab in general (Branine, 2011) and Saudi culture in particular is *wasta*. It refers to a powerful individual who could use his position to influence others and it stems from tribal and family relation (Tlaiss and Kauser, 2011). Although it exists in many cultures around the world, *wasta* is of a special influence in the Middle East (Alasmari, 2010). It influences critical decisions in organizations such as recruitment and promotion (Alramahi, 2008). Despite the candidate's qualifications, the selection process would lean toward the candidate with the strongest *wasta*.

3.3.3 The economy

Saudi Arabia was once one of the poorest countries in the world and its economy largely hinged on pilgrimages to the country's holy places, with a few add-ons such as agriculture and transportation of goods (Vassiliev, 2013). In addition, the government drew income from the services that it provided, and from customs charges. The discovery of oil made a huge change to the country's economic status. Currently, the country is the world's biggest oil producer, and possesses 25% of the world's oil resources, with the government income increasing significantly. For instance, the

government income in 1970 was SAR² 7 billion (SAR: Saudi Arabia Riyal) and, by 1974, this had increased to SAR100 billion. By 2011, oil revenues constituted 92.5% of the government income and 57.5% of the Gross Domestic Product (GDP) (SAMA, 2014).

3.3.4 Private sector

The Saudi private sector has experienced dramatic developments, along with the public sector, with the transition of the country from a poor to a rich, oil-producing nation. The pioneering company in Saudi Arabia was ARAMCO, the American oil producer that was established in the 1930s (Basheikh, 2002). At the end of 2013, the number of licenced firms in the country was recorded as 67,992, with a combined capital of SAR2002 billion. In 2003, the number of listed companies in the Saudi stock market was 77; this increased to 150 by 2013 (SAMA, 2014).

Privatisation of the water and sewage sector

On the basis of the Decree of the Cabinet no. 125, dated 16/7/2001 (MOWE, 2014), the primary responsibilities of the Ministry of Water and Electricity include the development of mechanisms, frameworks and required arrangements for the purpose of private sector investment in the water sector in light of financing, implementation, operations and maintenance. The water sector is deemed to be among the 20 facilities that were identified by the Cabinet Decree no. 219, dated 1/12/2002 (NWC, 2014), for privatisation.

Moreover, according to the Decree of the Supreme Economic Council (SEC) no.2/27, dated 14/3/2006 (NWC, 2014) on the rules for the organisation and regulation of the private sector contribution to sector and the transition over three to five years, the overall guidelines are:

- a) To examine the water and sewage sector from all aspects; to evaluate its illegibility; and to define the way that the increasing demands on water would be addressed.

² 1 Sterling Pound equals about 4.7 Saudi Riyals (2017).

- b) To restructure the water and sewage sector and to develop its illegibility, and leverage the services standards that are in place in the provinces and regions in different areas of the Kingdom.
- c) To establish partnerships with the private sector to promote the sector in terms of its performance and effectiveness, and to devise a legal, financial, and technical action framework.
- d) To revise the water rates.
- e) To evaluate the performance of the sector by the end of the transition stage in order to identify the suitable privatisation alternatives and their steps.

Furthermore, the Decree declared by the Supreme Economic Council no. 8/27, dated 4 September 2006 (MOWE, 2014) stated that, in order to approve the restructuring of the subterranean water sector, potable water distribution sector, sewage water pooling sector and its treatment by the Ministry of Water and Electricity, and to transform the sector into a joint venture (completely state-owned) named the National Water Company (NWC), it should take up its responsibilities within four months of the establishment of the Decree.

In accordance with paragraph no. 8 of the Supreme Economic Council no. 8/27, dated 11/9/2006 (NWC, 2014), an ad hoc committee consisting of the Ministries of Water and Electricity, Civil Service and Labour should be established. The aim of this committee was to develop the arrangements and rules required for the workforce of the Ministry of the Underground Water Sector, Drinking Water Distribution Sector and Collecting and Treating Waste Water Sector (under the civil service system and labour scheme).

To this end, the Minister of Water and Electricity passed Decree no. 905/6, 23 December 2006 (MOWE, 2014) to establish such a committee. Meetings were to be held to study and develop the required arrangements and rules to address the position of the related Ministry's workforce, and submit recommendations to the Supreme Economic Council of 28 December 2007 (NWC, 2014). The recommendations were in turn submitted as recommendation no. 54148/B, dated 28 December 2007 (NWC, 2014),

within which the suggested mechanism was approved and the issue was submitted to the Cabinet.

Soon afterwards, the Cabinet issued Decree no. 5, dated 21 January 2008 (NWC, 2014), approving the licence for the establishment of the National Water Company according to the articles of association.

Based on the phases established by the Ministry, the company is expected to obtain and make available the services of the underground water sector, the drinking water sector, wastewater collection and treatment of waste water, drawing on assistance from its affiliation to the Ministry concerning sound and commercial foundations. The company shall also be granted its entitlements, with the inclusion of fees accrued in exchange for the services rendered by the subscribers and this in turn, will affect payments due.

In this regard, the rights and properties of the state in relation to the sectors shall be shifted to the company based on the phases laid down by the Ministry of Water and Electricity. Also, the Ministry of Water and Electricity shall be responsible for supervising the company's performance of services to sectors based on the articles of association, by-laws, and regulations.

The Ministry of Water and Electricity is responsible for examining the cost of generating water and distributing it to the company's distribution networks. It is also responsible for estimating the water value based on the water tariff that the company is permitted to collect, and the costs of achieving the obligations of the company as laid down in the statute. Until then, the state is bound to provide the company with its requirements when it comes to drinking water.

In relation to the above, the Royal Decree no. M/1, dated 22 January 2008 (NWC, 2014), states the approval of the licence to set up the National Water Company based on the articles of association with the following issuance of capital; the company's issued capital is SAR22 billion divided upon 2.2 billion shares with SAR10 nominal value, and the company's paid-in capital after incorporation is nearly 7 billion shares.

The approval of the NWCs board for seven years began at the date of the resolution's passage as per the Cabinet's resolution no. 72, dated 17/3/2008.

Some of the questions that this research is to explore and answer are: What changes have been taking place in the NWC following privatisation? Did privatisation have any impact on the organisational routines within the NWC, and what were the main factors that led to changes or prevented changes in organisational routines within the NWC after privatisation, among others? As stated above, job order routine was selected as the issue to be explored before and after privatisation.

3.4 Selection for routines to study

As established by the developed conceptual framework, organisational routines form the unit of analysis of the present study. Organisational routines have been extensively considered to be a suitable unit of analysis in the exploration and explanation of the way changes occur in the organisation. The selection of a routine for investigation was for one that exists in the organisation in a ubiquitous sense, in that it is linked to significant processes of the organisation, and one which can be suitably distinguished from the activities of the organisation. It is crucial that the chosen routine can be sufficiently explored and studied.

Job order routine was chosen as the main focus of the present analysis; the aim is to answer the research questions based on a set of reasonings. First, job order routine is deemed to be the core of the operations in a firm; second, the activities related to job order routine evidently satisfies the definition of organisational routine as it reflects a recognisable, selectable and sequential pattern of action (Pentland and Reuter, 1994; Pentland, 2003).

It also entails many actors, as prior studies have explained (e.g. Feldman and Pentland, 2003; Becker et al., 2005) and it recurs throughout time (Cohen et al., 1996; Hodgson and Knudsen, 2004). Moreover, it consists of

a set of interdependent and interrelated actions (Cohen and Bacdayan, 1994; Feldman and Pentland, 2003) that is developed to bring about and manage behaviour (Orlikowski, 2000; Becker et al., 2005). Lastly, it has a crucial role in an organisation's development (Becker et al., 2005).

Despite the fact that it is not possible to distinguish accurately a routine from the general social system based on theory (Pentland and Feldman, 2005), in the case of a job order routine, it displays a set of activities that can be separated and explored with minimal overlap with other activities owing to its specificity in purpose and its stand-alone characteristic in relation to the majority of the organisation's stakeholders. The third reason behind the selection of job order routine is the fact that it comprises a small number of employees whose actions are clear, and this enables the investigation and observation of stability and change pre- and post-privatisation.

Another benefit of choosing job order routine is the ability to explore the mechanism(s) and artefacts that surround the process and the frequency of its performance (almost daily) in the organisation to allow observation and analysis to be carried out at several levels. Studying a phenomenon, notwithstanding whether or not it consists of a single case or multiple cases, is deemed to be enough to provide a suitable platform for generalising analysis (Eisenhardt, 1989). It also enables within-case analysis, according to Yin (1994), as well as cross-case analysis based on Eisenhardt's (1989) study.

On the whole, job order routine offers an empirical setting in which there are routines, they are distinct and transparent, and the changes taking place can be observed from the informant's viewpoint and compared to other viewpoints.

3.4.1 Job order routine before privatisation

The job order routine comes into play when any problem arises (e.g. if the pump stops), either by operator investigation or by an alarm that appears in

the control panel. The operator then contacts the supervisor by phoning or by going to find this employee in the control room where the operation supervisor sits. Next, the supervisor fills the job order form and contacts the supervisor of the maintenance department, who in turn contacts a technician to collect the form and check the problem. The technician contacts the operator, and the latter contacts the supervisor for permission to rectify the problem. If the problem is resolved, it is considered concluded; if not, the supervisor is contacted either to order a spare part or to change the whole piece of equipment (shown in Figure 3.3 below).



Figure: 3.3 Job order before privatisation

3.4.2 Job order routine after privatisation

The new routines expected to be performed are as follows. The company has introduced a new system called COMPAS to connect all departments through the system. In terms of job order routines, when any problem arises the operator has a device through which to put the job order directly to the technician in the maintenance department. The technician of the maintenance group has to go directly to the site and solve the problem. If it cannot be solved, the technician has to contact the supervisor to review the options. All stages of the process are required to be conducted through COMPAS (shown in Figure 3.4 below).



Figure: 3.4 Job order after privatisation

3.5 Conclusion

The present chapter has provided an overview of Saudi Arabia as the context of the study upon which organisational change is examined. A brief overview of the country was provided and its development throughout the years, as well as the development of privatisation in the country. The chapter also talked about the country's geography, its population and the present political system. It proceeded to provide the government's stance on business and economic systems, and the evolution of the planning development, touching upon privatisation initiatives. The chapter then discussed the private sector of the country, with a brief profile of the Saudi NWC and a description of its organisational routines prior to and after privatisation.

The next chapter provides the methodology and the research design.

Chapter 4: Research Philosophy and Methodology

4.1 Introduction

This chapter explains the research methodology that underpins the study, along with the paradigms upon which assumptions are made and the research design, and how the related data collection method and analysis are grounded. According to Easterby-Smith et al. (2012), methodology refers to how the questions are addressed, how the researcher generates knowledge concerning the social world, and the methods that can be employed for knowledge generation. Figure 4.1 shows the methodology underpinning this current research.

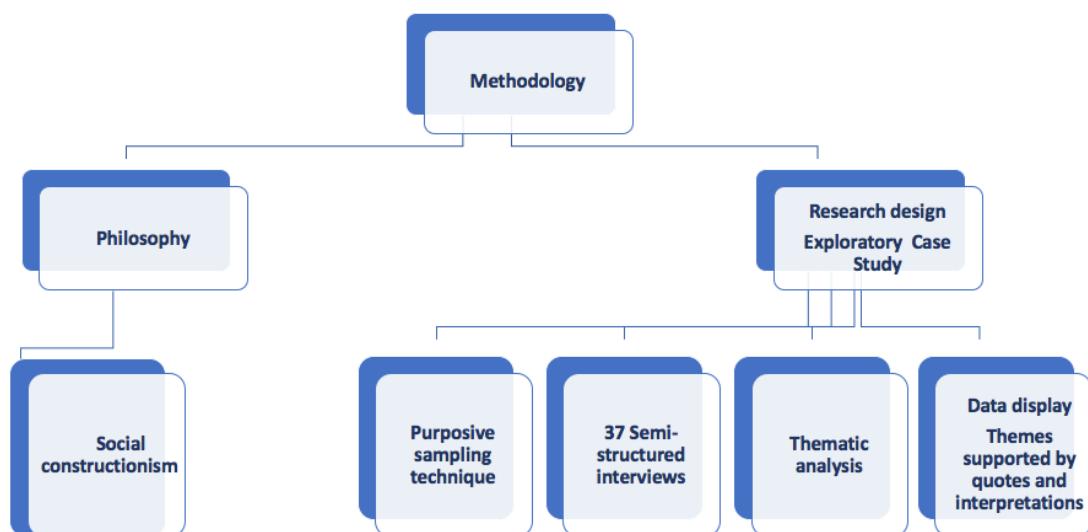


Figure 4.1 Overview of the research methodology

4.2 Research Paradigm

Research methodologies are generally categorised as four paradigms that possess contrasting methods, namely *positivism*, *post-positivism*, *critical theory* and *constructivism* (Guba and Lincoln, 1994), where each entails different ontological, epistemological and axiological assumptions. A paradigm is defined as 'the basic belief system of world view that guides the

investigator, not only choices of method, but in ontologically and epistemologically fundamental ways' (Guba and Lincoln, p. 105). The next section provides a discussion, differentiation and potential contribution to the contrasting assumptions to develop and justify the paradigm selected for the present research.

4.2.1 Positivism

Positivism refers to a well-known dominant paradigm of physical and social sciences for more than four centuries and continues in use (Denzin and Lincoln, 1994). Positivism is based on the ontological premise that a naïve realism and reality can be encapsulated and identified as the actual state of affairs – in other words, it assumes a reality that can be understood to exist which is driven by immutable natural laws as well as mechanisms (Guba and Lincoln, 1994; Gray, 2013). It is a paradigm that is, in nature, characterised as reductionist and deterministic, aiming to determine the cause and effect and to develop predictions (Yin, 2015). Such a paradigm's epistemological basis is limited by its ontological basis, in that the relationship between the researcher and participants has to be objective. In this regard, the researcher adopts a non-interactive relationship with the participants in order to ensure that the findings are free from bias and personal values.

For the positivist paradigm, the research method that is most suitable to be employed is the experimental and manipulative technique that entails the development of questions or hypotheses, or both, that can be empirically tested, based on control variables. This largely depends on quantitative methods to achieve by conducting experiments and controlling predictions. Evidently, the epistemological or ontological basis of positivism is inconsistent with the present study's objective and scope, and positivist methodologies (experimental and manipulative) would not satisfy the research inquiry. Therefore, the researcher intends to present reality as it is from each respondent's viewpoint on the basis of their experience. To achieve this, an interactive relationship has to be developed with each respondent.

4.2.2 Post-positivism

Over the last few decades, the paradigm of post-positivism has emerged to resolve the criticisms directed at the positivism paradigm (Denzin and Lincoln, 1994). Despite this attempt to address these criticisms, post-positivism is still basically on the same level as its predecessor when it comes to beliefs concerning the nature of reality. More specifically, post-positivism entails conducting research in natural settings, and the integration of situational information and discovery acceptance as a concept of inquiry.

It is based on the ontological basis of critical realism, where reality is considered to exist imperfectly owing to the complexities of human nature. As for its epistemological basis, Guba and Lincoln (1994) modified the dualist/objectivist notion that deems objectivity as the regulatory ideal. Such epistemological basis assumes that the researcher-subject relationship is that of the modified dualist/objectivist one, with objectivity as the ideal target, in which the role of the critical community is to guard objectivity.

Moreover, the post-positivist paradigm entails the modification of experimental and manipulative methods where emphasis is placed on critical pluralism, a modified triangulation technique, as a method to falsify hypotheses as opposed to verifying them (Guba and Lincoln, 1994). The methodologies under this paradigm can cover qualitative techniques that are aligned with the aims of the research. Nevertheless, similar to the positivist paradigm, the ontological and epistemological bases of post-positivism are inconsistent with the present study's adopted philosophical arguments of the enquiry requirements.

4.2.3 Critical theory

The critical theory paradigm adopts the ontological basis of historical realism, where reality is considered to be formed by political, cultural, social, ethnic and gender factors over time. The theory's development is attributed to the era of the 1920s, covering various alternative paradigms such as

Marxism, materialism, feminism and participative enquiry (Kincheloe and McLaren, 1994). As for its epistemological basis, it adopts a transactional and subjectivist relationship between the researcher and subject, with an interactive relationship within them. This paradigm acknowledges the influence of the researcher's values on the research process, with the findings being mediated by them.

Moreover, under this paradigm, there is a blurred boundary between ontological and epistemological questions as the two are related to the individual researcher-individual participant relationship. The methodology that is consistent with the critical theory's paradigm entails a dialogue between the researcher and the participants (e.g. ethnographic approach), that should be dialectical in nature in order to create informed consciousness (understanding the way structures are changed and the actions needed to effect such change) (Guba and Lincoln, 1994).

4.2.4 Constructivism

Constructivism is a paradigm that is distinct from the positivism and post-positivism paradigms in light of its assumptions, where a shift from ontological realism to ontological relativism takes place. According to Guba and Lincoln (1994), realities can be comprehended in multiple, intangible mental constructions, based on social, experiential, local and specific natures, with the elements shared among several individuals and sometimes across cultures. Added to this, realities are dependent for their form and content on individuals or groups who hold their constructions.

As for its ontological basis, constructivism considers the existence of multiple realities that are interpreted by individuals over time and in different places. This indicates that reality is relative and is formed from the individual's mental constructions and, through communication and interpretation, reality can be reconstructed (Corbin and Strauss, 2008). This is significant to the present study's enquiry in that this study's objective is to examine the meaning of the experiences of the respondents from their point of view.

Moving on to its epistemological perspective, constructivism posits that the researcher and the respondent determine the knowledge through their interaction. This aspect is also significant to the present enquiry as the study acknowledges the subjective nature of the examined phenomenon and the researcher-participant relationship.

With regards to its methodology, constructivism attempts to gather individual reconstructions in order to interpret and to highlight the common idea behind them (Guba and Lincoln, 1994). This calls for qualitative methods that adopt hermeneutical and dialectical methods of comparing and contrasting the description of the experience, beliefs and values of the participants in order to reach a consensus (Guba, 1990).

Finally, it has to be borne in mind that the research paradigm choice hinges on the type of knowledge required (Easterby-Smith et al., 2012). The present research sets out to achieve a holistic overview of the role of privatisation in the organisational routine phenomenon in the water sector in Saudi Arabia, and the factors that play significant roles in such change or the factors that prevent change in organisational routine from happening.

4.3 Main Paradigms in Social Science

According to the positivism viewpoint, the phenomenon is valid knowledge if it is measurable and observable (Collis and Hussey, 2013). It is therefore argued that it is important for researchers who adopt this approach to maintain the philosophical stance of the natural scientist; in other words, an independent and objective stance (Lewis et al., 2007). According to the advocates of this view, objects possess a definite meaning that is not dependent on the consciousness and awareness of the researcher (Crotty, 1998). Knowledge, to them, is either true or false. Positivists describe knowledge evidence as precise, definite and obtained via scientific inquiry represented by figures and numbers. While data and information are already in existence, it is the inquirer's duty to collect and systemise them. This is primarily to prevent their values and views adulterating the objective stance

(Collis and Hussey, 2013). Positivism is often related with quantitative research as researchers relay their knowledge in a form that is rigid and tangible.

Despite the weight of this view in some disciplines and topics, Crotty (1998) contends that the social world is complex and should not be viewed as having highly systematic structure, and that our daily world experience is different from the world as described by positivists. On the other hand, the constructionist view advocated by Crotty (1998), and Berger and Luckmann (1991) reflects the significance of determining the subjective meanings that motivate the social actors to conduct specific actions in order to understand them.

The extensive acknowledgement of positivism fails to address the inquiries of social science (Alvesson and Sköldberg, 2009). It originates from its ability to explain the way different phenomena seem to be natural, independent and distinct from individuals but, in essence, it is not natural: rather, it is socially constructed. The following figure, Figure 4.2, shows the philosophy of the current research.

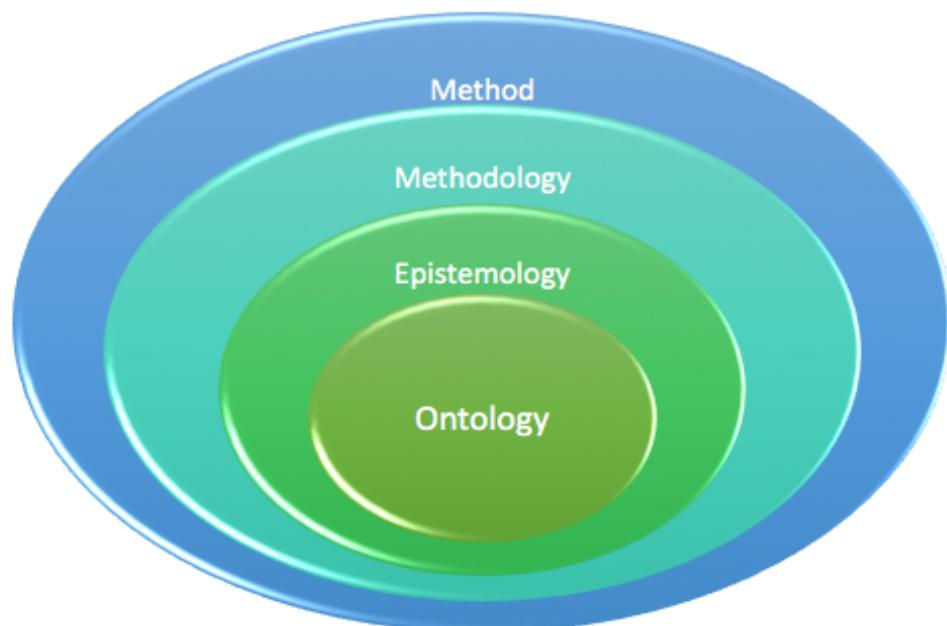


Figure 4.2 The philosophy of the current research, adapted from Easterby-Smith et al. (2012)

4.3.1 Ontology

The ontological factor, which is explained first, highlights two questions; first, the form and nature of reality, and second, the assumption of the researcher concerning the operations of the world, which is referred to by Duberley et al. (2012) as the essence and the nature of the phenomenon. It relates to the fundamental assumption that the researcher develops regarding the nature of reality (Easterby-Smith et al., 2012) and the discovery of whether or not the phenomenon really exists *independent* of our knowledge and perceptions, or whether it exists *because* of these (Symon and Cassell, 2012). This has given way to two major schools of thought regarding social reality: the positivist and the social constructionist (or the objectivist and the subjectivist).

From an objectivist stance, the world and social entities exist in reality and they are external to the social actors, not dependent on the cognitive structure. On the other hand, the subjectivist view advocates that a social phenomenon is created by the social actor and his actions, as he or she is concerned with the existence of it (Lewis et al., 2007). Meanwhile, positivism advocates that the world is static and has a reality on its own. Contrastingly, the process through which it is formed has an emerging nature based on the subjectivist points of view. Hence, subjectivists consider reality as multiple, and that it is developed socially. According to Martin and Sugarman (1996), individuals understand situations and create their realities via social interactions and their own prior experiences.

The present research views the influence of both actors' actions as well as the structures that they are embedded in simultaneously. Knowledge of the phenomenon of organisational routines is contested and is socially developed. Each participant in the organisational routines concept is conceptualised and perceived in a complex and unclear manner, and could not be considered as a separate reality. Hence, the reality in the present research is subjective, and this position is justified in detail in the coming sections.

The discussion paves the way for philosophical issues revolving around the assumptions in epistemology, as detailed in the next sub-sections.

4.3.2 Epistemology

The ontological question entails the philosophy of reality, but the epistemological one is concerned with the way that we understand reality as the study of knowledge, the nature of the relationship between the researcher and the required knowledge, and, most importantly, the evidence for such knowledge (Guba and Lincoln, 1994). Thus, it can be stated that epistemology represents the assumptions of the researcher regarding suitable ways of inquiry into the nature of the world (Easterby-Smith et al., 2012). The primary paradigms brought about by the philosophy are positivism and social constructionism, or what has been referred to by Habermas (1970) and others as the interpretative approach. According to Collis and Hussey (2013), the above two paradigms lie at the two extremes of an assumption continuum.

4.3.3 Axiology

Axiological assumptions address judgements concerning value in the research context. In this regard, positivists characterise researchers as detached from the matter under study, who are only interested in determining the interconnections of the phenomenon and the research process and as such, they perceive science as lacking value. Contrastingly, constructionists believe that a research endeavour has significant value, or it is full of value, in that the researchers interact with the matter under focus (Easterby-Smith et al., 2012).

In the present study, the researcher aims to shed light on the phenomenon under focus; namely the role of privatisation in organisational routine change in Saudi Arabia, as a developing country. Specifically, the study focuses on the viewpoint of individuals and managers, as they are the social actors who experience and develop the phenomenon. In other words, individuals' and managers' perceptions, conceptualisation and resulting

actions are core to the phenomenon formation (Lewis et al., 2007). Accordingly, the emphasis of the present research is on personal interaction with the individual participants who influence the formation of the phenomenon.

