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Does Affirmative Action affect intention to leave? The effect of perception of discrimination due to Affirmative Action policies on the intention to leave in a beneficiary group

Abstract

Affirmative action policies are believed to have both positive and negative impacts on business. This paper takes a novel perspective to understand the negative impact of this policy on the organizational commitment and therefore the intention to leave (IL) on the part of native employees when they perceive unfair discrimination against expatriate employees. Based on analysis conducted by Structure Equation Modelling of answers from a sample of 440 employees in Saudi Arabia, the perception of affirmative action in an organization is found to affect the perception of discrimination (national, gender and religious) in it. The perception among nationals of discrimination is found to fully mediate the relationship between the perception of an organization’s affirmative action policy and organizational commitment (OC). Indeed, this OC fully mediates the perception of national discrimination and the intention to leave. Furthermore, the perception of negative discrimination based on gender and religion partially mediates the relationship between the perception of the affirmative action policy and the intention to leave among the beneficiary group.

Key words: Affirmative Action, discrimination, organizational commitment, intention to leave, Saudi Arabia.

INTRODUCTION

Intention to leave has been studied in the literature from different perspectives: organizational internal factors such as training and organizational support (e.g., age, education and gender) are held to be significant immediate predictors of intention to leave (Guchait & Cho, 2010; Newman, Thanacoody, & Hui, 2011; Porter, Steers, Mowday, & Boulian, 1974; Tett & Meyer, 1993; Wöcke & Heymann, 2012). However, little empirical research has considered the impact of external factors and regulations on employees’ attitudes (Wöcke & Sutherland, 2008). National governments in Saudi Arabia, like those such countries as the USA, UK and South Africa, have introduced a number of policies to regulate labour markets and encourage indigenous employment; The Affirmative Action Policy (AAP), locally known as the Saudisation policy, is the
main policy in this regard in Saudi Arabia; it strictly regulates the labour market and enforces tough rules on employers (Ramady, 2013). The impact of this policy in terms of relations between organizations and employees has not yet been sufficiently studied. To our knowledge, and despite the expected effect of the AAP on employees’ attitudes and psychological contract (Wöcke & Sutherland, 2008), no study has been conducted to examine the influence of this policy on employees’ behaviour and intention to leave from the perspective of the beneficiary group. From such a perspective, two contradicting theories may be proposed, i.e. self-interest and fairness theories, for understanding the psychological reactions to discriminatory policies of this kind. From one perspective, self-interest theory is proposed to positively affect the perception of AA. From the other, the fairness theory would argue for a negative perspective on AA because of the sympathetic psychological reaction attached to the dismissed, or about to be dismissed, expatriate colleagues of the beneficiary group.

Many studies treat AAP as the main source of discrimination (Garrison & Modigliani, 1994). Others see it as a crucial policy for remedying discrimination, and achieving a visible and fair representation of the indigenous society in the workplace (Kang & Banaji, 2006). In fact, it emerges as one of the most hotly debated policies worldwide over the past few decades (Libertella, Sora, & Natale, 2007). Although it is known that the AAP increases the concern over discrimination, and this affects the performance of the discriminated group, it is unknown how this discriminatory policy affects the psychology of the beneficial group (i.e. the native employees).

Ever since the recent radical update of AAP, which has been introduced on a completely new basis, known as the Nitaqat Programme, it has been considered one of the widest ranging and toughest AAPs worldwide, due to its wide coverage (applied to all private sector firms with ten employees and more), and stringent enforcement (Peck, 2014). It strictly penalizes non-compliant firms by heavy sanctions, which are believed to have forced many firms to close, and hundred of thousands of expatriate employees to resign and leave the country; as of 2013, the effect of new legislation had resulted in the deportation of more than 900,000 expatriates (Saudi Gazette, 2013). The findings of the present research should be of benefit to local and foreign forms operating in Saudi Arabia, allowing them to decide how best to cope with AAP to enhance their employees’ commitment and minimise the disruptions to turnover.
Thus, the purpose of this paper was to bridge the gap by identifying the sort of relationship between AAP and IL. The present study contributes to the existing body of literature in a number of ways. The topic of this article is timely and significant for scholars and practitioners in the HRM and related fields. The research empirically and crucially expands the field of employees’ perceptions of external regulation (here, the AAP) and its influence on their organizational commitment and intention to leave within the emerging economic context, namely, Saudi Arabia. This study also contributes to the evolving literature on understanding the factors promoting the retention of employees. Most particularly, the findings deliver significant information to inform HR managers and practitioners about ways to understand the impact of AA legislation on their employees’ attitudes, and consequently, to the better management of employees.