It can therefore be stated that the researcher is a part of the research process, and is included in the observations to comprehend and interpret the social pattern concerning the role of privatisation in organisational routines (Feldman and Pentland, 2003) in the Saudi NWC. In other words, the present study's axiology is laden with value. This view matches the position of axiology of the constructionist who is convinced that researchers are as one with the understanding process (Easterby-Smith et al., 2012; Ibrahim, 2014).

4.3.4 Methodology

According to Easterby-Smith et al. (2012), the primary questions that arise concerning methodology are how knowledge can be generated and what are the methods that can be followed to engender knowledge of the social world or the behaviour of individuals? On the whole, the strategy selected and the combination of methods developed to explore the social phenomenon is limited to the responses of prior assumptions or questions (Easterby-Smith et al., 2012). On the other hand, Denzin and Lincoln (2008) refer to methodology as the way that research can be conducted to align with the stance of the researcher in terms of ontology, epistemology and axiology.

The selection of the most appropriate methodology depends on the type of knowledge that is sought. The understanding of the social world entails the researcher drawing near to the subject matter under focus (Burrell and Morgan, 1979). Therefore, the selected method should enable the investigated subject to reveal its true nature during the research process. Contrastingly, the positivist approach considerably emphasises the hypothesis testing method and is exemplified by the natural sciences. Data analysis is often performed with the help of quantitative methods; in other

words the positivist method often uses tools such as surveys and questionnaires (Burrell and Morgan, 1979).

I am a former employer of the NWC and close observer of what was - and is - happening in the company both before and after privatisation. I found myself very concerned about the contradictory stories that I heard from former colleagues and senior managers regarding the change in organisational routines and performance following the privatisation of the NWC. The first group insisted that no real change in performance had taken place following the privatisation of the NWC. On the other hand, the high-level managers portrayed that, following privatisation, the performance of the company had changed for the better. As a result, I decided to ask the two groups some informal questions, and this led me to selecting this topic and this company in particular as my case study. So, as mentioned above the main research questions of this study are as follows:

- What was the role of privatisation in the organisational routines change in Saudi Arabia?
- Did privatisation have any impact on the organisational routines change within the NWC?
- What were the main factors that led to changes or prevented changes in organisational routines within the NWC after privatisation?
- What types of routine have been changed and how?
- To what extent has the perceived change to the practice of organisational routines had an effect on the perceived change in the organisation's performance?

4.3.5 Applying social constructionism in this study

According to Becker (2004), privatisation and organisational routines are complex social processes and, thus, Lockett et al. (2014) describe them as socially constructed. In other words, privatisation and organisational routines are formed in the socio-cultural context, thus, to provide an insight into the privatisation role in organisational routine, a social constructionist approach is called for, as it considers the interaction between people based on their cultural, societal, economic and political situational contexts (Aroles

and McLean, 2016). This indicates that a social constructionist approach assists in providing a rich conceptualisation of privatisation and organisational routines in a certain socio-cultural context, which can significantly contribute to the field.

More importantly, exploring the organisational routine changes following privatisation through the use of the social constructionist approach can extend knowledge in both areas. This demonstrates how stakeholders develop their reality of organisational routine practice and its development in Saudi Arabia, a country categorised as developing.

In the context of organisational routine changes, Safavi and Tehrani (2015) reveal that a social constructionist approach assists in advancing the phenomenon following privatisation, thereby justifying the suitability of the paradigm as the basis on which to address the study objectives. In the same line of study, Pentland (2011) mentions that positivism is the dominant paradigm among studies on organisational routine changes. However, scholars in this field are increasingly shifting attention to social constructionism to develop an understanding of organisational changes (Feldman et al., 2016).

Studies focused on privatisation and organisational routine change topics are confined to individual (Lazaric, 2011; Felin et al., 2012; Barney and Felin, 2013) or firms (Pentland and Feldman, 2005). In the current study, social constructionism is used to explore the role of privatisation in the context of a large Saudi organisation at both individual and organisational levels. This pioneering use of social constructionism in this context aims to extend the literature and pave the way for more studies adopting this approach. In this respect, the practices of privatisation and organisational routine differ throughout cultures. Different people perceive them to mean different things. In other words, privatisation and organisational routine are sensitive to context, and this needs to be clarified based on the context under focus. Moreover, privatisation and organisational routine need to be examined by gathering the responses of the actors (Bapuji et al., 2012; Cacciatori, 2012)

who develop and implement related activity through their societal interactions, rather than through objective and unbiased observations.

Furthermore, a social constructionist paradigm was selected as the underpinning paradigm in the present study as the researcher believes that privatisation and organisational routines change are social processes perceived and brought about by the social actors (stakeholders). This highlights the issue of reflexivity in qualitative studies, as discussed in detail in the next section.

As mentioned, privatisation and change to organisational routines are social processes, as they are products of the human imagination. These processes create value for the stakeholders and the organisation – the elements that comprise the society – and are interdependent for the satisfaction of needs. Based on the above reasons, social constructionism is the most suitable research paradigm for the present study.

4.3.6 Reflexivity and the researcher's engagement in the current research process

Reflexivity refers to the process of being aware of one's presuppositions as a researcher, and the way they influence the research objectives. In regards to this, Haynes (2012) reveals that reflexivity entails pondering on the way our thinking comes to be, the way a pre-existing understanding is continuously revised in terms of new knowledge and understanding, and how this process influences our research.

Added to the above, reflexivity, as a premise, can be extended to cover the understanding of the perceptions of the research participants and the research readers, along with their expectations and perspectives that may contribute to the study. To this end, Patton (2002) explains the objective of engaging in reflexive debate by stating that reflexivity reminds the qualitative inquirer to pay attention to and to be conscious of the cultural, political, social, linguistic and ideological sources of the perspective, and the voices of the interviewees and the participants. Therefore, reflexivity

refers to the process of critical reflection on the way a researcher engages with the research and the participants, and the specific perspectives and views that they all bring to the research. Through the engagement in reflexive debates, fundamental questions as to the ability of the researcher to encapsulate complex, interactional and emergent nature of the social experience are raised (Cunliffe, 2003). This is due to the fact that people construct truth and knowledge among themselves through social interactions, and researchers reflexively report their interactions with the participants of the research during the co-constructing of knowledge. In the next paragraphs, an account is presented of the researcher's profile and engagement of the research process, and the learning that took place in the co-constructing of knowledge with the research participants.

The researcher belongs to a middle-class Saudi family in Riyadh, Saudi Arabia. Growing up, the researcher acquired high ethical values from his parents, including the importance of higher education and learning. He obtained his Bachelor's degree and worked as a process engineer for about 10 years. This was followed by a Master's degree in business administration, awarded with distinction in both levels. Teaching and lecturing held great appeal to him, and as such, he became a lecturer at a public university, Almajmah University, soon after he obtained his Master's degree. At the university, the researcher held the position as lecturer in business administration and, after eight months of services, he travelled to the UK to pursue his academic career in PhD Management at the University of Southampton.

To familiarise himself with philosophical debate and research methodologies (qualitative method in particular), the researcher obtained extensive training in research methodologies at the University of Southampton and outside of the university. The present study is the researcher's first experience of addressing and conducting a qualitative research investigation.

The researcher draws on his cultural capital, in the form of his education, training and understanding of the Saudi context, as well as his social capital in the form of his networks and contacts for gaining access to organisations. He engaged himself in the field with the research participants knowing what the latter expected from him (knowledge about the subject). Conversely, the researcher learned from the research participants, mainly organisation managers working at different organisational levels who were all helpful as the study progressed. The researcher encountered many challenges requiring dexterity and patience.

Generally speaking, a research study involves lengthy processes rife with iterative phases and, during the fieldwork stage of this study, the researcher learned to be focused, patient and persevering. He viewed every interaction with research participants, supervisors, colleagues, fellow PhD researchers, and scholars at the conferences as of fundamental importance in the process of learning. He also learned to be flexible, reflexive and thoughtful, as a relational scholar and educator.

4.4 Research Design

Research design refers to the research plan and procedures that cover the decisions, ranging from general assumptions to detailed data collection methods and analysis (Creswell, 2009). Such procedures require several decisions relating to the worldview assumptions held by the researcher, as in the preceding section. It also relates to the data collection, analysis and interpretation methods that transform the method into actual practice (Creswell, 2009).

4.4.1 Research design: Exploratory case study

The preceding discussions have directed the selection of the methodology for this study on the basis of the knowledge sought. In this regard, Silverman (2013) contends that research can be generally described as qualitative or quantitative, or, in a narrower classification, experimental, grounded theory, action research, ethnography, case study or archival research strategies.

Nevertheless, some strategies are better suited to addressing the specific research questions than others, not due to their superiority to others but because of the distinct nature of the research questions (Saunders et al., 2011). Aligned with the methodological research position, the overall strategy can be primarily described as an exploratory case study research (Yin, 2009).

In this research, the NWC is selected as the case study, and the case study strategy is adopted as most suited to the investigation. In this regard, Baxter and Jack (2008) strongly suggest the use of a case study method to identify and relate relationships and constructs. Similarly, Trumbull (2005) and Cassell and Symon (2004) contend that the case method strategy is appropriate not only for qualitative but also for quantitative studies, and it can be employed in other data sources including interviews, observation, documents and questionnaires.

Different data sources contribute to the enrichment of the case study and its robustness, thus assisting the researcher's validation of data and development of a case study that provides a deeper insight into the phenomenon in its natural context, and the building of different themes (Cassell and Symon, 2004). Moreover, according to Cassell and Symon (2004), case studies are considered invaluable when considering the environmental context impact on organisational processes/behaviours.

According to Yin (2013), a case study is defined as the retention of the holistic and meaningful characteristics of real-life events such as individual life cycles, small group behaviour, organisational and managerial processes, change in organisations, international relationships, and business maturation. Yin elaborates the following merits of case study design:

1. It is selected in studies that concern current events, in which behaviours related to the events cannot be manipulated.
2. It is invaluable in cases where there is a blurred line between a phenomenon and its context.

3. It allows researchers to keep abreast of what is going on in real time, and to interview people who experience the events.
4. It is capable of dealing with various data collected through interviews, documents, reports and observation.

According to Merriam (1988), a case study is the investigation of a bounded system in which the location and timeframes confine or bound the phenomenon under focus. Two different programmes of a case study are proposed in the literature (Trumbull, 2005); the first is a multi-case design involving more than a single case study (collective case study), and the second is a single case design, where the case study is intrinsic and a specific aspect of the case is chosen to be explored, or concentrates on exploring one issue or several issues.

In this study, the research design of Yin (2009) is employed, and a single case study gathers and analyses data and as such, bias is minimised by using systematic order, as Yin suggests, contributing to the rigour of the case study. Such use of a single case study allows the researcher to explore the phenomenon in depth and rigorously (Cassell and Symon, 2004). In addition, because the goal of qualitative researchers is not generalisability, the same applies to this study, opting to acquire a deeper understanding of the phenomenon in its natural context. The use of this design method has been employed by prior studies on organisational routines (e.g. Sele and Grand, 2016; Dutta et al., 2003; Gilbert, 2005).

Several case study strategies have been proposed in the literature that can be categorised according to their purpose - *exploratory*, *explanatory* or *descriptive* purposes (Yin, 2013). Exploratory studies are useful for researchers who are aiming to determine a phenomenon and, as such, the first step entails confirming whether or not a specific issue is worth exploring. Saunders et al. (2011) enumerates three steps for research exploration; first, explore the available literature; second, conduct interviews with experts concerning the issue under study; and, third, run interviews. This is the case for the current research into the role of

privatisation in the organisational routines of Saudi Arabia, and of the NWC in particular.

Meanwhile, explanatory studies are for researchers who are aiming to examine the cause and effect of relationships in quantitative studies. According to Cresswell (2009), the qualitative approach is suitable when 'not much has been written about the topic or the population being studied, and the researcher seeks to listen to participants and build an understanding based on their ideas' (p. 30).

Descriptive studies, on the other hand, are considered to be a part of the exploratory or explanatory studies. Before exploring a particular phenomenon, a researcher may begin to describe it with the help of data collection and synthesis. This type of study is useful in exploring and explaining studies but it is not feasible as a stand-alone study (Saunders, 2012).

Table 4.1: Overview of the research design adopted in this research

Research Level	Detailed Description
Strategy	Exploratory case study
Main data collection method	Semi-structured interviews
Organisation to be researched	NWC (Saudi Arabia)
Other data sources	Observation and documenting
Participants/key informants	Range of stakeholders
Research question	The role of privatisation in organisational routines

4.4.2 Methods of data collection and data analysis

Qualitative research is described as the kind of research that generates findings that are not obtained via statistical procedures or other quantification methods (Corbin and Strauss, 2008). It entails an interpretive and naturalistic method that transforms the world into a series of representations such as interviews, observations, documents analysis and

field notes that provide detailed insights into the research (Denzin and Lincoln, 2008). Moreover, it requires the investigation and interpretation of data with the aim of developing empirical knowledge by facilitating understanding of the social phenomenon (Corbin and Strauss, 2008). This method is consistent with the research objectives and the researcher's view of the world, as mentioned above. When human interactions and relationships have a crucial role in forming the phenomenon, as reflected in the role of privatisation in changes to organisational routines phenomenon, qualitative research is the most suitable design (Creswell, 2009). Hence, a case study methodology is selected as a tool to understand and explore the meaning behind the view of individuals and managers with regard to the role of privatisation in organisational routine changes in the Saudi NWC.

Added to the above, the ways in which organisational routines are characterised by their sensitivity to contextual elements (Becker, 2008) is of concern to the present study. Tackling such contextual sensitivity calls for the use of research methods that address individual circumstances and conditions (Feldman, 2000). According to Yin (2009), researchers who are concerned with the individual meaning, and who acknowledge the importance of highlighting the complexities of the social phenomenon and human behaviour have the tendency to opt for a case study research method of design (Howard-Grenville, 2005; Fletcher and Plakoyiannaki, 2011).

Additionally, researchers in the realm of organisational behaviour often opt for an exploratory qualitative design. This would be developed on qualitative empirical evidence on the basis of grounded feedback concerning the role of privatisation on organisational routine from the perspective of individuals and managers (Feldman and Pentland, 2003). Drawing from their suggestions and recommendations to link with participants at a human level and to explore the world from their perspectives, the researcher has selected a case study design for this study.

Lastly, in the context of developing countries, exploratory studies dedicated to the role of privatisation in the organisational routines phenomenon are

still lacking in the literature, leading to calls for further studies in this area (Ouda, 2014). Such studies could identify appropriate tools for comprehending the role of privatisation in the organisational routines phenomenon in the privatised sector in the context of Saudi Arabia. Qualitative tools were used in the initial phases of inquiry as they can determine patterns among the various variables and it can tackle unforeseen happenings (Gibbert et al., 2008).

A thorough review of the literature reveals the fact that research concerning the role of privatisation in organisational routines among Saudi Arabia's companies is scarce (Ouda, 2014). This justifies the current research's attempt to employ the qualitative strategy of investigation through the use of semi-structured face-to-face interviews as described in the next section. Prior to the detailed discussion of the data collection methods, the sample and sampling methods are explained. Furthermore, following the in-depth study of organisational routines within a single organisation (Pentland and Reuter, 1994; Feldman, 2003; Howard-Grenville, 2005; Sele and Grand, 2016), this research adopted a similar approach.

4.4.3 Sample and sampling methods

Sampling is of crucial significance, as it affects the research outcomes (Saunders et al., 2007). This research employed non-probabilistic sampling, as described in the next section.

It is crucial that the researcher achieves a suitable case sample which produce in-depth data that directly relate to the conceptual constructs and research questions, and provide insight into the phenomenon (Yin, 2013). The selection of the suitable case is important in developing the role of privatisation in the organisational routines conceptual framework through qualitative research. This is also pertinent to the replication and extension of the emerging theory and in defining the limitations of generalisation of the findings.

The present study employs the non-probabilistic sampling method to concentrate on relevant and useful cases for the replication or extension of

theory (Yin, 2009). This sampling method depends on an in-depth understanding of the case that is distinct from probabilistic sampling (Patton, 2002), as the latter is used to generalise to the population and achieve statistical evidence from samples that are randomly selected from the population.

Research studies employing the statistical sampling method are mostly experimental studies that involve testing of hypotheses. Regardless of the size of the sample, the primary focus is on systematic data collection and the supportive evidence quality. Hence, a deeper understanding of the topic under study is achieved as well as saturation of themes is obtained about the role of privatisation in organisational routines.

4.4.4 Purposeful sampling

Purposive sampling is applied to find the most suitable case to which to apply this study to achieve its objectives. Purposive sampling is defined as that which 'enables you to use your judgement to select cases that will best enable you to answer your research question(s) and to meet your objectives' (Saunders, 2012, p.237).

Purposive sampling is recommended for qualitative studies, although they do not aim to make generalisations or sample inferences. The case selected for the study has to have been recently privatised and, accordingly, the applied sampling method is to be purposeful sampling (Patton, 2002). The research case is to be selected on the basis of invaluable manifestations of the phenomenon of interest (privatisation's role in changes to organisational routines). The interviews were conducted with a wide range of stakeholders of the organisation (different levels of two plants and the headquarters). More specifically, those who went through the process of the selected routines had in-depth interviews.

4.4.5 Data collection methods

The assumptions of relevant philosophy refer to the level of involvement with the research. As discussed in the preceding sub-sections, qualitative

researchers accept the socially constructed nature of reality and emphasise the inquiry nature that is laden with value, wherein the researcher-inquiry relationship is acknowledged (Denzin and Lincoln, 2008). To this end, Guba and Lincoln (1994) stress the impossibility of separating the inquirer from evidence, as knowledge depends on both, and it should be described meaningfully.

Hence, a case study research can be described as a situated activity involving the exploring of a phenomenon in its natural environment in order to understand and interpret it in relation to the individual's perception of it (Denzin and Lincoln, 2008). Miles and Huberman (1994) further describe qualitative research as a narrative, as data are often gathered in the participant's environment (Creswell, 2009). The major method of data collection in the present study is the interview.

As previously stated, there are two elements within organisational routines – ostensive, performative and artefact – all of which require different data collection methods. In this regard, interviews are suitable to collect data on the ostensive routines, as participants have a tendency to disclose the aspect of this routine directly through rationalisation, justification and generalisation of the routine within the organisation. This is coupled with documentation or the artefacts of the routines (Becker, 2004). More importantly, observations are crucial to help to note the differences between routines in principle and routines in practice (Pentland, 2003), or what is known as the performative aspect of routines.

In specific types of routines, a performative aspect may also be uncovered through interviews and the analysis of documents and artefacts, particularly if the routine is recorded through them. Similarly, artefacts (codification of the ostensive routine aspect) may be studied through the analysis of documents as well as observation, according to the artefact's nature. In this context, databases are unusual as they are at the same time artefacts and direct records of the performative routine aspect.

In this regard, Dingwall and Miller (1997) highlight three fundamental qualitative research methods: interviews, observations and document analysis. Each of the methods provides a clear insight into a specific routine element (ostensive, performative and artefact). As a result, multiple data collection methods are employed in this study to enable data triangulation of information gathered concerning routines, coupled with each of the research questions.

4.4.5.1 Interviews

For the purpose of answering the research question, the present study's primary data collection method is the semi-structured interview (King and Horrocks, 2010). Silverman (2013) explains the importance of such a method's importance to the qualitative research by contending that we live in an interview society. This method is characterised as a subjective and narrative one that entails verbal communication to comprehend human feelings and social environment (Miles and Huberman, 1994). Moreover, semi-structured interviews are deemed to be the most extensively used method in the field of qualitative research (Bryman, 2001) and are considered crucial in investigating organisational routines (Pentland, 2003a) - and more specifically, in the context of this study, the ostensive aspect (Pentland and Feldman 2008).

It is important that the selected methodology is aligned with the objectives of the research (Punch, 2013). In this regard, the semi-structured interview method was chosen for this present study as it is flexible and is able to generate enriching and comprehensive data (Creswell, 2009). Despite the fact that the structure is employed in the form of an interview guide, the researcher will be successful in achieving in-depth exploration of issues related to organisational routine changes and valuable insights coupled with holistic understanding.

Following the reviewed literature and the research conceptual framework, a semi-structured interview guide was created to provide an outline of the issues to be addressed. Initially, general questions are addressed, such as

definitions and the familiarity of the interviewees with the concept of the role of privatisation in organisational routines, and the organisational routines activities in terms of their nature and scope in the Saudi NWC. The questions then narrow down towards specific details such as the factors influencing the conceptualisation and motivation of the individuals and managers of the NWC, and their role in the organisational routine changes. The guide was supported by questions asked on the spot in reaction to the interviewees' feedback.

First, the company was contacted by visiting its headquarters in Riyadh (capital of Saudi Arabia) and, after agreement was secured for the interviews, the ethical procedures established by the University of Southampton were followed. This code of ethics, along with a formal introductory email outlining the research aims and questions, was sent to the interviewees. The email elaborated on the value of the gathered data and the confidentiality guarantees. The interviewees were assured that their feedback would not damage their company's reputation and that their details would be kept anonymous.

The interviews were conducted face-to-face to encourage interviewees to raise and discuss various additional, related topics through urging them to elaborate on their understanding of the role of privatisation in organisational routines phenomenon. This method, according to Patton (2002), provides an opportunity for reflection and interpretation of the phenomenon during the interview, which is significant with regards to tacit viewpoints and complex interactions.

Building trust and informing the interviewee about the purpose of the interview was necessary in order to get the interviewee talking freely which in turn facilitated conducting the interviews in a good atmosphere. Furthermore, access to interviewees is often difficult to establish. However, the researcher gained good access to the organisation as a result of having a good connection with some of the managers. These relationships led to facilitated access to some information that was considered confidential.

4.4.5.2 Observation

Supplementary data were obtained through participant observation, since this is a useful way of acquiring insight into recurrent interaction patterns carried out by multiple actors (Lazaric and Denis, 2005), along with the data gathered from the interviews. According to Yin (2013), observational evidence is often useful when it comes to providing additional information concerning the phenomenon under investigation. The researcher has made several field visits to the context of the study for direct observation. In this regard, there are two types of direct observation - formal and less formal. Such field visits to the company enabled the use of less formal observation. In addition, formal observation was undertaken when the researcher had the opportunity to observe different kinds of organisational routines in the company. Both contributed to an understanding of the role of privatisation in the company's routine.

4.4.5.3 Archive documents

Documentary information appears to be crucial to every study and, in this regard, documents take the form of emails, administrative documents, operations manuals and reports, among others. The crucial aspect of documentary information was explained by Yin (1994) when he stated that the use of documents helps in confirming any issues that may have been stated in the interview. He added that documents are invaluable in providing detailed aspects that reinforce evidence obtained in other ways, and that they allow the formation of inferences. Furthermore, they enable the framing of interview questions and tailoring them to company aspects. However, despite these benefits, Yin (1994) notes that researchers have to be careful to ensure that each document is drawn up for a particular purpose and audience that differ from those in the current study.

4.5 Trustworthiness of Qualitative Research

In qualitative research, trustworthiness refers to the study's rigour, tested through ways that conform to the research paradigm selected for the study purpose. The positivist conditions traditionally comprise internal validity,

generalisability, reliability and objectivity, employed in quantitative studies for the rigour test (Lincoln and Guba, 1986). Nevertheless, such conditions stem from the positivism paradigm, which utilises natural sciences techniques (Johnson and Duberley, 2000). Hence, these positivist conditions are unsuitable to judge the rigour of the qualitative study as they are not aligned with its research paradigm (Tracy, 2010).

In order to counteract the difficulty of testing rigour of qualitative studies, four alternative conditions were proposed by Lincoln and Guba (1986). According to them, trustworthiness is analogous to 'rigour' and the four conditions of rigour/trustworthiness are *credibility* rather than internal validity, *transferability* rather than generalisability, *dependability* rather than reliability, and *conformability* rather than objectivity.

Moreover, Lincoln and Guba (1986) explain that the credibility of a qualitative study can be improved by prolonging engagement with the participants involved in the research, continuous observation of such participants and their roles, member checks, data triangulation and debriefing peers. They add that transferability of the study can be improved by facilitating detailed description of the context to enable readers to transfer findings to their own context.

Concerning dependability and conformability, they contend that these can be achieved through repetitive investigations of a social phenomenon and obtaining the same result. Thus, the researcher organised and stored the data systematically. In addition, the supervisor and academic researchers were consulted throughout the research process to increase the trustworthiness of the research.

4.6 Research Ethics

A research inquiry, particularly of a qualitative nature, requires ethical principles to underlie it to avoid doing anything that could harm the participants, and to promote research fairness and justice. Miles and Huberman (1994) explain that it is impossible to focus merely on the

knowledge quality being generated, as if the truth behind it is all that is important. It is also crucial to keep track of the rightness and wrongness of behaviour, as qualitative researchers' behaviours relate to participants, co-workers and sponsors of the research (Miles and Huberman, 1994). Moreover, the primary ethical issues that underlie every research study include lack of consent, harming the participants, invasion of privacy and deception (Bell and Bryman, 2007).

Similar to other studies, the present study employed safeguards to ensure that ethical issues were considered at all times. Accordingly, steps were taken to protect the participants' rights. This was done by informing the participants of the following in writing: the purpose behind the research; the research themes; a suitable time for the interview; the background and institutional affiliation of the researcher; and the safeguarding of the respondents' anonymity.

Participants were also requested to go through the entire consent letter prior to signing it. Many of the respondents were worried about the recording of interviews, and those who expressed concern did not have their interviews recorded. As mentioned, the anonymity of the managers' names and designations was ensured at their request.

Furthermore, ethics also applied to the behaviour of the researcher while carrying out the research in the School, and this was duly approved by the School's ethics committee. All the above actions were taken to ensure that ethical issues were considered and that informed consent was obtained from the participants.

4.7 Conclusion

This chapter provided a detailed explanation of the adopted methodology and the major researcher paradigms of social science disciplines. It also discussed the research methodology that underpins the study, the justification of its selection and its alignment with the research objectives. The chapter discussed the research design and the data collection method,

namely semi-structured interviews, observation and document analysis. The research sampling methods were explained. Finally, the chapter dealt with quality issues regarding research and research ethics. The coming chapter presents and discusses the data analysis process.

Chapter 5: Data Analysis

5.1 Introduction

This chapter contains an explanation of the general analysis and thematic analysis, as well as the different analysis stages. It also presents the detailed process and the steps of data analysis, based on the method followed by Braun and Clarke (2006).

Analysis refers to the process that translates the data into meaningful structures through the generation, development and verification of concepts (Corbin and Strauss, 2008). In the present study, the analysis was conducted through an iterative exploratory process supported by theory. Data analysis was initiated with the data collection as several prior works (e.g. Miles and Huberman, 1994) claim that such an approach enables the researcher to minimise the gap in collected data by reflecting on them. This, in turn, facilitates the planning of strategies for gathering quality data.

Data analysis is a sensitive process in the sense that it can often be affected by the researcher's own biases and interpretations of the data. When starting to analyse data, therefore, a researcher should bear in mind the need to be honest about his/her theoretical perspective and values, as 'Research is all about the power to define reality' (Lewis et al., 2003, p.26). In this respect, data analysis can be defined as:

a process of piecing together data, of making the invisible obvious, of recognizing significance from insignificance, of linking seemingly unrelated facts logically, of fitting categories one with another and attributing consequence to antecedents (Morse, 1994, p.25).

However, case study 'does not call for a particular approach of analysis of qualitative data which it produces' (Robson, 2002, p.178). Therefore, 'It is not an easy task to provide robust accurate analysis for case study evidence, because the strategies and techniques have not been well defined' (Yin, 2009, p.109).

The research draws upon Miles and Huberman's (1994) approach to analysing data. This drew attention to the importance of data reduction, data display, conclusion drawing and verification. Also, it provided a general framework for conceptualising qualitative data analysis and, as such, is relevant to case studies analysis (Robson, 2002).

5.2 Thematic Analysis

The qualitative data are exposed to analysis in an organised manner in what is referred to as the thematic analysis of the data obtained from the interviews. Themes 'capture something important about the data in relation to the research question, and represent some level of patterned response or meaning within the data set' (Braun and Clarke, 2006, p.10). Hence, thematic analysis 'involves searching across a data set - be that a number of interviews or focus groups, or a range of texts - to find and make inferences of repeated patterns of meaning' (Braun and Clarke, 2006, p.16). Specifically, thematic analysis is described as a way of seeing, understanding and analysing data (Boyatzis, 1998). Such an analysis entails the identification, analysis and discernment of data patterns in themes.

In this study, routines were divided into artefacts, and ostensive and performative routines. This might entail answers that relate to each group. At the same time, staff were divided into high-level managers, and middle- and low-level staff in an attempt to answer the research questions. In an interview, one would expect various concepts to be used and categories of answers to emerge. Therefore, organising answers into thematic groups will fit the purpose to distinguish the language and concepts used, as well as which routines have been referred to most, and why.

Prior studies such as by Boyatzis (1998), and Braun and Clarke (2006) referred to thematic analysis as an analytical method involving the development of codes and themes in a systematic manner. Codes are described as tags or labels for the assignation of meaning units to the descriptive information obtained throughout the study (Miles and

Huberman, 1994). According to Miles and Huberman (1994), the coding process involves the identification and documentation of a single piece of information or discrete information in a text or other data item. It also entails breaking down and combining the data to generate novel meanings, and to draw comparisons among different cases (Berg et al., 2004). Furthermore, coding involves reduction, simplification and expansion of data, connecting concepts, transformation of data into understandable units, reconceptualisation based on theory, linking between ideas and concepts, and examining the manner in which data reinforce, contrast or improve the present research or extant theory.

To this end, linked codes can be combined to reflect themes and patterns that show significant ideas throughout the datasets, which directly relate to the highlighted research questions (Crabtree and Miller, 1999). In relation to this, a theme encapsulates something significant in the data that is related to the research question and reflects some degree of patterned response in the dataset (Braun and Clarke, 2006). The presence of a theme is a major consideration, as themes tend to arise in every data item and throughout all the datasets. The thematic analysis process brings about the identification of circumstances in which a theme occurs in the data item and throughout the dataset (Boyatzis, 1998).

Therefore, in this case, the judgement and decision of the researcher come into play to establish the themes, as there is no strict answer to the question of what proportion of a dataset is required to reflect a theme for it to be deemed as such. In other words, the researcher has the autonomy to decide which is important and the way such importance is stressed. Also, thematic analysis is more than a basic description of examining the interconnection among themes; it involves the development of classifications, models and diagrams revealing the themes' relationships. Moreover, coding in thematic analysis arises at the theory phase or at the level of unit coding (individual interview), while themes are developed throughout the entire dataset. Furthermore, thematic data analysis is of different types, in that it can be driven by theory, driven by data, or a hybrid of both (Boyatzis, 1998).

The research questions were built initially in English and then translated into Arabic since most of the interviewee do not speak English. The translation was done by experts in English and Arabic and sent to two experts in English and Arabic to ensure the correct translation and their clearness. The coding were done in Arabic by using MAXQA12 software. This software was selected because of its ability to deal with data in languages other than English, as the interviews were conducted in Arabic Then the codes, themes and quotes were translated into English by translation's experts.

5.3 Data Analysis Approaches

The transcript analysis was carried out through a deductive as well as an inductive method aligned with the iterative nature of qualitative inquiries (see Patton, 2002). Inductive analysis begins with observation of the actual environment and culminates in the discovery of patterns and themes in the generated data (Maxwell, 2008). Such an analysis considers the situations and events in terms of their meanings, and the particular context in which the participants act. It also considers the process upon which the actions and events arise whereas the deductive approach is based on a conceptual framework adopted from the body of literature that describes research questions explicitly (Saunders, 2012).

Hence, data analysis led to the predetermination of the initial codes through the development of a coding scheme based on the Feldman Organisational Theory that was integrated within the research framework (deductive). The codes included ostensive and performative routines, and artefacts. It should be noted that the pre-set list of categories included in the analysis was not formed to confine the analysis, or to lay down specific data definitions and categorisations. Therefore, the optimum method to safeguard against the overload of data that characterises qualitative inquiries is to begin the process of coding by forming a list of codes derived from the relevant framework in the literature.

These codes are considered to be temporary, which offers an opportunity for refinement through an exploration of empirical characteristics and events (Silverman, 2013). Following the listing of codes, data were analysed by deciphering themes, patterns and sub-types inductively (Easterby-Smith et al., 2012), as this is expected to generate findings that are valid and reliable (Thomas, 2006). Such an inductive approach enables the researcher's intuition to walk through the comprehension of data (Easterby-Smith et al., 2012). With the progression of the data collection procedure, the list grows in length, and the research combines both deductive and inductive approaches to analysing data.

5.3.1 Familiarisation stage

The present study is initiated with the familiarisation stage where 12 open-ended interviews were carried out with a sample of informants comprising managers of the plants, engineers, supervisors and technicians, and unit business leaders in the NWC. Throughout the interview process, the types of routines followed in the organisation were dictated by the informants - as suggested by Feldman and Pentland (2003) - as well as the change sources in the workplace environment. Each interview lasted 30 to 60 minutes, with an average of 45 minutes. While the interviews were conducted, field notes were made and transcribed within 24 hours. This stage is characterised by the informants directing the researcher to important archival data sources and operating performance reports for selected plants. The sources were gathered and reviewed.

5.3.2 Systematisation stage

According to the observations in the familiarisation phase, a single case research design was created to make sure that robust and generalisable theoretical information was developed. The research design comprises two plants (A and B) operated by a single organisation (NWC).

Different levels of the organisational hierarchy took part in the 37 conducted semi-structured interviews. This sample pool allowed the consideration of

the ostensive aspects through the exploration of the points of view and roles of the sample in the routine in different hierarchical levels (Feldman, 2003; Gavetti, 2005). In the selected organisational routine, the responsibility of the overall design and management of the job order routines fell to the directors, while supervisors oversaw daily performance, and lastly, field employees actually performed the routines.

As suggested by prior studies (e.g. Feldman and Pentland, 2003; Pentland and Feldman, 2005), each informant was requested to provide a description of the general job order routines and some instances of certain performances. Based on the interview protocol, the informants were asked: 1) what does a typical performance of the job order routine involve from the informant's role perspective? 2) Has the routine changed following privatisation, and if it did, how has it changed? If it has not, then why?

In order to guarantee data comprehensiveness and comparability, the researcher asked the informants to volunteer information concerning the changes noted during the familiarisation phase. Most of the interviewees were recorded then transcribed. As mentioned, field notes were taken throughout the interview and during visits to the site, then transcribed on the same day. At every on-site visit, observations, both formal and informal, were made and added to the field notes. The researcher also managed to obtain access to archival information and materials from informants to clarify certain details. Such materials ranged from a 10-year operational manual to day-to-day operations guided by the job order routine. Data gathered from the systematisation stage were reproduced in around 250 pages of text. More importantly, the technical background of the researcher enabled full immersion in the micro-level interactions throughout processes, artefacts, people and technologies.

5.3 Data Analysis Process

The process of data analysis and coding was conducted through several iterative phases, as indicated in Figure 5.1 below and discussed in the following paragraphs.

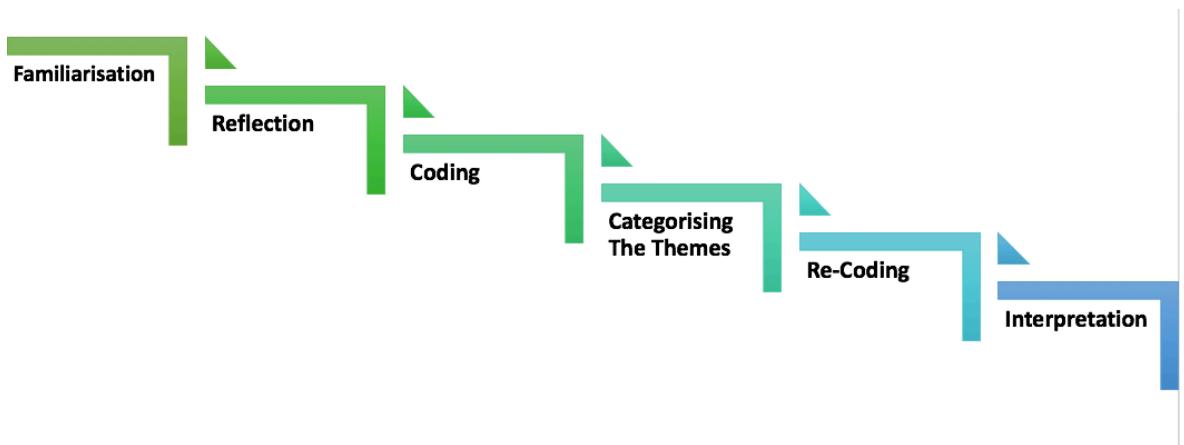


Figure 5.1 Research data analysis steps

5.3.1 Stage 1: Familiarisation

This step involves the researcher listening to the recordings, transcribing them and reading the transcriptions several times. This enables the researcher to identify what the data suggest by concentrating on the aims and objectives of the research.

5.3.2 Stage 2: Reflection

This second step entails acquiring an understanding of the data through evaluation based on related prior research – in this case, privatisation and organisational routines in developing nations. Data are critically evaluated for their support of, or deviation from, existing knowledge. Data are also scrutinised for whether or not they can fill the gap in the literature by providing answers to unresolved questions. This reflection stage also investigates the distinction of data in a manner unlike that in prior studies.

5.3.3 Stage 3: Coding

In this third stage, coding is undertaken (Miles and Huberman, 1994; Easterby-Smith et al., 2012) and transferred to an A3 sheet. In the analysis of the qualitative data, the coding process involves obtaining raw data and interpreting the conceptual meanings behind them. This process essentially involves the disaggregation of data and labelling the sections in the transcript for data categorisation and understanding (Patton, 2002; Easterby-Smith et al., 2012). According to Miles and Huberman (1994), this step is referred to as data clustering, and code names are ascribed to concepts that are obtained via the process of coding.

In this step, the relevant sections of the transaction that hold the answers to the research questions are highlighted and assigned codes. The codes are labelled to provide conceptual meaning to the social phenomenon under study, and they are kept in close proximity to the data. The closeness of the data codes is inductively developed in order to maximise the analysis in terms of its reliability (Thomas, 2006). Such proximity enables other individuals to discern and likewise encode data in the same manner (Boyatzis, 1998). Hence, a section that does not fall under one of the pre-set categories can be assigned a new code, and such a process is called open coding (Corbin and Strauss, 2008). These open codes relate data to the issues and questions of the research (Miles and Huberman, 1994). In other words, concepts/codes are the major methods used to make the connections between data (Boyatzis, 1998) and have established a means of data grouping, organisation and categorisation (Corbin and Strauss, 2008).

5.3.4 Stage 4: Categorising the themes

In the preceding stage, sets of core themes are developed in categories (Miles and Huberman, 1994; Boyatzis, 1998; Braun and Clarke, 2006). The researcher's ability to organise the themes in a systematic way in their interconnection is how theories are ultimately developed. Specifically, a theme encapsulates the qualitative content of the social phenomenon, which in turn, may be invaluable at a later stage of data analysis and interpretation

(Boyatzis, 1998). In this step, the groups of multiple themes are clustered, transforming each cluster as a higher-order theme. In fact, this stage is a step towards higher levels of abstraction (Miles and Huberman (1994) that assists in transforming data into a form that can be interpreted and presented meaningfully (Coffey and Atkinson, 1996).

Similarly, Corbin and Strauss (2008) agree that concepts/codes differ in their abstraction level; some are fundamental codes while others are higher-level codes. The higher the codes are positioned on the conceptual ladder, the greater their explanatory strength. In other words, in the conceptual pyramid, the higher-level concepts indicate a solid basis upon which their lower-level counterparts can be built (Corbin and Strauss, 2008). The coding was carried out in an order of hierarchy where focused codes (Easterby-Smith et al., 2012), pattern codes (Miles and Huberman, 1994) and higher-level codes (Corbin and Strauss, 2008) are highly conceptual and analytical. With the progression of the analysis, more salient themes are pushed upwards, towards the peak of the pyramid.

5.3.5 Stage 5: Re-coding

Data analysis can be described as process that is iterative, and it is important that data are frequently revised for comparison with prior coded interviews in order to ensure that the coding rules throughout transcripts are consistent (Corbin and Strauss, 2008; Easterby-Smith et al., 2012).

5.3.6 Stage 6: Interpretation

This stage places data in a more holistic view of interpretation in which concepts, categories and key themes are scrutinised for patterns and relationships. Furthermore, in the final stage, the researcher ultimately develops a conceptual framework by using transcending data and what they could relay (Wolcott, 1994). This involves inductive reasoning and inference in relation to the research's analytical and conceptual framework, along with the doctoral training and researcher's background of the context of the research, personal experience and familiarity with the research in the

research context (Lincoln and Guba, 1986; Wolcott, 1994; Patton, 2002). Similarly, Easterby-Smith et al. (2012) contend that this stage develops an explanatory analytical framework.

5.4 Conclusion

This chapter explained the different stages of analysis and the data analysis process. It also presented the thematic analysis adopted from Braun and Clark (2006). The overall steps are; familiarisation, reflection, coding, categorisation the themes, recoding and interpretation.

Chapter 6: Research Findings

6.1 Introduction

This chapter presents the findings of the research based on the analysis of the interviews conducted with participants of the NWC, observation and document analysis. Based on the interviews, data were analysed manually and later by using MAXQDA12 software. The steps described in the previous chapter were followed, and coding was undertaken for each interview. After reviewing the codes, the researcher categorised them in groups that fall into main themes shown in Appendices 4 and 5.

The researcher interviewed the employees of NWC at all different levels of the organisation. The interviewees were from top, middle and low positions. The researcher focused on two plants to explore the job order routine thoroughly and interviewed the employees who are involved in the routines. Interviewees identified many factors that they believed were behind preventing job order routine from change within the NWC. This chapter illustrates and explains the themes emerging from the data analysis. These include threats to the individual's position, culture, structure, lack of training, motivation, lack of communication, the new technology and change resistance. They were raised by the interviewees as factors preventing changes to the organisational routine.



Figure 6.1 The themes that emerged from the data

6.2 Resistance to Change

Various participants in the organisation were interviewed in detail about different aspects of employees' resistance to change during the process of privatisation, as well as the way that organisational routines were affected by such resistance. Specifically, the interviewees were positioned in high to low management hierarchical positions.

6.2.1 Reasons for employee resistance

Employees' resistance to organisational change brought about by the privatisation process was attributed to several reasons. People are inclined to keep a certain balance, and new organisational routines bring about changes to this balance that result in resistance to the changes. Change resistance is among the many reasons that hinder organisational routines from changing. Most often, resistance occurs at the earlier stages of organisational routine changes. A plant director related that:

We have been attempting to make changes in the old ineffective organisational routine, but employee resistance prevented this from happening. It is crucial that we do something to resolve this issue. (PB1)

However, resistance to change is quite natural. According to a maintenance director :

The employees exhibit resistance when change is going to take place in an organisational routine. It is natural for people always to feel that they are in control of their behaviours and they despair when they fail to deliver the intended outcomes. During the process of privatisation, some individuals unconsciously manifest resistance to change organisational routines. (PA2)

Also, another maintenance director remarked:

An individual may cognitively perceive like changing routines is a good thing to do, but resistance may arise because of uncertain emotional and challenges of the new changes implementation. (PB2)

An operation engineer related that:

The changes brought about by privatisation in organisational routines will lead to increased employee resistance, mitigated productivity, increase anxiety, and low performance. (PA3)

This was further supported by a training management director who related that:

The identification of new needs via implementation new ways of working is expected to lead to employees' anxiety and as such, potential effect of unconscious responses should be kept into consideration. Evidently, some resistance should be calculated, but some may arise as unconscious reactions to the anxieties that were brought about by privatisation. (H3)

A plant director added:

This may be explained clearly, where during a meeting wherein major changes in organisational routines are declared, an individual or a group would indicate various unconscious resistance. For instance, rather than rationally working out on how to implement the changes to enhance organisational routines, a group may opt for an aggressive behaviour through their

arguments, or steer clear of the topic altogether.'

(PA1)

Furthermore, some individuals' acts lead to specific resistance behaviour, and such behaviours feed on the people's dislike of organisational imbalance generated by the organisational routines changes. In this case, people may attempt to regain balance by going against the manager, in which case the manager has to behave rationally during the change process in the organisation.

Managers have to be aware of human aspects in the form of irrational thoughts, emotions and beliefs, and the way that they influence the behaviour of employees during changes to the organisational routine after privatisation. It is also important for managers to provide information for employees to adopt a balanced change initiative relating to the technical aspects of change and the human aspects linked with resistance during organisational transformation. This issue was discussed by a plant director, who stated that:

Because employee resistance is generally considered from a negative point of view, leaders often overlook the positive aspects related to it like the opportunities for ongoing learning in privatisation area, and opportunities for open discussions with employees. This transparent communication could change the employees from resisting to accepting the change and may be supporting the change of organisational routines. Nevertheless, changing the behaviour of people is always difficult and challenging. (PB1)

A training management director observed that individuals have hidden dimensions that affect their actions and behaviours during organisational changes, which manifest in their behaviour during privatisation in the form of resistance. He said:

As mentioned, employee behaviour is quite challenging to interpret and understand and sometimes, leaders mistake bad behaviour for a rational reason, even though it may stem from an irrational one. In this regard, the complexities of human behaviour may only be comprehended through

knowledge and experience of employee resistance.
(H3)

From the interviewees' statements, it is clear that they had experienced employee resistance when implementing privatisation and trying to change organisational routine.

Resistance behaviour may be harmful and may ultimately affect organisational success in a negative manner. Hence, it is important for the leaders to focus on how to address resistance to change. An operation supervisor remarked:

Among the significant aspects to shedding light on the failures is ongoing learning in the area of how to cope up with organisational changes and employee resistance to make successful changes in the organisational routines. (PB6)

In this regard, leaders need to focus on uncertainty and support for the different perspectives of the employees to be clarified in the first stage of the change process when it comes to routines. Employees are known to talk about organisational routine changes with a negative connotation towards resistance, but instead of preventing the discussion from happening, it is important to keep it going as this would enable all the employees to take part in the conversation and provide their viewpoints. In this regard, one maintenance director stated that,

Negative responses concerning organisational routine changes have the potential to lead to continued discussions and debates. Uncertainty in its truest form may likely produce conversations rather than strong opposition. (PA4)

A plant director added:

Employees cognitively put up resistance to the changes brought about by privatisation. Nevertheless, as opposed to viewing dialogue as a negative behaviour that may prevent successful changes from happening in organisational routines, it should be viewed as a critical factor for eventual changes to take place successfully. This is because conversations

concerning resistance keep the topic highlighted to maintain awareness. (PB1)

Hence, in the first stage of the privatisation process, communication should be promoted across organisational departments and not be confined to a few managers to determine the changes that should be brought about. To achieve organisational objectives, communication is a must. According to a maintenance engineer :

Enhancing employee-departments communication can assist reduce resistance towards organisational routine changes. As things stand, scheduled meetings or discussions between our department and the maintenance department to rehash issues related to work process or job under way are yet to be decided on. (PB4)

It is crucial for management to explain the objective of the change to employees and to present the advantages that it will bring to individuals and departments. Leaders should be ready to answer the questions brought up by employees. This was stressed by a maintenance supervisor when he stated that:

New rules and official documents are coming daily with some relating to organisational routines, while others are not. We were not informed of them before their introduction, and our opinion and feedback were not obtained after their introduction. (PA8)

When asked about an alternative strategy that he could have opted for to make smooth, successful changes, one manager stressed the importance of communication as a significant factor in change implementation when it comes to organisational routines and implementation of privatisation. Similarly, the manager of Plant B explained that developing a good relationship could help in the change process and reduce resistance, and this entails effective communication and interaction with employees. More specifically, he elaborated:

I am of the opinion that on a personal level if given a chance to get to know the employees, it may have been easier to convince them of the importance of the changes taking place. I wanted their acceptance, so I

declared to a roomful of employees that making the change is a must – however, this did not go down well. Given another chance, I would have taken the time to know the employees better to get a feeling of the resistance expected, to deal with it effectively and to prepare for it before the actual changes take place. It is communication with the employees. No other alternative option. (PB1)

Open communication is key to obtain the general employee support for the initiative to implement the necessary changes and minimise their resistance. This concept is aligned with the micro-level perspective on change as an ongoing process in which there is ongoing adoption and modification to the daily employee routines. A maintenance engineer stated:

The company failed to get the employee involved in the process since the beginning of privatisation. The target and the objective were vague to most of the employees. There was, and still, there is not good communication between the employees and the managers and between the different departments which lead to losing the employee's support to change the organisational routine and instead they resist the change. (PB4)

The related dynamic processes that come with uncertainty serve as an opportunity to address and support employees without disturbing the momentum towards the change taking place in organisation routines. Moreover, the nature of uncertainty that is manifested in employee reactions to change may be used to predict their manner of communication to change organisational routines.

Several psychological dimensions are attributed to the employees' resistance towards privatisation. According to a plant director:

Resistance to change is a manifestation of the employees' defence that assists them in coping up with organisational changes in routine. Employees use such defence when organisational routines are changed. Defence can arise in different ways, and it calls for managers to be skilful in determining the different dimensions that may prevent the successful change in organisational routine. Without discussion, the changes will not take place in organisational

routines, the resistance may continue to spread along with the routine changes, and it may turn employees into pessimistic workers. (PB1)

A more general viewpoint of the psychological dimensions of employee resistance was explored about the leaders' experience with employee resistance towards organisation changes. The managers focused on leadership change and the different roles that leaders play to bring about the acceptance and support of the employees towards the organisation vision. The participants talked about their personal experience with employee resistance in their positions as leaders of privatisation. According to the business unit director:

I noticed from my experience that putting to work some people who are completely opposed to change makes a difference as ultimately some people remain totally against the changes. We could have employed more strategies to get their participation in carrying out the changes. This is because, when left to their own devices, without management urging them to change, they remain the way they are - totally opposed to the change. (H2)

Demotivated employees lack motivation to carry out tasks, and this could lead to increased complaints. When this happens, employees lose faith in their managers while managers lose faith in the higher management owing to the experiences related to the failed change process. This was clarified by a plant director who stated that:

We are aware that employees need time to process their past experiences with the related changes that have to take place in organisational routines. The organisational will only move forward if the managers understand the reasons behind the employees' resistance to the changes. (PA1)

The employees exhibit several behaviours during the process of privatisation. Managers can cope with privatisation through intervention strategies that are geared towards the provision of information regarding awareness and understanding of processes and the way the unconscious process affects the motivations and behaviour of employees to facilitate a

successful change of job order routine. Added to this, intervention strategies that involve counselling concentrate on actions created to assist employees in analysing and understanding the way that their defence mechanisms influence their views on and motivations towards the changes.