This paper is organized as follows: it starts by presenting its theoretical background and research hypotheses; the following section describes the research methodology; findings and discussion follow, and finally, the implications, limitations and conclusion are presented.

2. Theoretical background and development of hypotheses

2.1 Affirmative Action attitudes

Few public and social policy subjects have attracted as much attention as AAP in social sciences (Doverspike, Taylor, & Arthur, 1999; Harrison, Kravitz, & Lev-Arvey, 2001). AAP broadly denotes a strategy that takes some sort of initiative, either compulsory or voluntary, to increase, facilitate, maintain, or rearrange the number or status of members of a targeted group, usually defined by race or gender, within a larger group (Leslie, Mayer, & Kravitz, 2014). It mainly aims to eliminate or prevent past discrimination against protected classes or disadvantaged groups (Crosby, Iyer, & Sincharoen, 2006).

AAP is one of the most controversial policies around the world (Agocs & Burr, 1996; Harrison & Kravitz, 2006; Sowell, 2004). Public attitudes toward it have become an attractive area of research (Awad, Cokley, & Ravitch, 2005). Many studies, e.g. Crosby et al., 2006; Harrison & Kravitz, 2006; Jr & Loury, 2005; Lowery & Unzueta, 2006; Richardson, 2005, have examined such attitudes. However Kravitz (1995) and his associates have considered these attitudes and contributed significantly to the
understanding of them. Two theories (Justice and Self-interest) have been developed as the most relevant in explaining them.

**Self-Interest**

Self-interest theory suggests that individuals make decisions and develop opinions based on their self-interest (Sax and Arrendondo 1999; Kravitz 1995). This means that those who benefit from a certain policy are anticipated to be more supportive of it, while the opposite is true for non-beneficiaries. Simply, self-interest may influence attitudes to AAP. Designated group (beneficiaries) who benefit from AAP are likely to develop positive attitudes, due to their belief that such a policy provides them with material gains. However, those who do not benefit from the policy are expected to show more negative attitudes. A growing stream of research builds more solid ground for this theory, which in addition to the common-sense reasons behind it, can point to supportive evidence for the link between self-interest and AAP related attitudes, which is quite extensive in the literature. Numbers of empirical studies reveal that people who receive no benefits from AAP often oppose it. For instance, when AAP to benefit women in some countries such as Canada was introduced, men tended to view it as a more undesirable policy (Kravitz & Platania, 1993).

In addition, a significant relationship between attitudes to AAP and self-interest were also confirmed in a sample of 450 staff in a large Canadian company (Tougas & Beaton, 1993). Furthermore, a series of studies (Tougas & Beaton, 1993; Tougas, Beaton, & Veilleux, 1991; Tougas, Brown, Beaton, & Joly, 1995) (Harrison et al. 2006) (Aquino, Stewart, & REED, 2005; LM Leslie, Mayer, & Kravitz, 2014) confirm that the beneficiaries of AAP are often optimistic and supportive owing to self-interest; while non-beneficiaries were found to be resistant and antagonistic for the same reason. All these findings support the premise that self-interest can explain the attitudes of both beneficiaries and non-beneficiaries.

**H1**: Affirmative Action has a negative direct effect on intention to leave.

**Fairness**

The perspective of fairness gives rise to another theory used to explain the correlation between different attitudes to public policies. The correlation between perceptions of
fairness or justice and opposition to or acceptance of AAP is well documented in the literature (e.g., Kravitz, 1995; Kravitz & Klineberg, 2000; Taylor-Carter, Doverspike, & Alexander, 1995). The perception of justice in the workplace is significant since it is expected to affect employees’ attitude and behaviour [22]. A number of dimensions for organizational justice are reported in the literature. However, procedural justice appears to be more pertinent to the issue of affirmative action. Procedural justice refers to the perception of fairness, for instance in the procedures used to allocate resources (Colquitt et al., 2005).