An operation engineer observed that:

Resistance intervention strategies help individuals in their identification and interpretation of their viewpoints concerning the change and create higher personal awareness and understanding of one's self. Such personal growth and development would likely change the perceptions of the individual regarding organisational change, and in turn, mitigate the resistance level. (PB3)

Evaluating human reactions through the assessment of the employees' attitudes and perceptions of the changes appears prudent. Moreover, it is crucial for managers to create implementation initiatives addressing the concerns of the employees during organisational change, and such initiatives have to work towards and mitigate negative viewpoints and opinions. The growth and development of employees may alter their perceptions of organisation change and thereby mitigate the resistance.

After such a strategy has been planned and begun, management must attempt to keep on the right course. One maintenance engineer said:

After committing to a single path of understanding, it is pertinent to stay on course no matter what challenges arise. (PA4)

Maintaining the selected course of action is quite challenging, in that at times leaders may need to request the help of key influencers within the organisation to spread the message throughout the organisation, as mentioned by the plant supervisor:

Sometimes, when a policy is under-clarified, it is best to retrace steps and tweak some things to align the processes. I also found that a good and effective use of job classification would guide and educate individuals in departments to learn the processes so that they can train their colleagues who failed to get it

the first time and reduce the resistance to change.
(PB8)

One participant added that managers could not change organisational routine without their employees' support. In other words, employees are the key players in achieving organisational targets and goals. The responses culled from the interviews evidenced that the managers faced challenges in the form of employee resistance as a result of privatisation. When requested to recall some of their experiences as leaders of privatisation, they described different emotions during and following the process of privatisation, which can best be described as challenging and inspiring.

Managers described employees' nature when faced with changes in the organisational routines as complex and challenging. More often than not, the leaders gave their all to convince employees to accept and embrace the changes, but they still face change resistance and this could lead to employee turnover. The managers believed that the termination of some employees at the beginning of implementing privatisation was a necessary step that the organisation should have taken to ensure that the changes could succeed.

Before the actual changes, it is pertinent to establish realistic timelines for their achievement so that the stress of long process of changing organisational routine can be reduced. The leader might establish a realistic schedule and senior leaders were mostly involved, with lower managers having minimal input. A strict deadline is often stipulated by the upper management for lower management that is unrealistic to achieve. The lower management may have a say in the resources and a realistic period for changes to organisational routine to be achieved via what is available and the work schedules. This was stressed by the plant manager when he stated:

More often than not, the issue is how to communicate upwards – some senior leaders harbour unrealistic expectations of a timely or transition period. They perceive that the subordinates will achieve the timely without consequences or misgivings. (PB1)

An operator added:

Higher management should have established a realistic timeframe for the completion of changes in organisational routines to mitigate some of the stress and pressure from employees as a result of a long process of change. (PB12)

Managers or leaders might refrain from pressuring and overworking employees with additional tasks; rather, they could unburden them and mitigate their concerns to allow them to concentrate on the priorities. However, this does not always work, as changing the hearts and minds of people is quite challenging. According to the operation engineer in Plant B:

Placing an additional burden on the subordinates already limited time is an issue, and if I could I would unburden them with the other requirements so that they can concentrate on what matters most, I would. In hindsight, if I could have recognised the trivial requirements I would have dropped them and let them focus on changing organisational routine. What is important is changing the hearts and minds of our employees. (PB3)

The managers all spoke of some experience in to how to lead resistant employees or organisational change prior to the changes. Such experience taught them how to handle employee resistance to organisational routine changes and provided them with the skills now needed to cope. One plant director related his experience:

Positive change is a very important milestone in human lives and what humans do to bring about positive changes in their lives for the better should not be taken as a wrong step – as employees should not believe that making changes in organisational routines is something hard to achieve. Human life is all about managing and handling our response in a positive manner to different changes, but still, the majority of the employees are unaware of this. It is crucial for managers to make them aware of it and to get them used to changes, particularly after privatising the organisations. It is the manager's responsibility to make their employees aware of the changes that they have to face in the organisational structure, organisational routine and other aspects. (PB1)

One operation engineer's take on the matter was quite similar:

Some people like stability to reign and avoid changes but what they do not recognise is that they are change agents if they try to resist any change they are making a decision to do something. This should make them aware of the changes taking place around them that are indiscernible through culture – an ongoing change rather than a one-time event. Therefore, employees should be reminded and constantly informed about new things and the term 'change' should not be avoided and once they get used to it, it will be easier. If change is forced upon them, then it will be an uphill battle that gets tougher as time passes. (PA3)

Leaders in organisations are not always experienced, as some are new leaders and have their first encounter with employee resistance when they are implementing privatisation. They are faced with several challenges in which they stress communication is a major part of their leadership and of the implementation of changes to organisational routines. The managers' descriptions of communication had various facets, including engagement and motivation. They focused on the need for effective communication. More specifically, The general maintenance manager related:

It is the most difficult challenge that we have to face that calls for our skills as leaders. I conducted several two-way communications to know my employees' thoughts, understanding and what I need for them to do, what we're doing, and their feedback and suggestions on the best method to follow. Although they have several inputs, what they really need to know is the fundamental understanding of change, the transition, and the belief that what they are doing is for the organisation's best. Communication is thus critical for reducing the resistance, and it has to be facilitated continuously through different ways throughout the change. (H7)

The managers' emphasis was on the important role that communication plays in motivating employees and involving them in realising the implementation of change to achieve the objectives of the organisation and reduce the resistance.

Employees might not be overworked with new tasks, but rather, they may be left to focus on the prioritised tasks. Developing a good relationship between managers and employees is also a must, as organisational changes often disrupt the typical workflow of the employee. Inevitably, in some instances, leaders had to accept that some employees would neither change their mind-sets to accept change nor reach consensus.

Managing employee resistance could be effective if managers have attended necessary training on the subject. One maintenance supervisor elaborated:

In my opinion, most of the managers are not trained to handle change and deal with resistance successfully. They are not trained on how to lead and to motivate a resisting person, to lessen resistance. Some individuals will always resist change as people naturally do not like change as it urges them to take a step, to pay attention, to do something different from what they are used to, and to resist changes. (PB8)

The leaders' responses pointed to the fact that they have to continue to develop their skills in mitigating employee resistance towards change. The managers were aware that they would face some resistance from their employees and it was their responsibility to transform such resistance to acceptance of change. They were supposed to be fully aware that it was difficult to change the mind-set of individuals because it implied leadership skills, learning and experience to implement the privatisation successfully. The managers had to incentivise employees to change the ineffective organisational routines to the effective ones that could personally benefit both them and the organisation. To change organisational routines successfully, effective training could be carried out before implementation, as discussed in the next section.

6.3 Effective Training

The participants confirmed the constructive influence of effective training on bringing about changes and enhancement to organisational routines in privatised organisations. They supported an effective training course, directed through proper strategies, as this would result in improved and

high-quality organisational routines and performance. The participants were of the consensus that providing proper training to employees would meet the objectives at different levels and, in due course, would improve the performance of the organisation.

Participants were also in agreement that effective training works first towards benefiting the workers; in other words, the top positive benefit of effective training is its enhancement of employee satisfaction. This is because employee satisfaction is the start of other organisational developments and change. According to one plant director:

An effective training has an impact on different organisational layers that would, in turn, assist in the overall organisational performance. (PA1)

A mechanical technician shared a similar view, stating that:

An efficient and effective training is crucial for employee satisfaction, resulting in the employee willingness to adopt the necessary skills and knowledge that employees can use to improve their productivity, creativity, organisational routines, and ultimately their overall performance and career enhancement. (PA14)

They further stressed that:

Enhancing employee satisfaction would make them committed and loyal to the organisation and provide them with a perceived sense of belonging, assisting them in deciding upon and achieving specific objectives and targets and changing organisational routine.

In relation to the above, the organisation should have a group of talented and capable individuals working towards achieving the organisational goals and objectives. An employee who has received effective training will improve or change organisational routines and help the organisation to be efficient. Also, the results indicate that an effective training system assists in the achievement of strategies and goals of the organisation while keeping costs down, ultimately resulting in superior financial performance. This performance is in the form of optimum capital consumption and reserves,

and in promoting best practice as well as enhancing the employees' capabilities.

While providing training is essential, it is also pertinent for the company to conduct an evaluation of the impact of training on organisational routines and employees' performance. An operator assistance pointed out that:

The company has carried out some training courses, but sees no effect of such courses on changing organisational routines or enhancing performance.
(PA13)

An operator volunteered:

There were several training courses provided by the organisation, but they were ineffective because the training was focused on theory and general issues rather than the achievement of particular objectives. The provided training was not responsive to the employees' needs since their needs or weaknesses were not addressed, and there was a lack of coordination among the different levels and departments of the organisation. (PB9)

Another operator explained that:

effort, money and time were just wasted in providing the training course as it was not well prepared, inefficient and no prior analysis was conducted to determine the shortcomings of the employees' knowledge and experience to address and resolve them through a well-focused training course. (PB10)

Hence, for the maximised effectiveness of training courses in changing ineffective organisational routine and ultimately the effectiveness of the organisation, several major elements have to be taken into consideration in future training courses, namely the content, process and the trainers. One operator stated that:

Some components require scrutiny as the training course contents have to be consistent with the organisational context, employees' needs and development areas that need to be supported to improve organisational routines and performance.
(PA12)

In other words, the course should be evaluated for its success level or failure to bring about the desired changes in the organisational routines. According to an operation engineer:

It is important that NWC measures the immediate reaction of the participants to the training session and ask them whether or not the training helped resolve their previous weaknesses to ensure the necessary changes take place in organisational routines. They should be asked whether or not they obtained lessons and knowledge from the training in the employees' area of specialisation, and whether or not they feel any change in their behaviour in changing organisational routine. Lastly, the impact of the training course should be evaluated based on its impact on the improvement of organisational routine and enhancing the overall organisational performance. (PA3)

The evaluation of training effectiveness, mentioned above, significantly contributes to determining the effectiveness of training in meeting the objectives that it was designed for, and recognising the shortcomings of the COMPAS system and the contributions of NWC employees to making the programme more effective. According to some participants, individuals have a critical role in deciding whether or not the provided training course was effective. An electrical technician said:

Among the several top components of training are motivating employees as this serves as a significant bridge between the working environment and the training outcomes, and it has a key role in determining the overall effectiveness of training courses. (PA15)

Effective training helps employees to change ostensive and performative aspects of routine. According to one operator:

Training does help operators to change the routine, firstly, in their minds. All operators have spent years and years to do the job routine in a certain way. To change such a way, NWC needs to train us about the new routine to understand it and change it in our minds before we could change it practically. (PB10)

After changing the ostensive aspects of the routine, it is easier for the company to change the performative aspects. According to an operator:

If we change the routine in our minds, the company can train the operator how to practically change it in the plant. (PB10)

Another participant asserted a significant relationship between the motivation of trainees and the effectiveness of training in changing organisational routines. He laid emphasis on the need for researchers and practitioners to address and examine the factors affecting trainees' motivation and their interests in participating in training courses that are provided internally or externally. That is, there will be a significant improvement in training effectiveness if its strategies focus on improving trainees' recognition of its importance to their personal and career developments. A mechanical technician remarked:

Enhancing trainees' motivation would be obtained if employees are convinced that high efforts led to high performance and related to promotion opportunities for the employees. (PA14)

Therefore, it is crucial for training courses to find out what it they are designed and provided for. One maintenance supervisor participant supported the importance of motivation among employees to take part in the training courses, stating that:

Motivated trainees are the ones that proactively take part in the training sessions and the ones that learn the most compared to their unmotivated counterparts who attend the training sessions just to satisfy their supervisors. (PA8)

The above statements suggest that designing a training strategy calls for managers or training managers to determine whether or not they provide the right level of motivation for the personal and career development of trainees. Hence, several factors were identified as affecting employee motivation to attend training. First, it is important to consider the employees' past training because, if the courses are not informative for the trainees, they will lose their enthusiasm for attending; and even if they are forced to attend, they will have little motivation:

I attended many unrelated training courses based on my department's suggestion. (PB13)

The general beliefs held by employees about specific training relate significantly and positively to the effectiveness of the training. Hence, the reputation of the courses plays a major role in motivating trainees, as they have a tendency to check with those who have attended the course before to ask about their experience to form ideas before they decide to participate:

Employees tend to ask their co-workers about the courses they are going to take. If these courses have been badly received, then the enthusiasm will be at a minimum. (PA12)

More training courses are necessary, as some employees complained about the courses provided by the company. According to an electrical technician:

Despite the fact that the provided training tackled some issues, more overall training is required. We require training to change or adapt to the new organisational routines and how to use new technology. More specific training courses should be provided urgently. (PA15)

An operator mentioned about the importance of the type of courses provided to them:

Training is generally lacking in the company, but we have some courses that are completely unrelated to how we can improve or change the ineffective organisational routines. For instance, they delivered a course on the English language, and this is unnecessary as the majority of us are Arabs and are fluent in Arabic. The organisers of training should prioritise the courses offered. Otherwise it will just be a waste of resources in terms of money, time and effort. (PB11)

A training course has currently to focus on improving and maintaining organisational routines and performance, since this is urgently needed, according to participants.

Another factor that predicts the training effectiveness is the rewards received by the trainees following successful completion of the course. Such

rewards are pertinent in triggering their motivation to learn from the course and put it into actual use at work. An electrical technician stressed the importance of trainers:

Employees do not have any motivation to attend the training courses. We need to have trainers who are well experienced and professional. What we have now appears to be less experienced trainers, who are not specialised in the topic being delivered. (PB14)

Meanwhile, an operation supervisor stressed the importance of selecting employees for training, who will later train other employees. According to him:

The company could choose and train skilled employees who are currently in their employment and who are skilled as trainers. In so doing, the company can save costs in hiring trainers and making training available whenever needed. Presently, sometimes they bring European trainers who speak in English, a language that most of the trainees are not familiar with, which is a huge investment for the company that serves little benefit. (PA7)

A maintenance supervisor related:

We require a specialist to direct trainers and to assist them in honing their training skills. (PB8)

According to some participants, there is a need for qualified, specialised and regularly trained personnel to execute the plans and train employees to be better trainers, as this could lead to enhancing skills that they could later pass on to future trainers. For the enhancement and sustainability of training quality, it is crucial that training developers adopt a long-run strategy and maintain experienced trainers. One operator supervisor added:

Despite being supervisors, we are still in need of specialists to direct and assist us in becoming better trainers. This could be achieved by hiring experienced instructors to train us to become successful trainers, who can help the employees to change the job order routine. A successful training session is required that could bring the realisation of becoming better trainers. To do this, there should be several courses

provided rather than just a single one for positive results. (PB6)

Moreover, it is important to include and consult employees on the type of training that the company needs. In the words of one operator:

The provided course is decided in a top-down strategy rather than bottom up. In other words, managers are the ones that arrange the courses. Such managers should consult middle managers, line managers, and employees to decide the right course to be provided to the employees. At the moment, the company sends fixed courses to the departments that they could take part in. (PA11)

However, according to a maintenance supervisor, in reality, the scenario is that:

The NWC lacks a clear strategy when it comes to training courses. Such courses should be released to the trainees at least a year before. (PB8)

A mechanical technician explained that the courses delivered at the training centre were provided without any visits to the plants or real sites to facilitate employees' application of their learning to their actual work or changing job order routine (performative aspect). According to him:

I participated in one course on pump maintenance, and we were trained on the basis of theory; they could have taken us to the plants to practise what we've learned under supervision to benefit from the training practically. (PA14)

Training might reflect the changing needs and the way that they are updated through the provision of courses at different levels, including induction for new employees, basic training, and advanced training for senior and skilled employees. Training could also be provided to the top level, middle and line managers, and other employees according to their job positions and responsibilities. According to one operator:

I've attended a good course, but what is missing is the need for the number of courses to be provided to change the organisational routine. A trainee should be provided with intensive courses rather than just a few

as these courses can contribute to the success of training. The more a trainee advances through the level of courses, the more he can benefit from them and change organisational routine. (PB10)

A plant director suggested the following:

I suggest providing managers or directors training courses to enhance their skills. As a director, I am open to receiving leadership courses that could enhance my leadership skills. (PA1)

However, some participants questioned the effectiveness of the training attended. An electrical technician was dissatisfied with the training course, as is evident in this statement:

In all honesty, I did not benefit from the course as even the initial explanation of information was unclear. General information provided requires clarification and accuracy, and due to the lack of both, I did not gain any benefit from the course. (PB14)

One operator assistance voiced complaints on the vague and general information provided during the training session attended. The suggested specialisation would require future adaptation to needs, as opposed to being exposed to a combination of general and basic information:

In relation to this, NWC needs to emphasise the specific training needs of each department and determine a training course that would address what they need and help them to change job order routine. (PA13)

More importantly, a participant suggested that effective training should be balanced against the resource implications of merely providing ad hoc training supported by continuous feedback and evaluation. To this, an operation supervisor suggested the following:

I suggest receiving a simple email concerning the training courses complete with the course contents prior to and following the training, to follow up what happened during the training courses and to provide a summary concerning the courses. (PB7)

This suggested a need for communicating with the training team members

via email to facilitate interactive communication. This could facilitate a synthesis of training courses and ensure that all employees are brought up to date with the developments of training.

The effectiveness of training facilitates changes in ostensive and performative routines:

It is impossible for job order routine to change without the provision of intensive and effective training courses to all employees whose jobs are related to the routine. (PB11)

6.3.1 Renovation and organisational routine

Renovation refers to the process of staff renewal, specifically in the middle and high management. The data suggested that this is an important theme owing to its facilitation of the change process of organisational routine. Privatisation might lead to renovation to facilitate change in organisational routines. Skilled and knowledgeable new staff are capable of working with change in organisational routines and are encouraged to be involved in it.

Renovation could also be realised by letting staff members go, especially those who possess a government mentality and resist the change to efficient organisational routines, display low performance or are near retirement. The company could hire new employees who are eager for change to achieve organisational goals and strategies stemming from privatisation. In this regard, companies could employ younger employees with experience and who are dynamic.

Managers influence employees to gain experience and handle work issues. Against this backdrop, the company leaders' mentality and background play a key role in forming the work processes. According to one operation engineer:

Indeed, the difference is notable. Leaders having a governmental background differ from those having experience in private sector with the mentality of profitability and competitiveness. This works towards eliminating resistance to change in organisational

routines, and in enhancing work and productivity.
(PA3)

As a leader, the CEO can eradicate the government mentality of the majority of general managers by laying down new rules and organisational routines.

As stated by maintenance engineer:

The CEO fell short of changing the mentality of the company members and refused to replace the old managers with new ones, opting instead to continue employing the same manager who was evidently against change and that's why job order routine did not change. (PB4)

An operation supervisor remarked:

It is important for the company to let go of the majority of the general managers and employees owing to their low performance, or government mentality as these contribute to change resistance and prevent job order routine from changing. (PA6)

Companies require individuals who can bring about changes to ineffective organisational routines and replace them with effective ones. More often than not, government-minded individuals are more inclined towards stability, thus they resist change. This might be the reason why Western companies have a tendency to lay off existing employees and hire new staff to boost the required changes. The maintenance engineer further stated:

New employees are mentally wired towards bringing about change, dealing with the new organisational routine and working hard. On the other hand, government employees resist changes to organisational routines owing to their fear of what the changes may bring - prefer the status quo instead.

The majority of general managers, administrative directors and employees were relatively old and had had 10 years of experience before privatisation. Most of them had a Bachelors degree. Due to their background, changing the organisational routine through renovation is imperative. Renovation primarily aims to replace resistant and low-performing employees with energised ones who possess the skills and knowledge that the company needs to bring about change. Hence, renovation plays a key role in the

change of organisational routines. To change organisational routines successfully, culture is another important factor to be considered before implementation, which is discussed in the next section.

6.4 National and Organisational Culture

This theme concerns factors that influence the change in the organisational routines that are present in both national and organisational cultures. More specifically, organisational culture facilitates or resists change to organisational routines. Also, national culture encapsulates the behaviour and customs of people, and the societal and community principles and privacy that have the potential to influence the change of organisational routines, whether positively or negatively.

A company may try to replace unqualified employees with qualified new staff as the latter are more capable of supporting changes in organisational routines. In the context of Saudi Arabia, the culture has its basis on the societal and community principles that may prevent a change of routines and retain unqualified employees.

According to one of the top managers:

Employees cannot be laid off in Saudi just because they need to be laid off. In the context of the US, companies have the authority to sack employees if they feel that the number of employees is too high. This concept of immediately laying off employees is completely unacceptable in Saudi Arabia. (H4)

The above statement was supported by training management director, who stated that:

This is the culture in the Gulf country, where job safety is ensured, and employees cannot be immediately laid off from his job – in fact, the layoff culture is still frowned upon in the culture as well as the community. (H3)

Organisational culture significantly influences the change of organisational routines and, more often than not, organisational culture influences the

employees' culture and behaviour. As a consequence, it is important for the privatised company to try to disseminate a new and proper culture to enable smooth organisational routines change. According to the business unit director:

The management of privatisation was quite proactive, and they employed effective strategies that employed the changes in a step-by-step manner and facilitated the modification of the organisational culture to suit the embracing of changes. (H2)

In some instances, a change management department provides inefficient courses and programmes to change both the employees and the culture of the company. In this regard, an effective way of changing organisational culture is to employ new managers from fresh backgrounds who are capable of setting effective courses, new values and rules in the workplace. In fact, the general operation manager said that:

In some positions, we employ individuals external to the company to bring about the change in the mentality in the company and to assist in changing the culture of the organisation. (H6)

Furthermore, national culture may sometimes prevent change to organisational routines. According to a plant director:

The majority of the firms dealing with technology are faced with serious issues of privacy where a new technology from the US may be easily adapted in the UK owing to the similar societies, restrictions as well as culture. Hence, products are often ready to be employed with minimal modifications and customisations. However, in the context of Saudi Arabia, owing to the importance of privacy in the Kingdom, not all products from the Western world can be directly utilised. Often, customisations are called for their applicability to the Kingdom's culture and customers. Such customisations could lead to delay in the products provision and delay in changing organisational routines as a result. (PA1)

The cultural barrier that prevents changes in organisational routines could lead to resistance to change, as the government mentality of some management makes change impossible. Thus, changing the organisational

culture, in this case, could minimise the change resistance. According to one engineer:

Although there are changes, there are also resistances to such changes that stem from national or organisational culture. (PB2)

Therefore, cultural factors can play a key role in changing organisational routines as they relate to the workers in the company. The NWC was convinced that any change might fail without the right culture. Therefore, when the governmental culture went against the new company orientations, the company had to change the culture to keep it in line with the new company phase. NWC attempted to create and diffuse a new culture for successful change to organisational routines. However, according to some participants, it failed to do so. In other words, cultural change (national or organisational) must be considered in light of its role in either driving successful changes to organisational routines or preventing them.

6.4.1 *Wasta*

A major theme that was evident from the interviews is the importance of culture on changing organisational routines. In this regard, the notion of *wasta* arises, which is a pervasive characteristic of Saudi society. More specifically, *wasta* is innate in Saudi Arabian culture and, for that matter, the culture of the whole Arab region. *Wasta* refers to a type of favouritism, and literally translates as 'going between'. It is intrinsic to Saudi society and culture, and stems from tribal and family relationships. *Wasta* is deeply ingrained in society, and could be described as the exercise of power via social connections. The *wasta* principle is one that goes against modern organisation, as specific individuals are preferred on the basis of their family and their connections in society, as opposed to their merit. In the NWC case, it seemed that *wasta* permeated the culture of the company and the current privatisation only served to underline the depth of *wasta* and its impact on organisational processes. This was evidenced by the participants' viewpoints on the impact of *wasta* on the existing processes. An introductory insight was provided by them as they related that:

wasta permeates our every activity although we know that some cultures frown upon it. For us, it is a natural and ingrained part of the culture. If we do not accept someone's *wasta*, we could find ourselves facing difficulties. In other words, *wasta* means overriding specific rules and policies and steering clear of issues relating to contracting and recruitment. This, unfortunately, has a negative impact on changing the organisational routine. (PA8)

The general operation manager explained that:

wasta forms a part of who we are although, unfortunately, this does not always promote 'fairness'. It is considered as fair as specific networks and families have worked all their lives to promote their reputation and names. This would make the rejection of *wasta* appears unfair. Rejecting *wasta* would get us into trouble as it implicitly urges us to accept it. (H6)

Furthermore, he added that:

wasta cannot be avoided! We just act on it when the need arises. It is, without a doubt, a foreign concept to other cultures, but in ours, it forms an integral part.