Some prior studies suggest that when AAP focuses more on relevant criteria, such as job experience and qualifications, it is likely to be evaluated positively, while when if focuses more on irrelevant criteria such as ethnicity and gender, it often receives negative evaluation and more opposition (Nacoste’s (1990) Doverspike and Arthur (1995). This means that the evaluation of fairness and the reactions to AAP are closely correlated. Nonetheless, a few studies, such as Matheson, Warren, Foster and Painter (2000) have found that even the beneficiaries of AAP may regard preferential treatment as unfair even though they are advantaged by it. This is because AAP may be seen as disrupting the ideology of individualism. Preferential treatment based on group membership is likely to influence individuals’ perceptions of their own credibility. Finally, many studies, e.g. Cropanzano et al., 2005; Kravitz, 1995; Taylor-Carter et al., 1995, show strong support for the theoretical assumption that attitudes to AAP are heavily influenced by people’s perceptions of justice and fairness.

Moreover, AAP in the GCC context in general and in Saudi Arabia in particular is associated with stricter forms of employment protection (JR Peck, 2014), which strongly supports the employment of natives over expatriates (Al-Mahmoud, 2012; Al-Waqfi & Forstenlechner, 2013). Consequently, this policy is predicted to influence employees’ attitudes either positively (probably the beneficiaries’) or negatively (probably the non-beneficiaries’) (Maloney, 1998; Pissarides, 2001). Thus, AAP is anticipated to affect employees’ intention to leave. Accordingly, the following hypothesis has been developed:

**H 2:** Affirmative Action has a direct positive effect on intention to leave.
2.2 Affirmative action and perception of discrimination

Although there was general agreement that various benefits were associated with AAP (Abdullah, 1997; Guan, 2005; Madhi & Barrientos, 2003), relatively little research has looked at the impact of external regulations such as AAP on individual attitudes and behaviours (Carless, 2005; Wöcke & Sutherland, 2008). However, the literature e.g. (Kossek & Ozeki, 1999; Kugler, Jimeno-Serrano, & Hernanz, 2003; Osterman, 1995; Selden & Moynihan, 2000), records some evidence about the influence of labour market policies on employees’ attitudes. It has also been found that an employment equity policy or AAP has a significant impact on the organizational loyalty of both the target and non-target audiences (Wöcke & Sutherland, 2008). The meta-study by Wise & Tschirhart, (2000) adds further evidence that diversity programs such as AAP play an important role in employees’ satisfaction and commitment.

Moreover, studies have commonly revealed a contradiction in attitudes to AAP. This generally depends on the type of AAP (Kravitz, 1995), as well as ethnicity and gender differences (Swim & Miller, 1999). That is, an AAP mainly gives its beneficiary group more advantage than the non-beneficiary one (Bell, 1997; Sá, 2011; Wilkins & Wenger, 2014). Therefore, AAP in protecting certain groups (its beneficiaries), is likely to cause discrimination in the workplace (Garrison & Modigliani, 1994), in that this sort of discrimination among employees is predicted to influence individuals’ perception of justice, job security and other work-related concepts (Loi et al., 2006; Parker & Kohlmeyer, 2005).

Although there is still debate and uncertainty about the perception of AAP, reasons and evidence (stated formally) have been found to claim that AAP perception is linked to discrimination. This includes the very strict implementation of the current version of AAP in Saudi Arabia who has widely impacted on the labour market (AbdelRahman, 2012), in addition to the strict Arabian and Gulf culture which imposes heavy gender differences on people’s treatment and the difficulties that expatriate workers have in adjustment (Showail, McLean Parks, & Smith, 2013). Therefore, the above argument underlies the following hypothesis.

H3: There is a strong relation between Affirmative Action and discrimination regarding gender and religion.
H4: There is a strong relation between Affirmative Action and discrimination in terms of nationality.

2.3 Perceived discrimination

From the sociological (Kravitz, 2008), legal and constitutional perspectives (Marlow and Rowland, 1989), affirmative action is discriminatory. Discrimination due to race, gender and ethnicity has been broadly examined in many prior studies (e.g. Darity & Mason, 1998; Robinson & Bennett, 1995; Sanchez & Brock, 1996; Williams, 2003; Leon, de Beer, Rothmann Jr., & Pienaar, 2015; Rabl & Triana, 2013). As noted above, AA can be perceived as an unfair and racist tool (Denton & Vloeberghs, 2003; Ng & Burke, 2004). In particular, perceived discrimination in the workforce has encountered increasing attention in management literature. Prior studies have examined the relationship between the perception of discrimination and work outcomes, such as recruitment, organizational culture and commitment as well as turnover intention (Ensher & Grant-Vallone, 2001; Loi et al., 2006; Din-Dzietham & Nembhard, 2004; Mays, Coleman, & Jackson, 1996; Pascoe & Richman, 2009). For the purposes of discussion, perceived discrimination has been divided into two distinctive types, Personal and General, to allow the more accurate development of hypotheses.

2.3.1 Religious and Gender Discrimination

Religious and gender discrimination: Although some studies found no significant relationship between personal beliefs and employees’ organizational behaviour, and despite the limited amount of research on the impact of perceived religious discrimination on organizations and employees, those who perceive discrimination in the workplace often report various negative workplace outcomes, such as poor productivity, and even low levels of JS (Ensher & Grant-Vallone, 2001; Firth & Mellor, 2004; Sanchez & Brock, 1996). Differences in people’s beliefs, including religious faith, play a crucial role in such perceptions of discrimination (Jordan, Ashkanasy, & Hartel, 2002; Messarra, 2014; Peterson & Luthans, 2011; Robbins, Judge, Millett, & Boyle, 2013; Vickers, 2008).

Likewise, perceived gender discrimination, is also associated with various work-related effects (Gutek, Cohen, & Tsui, 1996). For instance, workers who perceived strong gender practices and policies at their organizations are frequently reported less JS
(Duncan & Loretto, 2004; Ensher & Grant-Vallone, 2001; Okpara, 2005, 2006; Shaffer, Joplin, & Bell, 2000). Although some studies indicate no significant relationship between gender discrimination and employees’ attitudes to their organization, including IL (Al-Ajmi, 2006; Aryee, Luk, & Stone, 1998; Amdam, 2007; Fry & Greenfeld, 1980; Turner & Chelladurai, 2005), most reports indicate that the perception of gender discrimination exist and plays a significant role in employees’ intention to stay with or leave their firms (Knights & Richards, 2003; Puhl, Andreyeva, & Brownell, 2008) (Blomme, 2010; Farooq & Zia, 2013; Roodt & Kotze, 2005; Wöcke & Heymann, 2012) (Igbaria & Chidambaram, 1995).

Thus, from the available evidence, it can be claimed that those who perceive religious and gender discrimination at their workplace are more likely to report lower job satisfaction and consequently more likely to quit their jobs.

**H5: The perception of gender and religious discrimination will be negatively related to intentions to leave.**

2.3.2 Nationality discrimination

**Nationality discrimination:** Racial and ethnicity discrimination is no less important than other types of discrimination (Pager & Shepherd, 2008), because the labour force is often socially divided (Acker, 2006; Savage, Devine, Cunningham, & Taylor, 2013). Some regions show more visible ethnic divisions within the labour market (Adams & Page, 2003). The GCC region is an example of this and there is evidence that different treatment based on nationality visibly exists in the region (Kim & Tung, 2013; Tahir & Ismail, 2007). For instance, host country nationals (HCNs) and expatriates do not earn the same and do not have equal work-related compensations (Bonache, Sanchez, & Zárraga-Oberty, 2009; Toh & Denisi, 2003), although some studies indicate that expatriates enjoy better work related benefits than do HCNs. However, the GCC region seems to be distinctive: HCNs mostly get better treatment and benefits than expatriates (Mashood, Neel Verhoeven & Chansarkar, 2009), with the exception that Western expatriates often get pay which is several times higher than HCNs and non-Western expatriates get (Naithani & Jha, 2009). Last, those who work in the region are more exposed to national divisiveness and thus, their OC is likely to be affected accordingly (Yaghi & Aljaidi, 2014).
Furthermore, racial and ethnic discrimination has also played a crucial role in an individual’s intention to quit, and resignation (Pavalko, Mossakowski, & Hamilton, 2003). Sanchez & Brock (1996) found a close relationship between perceived racial discrimination and raised work-tension and the intention to leave. Al-Ahmadi (2014) and Suliman & Al-Junaibi (2010) also report a connection between demographic variables, including nationality, and IL. Moreover, there is evidence that discrimination on the basis of nationality is a serious issue for those who work in the GCC region (Naithani & Jha, 2009). Thus, nationality discrimination is also likely to influence employees’ attitudes to their organizations.