It is evident from the statements by the interviewees above that some employees accepted *wasta*, although they disapproved of it. However, they still felt that it is an inevitable part of the culture and cannot be eliminated. When they were asked to explain the impact of *wasta* on organisational routines, they stated that the effects were deeply rooted in the organisation and, through *wasta*, unqualified employees secure important jobs, preventing the organisational routine from changing:

wasta leads to the employment of unqualified employees as they have connections to the leaders as their friends or relatives – such leaders are against the dynamic changes needed for the new organisation. (PB8)

However, *wasta* has a positive impact on bureaucracy. According to the participants, bureaucracy frequently resulted in slow operations that significantly affected efficiency. The company's hierarchical nature and the importance given to bureaucracy were considered to be counterproductive

but, with the help of *wasta*, bureaucratic systems could be over-ridden and ignored. This is a major benefit of *wasta*. The participants evidenced this very fact when they stated that:

Wasta functions as a fast-track tool in several cases as it either flies undetected or it is accepted in the higher echelons to mitigate bureaucracy, if not to eliminate it totally. In this regard, things get done more expediently. (PA1)

Although *wasta* was perceived to side-step bureaucracy, it created other issues after the privatisation of the organisation. Results showed that *wasta* affected organisational transparency, as when privatisation came into play the processes were not followed. This was particularly clear with participants working in human resources (HR), who related that *wasta* significantly affected staff recruitment. As a result, the HR procedures and company policy called for the suspension of specific applicants. Although the candidates who were qualified were interviewed, a phone call could remove their opportunity to work for the company as management, through *wasta*, could select other participants. In other words, the HR department did not have to develop job specifications; rather, jobs would be created for individuals who the company did not need. The stress on transparency was a major concern, as procedures were not followed and undocumented. According to the management change manager:

In the case when *wasta* takes precedence, the issues are no longer regarding time and bureaucracy, but other issues arise like lack of information on procedures and employing of unqualified people. In regard to this, knowledge is an organisational asset in any modern organisation and consultants tackle numerous challenges to create knowledge management systems. Our losses are two-fold when it comes to *wasta*; first, procedures are ignored and not documented as senior level management have already given the green light. Second, knowledge is lost as some employees hold no qualifications and are only employed through *wasta* to secure positions in the company. Therefore, the company has to forego the opportunity of hiring potential qualified employees,

who can rightfully contribute to the improved change in organisational routine of the organisation. (H4)

Added to the above issue, HR employees also explained that *wasta* leads to over-staffing. According to the participants, *wasta* had played a role in the loss of efficiency as processes were often ignored, and this prevented organisational routine from changing, and decisions were made based on personal connections with little focus on the goals of the company. This is evident from the one the general maintenance manager's statement:

Our company is overstaffed, and this affects the organisation's efficiency and has a negative impact on organisational routine change. This will add costs to the company in terms of salary and training. (H7)

However, the managers in the higher organisational echelons remained oblivious to the issues brought about by *wasta* and its effect on the culture and processes when they stated that there was no major impact from *wasta* on company processes and that favouritism and nepotism played an insignificant role. Rather, the managers provided a simplistic view of *wasta*'s nature and effect on changing the organisational routines. According to the statement by one manager:

Wasta is an ingrained culture that neither has had a major impact on the company's processes nor has prevented organisational routine from changing. All the processes have been conducted and achieved, and the job positions are filled. With the creation of new job positions, more individuals are employed through *wasta*, and more individuals and groups from a larger social structure will decide to support our company. Bureaucracy, on the other hand, is kept to a minimum in that if HR faces problems in recruiting an employee owing to some bureaucratic issues, *wasta* can fast-track his move into the position that suits him, indicating heightened efficiency. (H5)

This was explained further by an example:

For instance, with the clear go-ahead from senior level managers, like myself, that are convinced of employing someone to fill a job position, we can expediently do so without the hindrance of the bureaucratic process. We make use of our initiative

and reach decisions in real time, owing to *wasta*. It enables the adoption of new processes considering it is ingrained in our culture that espouses unit and the shared goal of the group and society.

The general operation manager agreed and said:

With *wasta*, the organisational goals are achieved and strived for as everyone works towards one goal. Regardless of how *wasta* is considered by some other cultures, in ours, since we are familiar with it, we do not allow it to affect the organisational processes adversely. I would be quite disappointed if *wasta* is to be eliminated as it is part of culture and identity, and also, the organisation would find it difficult to adapt to the processes in a timely and effective way. It is *wasta* that facilitates the united front, shapes our thinking and influences the actions that lead from such thinking. In other words, even if *wasta* is phased out, it would still exist in the organisation. (H6)

It is evident from the above statements that *wasta* is deeply integrated and embedded in the culture of Saudi management and organisation. The majority of managers volunteered the same information, apart from one, who was against *wasta*, who said:

In reality, *wasta* has a significant effect on every organisational aspect, particularly in changing organisational routine. *Wasta* is embedded in the fabric of Saudi society and its phasing out from the company is next to impossible as there's a great tendency to view it as an all-encompassing term for unity and strength when it is all about favouritism and nepotism in its very core and action. Personally, I would rather face the long bureaucratic process of individual recruitment, who is qualified for the position, as opposed to employing one who is clueless as to what he is doing but this occurs in this company every other week. It is shameful that we are on the top list of the countries affected by *wasta* in our region. (PB1)

A maintenance director confirmed the role of *wasta* in preventing organisational routine from changing, saying;

Wasta has had a role in impacting the quality and efficiency of the processes in our organisation and

preventing organisational routine from changing, and there is no way to stop it for fear of offending someone or of being the receiving end of a reprimand. *Wasta* is the major cause behind the lack of transparency, for fear of offending the wrong individual and of eventually losing their positions. In essence, *wasta* refers to the fact that senior management or anyone in a higher position can make decisions that go against the policies of the organisation without inclining to stop him. (PB2)

There are many complaints regarding *wasta* from different levels in the organisation and its significant effect on changing organisational routine. According to one of the plant managers:

I have been the recipient of several complaints regarding *wasta* issues that go against the company policy and prevent organisational routine from changing – such complaints are highly warranted, but there is no clear resolution as yet. That's why we do not see any change in a job order routine or any other organisational routine in the organisation. (PB1)

Of the chief factors mentioned by interviewees, that with the main role in preventing change to organisational routines is *wasta*. It affects the choice of recruits, and some are employed because they are related to someone in charge, not their qualifications:

In our culture, workers are employed in connection with the leaders of the company in that member of their families are easily employed. This is the reason why it is difficult to change organisational routines. Unqualified employees obtain job positions that they are not rightfully suited. Consequently, innovation and new ideas are hard to come by regarding changing organisational routines. (PA2)

Various cultures view *wasta* differently, which indicates that it could be seen as receiving a boost to one's career or securing a position through a relative in the workforce, or through connections in recruitment and appraisal of employees. An electrical technician related that:

Saudi Arabia is characterised as a country that is managed and controlled through deeply ingrained culture and traditions. (PA15)

It is evident from the participant's reply that national and organisational culture, particularly *wasta*, has a negative effect on changing the type of organisational routine (ostensive and performative). In changing organisational routines successfully, tension among employees is another important factor that should be considered before implementation of privatisation, as discussed in the next section.

6.5 Tension

One of the key themes that emerged from the data is the tension experienced by employees. Participants stated that the majority of employees began to adopt a non-cooperative stance towards enhancing or changing the organisation's routine. They perceived that their positions were not safe, and consequently tensions mounted. The answers provided by the participants clearly indicated that threats to their individual status resulted in considerable tension at both Plants A and B and in the NWC as a whole, preventing organisational routines from changing.

The majority of the participants in Plant A indicated that threats to their positions influenced the change in organisational routines at the plants and the organisation as a whole. For example, one participant working as a manager felt that the threats to status led to tension, while another explained that this factor created conflict between individuals, yet was not significant in creating a high level of organisational conflict. According to a maintenance director:

Presently, our company is undertaking radical changes at the leadership and policies level. To reiterate, our company attracts youth and employ them in the higher structure of the company, and others in the company are threatened by this. Consequently, this has led to high tension among employees that called for our use of exclusion strategy to minimise the feeling of tension and resistance. (PA2)

Tension mounted among employees following privatisation as some of the more qualified employees took on others' positions. This resulted in

preventing changes from take place in the ostensive and performative routine, despite the management's changing of artefacts (SOPs) for the purpose of job order routine:

The company asked us to make changes in the job order routine and granted my position to my co-worker, although I was more qualified – I hold a Masters degree while he does not. (PA4)

Managers tried to be balanced. On the one hand, they tried to change the current organisational routines to prove that they were qualified for the job and secured their position. On the other hand, they did not want to disturb the current organisational routines even if they were not effective as long as the work was performing smoothly. In this regard, one of the managers said:

Honestly, everyone is afraid of losing his position by doing or changing anything including job order routine which may disturb the work. I do not want to put my position at risk. (PA1)

When the researcher went through a copy of the new company structure, he observed several procedures that were not being followed. Like a plant director and a maintenance engineer agreed with the influence of threat to a worker's status, stating:

Yes, the threat to the worker's status has led to the creation of tension among employees although the high level of conflict among employees actually stems from the big differences in salaries of workers. For instance, some of the state employees were recipients of salary increments as high as 35% while others only received 10% or nothing at all following the contract with the NWC as a result of privatisation. So, no one is interested in changing job order routine practically despite the changes made on paper. (PA4)

The majority of the middle management, line management and workers were of the consensus that the threat to status plays a role in organisational routine change. The following are some excerpts from their answers:

The company has an organisational structure but it is still in the process of revision and change, so I expect everyone to feel the instability, particularly in light of

their positions. In my opinion, the threat to the position is one of the top factors that leads to a high level of conflict among employees as well as the heads of departments and administration, and this hinders efficient changes in the organisational routines. (PA6)

A plant director volunteered:

The company is in the process of developing its policies and procedures, and this influences the workers' relationships with each other. In fact, I have received several complaints that mainly stem from the appointment of fresh graduates in leadership positions without sufficient training. Such graduates' viewpoints and style clash with those of other employees – some of whom who have had more than two decades of experience. This naturally creates tension in a daily manner, which negatively affects organisational routine change. (PA1)

An operation engineer added:

The threat towards or the change of individual's positions significantly influences the tension level among employees. I know of a co-worker who had many complaints in his departments mainly caused by a previous chief who behaved as a leader, issuing orders, although some of the other employees requested for his early retirement program which he plainly ignored. (PA3)

The early retirement programme that was referred to by PA2 and PA3 is a vacation on full pay for workers nearing retirement who are characterised as having a negative attitude towards privatisation or who are troublemakers, to mitigate change resistance in the company:

The threat to the individual position has a considerable impact in that it creates a high level of tension among employees in the company as the majority of the workers have a high tendency to dominate and one with a high position resists in giving up his position. However, the issue is not the person in charge of the changes, but the people that resist such changes as they can benefit from the former's position. They benefit from him more than other employees, and thus, they will continue resisting the changes if they feel that the person in charge is about to lose his position to another individual who may not

be inclined to providing them with the same benefits.
(PA2)

Generally speaking, it is evident from the respondents' answers that the threat to the individuals' position prevents organisational routines from changing at Plant A. It could be said that this has a more significant impact on middle and line management than top management or workers. The recruitment of new graduates has made heads of departments insecure about their position in the company, resulting in the development of organisational tension and an environment that is non-conducive to changing the ostensive and performative aspects of the routine.

The majority of Plant B participants perceived that the threat to individuals' position significantly affected the environment at Plant B by creating tension in the company and preventing the job order routine from changing. However, the plant manager participants did not believe that the threat resulted in a high level of conflict at their plant, although one did admit that this factor could lead to conflict. He stated:

It is completely natural when an employee feels his position is at risk and he could react by resisting or objecting to the changes – where sometimes violence arises in such resistance. Nevertheless, I have not received complaints of this kind as yet. (PB1)

He added:

The company's organisational structure frequently undertakes changes and such changes are positive as they represent the company's progress and at the same time, may lead to tension since some managers may lose their position.

A maintenance director respondent replied:

It is natural for workers to have some differences among them and threat to the position makes up one of those differences. Despite the presence of the differences, nothing has reached a level that we have to be concerned with it yet. However, this is one of the reasons that prevent job order routine from changing. (PB2)

More specifically, the majority of the middle managers, line managers and workers in Plant B believed that threats to an individual's position prevented organisational routines from changing, and to a significant extent. According to the maintenance director:

We distribute the new SOP of job order routine, but the atmosphere is full of tension and no one follows it.

An operation observer added:

We tried to stick to the previous job order routine to avoid disrupting the work and to avoid being responsible for changing the routine to the new one, which may not be successful as there is no cooperation between the employees. PB5

One operation supervisor added:

Usually, the organisational structure's updates are affected by political plans. Similarly, the organisational structure is also influenced by some leading officials' personal interests – to accommodate relatives or friends who are loyal to the CEO. Hence, the threat to position exists and plays a considerable role in the generation of conflicts among workers and ultimately affects organisational routine. This also exists in the form of a collective threat as every official has their advocates and opponents. (PB6)

With a similar reply, one line management made the following remark:

Yes, the threat to worker's position leads to intense struggles that can ultimately lead to violence among groups rather than individuals. This is because of the overwhelming instability that the changes bring about in the organisational structure that often leads to the desire to occupy top positions in the company by candidates that have close friends and relatives who are hoping to be recipients of special privileges. Therefore, a high tension environment exists in the workplace brought about by the changes to the company's structure which plays a significant role in preventing job order routine from changing and improving organisational performance in general. (PB3)

Similarly, one operation supervisor concurred with the line management and said:

Yes, the threat to position leads to significant problems among workers and prevent the applying of new job order routine; for instance, some of the workers hide information from their co-workers to keep their coveted positions while others make a habit of spreading malicious rumours concerning their colleagues to prevent them from taking supervisory positions. Added to this, some workers go as far as to record mistakes only because they are jealous of others' higher degrees and the possibility of them becoming managers one day. (PB7).

Added to the above, he stated:

From my viewpoint, the threat to the position is one of the top serious causes of tension among the company's working groups and prevents job order routine from changing. (PB7)

One of the middle management officials in the NWC admitted that there is tension and a threat to individual positions that prevents the implementation of the new job order routine, but is not worried about it. He said:

It is natural for an individual to feel that his position is threatened in a way that he may be demoted at any time as a result of which he may retaliate against others and that is why organisational routine not changed yet – but like I said, it's not something that the company should worry about in the long run. It will eventually disappear or at least will be minimised. (H5)

Some contradictions can be highlighted in the replies of the respondents; specifically, some refused to expound on the threat to individual positions and its effect on conflict, although they acknowledged that there was tension among workers. However, there seemed to be consensus that this threat to individual position role prevented the job order routine from changing. PB1 even referred to this as violent conflict. Overall, the threat to an individual's position significantly constrained organisational routines from changing, despite some participants' denial of its existence.

To change organisational routines successfully, organisational structure is another important factor to be considered before the implementation of privatisation, as discussed in the next section.

6.6 Organisational Structure

Organisational structure is one of the factors that influences changes in organisational routine. NWC had to make changes to its structure to accommodate its changing strategies and policies. For instance, when the company shifted its strategy to customer-centric, the structure of the company had to change to suit. According to the training management director:

At the onset of 2011, the new organisational structure was proclaimed to be officially implemented to keep abreast with the customer-oriented concept. (H3)

Also, privatisation played a crucial role in changing the structure of the company. Before privatisation, the primary organisational role was to organise work, as opposed to operating and monitoring the organisation. This is because, under the control of the government, the company's main aim was the provision of services regardless of the profit, as the government funded the organisation. Following privatisation, the company implemented a business style and profit-making strategy. According to the strategic management director:

The initial structural changes were the first step to becoming a private company – and now it depends on the management's decision. These changes of course influenced the organisational routines changes. (H5)

Moreover, privatisation influenced the structure of the company in light of the introduction of new sectors and departments, and the changing titles of the positions in the higher company echelons. This significant structural shift urged the company to establish new organisational routines that suited the phase:

Following privatisation, the management introduced a new structure, and with it, the CEO of the company took the position of the Head of NWC. (H5)

When PA1 was questioned about the company's organisational structure, he replied that the researcher could find more details about it in the Department of Administrative Affairs. He also requested an employee to explain the organisational structure to the researcher, which turned out to be an old structure, yet to be amended by incorporating the changes of the past nine months by the NWC. The structure was, however, the most recent copy that the company possessed.

A middle-management respondent indicated the lack of managerial stability in the company and provided details in his anxious reply by stating that:

The company's managerial instability in terms of procedures and policies can be attributed to the semi-conscious and unstable changes which ultimately lead to unstable organisational routines that are made in the state policy that the companies are mandated to follow. Our company is thus affected by the policy changes particularly when it comes to economic prices; for instance, the water pricing that was previously determined by the state – our company has been a subsidiary of the state up until 2011 – after which, the companies have relegated the responsibility of water pricing. Nevertheless, this water pricing has always been established by the leaders of the company. In other words, as I mentioned, the company's policy changes from time to time and as such, it is very unstable, and this makes the organisational structure also unstable. Due to this, some departments/administrations are cancelled, and in some instances, new necessary positions are created. (PB1)

Organisational structure also influenced the organisational routine and the operation and maintenance chart, as well as the work processes within the company:

The structural changes influence organisational routine because the latter is developed on the basis of the present management departments to achieve specific goals. This could lead to work confusion and

disruption because changing the company structure could indicate changes in the operation and maintenance chart. This occurred in the company several times. Thus, organisational routines were developed on the old structure for smooth processes in the company. (PA1)

Another driver of organisational structure was the changes in the market. The company required a dynamic and flexible structure to satisfy the demands of the market. NWC realised this, hence it adopted a more versatile and dynamic structure:

Structural changes occur every about four years in companies, and market demands have a key role in such changes. The company encountered varying priorities in different periods, and these acted as drivers for changes in structure to reinforce the new orientation. In the water sector, the change is relatively dynamic in a sense that the company has to be capable of changing without directly influencing its operational and clients. As such, in the past seven years, the company has had three different structural changes, which unfortunately affected the organisational routine in a negative way. (PB1)

The majority of companies underwent changes to enhance their efficiency, and, in this case, NWC changed its structure and tried to change some organisational routines to enhance and develop its work processes and enhance its efficiency:

Administrative structure, accounting system, and other system changes facilitated the increase in the company's efficiency. This was one of our top priorities, and we have already succeeded in undergoing most of the required changes. (H2)

6.6.1 Decision making

Among the several objectives of changing the organisational structure was to assist decision makers in an easy and timely manner. The majority of the participants stressed the importance of facilitating the decision-making process in a market characterised by strong competition:

Structural changes in light of departmental merging, for instance, sales departments are grouped under one management. Changing organisational structure can facilitate several things in which case if the structural changes positively indicate the status of the company they make it easy to conduct decisions in a timely and easy manner. (H5)

Therefore, organisational structure is deemed to be a significant factor that affects changes in the organisational routines. It is a factor that is similar to organisational strategy and other factors, as all of them overlap and influence each other. Hence, it is imperative to determine the influence of organisational structure on the changes of organisational routine, either directly or indirectly, via other factors. Moreover, it is evident that there were no changes in organisational routine following privatisation apart from the change in the artefact (SOPs), and one of the factors preventing changes to the ostensive and performative routine is the structure of the organisation.

According to most of the participants, if organisations want to change their organisational routine successfully, technology is another important factor to be considered before the implementation of privatisation, as discussed in the next section.

6.7 Technology

Some participants were eager to explain the factors that promote or prevent the new routines' implementation, specifically the ability to use a new technology. They stated that this is a significant factor that could either facilitate or prevent organisational routines from changing in light of a new technology adoption. Individuals, as well as groups working together in the organisation including technicians, engineers and managers in the plant, need to change their behaviour to the technology to achieve a successful change in organisational routine. It appears that some of the plant operators and supervisors were happy with the use of paper-based routines in the job order routine. They perceived the functionality as satisfactory and were convinced that there was no reason or justification to replace the paper-based job order routine with new technology to do the job. According to one

maintenance engineer:

My role is supported by the paper-based routine, and I am convinced that it is accomplishing my task in that I have an overall picture of the scenario and I find no reason to employ a new technology and adapt to a new job order routine. I think it would be extremely complicated if a new technology is introduced into my tasks and it won't be any additional help to my tasks. (PA4)

According to an operation observer, job performance under the paper-based job order routine is easier to achieve than under the new technology system (COMPAS). He related that:

The new technology system is comparatively complex to the old paper routine and since almost all of the employees are continuing to use the latter, I see no reason to change it. (PB5)

The interviews highlighted the views of the participants concerning the paper-based routine, and were asked to provide a description of its advantages and disadvantages in the job order routine. The majority of the participants mentioned the time-consuming aspect and recalled that searching through files and finding a specific document for a specific incident is quite difficult. They added that writing the job order routine by hand takes most of their time and led to increased workloads for task completion. In the words of an operator:

The primary disadvantage of the paper-based routine is the risk of losing or damaging relevant documents. Added to this, paper-based records occupy a plenty of space, and it is time-consuming to search for specific documents among significant numbers of documents and files. (PA12)

This was supported by an operator who was asked to provide his view on the paper-based routine:

In a paper-based system, the workload appears heavy as everything has to be written by hand. As such, there is the risk of losing some valuable document. Also, paper-based records occupy a considerable area of

space. This system is also time-consuming owing to the several people involved in the process. (PB11)

However, some participants gave positive points of view about the paper-based routine, with one stressing the need for fewer resources since the paper-based routine was working just fine and still in operation. An operation supervisor said:

The use of paper and pen for job order routine is a common method that does not require any specific training, and thus, it saves time, financial resources, and trainers. (PB7)

The other respondent revealed the simplicity of the paper-based routine as it does not need staff who are information technology literate, and is easy to document and store. More specifically, one operation supervisor said:

The primary benefit of the paper-based routine is that the users do not need to be trained - in the technology-based system, time is consumed for training staff that are not familiar with computer use. (PA6)

Another operator shared the same concern:

I prefer using the paper-based system as it is easy and simple to use. (PB9)

Not all participants preferred the paper-based routine system. One operator remarked:

I am convinced that the paper-based routine would lack the details provided by the electronic-based system and the latter would be more functional. (PA10)

His response echoed the concern of many managers who believed that a job order routine that is based on paper needs to change, since it is ineffective, putting the performance of the organisation at stake. One manager stated:

We have been waiting for the new technology to come to change job order routine and implement a new one. The job order routine that is based on paper delay the job and performance so significantly. (PB1)

Not only did the new technology facilitate change in organisational routines;

the majority of the managers and employees revealed that the technology prevented it. According to an operation supervisor:

For the implementation of changes to the job order routine, the company has to implement technology that is not complicated and easy to learn and use and this has not been done by the company. (PB5)

Another operation supervisor was yet to use the system. He said:

Despite the fact that I am inclined towards using the new job order routine, I have not yet used it because of the lack of spare time to do so. So, I write the job order routine in the book and the paper. Even though the system has multiple functions, its functionality is complicated as I do not need to use it in my day-to-day routines. However, if the management force the employees to use the system, then it would be extensively used by engineers and other plant workers. Contrastingly, engineers encourage us to maintain using the paper-based routines, and we, therefore, have to work by their orders. (PA6)

According to some managers, the cost and time were pertinent factors in using this type of technology. One manager related:

We often select the technology that is inexpensive and take minimal time to implement. (PB1)

In the case of NWC, the IT department was the one responsible for providing services and projects to the rest of the departments in the organisation. But, it did not have their feedback and participation in the development and implementation of the new technology. According to a participant:

We were not asked to get involved in the preparation of the COMPAS, and this is the reason why the new technology system (COMPAS) is lacking some aspects and why it did not implement yet. PA4

A maintenance director echoed this view:

Technology has the capability of influencing the change in NWC as the technology makes the work processes speed up. With the appropriate technology, we could have divested of papers and offices once and for all for the job to be completed. Job order routine could have been changed and enhanced. In my

opinion, the IT department made a huge error by not letting us participate in the programming and implementation process. (PB2)

Observations showed that the job order routine was paper-based, which the as the employees had followed before privatisation. One operation supervisor mentioned the reason for continuing with the same routine:

Evidently, the job order routine and other organisational routines may have enhanced the process efficiency within the company if it was correctly implemented and processed. (PB6)

According to the majority of participants, the technology could have enhanced the organisational routine work and services, but it did not, due to the exclusion of employees who were involved in the routine programming time of the software (COMPAS). One of them said:

IT could have managed to implement the new job order routine and improve the process of operation and maintenance if the company had shared the process with the employees. (PA1)

On the whole, the IT department could have played a primary role in the implementation of an effective job order routine. In fact, the department should receive requests from other departments for new software with particular features to satisfy their work demands. Added to this, the company should have established a mediating department to liaise between management and IT to minimise the knowledge gap between the two. This was crucial as the operation department, according to some participants, had no staff trained in matters of computing, while the IT department lacked management skills.

It was pertinent for the IT department to request the participation of employees from various departments, as they had different backgrounds – computer science and management. This could have assisted in selecting effective software based on varying viewpoints. Technology is thus considered as an internal factor that influences the change in job order routine.

According to most of the participants, if organisations want to change organisational routines successfully, good communication is another important factor that should be considered before implementation, as discussed in the next section.

6.8 Lack of Communication

Worker-management communication is crucial in bringing about successful change to organisational routines. Both plants' participants concurred with the issue of poor communication and its negative influence on changes to the job order routines in the organisation. According to an operator assistance:

We have been experiencing bad communication since the onset of the privatisation process. Prior to that, I could simply call maintenance department to request some machine repair. Following privatisation, I have to formally draw up a report otherwise I will not experience the same cooperation that I had before. (PA13)

Similarly, one operator stated:

After privatisation there is no urgency to perform jobs like before. There is a fear of being held responsible by supervisors and managers if jobs aren't done the formal way. Communication among staff is not as smooth compared to how it was prior privatisation. (PB12)

In the context of job order routine, some participants reported no change owing to the lack of employee-department communication. One operator explained:

Personally, I am inclined to change the job order routine and start following the new routine, but with the present of lack of communication that we have among workers in the same department, and other departments, I think no one will cooperate with me if I do adopt the new routine. (PA12)

By contrast, other top- and middle-management participants were convinced that communication did not prevent changes to the organisational routine in their company. A top-management participant specifically stated:

No communication problems exist between administration and employees in different departments as communication is done through email and leaflets. The problem however exists in the fact that workers are not fluent in English and they lack computer literacy – this is resolved by translating the emails into Arabic to relay the required information. The workers are also provided with computer and English training courses. (H2)

A middle-management participant answered the question by stating:

No, we do not have any issues stemming from workers communication as we use email and direct face-to-face meetings in our communication modes to direct the administrations to plant workers, and we sometimes even translate for easy understanding. (H6)

A contrasting answer came from another top manager, who stated:

We do face problems of late information delivery during the company's administration and this primarily stems from the process of translation. I personally expect that some officials in other departments face issues stemming from this problem. (H5)

It is evident from the answers provided by majority of participants, from line management to workers, that poor communication prevented organisation routine changes within the company. Some of the participants from different levels provided the following answers:

The communication is caused by the new management's dependence on e-correspondence that increases my workload as I have to retype received instructions in English, with most of the employees not fluent in English. The forms are then sent to the maintenance department. Sometimes due to my workload and time limitations, there are delays in the process and these lead to confusion and anger. (PA2)

Similarly, an operation engineer stated:

We sometimes receive the translated instructions by the administration but we don't find them clear and concise because of the unfamiliar words used, as they are translated literally from English. I often prefer English original instructions over their translations as the former is more understandable. (PB3)

One operation supervisor concurred and said:

Due to our poor English communication skills, we often have no way of properly communicating with the officials, so the contact person sends our requests to them and help interpret our words to them in meetings. The issue lies in our lack of knowledge of what has been translated and whether or not our requests have been forwarded. (PA6)

The manager of one plant said:

I agree that poor communication has been the cause of some problems as my colleagues in my department has complained about it. According to them, they were not paid for overtime work because they failed to fill out the new overtime work form that the administration had forwarded through email. This failure is attributed to the fact that majority of them are not computer literate so they are unaware of the forms existence, and the contact person failed to inform them of the new policy. Therefore, this led to high resentment between members of the departments. (PA1)

Management participants at Plant B relayed that their company has no communication issues, indicating that the communication factor does not influence the change in organisational routine in their company. Some of the participants are cited in this section. For instance, PB1 volunteered that:

The communication between administration and plants departments are conducted through correspondence, face-to-face meetings with plant officials and frequently meetings. There are no communication problems. (PB1)

The management change manager explained:

Communication takes among managerial levels – from the head of department to the head of the plant and this also holds true the other way around. As for

problems, there hasn't been any issue on communication so far. (H4)

A maintenance director volunteered that:

There are no communication problems as the entire administrative instructions and guidance are displayed on the department's board. (PB2)

Nevertheless, apart from the above, three line management participants concurred as to the presence of communication problems with the most important among them being delays in receiving the instruction of changing job order routine:

We do have communication problems, with the top being the delay of response to maintenance department requests that leads to delay in work, particularly in case of requests for equipment required in job order routine as this creates issues among employees. Also, we have heard about instruction of changing job order routine, but I have not seen it officially. (PB4)

An electrical technician stated:

Problems do exist concerning the delay of response to our requests and this is caused by the traditional correspondence method rather than the electronic mail - the latter is not feasible as the region has weak network connection. (PA15)

According to one mechanical technician:

In my opinion, the communication process has to go through the managerial hierarchy and this takes time. For instance, for maintenance request of a machine, or the request for its spare parts, I have to contact my supervisor, who in turn, has to contact the main administration or the maintenance administration for procurement and this often takes over two weeks. Hence, I personally undertake the routine correspondence while taking permission from my boss and deal with the main administration to expedite the matter in less than four days through connections. Nevertheless, this incurs higher costs owing to travel and temporary absence of an employee in the plant. (PB13)

Most of the workers in the plants perceive poor communication as hindering organisational routine changes in the company.

According to one electrical technician :

Communication problems are rampant with the financial administration and the administrative affairs as they are done through written requests from my boss. I had an annual bonus that was not included to my account, while my colleague was not paid his bonus. Owing to my boss difficult character, we often avoid making our requests over and over. However, he did confirm that he had sent both the requests and we are now waiting for the outcome. (PA15)

A mechanical technician said:

The company's administration relay their orders and instructions to us through our boss, but the latter does not often give us the whole picture, particularly when it is beneficial to us like training courses, bonuses, and privileges aside from a chosen few...and this has led to contention among us. (PB13)

Similarly, one operator assistance said:

We are kept unaware of matters that benefit us and we only get to know about them from our colleagues or other departments when it is too late. (PB15)

The above quotations from participants demonstrate that most of them are convinced that there is poor communication and that it has influenced the organisational routine changes and other practices in their companies. Clearly, the participants' feedback concerning employee communication indicates that it is still done through traditional means, rather than through email, and this leads to delays in response to the workers' requests. This is a good example of poor communication, although some of the top and middle managers refuse to acknowledge this fact. It is, therefore, logical to conclude that poor communication has hindered changes in organisational routine and improvement in overall performance.

6.9 Motivation

Motivation is also considered in the present study as a factor influencing the organisational routine changes (artefact, ostensive, and performative). It is pertinent for employees to be motivated to change the different types of organisational routines. An operator in the study stated:

The NWC has to motivate employees to change job order routines and other routines and this can be done by providing additional allowance as a reward for those who do so, or a certificate to acknowledge better behaviour. In this way, employees will try to change the job order routines. (PA11)

Moreover, the company can give workers incentives to make changes to the routines easily. As one electrical technician put it:

I am content with the traditional paper-based routine and I don't find any benefit to change it, so why bother to even try? It can also be said that if I try to change the present routine, I may fail at it. (PB14)

Management may hand out punishments for those who try to change the routine and fail in doing so and this de-motivates us. When I attempted to use the system according to the new job order routine using the computer to send the order, a problem arose and I was blamed for deviating from the paper-based routine. (PB7)

The participants related that money or reward is not a necessity to motivate employees to change organisational routines, as words and appreciation would suffice:

The company need not motivate us to change the organisational routine through financial rewards. Appreciation and good words will motivate us to make an effort to change the routine. (PA9)

Evidently, employees have to be motivated to change the various types of routine. Motivation is a must and, although such motivation may not always be for financial reward, this may be intrinsic.

To summarise the discussion of results, the artefact is the only thing that has changed in the job order routines following privatisation in NWC, and the ostensive and performative routines remain the same. Several factors have been identified in this research as preventing organisational routines from change: the threat to the individuals' position, and the culture, structure, lack of training, motivation, lack of communication, new technology and change resistance.

According to the majority of employees, the organisation's general performance has also remained the same, as no changes were successfully made in the organisational routine.

6.10 Perceived Organisational Performance

According to the participants, the duration of their work has remained the same after privatisation, because no significant change was made to the work process following privatisation.

According to one maintenance director:

The process of doing work in the organisation has not changed. The resolution of problems took the same duration of time compared to how it was prior to prioritisation, and in some instances, it took even longer. The company has to provide employees with data and information so time and effort can be saved instead of wasted searching for them. This way the problem can be explored expediently and recommendations can be provided in a timely manner. (PB2)

The availability of data is another crucial factor that has been raised by the participants, and is considered as an indication of the perceived

performance of the NWC after privatisation. The availability of data and information assists in enhancing work and performance of the organisation.

The company performance did not show any improvement and could not be analysed, due to lack of data. So work proceeded as it the way it did before privatisation and this consumes time and efforts. Work could be done efficiently with the help of COMPAS system and several advantages could be reaped. (PA3)

The managers laid emphasis on the importance of having timely information for decision making. This can be attributed to the influence of information and data on changing the routines and performance of the company. According to one manager:

There is a need to obtain the required information for timely decision making. For such decisions, a ready full database is called for upon which the decisions can be made. (PA1)

Moreover, the strategies and planning of the company hinge on the data and information provided by the company. This underlines the importance of enhancing the system's dissemination and storage of data and information. The departmental strategy and planning largely depend on accessible information and data and, as such, have to be accurate and on time for the utility and success of the strategies and plans of the company. In the words of one manager:

Planning is often based on internal and external information and this necessitates accurate and timely information access to create plans and strategies with. (H4)

Participants working in various departments also stressed the importance of information access at all times, as opposed to waiting until the year or the month is over, as is often the case:

The importance of the COMPAS system lies in its ability to determine the service outcomes at any time. The lack of systems that can delivery readings or outcomes only at end of the month may incur costs. It

is thus crucial to obtain information at any time for decision making. (PB1)

They also stressed the importance of availability of non-financial information.

We consider financial as well as non-financial information as the financial systems also include non-financial information including the number of customers. (H6)

Decision making is an important indicator, reflecting and explaining the role of the new COMPAS system in work development. COMPAS provides information that facilitates faster and efficient decision making. Therefore, it is important for the company to eliminate the factors preventing its implementation and promote those facilitating it:

In my opinion, with the application of COMPAS, strategic decisions and internal decisions can be made expediently and this would significantly assist us. (PB4)

Regarding the successful indicators and privatisation benefits, I can honestly say that the way things are done has remained the same before and after privatisation. (PA8)

In a successful company, information and data are prerequisites. One of the main reasons for NWC to change its organisational routine is to obtain accurate, invaluable and timely information, since any decision, strategy or activity hinges on information and data that is accurate and readily available. With routine change, information and data will be enhanced, and this indicates the benefits of the new routine, which could ultimately lead to positive company performance.

The change in the level of centralisation and decentralisation is examined in the company following privatisation and the influence of such change on the performance of the organisation. According to participants, centralisation in terms of work and decision making hinders the work flow and the provision of services. In this regard, NWC attempted to employ a decentralised authority to cope with privatisation, and the participants reported on the

differences that they perceived between centralisation prior to and after privatisation:

We naturally hoped that better services can be provided, but this was not the case, because with every decision to be made, we have to request from the general managers or even the CEO. This has affected the work flow in the company as well as the company profitability. The only difference between then and now is that we had to discuss the issue with the Vice-Minister then, and now with the CEO. (PA1)

On the basis of participants' viewpoints, the company is driven and urged to become decentralised, as this facilitates work and saves time. This can be realised through implementation of the COMPAS system:

Processes take a week or two to go through the motions with centralisation but, with decentralisation, decisions can be obtained from the authorised person on the same day. (PA7)

Moreover, decentralisation facilitates immediate and timely decision making that leads to enhanced work processes. According to a maintenance engineer:

Several issues can be relayed directly to the financial management and the executives and CEO can meet and decide upon an immediate action without consulting the board because of autonomy granted. (PA4)

With COMPAS, the company procedures can be changed, giving the right individual with the decision to decide. (PB4)

Company work remained the same because of centralisation. Countless signatures should not be required for decision making. With the implementation and use of the COMPAS system, managers and employees can concentrate on actual work as opposed to bureaucratic processes. It is also important for top management to provide managers and operational teams with the autonomy to decide on issues in order to enhance and facilitate work.

Even letters are centralised, the contact between two departments carries out through the general manager. This way is useless and it could be completely transformed. (PA5)

The majority of the participants contended that decentralisation enables them to provide superior services and resolve issues and address complaints in a shorter time period.

In some instances, a process complaint and the wait entailed for the decision of the general manager takes one to two weeks. (PA3)

According to some participants, there is still centralisation in the company owing to the non-implementation of COMPAS, and this has been creating the problems that annoy them:

Personally, I think the company's major issue stems from centralisation, particularly with the new structure. (PA3)

The business unit cannot take any action without the go-ahead of the financial department, and this mitigates the efficiency of operations within the company. This reflects the existence of centralisation in the organisation. (PB2)

The effect of centralisation in changing organisational routine is significant in the case of NWC, as the company needs decentralisation to cope with the market and to survive. For such decentralisation, a system has to be adopted to integrate the departments and the work processes for clarification. Decentralisation also enables managers to make decisions concerning changes to the organisational routine in a timely manner. It also affects the organisational performance in light of time and effort saving and the provision of optimum services. Hence, it is crucial to consider the effect of the level of centralisation on the organisational routine change and enhanced overall performance.

Regarding the developments and improvements, the majority of interview participants who were employed prior to and following privatisation

mentioned that work remained the same in light of management and automation.

The performance of the organisation failed to improve, owing to the lack of change to the organisational routine that could have worked towards improving work processes in the company. For instance, with the introduction of the COMPAS system, the facilitation of work and changes to the organisational routine could have been successful, but instead there was a failure to implement the system for several reasons. The organisational routine changes could have also allowed the company to reach new heights and achieve significant tasks.

Organisational performance indicates company profitability but, following privatisation of NWC, profitability did not improve because of the ineffective work routines. Successful implementation of COMPAS could have assisted the company to enhance its productivity:

It is evident that financial indicators failed to increase and productivity of the company is still low. Also, the environment in the workplace remains almost the same compared to seven years ago and the work style remain stagnant. (PB3)

The time taken to complete the work, reports and other activities has not improved. It is crucial for decision makers to obtain information in a timely manner in order to reach decisions.

A considerable change in the organisational routines is needed in order to change several processes in the company. Such processes could speed up the management and the decision making of the company. (PA5)

Added to the above, the average time period taken to fix job order routine showed an increase, as opposed to a decrease, before privatisation. According to an operation supervisor:

At present, it takes more time to fix a problem through the job order routine compared to how it did prior privatisation. (PA6)

Private companies are concerned with profitability and as such, they have a tendency to mitigate costs and incurred expenses.

The COMPAS system is an effective one and its right application could save time, cost and effort. (PA12)

Considerable time and human effort are wasted because of the non-implementation of the COMPAS system.

There is significant wastage of efforts in the organisation and this may be exemplified by a report that I receive 3 to 4 times because of a mistake and every time, the cycle has to be repeated. It is really important to implement COMPAS to eliminate mistakes in request-making. This way a report will take less than 2 hours to do. This emphasizes the need for the system as soon as possible. (PB2)

The system will integrate the departments and the analysis can be conducted in less time and effort so a decision can be reached expediently. (PA5)

The COMPAS implementation could provide more flexibility to the work and resolution of issues would be more effective and efficient, which would reflect an enhanced and developed organisational performance.

With the implementation of COMPAS, work will be more flexible and problems will be solved easily. (PB8)

The implementation of COMPAS would also contribute to the company's capability in light of the provided services that, in turn, would increase profitability and performance. According to an operator:

In terms of the influence of change – it will positively impact the revenues and capability of the organisation along with the services quality. (PB11)

The development of the organisational performance is primarily indicated by the profitability and efficiency of the company. The majority of prior indicators in this case point to the fact that the company's efficiency and performance remained stagnant. One operation supervisor explained:

If COMPAS was implemented successfully, it could have results in increased work productivity and efficiency. (PA7)

One of the main barriers to the implementation of COMPAS is the organisational infrastructure. The majority of the participants mentioned the need for a new and robust infrastructure for COMPAS to enhance and develop work processes. Such enhancement would be represented through the services provided that will improve in quality, eliminate constraints and decrease costs:

I recall facing difficulty in implementing the system owing to the unsupported infrastructure. (PB3)

The entire set of indicators reflects no enhancement and development on the perceived organisational performance after privatisation, because the implementation of the new system, COMPAS, was not successful. These above-mentioned indicators were mostly provided by participants, with some obtained from the documents.

6.11 Conclusion

This chapter presents the research findings concerning the major themes arising from the interviews. Such themes were invaluable in addressing the research questions provided in the first chapter. Additionally, the major findings are based on the themes, and extracts from the interviews were cited direct to support the insight into the role of privatisation in organisational routines. The findings also underlined the importance of changing the different organisational routine types (ostensive, performative and artefact). The findings provide details of the barriers that prevent changes from taking place in organisational routines following the process of privatisation. The factors include change resistance, training, culture, tension, organisational culture, technology, lack of communication and motivation.

Despite a perception that privatisation has a role in enhancing organisational performance, this study's findings provide contrary evidence. The majority of the participants were of the consensus that no change was made to work process, particularly organisational routines and, in turn, no change or enhancement were perceived in organisational routines. This

indicates that factors determined in the present research prevented the organisational routine from changing, ultimately, prevented the enhancement of the overall perceived performance.

The next chapter is the discussion that synthesises the analysis and the comparison of findings with those reported in the literature.

Chapter 7: Discussion

7.1 Introduction

The results presented in the preceding chapters are based on the themes that emerged from the data. Data were gathered during the course of the study and, in this chapter, the discussion is guided by the following research questions:

- What is the role of privatisation in the organisational routines change in Saudi Arabia?
- What were the main factors that led to changes or prevented changes in organisational routines within the NWC after privatisation?
- To what extent has the perceived change in organisational routines' practices had an effect on the perceived change in the organisation's performance?

Specifically, this chapter presents the key findings in the context of the research questions and literature. This research's primary aim was to examine the role of privatisation in the face of changing organisational routine in the context of Saudi NWC in light of the factors that contribute or prevent organisational routine from changing and to provide recommendation for further improvements in the future. The major research findings are provided and discussed in this chapter, along with the overlap in the answers to the research questions.

7.2 Privatisation

The outcomes of privatisation that influence employee relationships, remuneration, organisational routine and performance and conditions are wide ranging. The changes following privatisation could either be positive or negative, or both. In the context of this study that focused on the privatisation role on organisational routine and perceived performance, the findings showed negative outcomes and effects of privatisation on organisational routine.

More specifically, the set of factors that consistently influenced employee resistance to privatisation comprise the privatisation timing, employee relationships with management, attitude towards the changes in the organisation and technology, and others. These influence the outcomes of employees in terms of their productivity, scope of expansion and other aspects that are distinct from the organisation. The research provides a discussion of the different factors that stem from the effect of privatisation on organisation routines in the next sections.

There is a clear need to conduct analysis of the changes in the organisation's micro-level and those changes that are brought about following the conversion of SOEs into private firms (Aswicahyono et al., 2009). This stems from the effects of privatisation on changes to organisational routines and the manner in which they ultimately affect the performance of the organisation (Knyazeva et al., 2013). An analysis of this calibre would provide insight into the nature of the process of transformation and the implications.

The findings of this research are that privatisation has changed the artefact (SOPs) routines only, while the other two types of routine (ostensive and performative) remain unaltered. According to the findings, there are several factors that prevent these types of routine from changing, as discussed in the following section. These ultimately influence the whole perceived performance of NWC negatively.

7.3 Resistance to Change

In this study, the findings supported prior studies that advocated the role of change resistance in organisational performance. As mentioned, the study considered the routine types following privatisation and the findings showed that change resistance is one of the factors that prevented changes from taking place in ostensive and performative types of routine.

Generally speaking, management would be unable to bring about changes in its organisational routines without the cooperation of employees, as they

are the major players in realising the targets and goals of the organisation. The interview responses showed that managers faced the challenges of employee resistance because of privatisation. Some of them described different emotions during and after the process, which is mostly challenging and inspiring, originating from the complex behaviour of employees when encountering organisational routine changes. The leaders tried to encourage employees' acceptance of the changes, but they were still faced with resistance that could result in staff turnover. According to some of the managers, employee termination had to be exercised at the initial privatisation implementation to ensure successful change.

This result is consistent with the findings reported by Langley et al. (2013), who stated that change helps organisations to navigate their growth, with champions of change responsible for resolving change resistance to achieve consistency.

There are various forms that change resistance can take: active resistance, passive resistance and aggressive resistance (Dent and Goldberg, 1999). All three types can be brought under organisation-level resistance, group-level resistance and individual-level resistance.

To begin with, organisational-level resistance encapsulates change resistance stemming from culture, power and conflict, structure and differences in functional orientations, while group-level resistance encapsulates change resistance arising from group thinking, group unity, increased commitment and group norms, as explained by Piderit (2000). Finally, individual-level resistance encapsulates change resistance brought about by selective perception and retention, uncertainty and insecurity, and employee habits (Dent and Goldberg, 1999).

In general, employees often show behaviours of change resistance owing to their low level of tolerance, resulting in the challenge of developing the new skills and behaviour that are required under the changes. This is in line with Piderit (2000), who found that change resistance arises from the employees' fear of learning new skills and their lack of adaptation capability. Moreover,

Folger and Skarlicki (1999) found that the resistance is dependent on the employees received treatment during the change process (as well as on the relationship between the employees and the organisation). In some cases, changes may entail psychological dynamics referred to as competing commitment, where instead of going against change, employee resist it or refuse its implementation because of the challenges that they encounter (Kegan and Lahey, 2001).

An organisation's employees have a general tendency towards change resistance brought about by privatisation, and this could dominate the effects of employee resistance and hinder organisational routine changes. In regards to this, privatisation is described by Megginson and Netter (2001) as among the most powerful drivers of change in roles and relationships within a structured organisation. They add that employees in the public sector possess wide social connections and a greater quality of work-life, and they perceive that their position at work is safe and secure. However, following privatisation, employees begin feeling as if their positions are no longer secure, thus are inclined to resist changes to the organisational routine. The authors contend that privatisation brings a sense of job insecurity owing to the many changes in management, new technology, or learning new concepts and procedures.

To minimise resistance to change and to avoid such resistance, organisations need to align the structure goals to the systematic changes to generate higher job versatility and improved employment security and help in decentralisation of decision making. This is consistent with Burke's (2013) study that reports insecurity as a major determinant of change resistance.

In a related study, Abeysinghe and Paul (2005) claim that there is a need among private organisations to introduce technological changes, and employ skilled workers to bring them about. In the context of the NWC, the finding of this study reveal that the adoption and implementation of new routine made the employees insecure about their job positions and dissatisfied at work, which in turn cause them to resist change. Therefore,

it is important for private organisations to work towards avoiding the outcomes that technological change may bring. Organisational routines that are based on technology are a challenging task and employees do not always possess the necessary skills, and this makes them insecure

Also in Abeysinghe and Paul's (2005) study, they states that the maximisation of employees' opportunities by providing motivation among employees and requesting their involvement in the different changes aspects can achieve the company's future goals and positively affect employees' perception of the change.

In this study, the results are that a reasonable time period for the implementation of privatisation and the new organisational routines is important in successfully changing all the routines' aspects (performative, ostensive and artefact). Such findings are aligned with those reported by Streb (1996), who lists a set of factors of privatisation's effects on employee resistance: privatisation time, employee-management relationships, attitude towards organisation, technological changes, among others. These affect employee outcomes in light of the organisational routine changes and enhancement of the performance of the organisation. This study confirmed the significant and negative role of privatisation on resistance to change. More specifically, resistance to change affects the ostensive aspect of routine before it affects the performative part.

Organisations require changes for several reasons, and this calls for the identification of factors that assist in tackling change resistance. This also calls for the understanding of the external and internal factors to unearth the reasons behind the resistance, especially in light of technological change. As mentioned, there are different ways to identify issues and decide on the way to deal with the factors influencing the organisational running.

This study finds that it is crucial for leaders to act as change agents in providing employees with the required information concerning the changes, provide justification for the suitability and rationale behind the change, assuage their worries, and answer their questions and concerns and

determine ways in which the recipients' acceptance of and participation in the change process will increase. Such acceptance and participation of the employees in the process hinges on their perception of personal advantages related with the process.

The findings of the research concurred with the findings of Gilley (2005), and Hofstede and Hofstede (2001) who claim that managers influence employees' experience and handling of problems at work. In this regard, the company leaders' mentality and background are significant in playing a role in the company culture and the processes of work

It is evident that resistance is a barrier that prevents change. It can arise from the employees' knowledge, viewpoints on change, and background, which in turn, can lead to difficulties in the change process. According to Strebels (1996) study involving the examination of one company, change barriers often stem from organisational change that are not aligned with the existing mind-set of the employees. Similarly, a privatised company, workers' resistance to performance change in the organisation was highlighted in the process of implementation of changes. In addition, in D'Adderio (2014) study, the authors examine the introduction of the new organisational routine in a company and report that the staff refused to follow the changes. They demonstrate that a new system implementation that disregards workers' way of thinking may bring about what is referred to as passive resistance.