In sum, discrimination on the grounds of nationality exists and is more apparent in societies where the role of the individual is determined by religion or culture, such as many societies of the Middle East, where the cultural and social characteristics differ from those of the West (Baldwin-Edwards, 2011). Saudi Arabia, in particular, is considered a very conservative state where typical Arabian and Gulf cultural precepts, as well as Islamic teachings, are strictly followed (Moaddel, 2006). Therefore, an individual is likely to be treated on the basis of nationality. We accordingly predict that when an employee is treated on this basis, it influences his/her organizational commitment (OC) and in turn his/her IL. Thus, we propose the following hypothesis:

**H5:** The perception of nationality discrimination will be negatively related to OC and intention to leave.

### 2.4 The mediating role of

Organizational Commitment is best defined by Porter et al. (1974): “the relative strength of individuals’ identification with, and involvement in a particular organization”. It has been considered a crucial and strong predictor of turnover intention (Loi et al., 2006; Mowday, Porter, & Steers, 1982; Suliman & Al-Junaibi, 2010). Most of those who have examined the relationship between OC and IL have found a negative correlation (Arthur, 1994; Lok & Crawford, 2004; Suliman & Al-Junaibi, 2010; Thanacoody et al., 2013). Often, employees who are more committed to their organizations are found to be less likely to leave their firms (Podsakoff et al., 2007; Yao & Wang, 2006; Guchait & Cho, 2010; Loi et al., 2006; Paré & Tremblay, 2007).

The literature shows three different types of OC: affective commitment, normative
commitment and continuance commitment. As claimed by Meyer et al., (2002), all forms of commitment are negatively related to turnover intention, while affective commitment found to be the strongest. This is supported by recent studies such as Guntur et al (2012), who found that affective commitment had the major effect on the employees’ intention to leave; however, they also found that continuance commitment had no significant impact on the same sample. Finally, a vast number of studies, e.g. (Guchait & Cho, 2010; Iverson, 1996; Yousef, 2000), validated OC as a strong mediator. We therefore propose the following hypothesis:

**H6:** Organizational commitment will mediate the relationship between nationalist discrimination and turnover intention.

**H7:** Organizational commitment will mediate the relationship between gender and religious discrimination and turnover intention.

### 3. Methodology

#### 3.1. Population, and sample

The sample frame and target population for this study involved of employees working in various service industry organizations in Saudi Arabia. The levels targeted were those of supervisors, project leaders, managers, assistant managers and ordinary employees. An online-based survey questionnaire was distributed to 1400 employees. Over a span of three months, a total of 440 employees participated, yielding a 75% response rate.

#### 3.2 Measures

The theoretical framework consisted of six concepts: perception of affirmative action, intention to leave, organizational commitment, national discrimination, and religious & gender (R&G) discrimination. All of these constructs are valid and reliable as illustrated in Factor Analysis and Cronbach’s alpha (Table 1).
Table 1: Validity (Factor Analysis) and reliability (Cronbach's alpha) analysis

<table>
<thead>
<tr>
<th>Rotated Component Matrix</th>
<th>Component</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Cronbach’s Alpha</td>
<td>.858</td>
</tr>
<tr>
<td>OC_1</td>
<td></td>
</tr>
<tr>
<td>OC_2</td>
<td></td>
</tr>
<tr>
<td>OC_3</td>
<td></td>
</tr>
<tr>
<td>Intention_1</td>
<td>.846</td>
</tr>
<tr>
<td>Intention_2</td>
<td>.838</td>
</tr>
<tr>
<td>Intention_3</td>
<td>.630</td>
</tr>
<tr>
<td>Intention_4</td>
<td>.714</td>
</tr>
<tr>
<td>Intention_5</td>
<td>.741</td>
</tr>
<tr>
<td>Intention_6</td>
<td>.697</td>
</tr>
<tr>
<td>Saudisation_1</td>
<td></td>
</tr>
<tr>
<td>Saudisation_2</td>
<td></td>
</tr>
<tr>
<td>Saudisation_3</td>
<td></td>
</tr>
<tr>
<td>Disc_Nationality_1</td>
<td></td>
</tr>
<tr>
<td>Disc_Nationality_2</td>
<td></td>
</tr>
<tr>
<td>Disc_Nationality_3</td>
<td></td>
</tr>
<tr>
<td>Disc_Nationality_4</td>
<td></td>
</tr>
<tr>
<td>Disc_GR_1</td>
<td></td>
</tr>
<tr>
<td>Disc_GR_2</td>
<td></td>
</tr>
<tr>
<td>Disc_GR_3</td>
<td></td>
</tr>
<tr>
<td>Disc_GR_4</td>
<td></td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 6 iterations.

Affirmative Action

Although affirmative action is used in literature in different ways (Leslie et al., 2014), this research is interested in spotlighting the negative side of it. Therefore, the questions asked were about perceiving that AA had an adverse effect on the respondent’s job and the perception that AA leads to, or was expected to lead to the laying off of the respondents’ colleagues.

Discrimination

Two scales were developed for measuring discrimination. The first measured the discrimination by nationality. It consisted of four questions to measure the level of discrimination as perceived by the respondents. Both scales used the same construct but with different orientations (i.e. nationality, gender and religion). The questions concerned discrimination in treatment, income distribution, direct discriminatory behaviour from managers, and organizational policies based on race, gender or religion.
This construct was reviewed by four academics in the field of human resources and psychology. As illustrated in Table 1, both scales were valid and were found reliable enough to use in the analysis.

**Organizational Commitment**

This study used ‘affective commitment’ to examine organizational commitment. A six-item scale originally developed by Mowday, Steers, and Porter (1979) and which appears in the study of Meyer, Allen and Smith (1993), is one of the most widely used measures of affective commitment (Meyer, Paunonen, Gellatly, Goffin, & Jackson, 1989) and has also appeared frequently in various studies in the literature (e.g., Magner, Welker, & Campbell, 1995; Nouri, 1994; Parker & Kyj, 2006; Pasewark & Strawser, 1996). The 6-item affective commitment scale of Meyer et al. (1993) was adopted to measure organizational commitment.

**Intention to leave**

Organization commitment in this study was measured by the level of affective commitment due to the latter’s popularity and applicability to the context. Five-item scales were meant to indicate how far the participants agreed with the statement in each item (e.g. ‘I feel a strong sense of belonging at my company’; ‘I feel like part of a family at my company’). This scale was also used for all other attitudinal measures discussed below. It was originally developed by Mowday, Steers, and Porter (1979) and appears in many other studies (e.g., Magner, Welker, & Campbell, 1995; Nouri, 1994; Parker & Kyj, 2006; Pasewark & Strawser, 1996).

*Employees’ intention to leave* was measured using six items adopted from Rosin & Korabik (1995) and Hom & Griffeth (1991). The statements were on the lines of ‘I’m thinking of leaving my job in the next twelve months’. Similar items have been used to assess turnover intentions in many recent studies e.g. in Blomme (2010); Guchait & Cho (2010).
4. Analysis

4.1 Correlational Analysis

Correlation analysis showed that all the concepts were correlated except the perception of affirmative action and organizational commitment. Furthermore, the highest correlation with the intention to leave was organizational commitment (30.8%) whereas the lowest correlation was with affirmative action (21.7%). This may indicate that organizational commitment was a critical determinant in the intention to leave for employees. Since organizational commitment was critical for this, the critical factors for making employees feel positively committed should be clarified. In fact, it turned out that the perception of affirmative action was not correlated with this commitment. Furthermore, both kinds of discrimination were correlated with organizational commitment (23.6% and 20.4% for national discrimination and R&G discrimination, respectively).

Descriptive data show that the negative perception of affirmative action was low (2.22) which indicates that there was a generally positive perspective on affirmative action. This score may support the self-interest theory because it seemed to the respondents that affirmative action was not affecting them negatively. Furthermore, the low score for discrimination in the sample may spotlight the view that the Saudi market is not heavily affected by discrimination. However, although both kinds of discrimination scored less than 3, national discrimination seems to have scored significantly higher than religious and gender discrimination.

Table 2: Correlational Analysis

<table>
<thead>
<tr>
<th></th>
<th>Average</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Organizational Commitment</td>
<td>3.47</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Intention to Leave</td>
<td>2.47</td>
<td>-.308*</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Affirmative Action</td>
<td>2.22</td>
<td>-.033</td>
<td>.217*</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>National Discrimination</td>
<td>2.7</td>
<td>-.236*</td>
<td>.299*</td>
<td>.275**</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>R&amp;G Discrimination</td>
<td>2.36</td>
<td>-.204*</td>
<td>.304**</td>
<td>.216**</td>
<td>.695**</td>
</tr>
</tbody>
</table>

* Correlation is significant at the 0.01 level (2-tailed)

4.2 Direct and Indirect Analysis
Direct and indirect analyses were conducted using Structural Equation Modelling (SEM). However, before using SEM for analysis, the fitness and parsimony of the analytic model was tested to ensure reliable and valid results. All measures in Table 3 show that this model fitted and there was no over-fitting of the data with too many coefficients.