In a related study, Alvesson and Sveningsson (2015) report that culture and politics are forces that could prevent organisational routine change process in developing nations.

In light of ownership role in organisational routine changes, following privatisation, the ostensive and performative types of routine remained the same, with the SOPs being the only procedures that were changed. This research found that resistance to change is a factor in preventing routine changes.

As for perceived performance, due to the lack of changes in the two routine types (ostensive and performative), perceived performance was not enhanced. The findings of this study contrast with those of Wegner (2007), which reports that privatisation enhanced the performance of the organisation.

The lack of improvement in the perceived performance of the NWC may also be attributed to the fact that the water sector is not as profitable as other sectors. This is consistent with the findings of Alzahrani (2012), which viewed the water sector as distinct from the others, stating that privatisation of the water sector does not enhance its performance.

7.4 Culture

In this theme, the culture (national and organisational) factor has an influence on the change of organisational routines. Organisational culture facilitates or hinders changes in the organisational routines, while national culture covers the behaviour of people and the principles of society and community, and privacy that can influence the organisational routine changes (positively or negatively).

In a company, when it comes to privatisation, unqualified employees may be replaced by qualified new staff owing to the latter's capability in supporting the organisational routine changes. In the Saudi case, culture is based on the principles of society and community that hinder the changes to routine, since culture involves maintaining unqualified employees.

Moreover, organisational culture influences and brings about organisational routine changes, and it has an impact on the culture and behaviour of employees. Consequently, it is significant for the company that has been privatised to promote a new and effective culture that is conducive to enabling changes in its organisational routines.

The research findings are aligned with those found by Farazmand (2002) who stated that privatised organisation could call for required changes in

organisational structure, corporate culture, mission statement and other organisational aspects.

In a related study, Bertels et al. (2016) brought forward a new viewpoint in the way organisational culture creates routine change, specifically those that are new to the firm. They focused on the organisation that imported a routine that worked effectively in rival organisations. The authors stressed on blind replication and the adoption of best practices, and that routines symbolic dimensions require social influence for their achievement.

Culture has a major role in the establishment of the current workplace norms and behaviours. As such, the analysis of the company assists in bringing about changes and, for this, culture requires improvement or sometimes to be changed completely.

It is pertinent to create a collaborative culture in which employees can freely share ideas/knowledge, even if the manager has to look at them first. Employees who are supported in idea sharing can assist the firm in increasing its efficiency and, in turn, change ostensive and performative routines successfully.

The findings of this research concurred with several studies in the literature that have examined employee change resistance resulting from the mind-set and culture of organisation (e.g. Burke, 2013; Piderit, (2000))

A major portion of the related studies in the literature show that successful changes in organisational routines have to be brought about with the help of organisational members, which calls for changing the organisational culture and mind-sets to allow and to embrace changes. Hence, it is advisable to change the thinking and culture of the organisation prior to implementing new routines. According to Bertels et al. (2016), successful changes in organisation should be coupled and aligned with the organisational values and culture in order to support the new organisational routines.

In addition, top management's/leaders' long-held values are what form and shape the company culture. Hofstede and Hofstede (2001) note that top management has to be convinced of the advantages of change, as change is not possible within the culture without their help. Meanwhile, Hofstede and Peterson (2000) describe resistance as a barrier and highlight organisational cultural change strategies to mitigate change resistance.

In the present study, focused on NWC context, the researcher found that NWC needs to establish new culture change strategies to handle resistance to change, in order to implement new organisational routines.

7.4.1 *Wasta*

Another important theme that was notable in the interviews is the significance of *wasta* in Saudi culture in terms of its influence on the organisational routine changes. *Wasta* is a notion that permeates Saudi society, and within organisations, the story is the same. *Wasta* refers to the Saudi or Arab culture that indicates a type of favouritism. *Wasta* is a part and parcel of Saudi society and culture, and it could be explained as using one's power through social connections. The principle of *wasta* is frowned upon in modern organisations, as particular employees are preferred on the basis of their family and societal connections rather than their experience or merit.

In the case of NWC, the extent of *wasta* in the company culture and privatisation was highlighted and the effect that it had on the changes. This was corroborated by the feedback from the interviewees on the *wasta* effect on the processes of the organisation.

In fact, *wasta* was among the main factors that had a key role in hindering changes from happening in organisational routines, as brought up by the interviewees. It influences employee recruitment, and some are employed merely because of their connections, not their qualifications.

Nevertheless, some managers stated that *wasta* had a positive impact on bureaucracy, as the latter leads to a slow operation that promotes

inefficiency. In other words, the hierarchical nature of the organisation and the bureaucratic processes went against effectiveness but, with *wasta*, these can be overlooked, as one manager stated.

The finding of this research is in line with the research emphasising the importance of *wasta* in obtaining jobs and career benefits in Saudi Arabia and its negative influence on efficiency in organisations (e.g. Tlaiss and Kauser, 2011; Harry, 2007)

Alramahi (2008) suggests that *wasta* gives advantages to job seekers who are less qualified for a job than those who have a lack of *wasta*. He found that *wasta* is used as an asset, and people talk about it openly, despite its negative and unfair results. He further explains that *wasta* is embedded in the life of Saudi society.

In a related study, Tlaiss and Kauser (2011) found that the use of *wasta* to achieve personal and business goals is not limited to the public sector, and it can be found in private sector in Saudi society.

Wasta provides opportunities for specific individuals, turning a blind eye to their effect on organisational performance, both in the private and public sector (Tlaiss and Kauser, 2011; Long, 2005), in line with Alasmari's (2008) findings that *wasta* increases frustration among employees and reduces the organisation's overall performance. This concurs with Achoui (2009), who found a negative impact by *wasta* on employees' motivation and productivity.

7.5 Technology

The results showed the importance of new technology in the implementation of job order routine, as it is a double-edged sword – it may either promote the implementation or prevent it. The results stressed the employees' ability to use new technology. According to participants, the employees' ability to use new technology significantly affects organisational routine changes: either it facilitates or hinders it. In an organisation, individuals and groups

need to cooperate to do the job, and include technicians, engineers and managers who all need to change their attitude towards technology in order to realise successful organisational routine change.

It is evident that some of the plant operators and supervisors were resigned to using paper-based routines in their job order routines and viewed the functionality as satisfactory. They were convinced that there was no reason to transform the paper-based routine to new automated one for job completion.

Furthermore, Farazmand (2002) reports that technological changes affect the individual, specifically during privatisation process of the organisation in terms of changing and enhancing performance to counter the competitive environment. This necessitates changes in the organisation, particularly pertaining to organisational culture, structure and organisational goals, among others. He added that these changes have to be supported by the organisations through the provision of training programmes to assist employees and management to comprehend the nature of change and the reason behind the path on which the company travels and its goals.

Moreover, it is important for the company to develop stability in the changes through the establishment of systems that are capable of creating various behavioural patterns in the organisation; for instance, a newly instated performance appraisal system that is behaviour- and results-based would be invaluable to stress for customer service and employee development.

Moreover, newly adopted technology has been extensively accepted as driver of organisational routine changes, but the majority of studies indicate that contextual factors lead to various new routines relating to developed technology (e.g. D'Adderio, 2014; Abeysinghe and Paul, 2005).

In the context of this study, NWC employees have to be convinced of the new organisational routines value in order to adopt them and to facilitate the implementation of new changes that are technology based. These

changes need to be in ostensive and performative routines, not just in artefacts (SOPs).

7.6 Effective Training

This research confirms the constructive influence of effective training on the changes and improvement of organisational routines in privatised entities. The findings concurred that effective training course provided via effective strategies would lead to enhancing the quality of organisational routines and performance. The majority of the participants stated that the provision of quality and effective training would achieve the various level objectives and eventually, enhance organisational performance. They were of the consensus that effective training initially functions towards improving the satisfaction of employees as such satisfaction is the initial step towards realising organisational development and required changes.

Additionally, according to one participant, proper training enhances the employees' self-confidence and boosts their attainment of greater levels of satisfaction. Also, effective training reinforces the relationships of employees with different departments and facilitates the following of a consistent culture. Employees who are recipients of training, with which their competencies are enhanced, will be more loyal to the organisation and will work towards improving organisational routines and performance.

In fact, the implementation of efficient training can result in an optimum workplace. According to the study participants, employee satisfaction influences the performance of privatised firms, because satisfied employees have self-confidence and skill in their job description, and they give their all to enhancing organisational routine and performance. Moreover, effective training fills the knowledge and performance gap in the organisation and supports an optimum workplace.

In other words, by improving employee satisfaction, the organisational routine (ostensive and performative) will also improve. In relation to this, some participants highlighted the margin of breakdown when the training

course is insufficient and, as a result, employees are demotivated and their needs remain unsatisfied. This will influence their manners, attitudes and work performance. Therefore, it is crucial to provide proper training to the right workers in a timely manner to bring about successful results.

In the case of the study context, several of the general managers, administrative directors and employees were old and had had a decade of experience prior to the firm being privatised, and the majority held Bachelor degrees. Owing to this background, organisational routine should be modified through renovation. The primary objective of renovation is the transformation of resistance from low-performance employees into energised employees who have skills and knowledge that the company requires for making changes. Therefore, it plays a major role in organisational routine changes.

The findings of this study are in line with the findings of Farazmand (2002), who claims that changes may be reinforced through new training initiatives provided to both employees and managers for their understanding of the change nature, and the reason for the privatisation process, as well as the company's future goals. The company has to develop change stability and consistency through the establishment of systems that can drive different employees' behavioural patterns.

Organisational routine change needs to be constant, and employees have to adapt to the changes and change themselves within their working environment, and this is not an easy thing to do. Resistance to change may be overcome through training and development. More specifically, newly established procedures have to be learned in order to change the organisational routine successfully and enhance productivity and workplace quality. In other words, managers have to promote innovative training sessions to develop a robust environment that can adapt to the changes easily. Such training sessions will motivate employees to enhance their performance and effectively accomplish the goals of the organisation.

The above was supported by Thomas and Hardy's (2011) study that highlighted the importance of raising awareness and changing points of view to understand and embrace a more inclined attitude that will help in easing concerns. Management has to provide individuals and groups with training concerning the current and future perspectives of the organisation and to make them aware of the benefits, as this is a positive factor in the current businesses in the market.

The authors explain that employees' contribution to the project and motivating them by providing them training to enhance their skills can bring about a successful change process within the organisation (Thomas and Hardy, 2011). They add that motivation and training are both important techniques that could be used to implement organisational changes effectively. On the same note, Palmer and Dunford (2008) explain that change management is an effective management practice and an organised planned technique and training to handle the change process. Coupled with this is the management's creation of a good impression on employees that could minimise the pressures that they feel when confronted with changes.

In relation to the above discussion, Rees et al. (2010) concur that training has to be a continuous process if it is to motivate employees to adapt to the change. This training should cover changes in planning, objectives, resources and outcome evaluation. It is important that all employees are kept informed of the steps prior to the changes. In other words, effective training can achieve great outcomes by making the employees accept the change.

Added to this, training can make the employees aware of what is expected from them by the company. During the training, explanations should be provided to the employees concerning the procedures and every step should be explained in detail regarding its importance. This will underline the importance of the reality of the process. Each step of the plan explained enables employees' adoption of change in a timely manner, and prevents ambiguity and resistance later on. Training motivates employees by

assisting their understanding of their work and envisioning the long-run position of the company. Moreover, training employees effectively can facilitate the changes to all types of routines within the organisation.

7.7 Tension

The findings revealed that the majority of the employees faced tension. In particular, participants stated that, following privatisation, employees refused to cooperate with each other to bring about changes in the organisational routines. Rather, they felt that some of their colleagues would take over their positions, as a result of which tension among workers increased. The participants clearly stated that individual status was significantly threatened and this led to tension within Plants A and B in the NWC and throughout the company, hindering the changes taking place in the organisational routines.

Based on the findings, the study results revealed that threat to position significantly influenced changing organisational routines in NWC due to the ambiguous and inconsistent organisational structure of both plants and the organisation as a whole. The researcher noted that both plants lacked a clear structure when it came to managers' roles. In fact, one of the administration officials described the organisational structure as relatively unstable and needing to be constantly updated.

Generally, the result is consistent with other past studies like those conducted by Megginson and Netter (2001), Tjosvold (2008), and Todnem By (2005), which all revealed that the threat to position has a significant effect on the conflict in the organisation and ultimately on performance.

It is notable that routines have been analysed from both the perspectives of conflict and power: for instance, Nelson and Winter (2002) propose the analogy that describes routines as a truce, which indicates that routines are ways to help to steer clear of procedural warfare, whereby employees may agree or disagree in getting the work done. Such agreement on how to go about doing the work minimises conflict. Routinisation may also be viewed

as a way to exert management control of over the rest of the employees (Clegg, 1994) in which case, conflict is not reduced but controlled.

On the basis of empirical studies, social relations and potential conflicts may deter the routine operations and as such, they advocate the truce premise (e.g. Lazaric, 2011; Pentland et al., 2011 and Dittrich et al., 2016). Both power and conflict can have a major role in stabilisation, as well as routine change (Van Dijk and Van Dick, 2009).

An employee-management truce has to be established in such a way that the usual level of work is achieved, reprimands and rewards are provided in a timely manner, and no major modification demands are made in the relationship (Nelson and Winter, 1982).

7.8 Organisational Structure

Another factor that affects changes in organisational routine is the organisational structure and, in the context of NWC, changes in the structure had to be made to accommodate the modification to strategies and policies. This is exemplified by the company's shift of strategy to customer-centred, necessitating change in the company's structure.

Furthermore, privatisation was found to play a major role in the company's structure. This is due to the fact that, under government control, the company's primary objective was to provide services whether or not profits were made, but following privatisation, the company adopted a strategy that is more business-like and inclined to profitability.

More importantly, privatisation affected the company structure in terms of new sectors and department creation, changing the position titles in the higher company levels. Such a shift in structure led to the establishment of organisational routines that matched the phase of the organisation.

Hence, organisational structure is considered to be a major factor affecting the changes in organisational routine, and is similar to organisational strategy and other factors due to their overlapping and influential nature. It

is thus crucial to identify the influence of organisational structure on the organisational routine changes (direct or indirect) through other factors. Notably, no organisational routine changes were reported after privatisation aside from the SOPs changes, due to the organisational structure, which prevented ostensive and performative routine.

In relation to the above discussion and explanation of findings, Roland (2013) and Benn et al. (2014) reveal three major privatisation effects: goals and objectives, corporate governance and organisational structure. Added to these three, there are other factors that were found to be fundamentally linked to privatisation changes, namely organisational size, operational technology, organisational environment and organisational routine.

In a related study, Dahmarde and Barghandan (2014) refer to structure as a core element of the determinants of organisational performance. A debate is ongoing regarding the level to which organisational structure may influence privatisation among studies. Nevertheless, it is notable that it is relevant for privatised companies to modify their structures in order to guarantee expedient decision making and mitigate bureaucracy.

Several empirical studies advocate the existence of a relationship between organisational structure and performance in the view of employees. More specifically, Rees et al. (2010) reveal that centralisation is significantly and negatively associated with the performance of employees, whereas Burke et al. (2013) reports that ongoing changes in the organisational structure significantly affect its performance.

Also, the number of levels within the organisation is revealed to affect significantly the work complexity, particularly among workers in companies with many formal levels of hierarchy (Dalton et al., 1980). Similarly, Stewart and Barrick (2000) show that flat organisational hierarchies are perceived by employees as having better performance than tall hierarchies. Lastly, a negative relationship is reported between an ever-changing organisational structure and strong organisational performance (Waddell et al., 2013).

7.9 Lack of Communication

Communication between workers and management is important in achieving successful changes in organisational routine. In this study, the plants' participants acknowledged that issues concerning poor communication negatively influenced job order routine changes. In fact, some of the participants in the context of job order routine reported no changes taking place because of the ineffective communication between employees and departments.

The majority of the participants, who ranged from line managers to employees, highlighted poor communication as a hindrance to the changes in the organisational routine. Some of them even illustrated the poor communication and how it has influenced the changes in organisational routine and other company practices. Evidently, the feedback regarding employee communication reflects that communication is conducted through traditional means as opposed to advanced technology such as email, and this leads to delayed responses to the requests of workers. This exemplifies poor communication, despite the fact that some of those in top and middle management denied it. Therefore, it can be stated that ineffective communication prevents changes to organisational routines and the enhancement of performance.

Moreover, the only change that can be considered as successful in NWC, following privatisation, is the change in artefacts, while the ostensive and performative routines remain the same. According to the majority of the employees, the organisation's general performance has remained stagnant as the routines have remained the same.

In the context of the company examined, the majority of the respondents are convinced that poor communication prevents organisational routines from changing. Specifically, Plant A is characterised by weaknesses in direct communication between top management and subordinates because of translation processes – this indicates that information is received late and often the information is ambiguous, owing to the literal translation used.

Therefore, supervisors have been psychologically stressed, and work conflicts and confusion have arisen. It was noted that top management does not acknowledge the communication weakness within the organisation that contributes to greater tension. The administration solutions of providing computer and English courses are not enough to tackle the short-term problem, but they may be advantageous in the long-term.

The findings of this research are in line with Pettigrew et al (2001), who found that the most effective way to enhance bottom to top communication and to mitigate stress within organisations is through the use of an open-door policy by management, periodic staff meetings and a suggestion box. In line with this study, authors such as Gilley et al. (2009) reveal several issues experienced by workers in organisations because of unsuitable or ineffective communication.

On the basis of the above discussion, both Plants A and B are characterised by poor communication and, although Plant A employs modern communication technology (email), it still suffers from slow information delivery to the all administration levels, mainly due to the translation from English to Arabic, which is often inaccurate because of the literal translation adopted. This problem has led to psychological pressure in the form of stress, and prevented the changes in organisational routine in the two plants. This argument is concurred in the study by Larson and Tompkins (2005) who relates that ambiguous information containing loosely employed terms and words would lead to different interpretations that could place stress on the recipient and cause conflict among employees because of the varying perceptions.

More specifically, poor communication is rampant in Plant B because of the traditional correspondence employed and the routines for administrative correspondence that are hierarchy-based. This delays information delivery and takes up considerable time.

Top and middle management in NWC are notably unaware of the poor communication, which has prevented the changes in the organisational

routine at both plants. Their lack of awareness has led to an oversight of determining suitable resolutions to enhance communication in different administration levels. Thus, it can be concluded from the information obtained that poor communication in NWC, a private Saudi company, affects the change in its organisational routine. This result is consistent with those reported by Luthans et al. (2008) and Gilley et al. (2009), who highlight the lack of information stemming from poor communication that ultimately leads to under-performance of organisations.

Commander and Killick (1996) highlight the importance of establishing consultation and participation within organisations among the workforce when prior to the implementation of a change process. In this scenario, communicating with employees concerning the situation and the expected future state reinforces trust among them and obtains their feedback on the change process. Novel communication channels have to be set up to avoid ignoring some parts of the workforce, so that everyone can access required information and enter into discussions pertaining to it. Effective implementation of changes necessitates the understanding of management of the employees' experience and feelings when they encounter change, as such feelings will ultimately influence the actions that they will adopt (Ram and Prabhakar 2011).

In a related study, Dent and Goldberg (1999) describe effective communication with employees as the answer to overcoming resistance and making a successful change. Notably, ineffective communication results in low satisfaction, and this could influence the performance of the employee, particularly when it comes to technological, structure or management changes. Moreover, ineffective communication results in adverse outcomes such as job stress and worry about coping with the changes, among others. Hence, communication plays a key role in achieving successful changes in artefact, ostensive and performative routines.

In a related study, Mohammed (2013) found that communication is one of the top strategies to overcome change resistance as it is the key aspect that

everyone can use in clear ambiguous and adverse viewpoints concerning change. The lack of communication between management and employees is in fact one of the reasons for preventing organisational routine from change, as employees feel that they are left out of the process and that no one has communicated to them concerning it. This can be resolved through communicating with employees, and obtaining and understanding their perceptions. This in line with Ford et al. (2008), who found that employees who have constant communications with management tend to affect the resolution of issues positively in the process of change.

In this regard, Luecke (2003) claimed that communication could be an effective motivating tool to encourage employees' involvement in the change process. Suitable communications offer feedback and support to employees during the change process that allows them to reach informed decisions and enlighten them on the change advantages and disadvantages.

Being a change leader calls for the employment of different communication methods to get the suitable information and messages across, obtain feedback, facilitate the change coupled with the right level of urgency, and encourage the actions of the participants. It is the responsibility of leaders to communicate the risks in the organisation if it continues stubbornly to stay with the status quo and the potential rewards of welcoming a more enhanced future. This in line with Larson and Tompkins (2005), who found that ambivalence from leaders leads to mitigated legitimacy claims for change and allows recipients to justify their resistance. In relation to the above discussion, Elving (2005) claimed that communication should be maintained, motivated and encouraged, while at the same time leaders have to maintain a balance between realistic and unrealistic expectations.

Moreover, the perceived organisational performance was not improved, as not all routine types successfully changed. Some of the research participants stated that job order routines take longer to process than prior privatisation, and attributed this to the lack of communication among departments and employees.

7.10 Motivation

Motivation refers to the influence that results in a specific behaviour, and it consists of energy, direction and sustainability. In this research, motivation has been found to be an important factor that leads to change in all types of organisational routines: artefact, ostensive, and performative. In this context, the ability of the leader to encourage and influence others to work in a specific direction is a reflection of their motivation talents. In addition, the ability of the leader to influence is partially based on the motivation level of the employees. In relation to this, motivation is positively or negatively influenced by the employee's experience in the workplace and with the leader.

Moreover, management motivation of subordinates calls for the former's skills of organisation and provision of a suitable environment that is characterised by effective communication, employee feedback and reply to their queries, generation of creative ideas, planning of actions, commitment of employees to such actions, and following-up to counter issues of motivation. This is in line with Marvel et al., 2007), who found that some respondents reported that freedom, resources and flexibility are the top motivating factors, while others reported that the top motivator is the time and attention provided by management.

In complex organisations, leaders are the general planners, organisers and executors of work processes. Complex processes are brought about by ongoing technological changes, workforce demographics shifts, the requirement for expedient decision making, and the capability for adaptation and change. Within this context, leaders have to facilitate an environment that encourages changes in ostensive and performative routine.

This in line with the findings of Van Dijk and Van Dick (2009), who found that leaders achieve results through the application of the compensation and reward policy, which acknowledges employees for good performance. In other words, rewarding efforts towards change indicates the significance

of the requirement for change, coupled with the understanding of the leaders that the things that are rewarded, are achieved. On the contrary, unsatisfactory results stem from not rewarding employees for their achievements.

This is in line with Shields et al. (2015), who found that an effective policy of compensation and reward considers the dynamic nature of the change initiatives of the organisation while simultaneously enabling the organisation to set up and continue with its ultimate goal. Stated clearly, such effective policy should be characterised by dynamism and constant changes.

The findings also concurred with Gilley et al.'s (2009) research on compensation that reveals that an integrated reward policy reinforces every step of the organisation's change initiative. Change recipients have to react positively to the rewards for increased change and leaders who are creators of positive change outcomes. Adopted reward policy achieve particular change goals such as higher employee creativity and collaboration as well as teamwork, employee commitment and continuous learning and utilisation of new skills – all positively linked to the goal achievement of the organisation.

Moreover, Piderit (2000) found that fair processes and treatment with interpersonal dignity allow recipients to be more accepting of negative and unexpected outcomes. In other words, there is a need for transparent, truthful discussions pertaining to the change scope and the potential negative outcomes of change implementation.

Performance-based rewards to employees form one of the many strategies that could be applied by management to change organisational routine. A reward policy that acknowledges employee's contribution is an effective motivating tool. In this regard, Schnake et al. (2007) relates that compensation and recognition in money form or in kind satisfy employees and provide a boost to their morale. Rewards are considered as a type of extrinsic motivator that management can provide to employees to assuage

their negative feelings and attitudes towards the changes that the organisation is undergoing. In addition, the evaluation and examination of successful process execution at intervals can lead to developing strategic resolutions to measure successful process as time passes, and enable the rectification of unexpected outcomes.

The above findings were similar to those reported by Self and Schraeder (2009), who reveal that rewards are a motivating strategy, with each employee motivated by different things, and the setting up of a rewarding strategy can motivate all employees. The majority of the employees are motivated by cash rewards, but at times financial rewards are not always the answer as this could be a costly strategy for management. In a related study, Yusoff and Kian (2013) reveal several things that management can adopt to indicate to employees that the latter's efforts are appreciated and acknowledged through rewards. Employee-management interaction can recognise the former's contribution and boost morale. As a consequence, motivated employees will give their all in terms of effort, time, and talent to serve their employers, while the employer will provide just rewards that employees will value. A complete reward consists of compensation, work-life balance quality, benefits, career advancement and recognition. This type of strategy satisfies employees and enhances their work productivity.