<table>
<thead>
<tr>
<th>Measures</th>
<th>Criteria</th>
<th>Measure</th>
<th>Value</th>
<th>Cut-off-point</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absolute Fit</td>
<td>The general fitness model relative to degree of freedom</td>
<td>Model Chi-square/df</td>
<td>1.026</td>
<td>Less than 5.0 is accepted</td>
</tr>
<tr>
<td></td>
<td>Overall degree of fitness: the good fit of the sample data</td>
<td>Goodness-of-fit index (GFI)</td>
<td>0.969</td>
<td>Greater than 0.9 indicating</td>
</tr>
<tr>
<td></td>
<td>Measures the error of approximation (population based index)</td>
<td>Steiger-Lind root mean square of approximation (RMSEA)</td>
<td>0.008</td>
<td>Less than 0.1 is accepted</td>
</tr>
<tr>
<td></td>
<td>Measures the mean absolute value of the covariance residuals</td>
<td>Standardized root mean square residual (SRMR)</td>
<td>0.071</td>
<td>Less than 0.1 is accepted</td>
</tr>
<tr>
<td>Incremental fit</td>
<td>Adjusts the GFI</td>
<td>AGFI</td>
<td>0.953</td>
<td>Greater than 0.9 indicates a good fit</td>
</tr>
<tr>
<td></td>
<td>Incremental fit indices over the null model –assuming zero population covariance among observed values</td>
<td>Tucker-Lewis Index (TLI)</td>
<td>0.99</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Normed Fit Index (NFI)</td>
<td>0.973</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bentler Comparative fit Index (CFI)</td>
<td>0.99</td>
<td></td>
</tr>
<tr>
<td>Parsimony</td>
<td>Diagnosing whether model fit has been achieved by over-fitting the data with too many coefficients</td>
<td>PGFI</td>
<td>0.628</td>
<td>Range from 0 to 1.0. Higher is better</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PNFI</td>
<td>0.696</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PCFI</td>
<td>0.715</td>
<td></td>
</tr>
</tbody>
</table>

Table 3: Model Fitness measures, values and cut-off points

Using SEM for direct impact analysis, the perception of affirmative action in the workplace was found to significantly affect the perception of national discrimination and gender and religious discrimination by 0.289 and 0.198 with P<0.00. Furthermore, the perception of national discrimination, but not gender and religious discrimination, was found to negatively affect the organizational commitment by 0.298 (P<0.00). However, using direct impact analysis, gender and religious discrimination, not the perception of national discrimination, was found to affect the intention to leave by 0.176 (P<0.05). Finally, the intention to leave, was found to be affected positively by the perception of Affirmative Action by 0.161 (P<0.00), negatively by organizational commitment by 0.192 (P<0.00) and gender and religious discrimination by 0.176 (P<0.05).
Table 4: Summary of Hypotheses

<table>
<thead>
<tr>
<th></th>
<th>Est.</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>H</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>National Discrimination</td>
<td>.587</td>
<td>.121</td>
<td>4.861</td>
<td>***</td>
<td></td>
<td>Support</td>
</tr>
<tr>
<td>G&amp;R Discrimination</td>
<td>.455</td>
<td>.125</td>
<td>3.629</td>
<td>***</td>
<td></td>
<td>Support</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>-.273</td>
<td>.083</td>
<td>-3.277</td>
<td>.001</td>
<td></td>
<td>Support</td>
</tr>
<tr>
<td>G&amp;R Discrimination</td>
<td>.019</td>
<td>.070</td>
<td>.273</td>
<td>.785</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>.102</td>
<td>.094</td>
<td>1.082</td>
<td>.279</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>National Discrimination</td>
<td>.072</td>
<td>.103</td>
<td>.698</td>
<td>.485</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>G&amp;R Discrimination</td>
<td>.173</td>
<td>.085</td>
<td>2.041</td>
<td>.041</td>
<td></td>
<td>Support</td>
</tr>
<tr>
<td>Intention to leave</td>
<td>-.233</td>
<td>.063</td>
<td>-3.678</td>
<td>***</td>
<td></td>
<td>Support</td>
</tr>
<tr>
<td>Intention to leave</td>
<td>.363</td>
<td>.120</td>
<td>3.029</td>
<td>.002</td>
<td></td>
<td>Support</td>
</tr>
</tbody>
</table>

After conducting mediation analysis as illustrated in Table 4, the perception of affirmative action was found not to directly affect organizational commitment. However, it had a significant indirect negative impact of 0.82 with P<0 on organizational commitment. The mediation was mainly based on the perception of national discrimination. In other words, unless they perceived discrimination based on nationality, the perception of affirmative action policies by employees did not affect organizational commitment. Furthermore, based on mediation analysis, both kinds of discrimination affected the intention to leave. Nevertheless, the perception of G&R discrimination directly affected the intention to leave by 0.176 (P<0.05) without being mediated by commitment. In other words, once the employees felt discrimination based on gender or religion, they started to look for new jobs, regardless of their job commitment. However, the discrimination based on nationality does not necessary affect the intention to leave. In other words, only if the discrimination affect the organizational commitment...
commitment of employees, this will tend to affect their intention to leave the job.