7.11 Perceived Organisational Performance

As touched upon in the preceding chapter, the perceived overall organisational performance in NWC remained the same after privatisation, owing to several reasons. The main one was the lack of change in the organisational routines and the non-implementation of COMPAS system in the company that could have integrated the departments. By so doing, the company can achieve its goals and strategies and enhance its work productivity and company profitability. The indicators that were mentioned all pointed to the fact that company performance remained the same, without improvement.

Along the same line of argument, the system's data and information availability could assist in the timely evaluation and analysis of reports that can assist managers and leaders to reach quick decisions. With the implementation of COMPAS, it would be possible for the company to offer high-quality services at minimal cost and in a timely manner. As for performance efficiency improvement, managers and employees are of the consensus that the COMPAS implementation would have worked to enhance company capability and provide the work flexibility that would eventually result in enhanced efficiency in company performance.

The present study's finding is in contrast to that reported by Kauffmann and Wegner (2007), who revealed that privatisation could enhance the perceived organisational performance. This can be explained by the differences among industries, as some industries are more profitable than others (e.g. telecommunication industry). However, the finding is consistent with Kim and Chung's (2007) finding in the context of the water sector, a sector that is less profitable than the airlines sector, which improved its performance following privatisation while water did not.

Other studies that reported similar findings to this research include Alzahrani (2012), and Ram and Prabhakar (2011), who both stressed the low performance of the privatised utility sector in the Middle East. They attributed this poor performance to several factors including conflicting goals, government intervention, lack of competition, poor infrastructure and ineffective accountability. They all agreed that successful privatisation initiatives call for managerial support.

In several instances, Ghanem and Elfakhani (2011) claimed that the GCC launched privatisation initiatives at the implementation stage, without planning in advance or effectively defining the strategic objectives to be achieved, and with the lack of a strong policy framework. All these would facilitate efficient and effective implementation of the process stages. Hence, the general performance fell short of the goals and targets.

In a related study, Kwak et al. (2009) found that privatisation in the water sector failed to lead to enhanced organisational performance and that several factors barred successful achievement. These include inaccurate information and a long investment payback period. These findings are supported by Beecher (2013), who revealed that a successful water sector privatisation largely depends on the presence of effective regulatory mechanisms.

In relation to this topic, a most comprehensive study that involved 22 empirical tests and 51 case studies was carried out by Pérard (2009). He found that the participation of the private sector in water provision failed to significantly and positively affect its efficiency. Also, Lee (2011) examined the privatisation effect on water supply access and affordability in the context of Malaysia with data concerning household expenditure. His study revealed that privatisation did not improve access to treated water and that organisational ownership did not influence its efficiency, especially in the face of ineffective regulatory policies. All in all, his findings revealed the importance of the government re-examining the issues relating to equity, access and affordability in terms of various institutional alternatives for the provision of water services.

Meanwhile, Hall et al. (2005) highlighted the failure of privatisation to mitigate the burden of the government in financial investments, as the sector failed to play a major role in facilitating and achieving the objectives of water and sanitation sector. A similar finding was brought to light by Estache et al. (2001), who revealed that infrastructure services encourage the perception that privatisation makes life harder for poorer people, particularly in the context of transitional or developing nations.

In Bolivia, Hailu et al. (2012) investigated the effect of water service privatisation and compared performance between those cities with privatised service and those receiving public services. They found that water access by low-income consumers was increased by privatised firms'

provision, despite the fact that privatisation failed to achieve all of the objectives that had been agreed upon in the contract.

Privatisation, according to Hamouda et al. (2008), in terms of strategies and reforms, should be consistent with the overall structural modifications in order to lessen the deficits in the country's budgets, to satisfy the service demand for water and sanitation, and to enhance service delivery in light of performance and efficiency.

The majority of studies dedicated to examining the privatisation of water utilities with regards to performance over the last thirty years have mainly reported on its failure (e.g. Araral, 2009; Tan, 2012).

7.12 Conclusion

In this chapter, the researcher's findings were presented in conjunction with the literature that was reviewed in the second chapter. The chapter provided a discussion of the analysis synthesis and situated the findings within some of the extant literature findings to address the research questions. It also illustrated the factors barring changes to organisational routine from taking place, and their effects on the perceived organisational performance following the privatisation process.

The next chapter is the final chapter of the research, and provides the research conclusion.

Chapter 8: Conclusion, Summary, Contribution, Limitations and Future Research

8.1 Introduction

The present chapter contains the main research conclusions that recapitulate the results presented in the preceding chapters. It begins with a summary of the research process, methodology and key findings. The chapter proceeds to discuss the research contribution, divided into a theoretical contribution part, an empirical contribution part and a methodological contribution part. The research limitations are then presented in conjunction with the recommendations for future studies. The chapter concludes with a conclusion.

8.2 Summary of the Research

The primary aim of this research is to examine the role of privatisation in changing organisational routines and practices within a selected company (NWC) in Saudi Arabia, a developing country. The researcher aimed to shed light on the way changes occur in organisational routines and practices, since studies in this field are still lacking, especially in the developing countries (Al-Ghamdi et al., 2004; Alotaibi, 2012; Alzahrani, 2012; Ouda et al., 2014). Accordingly, the research was designed to examine the factors influencing change in organisational routines and practices, to examine the change processes that take place through the identification of the main drivers or hindrance to such change and to illustrate the influence of change on perceived organisational performance.

The research was specifically focused on one Saudi company, the NWC, using a longitudinal approach to enable an enriched investigation. The NWC was the ideal candidate for this study as it converted from a government entity into a private firm, involving new regulations and procedures. The changes urged the company's conversion of its financial and management

systems to suit commercial aspects. NWC was deemed to be the sole water provider in the country until the market welcomed other competitors and new market entrants. Although it faces competitors in current times, NWC is still the leading company and the largest in the water sector in Saudi Arabia. The involved change phases were sources of enriching and valuable data from the company that can assist in explaining changes in organisational routine. Added to this, a single case study was selected rather than multiple ones to conduct an in-depth investigation into the company's organisational routine change.

Several studies recommend the use of a social constructionism approach for a deeper understanding and explanation of the study phenomenon (Chen et al., 2013; Dittrich et al., 2016; Creswell, 2009; Denzin and Lincoln, 2008). Accordingly, the present study employed an exploratory case study approach to shed light on the changes of organisational routine and to develop a framework based on obtained raw data (Yin, 2013). Such an approach enabled the researcher to delve into new issues and themes arising from the data, particularly because the researcher conducted the study without any preconceived hypotheses about the phenomenon (Guba and Lincoln, 1994). Therefore, data collection employing triangulated methods of interviews, observations and documents in order to increase the trustworthiness of the research. Moreover, data analysis was carried out. The research analysis method was adopted from Miles and Huberman's (1994) and Braun and Clarke's (2006) six steps of analysis with the help of MAXQA12 software. The six steps were carried out to develop a framework through the identification and connection of emergent themes.

First, the researcher repeatedly listened to the recordings, transcribed and reviewed them. The second step involved understanding the data by evaluating it on the basis of past studies and the data's ability or lack therefore to minimise the literature gap and resolve the research questions. The third step involved data disaggregation and labelling the transcript sections to categorise and understand the data. The fourth step involved the clustering of multiple themes and the transformation of each cluster into

high-order themes. These themes helped in data transformation and enabled data interpretation and presentation.

In the fifth step, data were recoded, as data analysis is an iterative process that ensures that the coding rules followed are consistent throughout the transcripts. The last step entailed the placing of data in a holistic view to interpret the concepts, categories and major themes for scrutiny of themes, in light of patterns and connections.

In this regard, this study adopted the organisational routine theory proposed by Feldman and Pentland to determine the changes that occurred in a common routine in the NWC (job order routines). The researcher provided an explanation of the identified changes in artefacts (SOPs), ostensive and performative routines. Notably, the changes that took place were confined to artefacts following privatisation, with the ostensive and performative routine types remaining the same. Nevertheless, some managers are of the opinion that all types of routine had changed, while line managers and their subordinates perceived no change at all in the ostensive and performative routine types. This is supported by the documents and observations, which showed that only SOPs were changed, while the other two routine types remained the same.

Feedback from the data indicated that the research was successful in identifying and explaining the primary factors that played a major role in hindering changes. Change resistance was one of the important factors that did so. This finding is consistent with Megginson and Netter (2001), which claimed that change resistance hinders the enhancement in organisational performance. It is thus important for a privatised company to mitigate change resistance by using strategies such as involving employees in the change process, as identified in the present study.

Moreover, this study highlighted the importance of effective training to change all three types of organisational routine; artefacts, and both ostensive and performative routines. A lack of training could prevent the changes from happening. This is aligned with Farazmand (2002), which stressed the significance of training in change, as well as enhancing

organisational performance. Another factor that prevents change in organisational routine is the introduction of new technology to job order routine without ensuring the employees' ability to use new technology. The finding indicates that a suitable infrastructure has to be established prior to technology implementation to make sure that change is undergone successfully in the organisational routines.

In addition, the lack of communication between departments and among employees in a single department prevents the ostensive and performative aspects of job order routine from changing. Owing to the multiple actors involved in organisational routine, an organisation should work towards reducing tension among employees to facilitate successful ostensive and performative routine changes. This is only possible if the security of the employees' positions is guaranteed if they work towards adapting to the changes and achieve their role in the company. One of the critical factors that prevents changes taking place in routines is culture. The culture of *wasta* (favouritism, nepotism), in particular, impedes Saudi society as the management hires unqualified employees. According to the research findings, the organisational structure has a role in the facilitation or prevention of changes. Furthermore, motivation was found to be crucial, as it boosts employees' adaptation to the organisational changes.

To sum up, Feldman and Pentland's (2003) theory is considered the main theory in this research, as the framework drew upon it. This research identified the role of privatisation in changing organisational routine. The study also identifies the external and internal factors that influence changes to the organisational routine and practices, and the influence of these changes on the company's perceived performance.

8.3 Research Contributions

In this section, the research contributions are provided in three categories: theoretical, empirical and methodological contributions.

8.3.1 Theoretical contributions

The contribution of this research to theory lies in its determination of new factors (i.e. culture, lack of training, tension) and the role that they play in changing the types of organisational routines (artefacts, ostensive and performative) and practices. Prior studies dedicated to organisational change have largely ignored some factors' contribution to organisational routine and their ability to change and enhance ineffective routine following the privatisation process. Thus, this study identifies the factors that are major contributors to successful changes to all types of organisational routines and practices. Added to this, the research demonstrated the process of change within a company and showed the effect of changes on company performance.

For example, Providing courses and programmes to current employees is necessary to enhance their capabilities and skills in order to change all types of organisational routines. Moreover, renovation is addressed in light of making older members of the company redundant, and hiring new members and experienced staff. Organisational culture has a major role in the changes, by preventing or aiding the changes to the organisational routines and best practice in the privatised company. In this regard, the practice of *wasta* has to be eliminated so that all types of routines can undergo the required changes. Prior studies have overlooked this factor, as this is unique to Arab countries. Through changing the culture and mind-set of the company members, artefacts (SOPs), ostensive and performative routine will change easily.

Previous studies neglect to employ Feldman and Pentland's theory to explore the changes in organisational routine that take place after privatisation. Moreover, the study of privatisation is rare in developing countries (Almutairi et al., 2014; Ouda et al., 2014; Al-Ghamdi et al., 2004). This study tried to fill this gap by exploring the role of privatisation in organisational routines (artefact, ostensive, and performative) in a developing country, namely Saudi Arabia.

8.3.2 Empirical contributions

The empirical contribution of this study is to the literature on organisational routine change in developing countries such as Saudi Arabia. Comprehensive and empirical studies in this field within the context of developing nations are still scarce (Al-Ghamdi et al., 2004; Alzahrani, 2012; Alotaibi, 2012; Ouda et al., 2014). This is evidenced by prior authors calling for more studies of this type in developing and less developed nations owing to their distinct culture, economics, politics and HR (Rerup and Feldman, 2011; Ouda et al., 2014). Therefore, this study minimised the gap in literature by investigating the role of privatisation in organisational routine in a developing nations and illustrating the factors that affect organisational routine and practice change. The study also illustrates the change processes within the chosen company and their influence on the perceived performance of the company. Practically, this study contributes to the way changes occur in the three organisational routine types (artefact, ostensive, performative) and the implementation of a new organisational routine within the company.

The study results showed that changes in the SOPs took place, but no changes were noted in the ostensive and performative routines. The change could be successfully achieved through the consideration of the facilitators of change. Thus, merely changing the ownership of SOE not necessary leads to change in all types of organisational routines, unless the factors that facilitate the change has been taken into consideration.

The findings of this research identified the factors that could have led to a successful change. Providing effective training for employees is one of the crucial factors that facilitate change to all types of organisational routine. Employing new staff to adopt the change is another strategy to change the organisational routine. In other words, organisations desirous of successful and timely changes should take their culture into consideration and enhance it to bring about successful and effective change. In relation to a specific

cultural aspect, *wasta* or favouritism was found to be one of the factors that prevent changes in the routines, as unqualified employees were hired.

In addition, communication channels should be improved among employees and departments as this was found to play a significant role in changing the routines. Privatised companies have to provide motivation to their employees to change ineffective organisational routines to effective ones, and this can be through financial rewards, praise or acknowledgement. Ostensive and performative types of organisational routines were prevented from being achieved by change resistance and threats to individual employees' position. This caused tension among the employees.

8.3.2 Methodological contributions

Prior studies on privatisation and organisational change have largely adopted a positivist approach of study, as evidenced by Chen et al. (2013) and Dittrich et al. (2016), and this has prompted organisational change researchers to call for a social constructionism approach to examining privatisation and organisational routine (Siddiqi et al., 2012; Howard-Grenville et al., 2016). In other words, social constructionism studies on privatisation and organisational routine phenomenon in the context of organisations and the society within which the organisation operates are still lacking (Becker and Zirpoli, 2008; Parmigiani and Howard-Grenville, 2011). Such a study approach in a case study could enrich the findings of the phenomenon of organisational routine change in the social context (Pentland et al., 2011; Vromen, 2011; Yin, 2003). Accordingly, this study employed the social constructionism approach, which is deemed to be the methodological contribution of this study to the topic in the case of a developing country.

In the data collection section, it was explained that the researcher observed the company for three months, during which time he constructed the feeling of being a member of the company workforce so that the employees treated him as such. Only then he was able to form relationships with other employees and obtain their trust and, as such, it facilitated a good

environment for the interviews. Becoming a company member and having a fieldwork presence can be deemed to be part of an ethnography approach, in which its combination with the case study may be considered as a methodological contribution in light of collection of data within the research context.

8.4 Limitations and Recommendations for Future Research

Despite its contributions, this research is not without its limitations. These limitations have to be considered for future studies. Owing to the limited studies dedicated to privatisation and organisational routine change in developing countries, the present study adopted a qualitative case study method. The reason for adopting such a method is to understand and explain the change process in depth and the factors that bring about or prevent the change to organisational routine. According to Yin (2013), prior knowledge has to be used to shed light on the study topic and to keep the field up to date, but this is possible through the lack of preconceived notions or hypothesis. This indicates that some issues might have been left out during data collection.

Moreover, the author made use of a single case study that is focused on the private sector – a sector that is distinct from its public counterpart. In the latter context, organisational routine change may lead to different outcomes based on distinct situations and processes of organisational routine change. Added to this, in the public sector context, other new issues and factors may arise. Thus, the researcher recommends future studies to be conducted in the public sector and to stress the role of the factors identified in this research in changing all types of organisational routines. In this regard, multiple case studies could offer a better insight and information on the phenomenon.

Because the present research was carried out in the context of a developing country, the findings are naturally context specific in that the privatisation and organisational routine practices in Saudi Arabia are likely to be distinct from those in other developing nations, whose practices differ from those

of developed nations. This results in different factors and influences on the changes to the organisational routine. Thus, this study recommends more studies on privatisation and organisational routine change in developing and developed countries, stressing the role of the factors identified in this research (e.g. resistance to change, culture and training, etc.). Future studies may also conduct comparisons of the findings between contexts to enrich the literature on the phenomenon and to provide a better explanation of the change process, and the drivers and hindrance of change.

Different indicators of the influence of organisational routine and practices change on organisational performance were highlighted in this study. Nevertheless, these were presented in a qualitative rather than quantitative manner. This limitation was due to the objective of the research to determine the influence of organisational change on its perceived performance, without examining the level of influence. Future studies are thus urged to determine influential indicators of organisational routine change and their effect on organisational performance quantitatively.

This research is also limited in terms of its data collection, as the researcher faced difficulties in conducting some interviews with the top organisational leaders (e.g. the CEO). This was due to the major changes that the company was undergoing in its company structure during the period of data collection. Also, the only way that the researcher could obtain frank answers from the interviewees was to become a member of the company workforce.

The preceding chapters mentioned the use of organisational routine theory in this study, adapted from Feldman and Pentland (2003), to shed light on the various organisational routines, and assisted in reaching findings and conclusion. In this regard, the authors recommend that new studies adopt two or more theories as underpinning theories for the development of the study framework.

As mentioned, several factors were identified in this study, namely culture, resistance to change, lack of communication, effective training, tension, structure and motivation. As such, future studies could stress more the roles of these factors in mitigating change resistance and contributing to bringing

about organisational change, as well as changes in organisational routine. Both qualitative and quantitative studies have to be carried out in the future to test the factors in various contexts to establish their influence. Further qualitative studies can provide more insight into the developed framework regarding successful ownership change to bring about changes in the routines. Moreover, future quantitative studies will be able to examine the factors via quantitative methods to enrich the understanding of issues. For instance, data could be collected by survey to identify the factors of resistance and culture change, and their influence on organisational routine change. Future studies could also conduct comparisons between the findings of the present study and those of other studies on organisations in the same sector and in the public sector.

8.5 Conclusion

The conclusion of this research was presented in this chapter. In particular, the chapter presented the key findings and outline of the main research contributions (theoretical, empirical and methodological). The study contributes to the literature concerning privatisation and organisational routine by identifying the factors that prevent organisational routines from changing and their influence on perceived organisational performance. It contributes empirically by examining organisational routine change in privatised organisation in Saudi Arabia, as a developing country. The chapter contributes to methodology by employing the social constructionism approach to the privatisation and organisational routine change area of studies. This requires more such studies for its clarification and understanding.

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Appendices

Appendix 1: Interview question guide

Good morning/ afternoon – how are you? (Introduce self, sign consent form)

Can you please tell me a bit about yourself and your role in the organisation generally?

How long have you been a part of the organisation?

What position do you hold currently?

How would you describe the organisation before and after privatisation?

Factors, from your point of view, what are the reasons behind organisational change?

How have the organisational routines changed?

Definition, What is the routine?

Motivation, in your view, what motivates you to modify routines?

Ostensive, How are SOP rules implemented?

Ostensive and artefact, Are there any policy documents, regulations, procedures, or manuals which inform your job order routine? What records do you keep of the routine?

Ostensive, Where do the inputs for this work process come from?

Role, How would you describe your role in the job order routines? Do you manage or create any documentation related to job order routine?

Description, Can you please describe the steps that job order routines follow?

Ostensive, How is that different from the documented one?

Interaction Can you please describe the interaction between the operations team and the maintenance department?

Interaction, deviation, Do you think the interaction influence the deviation between SOP and the actual? If so, how?

Divergence Do you believe staff work around, avoid or ignore the formal rules of the job order routine? Can you provide examples?

Divergence, Do you feel that staff typically follow the behaviours prescribed by rules, procedures, SOP? If not, why do you feel that they don't? Can you provide examples?

Divergent, Can you change the order of the steps? What about before privatisation?

Divergent, Does that require approval? From whom?

Divergence Do you feel that the formal controls or tools are suitable for producing the desired behaviours? Explain.

Change, Who is responsible for updating routines? How frequently does this happen? How long does it take to produce a new routine or a revised routine? What would happen if this didn't take place?

Interaction, Communication: how is a change communicated (email, oral, etc.)? How well is that working? How about before privatisation?

Culture, How would you define your organisation culture before and after privatisation?

Ostensive, artefact How are SOP rules implemented?

Divergence, Do you think there is a difference between procedure (written down in the manual) and what you actually end up doing in a day-to-day basis? If yes, why?

Privatisation and change, Does the privatisation play a role in that change? In what way?

Factors, From your point of view, does the level of education (high school, diploma, Bachelor, etc.) play a role in the interpretations of the rules?

Structure, Privatisation: Is there any impact by organisational structure on changes to organisational routines? How?

Is there any impact of using computers and new software on changes to routines? How? Which software has been used? Could you please give an example?

Factors, Are there any other factors (internal or external) that influence changes in routines? If yes, what are they?

How would you evaluate the success of the change of organisational routines as a result of privatisation?’

From your point of view, how would you evaluate the success of improving the performance as a result of privatisation?’

Factors, To what extent do the factors below affected the change in routines -

- Change in Technology
- Change in Regulations (rules, SOP, etc.)
- Change in Management

Privatisation 16. What are the key advantages and disadvantages of privatisation?

Appendix 2: Interviewees' positions

Location	Position	Interview code
Head Office	Vice president of the company	H1
	Business unit director	H2
	Training management director	H3
	Management change manager	H4
	Strategic management director	H5
	General operation manager	H6
	General maintenance manager	H7
Plant A	Plant director	PA1
	Maintenance Director	PA2
	Operation engineer	PA3
	Maintenance engineer	PA4
	Operation observer	PA5
	Operation supervisor 1	PA6
	Operation supervisor 2	PA7
	Maintenance supervisor	PA8
	Operator	PA9
	Operator	PA10
	Operator	PA11
	Operator	PA12
	Operator assistance	PA13
	Mechanical technician	PA14
	Electrical technician	PA15
Plant B	Plant Director	PB1
	Maintenance director	PB2
	Operation engineer	PB3
	Maintenance engineer	PB4
	Operation observer	PB5
	Operation supervisor 1	PB6
	Operation supervisor 2	PB7
	Maintenance supervisor	PB8
	Operator	PB9
	Operator	PB10
	Operator	PB11
	Operator	PB12
	Mechanical technician	PB13
	Electrical technician	PB14
	Operator assistance	PB15

Appendix 3: Research themes and MAXQA12 codes

The screenshot displays the MAXQA12 software interface with three main panes:

- Document System:** Shows a tree structure of documents, interviews, observations, and sets. The 'resistance to change' document is selected, showing a count of 838 segments.
- Code System:** Shows a tree structure of codes. The 'communication' code is selected, showing a count of 28 segments. Other codes include Technology (64), Motivation (33), resistance to change (36), Tension (32), Training (50), Organisational routines (100), Culture (43), Privatization (150), Structure (91), and Perceived performance (33).
- Document Browser: PA6:** Shows retrieved segments from document PA6. The first segment (32) discusses organizational routines and structure. The second segment (33) discusses the impact of organizational routines on communication. The third segment (34) discusses organizational routines and culture. The fourth segment (35) discusses organizational routines and training. The fifth segment (36) discusses organizational routines and communication.

Appendix 4: Codes and themes that emerged

Routine abstract	Ostensive	
Routine in people's mind		
Individual perceptions		
Routine in principle		
Our way of doing routine		
Actual performance not changed	Performative	Organisational routine
We still do it like before		
Work is the same		
The same routine		
Nothing changed on the ground		
Changing real routine is difficult		
SOP	Artifact	
Document		
Computer		
Rules		
Policy		
Influence of structure	Organisational	Organisational
The hierarchy of the plant		
Continuous Changes in Structure		
New structure		

No cooperation due to the change in structure	structure	structure
Confusing hierarchy		
New technology		
New managers		
Trying to change some routines	Positive role for routines	
Motivation for change		Privatisation
Nothing has been changed		
Made the routine difficult	Negative role for routines	
Confusing routines		
Not qualified managers		
Employee training		
Facilitating rehabilitation among employees		
The need for workshops		
Practice the routine		
Providing learning courses		
Facilitating employee improvement	Effective training	Effective training
Changing the organisational mentality		
In need of good		

trainers		
<i>Wasta</i>	Culture	Culture
Local culture		
Organisational culture		
Governmental thinking		
Society culture		
Arab culture		
Saudi traditional		
Tribe habit		
Weak contact among departments	Lack of communication	Lac of communication
No regular meeting		
Communication in English		
Poor communication		
No use of emails		
The relationships worsen	Tension	Tension
No cooperation		
Differentiation in salaries		
Unqualified managers		
Conflict of interest		
Threat to individuals' position		
Employees do not want to change		
Against change		

We are happy with the status quo	Resistance to change	Resistance to change
Fear from change		
Lack of motivation		
Needs of technology skills		
Introduce new system (COMPAS)	Technology	Technology
Technology influence		
New routine technology based		
Lack of infrastructure		
Lack of technology skills		
Allowance	Motivation	Motivation
encouragement		
Nice words		
Certificate		
Finical rewards		
Centralisation	Perceived performance	Perceived performance
Takes longer		
No satisfaction		
Profit is low		
No change		
Same routine		
Less productivity		

No efficiency		
Need of improvement		
Inefficient decision process		
No development		
Lak of data availability		