Table 5: Mediation Analysis

<table>
<thead>
<tr>
<th>Independent</th>
<th>Dependent</th>
<th>Direct Impact</th>
<th>Indirect Impact</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affirmative Action</td>
<td>Organizational Commitment</td>
<td>.055</td>
<td>-.082***</td>
<td>Fully mediated by discrimination perceptions</td>
</tr>
<tr>
<td>National Discrimination</td>
<td>Intention to leave</td>
<td>.065</td>
<td>.057***</td>
<td>Fully mediated by organizational commitment</td>
</tr>
<tr>
<td>G&amp;R Discrimination</td>
<td>Intention to leave</td>
<td>176*</td>
<td>-.005</td>
<td>Not mediated by Organizational commitment</td>
</tr>
</tbody>
</table>

5. Discussion

This research started by proposing two theories for understanding how the beneficiary group perceives affirmative action. It was clear that people have a relatively positive perspective on the AAP, which supports the self-interest theory. However, when it is perceived negatively because of its adverse impact on their friends and colleagues, as proposed on the basis of their conception of fairness, it reduces organizational commitment and, therefore strengthens their intention to leave.

It is widely recognised that one of the main sociological problems of AAPs is the discrimination perspective (Kravitz, 2008). This research contributes to the argument and spotlights it in the context of human resources management by assessing the impact of the perception of discrimination by native employees on their intention to leave. Unlike other research that spotlights the attitude and behaviour of discriminated groups due to affirmative action (White et al. 2008), this research found that affirmative action policies are perceived negatively by employees who benefit from these policies, i.e. native employees, because they compel their friends and peers to leave. This negative perception, in turn, directly affects the native employees’ intention to leave their jobs. It can result from the feeling of unfairness aroused by the discrimination against their friends. Indeed, one of the elements of the psychological contract between employees and their firms is stability and job security (Arshad and Sporrow, 2010). Perceiving threats to the employees’ friends may activate the perception of instability due to the contract of sympathy with the fired employees. This finding may explain why AAP action policy would affect the performance of the beneficiary group negatively, as noted by Deshpande and Weisskopf, (2014).
Indeed, it is known that the beneficiary group perceive discrimination as a negative consequence of affirmative action (Kravitz and Panatela, 1993). However, the present research shows the reflection of this negative consequence on the beneficiary group’s organizational commitment and intention to leave. The division of discrimination into national discrimination and religious and gender (R&G) discrimination responds to the different impacts of the two kinds on organizational commitment and intention to leave. This research found that the perception of AA action in organizations affects the perception not only of the nationality discrimination but also gender and religious discrimination. Both negative perceptions of discriminations affect the intention to leave but in different ways. While gender and religious discrimination directly affects the intention to leave, nationality discrimination affects the intention to leave only if this affects employees’ organizational commitment.

Finally, it is worth noting the abnormally high correlation between the two kinds of discrimination. This can be understood in terms of fact that employees who perceive any kind of discrimination in their organizations usually perceive other kinds of discrimination. This may indicate that organizations which practice discrimination against employees are discriminatory in nature regardless of the basis of discrimination whether religious, racial or gender-derived; or it may indicate that employees who are sensitive to perceived discrimination are usually sensitive to all kinds of perceived discrimination.

**Conclusion**

Unlike the traditional belief that the discriminatory effect of affirmative action policies in organizations is totally in favour of the beneficiary group (Kligore, 1985), AAPs can lead to unintended consequences on the psychology of the native employees. The negative consequences of the AAPs fall not only on expatriate employees but also on native employees. Perceiving that one’s colleagues are fired because of something out of their control may breach his psychological contract with an organization as a social protector without his being aware. This emotional support for a fired colleague is found to reduce employees’ belief in their organization and therefore reduces their commitment to it. This organizational commitment for employees is a critical factor in determining and deciding to leave the organization.
References:


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